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## SALT LAKE CITY COUNCIL STAFF REPORT

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**DATE:** September 9, 2004

**SUBJECT:** **Assignment of \$300,000 Housing Trust Fund Loan from Green Street Development Corporation to Multi-Ethnic Development Corporation**

**AFFECTED COUNCIL DISTRICTS:** District 5

**STAFF REPORT BY:** Gary Mumford

**ADMINISTRATIVE DEPT. AND CONTACT PERSON :** Housing and Neighborhood Development  
LuAnn Clark

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In 2002, the City Council authorized a \$300,000 loan to Green Street Partners for the Second West Apartment project located at 925 South 200 West. The Redevelopment Agency assembled the land, but was not involved with financing the project. Construction for this 25-affordable unit project is complete. The six story building includes retail space on the ground floor. The developer has arranged to sell the Second West Apartment project to Multi-Ethnic Development Corporation and requests that the loan be assigned to the Multi-Ethnic Development Corporation. The transfer of ownership and assignment of the City's loan will not result in any financial changes to the City's loan. Assignment of a Housing Trust Fund loan requires City Council approval.

Multi-Ethnic Development Corporation has restructured the financing by acquiring additional funding from the Olene Walker Trust Fund and State Tax Credits, which will allow the tenant rental rates to be reduced. On August 19, 2004, the Housing Trust Fund board recommended the assignment of the City's Housing Trust Fund loan on the Second West Apartment Project from Green Street Development Corporation to Multi-Ethnic Development Corporation. The current balance in the City's Housing Trust Fund will not be affected by this assignment.

### OPTIONS:

The Administration indicates that a housing policy is in its final review process and anticipates that it will be forwarded to the Council in October. The Council may wish to consider the following options:

1. Forward the resolution to a future Council Meeting for consideration.
2. Request additional information.
3. Defer consideration of housing projects until after the Council has received and reviewed the proposed housing policy.

cc: Rocky Fluhart, Cindy Gust-Jenson, Sam Guevara, Lee Martinez, David Dobbins, LuAnn Clark