
SALT LAKE CITY COUNCIL STAFF REPORT

DATE: February 6, 2004

SUBJECT: Salt Lake City Housing Trust Fund loan to Utah Nonprofit Housing Corporation for the Liberty Wells Retirement Community project

AFFECTED COUNCIL DISTRICTS: District 4

STAFF REPORT BY: Michael Sears, Budget & Policy Analyst

ADMINISTRATIVE DEPT.

AND CONTACT PERSON: Housing and Neighborhood Development, LuAnn Clark

The Council discussed this item during a briefing on February 3, 2004. The Council also discussed the proposed amendment to the Central Community Master Plan, zoning change and other land use issues. The Council did ask for additional information about population and community demographics. This information will be provided for the follow-up briefing scheduled for February 17, 2004. During the loan portion of the briefing, Luann Clark mentioned that the applicant may return to the City to seek additional funding to help offset construction costs. This project relied on funding from Salt Lake County, but was not successful in receiving that portion.

The Council was in favor of moving this item forward for a hearing on February 10, 2004.

OPTIONS AND MOTIONS:

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

Note: The following information was provided to the Council for the 2/03/2004 briefing. It is provided again for your reference.

The Liberty Wells Retirement Community project consists of 51 units in one 4-story building at 280 East 800 South. Forty-three of the units are one-bedroom and 8 have two bedrooms. The complex will have underground parking, landscaped grounds and resident community rooms. All units will be visit-able.

The project will consist of thirteen units at 35% of Area Median Income (AMI), 28 units at 40% AMI, 8 units at 45% AMI and 2 units at 50% AMI. The project financing is based on area median income rents being between \$347 and \$461 for one bedroom units and \$479 to \$617 for two bedroom units. Area median household income for Census Tract 1030 is \$32,067 and median family income is \$33,514.

The Housing Trust Fund Advisory Board reviewed this proposal on March 5 and June 4, 2003 and recommended approval of a \$250,000 loan for 30 years at 2.5%.

The transmittal includes the minutes of the Housing Trust Fund Advisory Board December 18, 2003 meeting.

➤ **BUDGET RELATED FACTS**

The proposed loan from the Housing Trust Fund will be for \$250,000 at 2.5% interest for thirty (30) years. The City will be in second or third position on the loan. The current balance of the Housing Trust Fund is approximately \$2,020,000.

The Richman Group (\$3,266,062), Salt Lake County (\$200,000), Olene Walker Housing Loan Fund (\$200,000), and the Federal Home Loan Bank (\$300,000) are also providing funding for this project. The total cost of project will be \$4,959,091. Utah Nonprofit Housing Corporation is contributing \$655,000 to this project. Rental income from the units in this project will cover all expense obligations for this project.

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

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