



**FY2023-2024
NOTICE
OF FUNDING
AVAILABILITY**

**INFORMATION SESSION
FRIDAY, DECEMBER 1**



**HOUSING
DEVELOPMENT**
LOAN PROGRAM

\$13.7 MILLION
FOR AFFORDABLE HOUSING DEVELOPMENT

WHY WE NEED AFFORDABLE HOUSING IN SLC:

- Rental vacancy rates are low and home sales prices are unaffordable to most residents
- Housing prices suggest a shortage of housing supply overall, especially housing that is deeply affordable
- SLC is majority renter, 1/2 of all renters are cost burdened
- Wages have not kept pace with cost of living, especially housing-related costs

(Source: “Housing SLC: 2023-2027”)



The Maya



PAST PROJECTS

Capitol Homes Apartments



Jackson Apartments



Pamela's Place



The Aster





FUNDING AVAILABILITY

COMPETITIVE (CITYWIDE) FUNDS

COMPETITIVE FUNDS CATEGORY	AMOUNT
RDA Housing Development Loan Program	\$4,241,714
HOME Program Income**	\$6,939,710
HOME ARP Development**	\$1,501,608
HOME Development Fund**	\$726,291
HOME Community Housing Development Organization Funds	\$351,841
TOTAL:	\$13,761,164

Application Deadline: January 3, 2024





FUNDING AVAILABILITY

HOME Program Income

\$6,939,710

ELIGIBLE POPULATIONS

FOR DEVELOPMENT OF RENTAL HOUSING:

- At least 90% of HOME-assisted units must have households with incomes at or below 60% of AMI
- In each rental housing project with 5 or more units, at least 20% of the units must be occupied by households with incomes at or below 50% of AMI

HOME income limits are published each year by HUD.

ELIGIBLE EXPENSES

- All regular HOME eligibility, rules and restrictions apply
- Eligible activities include: construction or rehabilitation of housing for rent or ownership; or for "other reasonable and necessary expenses related to the development of non-luxury housing," including site acquisition or improvement, demolition of dilapidated housing to make way for HOME-assisted development; and payment of relocation expenses related to the acquisition, disposition or construction of HOME-assisted developments
- HOME-assisted rental housing must comply with certain rent limitations



FUNDING AVAILABILITY

HOME-ARP Development

\$1,501,608

ELIGIBLE POPULATIONS

- Homeless
- At-risk of homelessness
- Fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking or human trafficking
- Veterans and families that include a veteran that meet one of the preceding criteria

ELIGIBLE EXPENSES

- Production or preservation of affordable housing for qualifying populations
- HUD waived the maximum per-unit subsidy for HOME-ARP development dollars

For more information see HUD Notice: CPD-21-10



FUNDING AVAILABILITY

HOME Development Fund

\$726,291

ELIGIBLE POPULATIONS

- At least 90% of HOME-assisted units must have households with incomes at or below 60% of AMI
- In each rental housing project with 5 or more units, at least 20% of the units must be occupied by households with incomes at or below 50% of AMI
- The number of required HOME units depends on the amount loaned to the project.
- Depending on loan amount, at least one unit must be at or below 80% AMI for the life of the loan.

ELIGIBLE EXPENSES

- Specific HOME-funded program, with funds set-aside for the purpose of providing forgivable loans to developers, in exchange for including affordable units in rental developments within city limits
- These loans have historically been structured as 30-year low interest rate loans
- All other HOME eligibility, rules and restrictions apply



FUNDING AVAILABILITY

HOME Community Housing Development Organization Funds (CHDO)

\$351,841

Applicant must meet all three of the following requirements:

LEGAL STATUS

- Organized under State/Local Laws
- Provision of decent Housing that is affordable to Low- Moderate income persons must be among the puposes of the organization and prevelant in the CHOD's: Charter/Articles of incorporation/By-laws
- No part of the CHDO's earnings may benefit any members
- Clear Defined Service Area: Salt Lake City
- Certified Non-Profit

ORGANIZATIONAL STRUCTURE

- The CHDO's Board must be composed of:
 - At least one-third representatives of the low-income community
 - No more than one-third may be public officials or employees of the City

CAPACITY & EXPERIENCE

- The CHDO must demonstrate that it has at least one year of experience serving the community where it intends to develop the HOME-Assisted Housing
- The CHDO must demonstrate the capacity of their key staff to carry out the HOME-Assisted activities they are planning.



FUNDING AVAILABILITY

HOME Community Housing Development Organization Funds (CHDO)

\$351,841

ELIGIBLE EXPENSES

- Acquisition and/or rehabilitation of rental housing
- New construction of rental housing
- Acquisition and/or rehabilitation of homebuyer properties
- New construction of homebuyer properties
- Direct financial assistance to purchasers of HOME-assisted housing sponsored or developed by a CHDO with HOME funds



FUNDING AVAILABILITY

2023 HOME Maximum per Unit Subsidy Limits

Max Subsidy for 0 Bedroom	Max Subsidy for 1 Bedroom	Max Subsidy for 2 Bedroom	Max Subsidy for 3 Bedroom	Max Subsidy for 4 Bedroom
\$173,011.20	\$198,331.20	\$241,4176.00	\$312,004.80	\$342.482.40

The total amount of HOME funds that a participating jurisdiction may invest on a per-unit basis in affordable housing.

These are updated by HUD on an annual basis.



THRESHOLD REQUIREMENTS

FOR FY2023-2024, ALL PROJECTS MUST INCORPORATE ONE OF THE FOLLOWING ELEMENTS:

DEEPLY AFFORDABLE HOUSING: at least 10% of total units are affordable to households earning 40% AMI or less

FAMILY-SIZED HOUSING: at least 10% of total units have 3 or more bedrooms and are affordable to households earning 60% AMI or less





THRESHOLD REQUIREMENTS

ELIGIBLE APPLICANTS

- For-profit corporations, partnerships, joint ventures, or sole proprietors
- Private incorporated non-profit agencies with IRS 501(c) designation
- Public housing agencies or units of local government

DEVELOPMENT TEAM EXPERIENCE: Development and financial experience, capacity to meet requirements and maintain compliance of affordable housing projects.





THRESHOLD REQUIREMENTS

ELIGIBLE PROJECT TYPES

- New construction
- Adaptive reuse (conversion or adaptive reuse of existing non-residential structures for housing)
- Substantial rehabilitation

ELIGIBLE ACTIVITIES:

- Land and/or property acquisition
- Hard construction costs, site improvements, and related soft costs

SITE CONTROL: Evidenced through ownership, option, sale agreement, or long-term lease





THRESHOLD REQUIREMENTS

MINIMUM AFFORDABILITY: Minimum of 20% of units affordable to households earning 60% AMI for rental projects. Homeownership projects should be affordable to households earning 80% AMI

FINANCING GAP: HDLP funds limited to 10% of the project's total development cost

SUSTAINABILITY: Projects shall be designed to achieve a "Designed to Earn ENERGY STAR" score of 90 or higher, use all electric mechanical systems (no on-site natural gas use allowed), and participate in the City's Elevate Buildings program once the building is operating

POLICIES & MASTER PLANS: Projects shall align with city-wide policies and plans (Plan Salt Lake, Housing Plan, Neighborhood Plans, etc.)





GENERAL PROVISIONS

STANDARD LOAN TERMS AND CONDITIONS:

- Gap financing for rental construction to permanent
- Property acquisition
- Gap financing for homeownership construction

See Attachment B in the HDLP Guidelines for details





GENERAL PROVISIONS

STANDARD LOAN TERMS AND CONDITIONS:

- Term: 24-month to 30+ year term
- Interest Rate: based on +% over US Treasury Yield Curve Rate; max base interest rate of 4%
- Funding Priority Incentives: Reduce base interest rate by meeting current funding priorities; 0.5% reduction per funding priority met; interest rate may be reduced a maximum of 2%
- Affordability Restriction: the greater of senior financing's required affordability period or 30 years (15 years for homeownership)

See Attachment B in the HDLP Guidelines for details





GENERAL PROVISIONS

- **Loan Repayment:** Options depend on financing type
- **Subordination:** Loans may be subordinated to leverage private financing
- **Collateral:** Adequate security required generally in the form of a deed of trust, promissory note, and guarantees
- **Developer Fee:** Requirements and eligibility based on loan type

See Attachment B in the HDLP Guidelines for details





GENERAL PROVISIONS

FUNDING COMMITMENT: Successful applicants will receive conditional commitment of funding

RELOCATION: Displacement is strongly discouraged. If necessary and unavoidable, projects must submit relocation plan that complies with Federal, State, and local relocation requirements.

DESIGN: Projects shall align with applicable design guidelines and comply with all applicable SLC building codes and ordinances

IDENTITY OF INTEREST: Relationships between development team organizations must be identified on the application.



PROJECT PRIORITIES & INTEREST RATE REDUCTIONS



- Family Housing
- Target Populations
- Homeownership
- Missing Middle & Unique Housing Types
- Sustainability
- Transportation Opportunities
- Neighborhood Safety
- Expand Opportunity
- Architecture & Urban Design
- Commercial Vitality
- Historic Preservation/Adaptive Reuse
- Public Art

*Refer to HDLP Guidelines for Project Priority Criteria



APPLICATION REQUIREMENTS


1. Application and Guidelines

2. Deadline: January 3, 2024 @ 5 PM


3. Submissions must be complete

4. Submittal Method

- Electronic Copy
- kate.werrett@slcgov.com



SLCRDA



APPLICATION | AFFORDABLE HOUSING: COMPETITIVE FUNDS

451 South State Street, Room 118, PO Box 145518, Salt Lake City, Utah 84114 | 801-535-7240 | www.slcra.com

Through a Notice of Funding Availability (NOFA), the Redevelopment Agency of Salt Lake City intends to allocate funding through the Housing Development Loan Program (HDLP) for projects that produce affordable housing units within Salt Lake City municipal boundaries. This application is the first step in the process to request funding through the HDLP. Prospective applicants are strongly encouraged to read the *HDLP Guidelines and Application Handbook* in its entirety before beginning the application process.

A: PROJECT SUMMARY

Project Name		Date of Application	
Requested Funding Amount	Total Project Cost (TPC)	Requested Funding Amount to TPC (%)	
Estimated Project Start Date		Estimated Project Completion Date	
Project Street Address		City	State Zip
Contact Name	Contact Phone	Contact Email Address	
If awarded, what will RDA Gap Financing funds be used for:			
<input type="radio"/> Construction Costs <input type="radio"/> Other: _____			
Project Type:			
<input type="radio"/> New Construction, Undeveloped Site		<input type="radio"/> New Construction, Demolition of Existing Structures	
<input checked="" type="radio"/> Renovation/Rehabilitation of Existing Housing		<input type="radio"/> Addition to Existing Structure	
<input type="radio"/> Adaptive Reuse of an Existing Structure		<input type="radio"/> Other: _____	

B: APPLICANT SUMMARY

Business Name		Tax ID Number	
Street Address		City	State Zip
Entity Type:		<input type="radio"/> LLC <input type="radio"/> Sole Owner <input type="radio"/> 501(c) 3 <input type="radio"/> Partnership <input type="radio"/> Joint Venture	
<input type="radio"/> C Corp <input type="radio"/> S Corp <input type="radio"/> Other: _____			
Ownership - Provide the following information for officers and shareholders owning 10% or more of the entity.			
Name, Title	% Ownership	Role in Proposed Project	
Are there any judgments or liens outstanding against the applicant? <input type="radio"/> Yes <input type="radio"/> No			

HDLP APPLICATION

REDEVELOPMENT AGENCY OF SALT LAKE CITY

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HDLP SCHEDULE

PHASE	DATE/TIME	MILESTONE
1 Application	Friday, November 17, 2023	• NOFA released
	Friday, December 1, 2023 at 1:00 PM	• NOFA Informational Meeting (Webex Meeting Link)
	Monday, December 20, 2023	• Deadline for questions
	Wednesday, January 3, 2024 at 5:00 PM	• Applications due
2 Threshold Review*	January 4 -10, 2024	• Applications that meet Threshold Requirements proceed to Phase 3
3 Project Evaluation and Review*	January 11-26, 2024	<ul style="list-style-type: none"> • Applications that are forwarded from Phase 2 will be further evaluated and ranked • RDA Finance Committee to provide project funding recommendation
4 Project Selection	Meeting of the Legislative Body tentatively scheduled for March 2024	• Legislative Body Review and Project Selection
5 Funding Award	Varies by project	• Conditional Commitment
		• Firm Commitment and Loan Closing

**The review periods may change depending on the number of applications received.*





OTHER PROCESSES

Development Review Team

drt@slcgov.com

Planning Pre-Submittal Meeting

- Zoning districts
- Development limitations
- Typical processes

zoning@slcgov.com





CONTACT INFO

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Questions?

