



MOTION SHEET

THE REDEVELOPMENT AGENCY *of* SALT LAKE CITY

TO: RDA Board Members

FROM: Allison Rowland
Budget & Policy Analyst

DATE: May 04, 2021

**RE: RESOLUTION: LOAN TO COLONY B, LLC, FOR AN AFFORDABLE HOUSING
DEVELOPMENT AT APPROXIMATELY 228 WEST 1300 SOUTH**

MOTION 1 – APPROVE THE RESOLUTION

I move that the Board adopt the resolution to approve a loan of \$1,340,000 to Colony B, LLC, for an affordable housing project at approximately 228 West 1300 South.

MOTION 2 – NOT APPROVE THE RESOLUTION

I move the Board **not** adopt the resolution to approve a loan of \$1,340,000 to Colony B, LLC, for an affordable housing project at approximately 228 West 1300 South, and move on to the next item.



BOARD STAFF REPORT

THE REDEVELOPMENT AGENCY of SALT LAKE CITY

TO: RDA Board Members
FROM: Allison Rowland
Budget & Policy Analyst

DATE: May 4, 2021

RE: RESOLUTION: LOAN TO COLONY B, LLC, FOR AN AFFORDABLE HOUSING DEVELOPMENT AT APPROXIMATELY 228 WEST 1300 SOUTH

Item Schedule:

Briefing: May 4, 2021
Set Date: N/A
Public Hearing: N/A
Potential Action: May 18, 2021

ISSUE-AT-A-GLANCE

The Board is asked to consider a \$1.3 million loan request from Colony B, LLC, to help fund a \$21.0 million mixed-income affordable housing project at approximately 228 West 1300 South. This project would provide approximately 140 residential units, of which 106 would be deed-restricted as affordable for 50 years. The units would be a mix of studios (each approximately 324 square feet) and one-bedroom apartments (each about 520 square feet), with rents for the affordable units set between 25% AMI and 50% AMI. Eleven units will be initially available for young people aging out of foster care, and the developers intend to continue to seek young people in this situation to the extent possible in the future through a partnership with the VOA and their youth resource center. In addition, 15 units will accommodate people with long-term mobility challenges.

The developer, Colony B, LLC, is a joint venture between the Neighborhood Nonprofit Housing Corporation (NNHC, also known as Neighborhood Housing Solutions) and Defy CoLabs, LLC, which is based in Bountiful. The proposed loan's interest rate would be 1.2%, with a term of 16 years and a 40-year amortization period. The City would be in second position for repayment. The project would break ground in July 2021, with occupancy and lease-up beginning in late 2022 and early 2023.

The project aligns with five goals listed in *Growing SLC: A 5-Year Housing Plan*. The Housing Trust Fund Advisory Board unanimously recommended approval of this loan as presented in the transmittal at their April 7, 2021 meeting.

Goal of the briefing: Discuss and consider approving a \$1,340,000 loan to Colony B, LLC, for an affordable housing project at approximately 228 West 1300 South.



ADDITIONAL INFORMATION

A. Project Deed-Restricted Apartments: Types and Affordability Levels

	Studio	One-Bedroom
25% AMI	4	1
39% AMI	16	1
45% AMI	60	3
50% AMI	19	2
TOTAL	99	7

B. Funding Gap

The \$1.3 million loan is intended to cover a funding gap created by increased construction costs, as well as a drop in the value of Utah’s LIHTC tax credits since they were awarded last September. The drop from \$0.99 to \$0.96 would account for about \$300,000, so the balance of the loan is presumably requested to cover construction cost increases.

C. Proposed Interest Rate Reduction

The base interest rate for the Housing Development Loan Program (HDLP) is set at 3%. Proximity to the Ballpark Station Trax line would allow for a reduction of -0.25%, and another -0.25% was awarded for affordability, reducing the rate to 2.50%. [Council staff note: This differs from the information in the text of the revised transmittal, which was sent on April 28, 2021. However, the resolution was updated to reflect an additional interest rate reduction of -0.25% for affordability.]

The developers have requested the rate be reduced to 1.2% because the senior lender’s required debt coverage ratio (DCR) is 1.15. HDLP’s minimum DCR is 1.1.

RDA staff recommends this reduction be approved by the Board, which is permitted by program policy on a case-by-case basis when required by senior lenders.

“In this case, RDA staff recommends approval of this reduced interest rate – though not below the HDTF Policy’s 1% threshold – as the Project has a high number of deeply affordable units, is ready to break ground this summer, has secured 9% Low Income Housing Tax Credits and the applicant is a housing nonprofit that will make hard repayments to the RDA with a balloon payment at the end of the 16-year loan.”

D. Source of Funding

FY20 HDTF transfer to RDA	\$2,590,000
Diamond Rail Loan	- \$1,000,000
Wasatch Cmty. Gardens Loan	- \$250,000
Colony B Loan	- \$1,340,000
FY20 HDTF Balance	\$0

POLICY QUESTION

1. While this project accomplishes several goals in *Growing SLC: A 5-Year Housing Plan*, the Board may wish to ask the Administration how future investments can incentivize projects with affordable family-sized units (2+ bedrooms).



REDEVELOPMENT AGENCY of SALT LAKE CITY

STAFF MEMO

DATE: April 15, 2021

PREPARED BY: Lauren Parisi, RDA Project Manager

RE: Consideration of \$1,340,000 loan to Colony B LLC for an affordable housing development to be located at approximately 228 West 1300 South

REQUESTED ACTION: Consider approval of resolution authorizing \$1,340,000 loan to Colony B LLC for an affordable housing development located at approximately 228 West 1300 South

POLICY ITEM: Affordable Housing

BUDGET IMPACTS: \$1,340,000 from Funding Our Future housing funds

EXECUTIVE SUMMARY: Colony B LLC is requesting a \$1,340,000 loan to accommodate the construction of a multi-family development (“Project”) at approximately 228 W. 1300 South. The Project will contain 140 residential units, with 106 units affordable to households earning 50% of the area median income (“AMI”) and below for a minimum of 50 years.

HOUSING TRUST FUND ADVISORY BOARD RECOMMENDATION: The Housing Trust Fund Advisory Board (“HTFAB”) reviewed this request at their meeting on April 7, 2021. The Board recommended approval of the \$1,340,000 loan with the terms as proposed and included in *Attachment A: Resolution and Term Sheet*, including a reduced interest rate of 1.2%.

ANALYSIS & ISSUES: Additional information on the Project and loan request is as follows:

I. PROJECT OVERVIEW

The proposed Colony B apartment project (“Project”) will be a primarily affordable housing development located at 228 W. 1300 South on a vacant piece of land. The Project will contain 140 residential units, with 106 units affordable to households earning 50% of the area median income (“AMI”) and below for a minimum of 50 years. The Project will initially lease to eleven young people aging out of foster care and include fifteen Type A ADA units to accommodate individuals with long-term mobility issues. The affordable unit breakdown is as follows:

- 4 studios at 25% AMI (\$351/month)*
- 1 one-bedroom at 25% AMI (\$379/month)

- 16 studios at 39% AMI (\$566/month)
- 1 one-bedroom at 39% AMI (\$610/month)
- 60 studios at 45% AMI (\$659/month)
- 3 one-bedrooms at 45% AMI (\$709/month)
- 19 studios at 50% AMI (\$736/month)
- 2 one-bedrooms at 50% AMI (\$792/month)
- 34 market-rate units (\$950-\$1,200/month)

**All rental rates reflect 2020 HUD data*

The studios or micro units will be approximately 324 square feet and the one-bedrooms will be approximately 520 square feet in size. Resident amenities will include a gym, indoor bicycle storage and community lounges. The Project abuts the 1300 South TRAX stop to the east and the 300 West commercial corridor to the west.

If the funding request is approved, the Project is anticipated to break ground in July of 2021. This falls in line with the Housing Development Trust Fund Policy’s prioritization of projects that can break ground within three months of submittal. Construction will take approximately sixteen months, with the start of occupancy and lease-up beginning in Q4 2022 to Q1 2023.

II. APPLICANT INFORMATION

The organizations associated with this project are the Neighborhood Nonprofit Housing Corporation (NNHC), also known as Neighborhood Housing Solutions, acting as the applicant, sponsor, developer and owner. Defy I, LLC will work in partnership with NNHC, acting as the developer, owner. Together these organizations formed the joint venture partnership, Colony B LLC. The team has extensive experience in real estate finance, affordable housing projects, multi-family and mixed-use development projects as well as housing counseling. NNHC and Defy I, LLC are, “dedicated to housing for the greater good and [their] mission is to create quality affordable housing opportunities, strengthen and enhance communities, and provide households with the skills to become self-sufficient.”

III. FINANCIAL OVERVIEW

An overview of the Project’s sources and uses is provided below.

SOURCES:

Enterprise Green Energy Rebates	\$168,064	1%
Federal LIHTC Equity Investor	\$9,599,040	46%
State Equity Investor	\$701,930	3%
Rocky Mountain CRC Perm. Loan	\$8,238,773	39%
SLC HDTF	\$1,340,000	6%
Olene Walker Housing Loan Fund	\$1,000,000	5%
TOTAL SOURCES	\$21,047,807	100%

*Note: The Project was awarded \$1,000,000 in LIHTC. With a syndication rate of .96, this equates to \$9,599,040 in equity for the Project.

USES:

Land	\$3,700,000	18%
Site Work	\$545,280	3%
Hard Costs	\$11,469,097	54%

Architectural and Engineering Fees	\$415,845	2%
Additional Soft Costs	\$112,210	1%
Contractor Fee	\$577,848	3%
Developer Fee	\$1,275,062	6%
Financing Expenses	\$1,004,965	5%
Syndication Costs	\$67,500	.32%
Contingency*	\$1,475,000	7%
Reserves	\$405,000	2%
TOTAL USES	\$21,047,807	100%

*Note: Contingency 13% of hard costs

IV. PROPOSED TERMS

The Applicant is requesting a Housing Development Trust Fund (“HDTF”) loan to fill a financial gap that remains on the Project. The applicant has explained that the gap has been caused by *“a reduction in tax credit value as well as elevated construction costs. The national CRA rules have changed over the last 12 months which has caused a decrease in value to Utah tax credits. Our pricing at application in September was at \$0.99 and it is now at \$0.96, which lowered our equity investment. We are also experiencing elevated construction costs which are currently at all-time highs across the industry. Incomes have not kept pace with these increases in costs and thus revenues are not sufficient to cover those cost increases.”*

The funding request aligns with HDTF policy, with proposed terms as follows:

- **Term:** – 16 years
- **Amortization:** 40-year period
- **Interest rate:** requesting 1.2%, calculated as follows:

Base Rate	3%
Qualifying Interest Rate Reductions	
Transit Proximity*	-0.25%
Interest Rate w/ Reductions	2.75%

*Note: To be eligible for the Transit Proximity interest rate reduction, the Project shall be located within 1/2 mile of a transit station. The Project is within 1/2 mile of the Ballpark Station.

Policy Waiver - Further Interest Rate Reduction: The applicant has requested that the interest rate be reduced further to 1.2% due to the senior lender’s debt coverage ratio (“DCR”) requirement of 1.15. An interest rate from the RDA higher than 1.2%, would decrease the DCR below the 1.15 threshold. The Housing Development Trust Fund Policy states that exceptions from the standard loan terms may be recommended on a case-by-case basis based on requirements of senior lenders.

In this case, RDA staff recommends approval of this reduced interest rate – though not below the HDTF Policy’s 1% threshold – as the Project has a high number of deeply affordable units (15 of those reserved for individuals with long-term mobility issues), is ready to break ground this summer, has secured 9% Low Income Housing Tax Credits and the applicant is a housing nonprofit that will make hard repayments to the RDA with a balloon payment at the end of the 16-year loan term.

- **Repayment type:** Annual hard repayments, with principal and interest payments beginning at the date of project stabilization, estimated to be Q1 of 2023.

Simple interest shall accrue on all loan proceeds disbursed commencing on the date of disbursement at a rate of 1.2%.

- **Security:** A deed of trust on the property that may be subordinated to senior financing.
- **Affordable Housing Covenant:** A restriction shall be recorded against the property that requires continued use of the specified units as affordable housing for 50 years.
- **Disbursement:** Loan proceeds shall be disbursed through construction draws.

Refer to *Attachment A: Resolution and Term Sheet* for additional detail on proposed loan terms and conditions.

V. PROJECT'S ABILITY TO REPAY DEBT

The Project is projected to generate positive cash flow for the entire 16-year investor period and maintain a DCR of 1.15. This falls within HDTF policy, which requires a 1.1 DCR.

VI. POLICY ALIGNMENT - GROWING SLC: A 5-YEAR HOUSING PLAN

This Project aligns with Growing SLC: A 5-Year Housing Plan as follows:

1. Encourage a mix of income in individual projects and neighborhoods.
2. Create a net increase in affordable housing units while:
 - a. Avoiding displacement of existing affordable housing.
 - b. Retaining and expanding the diversity of AMI and innovative housing types.
3. Keep publicly-funded housing projects affordable as long as possible.
4. Provide a spectrum of housing options for people of all backgrounds and incomes.
5. Include affordable housing in transit-oriented developments because access to public transit increases access to opportunities. Moderate increases in density should be encouraged along transit corridors.

VII. FUNDS AVAILABILITY

Through the 2019-20 budget process, \$2,590,000 in sales tax funding was transferred to the RDA for the HDTF. \$1,000,000 was allocated to the Diamond Rail apartment project and \$250,000 was allocated to the Wasatch Community Gardens housing project, leaving \$1,340,000 to accommodate this request.

ATTACHMENTS:

- A. [Resolution and Term Sheet](#)
- B. [Aerial View of Site](#)
- C. [Site Plan](#)
- D. [Elevations](#)

REDEVELOPMENT AGENCY OF SALT LAKE CITY

RESOLUTION NO. _____

Loan to Colony B LLC

RESOLUTION OF THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY APPROVING THE TERM SHEET FOR A LOAN TO COLONY B LLC FOR AN AFFORDABLE HOUSING DEVELOPMENT PROJECT LOCATED AT APPROXIMATELY 228 WEST 1300 SOUTH

WHEREAS, the Redevelopment Agency of Salt Lake City (“RDA”) was created to transact the business and exercise the powers provided for in the Utah Community Reinvestment Agency Act.

WHEREAS, in the FY 2020 budget, the Salt Lake City Council (“Council”) allocated \$2,590,000 in Funding Our Future revenues to the RDA to be provided as loans for the development of affordable housing.

WHEREAS, pursuant to legislative intent provided by the Council when the FY 2020 budget was adopted, the Council established a housing trust fund within the RDA and any application that comes to Salt Lake City will be handled by the RDA in a manner that is consistent with the current rules and purposes guiding the Salt Lake City Housing Trust Fund and the Housing Trust Fund Advisory Board as established by Salt Lake City code Chapter 2.80.

WHEREAS, Colony B LLC, whose majority member is Neighborhood Nonprofit Housing Corporation, (the “Developer”) will construct an affordable housing development which consists of the new construction of a five-story structure with approximately 140 residential units, 106 of which are deed restricted as affordable housing for 50-years (the “Project”) on 0.5 acres of property located at approximately 228 West 1300 South (the “Property”).

WHEREAS, the Developer has applied for a loan from the RDA to assist with construction costs for development of the Project.

WHEREAS, on April 7, 2020, the Housing Trust Fund Advisory Board (“HTFAB”) reviewed the loan application and approved the attached set of terms (the “Term Sheet”).


WHEREAS, the RDA staff recommends approval of the Term Sheet for a loan to the Developer, as borrower, for the Project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Redevelopment Agency of Salt Lake City (the “Board”) that it approves the loan outlined in the Term Sheet attached hereto, subject to revisions that do not materially affect the rights and obligations of the RDA hereunder. The Board authorizes the Executive Director to negotiate and execute the loan agreement and any other relevant documents consistent with the Term Sheet, and incorporating such other terms and agreements as recommended by the City Attorney’s office.

Passed by the Board of Directors of the Redevelopment Agency of Salt Lake City, this
_____ day of May, 2021.

Ana Valdemoros, Chair

Approved as to form: _____



Salt Lake City Attorney's Office
Kimberly K. Chytraus
Date: April 13, 2021

The Executive Director:

_____ does not request reconsideration
_____ requests reconsideration at the next regular Agency meeting.

Erin Mendenhall, Executive Director

Attest:

City Recorder

EXHIBIT A: APPROVED LOAN TERM SHEET
Colony B LLC

BORROWER

Colony B LLC, a Utah limited liability company

PROPERTY

0.5 acres of land located at approximately 288 W. 1300 South

PROJECT DESCRIPTION & AFFORDABILITY

The project consists of the new construction of a five-story apartment building with one hundred and forty (140) residential units total and one hundred and six units (106) that will be deed restricted for 50 years as follows:

- 4 studios at 25% AMI
- 1 one-bedroom at 25% AMI
- 16 studios at 39% AMI
- 1 one-bedroom at 39% AMI
- 60 studios at 45% AMI
- 3 one-bedrooms at 45% AMI
- 19 studios at 50% AMI
- 2 one-bedrooms at 50% AMI

PROPOSED LOAN TERMS

- Amount: \$1,340,000
- Interest Rate: 1.2%

Base Rate	3%
Qualifying Interest Rate Reductions	
Transit Proximity	-0.25%
Greater Affordability	-0.25%
Additional Reduction to meet Senior Lender Requirements	-1.3%
Final Interest Rate	1.2%

- Term: 16 years
- Amortization Period: 40 years
- Repayment: Annual hard repayments, with payments beginning the date of project stabilization, estimated to be Q1 of 2023.
- Affordable Housing Covenant: A restriction shall be recorded against the property that requires continued use of the 106 units as affordable housing for 50 years.
- Disbursement: Loan proceeds shall be disbursed through construction draws.

COLLATERAL AND GUARANTEES

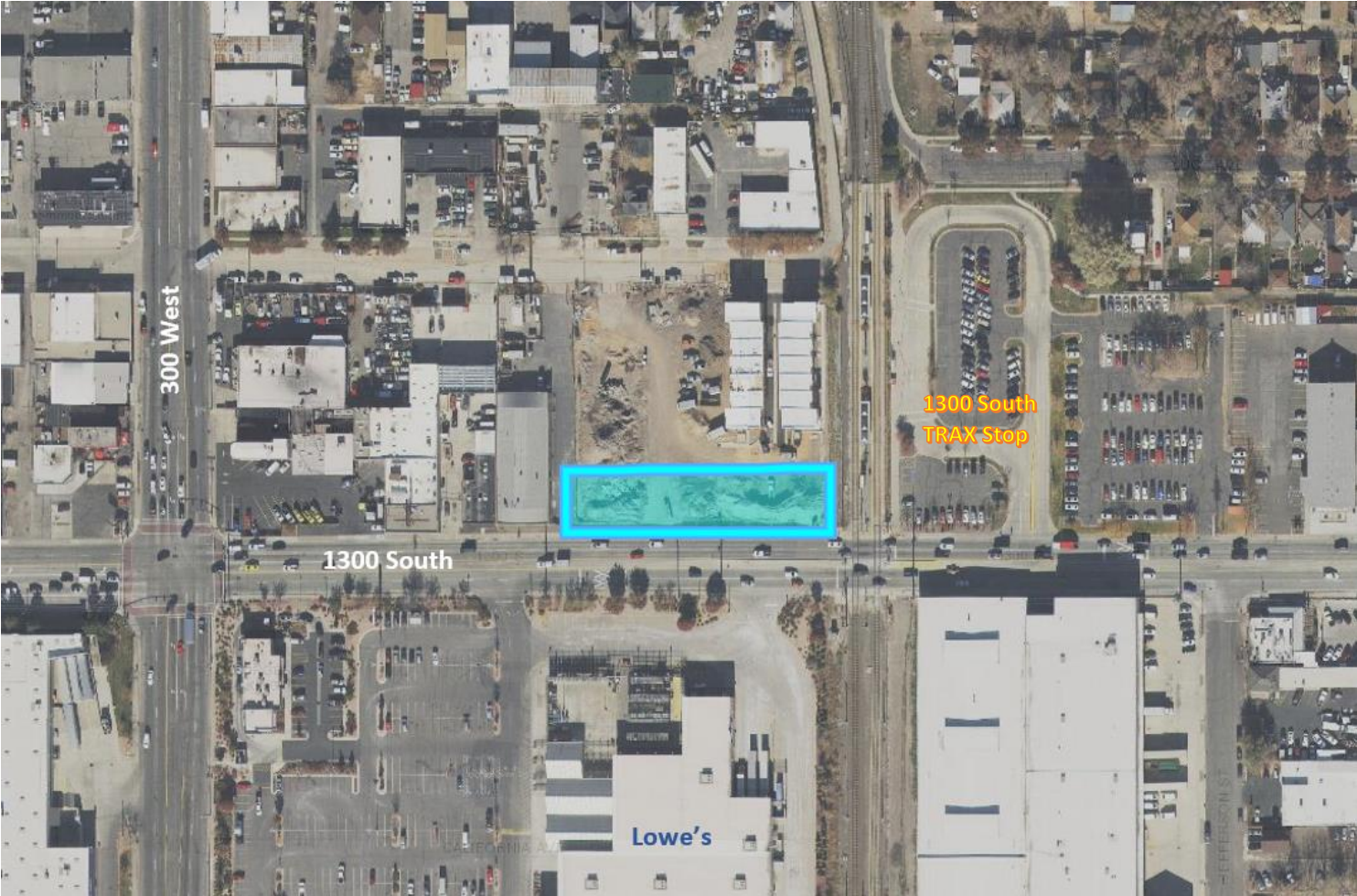
- Security: A deed of trust on the property that may be subordinated to senior financing.

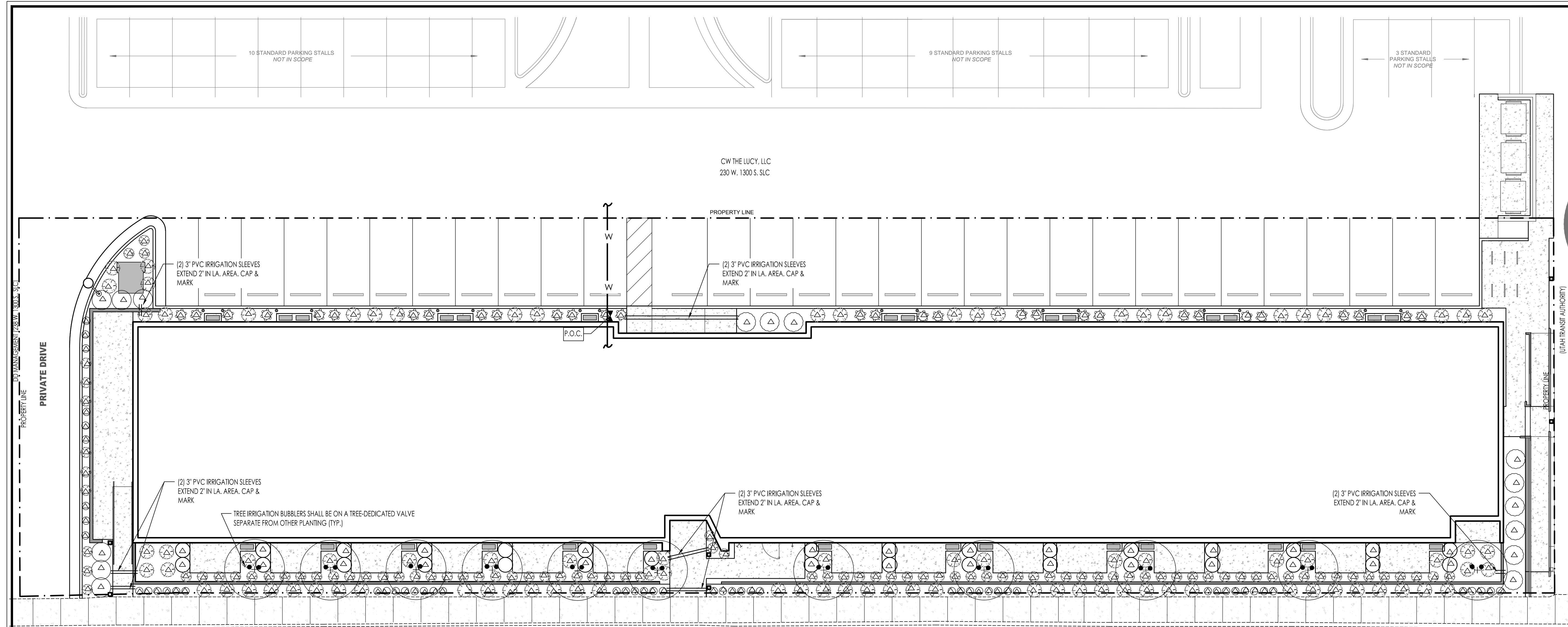
CONDITIONS FOR LOAN CLOSING

Prior to loan closing, the Applicant will complete the following:

- RDA approves all terms of the loan.
- Secure and provide evidence of sufficient sources of project financing. Sources of financing must equal the total project cost.
- Obtain all required City approvals.
- Execute loan documents (e.g. promissory notes, loan agreements, security documents) as deemed necessary by the RDA and its legal counsel.
- Receive approval from the RDA and its legal counsel of all matters pertaining to title, legality of the loan, and the legality, sufficiency, and the form and substance of all documents that are deemed reasonably necessary for the loan transaction.
- Provide evidence of insurance in such amounts and with such coverage as deemed necessary by the RDA for the Property.
- Procure and deliver to RDA at Closing a satisfactory binding commitment on ALTA extended coverage form for a mortgagee's (deed of trust) title insurance policy, or equivalent, in the amount of the Loan.
- Such other terms as recommended by the RDA's legal counsel and staff.

ATTACHMENT B: AERIAL VIEW OF SITE





CW THE LUCY, LLC
230 W. 1300 S. SLC

1300 SOUTH

IRRIGATION SCHEDULE

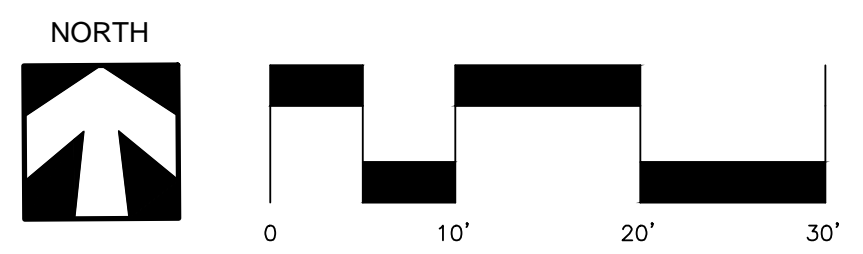
SYMBOL	DESCRIPTION	MANUFACTURER	MODEL NUMBER	PSI	RADIUS	GPM	PRECIP.
●	BUBBLER	HUNTER	PROS-06-PRS40-MSBN-10F	40	2'	1	
△	PLANT DRIP EMITTER	HUNTER	(3) 0.5 GPH EACH SHRUBS (2) 0.5 GPH EACH PERENNIALS AND GRASSES				
⊕	AUTOMATIC VALVE	HUNTER	ICV-101G-FS-AS				
⊗	AUTOMATIC VALVE	RAINBIRD	XCZ-100 PRB MEDIUM PLUS FLOW DRIP CONTROL KITS FOR COMMERCIAL APPLICATIONS. 1" BALL VALVE WITH 1" PESB VALVE AND 1" PRESSURE REGULATING 40 PSI QUICK-CHECK BASKET FILTER 3 GPM TO 20 GPM				
●	QUICK COUPLER	HUNTER	HQ-44-LRC-AW				
△	CONTROLLERS MOUNTED IN BLDG MECH. ROOM	HUNTER: I-CORE IRRIGATION CONTROLLER W/ MOISTURE SENSOR AND "WBIC" EQUIPED	CONTRACTOR TO MAKE 110 V ELEC. CONNECTION IN BOX WALL MOUNTED IN UTILITY CLOSET SEE ARCHITECTURE PLANS				
⊗	ISOLATION VALVE	WATERIOUS FLANGED RESILIENT WEDGE GATE VALVE	(SAME SIZE AS MAINLINE)				
⊗	BACKFLOW PREVENTION AT P.O.C.	INSTALLED PER CITY AND MANUFACTURED SPECS.					

LATERAL LINE PIPE SIZING CHART

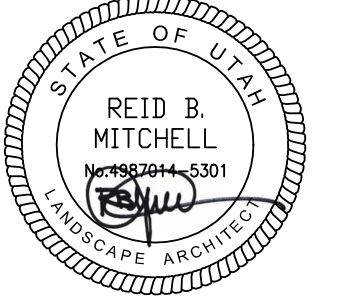
GPM 0-8	GPM 9-12	GPM 13-22	GPM 23-35	GPM 36-50
3/4"	1"	1-1/4"	1-1/2"	2"

IRRIGATION SYSTEM NOTES

- WORK SHALL CONFORM WITH CITY STANDARDS AND SPECIFICATIONS UNLESS OTHERWISE NOTED IN THE PLANS.
- THE CONTRACTOR SHALL BE RESPONSIBLE FOR ENSURING PROPER COVERAGE OF ALL IRRIGATED AREAS.
- NO MAJOR REVISIONS IN THE DESIGN WILL BE ALLOWED WITHOUT WRITTEN APPROVAL FROM THE ARCHITECT & OWNER.
- IT IS THE RESPONSIBILITY OF THE IRRIGATION CONTRACTOR TO FAMILIARIZE HIMSELF WITH ALL GRADES, LOCATION OF WALKS, STRUCTURES AND UTILITIES. THE CONTRACTOR SHALL REPAIR OR REPLACE ALL ITEMS DAMAGED BY HIS WORK. HE SHALL COORDINATE HIS WORK WITH OTHER CONTRACTORS FOR THE LOCATION AND INSTALLATION OF PIPE SLEEVES AND LATERAL LINES THROUGH WALLS, AND UNDER ROADWAYS AND PAVED AREAS. SLEEVES INSTALLED AT IMPROPER DEPTHS WILL HAVE TO BE RE-INSTALLED BY BORING METHODS.
- DO NOT WILLFULLY INSTALL THE IRRIGATION AS SHOWN ON THE PLAN WHEN IT IS OBVIOUS IN THE FIELD THAT UNKNOWN OBSTRUCTIONS, DIFFERENCES IN GRADE AND AREA DIMENSIONS EXIST THAT MIGHT NOT HAVE BEEN CONSIDERED DURING THE INITIAL DESIGN PHASE. SUCH OBSTRUCTIONS OR DIFFERENCES SHOULD BE BROUGHT TO THE ATTENTION OF THE OWNERS REPRESENTATIVE. IN THE EVENT THIS NOTIFICATION IS NOT PERFORMED, THE CONTRACTOR SHALL ASSUME FULL RESPONSIBILITY FOR ANY REVISIONS OR CHANGE ORDERS.
- 120V AC ELECTRICAL POWER SOURCE AT THE CONTROLLER LOCATION SHALL BE PROVIDED BY OTHERS. THE IRRIGATION CONTRACTOR SHALL MAKE THE FINAL CONNECTION FROM THE ELECTRICAL SOURCE TO THE CONTROLLER. REFER TO THE SPECIFICATIONS FOR THE EXACT ELECTRICAL REQUIREMENTS.
- THE IRRIGATION CONTRACTOR SHALL ADJUST VALVES, FLUSH AND ADJUST IRRIGATION HEADS FOR OPTIMUM COVERAGE WITH MINIMAL OVERSPRAY ONTO WALKS, STREETS AND WALLS.
- THE OWNER RESERVES THE RIGHT TO REFUSE MATERIAL OR WORK WHICH DOES NOT CONFORM TO THESE DRAWINGS AND SPECIFICATIONS. REJECTED WORK SHALL BE REMOVED OR CORRECTED AS SOON AS POSSIBLE AT CONTRACTOR'S EXPENSE.
- GUARANTEE: ALL WORK SHALL BE GUARANTEED (FOR ONE YEAR FROM DATE OF ACCEPTANCE) AGAINST ALL DEFECTS IN MATERIAL, EQUIPMENT AND WORKMANSHIP. GUARANTEE SHALL ALSO COVER REPAIR FOR DAMAGE TO ANY PART OF THE PREMISES RESULTING FROM LEAKS OR OTHER DEFECTS IN MATERIAL, EQUIPMENT OR WORKMANSHIP, TO THE SATISFACTION OF THE OWNER. REPAIRS, IF REQUIRED, SHALL BE DONE PROMPTLY AND AT NO COST TO THE OWNER.
- INSTALL CONTROLLERS AS NOTED. IRRIGATION CONTRACTOR IS RESPONSIBLE FOR INSTALLING CONDUITS AND WIRING FROM VALVES TO CONTROLLERS.
- THIS SPRINKLER PLAN IS DRAWN FOR GRAPHIC CLARITY WHERE PIPING, VALVES AND WIRING ARE SHOWN IN CONC. AND ASPHALT AREAS. EXCEPT WHERE CROSSING, THE INTENT IS FOR THE PIPING, VALVES AND WIRE TO BE PLACED IN THE ADJACENT PLANTING AREAS. NO VALVES SHALL BE PLACED WITHIN PLAYING FIELD FENCES. ALL VALVES SHALL BE LOCATED OUTSIDE PLAYING FIELD FENCES IN ADJACENT TURF AREAS.
- THIS LANDSCAPE AND IRRIGATION PLAN HAS BEEN DESIGNED BASED ON THE SLC APPROVED PUBLICATION, "SLC LANDSCAPE BMPS FOR WATER RESOURCE EFFICIENCY AND PROTECTION" AND SHALL BE INSTALLED PER SAID PUBLICATION.



2020-083



STAMP

Colony B
Micro Apartments
234 West 1300 South
Salt Lake City, Utah 84101

REVISIONS

Irrigation Plan

SHEET NAME.

LA3

SHEET NO.

DATE 12/3/2020

COLONY B MICRO APARTMENTS

SALT LAKE CITY



BID SET



11 NORTHWEST VIEW



09 SOUTHWEST VIEW



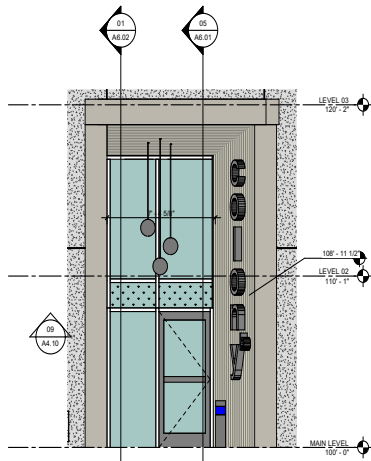
10 NORTHEAST VIEW



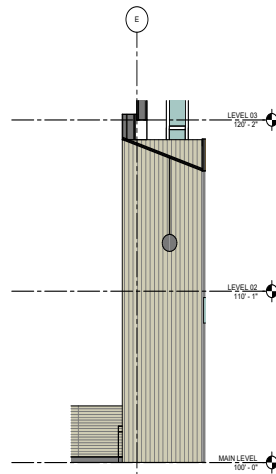
08 SOUTHEAST VIEW



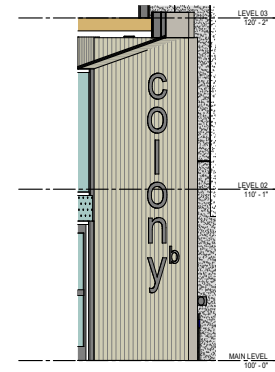
07 SOUTH ENTRY APPROACH



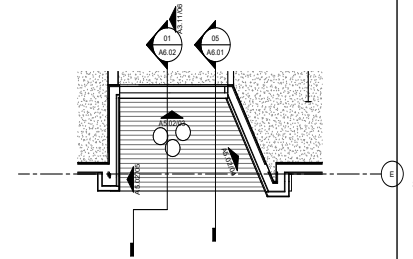
03 SOUTH ENTRY - NORTH
1/4" = 1'-0"



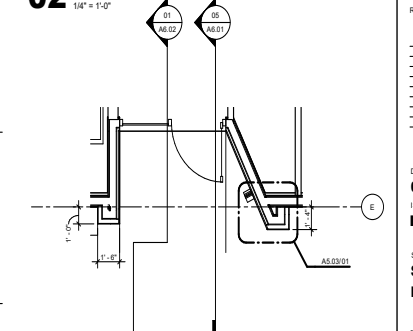
05 SOUTH ENTRY - WEST
1/4" = 1'-0"



04 SOUTH ENTRY - EAST
1/4" = 1'-0"



02 SOUTH ENTRY - ENLARGED RCP
1/4" = 1'-0"



01 SOUTH ENTRY - ENLARGED PLAN
1/4" = 1'-0"

ARCHITECT

JJSF LLC
1578 WILLOW DR
KAYSVILLE, UT 84037

STRUCTURAL

SILVERPEAK ENGINEERING
177 E ANTELOPE DR, #B
LAYTON, UT 84041

CIVIL

PERG CONSULTING
9270 S 300 W SUITE A-2
SANDY, UT 84070

LANDSCAPE

LANDSCAPE
2848 BEVERLY ST
SALT LAKE CITY, UT 84106

MECHANICAL

MCCOY ENGINEERING
2007 EAST 10143 SOUTH
SANDY, UT 84092

ELECTRICAL

SPECTRUM ENGINEERING
3324 S STATE 8400
SALT LAKE CITY, UT 84111

STAMP



10/02/2020

REVISION

NO.	DESCRIPTION	DATE

DATE

01/21/2021

ISSUE

BID SET

SHEET TITLE

**SOUTH ENTRY +
PERSPECTIVES**

SHEET NO.

A5.02

STAMP



REVISION NO.	DESCRIPTION	DATE
1	ADDENDUM 01	01/18/2020

DATE
01/21/2021
ISSUE
BID SET

SHEET TITLE
**EXTERIOR
ELEVATIONS**

SHEET NO.

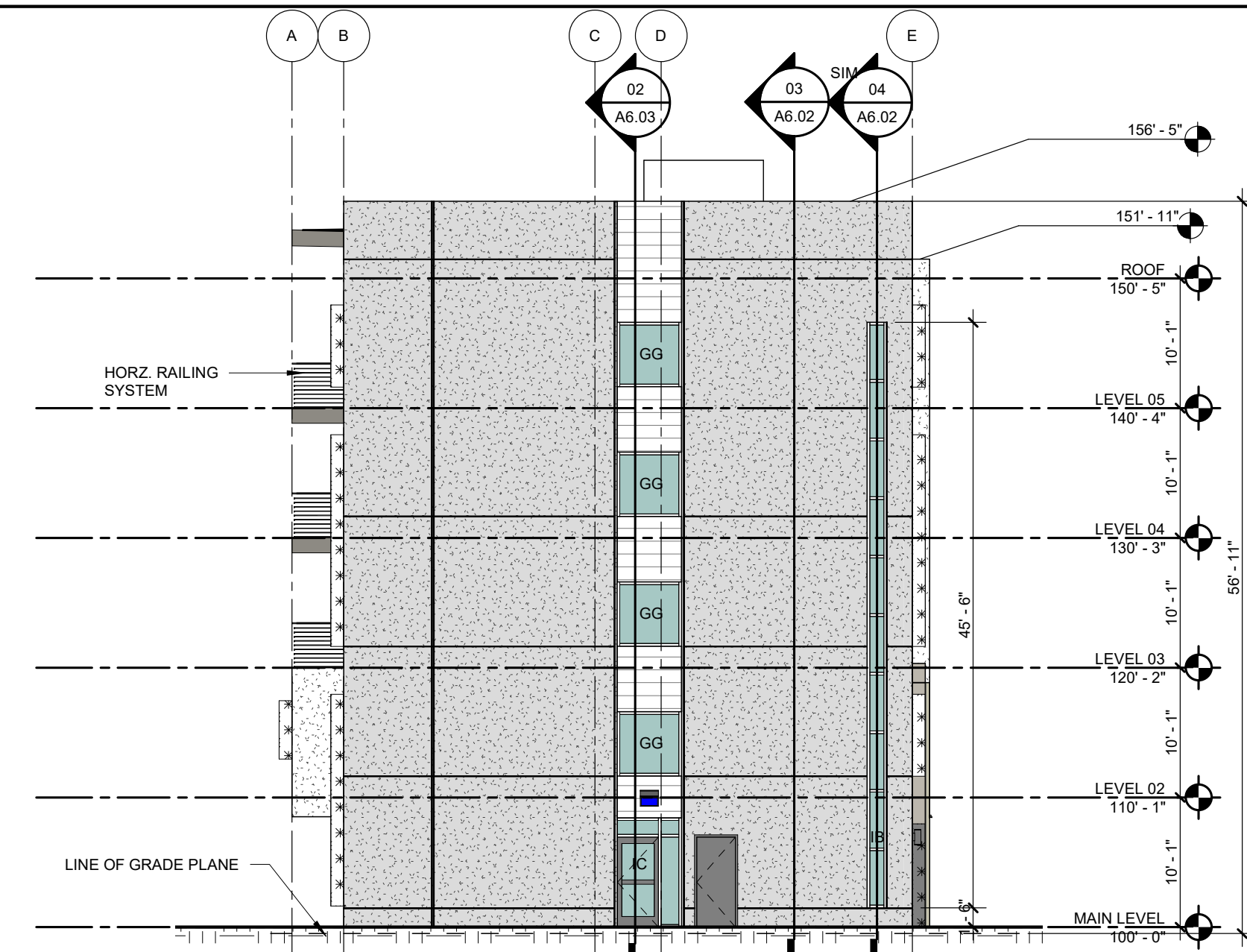
A5.01

ELEVATION FINISH MATERIALS

	CEMENT PLASTER MANUFACTURER: MASTER WALL PRODUCT: CEMPLASTER COLOR: WHITE (EXACT COLOR TO BE SELECTED BY ARCHITECT) TEXTURE: FINE SAND 1.0 WHITE		EXTRUDED ALUMINUM FIN MANUFACTURER: WHITE NOTE: REF TO ARCH DETAILS
	CEMENT PLASTER MANUFACTURER: MASTER WALL PRODUCT: CEMPLASTER COLOR: GREY (EXACT COLOR TO BE SELECTED BY ARCHITECT) TEXTURE: FINE SAND 1.0 WHITE		VISION GLAZING (GL-01) MANUFACTURER: NBI GLASS TYPE: 1" O.A. CLEAR LOW-E, SNX 62/27 LOW-E
	SHIPLAP METAL PANEL MANUFACTURER: BRIDGERSTEEL PRODUCT: SHIPLAP WALL, 12" FLUSH WALL PANEL, CONCEALED FASTENER COLOR: WHITE (EXACT COLOR TO BE SELECTED BY ARCHITECT)		SPANDREL GLAZING (GL-02) MANUFACTURER: NBI GLASS TYPE: 1" O.A. CLEAR LOW-E, SNX 62/27 LOW-E
	VERTICAL WOOD CLADDING MANUFACTURER: THERMORY PRODUCT: BENCHMARK WHITE ASH CLADDING, 1x4 T/G FINISH: UNOILED	ALUMINUM STOREFRONT SYSTEM ALUMINUM MULLIONS COLOR: ANODIZED ALUM. MANUFACTURER: MANKO OR EQUAL	
	SNAP BATTEN METAL PANEL MANUFACTURER: BRIDGERSTEEL PRODUCT: SNAP BATTEN PANEL, 22 GA, WIDTHS VARY - REF TO ELEV. 03 COLOR: GREY (EXACT COLOR TO BE SELECTED BY ARCHITECT)	BALCONY SOFFIT/FASCIA MANUFACTURER: FIRESTONE - UC-501 FINISH: KYMAR 500 /HYLAR 5000 FLUOROCARBON STEEL COLOR: TO BE APPROVED BY ARCHITECT STYLE: FLUSH ALUMINUM PANELS	
		RAILINGS HORZ CABLING SYSTEM	

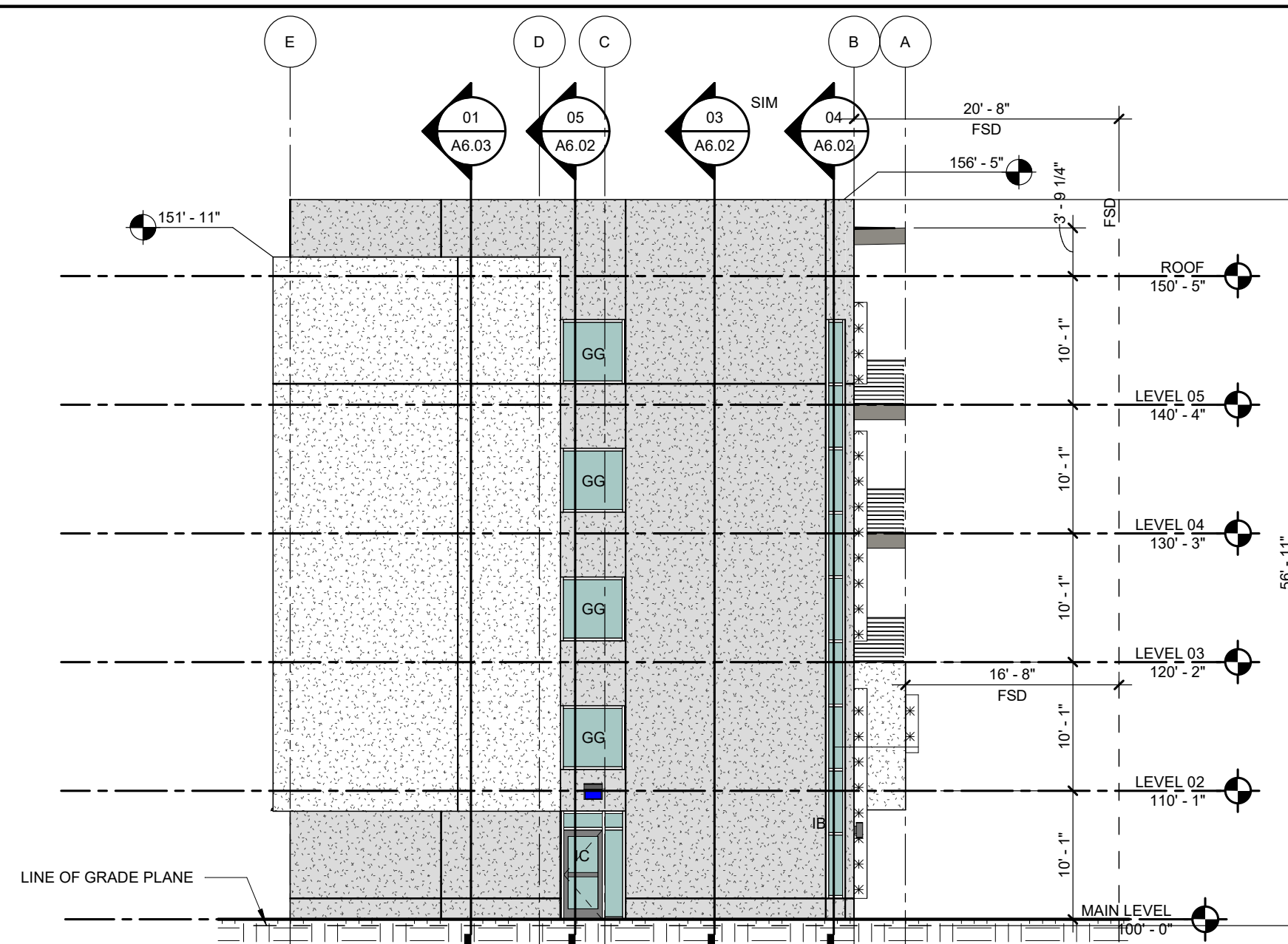
ELEVATION GENERAL NOTES

- REFER TO ELECTRICAL PLANS FOR EXTERIOR LIGHTING LOCATIONS
- SLOPE EXTERIOR FINISH GRADE AWAY FROM PERIMETER OF BUILDING FOR PROPER DRAINAGE, TYP.
- REFER TO SHEETS A3.50 FOR DOOR TYPES AND SCHEDULES
- REFER TO SHEET A5.06 FOR WINDOW TYPES AND SCHEDULES
- REFER TO MECHANICAL DRAWINGS FOR GAS METER LOCATIONS AND CONFIGURATIONS
- REFER TO ELECTRICAL DRAWINGS FOR ELECTRICAL METER LOCATIONS AND CONFIGURATIONS
- ALL EXTERIOR RAILINGS TO BE 42" HIGH, BALLASTERS @ 4 O.C. PER CODE. REFER TO DETAIL 01A17.03
- REFER TO SHEETS A7.10 THRU A7.16 FOR BALCONY ENLARGED PLANS AND DETAILS
- REFER TO SHEET A7.11 AND A7.14 FOR TYPICAL EXTERIOR BALCONY GUARDRAIL DETAILS.



04 EXTERIOR ELEVATION - WEST FACADE

3/32" = 1'-0"



03 EXTERIOR ELEVATION - EAST FACADE

3/32" = 1'-0"



02 EXTERIOR ELEVATION - NORTH FACADE

3/32" = 1'-0"



01 EXTERIOR ELEVATION - SOUTH FACADE

3/32" = 1'-0"



MOTION SHEET

THE REDEVELOPMENT AGENCY *of* SALT LAKE CITY

TO: RDA Board Members

FROM: Allison Rowland
Budget & Policy Analyst

DATE: May 04, 2021

**RE: RESOLUTION: FISCAL YEAR 2021-22 AFFORDABLE HOUSING DEVELOPMENT
FUNDING PRIORITIES**

MOTION 1 – APPROVE THE RESOLUTION

I move that the Board adopt the resolution entitled *Fiscal Year 2021-22 Affordable Housing Priorities*.

MOTION 2 – NOT APPROVE THE RESOLUTION

I move the Board **not** adopt the resolution entitled *Fiscal Year 2021-22 Affordable Housing Priorities*, and move on to the next item.



BOARD STAFF REPORT

THE REDEVELOPMENT AGENCY of SALT LAKE CITY

TO: RDA Board Members

FROM: Allison Rowland
Budget & Policy Analyst

DATE: May 4, 2021

**RE: RESOLUTION: FISCAL YEAR 2021-22 AFFORDABLE HOUSING
DEVELOPMENT FUNDING PRIORITIES**

Item Schedule:

Briefing: May 4, 2021
Set Date: N/A
Public Hearing: N/A
Potential Action: May 18, 2021

ISSUE-AT-A-GLANCE

In accordance with the *Housing Funds Allocation Policy* and *Housing Development Loan Program (HDLP) Policy* adopted by the Board in recent months, RDA staff prepared a draft *Fiscal Year 2022 Affordable Housing Priorities and Strategies* document, which includes a proposed resolution and additional budget ideas. On May 4, the Board will discuss the funding Priorities in this transmittal. These are listed on page 5/12, and are intended as policy direction for RDA staff as they consider applications for affordable housing projects. In future years the annual Priorities will be transmitted around March for consideration well before budget discussions begin.

Both the proposed total funding dedicated to affordable housing projects, and the allocation of this amount among different program categories are subject to Board approval as part of the RDA's annual budget process. The Board will have an opportunity to discuss these in more detail on May 18. Staff note: In the RDA document, these program categories are referred to as Expenses in the Funding Overview (page 4/12), and Tactics elsewhere (pages 6/12 and 7/12).

Goal of the briefing: Discuss and consider adopting the Resolution entitled Fiscal Year 2022 Affordable Housing Priorities.



ADDITIONAL INFORMATION

A. Proposed FY22 Priorities

The transmittal lists thirteen proposed FY22 Priorities based on RDA staff’s assessment of current needs and Board objectives. According to the *Housing Development Loan Program Policy* adopted in March 2021, these Priorities should align with adopted Board and City Council policies, including the Housing Plan, Project Area Plans, RDA Guiding Framework, and RDA Housing Allocation Funds Policy.

The short titles for the Priorities on page 5/12 are:

- | | |
|--|--|
| 1. Family Housing | 7. Expand Opportunity |
| 2. Target Populations | 8. Neighborhood Impact |
| 3. Neighborhood Safety | 9. Transportation Opportunities |
| 4. Missing Middle and Unique Housing Types | 10. Historic Preservation /Adaptive Re-use |
| 5. Homeownership | 11. Commercial Vitality |
| 6. Sustainability | 12. Public Art |
| | 13. Fund Leveraging |

Funding Priority Incentives: Projects would be eligible to reduce their base interest rate if they meet the adopted funding priorities as established annually, according to the RDA Housing Allocation Funds Policy. For each funding priority met, the project would be eligible to receive a 0.5% reduction to the Base Interest Rate, down to a minimum of 1%.

- ***The Board may wish to consider the advantages and disadvantages of naming 13 Priorities in the FY22 Strategy which all would carry equal weight for incentives:***
 - ***Would the Board be interested in differentiating among these Priorities, for example, defining some as Required and others as Optional?***
 - ***Since the Priorities are tied to potential interest rate reductions, would the Board like to consider some option for weighting their relative importance, for example, assigning 0.50% reductions to some, and 0.25% to others deemed less important?***

B. Proposed FY22 Tactics

The proposed funding amounts listed for each Tactic are subject to change by the Board during the May 18 RDA budget discussion, depending in part on whether it chooses to dedicate more or less of the total budget to housing. For the purposes of this Priorities discussion, Board members may wish to indicate whether they agree with the *share* of the nearly \$10.8 million total that is proposed for each Tactic. As presented in the RDA document, staff estimates that leveraging these funds with private investment would result in \$150 million in total project costs, providing 348 new affordable units, including 116 at under 50% AMI.

Proposed Amounts and Shares for FY22 RDA Housing Tactics

	Amount	Share
Housing Development Loan Program		
- Citywide NOFA	\$5,406,400	52%
- Emergency Gap	\$1,000,000	10%
- High Opportunity	\$2,700,000	26%
Strategic Acquisition	\$1,000,000	10%
ADU Pilot Program	\$280,455	3%
TOTAL	\$10,386,855	100%

The \$10.4 million represents estimated FY22 revenue combined with housing funds remaining from FY21. As adopted in the *Housing Development Loan Program Policy*, the funding sources for each of the Tactics discussed below are described here:

	PRIMARY HOUSING FUND	SECONDARY HOUSING FUND	NORTHWEST QUADRANT HOUSING FUND	HOUSING DEVELOPMENT FUND
SOURCE OF FUNDING	TI Statutory Housing	TI Supplemental Housing	Tax Differential	Sales Tax & Other
	- 9 Line: 10%	- Central Business District: Varies	- Northwest Quadrant: 10%	- FoF (housing development): Varies
	- Depot District: 20%	- Other Housing Allocations: Varies		- Other revenues: Varies
	- Granary District: 20%			
	- North Temple: 20%			
	- Northwest Quadrant: 10%			
	- State Street: 10%			

1. **Tactic 1: Housing Development Loan Program**

\$9,106,400 from Primary, Secondary and HDLP Funds from FY22 and FY21

For HDLP funds, RDA staff proposes to release three notices of funding availability (NOFAs) in FY22:

- A competitive \$5.4 million **Citywide NOFA** for projects located within Salt Lake City, with a minimum of at least \$394,000 (4%) reserved for projects located in RDA project areas. The target would be 135 new affordable units at about \$40,000 each. RDA staff would issue the NOFA in July with a fixed submission date. If funds were left over after that competition, due to a lack of demand or viable projects, the RDA would issue a second competitive, time-limited NOFA in early 2022.
- A \$1 million **Emergency Gap Financing NOFA** available on an open-ended basis for projects with a majority of units at or below 60% AMI which encounter an unexpected financial gap due to unforeseen circumstances. This would support 25 units at \$40,000 each.
- A **High Opportunity NOFA** would be released on an open-ended basis for new projects in designated “high opportunity” census tracts. This would be funded with the remaining \$2.7 million reserved for this purpose in 2018, and support 45 units at \$60,000 each.

➤ ***The Board may wish to request additional information on this proposed use of HDLP, including:***

- ***Would these amounts be fungible among the three categories if unexpected opportunities arise? What would be the process for making any changes?***
- ***How would the City’s equity goals be furthered through these proposed programs?***

2. **Tactic 2: Strategic Acquisition**

\$1,000,000 from Primary Housing Fund

These funds are proposed to be used for buying strategic properties in existing RDA project areas, including distressed motels or other properties, consistent with RDA and City goals.

➤ ***The Board may wish to request additional information on this proposed Tactic, including:***

- ***Is this amount sufficient for the proposed purpose? (This question also could be considered during the RDA budget discussion on May 18.)***
- ***How would the City’s equity goals be furthered through this proposal?***

3. Tactic 3: ADU Program

\$280,455 (\$250,000 from NWQ funds and \$30,455 from remaining FY21 Secondary Funds)

These funds would be used to start a pilot accessory dwelling unit (ADU) program west of I-15 and targeted to the 9Line Community Reinvestment Area (CRA). The program would aim to foster new ADUs in the area as an affordable housing option by providing financial support for the construction of two new units, at a price of approximately \$95,000 each. The program would require homeowners to rent their ADUs at a rate that is affordable to low and moderate income households.

➤ ***The Board may wish to request additional information on this proposed pilot program such as:***

- ***Would constructing just two ADUs be enough to help inform judgments about whether to continue this program in the future?***
 - ***How would the program be structured, for example, is this envisioned as a revolving loan fund? How would the RDA monitor and impose the affordability requirement?***
 - ***How would the application process work? Would only single-family homeowners be eligible, or could owner-occupied multifamily units also qualify? Would applicants be expected to provide some cash for construction (\$95,000 seems too low to complete an ADU)?***
 - ***How would the City's equity goals be furthered through this proposed program?***
- ***If both ADUs are built for \$95,000 each, how would the remaining \$90,455 allocated to this Tactic be used? (This question also could be considered during the RDA budget discussion on May 18.)***
- ***The Board may wish to consider whether the pilot program would be more feasible if all of the Secondary funds for FY22, which are to be used in existing CRAs, were dedicated to the ADU program instead. This would result in \$674,455. (This question also could be better considered during the RDA budget discussion on May 18.)***

POLICY QUESTIONS

1. The Board may wish to ask about the plan for dealing with any surpluses or shortfalls in actual revenue compared to the revenue estimates. Will the RDA staff return to the Board for authorization to make changes to the amounts allocated to each Tactic, for example, through budget amendments?
2. The transmittal states that the FY22 Strategy addresses all three Goals and the majority of the Objectives in the *Growing SLC Housing Plan* (Appendix A, page 7). The Board may wish to ask for additional information on how the RDA staff assesses this alignment. Specifically, how would the RDA:
 - Prioritize the development of new affordable housing with an emphasis on households earning 40% AMI and below. (Note: In the Target Population Priority, the threshold listed is 50% and below.)
 - Work with landlords to both improve their housing stock and rent to very low-income households.
 - Implement Lifecycle Housing principles in neighborhoods throughout the city.
3. The Board may wish to ask for an update from RDA staff as it relates to guiding policies specifically for the Northwest Quadrant affordable housing increment, including how it may address ideas raised by Board members in the discussion late in 2020.