



AFFORDABLE HOUSING NOTICE OF FUNDING AVAILABILITY (NOFA) HIGH OPPORTUNITY AREA & FY2023-24 COMPETITIVE APPLICATIONS

RDA BOARD MEETING – MARCH 19, 2024



SLCRDA

HIGH OPPORTUNITY AREA APPLICATIONS OVERVIEW

FUNDS AVAILABLE

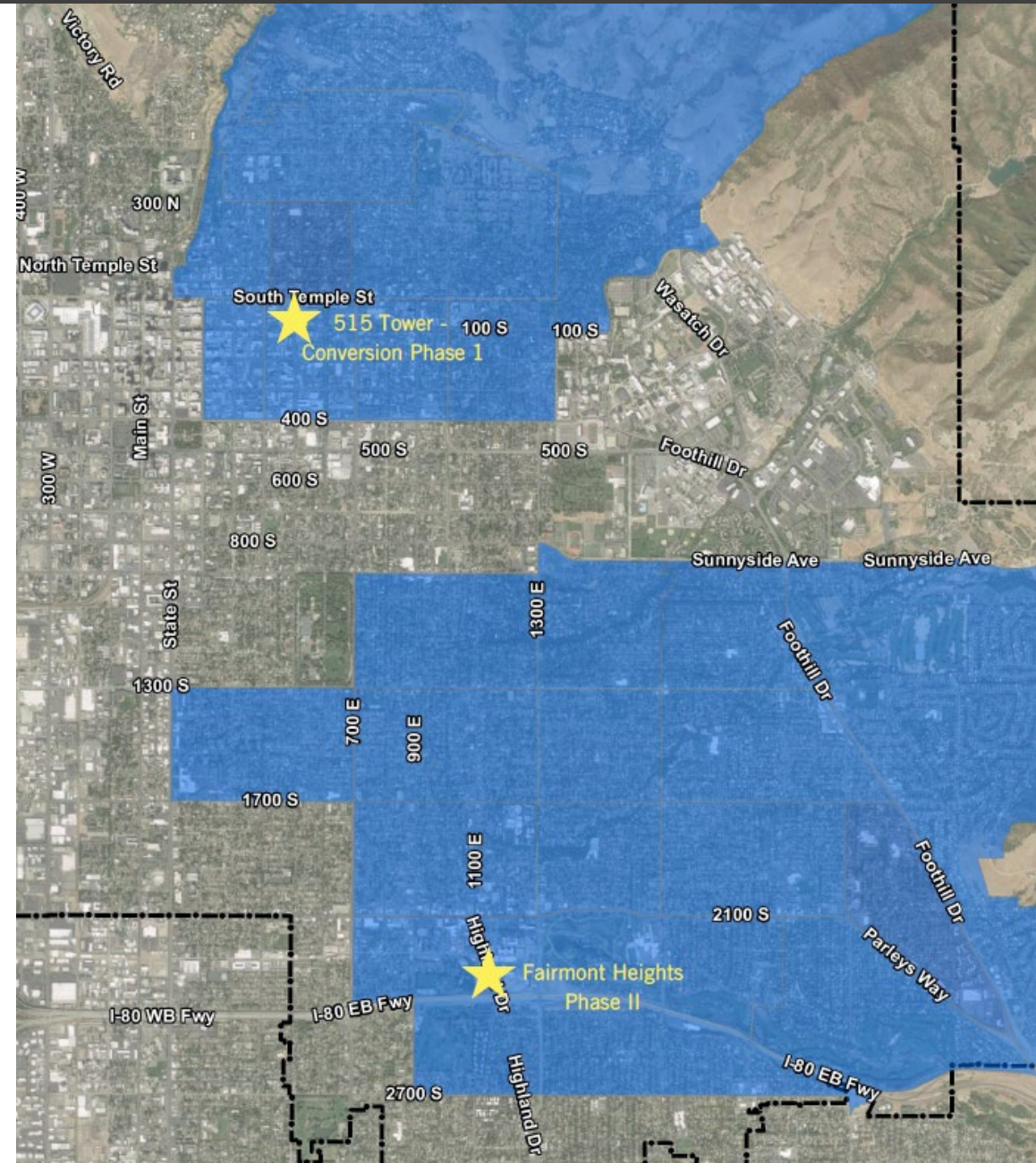
- **Total: \$2.7M**
 - **2017:** RDA Board set aside \$4.5M to incentivize affordable housing developments located in High Opportunity Areas
 - **High Opportunity Areas:** Neighborhoods that provide access to resources that improve chances at economic mobility
 - **2023:** Map was updated to reflect newer data and metrics

APPLICATION PROCESS

- Funds available since 2018 and remain open until expended

APPLICATION SUMMARY

- 2 applications received for requests of \$5.35M
 - 515 Tower – Conversion Phase I - \$2.65M
 - Fairmont Heights II - \$2.7M



HIGH OPPORTUNITY AREA FUNDS OVERVIEW

APPLICATIONS

PROJECT	DEVELOPER	ADDRESS	FUNDING REQUEST	PRELIMINARY TERMS	RESIDENTIAL UNITS	PRIORITIES MET (WEIGHTED POINTS)
515 Tower – Conversion Phase 1	Perpetual Housing Fund	515 E 100 S Salt Lake City, UT 84102	\$2,650,000	Construction to perm: 2% interest rate, 15-year term/am, cash flow repayments	96: 20@ ≤40% AMI, 76 @ 41-60% AMI; includes studios, 1, 3, and 4 bedrooms.	10
Fairmont Heights II	Lincoln Avenue Capital	2257 S 1100 E Salt Lake City, UT 84106	\$2,700,000	Acquisition: 1% interest rate, 2- year term, balloon payment or conversion to permanent loan. Construction to perm: 16-year term, 40-year am, hard repayments	55: 27 @ ≤40% AMI, 19 @ 41-60% AMI, 9@ 61-80% AMI; includes 1 and 2 bedrooms.	6

\$5,350,000

- *RDA Finance Committee Recommendation:* Fund full \$2.65M Request for 515 Tower Conversion – Phase I
- RDA Sustainable Development Policy Clarification

FY2023-24 COMPETITIVE HDLP NOFA OVERVIEW

FUNDS AVAILABLE

- Total: \$13.76M*
 - ***\$4.24M** of RDA funds were combined with **\$9.52M** of HUD HOME 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 Funds	\$726,291
HOME Community Housing Development Organization Funds	\$351,841
TOTAL:	\$13,761,164

- Additional **\$1.665M** in funds from previous HDLP applications may be available, subject to Board approval

NOTICE OF FUNDING AVAILABILITY



**FY2023 - 2024 AFFORDABLE HOUSING FUNDS
GUIDELINES + APPLICATION HANDBOOK**

RELEASE DATE

November 17, 2023

APPLICATION DEADLINE

January 3, 2024



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FY2023-24 COMPETITIVE HDLP NOFA OVERVIEW

APPLICATION PROCESS

- Competitive Process
- Applications Released: *November 17, 2023*
- Information Session: *December 1, 2023*
- Applications Due: *January 3, 2024*

APPLICATION SUMMARY

- 20 applications received
- 15 applications eligible, 5 applications ineligible for HDLP funding
- \$27,464,243 total eligible funding request

NOTICE OF FUNDING AVAILABILITY



**FY2023 - 2024 AFFORDABLE HOUSING FUNDS
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November 17, 2023

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January 3, 2024



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MAP OF DEVELOPMENT: MAP 1 of 2

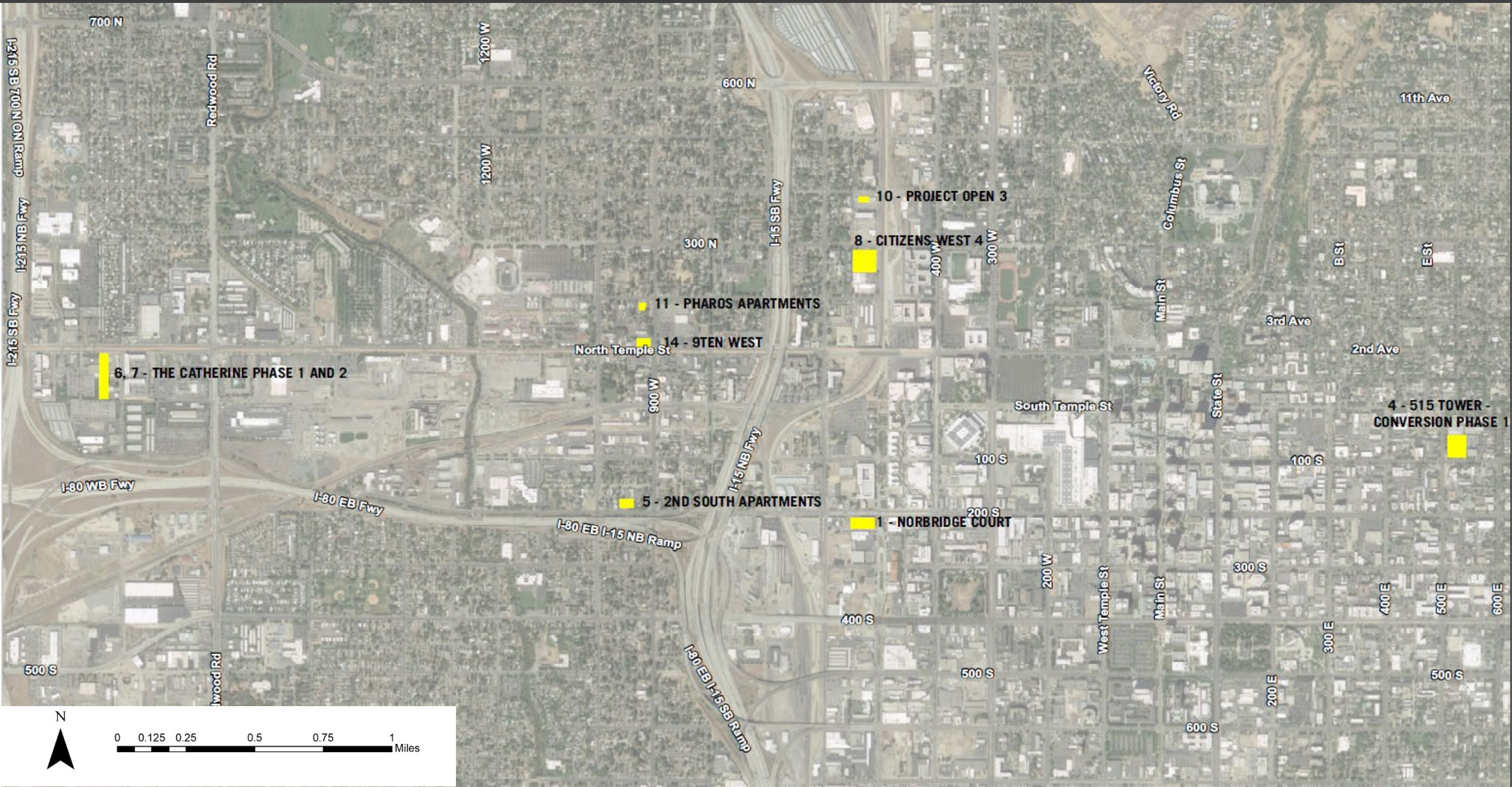
This aerial map of downtown Salt Lake City highlights 14 development projects, each marked with a yellow square and a label. The projects are distributed across the city, with some clustered near major transportation corridors. The map includes labels for major highways (I-15, I-80, I-215), streets (Redwood Rd, Main St, State St, etc.), and project locations. A scale bar and north arrow are located in the bottom left corner.

Development Projects:

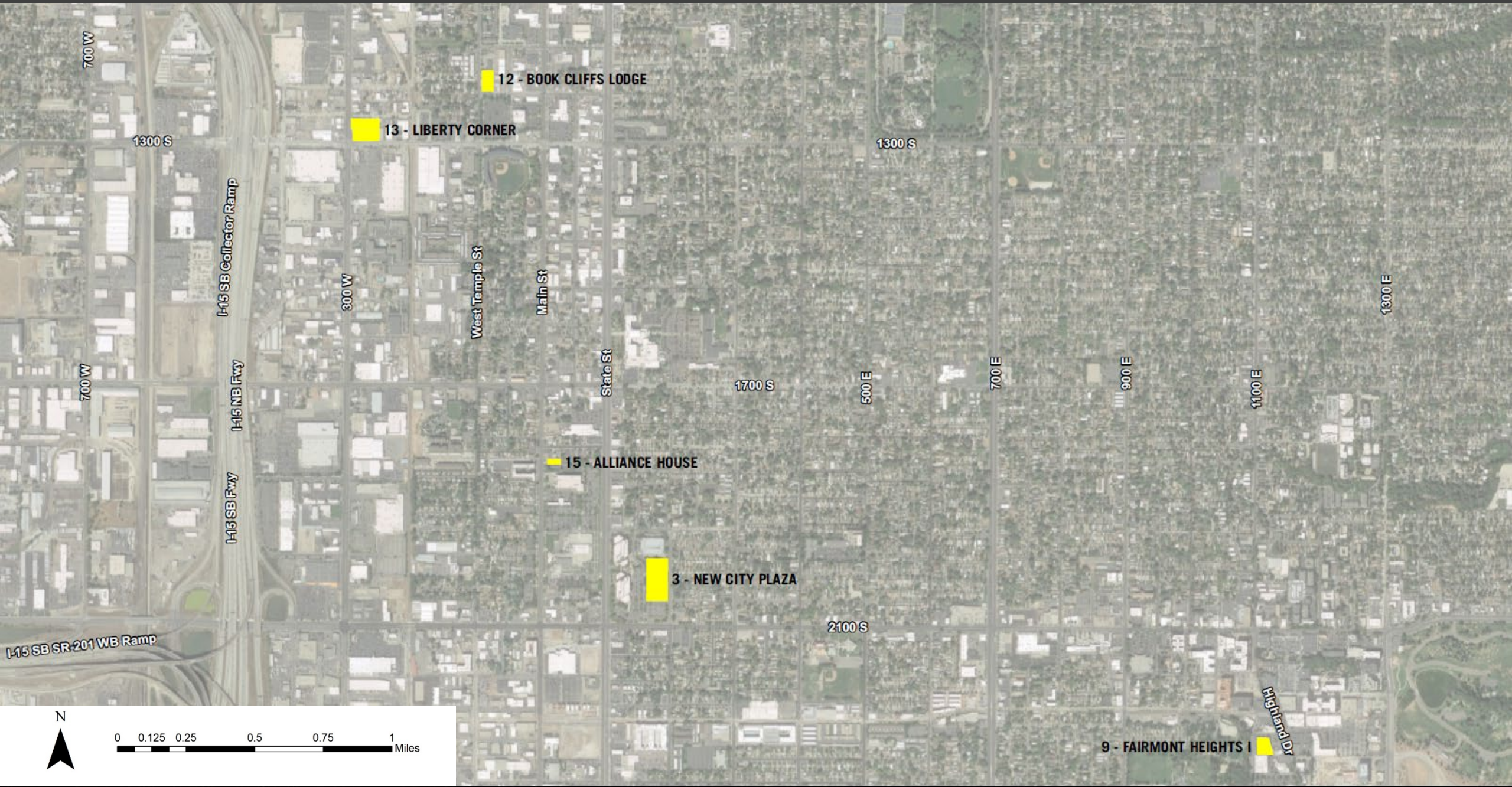
- 1 - NORBRIDGE COURT
- 4 - 515 TOWER - CONVERSION PHASE 1
- 5 - 2ND SOUTH APARTMENTS
- 6, 7 - THE CATHERINE PHASE 1 AND 2
- 8 - CITIZENS WEST 4
- 10 - PROJECT OPEN 3
- 11 - PHAROS APARTMENTS
- 14 - 9TEN WEST

Map Features:

- Highways:** I-15 SB Fwy, I-15 NB Fwy, I-80 WB Fwy, I-80 EB Fwy, I-215 SB Fwy, I-215 NB Fwy, I-80 EB I-15 NB Ramp, I-15 EB I-15 SB Ramp.
- Streets:** Redwood Rd, Main St, State St, West Temple St, South Temple St, North Temple St, 11th Ave, 10th Ave, 9th Ave, 8th Ave, 7th Ave, 6th Ave, 5th Ave, 4th Ave, 3rd Ave, 2nd Ave, 1st Ave, 11th St, 10th St, 9th St, 8th St, 7th St, 6th St, 5th St, 4th St, 3rd St, 2nd St, 1st St.
- Scale:** 0 to 1 Miles.
- North Arrow:** Points North.



MAP OF DEVELOPMENT: MAP 2 of 2



THRESHOLDS REQUIREMENTS

SUSTAINABILITY: Projects required to be designed to achieve a “Designed to Earn the Energy Star” Score of 90 or higher, contain no onsite fossil fuel combustion, and participate in the City’s Elevate Buildings program once the building is operating.

AND ONE OF THE FOLLOWING:

FAMILY-SIZED UNITS: At least 10% of the total residential units shall have 3+ bedrooms and shall be rent restricted to those earning 60% AMI.

OR

DEEPLY AFFORDABLE UNITS: At least 10% of the total residential units shall be restricted as affordable to households earning 40% AMI.

PROJECT PRIORITIES

PROJECT PRIORITIES: USED TO EVALUATE PROJECTS & PROVIDE INTEREST RATE REDUCTIONS

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



APPLICATION REVIEW

PROJECT EVALUATION

- Alignment with project priorities
- Content & Quality of Application
- Qualifications & Experience of Development Team
- Content, Effectiveness & Financial Details Appropriateness
- Project Readiness
- Building & Site Design



Applications Overview							
Application # Project Developer	1 Norbridge Court Artspace	2 Bumper House SMH Builders	3 New City Plaza Apartments Housing Connect	4 515 Tower - Conversion Phase I Perpetual Housing Fund	5 2nd South Apartments Hermes Affordable Services, LLC	6 The Catherine Phase 1 22 Communities	7 The Catherine Phase 2 22 Communities
Address	511 W 200 S	269 W Brooklyn Ave	1966 S 200 E	515 E 100 S	934-948 W 200 S	1881 W N Temple	1881 W N Temple
Preliminary Terms	1%, 30/30	1.5%, 17/40	2.5%, 40/40	2%, 15/15	2%, 30/30	2%, 16/40	2%, 16/40
Repayment Type	Hard	Hard	Cash Flow	Cash Flow	Cash Flow	Cash Flow	Cash Flow
RDA Request Amount	\$ 895,000	\$3,000,000	\$ 3,000,000	\$895,000	\$ 895,000	\$2,650,000	\$ 2,650,000
Funding Recommendations	\$895,000	\$0	\$895,000	\$2,650,000***	\$2,420,000	\$1,000,000	\$134,323
Previous RDA Commitment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Cost	\$18,774,027	\$60,701,174	\$60,701,174	\$89,615,717	\$89,615,717	\$39,231,648	\$39,231,648
RDA % of Total Project Cost	4.8%	4.9%	1.0%	6.8%	8.1%	3.6%	3.5%
RDA Requested Funds per Affordable Unit	\$14,435	\$12,658	\$10,033	\$9,323	\$8,524	\$11,623	\$18,403
RDA FC Recommended Funding per Affordable Unit	\$14,435	\$0	\$2,993	\$27,604	\$23,048	\$4,386	\$933
Tax Credits?	Yes, 9%	Yes, 4%	Yes, 4%	Yes, 9%	Yes, 4%	Applying, 4%	Applying, 4%
Affordable Units Breakdown							
40% AMI & Below	32	24	224	20	16	-	-
41-60% AMI	22	158	75	76	88	228	-
61%-80% AMI	8	55	-	-	-	-	144
>81% AMI & Above (Market)	-	-	-	-	1	-	-
Total	62	237	299	96	105	228	144
Percent Affordable (60% AMI & below)	87%	77%	100%	100%	99%	100%	0%
Unit Mix							
Studio	-	182	-	40	36	80	45
1bd	-	18	298	8	37	44	30
2bd	59	37	1	-	16	80	45
3bd	3	-	-	32	16	24	24
4bd	-	-	-	16	-	-	-
Weighted Project Priority Score	8	3	5	10	8	4	6

APPLICATIONS OVERVIEW CONTINUED

Application # Project	8 Citizens West 4	9 Fairmont Heights I	10 Project Open 3	11 Pharos Apartments	12 Book Cliffs Lodge	13 Liberty Corner	14 9Ten West	15 Alliance House 1805 Rebuild	TOTAL
Developer	Developed. By Women. & Ivan Carroll	Lincoln Avenue Communities	Perpetual Housing Fund	Housing Authority of Salt Lake City	Housing Authority of Salt Lake City	Cowboy Partners	Great Lakes Capital	Alliance House & Cowboy Partners	
Address	515 W 300 N	2557 S 1100 E	529 W 400 N	915 W 200 N	1159 S W Temple	1265 S 300 W	910 W N Temple	1805 S Main St	
Preliminary Terms	1%, 15/30	1%, 2yr balloon or 16/40	1%, 18 month	2.5%, 15/40	2.5%, 15/30	2%, 40/40	2%, 16/40	2.5%, 40/40	
Repayment Type	Hard	Balloon or convert to hard	Balloon Payment	Cash Flow	Cash Flow	Cash Flow	Cash Flow	Cash Flow	
RDA Request Amount	\$3,000,000	\$ 3,000,000	\$2,524,802	\$ 2,524,802	\$1,569,441	\$ 1,569,441	\$400,000	\$ 400,000	\$ 28,973,486
Funding Recommendations	\$400,000	\$1,000,000	\$710,000	\$880,000	\$740,000	\$4,500,000	\$1,000,000	\$500,000	\$15,074,323
Previous RDA Commitment	\$ -	\$ -	\$ -	\$ -	\$1,000,000	\$ -	\$ -	\$ -	\$1,000,000
Project Cost	\$37,177,859	\$37,177,859	\$69,452,555	\$69,452,555	\$45,194,612	\$45,194,612	\$25,514,260	\$25,514,260	\$752,549,677
RDA % of Total Project Cost	1.6%	9.2%	9.9%	8.5%	10.0%	3.8%	4.6%	8.3%	
RDA Requested Funds per Affordable Unit	\$57,692	\$54,545	\$109,774	\$74,259	\$28,535	\$7,847	\$2,222	\$25,000	
RDA FC Recommended Funding per Affordable Unit	\$7,692	\$18,182	\$30,870	\$25,882	\$13,455	\$22,500	\$5,556	\$31,250	
Tax Credits?	Yes, 9%	Applying, 9%	No	No	No	Yes, 4%	Yes, 4%	No	
Affordable Units Breakdown									
40% AMI & Below	10	27	-	5	9	44	27	16	454
41-60% AMI	40	19	-	19	20	78	138	-	961
61%-80% AMI	-	9	23	10	20	78	15	-	362
>81% AMI & Above (Market)	2	-	-	-	6	-	-	-	9
Total	52	55	23	34	55	200	180	16	1,786
Percent Affordable (60% AMI & below)	96%	84%	0%	71%	53%	61%	92%	100%	
Unit Mix									
Studio..	10	-	-	-	-	-	165	-	558
1bd..	-	40	4	34	55	-	15	16	599
2bd..	16	15	-	-	-	96	-	-	365
3bd..	20	-	12	-	-	80	-	-	211
4bd..	6	-	7	-	-	24	-	-	53
Weighted Project Priority Score	10	6	12	5	5	10	7	7	

FINANCE COMMITTEE RECOMMENDATION

PROJECT/APPLICANT	ADDRESS	WEIGHTED PROJECT PRIORITY SCORE	FUNDING REQUEST	RDA Committed Funds	Possible Additional RDA Funds	HOME Program Income	HOME Development Fund	HOME ARP Development	TOTAL FUNDING RECOMMENDATION	FUNDING RANKING
Norbridge Court Artspace	511 W 200 S	8	\$895,000	\$895,000					\$895,000	7
Bumper House SMH Builders	269 W Brooklyn Ave	3	\$3,000,000						\$0	14
New City Plaza Apartments Housing Connect	1966 S 200 E	5	\$895,000					\$895,000	\$895,000	5
515 Tower - Conversion Phase I Perpetual Housing Fund	515 E 100 S	10	\$2,650,000						\$0***	3
2nd South Apartments Hermes Affordable Services, LLC	934-948 W 200 S	8	\$3,000,000			\$2,420,000			\$2,420,000	6
The Catherine Phase 1 22 Communities	1881 W N Temple	4	\$2,524,802			\$1,000,000			\$1,000,000	10
The Catherine Phase 2 22 Communities	1881 W N Temple	6	\$1,569,441		\$134,323				\$134,323	10
Citizens West 4 Developed. By Women. & Ivan Carroll	515 W 300 N	10	\$400,000	\$400,000					\$400,000	2
Fairmont Heights I Lincoln Avenue Communities	2557 S 1100 E	6	\$3,200,000			\$1,000,000			\$1,000,000	13
Project Open 3 Perpetual Housing Fund	529 W 400 N	12	\$710,000	\$710,000					\$710,000	1
Pharos Apartments Housing Authority of Salt Lake City	915 W 200 N	5	\$880,000			\$47,101	\$726,291	\$106,608	\$880,000	12
Book Cliffs Lodge Housing Authority of Salt Lake City	1159 S W Temple	5	\$740,000			\$740,000			\$740,000	11
Liberty Corner Cowboy Partners	1265 S 300 W	10	\$4,500,000	\$1,236,714	\$1,530,677	\$1,732,609			\$4,500,000	4
9Ten West Great Lakes Capital	910 W N Temple	7	\$2,000,000	\$1,000,000					\$1,000,000	9
Alliance House 1805 Rebuild Alliance House & Cowboy Partners	1805 S Main St	7	\$500,000					\$500,000	\$500,000	8
TOTAL			\$27,464,243	\$4,241,714	\$1,665,000	\$6,939,710	\$726,291	\$1,501,608	\$15,074,323	