



# ScholarHouse

## Program Guidelines

*Revised May 2026*

## Introduction

Scholar House provides a transitional living/learning setting for residents seeking self-sufficiency. This program is designed to help unemployed or underemployed residents or family members with young children pursue an education. Completing this program prepares the resident to live and work successfully in their community. The Scholar House program is modeled after the Virginia Place, a project in Lexington now known as One Parent Scholar House.

Scholar House projects shall include up to 56 two-bedroom new construction units for residents who will receive the combined benefits of affordable housing, childcare, counseling, workshops and support from neighbors and staff while fulfilling academic course work as a full-time student. The facility shall comply with Title 26, Section 42 of the U.S. Code. A childcare facility must be available on-site so parents may devote more time to their education. At a minimum, the childcare facility shall accommodate children from six weeks to kindergarten age.

The Scholar House Program will also offer programs to residents and their children that involve enhanced health maintenance, parenting skills, management of family resources, nutritional knowledge, problem solving, work skills and job-search techniques, and any additional enhancements the individual project coordinators deem appropriate.

Tenancy in a Scholar House project is restricted to Section 42 income-eligible households; Section 8 “preference” set-aside vouchers shall only be available for residents that are active participants in the Scholar House program.

No KHC-administered soft funds are eligible for the Scholar House program.

Parties interested in applying for housing credits to develop a Scholar House project must contact KHC to discuss the program as well as the application process.

The following pages detail the requirements for the Scholar House program. These guidelines are not all-inclusive; the KHC Qualified Allocation Plan (QAP) and Multifamily Guidelines must be followed as well. These documents can be found on KHC’s website at [www.kyhousing.org](http://www.kyhousing.org).

## Programmatic Model Requirements

- A Scholar House project must have a source of rental assistance and/or a preference established by the local public housing authority (PHA) to provide rental assistance to residents participating in the Scholar House program. Please note that KHC cannot provide such rental assistance or such a preference for proposed Scholar House projects in counties in which KHC serves as the local housing authority. In those counties, another source of rental assistance must be identified.
- A Scholar House project that has partnered with a local PHA for an allocation of project-based Section 8 vouchers must adhere to the Federal Davis-Bacon Act wage rate requirements to developments of nine or more project-based Section 8 rental assisted units. The Davis-Bacon Act requires that workers receive no less than the prevailing wages being paid for similar work in the locality. Prevailing wages are computed by the Department of Labor and are issued in the form of a Federal Wage Determination. The Wage Determination lists each classification of workers who will work on the project and the rates that must be paid to each classification.
- Section 8 preference vouchers must be made available to residents **with children and are enrolled as a full-time student in a degree program with a Kentucky accredited institution of higher education**. Preference for these vouchers must be, first, for single parent households with primary custody of child(ren) and, second, couples with child(ren) with one adult member enrolled at the educational institution.
- All other eligibility criteria of the PHA providing the Section 8 preference vouchers will apply.
- Each Scholar House program shall offer the following:

### ***Family Services Coordinator***

This individual shall work with each Scholar House program resident to develop an individual plan for reaching their educational and personal goals.

### ***Counseling***

The services of a family case worker are to be made available to Scholar House program residents; residents shall meet with the case worker bi-weekly (or more frequently, if needed). The caseworkers shall help with personal and educational problems and shall plan workshops and other activities.

### ***Workshops***

There shall be monthly workshops led by experts who address subjects such as parenting skills, budgeting, problem-solving, building self-esteem, work skills, legal issues, health maintenance, etc. These workshops are not mandatory; however, Scholar House program residents are encouraged to attend at least six (6) parenting skills workshops during the first two years.

### ***Resident Council***

Every Scholar House program resident shall belong to the Resident Council and attend the meetings. It is during this time that problems are discussed, along with activities and fundraisers.

### ***Childcare Center***

The childcare center shall be provided as part of the campus setting and primarily serve the Scholar House project. Agreements with local daycare facilities will not be accepted as a substitute for this requirement. The facility may serve families from outside the project as long as it is done in accordance with all tax credit requirements and the children in the project are given priority.

The childcare center shall accept children from six weeks to kindergarten age. Each project may also choose to accept school-age children in an after-school program. The childcare center shall provide educational activities tailored to the age of the children. Parents should be encouraged to take an interest in the childcare program.

Residents participating in the Scholar House program must execute an agreement with the educational institution and the Scholar House project which details the following:

1. Scholar House program resident shall be enrolled in a full-time academic program.
2. Scholar House program resident has at least one additional year of school remaining.
3. Scholar House program resident shall remain in good academic standing and provide such proof each semester.
4. Scholar House program resident shall have a cumulative GPA of 2.0 or higher by the end of the second quarter/semester.
5. Scholar House program resident shall maintain a minimum of a 2.0 GPA or higher each successive quarter/semester.
6. Scholar House program resident shall attend classes regularly.
7. Scholar House program resident shall request approval from the facilities Family Services Coordinator for any changes in their educational status.
8. Scholar House program resident shall provide the Family Services Coordinator a copy of their current schedule by the first day of classes.
9. Scholar House program resident shall provide the Family Services Coordinator a copy of their grades within one week of the end of the quarter/semester.

The Scholar House project shall comply with Section 42 of the IRS code, especially as it relates to student households. Single parents may qualify for Kentucky Transitional Assistance Program (KTAP), formerly the Welfare-to-Work program. In order to receive KTAP during the summer break, they must either work or attend two summer classes.

The Scholar House project's general partner and limited partner or managing members in a Limited Liability Corporation (LLC) or Limited Liability Limited Partnership (LLLLP) must be a qualified 501(c)(3) nonprofit organization and shall have a board of directors consisting of members from the participating educational institutions, service providers, community leaders and others that would be beneficial to the project and individual tenants. KHC will require a complete listing of the board of directors, noting the organizations each represents. The childcare facility and apartments shall be operated by two different parties. The childcare facility shall be operated by a separate nonprofit organization or the participating institution of higher education. KHC will require a copy of the lease agreement between the owner of the Scholar House project and the childcare facility.

The Scholar House project shall submit an agreement/memorandum of understanding (MOU) with at least one regional Kentucky accredited institution of higher education that serves multiple counties. **Community and technical colleges are eligible institutions. KHC reserves the right to approve or reject proposed institutions.** This agreement/MOU should outline the support, cooperation, and/or coordination the educational institution offer to residents of the program. The agreement shall offer work study programs to allow the applicants to satisfy the work requirements for KTAP.

## Physical Model Requirements

- Scholar House projects must be developed in accordance with the KHC Daycare model. The model is located on KHC's website at [www.kyhousing.org](http://www.kyhousing.org). The model should be used as a design aid only.

Design professionals registered in the State of Kentucky shall prepare drawings and construction documents for the daycare facility.

- Deviations from this model are allowed and must be approved in advance by Kentucky Housing's Design and Construction Review staff.
- Final construction documents must bear the seal of the design professional and be approved by the State of Kentucky Department of Housing, Buildings, and Construction (HBC).
- **KHC in no way endorses the model as being compliant with current regulations and all design concepts must be certified by the design professional for compliance with any applicable regulations.**

## Project Site

- Must be at least six (6) acres but may be up to approximately eight (8) acres. KHC will consider allowing less acreage, as warranted, as long as the proposed building site meets local green space, parking, retention area, and zoning regulations.
- The daycare shall be situated within 100 yards to the apartments to allow for easy

access to the tenants. The daycare shall also be on the same site. KHC will consider a different proximity between the daycare and apartments if so warranted.

- Adequate accessible walks and pathways connecting daycare to housing units, common areas and public transportation.
- Storm water management.
- Close proximity to a technical school, community college, or university.
- Two parking spots per unit (or meet local zoning requirements).
- The construction schedule shall be such that project completion will occur at an advantageous time for the project to prepare for lease-up with a new school year.

### Full-Service Daycare Center

- Shall comply with local regulations, Kentucky Building Code (KBC), and Kentucky Daycare Regulations.
- The daycare center must be sized, at a minimum, to accommodate at least two children per dwelling unit.
- Barrier free design is required for the daycare facility.
- The daycare facility shall provide offices and administrative spaces to include, at a minimum, an Executive Director's office, Family Service Coordinator's office, Resident Administrator's office, an accessible bathroom, conference room, and staff break area.
- The daycare facility shall include a family resource center which may include a clothing bank, food bank, information/computer center, or other family resources.
- Each classroom shall have adequate storage, prep areas, and adequate porches with direct access from classroom to outside.
- Each classroom shall include one (1) toilet and one (1) lavatory, scaled to the age groups occupying the classroom.
- The daycare facility shall include a commercial grade kitchen.
- The daycare facility shall include a dining hall/multipurpose play area designed to serve at least 75% of the design occupant load per meal shift.

### Apartment Dwelling Units

- Must comply with KBC, Fair Housing Design, Section 504 (UFAS), ADA, and KHC Universal Design where applicable.
- All two-bedroom dwelling units must be a minimum of 800 square feet.
- Provide washer/dryer in every dwelling unit.

## Additional Program Requirements

- Scholar House program residents will pay no more than 30 percent of their income toward rent. The remainder of the rental income required to make the project financially feasible shall be in the form of rental assistance to the project.
- The excess cash flow from the rental units will be used to offset the costs of the daycare. It is anticipated that each project will need to produce at least \$85,000 in excess rental cash flow in year 1 to help fund the daycare operations.
- The income and expenses of the daycare will be reflected on a separate proforma. The cash flow for the daycare shall be positive for at least five years.
- The cost of services related to the education component of the Scholar House program will not be reflected as part of the rental operating expenses.
- The project may include a reasonable start-up reserve as required by the investor of the housing credits. Kentucky Housing will review the reserve amount for reasonableness.
- The proposed management fee will be reviewed by Kentucky Housing for reasonableness. If warranted, the fee may exceed the norm of 8.5 percent.
- KHC's current market study guidelines will apply and the market analyst must be selected from the list of approved providers. The market analyst should determine the need for the project as if it were a family project with a secondary subset population of single-parent households with child(ren).
- The costs associated with the childcare center will not be considered when determining adherence to KHC's cost containment limits.
- Scholar House projects **must** have site control of the proposed property at the time of application and provide evidence of site control. See the Multifamily Guidelines for acceptable methods of site control.
- The single-asset entity that will own the Scholar House project must be formed prior to application.