

S.B. 39 AFFORDABLE HOUSING AMENDMENTS

TOTAL
\$35.3M

Appropriation = \$30,300,000

Transfer From Unclaimed Property Trust Fund = up to \$5,000,000



serving
4,583
households

ONE TIME FUNDING — \$20,300,000

\$15M

Gap financing of Private Activity Bond financed rental housing

\$5M

Matching private dollars for site acquisition needs related to transit oriented developments that include affordable housing

\$300K

Assist with pre-development costs for affordable housing projects in rural Utah

AFFORDABLE HOUSING CAPITAL STACK

ALREADY AVAILABLE

\$238.3M

Private Activity Bond Authority Volume Cap

+

\$133.5M

Tax Credits

=

2,340

Affordable Units



State Tax Credits 5% (UHC)
Olene Walker Loan 5% (DWS) → **\$15M**
Deferred Developer Fee 5%
Municipal Gov't Contribution 5% (SLC)

Fixed Rate Mortgage Loan 50%
Funded with Private Activity Bonds (UHC)

4% Federal Tax Credits 30% (UHC)



ONGOING FUNDING — \$10,000,000 (APPROPRIATION) AND \$5,000,000 (TRANSFER)

Rental assistance

\$10M

\$5M

Rental assistance for homeless families as defined by McKinney Vento Act

RENTAL ASSISTANCE

\$10 Million Annual General Fund Appropriation

What:

- Funds to Olene Walker Housing Loan Fund
- Project-based rental assistance for permanent supportive housing projects
- Shallow subsidy portable assistance for housing authorities to prioritize their waiting lists (variable amount based on AMI)



Number supported:

- Project-based assistance for permanent supportive housing, by funding amount:

\$1M = 143 households

\$2M = 285 households

- Portable rental assistance at \$400 per month for one year, by funding amount:

\$1M = 208 households

\$2M = 417 households

\$5M = 1,042 households

\$10M = 2,083 households

\$5 Million Annual Appropriation

- **Who:** Homeless children and youth as defined by the McKinney Vento Act and referred by schools

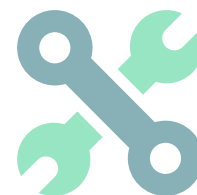
- **Goals:** Provide rent, stabilize families, and keep children in school

- **Number supported:** 980 families at \$425 per month

TECHNICAL CHANGES TO SUPPORT AFFORDABLE HOUSING CONSTRUCTION

Low-income Housing Tax Credits (LIHTC)

Changes would increase the value of certificated credits. They would allow the transfer of allocated credits from a corporation to an individual or from an individual to a corporation, maintaining the same Utah housing credit. The price an investor will pay for the value of tax credits may increase as much as 5%, increasing the equity investments by over \$300K per year without creating any additional fiscal impact to the state.



Community Reinvestment Agency

Changes would create a new option for using moderate-income housing set-aside funds. This adds an option for investing those funds for acquisitions, construction or rehabilitation of affordable housing along fixed public transit corridors outside their boundary IF the corridor serves the investing agency's area AND the community where the corridor is located approves the project.

Transit-Oriented Development (TOD)

The Olene Walker TOD fund would allow the site acquisition costs to decrease once a developer establishes affordable housing modeling that maximizes the land use of an area adjacent to a transit site. Developers will then be able to lower their costs while increasing affordable housing units within the development.