

SALT LAKE CITY COMMUNITY REINVESTMENT AGENCY

NEIGHBORWORKS SHARED EQUITY FUNDING TERM SHEET

CRA BOARD MEETING – JUNE 10, 2025

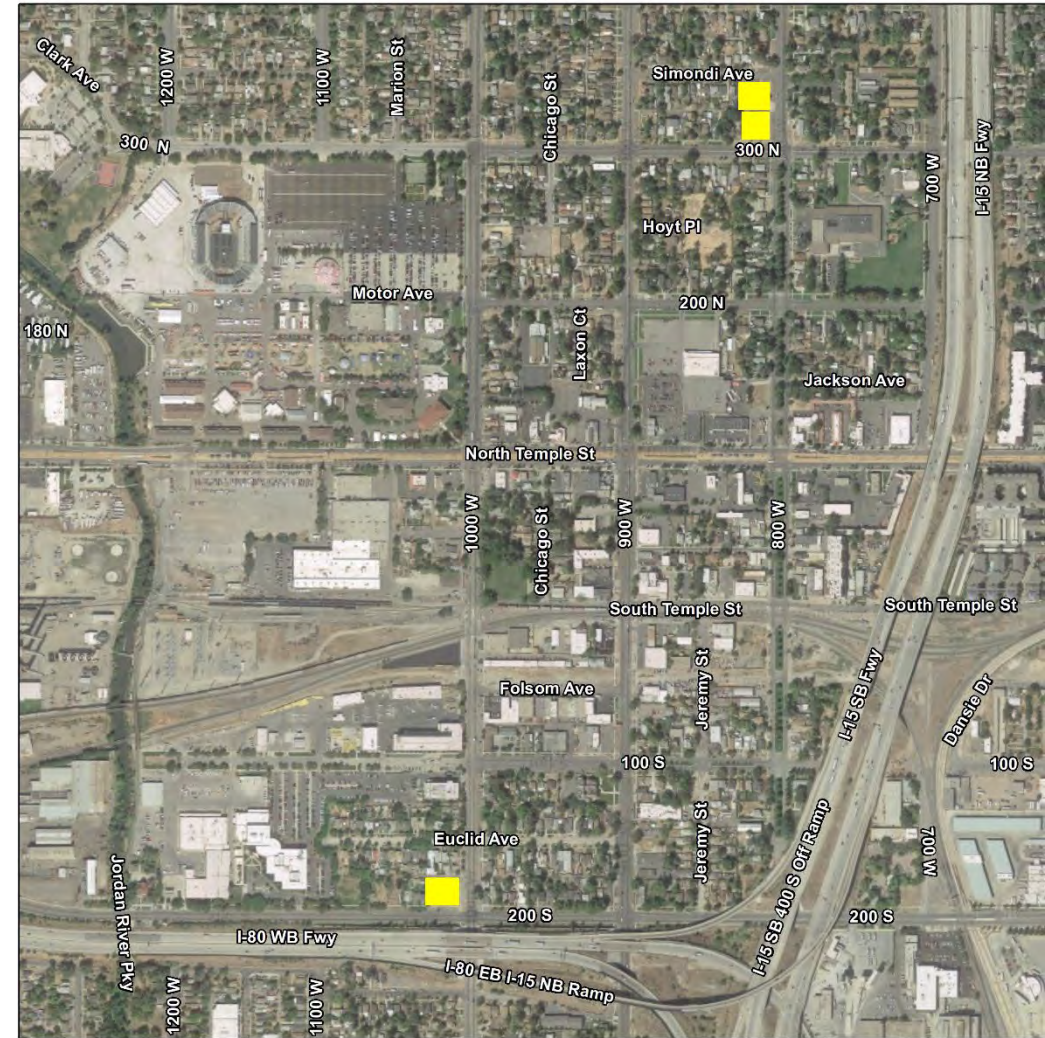


BACKGROUND

FY2023-24 CRA BOARD FUNDING

- Board made a direct allocation of \$2.1M to NeighborWorks Salt Lake (“NWSL”) towards 2 for-sale residential developments:
 - \$1,400,000 in Housing Development Funds
 - \$700,000 in Westside Community Initiative funds
- Developments would be first projects placed in NWSL’s community land trust
- Proposed Term Sheet for Board’s consideration – release of funds contingent upon meeting conditions
- NeighborWorks seeking waiver to CRA’s Sustainable Development Policy on Maltair lanes project

NWSL Proposed Residential Developments



0 500 1,000 2,000 3,000
Feet

PROPOSED RESIDENTIAL DEVELOPMENTS

NWSL COMMUNITY LAND TRUST

- Nonprofit to own and hold land in trust
- Land trust maintains ownership of land and allows households to purchase or lease homes on it through long-term ground lease
- The separation of land from building costs makes housing more affordable
- Homeowners agree to resale restrictions which maintains long term affordability
- NWSL has established a nonprofit CLT

PROPOSED RESIDENTIAL DEVELOPMENTS

MALTAIR LANES

- 1012 West 200 South
- ~.53 acres
- New construction on vacant lot in Poplar Grove neighborhood
- 13 three-story townhomes that will be condominiumized for individual ownership
- Parking on shared surface parking lot
- Currently zoned TSA-UN-T, which allows up to 50' in height
- NWSL seeking waiver of CRA's Sustainability Policy

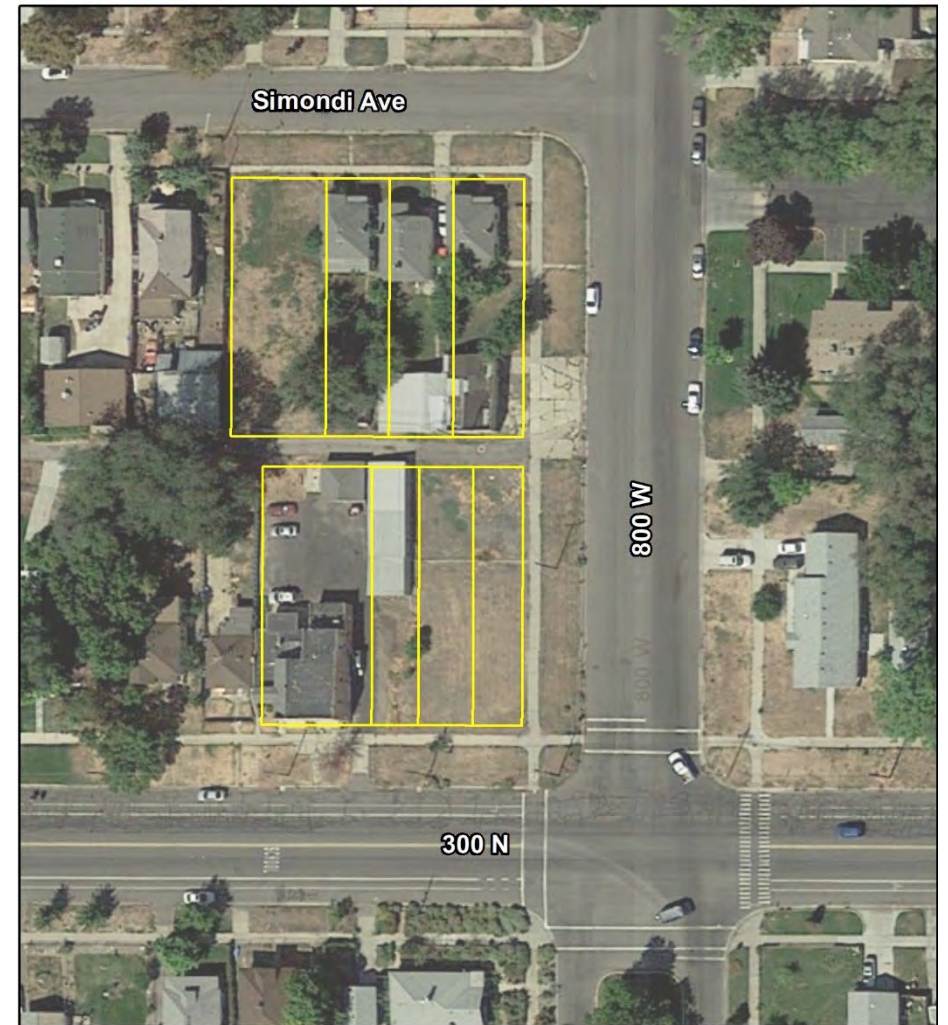


PROPOSED RESIDENTIAL DEVELOPMENTS

STANBRIDGE PROPERTY

- 319 North 800 West
- ~.94 acres
- New construction on currently vacant lots in Fairpark neighborhood
- ~18 units, tentatively anticipated to be townhome-style units or multi-family condos
- Currently zoned RMF-30, which allows up to 30' in height

Stanbridge Property



N



0 40 80 160 240 Feet

TERM SHEET

GENERAL REQUIREMENTS

- Provides the following grants once each project meets the requirements and conditions within term sheet:
 - Maltair Lanes: \$850,000
 - Stanbridge Property: \$1,250,000
- All units restricted to 120% of AMI, minimum of 20% of the units must be affordable to households earning 80% AMI
- Requires 45% of the units in each project to have 3 or more bedrooms
- Units must be developed, platted, and sold as individual units

CONDITIONS TO FUND

- Project has obtained sufficient source of funding/financing
- Per unit cost does not exceed an amount that impedes affordability listed above
- CRA subsidy cannot exceed 15% of the median sales price or \$70k per unit
- Project receives all necessary City approvals and permits
- Evidence and CRA approval of home-owner selection plan/tenant selection process

OBLIGATIONS, EVENTS OF DEFAULT, & REMEDIES

- Ensures project is built and sold within specified timeframes
- Converts grant to loan upon event of default

SUSTAINABILITY POLICY

REQUESTED WAIVER

CRA Policy – all projects that receive CRA funds must meet the following:

1. Designed to Earn the Energy Star score of 90 or corresponding estimated Energy Use Intensity (EUI) value
2. 100% electric building operation (no on-site fossil fuel combustion)
3. Participation in SLC's Energy Benchmarking Program

NWSL seeks waiver for 2 parts of policy (#1 and #2):

- NWSL designed building to include natural gas prior to receiving Board's direct funding allocation
- Redesign would add 3-6 months to project schedule
- NWSL has not been able to provide us with Design to Earn Energy Star score/EUI score to determine if project could meet #1

BOARD CONSIDERATION

- All housing developments that have received competitive funding from CRA has been able to comply
- If approved, would be first housing development to not meet the policy since adoption

CONSIDERATIONS

- Board to consider approving a resolution and term sheet authorizing the CRA Staff to negotiate and execute funding agreements with NeighborWorks subject to meeting conditions within term sheet