
SALT LAKE CITY COUNCIL STAFF REPORT

DATE: October 3, 2003

SUBJECT: Salt Lake City Housing Trust Fund loan to Farquhar Properties, LLC for the Trenton Apartments

AFFECTED COUNCIL DISTRICTS: District 4

STAFF REPORT BY: Michael Sears, Budget & Policy Analyst

ADMINISTRATIVE DEPT.

AND CONTACT PERSON: Housing and Neighborhood Development, LuAnn Clark

KEY ELEMENTS:

The Administration is proposing that the City Council approve a resolution authorizing the Mayor to execute a loan agreement and related loan documents with Farquhar Properties, LLC, for a \$280,000 loan from the City's Housing Trust Fund. This action would facilitate the purchase and rehabilitation of the Trenton Apartment project located at 544 East 100 South. The project will have 37 units, 20 of which are studio apartments and 8 are one-bedroom units. The units will be rented to people at 35 - 45% of area median income.

OPTIONS AND MOTIONS:

1. ["I move that the Council"] Adopt the resolution as proposed.
2. ["I move that the Council"] Not adopt the resolution.

➤ POLICY CONSIDERATIONS

The proposed project is consistent with policy statements in the City's 1974 Central City Community Master Plan, Community Housing Plan, Vision and Strategic Plan, the Futures Commission report, the 1990 Urban Design Element and other related master plans.

➤ ANALYSIS

The Trenton Apartment project consists of 37 units in one 3-story building at 544 East 100 South. Twenty-nine of the units are studio apartments and 8 units have one bedroom.

The project developer will set aside five units for developmentally disabled persons, three units for clients of Valley Mental Health, and five units for homeless individuals for a total of 13 units for special needs populations.

The project will consist of all units being priced for renters with 35 - 45% of area median income. The project financing is based on area median income rents being between \$341 and \$415 for the studio units and \$461 for one-bedroom units.

The Housing Trust Fund Advisory Board reviewed this proposal on July 17, 2003 and recommended approval of a \$280,000 loan for 30 years at 2.5%. The Central City Neighborhood supports this project.

The transmittal includes the minutes of the Housing Trust Fund Advisory Board July 17, 2003 meeting.

➤ **BUDGET RELATED FACTS**

The proposed loan from the Housing Trust Fund will be for \$280,000 at 2.5% interest for thirty (30) years. The Olene Walker Housing Loan Fund, Enterprise Social Investment Corporation (ESIC) and Utah Community Reinvestment Corporation (UCRC) are also providing funding for this project. The total cost of project will be \$2,210,020.

The current balance of the Housing Trust Fund if this loan is approved will be approximately \$2,362,922.

cc: Rocky Fluhart, Cindy Gust-Jenson, David Nimkin, Alison Weyher, David Dobbins, LuAnn Clark, and Sandi Marler

File location: Michael\Staff Reports\Housing Trust Fund