



Housing Contract Administration

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

April 2026

TENANT-BASED RENTAL ASSISTANCE COMPETITIVE APPLICATION GUIDELINES

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Section I. Introduction

Kentucky Housing Corporation (KHC) is pleased to offer a competitive funding application process to provide HOME Tenant-Based Rental Assistance (TBRA) to organizations across the state.

Created by Congress in 1990, the HOME Investment Partnerships Program (HOME) provides funding to applicants for various types of affordable housing production and rehabilitation as well as tenant-based rental assistance for low and very low-income households. KHC administers and monitors the program for the U.S. Department of Housing and Urban Development (HUD), awarding funding to eligible applicants, including local governments, housing authorities, private developers, and nonprofit housing providers. The HOME program's flexibility empowers local communities to design and implement strategies tailored to their own needs and priorities.

Through this funding process, KHC provides financial resources and technical support to enable the development and rehabilitation of safe, quality, affordable housing to benefit Kentucky families and to provide TBRA to low and very low-income households throughout the Commonwealth. The primary goals of the competitive funding application process are to ensure that the most viable projects are funded expeditiously and to enhance the state's capacity to create and preserve affordable housing by effectively blending resources. When structuring a funding request, applicants are encouraged to review and consider how their request supports the purpose of the HOME Program and other goals established through KHC's Consolidated Plan and Annual Action Plan.

This guide informs applicants on how to apply for Housing Contract Administration (HCA) resources available through the KHC competitive funding process for HOME TBRA projects. KHC reserves the right to amend these guidelines to make corrections or provide additional clarifications in order to fully implement and utilize the HOME resources and to administer the program as efficiently as possible.

This guide provides some basic information about program criteria and eligible uses of TBRA funding, but applicants must read, understand, and comply with the [KHC HOME Tenant Based Rental Assistance Policy Manual](#). Applicants are expected to read the policies and will be asked to attest to doing so as part of the application process.

In addition to the KHC HOME Tenant-Based Assistance Policy Manual, applicants are expected to be familiar with all [HOME Program regulations](#), other applicable federal regulations, and state and local requirements, which must be incorporated in their project design and implementation procedures.

If funded, TBRA projects will be governed by the cumulative information contained in these guidelines, the HOME Program regulations, the KHC HOME Tenant-Based Assistance Policy Manual, the applicant’s application for funding, the HOME TBRA Administrative Agreement, the funding agreements, and all other relevant and applicable federal and state legal requirements. Subrecipients of funds will be expected to be familiar with and adhere to the guidelines and project design requirements described in the aforementioned documents and legal requirements.

Pertinent Dates

The following dates are applicable to the competitive funding round:

- April 1, 2026 – Application Opens (Capacity Scorecard must be completed first within the Universal Funding Application (UFA) **before** the rest of the application will be accessible.)
- April 22, 2026 BY 5:00 p.m. ET – Application Closes (**SUBMISSION DEADLINE**)
- April 22, 2026 – Application Fees Due
- Late May 2026 – TBRA Funding Announcements

Applicants

Applicants that meet the criteria for TBRA may apply for funding in this general competitive funding process. KHC has allocated up to \$2,000,000 of HOME Program funds for the 2026 TBRA competitive funding round.

Public Information and Open Records Act Request

Applicants are advised that materials contained in tenant-based rental assistance applications are subject to the requirements of the Kentucky open records laws at KRS 61.870-61.884 and the application materials may be viewed and copied by any member of the public. Applicants seeking to claim a statutory exemption to disclosure from open records requests, which may be made, must place all documents viewed as confidential in a sealed envelope marked “confidential.” Applicants must be aware that if an open records request is made for any of the application materials, KHC will make an independent determination of confidentiality and may or may not agree with the applicant’s determination regarding the confidentiality of the materials.

Section II. Minimum Thresholds

HOME TBRA Application Thresholds

The following threshold restrictions will determine an applicant’s eligibility to apply for funding if they currently have HOME TBRA funding through KHC:

- HOME funds awarded in 2025 (project numbers beginning with **TB25**) are not eligible to apply to this round for TBRA funds.
- HOME funds awarded in 2024 (project numbers beginning with **TB24**):

- **70%** of funds must be expended no later than the date of application submission to KHC. All draw requests required to meet this threshold must be submitted to and approved by KHC no later than the application submission deadline date of **April 22, 2026**.

Threshold waivers will be granted on a case-by case basis at KHC’s sole and absolute discretion. Agencies wishing to request a threshold waiver must complete the online [HCA Project/Modification Waiver Form](#) through the Program Funding Draw Management (PFDM) system **no later than April 22, 2026**.

Applicants requesting a threshold waiver will be notified in writing within 5 business days if waiver has been approved or denied.

Section III. Funding Sources Available

The following funding sources are available for TBRA opportunities through the competitive application process.

Funding Source:	HOME Investment Partnerships Program (HOME)	CFDA #
Amount Available:	\$ 2,000,000	14.239

Maximum Funding Requests

KHC limits the amount of funds an applicant may request:

- Maximum request is **\$200,000** of HOME TBRA Program funds.
- HOME TBRA Administrative funds are capped at 10% of Program funds awarded.
- TBRA applications are for a two-year period.

KHC reserves the right to award lesser or greater amounts than requested. This determination may be based on such factors as, but is not limited to, a project’s readiness to proceed, the number of applications received, geographic distribution of funds, applicant capacity, and any other factors that KHC deems appropriate and necessary.

Match and Leverage Requirements

There are no match or leverage requirements for HOME TBRA.

State Clearinghouse Review

The Kentucky State Clearinghouse review is not applicable to HOME TBRA.

Section IV. Eligibility

All applicants for housing funds must be in good standing with the Kentucky Secretary of State's office. In addition, applicants who are deemed ineligible as a result of KHC's suspension and debarment policy may not participate in any project that receives KHC resources.

Eligible HOME TBRA Applicants

Funds may be provided to private developers, nonprofit organizations, Community Housing Development Organizations (CHDOs), faith-based and community service organizations, and units of local government in Kentucky.

The city of Owensboro, the merged governments of Lexington/Fayette and Louisville/Jefferson counties and the consortia consisting of the cities of Covington, Ludlow, Newport, Bellevue, and Dayton receive a direct allocation of HOME funds from HUD. Projects within these areas are not eligible to apply for state HOME funds. KHC reserves the right to modify this policy.

Eligible Costs (Activities)

TBRA program funds may be used:

- To provide rental assistance to help pay the cost of monthly rent and utility costs for up to 24 months. (Extension of assistance for up to an additional 24 months may be allowed. Refer to the *Length of TBRA Assistance* section for more information).
- To pay security and/or utility deposits.
 - *Security deposit assistance* may be provided as long as the procedures in §92.209(j) are followed and regardless of whether the tenant is receiving on-going tenant-based rental assistance.
 - Security deposits are *granted to the tenant*. When a tenant moves from the TBRA assisted unit the security deposit goes back to the tenant, not the project.
 - For those jurisdictions which have adopted the Uniform Residential Landlord Tenant Act, security deposit is defined as "an escrow payment made to the landlord under rental agreement for the purpose of securing the landlord against financial loss due to damage to the premises occasioned by the tenant's occupancy other than ordinary wear and tear."
 - The amount of a security deposit may not exceed the equivalent of two month's rent for the unit.
 - *Utility deposit assistance* may be provided **only in conjunction with** either rental assistance or a security deposit program.
- To cover related soft costs for a TBRA project which includes unit inspections and income determinations.

TBRA administrative (admin) funds may be used:

- To pay for reasonable planning and administrative expenses associated with operating a HOME TBRA program. Administration of TBRA is eligible only under general management oversight and coordination under §92.207(a). Applicants may request up to 10% of the total amount of program funds it requests through this application. The maximum amount of "project funds" an

applicant can request is \$200,000. As an example, if an applicant requested this full amount in project funds, it could ask for a maximum of an additional \$20,000 in Admin funds.

Ineligible Costs (Activities)

HOME TBRA funds may not be used for the following activities:

- Application fees for housing units.
- Applicant background checks.
- Telephone and cable deposits.
- Landlord vacancy and/or damage claims.
- Down payment and/or closing costs in conjunction with a lease-purchase program.
- To make commitments to specific owners for specific projects. Tenants must be free to use the assistance in any eligible unit they choose within the service area.
- To assist resident owners of cooperative housing that qualifies as homeownership housing. Cooperative and mutual housing may qualify as either rental or owner-occupied housing, depending on the provisions of the agreement applying to the unit.
- To prevent displacement of or provide relocation assistance to tenants as a result of activities other than the HOME Program.
- To provide TBRA to homeless persons for overnight or temporary shelter. Any HOME TBRA subsidy must be sufficient to enable a homeless person to rent a permanent housing unit that meets Housing Quality Standards (HQS).
- To provide assistance for more than 24 months. The term of rental assistance contract providing assistance with HOME funds may not exceed 24 months, *but may be renewed for eligible households*, subject to the availability of HOME funds.
- To duplicate existing rental assistance programs that already reduce the tenant's rent payment to 30 percent of income. For example, if the household is already receiving assistance under the Section 8 Housing Choice Voucher Program (Section 8), the household may not also receive assistance under a HOME TBRA program.
- To provide assistance outside of the agency's service area for its HOME TBRA program as stated in its 2024 HOME TBRA grant agreement.

Income Eligibility for TBRA Beneficiaries (Tenants)

There are two key rules regarding the income eligibility of households under a HOME TBRA program—initial income and income at annual recertification:

- **Initial Income Eligibility:** Income of participating households must be verified before assistance is provided. Income limits are established by household size and revised annually by HUD. For initial income eligibility, a household qualifies for TBRA assistance if its **annual gross income does not exceed 60 percent of Area Median Income (AMI)** indicated on the HOME Income Limits. Programs must ensure that 20 percent of all households served have an income that does not exceed 50 percent AMI.
- **Annual Recertification Income Eligibility:** The subrecipient must recertify family income, size and composition at least annually. Income limits are established by household size and revised

annually by HUD. A household may still be served with HOME TBRA so long as its income does not exceed 80 percent AMI (HUD’s Low-Income Limit) **after** project entry. If at annual recertification a household’s income exceeds 80 percent AMI, the household is no longer eligible for HOME TBRA and assistance can no longer be provided. The subrecipient must give reasonable (minimum of 30 days) notice to the tenant and the owner.

For more information on HOME TBRA policies and requirements, including allowable tenant selection preferences, applicants must refer to the KHC HOME Tenant-Based Rental Assistance Policy Manual.

Section V. Agency Reporting Requirements

All HOME TBRA projects are required to participate in the Kentucky Homelessness Management Information System (KYHMIS), enter client-level data and submit reports to KHC staff. All projects are required to review and correct quarterly data quality reports to ensure data accuracy and completeness. Additionally, all projects will be required to submit an Annual Performance Report (APR) at the end of KHC’s fiscal year.

Section VI. Technical Assistance

KHC offers technical assistance opportunities for both new and seasoned applicants. During technical assistance, KHC staff will assess the applicant’s readiness to submit an application. KHC recommends that in addition to the grant writer, the individuals responsible for the day-to-day activities of the project administration and completion also attend the technical assistance session. KHC staff is available to review draft applications and answer general application questions until the day prior to application submission. Working with KHC staff provides applicants with helpful information regarding KHC program regulations and potential funding sources, as well as suggestions on how to enhance the information provided in the application.

Please note: Requesting or attending technical assistance does not guarantee the project will be awarded funds. For more information, please submit a request through the [HCA Partner Portal](#).

Section VII. Competitive Application Process

Capacity Scorecard Policy

In an effort to create consistency and equity, KHC utilizes a “Capacity Scorecard” for all program areas that have competitive applications or formula grant allocation process. The scorecard is used to determine the overall capacity of the Entity or Development Team member(s) that will administer the proposed project and/or program for which they are applying. The scorecard is divided into three (3) sections:

1. Capacity Scorecard Threshold Requirement

The first section of the scorecard consists of minimum thresholds that must be achieved. If the Entity or Development Team member(s) answers “yes” to any of the Capacity Scorecard Threshold Requirements, the application may not be eligible for submission. All “yes” answers are required to provide an explanation as to circumstances of the infraction. KHC will review the response when determining whether or not the applicant may apply through this funding round.

Capacity Scorecard Threshold Requirements will be verified at both the submission of the application and reviewed again prior to funding award announcement. If the status of a Capacity Scorecard Threshold Requirement changes prior to announcement of funding, the application may be disqualified. Depending on the circumstances, an Entity may be asked to correct the outstanding issue prior to a funding award.

2. Capacity Scorecard Self-Certification

The Capacity Scorecard Self-Certification section of the scorecard is a series of statements to which the applicant preparer must certify. This is a non-scoring section but will be used by KHC review staff to ensure there are no outstanding issues that could prevent the project from being awarded funds. There is a response section in the self-certification section that can be used to provide additional information to any of the self-certification questions. KHC review staff may request additional information for clarification purposes.

The Entity will need to complete the certification acknowledgement that states the responses to the self-certification statements are true and accurate, to the best of their knowledge. Falsification of these statements could result in a recapture of funds or suspensions/disbarment from KHC.

3. Capacity Scorecard Overall Performance

The Capacity Scorecard Overall Performance section is the part of the scorecard where KHC staff will indicate if a capacity deduction will be applied. Guidance on the type of infractions that KHC will consider for possible capacity deductions are listed in this section of the scorecard. Please note, the list is not all inclusive but provides guidance as to what criteria are used to determine a potential capacity deduction. A capacity deduction can be determined at any time throughout the administration of a project/program and through the affordability/compliance period. The capacity deduction can apply to the Entity or any member of the Development Team.

Please note, it is not KHC's intention to issue capacity deductions on minor occurrences. A capacity deduction can occur if the Entity has repeated administrative issues or unresolved compliance findings for which corrections have been requested and not received. At the time a capacity deduction is issued, the agency or organization will receive a written notice from KHC explaining the reason for the capacity deduction and the amount of time the deduction will be applicable. KHC typically looks back 3 years, from the date of application submission, to determine capacity related issues.

Capacity deductions will be applied to the overall score for the Capacity Section of the full application. For example, if the Capacity Section of the application is worth a total of 25 points and a capacity deduction of -2 was determined, then the application will be docked 2 points and will receive 23 out of a total 25 possible points. There may be additional questions in the Capacity Section of the application that are outside of the scorecard. Those questions will be reviewed and scored by KHC after application submission.

After the Entity completes the Capacity Scorecard Thresholds and Self-Certification sections, the scorecard can be submitted for KHC for review. KHC staff will review the capacity scorecard, respond with any questions and determine a total capacity deduction, if applicable. While KHC is reviewing the scorecard, applicants may proceed to the rest of the application sections but should be aware that responses on the scorecard may result in the applicant not being allowed to ultimately submit the application.

Application Preparation and Submission Requirements

All applicants are required to submit applications for funding, including required attachments (noted below), electronically via [KHC's Universal Funding Application](#) system. The application focuses on the overall concept of the proposed project, as well as the more technical components, such as project design, community need, ready-to-proceed issues, and capacity to undertake the project, anticipated budget, and funding requests.

The application checklist should be used as a guide for the applicant to ensure that all required documentation is included with the application.

A complete application must be transmitted to KHC. An e-mail notification to the applicant will be autogenerated from the UFA system once the application has been transmitted successfully. This email only indicates that the application has been received. **If the application does not meet the minimum submission requirements, the applicant will be notified in a second email that the application will not be considered for funding.**

REQUIRED APPLICATION ATTACHMENTS

- Agency Program Administration Plan ([Required Elements of Administrative Plan Checklist](#))
- 2026 Cost Summary
- Application Fee (see below)

All applications must meet the following criteria:

- Be submitted to KHC by 8 p.m. ET, Wednesday, April 22, 2026.
- Be submitted in the current application version and all applicable attachments must be uploaded to KHC's system as part of the application submittal.
- Be limited to the applicable cap for funding.
- Not include funding from any previous KHC-approved HOME projects, including awards made to any other applicants.
- All applicants must request all KHC funds required for the project in one application. Previously funded projects cannot access additional funds through this competitive application process.
- For the application to be complete, the Cost Summary in Excel format must be uploaded to the electronic application. The application attachments must be identified with the file name of the attachment.

- In the event that contradictory statements appear in the application, KHC reserves the right to request clarification from the designated contact person.

REQUIRED APPLICATION FEE

- There is a \$100 non-refundable application fee for nonprofit organizations and units of local government and a \$250 non-refundable application fee for for-profit applicants.
- **Applicants are strongly encouraged to submit their application fee through the PAY FEES option in the online application prior to application submission.**

Pay Fees

Print Application

Print CheckList

Section VIII. Application Review Process

Notice to Applicants

It is the applicant's responsibility to submit all required documentation to adequately support its application. Any material deficiency in the application or omission from the mandatory submissions may result in an immediate rejection of the application. In addition, the application must meet all eligibility requirements set forth in the guidelines. Any application which does not contain sufficient information to be reviewed will be rejected.

Although KHC will award funds to the highest scoring projects, KHC will make every effort possible to ensure that funds are geographically distributed across the state. KHC reserves the right to allocate funds to lower scoring applications to ensure equitable allocation of resources in each congressional district throughout the state.

KHC may, at its discretion, request information from applicants to address and resolve issues identified during application review. The application will be reviewed and scored as submitted.

Following are the areas KHC staff will review and score:

- Project Need
- Ready-to-Proceed
- Project Design
- Capacity of the Applicant/Administrator

Ready-to-Proceed

- Is the plan for client outreach and referral in place, and is it thorough and well documented?
- Has the agency determined that there are enough units that will pass HQS in the service area?
- Will there be a sufficient number of landlords involved in the program to ensure that eligible units will be available to program participants?
- Are waiting list maintenance procedures reasonable and compliant with fair housing laws?

- How many clients are identified as eligible and are income-verified?
- Do identified clients match the proposed program design?
- For security and utility deposit assistance-only programs, is there a well-established and concrete mechanism to ensure households can afford rents and units will remain affordable?

Project Design

- Is the intake process clear and reasonable?
- Are preferences within the eligible populations (homeless and/or special needs) proposed and are they in accordance with the overall project design?
- Is the voucher management reasonable and well planned?
- How much assistance do clients receive in finding affordable, eligible units?
- What is the rental subsidy/utility deposit payment structure? Has the applicant proposed the most cost-effective method of providing rental assistance (payment standards, fair market rents, etc.)?
- What efforts are made to ensure households remain in affordable housing once the TBRA ends?
- Are there any potential delays in implementing the project?
- Are support services appropriate for the targeted population (if applicable)?
- What is the range of services offered? Are there gaps in service that are not addressed?
- How long will the services be provided?
- How will services be delivered?

Capacity of Applicant/Administrator

- Is the experience of the applicant/administrator clearly described?
- Are qualifications relevant to the proposed project?
- Is the size of the project appropriate based on agency experience?
- KHC will conduct an internal capacity review based on prior experience with the applicant, and for prior grantees will consider success in administering similar projects, overall performance, adherence to deadlines and original program design, quality and timeliness of paperwork, staff turnover, and project management. In addition, staff will consider compliance and/or audit findings and whether such findings have been addressed. The amount of HOME TBRA funding that the applicant has on-hand at time of application and projected to the end date of the grant will also be considered.

Conditional Approval Process

Funding recommendations are made by the application review team within KHC's Housing Contract Administration Department. The recommendations are based on application reviews as submitted by the applicant with possible minor scoring adjustments.

Staff recommendations are presented to KHC's Credit Committee for conditional project approval. Approved projects will receive a preliminary award letter via email based upon technical submission requirements. In order to be funded, the applicant will be required to comply with the terms and conditions. Execution of the HOME funding agreement will occur after the successful completion of the conditional commitment of funding and all terms and conditions are met.

Section IX. Reconsideration Processes

The processes described in this section are the exclusive means by which an applicant may request reconsideration of a decision by KHC regarding disqualification or the award of KHC resources. Information submitted to KHC outside of these processes, whether in writing or otherwise, will not be considered.

Application Deficiency Decisions Review Request

If KHC identifies a deficiency in an application during its review that results in the disqualification of an application or a reduction in the amount of requested KHC resources, KHC will issue a preliminary decision letter to the applicant identifying the grounds for the disqualification or reduction of requested KHC resources. The applicant may then provide a written response specifically identifying the reasons why the applicant believes the application should not be disqualified. Written responses must be delivered via electronic mail, by hand delivery, or overnight mail, to the attention of the managing director of Housing Contract Administration and received within five (5) business days of the date of the written preliminary decision letter.

Only the application and documents already existing in KHC's file will be considered when reviewing the applicant's written response. No additional documentation will be accepted unless such documentation only serves to explain previously submitted documentation. The burden is on the applicant to demonstrate why the application should not be disqualified or the amount of KHC resources should not be reduced.

The Managing Director of Housing Contract Administration will forward the review request, along with the applicant's response, to KHC staff involved with the initial scoring of the application and to KHC's Credit Committee for review and decision. The Credit Committee shall consist of members of KHC's Executive Staff or as appointed by KHC's Executive Director.

The Credit Committee shall review the request and KHC's staff's response, if any. The Credit Committee may, in its sole discretion, request additional information or documentation or conduct a meeting or conference with the applicant and KHC staff. After its review, the Credit Committee shall issue a written decision, and KHC will provide a copy of the written decision to the applicant. Applicants may request a meeting with KHC's Credit Committee or its representatives within five (5) business days of the date of the written decision; however, the Credit Committee will only consider the information that is in the project file at the time of the review. At the end of the five (5) day period, if no meeting request has been received, the Credit Committee's decision is deemed final. If a meeting request is received within the five (5) day period, the Credit Committee may modify or affirm its decision based on information presented at the meeting, at which point its decision is then deemed final.

Section X. Additional Resources

Additional information on the program guidelines/policies can be found in KHC's HOME Tenant-Based Rental Assistance Policy Manual, including but not limited to:

- Tenant Selection
- Eligible Activities
- Ineligible Activities
- Eligible Units
- Payment Standards
- Deposit Assistance
- Income Limits

- Income Verification
- Program Guidelines
- Structure and Repayment of KHC Subsidy
- Recapture of Funds
- Project Completion
- Recordkeeping
- Program Administration
- Compliance Monitoring
- Conflict of Interest
- Draw Requests

[HCA Partner Agency Portal](#)

[HOME Final Rule](#)

[HOME Income Limits](#)

Click on the most current year and then on “Kentucky” to find the applicable income limits.

Technical Guide for Determining Income and Allowances for the HOME Program

<https://www.hudexchange.info/resource/786/technical-guide-for-determining-income-and-allowances-for-the-home-program/>

This guide provides information on calculating income of program participants. It reviews general requirements for determining and calculating income in order to determine program eligibility; provides an overview of the three allowable definitions of income; and reviews how to determine income using each of the three definitions.

HOME Tenant-Based Rental Assistance Guidance

<https://www.hudexchange.info/home/topics/tenant-based-rental-assistance/>