



# **OLENE WALKER | HOUSING LOAN FUND**

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**2012 ANNUAL REPORT**



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## OLENE WALKER HOUSING LOAN FUND EXECUTIVE SUMMARY

The Olene Walker Housing Loan Fund (OWHLF) partners with public and private organizations to create and preserve affordable housing for Utah's low-income community. To achieve this goal, the Housing and Community Development Division (HCDD) as well as the OWHLF Board have implemented the intent of Utah Code Section 35A-8-501 with seven OWHLF-funded programs and initiatives that support the construction, rehabilitation and purchase of affordable multi-family and single-family housing throughout Utah (see Attachment A). These programs are based on fair, open and competitive processes for applicant proposals that create and preserve low-income housing units.

### FY12 ACCOMPLISHMENTS

HCDD has maintained a vision for affordable housing that includes the production of safe, decent and affordable housing for low-income citizens; development of new partnerships to leverage OWHLF; and support for the ten year plan to end chronic homelessness. The Olene Walker Housing Loan Fund programs accomplished the following for the state during fiscal year ending June 30, 2012:

#### Housing Units Funded

The fund supported construction or rehabilitation of 643 multi-family units and 113 single-family units statewide. Continued high costs for land, materials and labor created a better overall opportunity for investment in multi-family rather than single-family units. The OWHLF was able to support multi-family units at \$9,291 per unit and \$16,801 per single-family unit.

#### Multi-Family Program Leverages Funds at \$9.09 for each OWHLF dollar

Leveraging continues to be an important strategy for the OWHLF Board to increase the affordable housing stock in Utah.

Over \$50 million was leveraged by the OWHLF for multi-family housing during FY12.

The OWHLF Board allocated less than \$6 million in state and federal funds to support multi-family projects leveraging funds from the OWHLF at \$9.09 from other sources. For single-family projects, over \$1.8 million was leveraged from other sources.

The Board will continue to look for ways of increasing leveraging opportunities through additional funding partners and creating new loan products. HCDD is also working with local communities that possess RDA/EDA (Redevelopment Area and Economic Development Area) tax increment financing set-asides for affordable housing and will also to continue to pursue additional leveraging opportunities with CRA (Community Reinvestment Act) partners within the banking community, and federal LIHTC (low income housing tax credits), historical and energy tax credits, private foundations and bond sources. Leveraging opportunities allowed OWHLF to fund 756 new or rehabilitated units from federal and state tax credits, CDBG, USDA Rural Development and private non-profit foundations. The Private Activity Bond Board supplemented the efforts of the OWHLF by approving 395 units of affordable housing in Salt Lake and Tooele Counties.

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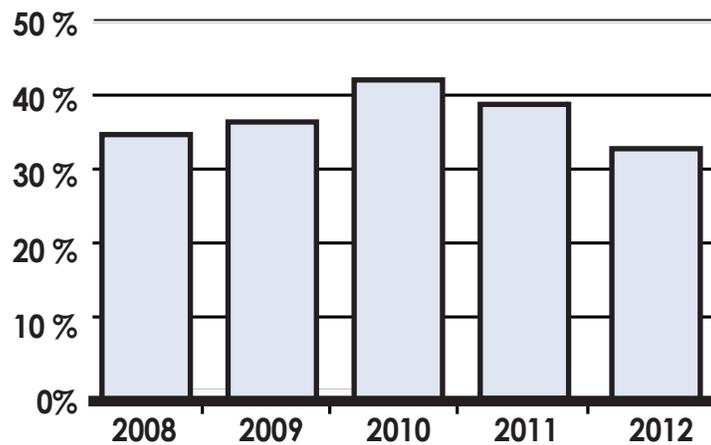
**Table 1** Comparison of the Funding and Accomplishments of the OWHLF for the Past Two Program Years

Year to Year Comparison of OWHLF Funding and Accomplishments		
	Program Yr 2010–11	Program Yr 2011–12
HUD HOME Funding	\$3,678,665	\$3,145,900
State Funding	\$2,242,900	\$2,242,900
USDA Rural Development	\$0	\$1,000,000
Total Funds Available	\$5,921,565	\$6,388,800
Total Units Assisted	800 units	756 units
Current Total Portfolio (number of open loans)	981 loans	978 loans
Total Value of Current Portfolio (loans and funds available)	\$102,264,085	\$109,810,306
Jobs created	1,266 jobs	750 jobs
Cumulative Totals (housing units funded since 1987)	12,660 units	13,416 units
<b>Multi-Family (MF) Units:</b>		
MF Affordable Units (constructed or rehabilitated)	716 units	643 units
Average OWHLF MF Subsidy	\$13,382 / housing unit	\$9,291 / housing unit
Household Income Served (percent of area median income for MF units)	38.60%	32.42%
MF Fund Leveraging per OWHLF dollar	\$14.49	\$9.09
<b>Single-Family (SF) Units:</b>		
SF Affordable Units (constructed or rehabilitated)	84 units	113 units
Average OWHLF SF Subsidy	\$23,021 per unit	\$16,801 per unit

### OWHLF Serves a Lower Income Population at only 32.42 Percent of Area Median Income in Rental Housing

The board continues to target those citizens in greatest need. Table 2 shows the overall AMI served for each of the past five years. The median income of all households served with OWHLF averages 32.42 percent for FY12 based on an average median income of \$60,045 for Utah as published by Housing and Urban Development.

**Table 2** FY08–12 OWHLF-Funded Projects  
*Area Median Income of Population Being Served*



### OWHLF Has Supported 681 Units for Homeless People

HCDD is a national leader in efforts to end chronic homelessness through the “Housing First” model and Utah’s Ten Year Plan to End Chronic Homelessness. Under this plan, Utah’s population of chronically homeless individuals needs 542 more units of supportive housing to end chronic homelessness. To date, the OWHLF has helped to fund 681 set-aside units for the homeless population.

The HCDD staff is also currently tracking the availability of more than 680 existing housing units that are set aside for the homeless population. Staff monitors tenancy in these units so that they continue to be available to serve Utah’s homeless population.

### OWHLF Increases to More than \$109 Million

The total value of the OWHLF (including all loans outstanding, property assets and funds available) increased to over \$109 million in FY12 from \$102 million in FY11 (see Attachment B). The number of full-time HCDD staff assigned to OWHLF is 9.5.

Funding to the State of Utah’s Olene Walker Housing Loan Fund (OWHLF) helps to meet Utah’s affordable housing needs for rental and homeownership opportunities. The average

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production rate from the OWHLF has averaged 750–800 multi-family units and 100–125 single-family units per year over the past five years. Utah's need for new affordable units for home ownership has been estimated at almost 3,500 units per year and over 5,100 units of new rental housing per year. Utah's cumulative state-wide backlog for new affordable rental units alone is estimated at 51,000 units by the National Low Income Housing Coalition. In spite of the need for affordable units, the Federal HOME Program received a 14 percent reduction in FY12 funds.

### **OWHLF Targets Rural Housing Needs for FY12**

OWHLF continues to target loans and grants to rural single-family and rural multi-family projects. This past year, 41 percent of all funds were allocated to improve or create affordable housing in rural Utah. This targeting helps rural communities that are not entitlement areas and cannot directly receive HUD HOME allocations.

### **Projects Assure Long-Term Affordability**

The OWHL Fund continues to require funded properties to remain affordable for up to 30 years. In addition, the application review process, loan underwriting and compliance monitoring by HCDD staff assure that property owners possess the ability, stability and resources to complete and manage a property throughout the loan period. Six trainings were held during the year to inform local partners and agencies on such topics as the Fair Housing Act, environmental requirements, Davis Bacon provisions and program standards. HCDD completed long-term compliance monitoring for 235 different properties during the year. Compliance

monitoring includes review of tenant files at each property, physical inspection of units, assessment of accessibility, verification of adherence to federal Fair Housing laws, use of set-aside units for the homeless and disabled, and review of agency financial records.

### **Emergency Planning Documents**

Beginning FY11 and in cooperation with the Utah Division of Emergency Management, HCDD has launched an initiative to help affordable multi-family housing projects funded by the OWHLF to create emergency planning documents and mitigate potential disasters. Part of the initiative includes providing division-developed templates, samples and best practices to project owners, project managers and community partners. HCDD staff has presented this information to several groups, including Utah Housing Coalition, Utah League of Cities and Towns, and Utah Apartments Association. Staff has also worked with compliance officers from the various multi-family projects to provide one-on-one emergency planning assistance.

### **Partnership with USDA Rural Development Completes More than 700 Rural Self-Help Homes**

Seven local agencies that serve rural Utah received OWHLF money for Rural Self-Help housing projects. The total number of Self-Help homes constructed to date totals 754, with 92 homes completed during FY12. Households contribute 60 percent of the labor for each home under the direction of an agency's construction supervisors. Licensed contractors complete code-sensitive aspects of construction. Rural Development pegs the total net value of the program to date at over \$229 million.

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### Households Save Toward Home Ownership

The Utah Individual Development Account (IDA) Network administered by AAA Fair Credit has helped a total of 222 Utah households save money to buy a home. The IDA program in 2012 was supported by \$89,500 in pass-through funds from the Utah Legislature as well as funding from the U.S. Department of Health and Human Services and from area financial institutions. Under this state-wide program, households save toward home ownership with matching grant funds provided by participating partners. In FY12, successful savers purchased 16 homes with a net value at over \$1.7 million.

### OWHLF Supports Group Workcamps Project

The OWHLF provided \$60,000 to upgrade 33 Native American low-income homes near Monument Valley on the Navajo Indian Reservation. Two hundred thirty-eight volunteers provided approximately 9,100 service hours. The project was managed by the Southeastern Association of Government and the HCDD Weatherization programs. A total of 614 Native American units have been completed to date under this program.



*Lt. Gov. Greg Bell visits with Meta Atena, an elderly client of the Group Workcamps program, and Nelson Yellowman, a Weatherization Assistance Program employee from the Mexican Hat, Utah office.*

### ENERGY STAR

HCDD continues to require ENERGY STAR qualification for all projects receiving OWHLF funds. Although HCDD is concerned with the EPA's continued changes to the qualifying process for a rating, they continue to support the current program. During FY12, HCDD's tally of units funded for construction or rehabilitation to ENERGY STAR qualifying levels totaled 4,078 units, compared to a total of 3,650 units for FY11.

### Accessible Units Receive OWHLF Funding during FY12 for Accessible Housing

Accessibility is a major factor in affordable housing since one in five very low-income households includes a disabled person. During FY12, a total of 43 units were funded that accommodate individuals with disabilities. In addition to these 43 units, 15 households with disabled members made home purchases through the OWHLF HomeChoice Program. All accessible multi-family units funded through the OWHLF are inspected at least biannually to assure that individuals with disabilities are targeted for available units and that unit dimensions, fixtures and appliances comply with federal Fair Housing and Section 504 accessibility guidelines.

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### Rural Single-Family Rehabilitation and Reconstruction Program (SFRRP) Program

This program provides loans statewide through eight agencies for rehabilitation and replacement of dilapidated rural housing. As of June 30, 2012, the local agencies had succeeded in completing 296 projects, including 40 replacement homes and 256 units of renovation.

### Foreclosure and the Subprime Mortgage Solutions

The OWHLF board approved \$150,000 to be allocated for a state-wide foreclosure and mitigation assistance program. The funds were allocated to a state-wide network of agencies for a one-year program with the injunction that there is a timely delivery of information, counseling and intervention. To date, 6,344 struggling homeowners have obtained help. The agencies also referred troubled households to toll-free numbers and websites for additional resources.

## PROFILE OF UTAH'S LOW-INCOME HOUSING NEEDS

The past few years have been marked by great instability for the U.S. housing industry. Utah lags behind national housing trends, including foreclosure. Utah's foreclosure rates climbed in 2009 until one in twenty-five mortgage loans were in some level of difficulty. Recently Utah has seen improvements in the number of foreclosures and a report in July 2012 now ranks Utah 26th in foreclosure. While these improvements are encouraging, there are still many Utahans struggling to make their house payments. One trend across the nation is the large percentage of foreclosed rental properties. Often renters are not aware that their house is in foreclosure until they are being evicted. Enacted in 2009, Public Law 111-22

*The Olene Walker Housing Loan Fund financed \$840,000 for the construction of Liberty Station in Heber City. The apartment community boasts three- and four-bedroom apartment homes for low-income Utahns.*



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*Elmbriage apartments offer 76 units of one-, two- and three-bedroom apartments for low-income residents in Heber City. The Olene Walker Housing Loan fund contributed \$1 million toward the complex construction.*

provides renters, whose landlords have lost their properties to foreclosure, the right to stay in their homes for 90 days after foreclosure, or through the term of their lease unless the property is sold to someone who will occupy the home. Similar protections are afforded to housing voucher holders.

The National Association of Realtors stated that in 2011 Salt Lake City families earning the local median income had enough income to qualify for a mortgage loan on a median-priced home. In both 2009 and 2010 this was not the case. Analyzing available information from the last three years indicates a trend of increasing housing affordability. Additionally, the Housing Opportunity Index (HOI) produced by the National Home Builders indicates that housing is relatively affordable in the Salt Lake metropolitan area. According to the 2011 HOI index, 80.8 percent of homes sold in the Salt Lake Metro Area were affordable to the median income family. We also have HOI information for Ogden, which indicates that 91.5 percent of homes are affordable in that city, and for the Provo Orem area in which 84.4 percent of homes are considered affordable. According to information published by the Utah Bureau of Economic and Business Research, residential construction is up 3.1 percent in 2011 from 2010. This increase is encouraging but is not nearly enough of a recovery to make up for the low levels of construction experienced in recent years.

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*Moab is home to Grand County's latest low-income apartment community. The Olene Walker Housing Loan Fund financed \$850,000 to help construct Cinema Court's 72 apartment homes. The complex features one-, two- and three-bedroom family units.*

**Table 3a** Utah Home Ownership Statistics

Median Home Price		Ownership Affordability	
Nationwide	\$176,000	Nationwide	18 %
Salt Lake City	\$196,000	Salt Lake City	8 %
Provo–Orem	\$192,000	Provo–Orem	8 %
Ogden	\$166,000	Ogden	13 %

Table 3 illustrates the affordability of homes for ownership in Utah compared to national averages. As noted in Table 3a, Utah falls short of national averages in percentage of affordable units.

Because of limited resources, the state has worked with local and regional government agencies as well as other state and federal agencies to create partnerships that increase affordable housing opportunities statewide. Besides the two significant federal partners (HUD and USDA Rural Development), HCDD continues to partner with the Utah Housing Corporation, which administers low-income tax credits; the Utah Office of Education in tracking EDA and RDA funds set-aside for affordable housing; the Utah Division of State History, which administers the historical tax credits; the Weatherization Assistance Program; area banks to begin accessing CRA funds; and others.

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In an effort to stretch OWHLF dollars, the board this year financed more multi-family units than single-family homes. In an effort to meet Utah's need for more affordable housing, the board is focused on creating new units of capacity.

### Need For Affordable Rental Units

Utah has approximately 259,555 low-income renter households (0 to 80 percent AMI) or 29.6 percent of all households. In 2012 the HUD fair market rent is \$727 per month for a two-bedroom unit. This has decreased slightly from previous years. The mean wage for a renter is \$11.75. With this wage the average renter can only afford to spend \$611 on housing without housing becoming a cost burden. This high rental cost impairs the ability of businesses and government to find and retain a workforce. The demand for low- to moderate-income housing far outpaces the production capacity of the OWHLF. Table 3b illustrates the affordability of rental units in Utah compared to national averages. As noted in Table 3b, Utah surpasses the nation in percent of rental units that are affordable, but Utah continues to fall short in total number of units available due to population growth.

**Table 3b** Utah Rental Housing Statistics

Median Monthly Rent		Rental Affordability	
Nationwide	\$960	Nationwide	50 %
Salt Lake City	\$826	Salt Lake City	61 %
Provo–Orem	\$715	Provo–Orem	69 %
Ogden	\$767	Ogden	65 %

Additional funding to the OWHLF can help meet Utah's affordable housing needs for rental and homeownership opportunities. Table 4 compares area wages with rental costs. Table 5 provides information regarding the Median Salary in Utah for various public sector and other occupations in comparison with housing costs.

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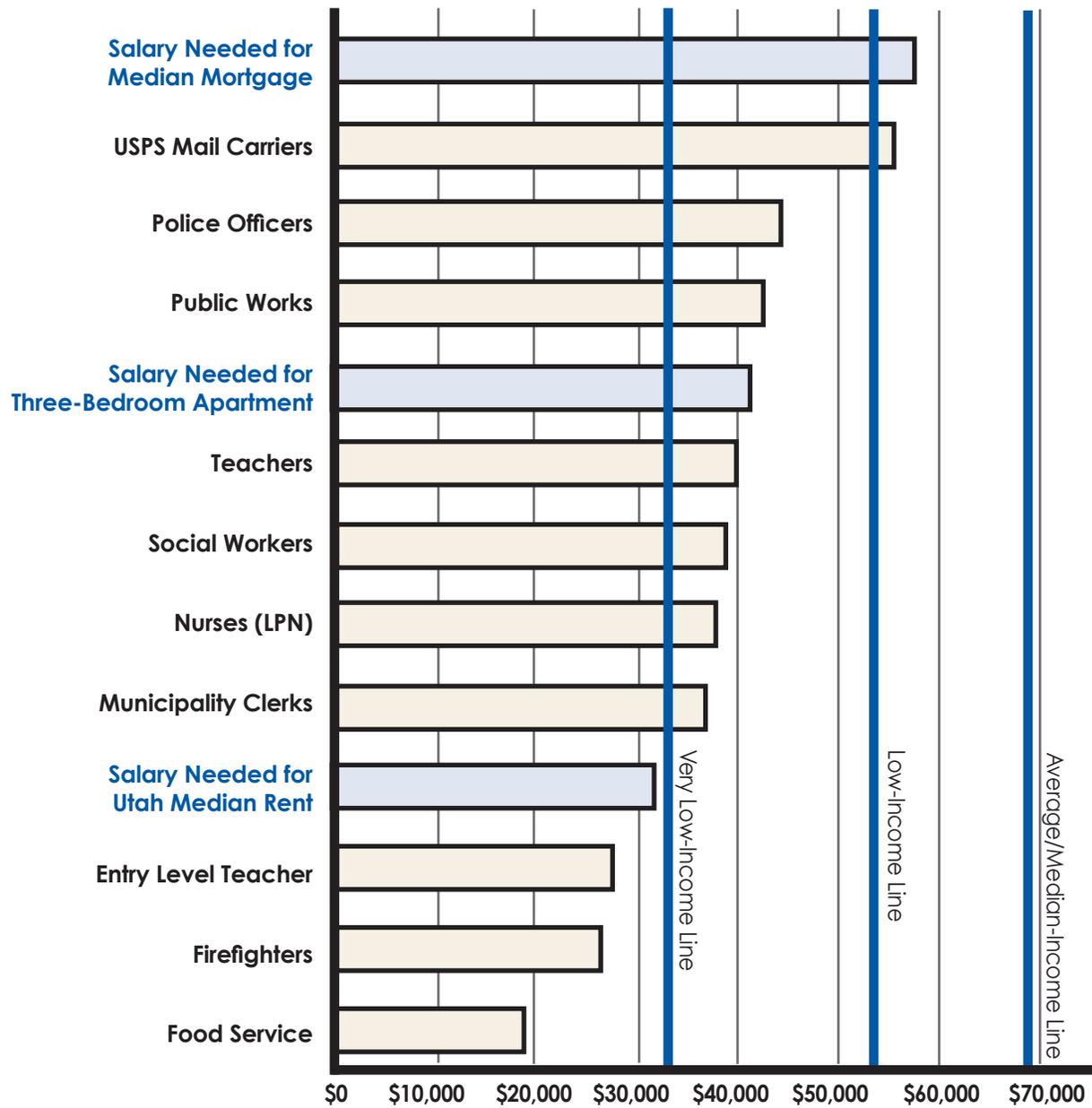
**Table 4** Renter Income by County versus Fair Market Price

County	Percent of total households that are renters (2006-2010)	Annual Average Median Income (AMI)	Estimated renter median income	Full-time jobs at mean renter wage needed to afford 1 bdrm FMR <sup>1</sup>	Full-time jobs at mean renter wage needed to afford 2 bdrm FMR	Full-time jobs at mean renter wage needed to afford 3 bdrm FMR	Estimated percent of renters unable to afford 2 bdrm FMR
Beaver County	23%	\$49,300	\$25,453	1.0	1.2	1.7	44%
Box Elder County	19%	\$63,600	\$34,682	0.7	0.9	1.2	33%
Cache County	36%	\$57,300	\$27,908	1.1	1.3	1.8	43%
Carbon County	29%	\$53,200	\$21,872	0.9	1.1	1.4	53%
Daggett County	36%	\$61,500	\$38,310	1.0	1.1	1.4	29%
Davis County	22%	\$71,500	\$40,299	1.2	1.4	2.0	35%
Duchesne County	26%	\$58,400	\$40,466	0.8	0.8	1.1	25%
Emery County	19%	\$57,900	\$36,805	0.5	0.6	0.8	29%
Garfield County	21%	\$59,400	\$47,989	0.8	1.0	1.5	20%
Grand County	31%	\$53,600	\$34,939	1.1	1.3	1.6	36%
Iron County	37%	\$48,700	\$30,823	1.1	1.3	1.9	39%
Juab County	17%	\$67,100	\$36,478	1.1	1.3	1.8	36%
Kane County	24%	\$50,600	\$31,141	1.0	1.2	1.8	36%
Millard County	23%	\$56,800	\$24,664	1.0	1.2	1.7	46%
Morgan County	12%	\$71,500	\$49,559	0.9	1.1	1.6	25%
Piute County	11%	\$44,100	\$21,454	1.7	2.0	2.9	59%
Rich County	12%	\$55,500	\$44,521	1.6	2.0	2.6	38%
Salt Lake County	31%	\$71,300	\$35,256	0.9	1.1	1.6	42%
San Juan County	22%	\$46,200	\$33,334	0.9	1.0	1.2	34%
Sanpete County	23%	\$51,900	\$24,169	1.4	1.7	2.4	47%
Sevier County	19%	\$54,300	\$34,262	0.9	1.1	1.5	33%
Summit County	26%	\$100,300	\$46,428	1.7	1.8	2.6	37%
Tooele County	24%	\$68,900	\$39,010	0.9	1.1	1.4	34%
Uintah County	25%	\$70,400	\$52,908	0.7	0.8	1.0	20%
Utah County	31%	\$67,100	\$33,563	1.1	1.2	1.8	39%
Wasatch County	22%	\$72,900	\$46,160	1.4	1.8	2.2	37%
Washington County	29%	\$57,100	\$37,212	1.2	1.4	2.0	39%
Wayne County	22%	\$52,600	\$50,839	1.3	1.6	2.3	34%
Weber County	27%	\$71,500	\$33,016	1.1	1.4	1.9	43%

<sup>1</sup> FMR: Fair Market Rate, the amount of money that a given property commands if open for leasing at the moment

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**Table 5** Median Occupation Salaries versus Housing Cost versus Median Income Measures



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### Rehabilitation Needs

In addition to this demand for new units, affordability for over 176,000 existing low-income housing units must be maintained. This includes over 97,000 rental units. A statewide survey of Utah's low-income housing stock shows an ongoing need for rehabilitation. For the lowest income population, this equates to over 8,500 units needing full rehabilitation each year.

In parts of southeastern Utah, 34 percent of homes are considered deteriorated or dilapidated (unlivable). Under the OWHLF programs, participants living in these difficult, unsafe or unsanitary conditions are identified and targeted for assistance. Referrals are often received from social service providers, church leaders and advocates for the poor. Virtually all the owner-occupied single-family homes rehabilitated by OWHLF in FY12 had health and safety issues.

### Local Affordable Housing Planning

HCDD continues to provide technical assistance to local governments as they develop, adopt and implement moderate-income housing plans. Seven communities submitted updates to existing moderate-income housing plans and three communities submitted new moderate-income housing plans to HCDD in FY12. To date, 121 of the 157 cities and counties required to complete moderate-income housing plans have submitted plans to HCDD, representing a compliance rate of 77.1 percent.

HCDD also assists cities and counties in their efforts to perform biennial reviews of their moderate-income housing plans. HCDD facilitates the reporting process by contacting each city and county

required to submit a report during the year, distributing a uniform biennial reporting form and providing technical assistance requested by city and county officials.

In an effort to increase support for affordable housing, members of HCDD staff offered training to local government officials throughout Utah during FY12. HCDD developed and distributed training materials and presented at meetings and conferences hosted by the League of Cities and Towns, the Utah Chapter of the American Planning Association and the Utah Chapter of the National Association of Housing and Redevelopment Officials.

*CDHP funding set-aside represents part of HCDD's ongoing effort to help communities implement their moderate-income housing plans.*

The Community-Driven Housing Program (CDHP) funding set-aside represents part of HCDD's ongoing effort to help communities implement their moderate-income housing plans and expand the stock of affordable housing available to low- to moderate-income households. Based on the philosophy that a local government understands its unique affordable housing needs better than a state agency or third-party developer, the CDHP encourages cities and counties to

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act on goals established in their moderate-income housing plans and provides them access to an exclusive source of low-interest financing reserved for the development of affordable housing.

Two CDHP projects were completed in FY 2012; the Vernal Gardens Apartments (48 units of workforce housing) and the West Jordan Senior II Apartments (72 units of senior housing). Furthermore, construction of the Cinema Court Apartments (60 units of affordable housing) is nearing completion in Moab, and construction of the Eastgate Apartments (72 units of affordable housing) in Price is currently underway. Both the Cinema Court Apartments and Eastgate Apartments arose from local affordable housing plans and received Olene Walker Housing Loan Fund allocations through the CDHP set-aside in FY 2012.

*A local government understands its unique affordable housing needs better than a state agency or third-party developer.*

### UTAH'S CONSOLIDATED PLAN

A Consolidated Plan is required by the U.S. Department of Housing and Urban Development (HUD) for the allocation of federal HOME, ESG, HOPWA and CSBG funds. As the designated research and planning tool for the State of Utah and individual local government agencies throughout the state, the Consolidated Plan involves close cooperation between HCDD and regional AOG's. The AOG's develop regional consolidated plans through research and public meetings involving residents, local governments and public service agencies. HCDD prepares and submits the new statewide Utah Consolidated Plan every five years with annual updates per Federal CFR 24-9-121 and the Department of HUD guidelines. The state-wide Utah Consolidated Plan and updates provide a comprehensive overview of community development, housing, homeless needs and priorities plus an analysis of impediments to fair housing choice in Utah. In July 2012 the U.S. Department of HUD approved Utah's annual update to the five-year plan. OWHLF was targeted to achieve 80 percent of the Utah Consolidated Plan's housing outcomes. The complete Consolidated Plan can be found on our website at [www.housing.utah.gov/publications/consolidated\\_plan.html](http://www.housing.utah.gov/publications/consolidated_plan.html).

## OWHLF ADMINISTRATION AND PORTFOLIO MANAGEMENT

The OWHLF Board, as established per 63-34-4 and 9-4-701 to 708, governs the fund. Federal HUD and USDA Rural Development rules, state regulations and the OWHLF Program Guidance and Rules guide implementation of programs and distribution of funds. Fund management, expenditures and program operations are reviewed and audited by the U.S. Department of HUD and the Utah State Auditor.

Since 1987, HCDD has provided leadership for Utah's affordable housing sector. From 1987 through June 30, 2012, HCDD-managed programs and funding have created or preserved a total of 13,416 units statewide. OWHL Funds are dispersed through the Housing and Community Development Division's housing programs to eligible projects that:

- Increase the number of affordable housing units statewide
  - Achieve a high degree of leverage with other financing
  - Leverage local government contributions in the form of infrastructure improvements and other assistance
  - Encourage responsible single-family home ownership and multi-family unit management
  - Demonstrate a strong probability of serving the original target group or income group for a period of at least 15 years
- Demonstrate the ability, stability and resources to complete the project
  - Serve the greatest need
  - Provide housing for persons and families with the lowest incomes
  - Achieve ENERGY STAR and other nationally recognized green criteria
  - Contribute to overall neighborhood and community sustainability
  - Meet local government housing plans and local need
  - Mitigate or correct existing health, safety or welfare problems
  - Support Utah's "Ten Year Plan to End Homelessness"

By focusing on loans rather than grants, the OWHLF Board has chosen to roll repayments into new projects to meet Utah's future housing needs.

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### Project Funding Considerations

For each housing project, HCDD recommends a level of funding to the OWHLF Board necessary to achieve long-term financial viability and to ensure that low-income populations are served throughout the funding period. Board meetings are conducted under State of Utah public meeting laws. In making final project approvals, the OWHLF Board also considers:

- The sources and uses of funds and total financing including loan terms, equity and contributions planned for the project
- Adherence to special set-asides for Community Housing Development Organizations (CHDOs), rural set-asides, special needs housing and grants
- The equity proceeds expected to be generated by use of the Low-income Housing Tax Credits
- The percentage of the housing dollar amounts used for hard project costs compared to the cost of intermediaries (e.g. syndication, developer, consulting) and other soft costs
- The reasonableness of the developmental, constructional and operational costs of the project and the rate of return for the owners
- Support from the local community including the amount of any CDBG grant funds allocated to the project
- Priority of the project in a community's affordable housing plan
- The proposed time frame for construction or rehabilitation
- Project cash flow

There are four application cycles each year. To coincide with the federal tax credit application process, larger requests for OWHLF multi-family project funding tend to occur each fall. HCDD anticipates an increase in requests for FY12 funding due to overall demand for affordable housing units, current law, proceeds from tax credit sales, and high construction and land costs. See Table 6 for a list of multi-family projects funded in FY12.

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**Table 6** Multi-Family Projects Receiving OWHLF during FY12

FY11 Multi-Family Projects	County	AMI served	Units Funded	OWHLF Allocation	Estimated Cost for Total Project
Bud Bailey I	Salt Lake	43.11%	62	\$1,000,000	\$13,091,345
Desert Rose	Washington	42.28%	66	\$126,040	\$166,040
Eastgate	Carbon	41.79%	72	\$783,610	\$9,743,920
Escalante II	Salt Lake	27.50%	20	\$97,000	\$97,000
Imagine Jefferson	Weber	43.50%	59	\$550,000	\$11,341,140
Meadow View	Summit	25.00%	24	\$145,000	\$145,000
Mt. Ogden Sr.	Weber	43.65%	48	\$675,000	\$5,960,265
The Willows II	Grand	20.00%	10	\$206,430	\$541,300
TURN – Orem Group Home	Utah	20.00%	1	\$99,122	\$410,338
Village at Heritage Court	Washington	43.69%	56	\$750,000	\$8,229,690
VOA – Transitional Home	Salt Lake	n/a	10	\$150,000	\$905,943
Wasatch Manor	Salt Lake	30.00%	183	\$982,000	\$1,964,000
Wendell	Salt Lake	40.88%	32	\$409,996	\$1,706,696
<b>Totals/Average</b>		<b>32.42%</b>	<b>643</b>	<b>\$5,974,198</b>	<b>\$54,302,677</b>

### OWHLF BOARD MEMBERSHIP

The OWHLF Board is appointed by the governor and includes 11 voting members representing local government, mortgage lenders, real estate sales, homebuilders, rental housing representatives, housing advocates, manufactured housing representatives and the general public. There are two ex-officio board members.

To maintain the integrity of board decisions and to abide by HUD regulations

and state statutes regarding conflicts of interest, all board members are required to provide the Attorney General's Office and the Office of the Governor with full disclosure of project-related conflicts of interest. When conflicts arise, the board is required to request formal exceptions through the Utah Attorney General's Office and from the HUD Regional Office. During FY12 there was one request submitted and approved by HUD.

## ATTACHMENT A

### OWHLF SET-ASIDES

The Olene Walker Housing Loan Fund Board has created the following set-asides to comply with federal and state allocation statutory requirements. These set-asides include:

1. CHDO — The board will set aside not less than but not limited to 15 percent of the available HUD funds for qualified Community Housing Development Organizations (CHDO's) in accordance with HUD HOME program rules.
2. Rural Set-Aside — The board will set aside approximately 20 percent of the overall funding available for projects located in those areas of the state adopted from the U.S. Department of Agriculture Rural Development Service (RD) as areas of chronic economic distress otherwise designated by the board as rural areas.
3. Special Needs — The board sets aside 15 percent of the overall funds for use in developing special-needs housing for persons who are elderly, frail, mentally and physically disabled, homeless and afflicted with AIDS who need transitional housing.
4. Multi-family Grants — A set-aside of 5 percent of the overall funds available for multi-family projects is made available to qualified projects and individuals as grants per the OWHLF Allocation Plan. At least 90 percent of all funds used as grants benefit persons or families whose income is below 50 percent of the area median income.
5. Multi-family Loans — To meet the objectives of the program as set forth by the State of Utah per 9-4-703, a set-aside of 50 percent of the overall funds available for multi-family projects is allocated as loans. Those loans are to be made per the criteria outlined in the adopted "Loan Policies and Products."
6. Single-Family — The Single-Family Allocation Plan utilizes funds to create and preserve single-family housing for lower-income households. Projects must demonstrate containment and resource leveraging, demonstrate efficient and effective utilization of funds, encourage individual empowerment, achieve equitable geographic distribution of resources and provide housing to special-needs populations including larger family, elderly, physically disabled, and mentally ill. Single-Family Programs include the Single-Family Rehabilitation and Reconstruction, Individual Development Accounts, Rural Self Help, HomeChoice for the disabled and Emergency Home Repair.
7. Project Development — The board has set aside a maximum of \$30,000 for pre-development of each project (as defined by the Program Guidance and Rules).

## OLENE WALKER HOUSING LOAN FUND

### ATTACHMENT B

**Table 7** Funding History of the Olene Walker Housing Fund

State Fiscal Year	Rental Rehab <sup>2</sup>	Rural Development <sup>3</sup>	HOME	ADDI <sup>4</sup>	State Match <sup>5</sup>	One Time	Enhancement	Total Funding
1985	\$208,645	\$0	\$0	\$0	\$0	\$0	\$0	\$208,645
1986	\$370,744	\$0	\$0	\$0	\$0	\$0	\$0	\$370,744
1987	\$187,893	\$0	\$0	\$0	\$0	\$0	\$0	\$187,893
1988	\$277,265	\$200,000	\$0	\$0	\$0	\$0	\$0	\$477,265
1989	\$232,150	\$200,000	\$0	\$0	\$0	\$0	\$0	\$432,150
1990	\$100,701	\$200,000	\$0	\$0	\$0	\$0	\$0	\$300,701
1991	\$143,650	\$200,000	\$0	\$0	\$0	\$0	\$0	\$343,650
1992	\$83,700	\$200,000	\$0	\$0	\$0	\$0	\$0	\$283,700
1993	\$0	\$200,000	\$3,000,000	\$0	\$0	\$0	\$0	\$3,200,000
1994	\$0	\$200,000	\$3,000,000	\$0	\$0	\$0	\$0	\$3,200,000
1995	\$0	\$200,000	\$2,906,000	\$0	\$2,400,000	\$0	\$0	\$5,506,000
1996	\$0	\$162,350	\$3,000,000	\$0	\$1,250,000	\$1,250,000	\$0	\$5,662,350
1997	\$0	\$150,000	\$3,000,000	\$0	\$2,250,000	\$1,250,000	\$0	\$6,650,000
1998	\$0	\$100,000	\$3,000,000	\$0	\$1,500,000	\$750,000	\$0	\$5,350,000
1999	\$0	\$118,000	\$3,000,000	\$0	\$1,000,000	\$1,500,000	\$0	\$5,618,000
2000	\$0	\$50,000	\$3,000,000	\$0	\$1,000,000	\$0	\$500,000	\$4,550,000
2001	\$0	\$40,000	\$3,000,000	\$0	\$1,500,000	\$0	\$500,000	\$5,040,000
2002	\$0	\$50,000	\$3,358,000	\$0	\$2,000,000	\$88,000	\$225,000	\$5,721,000
2003	\$0	\$0	\$3,430,000	\$0	\$2,525,000	\$0	\$0	\$5,955,000
2004	\$0	\$0	\$4,154,000	\$170,619	\$2,084,500	\$0	\$0	\$6,409,119
2005	\$0	\$0	\$4,211,827	\$201,395	\$2,084,500	\$200,000	\$0	\$6,697,722
2006	\$0	\$0	\$4,015,543	\$114,540	\$2,236,400	\$500,000	\$0	\$6,866,483
2007	\$0	\$1,500,000	\$3,783,080	\$57,305	\$2,286,400	\$1,000,000	\$0	\$8,626,785
2008	\$0	\$61,000	\$3,829,421	\$57,374	\$2,736,400	\$0	\$0	\$6,684,195
2009	\$0	\$0	\$3,683,005	\$23,181	\$2,796,400	\$450,000	\$0	\$6,952,586
2010	\$0	\$0	\$4,078,334	\$0	\$2,295,700	\$0	\$0	\$6,374,034
2011	\$0	\$0	\$3,678,665	\$0	\$2,242,900	\$0	\$0	\$5,921,565
2012	\$0	\$1,000,000	\$3,145,900	\$0	\$2,242,900	\$0	\$0	\$6,388,800

<sup>2</sup>In 1992 the HUD Sponsored HOME program replaced the HUD-sponsored Rental Rehabilitation Program

<sup>3</sup>The data shown under "Rural Development" are for single-family programs and rural 515 properties sponsored by the U.S. Department of Agriculture

<sup>4</sup>For 2003, HUD announced the American Dream Down-payment Initiative (ADDI) for first time homebuyers. Funds were distributed to states on a formula basis. The program ended in 2009.

## OLENE WALKER HOUSING LOAN FUND BOARD

### Board Members

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Craig Hackett, Vice Chair  
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Cass Butler  
Gloria Froerer  
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Mike Plazier  
Megan Ryan  
Mayor JoAnn B. Seghini  
David Wall  
Dr. Jayne Ferrin Wolfe  
Kelly Jorgensen, Ex-Officio  
Robert Snarr, Ex-Officio  
Kathy Kinsman, Office of the Attorney General

### Department of Workforce Services

John Pierpont, Acting Director  
Greg Gardner, Deputy Director

### Housing and Community Development Division

Gordon D. Walker, Director  
Katherine A. Smith, Assistant Director  
Shad J. West, Communications Specialist

### Olene Walker Housing Loan Fund Staff

Annette Despain  
Steve Fox  
Mike Glenn  
Shelli Goble  
Daniel Herbert-Voss  
Anna Leggett  
Jess Peterson  
Lora Rees  
Nick Baker, Intern  
Elias Wise, Intern

