



Financing Affordable Housing

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Affordable Housing

Below 80% Area Median Income (AMI)

Attainable Housing

80% AMI – 120% AMI (150%)

2019 AMI Benchmarks

County	Median Family Income	Extremely Low Income	Very Low Income (50%)	Low Income (80%)	120% AMI
Summit	\$109,800	\$32,950	\$54,900	\$87,840	\$131,760
Salt Lake	\$82,700	\$24,810	\$41,350	\$66,150	\$99,240
Grand	\$56,100	\$16,830	\$28,050	\$44,880	\$67,320

Monthly Housing Budgets

HUD Standards

- Rent: 30% of gross income includes rent and utilities
- Ownership: 30% of gross income for principal, interest, taxes, insurance, and HOA

County	50% AMI	80% AMI	120% AMI
Summit County	\$1,373	\$2,196	\$3,294
Salt Lake County	\$1,034	\$1,654	\$2,481
Grand County	\$701	\$1,122	\$1,683

Purchasing Power vs. Median Sales Price

Income	Purchasing Power*
\$25,000	\$113,647
\$40,000	\$181,835
\$55,000	\$250,023
\$70,000	\$318,211
\$85,000	\$386,399
\$100,000	\$454,587
\$115,000	\$522,775
\$130,000	\$590,963

County	2019 Median Sales Price**	
	Single Family	Condominium
Summit	\$1,481,539	\$813,380
Salt Lake	\$380,000	\$275,000

*Based on 3.75%, 30 year mortgage, 5% down payment

** From Board of Realtors Reports

Summit County: Single Family Homes Sales Affordable to Selected Income Groups, 2018

Household AMI Income Bracket	Affordable Price Range		Number of Sales	Share of Homes Sold
	Lower Bound	Upper Bound		
<30% AMI	\$0	\$80,630	0	0.0%
>30% AMI to 50% AMI	\$80,631	\$162,141	1	0.2%
>50% AMI to 60% AMI	\$162,142	\$202,995	5	0.8%
>60% AMI to 80% AMI	\$202,996	\$284,505	19	3.1%
>80% AMI to 100% AMI	\$284,506	\$366,015	30	4.9%
>100% AMI to 120% AMI	\$366,106	\$447,525	33	5.4%
>120% AMI	\$447,525	---	528	85.7%
Total	---	---	616	100.0%

Source: UtahRealEstate.com

High Rent, Low Wages presentation

Low Income Housing Tax Credit Program

2020 Utah Housing Corporation Allocation

Total Federal and State Housing Credits

\$8,749,312

Federal

\$77,995

State

9% LIHTC

\$1,200,000

-200,000 Land/Soft Costs/Offsites

\$1,000,000 Eligible Basis

9%

\$90,000

x10 years

\$900,000

0.95 Purchase Price

\$855,000 Equity

\$345,000 Debt Required

9% LIHTC

- Target <50% AMI
- 15-year Compliance Period
- CROWN Program

4% LIHTC

\$1,200,000

-200,000 Land/Soft Costs/Offsites

\$1,000,000 Eligible Basis

3.2%

\$32,000

x10 years

\$320,000

0.95 Purchase Price

\$304,000 Equity

\$896,000 Debt Required

4% LIHTC

- Private Activity Bonds
- Acquisition/Rehab
- Target <60% AMI
- 15-year Compliance Period

Private Activity Bond

- Utah received a \$325,692,465 allocation in 2019
 - 42% (\$137M) to Single Family Mortgages
 - **12% (\$39M) to Small Issue Account Multi-Family**
 - 33% Student Loans
 - 12% Manufacturing
 - 1% Exempt Facilities

Olene Walker Housing Loan funds

- 2018 Reported Funding Sources (Total =\$10,525,000)
 - HUD HOME Funding \$2,721,100
 - National Housing Trust Fund \$3,000,000
 - State Funding \$2,242,900
 - State One-Time Funding \$2,561,000

USDA Rural Development

502 Direct Loan

- 100% Loan, 1% Interest Rate, 33 or 38 year amortization

502 Guarantee 102% Loan Market Rates

515 Multi-Family Loans (1% 40/50 year amortization)

Rental assistance (30% of income for rent plus utilities)

Mutual Self Help

Farm Workers

Federal Home Loan Bank Des Moines

Affordable Housing Program (AHP)

2020 AHP application period is May 1st – June 1st

\$1,766,400 awarded to Utah and
\$51.5 million awarded to 13 States in 2019

Home\$tart - \$7,500 Down Payment Assistance

Since 1990, the FHLBanks have awarded more than \$5.8 billion which have assisted in the purchase, construction or rehabilitation of more than 865,000 units of affordable housing.

<http://www.fhlbanks.com/affordable-housing.html>

Community Development Block Grants (CDBG)

Association of Governments Region	2019 Allocation
Bear River AOG	\$ 725,602
Five County AOG	\$ 838,669
Mountainland AOG	\$ 572,736
Six County AOG	\$ 787,170
Southeastern AOG	\$ 727,123
Uintah Basin AOG	\$ 583,113
Wasatch Front Regional Council	\$ 900,450
Total Available for projects:	\$ 5,134,863

Eligibility Activities

- Over 1, 2, or 3-year periods
- Not less than 70% of CDBG funds must be used to benefit low- and moderate-income persons
- Incorporated cities and towns with populations of less than 50,000, excluding those in Davis, Salt Lake and Utah counties
- Must meet one of the following national objectives
 - Benefit low- and moderate-income persons
 - Prevention or elimination of slums or blight
 - Address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available.

CDBG Entitlement Program

Eligible Grantees

- Principal cities of Metropolitan Statistical Areas (MSAs)
- Other metropolitan cities with populations of at least 50,000
- Qualified urban counties with populations of at least 200,000 (excluding the population of entitled cities)

Eligible Activities

- Acquisition of real property
- Relocation and demolition
- Rehabilitation of residential and non-residential structures
- Construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes
- Public services, within certain limits
- Activities relating to energy conservation and renewable energy resources
- Provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities

Area	2019 Allocations
Utah	\$ 5,368,346
Salt Lake City	\$ 3,433,958
Salt Lake County	\$ 2,478,922
Provo	\$ 1,255,621
Utah County	\$ 1,313,945
Layton	\$ 414,904
Davis County	\$ 880,955

Community Reinvestment Act (CRA)

- The CRA intended to encourage banks to meet the credit needs of communities in which they operate, including low- and moderate-income neighborhoods.
- Federal regulators assess how well each bank fulfills its obligations to these communities and provides a rating score.
- One of the ways these banks meet their obligations to the community is to fund affordable housing and invest in LIHTC.

Inclusionary Zoning

A popular tool to enlist the private market to subsidize affordable housing. The policy requires a percentage of all new development to be affordable housing.

Wasatch County

10%

Summit County

20%

Park City

15%

Inclusionary Zoning

- In-Lieu-Fees
- Donations
- Needs Assessments
- Nexus Studies

Other Methods

- Direct Allocation in Local Budgets
- Sales Taxes
- Bonds
- Redevelopment Authority – RDA
- Donation of Land
- Affordable Housing Impact Fee

Donation of Land

Arroyo Crossing Moab Community Land Trust

297 Total Units

- 113 Apartments
- 24 Cottages
- 52 Townhomes
- 44 Duplexes
- 64 Single Family

3 Community Buildings

39 Acres



2020 Senate Bill 39

Affordable Housing Modifications

- One-time appropriation of \$20,000,000 from General Fund to OWHLF
- Ongoing appropriation of \$10,000,000 from General Fund to OWHLF and \$300,000 for Rural Technical Assistance
- Authorizes Housing and Community Development Division to partner with housing authorities to provide \$5,000,000 in rental assistance.

Case Study

Park Side Apartments

Park City 2003-2005

Phase I

- 24 apartments (12 two-bedroom & 12 three-bedroom)
- RD 515 Loan Originally \$1,000,000
- Balance \$728,000
- \$2,736,000 Purchase Price + Reserves \$171,000 = \$2,907,000

Phase II

- 18 two-bedroom market rate apartments
- \$2,064,000 Purchase Price + Reserves \$129,000 = \$2,193,000

Case Study

Park Side Apartments

Park City 2003-2005



	Phase I	Phase II	Total
Purchase Price	2,736,000	2,064,000	4,800,000
Contract Reserves	171,000	129,000	300,000
Additional Expenses & Fees	187,807	141,679	329,486
TOTAL USES	3,094,807	2,334,679	5,429,486
RD Mortgages 1)	728,000	1,000,000	2,771,000
2)	1,043,000		
Tax Credits (Equity) 4% Acquisition/Rehab	850,181	641,365	1,491,546
Olene Walker (State Loan)	401,921	198,079	600,000
Frontier Bank Loan	149,000	553,546	702,546
TOTAL SOURCES	3,172,102	2,392,990	5,565,092



Parkside

APARTMENTS

PARKSIDE
Parking Permit Only
All Visitors Must Park
in Visitor Parking Only

 **EQUAL HOUSING OPPORTUNITY**
OFFICE (801) 649-0598
 **HANDICAPPED TELEPHONE NUMBERS**
UTAH TDD (801) 538-4192
UTAH TDD (800) 223-3131
NATIONAL TDD (800) 855-1155



Elmbridge Apartments
Heber City



Richer Place Apartments
Kimball Junction

Prestige Senior Living Center
Heber City





CROWN at River Bluffs



Self-Help



The Woods of Parley's Lane



North Bench Farms



Prestige II