



TREMONTON CITY & TREMONTON CITY RDA

2013 Moderate Income Housing Plan



Acknowledgements

The *2013 Moderate Income Housing Plan* was developed as a cooperative effort of: Tremonton City Redevelopment Agency; The Bear River Association of Government (BRAG); and Tremonton City.

BRAG is a political subdivision of the State that was created in part to foster regional collaboration, utilize State and Federal dollars regionally and more efficiently, and to assist local governments with planning activities. BRAG provided technical analysis and was primarily responsible for drafting the text for the *2013 Moderate Income Housing Plan* along with being the principal agency to create maps contained within this plan. BRAG also administers the Bear River Regional Housing Authority. The Tremonton City RDA has an agreement (see Appendix 1) with BRAG to allow for BRAG in conjunction with the Tremonton City RDA to administer the housing funds generated from the West Liberty Foods Project Area for any permissible use authorized by Utah Code Annotated 17C-1-412 as amended.

Tremonton City participated in the creation of the *2013 Moderate Income Housing Plan* through its citizens, Planning Commission, and City Staff providing input and recommendations associated with the text and maps. The Tremonton City Council and Tremonton City RDA adopted the Plan and the accompanied policies to improve moderate income housing for current and future residents.

***Database used for housing modeling in the plan courtesy of Rosenthal & Associates Inc. & Lotus Community Development LLC., February 19, 2008.**

Table of Contents

- Executive Summary
- Section 1- Policies
- Section 2- Introduction
- Section 3- Housing Inventory
- Section 4- General Community Housing Needs
- Section 5- Definition of Moderate Income Housing
- Section 6- Existing Supply of Moderate Income Housing
- Section 7- Current Moderate Income Housing Needs
- Section 8- Five-Year Moderate Income Housing Need Projections
- Section 9- Survey of Current Zoning
- Section 10- Summary of Potential Effects of Current Zoning on Moderate Income Housing
- Section 11- Past and Current Programs/Projects to Encourage Moderate Income Housing
- Section 12- Tremonton City RDA & Tax Increment
- Section 13- Future Programs/Projects to Encourage Moderate Income Housing
- Appendix 1- Agreement with BRAG to Administer Housing Funds Generated From the West
Liberty Foods Project Area
- Appendix 2- Moderate Income Housing Projects
- Appendix 3- Other Entities Involvement in Moderate Income Housing
- Appendix 4- Glossary
- Appendix 5- Maps
- Appendix 6- West Liberty Foods Project Area Housing Plan
- Appendix 7- Schematics of Connection Points for Extending Utilities to South/West of Interstate
15 and 84
- Appendix 8- Letter from Division of Housing & Community Development Regarding
Emergency Shelters

Executive Summary

The goal of the *2013 Moderate Income Housing Plan* is to outline Tremonton City's commitment to providing moderate income housing. This Plan also meets the statutory required elements (See Utah State Code 10-9a-403 and 10-9a-408) for Tremonton's Moderate Income Housing Plan. As defined in the Utah State Code, moderate income housing, is "housing occupied or reserved for occupancy by households with a gross household income of less than 80% of the Area Median Income (AMI) of the rural statistical area for households of the same size."

Using a model developed by the State of Utah Division of Housing and Community Development, household income and number of developed units were compared to determine the need for moderate income housing in 2010, 2015, and 2020. The City has an adequate supply of moderate income housing for some specific segments of the population that are below 80% AMI. Some of the findings of the *2013 Moderate Income Housing Plan* include:

- Tremonton currently has adequate moderate income housing for those who earn 50% - 80% of AMI, as seen in Chart 1.
- The median home price of a 4 bedroom home in Box Elder County in 2011 sold for \$179,000, and the median rent was \$682 per month for a two bedroom apartment. These figures are well within the 80% AMI category, which is \$188,000 for a home purchase and \$1,103 for monthly rent.
- Tremonton has several subsidized moderate income housing developments that have vacancies (see Appendix 2).
- Tremonton City's current zoning allows and encourages the construction of moderate income housing.

One area of concern in the Plan includes moderate income housing for households with an income of 30% or less of AMI. As seen in Chart 2, which is derived from a model developed by the State of Utah Division of Housing and Community Development, there seems to be a deficit of moderate income housing options for households with an income of 30% or less of AMI. The Plan identifies several assumptions that may be associated with the model findings. Tremonton City shall monitor the moderate income housing needs for households with an income of 30% or less of AMI.

The Plan also discusses Tremonton City RDA's involvement in the creation and preservation of moderate income housing. Specifically, Tremonton City Redevelopment Agency (RDA) has created the West Liberty Foods Project Area. Title 17C of Utah Code requires the allocation of 20% of tax increment of the West Liberty Foods Project Area, to be dedicated to the creation and preservation of housing. The Tremonton City Redevelopment Agency targets the 20% of tax increment generated from the West Liberty Foods Project Area to be dedicated to the creation and preservation of housing within the incorporated limits of Tremonton City.

In 2011, Tremonton City RDA adopted Resolution No. RDA 11-05a which authorizes the use of the funds generated from West Liberty Housing Project Area dedicated to the creation and preservation of housing for any permissible use authorized by Utah Code Annotated 17C-1-412. Some of the moderate income housing projects that the Tremonton City and the Tremonton City RDA may engage with the use of tax increment include but not limited to:

- Provide funding enhancement of existing moderate income housing programs such as: First-Time Home Buyers Program; Emergency Home Repair Program; and Major Home Repair Program.
- Create a Neighborhood Improvement Area Program to provide grants to make cosmetic improvements to homes and yards such as: painting, siding, soffit and fascia, sidewalk and driveway repairs, fence repairs and landscaping improvements.
- Create a subsidized moderate income housing project on the south/west side of Interstate 15 and 84. The Tremonton City RDA may purchase property and fund infrastructure to encourage the development of moderate income housing project in said locale.
- Over the next 10 to 20 years the number of seniors and persons with disabilities is expected to increase, and the demand for moderate income housing will increase. The Tremonton City RDA may purchase property and fund infrastructure to encourage the development of moderate income housing project for this growing demographic.
- Creation of domestic violence emergency shelter and transitional housing to address domestic violence issues. Over the last five years, the need for temporary shelter and transitional housing associated with domestic violence issues has been steadily rising.
- Provide funding to rehabilitate some of the 158 subsidized multi-family moderate income housing complexes within the City. The rehabilitation improvements will ensure that complex remain an attractive and desirable place to live (see Appendix 2 for more information about the complexes). Rehabilitation efforts may include such items are exterior and interior improvements.
- Provide resources to the support the Mutual Self-Help program administered by Neighborhood Nonprofit Housing Corporation in which families work together as a group to build their house.
- Provide resources to Habitat for Humanity Northern Utah to assist in their efforts to rehabilitate homes for moderate income families.

Section 1- Policies

To address the some of the findings contain in this Plan and to continue the City's desire to proactively address moderate income housing needs the City has created policies to further the development of moderate income housing within the City limits. Additionally, some of the policies are aimed at directing ways to use the Tremonton City's RDA tax increment dedicated to the creation and preservation of moderate income housing.

1. Distribution of Moderate Income Housing. Encourage moderate income housing developments to be distributed throughout the City and within development projects. An even distribution of moderate income housing units through the City blends socio-economic class within neighborhoods and makes for an integrated community.

Policy 1.1 Encourage the development of moderate income housing on the west side of Interstate 84 and on the south side of Interstate 15 and other areas of the City that distribute moderate income housing projects throughout the City. This policy is to be balanced with "Policy 2 Location of Moderate Income Housing".

Policy 1.2 Create the development of moderate income housing in a mixed income development as encouraged in Utah Code Annotated 17C-1-412 (i). Specifically, the City desires to have both detached and attached units within the same development.

2. Location of Moderate Income Housing. Encourage the location of future moderate income housing projects near community amenities and services that could potentially benefit the residents. This policy is to be balanced with "Policy 1 Distribution of Moderate Income Housing".

Policy 2.1 Encourage the development of moderate income housing in proximity to amenities such as parks, schools, shopping, hospital, Tremonton Senior Center (for senior housing); Tremonton Food Pantry, etc.

Policy 2.2 Where locations are ideally situation for moderate income housing projects due to proximity to community amenities and services the Tremonton City RDA purchase and hold property to be used for moderate income housing for emerging special populations or special projects.

Policy 2.3 Encourage the development of projects that have a mix of land uses that blends a combination of residential, commercial, cultural, institutional, or industrial uses, where those functions are physically and functionally integrated. Mixed land use developments have the following benefits: greater housing variety and density; reduced distances between housing, workplaces, retail businesses, and other destinations; stronger neighborhood character; and pedestrian and bicycle-friendly environments.

3. Sustainable Moderate Income Housing Projects. Encourage the use of sustainable materials, design approaches, fixtures and systems, etc. in moderate income housing projects.

Policy 3.1 Encourage the use of energy efficient fixtures and systems including but not limited to: lighting fixtures; energy star appliances; photovoltaic system (solar panels); geothermal heating and cooling; etc.

Policy 3.2 Encourage the use of water wise fixtures and landscaping including but not limited to: low flow water fixtures; dual flushing toilets; xeriscaping; drip irrigation; etc.

Policy 3.3 Encourage the use of construction materials and methods that save energy including but not limited to: insulation that gives a high R-value; high R-value windows; energy efficient furnaces; etc.

Policy 3.4 Encourage the use of architects, landscape architects, and other professionals that specialize in the sustainable design and construction.

Policy 3.5 Encourage the use of materials that are durable and require less maintenance. Said materials may include but not limited to: masonry exteriors; architectural grade shingles or metal roofing; masonry fencing; etc.

Policy 3.6 Encourage that moderate income housing are designed and constructed to be Energy Star Certified. (Ashfield and Tremonton Terrace Apartments are Energy Star Certified).

Policy 3.7 Encourage the use of Leadership in Energy and Environmental Design (LEED) principles in the design of moderate income housing projects. Due to the costs associated with LEED certification a project may or may not become LEED certified.

4. Rehabilitation/Improvement of Single Family Homes as Moderate Income Housing. Encourage the rehabilitation of existing single family housing stock as moderate income housing.

Policy 4.1 Support BRAG's Emergency Home Repair Program that gives grants for minor home repairs that if neglected pose a potential health and safety threat to keep individuals in safe living conditions.

Policy 4.2 Support BRAG's Major Home Repair Program which facilitates funding (a loan to the homeowner at low interest rates) to address repairs.

Policy 4.3 Support Habitat for Humanity Northern Utah's efforts to rehabilitate homes as moderate income housing.

Policy 4.4 Create a new program Neighborhood Improvement Area Program that grants funds to make cosmetic improvements to their homes and yards. Such improvements may include painting, siding, soffit and fascia, sidewalk and driveway repairs, fence repairs and landscaping improvements. Such repairs help to revitalize the neighborhood.

5. Rehabilitation/Improvement of Subsidized Multi-Family Moderate Income Housing Projects. Ensure that existing subsidized multi-family moderate income housing complexes remain attractive and desirable place to live.

Policy 5.1 Use tax increment funds generated from the West Liberty Foods Project Area to provide low interest loans or grants to improve, upgrade, or maintain existing subsidized multi-family moderate income housing complexes. Said improvements, upgrades, or maintenance may include but not limited to: infrastructure; interior upgrades and remodels; landscaping; recreation improvements; energy efficiency projects; exterior and architectural remodels or upgrades.

6. Moderate Income Housing Projects for Special Populations. Monitor the need for moderate income housing projects for special populations and encourage the construction of moderate income housing projects for special populations when a demonstrated need exists.

Policy 6.1 Monitor the need and support the development of moderate income housing for special populations which may include but is not limited to: seniors; disabled; victims of domestic violence; households with an income of 30% or less of Area Median Income (AMI).

Policy 6.2 Use tax increment funds generated from the West Liberty Foods Project Area to assist with the development of moderate income housing projects.

7. Infrastructure for Moderate Income Housing. Infrastructure is an expense component of development of moderate income housing. As suggested in Utah Code Annotated 10-9a-403 (2) (b) (B), the *2013 Moderate Income Housing Plan* encourages the rehabilitation and or expansion of infrastructure that will encourage the construction of moderate income housing. The use of tax increment funds generated from the West Liberty Foods Project Area may be used to offset the costs of moderate income housing.

Policy 7.1 Use tax increment funds to pay or prepay impact fees for moderate income housing projects.

Policy 7.2 Use tax increment funds to construct infrastructure to serve a moderate income housing project. City impact fees or other funds shall pay for the upsizing of the infrastructure that creates additional capacity within the infrastructure.

Policy 7.3 Use tax increment funds to acquire land and develop infrastructure on the property to be used for moderate income housing projects.

Policy 7.4 Use tax increment funds to address public or private infrastructure that is deficient, needs maintenance; or otherwise needs improvement for moderate income housing projects or neighborhoods.

8. Creating Moderate Income Housing Partnerships. Create synergistic partnerships in developing and rehabilitating moderate income housing.

Policy 8.1 Work with existing non-profit organizations and governmental agencies whose mission is to provide moderate income housing. Said non-profit organizations and governmental agencies may include but are not limited to: BRAG; Neighborhood Nonprofit Housing Corporation; and Habitat for Humanity Northern Utah (see Appendix 3). Additionally, work with the New Hope Crisis Center to address housing issues for victims of domestic violence.

Policy 8.2 Inquire with Bridgerland Applied Technical College or high school programs that teach trades to see if there could be a synergistic partnership in construction of moderate income housing.

9. Addressing Blight Areas. Utah Code Annotated 17C-1-412 (v) allows for the 20% of tax increment generated from the West Liberty Foods Project Area to be used in the payment of part or all of the cost of land or installation, construction, or rehabilitation of any building, facility, structure, or other housing improvement, including infrastructure improvements, related to housing located in a project area where blight has been found to exist. Tremonton City and the Tremonton City RDA are desirous to address blighted areas in Tremonton City in accordance with provisions allowed by Utah Code.

Policy 9.1 Engage a team of professionals consultants to plan or otherwise promote income targeted housing within the boundary of the Tremonton City RDA as allowed by Utah Code Annotated 17C-1-412 (iv). The planning effort may include the establishment of Urban Renewal Project Area or Community Development Project Area.

Policy 9.2 If blight finding is established within an Urban Renewal Project Area or Community Development Project Area than consider using the 20% of tax increment generated from the West Liberty Foods Project Area dress some of the blighted conditions in accordance as allowed by Utah Code Annotated 17C-1-412 (v).

10. Use of Tax Increment for Moderate Income Housing. Use of the funds generated from West Liberty Housing Project Area (or any other future project area) dedicated to the creation and preservation of housing for any permissible use authorized by Utah Code Annotated 17C-1-412 and 17C-1-411.

Policy 10.1 Use tax increment funds generated from the West Liberty Foods Project Area (or any other future project areas) to achieve any of the aforementioned policies and any other permissible use authorized by Utah Code Annotated 17C-1-412 and 17C-1-411.

Section 2- Introduction

The goal of the *2013 Moderate Income Housing Plan* is to outline Tremonton City's commitment to providing moderate income housing to its residents. Through a thorough understanding of the existing housing supply and demand in Tremonton, the City can seek to better fulfill its commitment to providing moderate income housing.

This plan analyzes current housing stock and projecting future housing needs for Tremonton City. Tremonton City's primary goal is to provide safe and adequate moderate income housing which meets the needs of residents.

The 2013 Moderate Income Housing Plan contains the following statutory required elements (See Utah State Code 10-9a-403 and 10-9a-408):

- Definition of "Moderate Income Housing"
- Existing Supply of Moderate Income Housing
- Current Moderate Income Housing Needs
- Five-Year Moderate Income Housing Needs Projections
- Survey of Current Zoning
- Summary of Potential Effects of Current Zoning on Moderate Income Housing
- Program to Encourage Moderate Income Housing
- Future Moderate Income Housing Unit Locations and Opportunities

A glossary is contained in Appendix 4 to assist the reader in understanding terms used in the *2013 Moderate Income Housing Plan*.

Section 3- Housing Inventory

The majority of current housing structures in Tremonton are single family homes/units. Of all residential units in Tremonton City, single family homes/units make up 79.31%, with multi-family homes/units at 20.69%. Since the year 2000, 420 acres have been approved for residential development, all within single family residential zones.

Between 2005 and 2011, 348 single family units and 154 multi-family units were constructed in Tremonton City (502 total units). Tables 1 and 2 below show the number of homes per housing type and housing occupancy for Tremonton.

TABLE 1: NUMBER OF HOMES PER HOUSING TYPE (2011)		
RESIDENCE TYPE	NUMBER	PERCENT OF TOTAL
Single Family Homes/Units		
Single Family Homes/Units*	1,972	75.26%
Manufactured Homes	84	3.2%
Mobile Homes	22	0.83%
<i>Single Family Homes/Units Total</i>	<i>2,078</i>	<i>79.31%</i>
Multi-Family Homes/Units		
Multi-Family Homes/Units**	514	19.54%
Elderly***	18	0.68%
Twin	12	0.45%
<i>Multi-Family Homes/Units Total</i>	<i>546</i>	<i>20.69%</i>
<i>Grand Total</i>	<i>2,624</i>	<i>100.0%</i>

Data Source: Tremonton City, 2012

*There are 12 documented subsidized single family homes/units

** There are 158 documented subsidized multi-family homes/units

***There are 18 documented Subsidized Elderly Homes/Units

TABLE 2: HOUSING OCCUPANCY - 2000, 2005, and 2010		
YEAR	OWNER (# UNITS)	RENTER (# UNITS)
2000	1,649	304
2005	1,838	382
2010	2,078	546

Data Source: Tremonton City, 2012

Section 4- General Community Housing Needs

Housing costs in Tremonton will continue to increase as the community grows. It is anticipated that current land use policies, regulations and zoning of the City will limit the future population in Tremonton to between 7,647 (current population, US Census 2010) and 17,035 people (Tremonton City, 2012). According to the Demographic and Economic Analysis (DEA) section of the Utah Governor's Office of Planning and Budget (GOPB), it is projected that Tremonton City will grow to approximately 11,492 residents by 2040 if current trends continue (GOPB DEA 2008 baseline projections). If population growth continues at projected rates, the City will need to plan for affordable housing in order to meet future needs.

Section 5- Definition of Moderate Income Housing

As defined in the Utah State Code, moderate income housing, is “housing occupied or reserved for occupancy by households with a gross household income of less than 80% of the Area Median Income of the rural statistical area for households of the same size.” Area Median Income for Box Elder County in 2010 was \$61,200, while 80% of the Area Median Income (AMI) was \$48,950. Below is a table showing AMI values in Box Elder County, to illustrate how AMI values are deduced based on household size.

TABLE 3: BOX ELDER COUNTY, UTAH – 2010 AREA MEDIAN INCOME

FY 2012 Income Limit Area	Median Income	FY 2010 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Box Elder County	\$61,200	Very Low (50%) Income Limits	\$21,450	\$24,500	\$27,550	\$30,600	\$33,050	\$35,500	\$37,950	\$40,400
		Extremely Low (30%) Income Limits	\$12,850	\$14,700	\$16,550	\$18,350	\$19,850	\$21,300	\$22,800	\$24,250
		Low (80%) Income Limits	\$34,300	\$39,200	\$44,100	\$48,950	\$52,900	\$56,800	\$60,700	\$64,650

Data Source: US Dept. of Housing and Urban Development (HUD)

<http://www.huduser.org/portal/datasets/il/il2010/2010summary.odn>

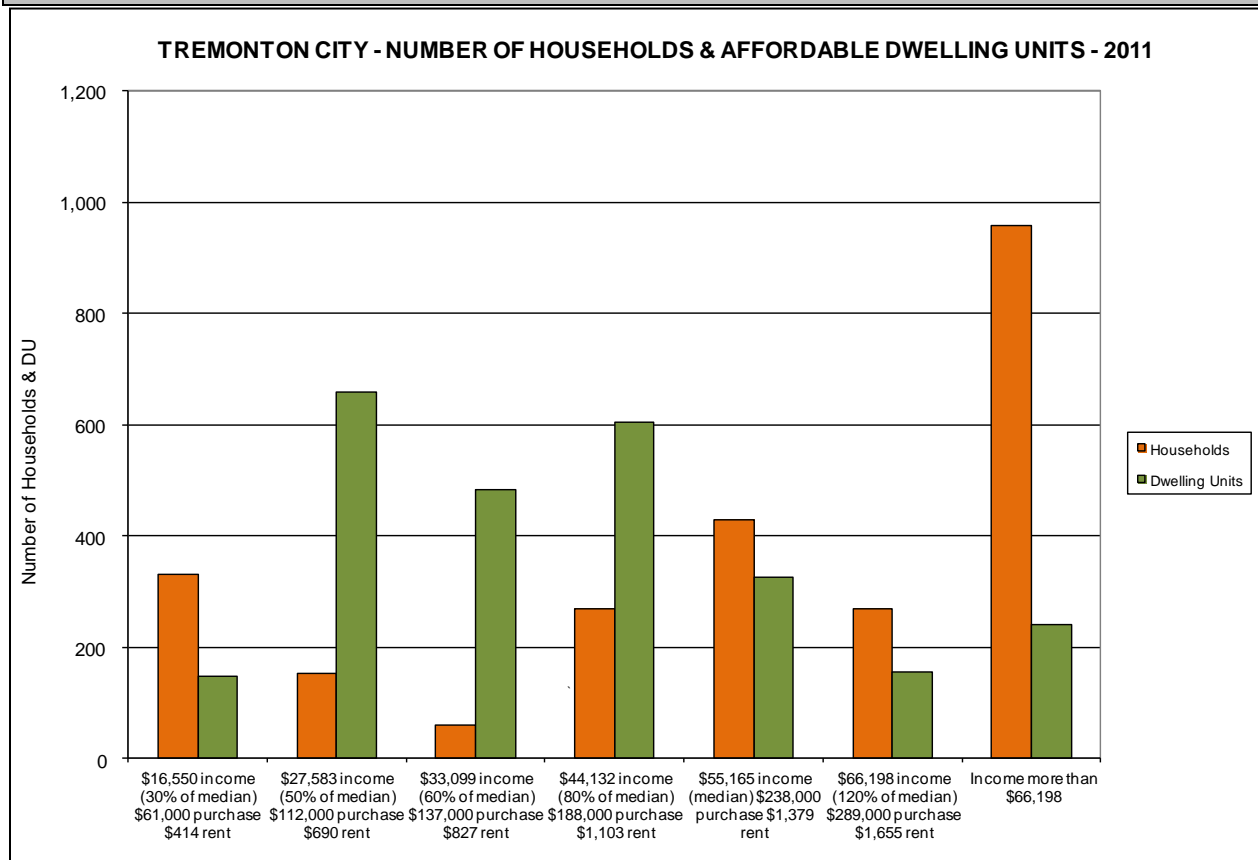
2010 AMI for Tremonton City, specifically, was lower than Box Elder County at \$55,165, while 80% of AMI was \$44,132 (based upon a four person household). The U.S. Department of Housing and Urban Development (HUD) recommends that housing costs, including utilities and insurance, should not exceed 30% of a household’s income to remain affordable. In order to comply with this recommendation, those households that make 80% of the AMI for Tremonton City would be able to afford an \$188,000 or less home, and/or \$1,103 or less per month for a rental unit. Chart’s 1 and 2 on the following pages were created using Tremonton City AMI figures, as are the rest of the recommendations included in this plan. Home purchase prices are based on a 4.6% interest rate which was the average rate for a 30-year mortgage at the time this analysis was completed.

Section 6- Existing Supply of Moderate Income Housing

Housing currently exists within the City that will accommodate households with incomes of between 50% and 100% of the AMI, as seen in Chart 1. However, approximately 20% of Tremonton's population earn 50% of the AMI or less, and may not be able to afford to purchase housing (BRAG, 2012). Rental housing is the main alternative for households that make 50% or less of the AMI. Table 4 gives a breakdown of current average and median housing rental prices in Tremonton. Table 5 shows Tremonton's affordable housing supply compared to AMI percentages and figures.

In order for a household which makes 80% or less of AMI to pay 30% or less of their monthly income for housing (as recommended by HUD), they would need to have a combined monthly income of approximately \$3,678 (or \$44,132 per year) or more after taxes for a home purchase. This figure does not include property tax. Likewise, households would need to have a combined monthly income of approximately \$2,299 in order to afford a median rental price of \$682/month for a 2 bedroom apartment. These households would need to make around \$27,583 per year after taxes.

CHART 1: HOUSEHOLDS AND MODERATE INCOME HOUSING



***“Median” refers to Area Median Income (AMI). AMI estimates for Tremonton City used for Chart 1 and Chart 2 (Estimates from the US Census American Community Surveys 2006-2010).**

Data Sources: Bear River Association of Governments, 2012 and US Census Bureau.

TABLE 4: CURRENT AVERAGE/MEDIAN HOUSING RENTAL PRICES (YEAR 2012)	
TYPE OF UNIT	MONTHLY COST
Studio (Average)	\$300-\$500
One Bedroom Apartment* (Median)	\$552
Two Bedroom Apartment* (Median)	\$682
Three Bedroom Apartment* (Median)	\$994
Four Bedroom Apartment* (Median)	\$1,023
Two Bedroom Duplex (Average)	\$500 - \$750
Two Bedroom Condo (Average)	\$600 - \$850
Single Home (Average)	\$700 - \$1,000
Single Home – Luxury (Average)	\$900 - \$1,500

Data Sources: Box Elder County Rental Prices, 2012 from Box Elder News Journal Classifieds:

<http://www.benewsjournal.com/>.

*2011 HUD Median Rent (50th Percentile) Estimates (<http://www.huduser.org/datasets/50per.html>)

TABLE 5: AFFORDABLE HOUSING SUPPLY & AFFORDABILITY GAP BY HUD AMI - Tremonton City (September 2011)							
% AMI	INCOME LEVELS	Affordable Housing Cost			Household AMI Data		Number of Dwelling Units (2011)
		Owned		Rent			
		Single Family	Multi Family		Number of Households (2011)	Percentage of Households (2011)	
30% or less of Median	Up to \$16,550	\$61,000	\$21,000	\$414	331	13.42%	148
Between 30% & 50% of Median	Between \$16,550 & \$27,583	\$112,000	\$72,000	\$690	152	6.16%	660
Between 50% & 60% of Median	Between \$27,583 & \$33,099	\$137,000	\$97,000	\$827	59	2.39%	484
Between 60% & 80% of Median	Between \$33,099 & \$44,132	\$188,000	\$148,000	\$1,103	270	10.94%	604
MEDIAN	Between \$44,132 & \$55,165	\$238,000	\$198,000	\$1,379	429	17.39%	326
Between 100% & 120% of Median	Between \$55,165 & \$66,198	\$289,000	\$249,000	\$1,655	268	10.86%	156
More than 120%	More than \$66,198	N/A	N/A	N/A	958	38.83%	241
Total		N/A	N/A	N/A	2,467	100%	2,619

Data Source: BRAG, 2012

Section 7- Current Moderate Income Housing Needs

Two basic housing categories exist for moderate income families: 1) Households that want to purchase, and 2) Households that want to rent.

Purchase Housing. Annual income requirements for purchasing a single family home or multi-family home (including condominiums or townhouses) depend on various factors. These factors include the current interest rate, current monthly debt (not including the home mortgage under consideration), initial down payment, bank fees, and other closing costs. Table 6 summarizes the minimum salary required to purchase an average home in Box Elder County (figure includes both single and multi-family owner-occupied homes).

TABLE 6: INCOME REQUIREMENTS TO PURCHASE AN AVERAGE HOME IN BOX ELDER COUNTY					
Type of Dwelling	Average Home Value in Box Elder County 2008-2010 (4 Bedroom Home)	Monthly Payment based upon 4.0% interest rate with 5% down (does not include insurance or tax)	Monthly debt and other living expenses cannot exceed	Monthly minimum combined income	Yearly minimum combined income
Owner-Occupied Dwelling Units	\$179,900	\$815.93	\$1,904.07	\$2,720.00	\$32,637.00

Data Source: Realtor.com: http://www.realtor.com/soldhomeprices/Tremonton_UT, and Bear River Association of Governments, 2012

Rentals. Households choose to rent for various reasons including temporary employment, additional housing to access employment, financial inability to purchase a home, or some prefer to rent in order to avoid costly maintenance and repairs they would need to make on a home they own. The current number of rental units in Tremonton is 546 (Tremonton City, 2012).

Approximately 33% of the current City population has an annual income of less than 80% of the Area Median Income (AMI), making about \$44,132 or less annually. Those making between and 80% AMI currently have great opportunities to purchase a reasonably priced home in Tremonton, since housing stock for people in those income brackets are plentiful. However, those 30% of AMI or less do not currently have adequate housing stock for the purchase of a home.

Section 8- Five-Year Moderate Income Housing Need Projections

In order to project housing needs for the next five years, growth estimates are calculated and applied to current population numbers. The number of housing units necessary to accommodate the population is derived by dividing the population by 3, the average number of occupants per household for Box Elder County.

Using a model developed by the State of Utah Division of Housing and Community Development, household income and number of developed units were compared to determine the need for moderate income housing in 2010, 2015, and 2020. Population projections are based on the Utah Governor's Office of Planning and Budget, Demographic and Economic Analysis Baseline Projections from 2008. The results of these projections are shown in Table 7 below.

TABLE 7: NEED FOR MODERATE INCOME HOUSING IN 2010, 2015, AND 2020		
YEAR	POPULATION	TOTAL HOUSING UNITS
2010	7,647	2,624
2015 (Projected)	8,717	2,742
2020 (Projected)	9,787	2,883

Data Source: Bear River Association of Governments, 2012

The current number of rental units in Tremonton City is approximately 546, out of a total of approximately 2,624 total housing units. Of those, there are 388 market rental units in the City, which is 14.8% of total housing units. Subsidized rental units comprise 6% of the total housing stock, or 158 units (Tremonton City, 2012).

Tremonton currently has adequate moderate income housing for those who earn 50% - 80% of AMI, as seen in Chart 1. However, there will continue to be an increasing need for moderate income housing as population continues to grow at a steady rate, as seen in Table 7.

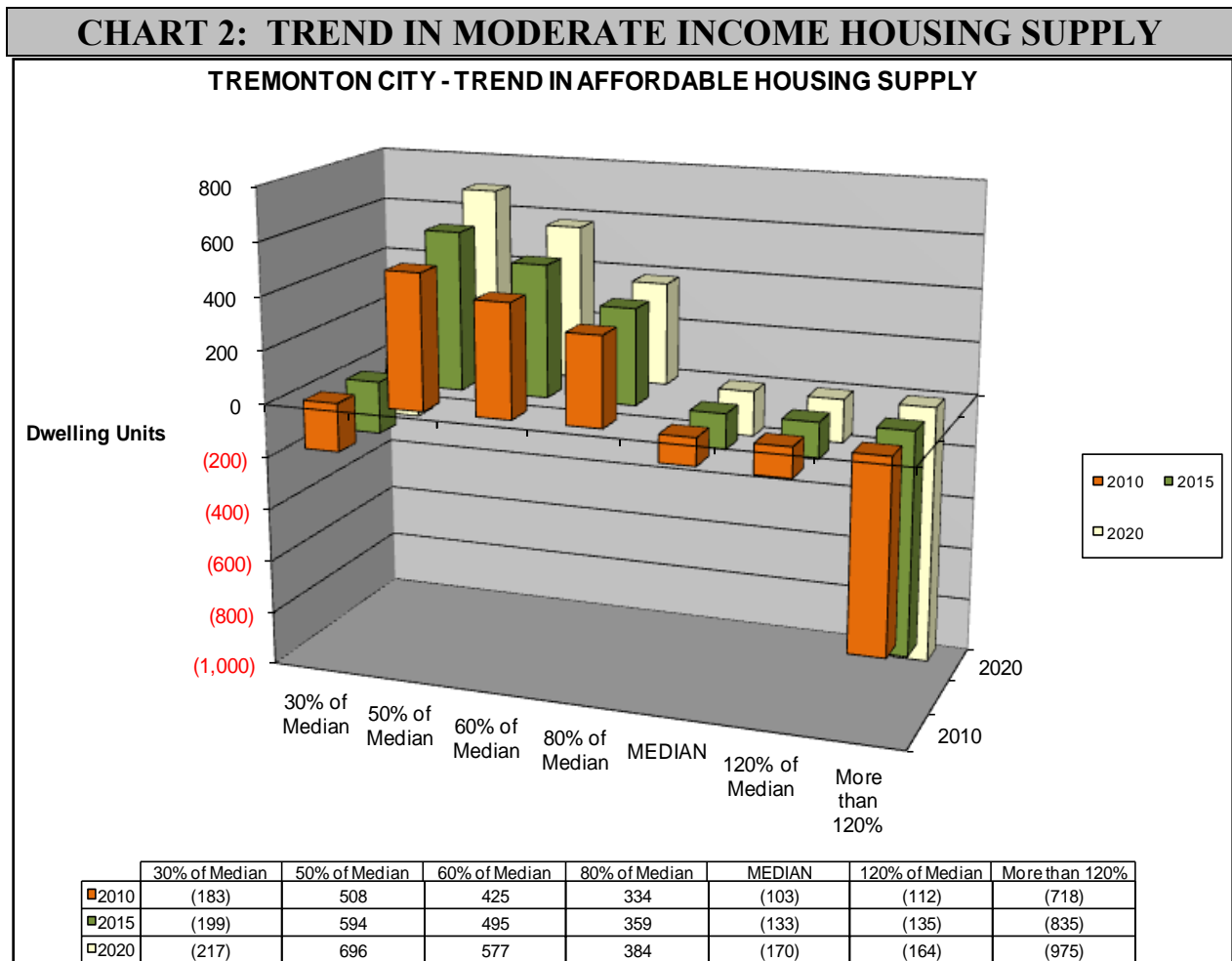
Analyses conducted for this Plan revealed a deficit of moderate income housing in Tremonton for households making 30% or less of the AMI, as seen in Chart 1. Likewise, there is an apparent deficit of housing for those who make more than 80% AMI, as seen in Chart 1; although not a problem for those residents, this could be reducing the number of affordable housing units which could be purchased by those making less than 80% AMI. There may be several reasons for the analysis revealing that there is a deficit of moderate income housing for households making 30% or less of AMI. Demographic groups in Tremonton that are not easily tracked with US Census and other survey methods, and which could be at least partially contributing to the deficit, include the following:

- Multiple households living in single housing units.

- Seniors who make less than 30% of the AMI but have already paid off their mortgage or own their home outright.
- Individuals and/or families that make more than 80% of the AMI, but own homes that can be classified as “moderate income housing,” or homes valued at less than, or equal to \$188,000. These people are living in housing that is less expensive than what they can afford, making it appear as though there is a deficit of affordable housing units in the City.

These demographics could be contributing to what is shown by Charts 1 and 2. Additional research and data on household status by age and income will be necessary to confirm these assumptions.

CHART 2: TREND IN MODERATE INCOME HOUSING SUPPLY



* “Median” refers to Area Median Income (AMI).

Data Source: Bear River Association of Governments, 2012

Section 9- Survey of Current Zoning

There are approximately 2,624 total residential units in Tremonton City, consisting of approximately 2,078 single family units, and approximately 546 multi-family units. Single family units account for 79.31% of the total housing stock, while multi-family units make up approximately 20.69%.

Table 8 shows the total acreage of residential zone comprised in the City for the years shown.

TABLE 8: RESIDENTIAL ZONING ACREAGE					
YEAR	R1-6/R1-8	R1-10/R1-12	R1-20/RR-1	RM-7/RM-15	TOTAL MULTIPLE
2000	366	780	1,383	120	154
2010	433	1,269	761	134	164

Data Source: Tremonton City, 2012

As seen in Table 9, the majority of single family homes/units are located in the R1-8, R1-10, R1-6, R1-20, and RM-8 zones. Out of a total of 2,078 total single family homes/units, there are also 131 single family homes/units in the C-D (Central Developing) zone. Likewise, the majority of multi-family homes/units are located in the RM-15, RM-7, and NMU residential zones, as well as the C-H and C-D commercial zones

Map #1, in Appendix 5 shows a geographic representation of where single family and multi-family homes/units are located in Tremonton.

In summary, 1,922 single family units are located in residential zones, while 156 are located in commercial zones (out of 2,078 total single family units in Tremonton) and 431 multi-family units are located in residential zones, while 115 are located in commercial zones.

TABLE 9: CURRENT CITY ZONING DISTRICTS (2012)			
	STRUCTURE TYPE	Single Family Homes/Units	Multi-Family Homes/Units
RESIDENTIAL ZONES	NMU	27	92
	MU	0	0
	R1-10	472	0
	R1-12	48	0
	R1-20	119	0
	R1-6	151	0
	R1-8	822	10
	RM-15	16	225
	RM-7	188	104
	RR-1	79	0
	Very Low Density*	0	0
	Low Density*	0	0
	Moderate Density*	0	0
	High Density*	0	0
	Transition*	0	0
	TOTAL RESIDENTIAL	1,922	431
COMMERCIAL ZONES	MD/MG/MD-B	1	0
	C-N	2	0
	C-H	14	70
	C-G	8	0
	C-D	131	45
	TOTAL COMMERCIAL	156	115
	TOTAL UNITS PER STRUCTURE TYPE	2,078	546

Source: Tremonton City and BRAG, 2012

* Country View Estates Zoning Districts, currently undeveloped.

Table 10 lists Tremonton City's current zones with their respective acreage.

TABLE 10: TREMONTON CITY TOTAL ZONING IN 2010		
ZONE	ZONE DESCRIPTION	ACRES
R1-6 - PD - R1-8	Residential District/Planned Development	433
R1-10	Residential Development	573
R1-12	Residential Development	696
R1-20	Residential Development	555
RR-1	Rural Residential District	206
C-D	Central Developing District	214
C-H	Highway Commercial District	301
C-N	Neighborhood Commercial District	14
C-G	General Commercial District	143
M-G	General Industrial District	119
M-D	Manufacturing-Distribution District	206
MD-B	Business Park District	154
RM-15	Multiple Residential District	67
RM-7	Multiple Residential District	97
MU	Mixed Use	280
Other- Parks, Public, etc.	Other – Parks, Public, etc.	289
Total		4,347

Data Source: Tremonton City, 2012

Section 10- Summary of Potential Effects of Current Zoning on Moderate Income Housing

Tremonton's current zoning allows and encourages the construction of moderate income housing. Moderate income housing is defined as housing available for those who make 80% or less of AMI. By this definition, single family homes/units or multi-family homes/units (townhouses, condos, apartments, or other residential development) can theoretically be "affordable." The median price of a 4 bedroom home in Box Elder County that sold in 2011 was \$179,000, and the median rent for the same year was \$682 per month. These figures are well within the 80% AMI category, which is \$188,000 for a home purchase and \$1,103 for monthly rent.

Section 11- Past and Current Programs and Projects to Encourage Moderate Income Housing

Tremonton City has been proactive in addressing the need for moderate income housing. Some of the programs and projects that Tremonton City has recently engaged in include:

Past Programs and Projects.

There are currently 158 documented multi-family subsidized moderate income homes/units and 13 single family subsidized homes. Moderate income housing developments that are comprised of subsidized rental units, in Tremonton City include Ashfield Apartments, Tremonton Terrace Apartments, Crown Village Apartments, Tremonton Village Apartments, Bear River Valley Apartments, and Riverview Apartments. Moderate income housing complexes including composition of projects and occupancy rates are summarized in the Appendix 2.

Current Programs/Projects.

There are several ongoing programs administered by BRAG to assist in the preservation of moderate income housing. Additionally, Box Elder County has a tax increment which provides part of the funding source for these programs. The programs provide resources for those wanting to purchase, maintain, and improve their single family home.

First-Time Home Buyer Program. The First-Time Home Buyer Program is administered by BRAG staff. The program provides valuable education for the first-time home buyer and funding for closing costs or down payment assistance on a first home. A \$1,600 - \$2,000 loan is available for those earning less than 80% of the AMI. Currently the funding is provided through BRAG's Community Development Block Grant (CDBG). The loan is deferred and bears a 0% interest. Recipients of the loan are selected by BRAG through an application process which includes the verification of income eligibility, and BRAG requires applicants to attend a first-time homebuyer workshop facilitated by Utah State University's Family Life Center Housing and Financial Counseling Office.

Emergency Home Repair Program. The Emergency Home Repair Program is administered by BRAG staff. The program grants up to \$3,000 per household for minor emergency home repairs that if neglected pose a potential health and safety threat to the residents. Currently the \$3,000 maximum grant is comprised of the following funding sources: \$2,000 from BRAG's Community Development Block Grant (CDBG) and \$1,000 from the Box Elder County tax increment. The emergency home repair consists of a single project which typically includes one of the following: roof repairs, bathroom repairs, ADA accessibility improvements, correction of faulty electrical systems, individual septic system repairs, and individual culinary water hook up repairs. Repairs are made to correct hazardous situations and to keep those families in safe living conditions. The program grants up to \$3,000 for those under 50% of AMI and \$1,500 for those between 50% and 80% of AMI.

Recipients of the grant are selected by BRAG through an application process which includes the verification of income eligibility. Thereafter, the home owner receives two bids from licensed contractors to perform the emergency home repair and BRAG verifies that the contractors are licensed to perform the repair.

Major Home Repair Program. The Major Home Repair Program is administered through BRAG and provides much needed funding to address inadequate housing. The program aims to provide major home repairs that rehabilitate and extend a home's life-span. The program provides the homeowner a Single Family Rehabilitation and Reconstruction Loan at low interest rates to make much needed and eligible repairs. Typically, the Major Home Repair Program provides a loan to do multiple projects. Funds for the program are provided by the Olene Walker Housing Loan Fund and/or USDA Rural Development. Those under 80% of the HUD Income Limits for Box Elder County would be eligible for the grant and loan combination.

Recipients of the loan are selected through an application process which includes the verification of eligibility of income. Thereafter, BRAG creates a scope of work and oversees the bidding process.

Section 12- Tremonton City RDA & Tax Increment

The Tremonton City Redevelopment Agency (RDA) created the West Liberty Foods Project Area. Title 17C of Utah Code requires the allocation of 20% of tax increment generated from the West Liberty Foods Project Area, to be dedicated to the creation and preservation of moderate income housing. The Tremonton City RDA targets the 20% of tax increment generated from the West Liberty Foods Project Area to be dedicated to the creation and preservation of housing within the incorporated limits of Tremonton City.

Tremonton City RDA's Resolution No. RDA 06-04 originally adopted the West Liberty Foods Project Area Housing Plan that emphasized the Low Interest Rehabilitation Loan and First Time Home Buyers Down Payment Assistance Program. Recently, Tremonton City RDA adopted Resolution No. RDA 11-05a (see Appendix 6- West Liberty Foods Project Area Housing Plan) which authorizes the use of the funds generated from West Liberty Foods Project Area dedicated to the creation and preservation of housing for any permissible use authorized by Utah Code Annotated 17C-1-412.

Tremonton City RDA has an agreement with BRAG, which administers the Bear River Regional Housing Authority to manage the expenditure of a tax increment dedicated to the creation and preservation of housing. Additionally, the Tremonton City RDA may identify projects that are in compliance with Utah Code Annotated 17C-1-412 in which the RDA will undertake. So far the total amount of a tax increment invested in housing is as follows:

Tax Increment Year	Amount Invested in Housing
2008	\$180,725.69
2009	\$272,342.80
2010	\$230,902.48
2011	\$254,300.97

Data Source: Tremonton City Redevelopment Agency

The Tremonton City RDA will continue to receive additional tax increment dedicated to the creation and preservation of housing from the West Liberty Foods Project Area until receipt of the 2017 tax increment which is received by the Agency in the spring of 2018. The average annual amount of the tax increment that the Tremonton City RDA has received for the past four years is \$234,567.99. Applying the average amount received for the past four years would suggest that over the 10 years the Tremonton City RDA may collect \$2,345,679.99 of tax increment from the West Liberty Foods Project Area.

Section 13- Future Programs/Projects to Encourage Moderate Income Housing

Some of the future programs/projects that Tremonton City and Tremonton City RDA may engage in to encourage moderate income housing projects include:

Funding Enhancement of Existing Programs. There are numerous programs to which the Tremonton City RDA could provide enhanced funding to, which includes but is not limited to the First-Time Home Buyers Program, Emergency Home Repair Program, and Major Home Repair Program. Currently all of these programs are administered through BRAG and have limited funding. In a typical year only 3-4 Tremonton City residents are recipients of these programs. For a description of these programs please see *Section 11- Past and Current Programs/Projects to Encourage Moderate Income Housing*. The Tremonton City RDA could enhance the First-Time Home Buyers Program or Emergency Home Repair Program by providing funding from tax increment to either: 1) increase the awarded amount of funds loaned/granted to an individual recipient; or 2) increase amount of funds that can be loaned/granted and thus increase the number of recipients that can participate in the programs.

The Major Home Repair Program assists homeowners that are undertaking major rehabilitation projects. Currently, the program offers only a loan and homeowners are reluctant to become indebted to a large sum. As an inducement for homeowners to make a sizable investment in their home the Tremonton City RDA could grant portion of funds that would complement and reduce the loan amount assumed by the homeowner.

Neighborhood Improvement Area Program. A new program that the Tremonton City RDA could fund would be the Neighborhood Improvement Area Program. This program would provide grants for those under 80% AMI to make cosmetic improvements to their homes and yards. Such improvements may include painting, siding, soffit and fascia, sidewalk and driveway repairs, fence repairs and landscaping improvements. The objective of this program is to improve a home's appearance; such repairs could help to revitalize a neighborhood. The program would be available to landlords that rent their property for affordable rates which ensures that the cost of housing, including utilities, is not in excess of 30% household income (which earns 80% of AMI or less). Potentially, BRAG could administer the program. It is envisioned that recipients would be selected from an application process which includes verification of eligibility of income. BRAG has suggested the grant amounts not exceed \$7,500.

Future Moderate Income Housing Distribution and Locations. Currently, moderate income housing in Tremonton, particularly subsidized and non-subsidized rental units, are spread throughout the City. Tremonton City and the Tremonton City RDA would like to continue to have moderate income housing distributed throughout the City. An even distribution of moderate income housing units through the City blends socio-economic classes within neighborhoods and makes for an integrated community.

Tremonton City and the Tremonton City RDA are desirous to have a subsidized moderate income housing project constructed southwest of Interstate 15/84. Currently, all subsidized units are north/east of the interstates. To encourage the development of the subsidized moderate income

housing project on the southwest side of Interstate 15/84 the Tremonton City RDA may purchase property and fund infrastructure that would extend utilities to the southwest of Interstate 15/84 (see Appendix 7 Schematics of Connection Points for Extending Utilities to South/West of Interstate 15 and 84).

The Tremonton City and the Tremonton City RDA desires the development of projects that have a mix of land uses that blends a combination of residential, commercial, cultural, institutional, or industrial uses, where those functions are physically and functionally integrated.

In addition to the even distribution, moderate income housing should be placed near existing community amenities such as park and schools, which encourages alternative transportation options such as walking and biking. See Map #2 in Appendix 5 for a geographic representation of the distribution of moderate income housing.

Moderate Income Housing for Seniors/Persons with Disabilities. According to the Utah Governor's Office of Planning and Budget (GOPB, 2012), the number of seniors in the U.S. over the age of 85 will increase by 123%. It is also estimated that around ½ of baby girls born each year will live to be 100 years old (GOPB, 2012). Estimates also show that there are approximately 250,000 Utahans that are 65 years or older, an age group that grew by 31.1% over the past decade (GOPB, 2012). Likewise, persons with disabilities (seniors and otherwise) will increase exponentially with growth of the general population.

The number of moderate income housing for elderly housing units in Tremonton will not likely satisfy future demand, since seniors are expected to be one of the fastest growing future demographics in the U.S. Rising housing costs can cause problems for seniors with fixed incomes who heavily, and sometimes solely, rely on social security and other subsidies as their main sources of income. Tremonton City currently has 158 subsidized units, not all available to the elderly or for persons with disabilities. Those permitted to inhabit subsidized moderate income housing must have an income below 80% (and in some cases as low as 30%) of the Area Median Income for Box Elder County. Affordable housing for these demographic groups should be planned for as necessary.

Domestic Violence Shelter & Transitional Housing. The Brigham City-based New Hope Crisis Center provides emergency shelter, transitional housing, counseling, and other protective services to victims of domestic abuse. Part of the resources needed to address domestic violence issues includes emergency shelters and transitional housing. Over the last five years, the need for temporary shelter and transitional housing has been steadily rising, as seen in Table 11. A greater resource of shelter and transitional housing needs could potentially alleviate some of the problems associated with domestic violence.

TABLE 11: USAGE OF DOMESTIC VIOLENCE EMERGENCY SHELTERS AND TRANSITIONAL HOUSING					
YEAR	2007	2008	2009	2010	2011
Emergency Shelter Housing					
Adults	75	119	216	245	284
Adults- Days Sheltered	477	641	643	1,384	,554
Children	69	96	133	164	186
Children- Days Sheltered	227	594	744	1,664	2,324
Transitional Housing					
Adults	58	79	43	66	72
Children	122	137	48	83	91
Days in Program	5,433	5,583	2,208	5,241	5,813

Data Source: New Hope Crisis Center

Tremonton City and the Tremonton City RDA have discussed creating an emergency shelter and transitional housing within Tremonton City to better address issues of domestic violence. The Utah Department of Community and Culture provided a letter regarding the use of tax increment dollars for housing for domestic violence victims (see Appendix 8). The New Hope Crisis Center has expressed a desire to have a facility in Tremonton City to address domestic violence issues in the community.

Moderate Income Housing for Individuals Making 30% or Less of AMI. Analysis shows there is a deficit of moderate income housing for households making 30% or less of the AMI. Before undertaking the development of moderate income housing for individuals making 30% of AMI, the developer would need to perform a market study to insure that there is a need.

Rehabilitation of Subsidized Multi-Family Moderate Income Housing Complexes. Currently, there are approximately 158 subsidized multi-family homes/units within Tremonton (see Appendix 2). Some of these complexes are newly built, but there are many of these complexes that are aging.

During the purchase of the existing subsidized multi-family moderate income housing complex, the new owners are required by the government agency that is involved in the financing (generally the Rural Development Agency) to bring the property to current standards. It is not uncommon for the new owner to have insufficient funds to address all of the major items that need rehabilitation. As the subsidized multi-family moderate income complexes continue to age the interior and exterior items that were not replaced during the initial rehabilitation become a concern. Most of these complexes have a limited operational budget which does not allow for larger scale work to be done. Having low interest loans and grants available to the owners to use

as these properties age will help to alleviate some of these problems by incorporating more funding options and a potentially larger influx of cash for a rehabilitations of these complexes.

The use of tax increment funds generated from the West Liberty Foods Projects may be used to improve, upgrade, or maintain existing subsidized multi-family moderate income homes/units. Generally subsidized multi-family moderate income housing complexes are required to have a Capital Needs Assessment which identifies upcoming improvements, upgrades, or maintenance that need to be completed. The Capital Needs Assessments are performed by a third party. Said improvements, upgrades, or maintenance may include, but are not limited to:

- Infrastructure improvement or maintenance which may include, but is not limited to: slurry seals, asphalt overlays, service line replacements, sidewalks, curb and gutter, etc.
- Interior upgrades and remodels which may include, but are not limited to: cabinets & countertops, carpet, water heater, furnace, appliances, etc.
- Exterior upgrades and remodels which may include, but are not limited to: roofing, stucco, residing, stairways, lighting, etc.
- Landscaping and recreation improvements which may include, but are not limited to: installation of weed barrier in planting beds, replacement of irrigation systems, planting materials (lawn, shrubs, flowers, trees), parking lot lighting, installation of playground equipment, pavilions, clubhouse upgrades, sport courts; etc.
- Energy efficiency projects which may include, but are not limited to: replacement of windows, added insulation, upgraded lighting fixtures, photovoltaic systems, etc.

Potentially, BRAG as the Regional Housing Authority could administer the rehabilitation of subsidized multi-family moderate income housing complexes. It is anticipated that recipients would be selected from an application process which includes verification of need based upon site visits and Capital Needs Assessments, length of time that the complex will remain as moderate income housing, etc. Tremonton City and the Tremonton City RDA are supportive of ensuring that the subsidized multi-family moderate income housing complexes remain attractive and desirable places to live.

Mutual Self-Help Program. The Mutual Self-Help Program is a USDA/Rural Development program administered by Neighborhood Non-profit Housing Corporation that makes housing affordable through "sweat equity." Families work together as a group to build approximately 65% of their homes. This labor not only acts as the down payment, but can substantially reduce the price of the home. There may be additional assistance available for qualified families, such as a mortgage with a reduced interest rate (can be as low as 1%) and other grants, that keeps monthly house payments affordable. Monthly house payments are more affordable because of reduced interest rates, which can allow for house payments to be as low as \$550 a month. The income of families that participate in the Mutual Self-Help Program cannot exceed 80% of AMI.

Knowledge of construction is not required of families that participate in the Mutual Self-Help Program. Households work together, with each family contributing a minimum of 35 hours of

labor per week for approximately 8 to 12 months. Families gain construction and home maintenance skills. The skills are valuable to homeowners and help homeowners to better maintain their homes. The homes are built simultaneously; no one moves in until all the homes are completed.

Tremonton City and the Tremonton City Redevelopment Agency is supportive of the Mutual Self-Help Program because the recipient of services is actively involved in receiving services and leverages the recipient's labor with the efforts of skilled and knowledgeable trades people (<http://nnhc.net/mshh2.html>).

Rehabilitation of Homes- Habitat for Humanity. Similar to Neighborhood Non-profit Housing Corporation Mutual Self-Help Program is the Habitat for Humanity Northern Utah rehabilitation of homes. Selected families must complete at least 250 sweat equity hours (volunteer work) per adult for Habitat for Humanity.

Families are selected in part upon need, which includes those that are unable to qualify for conventional financing, and one of the following is true: 1) The family has no permanent housing or shares housing with other families; 2) The family's present housing is unsafe or unsuitable; 3) There are too many people for the number of bedrooms; or 4) The family's current rent payment is unaffordable.

Selected families purchase their home through no-interest, no-profit mortgages while working many sweat equity hours on their house and houses of others. Eligible families must be within 30% - 60% of the AMI and be able to pay the low monthly mortgage payments, which are approximately \$500 per month. Mortgage payments are then recycled into the construction of more homes.

Tremonton City and the Tremonton City Redevelopment Agency is supportive of Habitat for Humanity's Rehabilitation Of Homes Program because the recipient of services is actively involved in receiving services and leverages the recipient and community's labor with skilled and knowledgeable trades people. Additionally, the program rehabilitates existing homes and neighborhoods.

Addressing Blight Areas. Urban blight, sometimes referred to as urban decay, is the process whereby a previously functioning city, or part of a city, falls into disrepair and decline. Utah Code Annotated 17C-1-102 (8) defines "blight" as the condition of an area that meets the requirements of Utah Code Annotated 17C-2-303(1) which generally includes the present condition or use of a city that is substantially impaired in the sound growth, retards the provision of housing accommodations, or constitutes an economic liability or is detrimental to the public health, safety, or welfare. It is thought that interspersed throughout Tremonton City are areas that are consistent with the Utah Code's definition of blight.

Urban blight has no single cause and is typically the results from combinations of inter-related socio-economic conditions that include but are not limited to: the city's urban planning decisions, unemployment, deindustrialization (removal or reduction of industry) the economic conditions of residents, the construction of freeway roads that bypass the area, etc.

Tremonton City has suffered from the aforementioned inter-related socio-economic conditions and seeks to reverse the downward trend of urban blight/decay. Utah Code Annotated 17C-1-412 (v) allows for the 20% of tax increment generated from the West Liberty Foods Project Area to be used in the payment of part or all of the cost of land or installation, construction, or rehabilitation of any building, facility, structure, or other housing improvement, including infrastructure improvements, related to housing located in a project area where blight has been found to exist.

Tremonton City and the Tremonton City RDA are desirous to address blighted areas in Tremonton City in accordance with provisions allowed by Utah Code. Specifically, the Tremonton City RDA is desirous to explore the establishment of an Urban Renewal Project Area or Community Development Project Area that includes the finding of blight and thereafter address some of the blighted conditions in accordance as allowed by Utah Code Annotated 17C-1-412.

Appendix 1- Agreement with BRAG to Administer Housing Funds Generated From the West Liberty Foods Project Area



MAYOR: Roger Fridal **COUNCIL:** David Deakin | Diana Doutre | Lyle Holmgren | Jeff Reese | Byron Wood

August 16, 2011

Roger Jones
Bear River Association of Governments
170 North Main
Logan, UT 84321

Subject: Amendments to the West Liberty Foods Housing Plan & 1st Amendment to the Agreement with BRAG to administer housing funds generated from the West Liberty Foods Project Area

Dear Roger Jones,

As you know the Tremontion City Redevelopment Agency and the Bear River Association of Governments (BRAG) have an existing agreement for BRAG to administer housing funds generated as a result of the Tremontion City Redevelopment Agency and West Liberty Foods "Tax Increment Agreement" dated July 25, 2006.

On August 16, 2011 the Tremontion City Redevelopment Agency adopted Resolution No. RDA 11-05 which amended the West Liberty Foods Project Area Housing Plan. The amended West Liberty Foods Project Area Housing Plan now allows the housing funds generated from the West Liberty Foods Project Area to be used for any permissible use authorized by Utah Code Annotated 17C-1-412 and as amended.

This letter is intended to amend the existing agreement that the Tremontion City Redevelopment Agency has with BRAG to allow for BRAG to administer the housing funds generated from the West Liberty Foods Project Area for any permissible use authorized by Utah Code Annotated 17C-1-412 as amended. As part of the broader use of the housing funds the Tremontion City Redevelopment Agency would encourage BRAG to use some of the housing funds to support programs that BRAG provides to housing units within Tremontion City that are in compliance with UCA 17C-1-412. For expenditures of the housing funds that are

CITY OFFICERS:

City Manager
Shawn Wanke
(435) 257-9504
swanke@tremontioncity.com

City Recorder
Darlene S. Hess, CMC
(435) 257-9505
dshess@tremontioncity.com

City Treasurer
Sharri Oyler, CMFA
(435) 257-9502
soyler@tremontioncity.com

DEPARTMENTS:

Building Inspector
Steve Bench
(435) 257-9510
sbench@tremontioncity.com

Food Pantry Director
Cathy Newman
(435) 257-9530
cnewman@tremontioncity.com

Fire Chief
Steve Batis
(435) 257-9520
sbatis@tremontioncity.com

Library Director
Kim Griffiths
(435) 257-9525
kgriffiths@tremontioncity.com

Parks & Recreation Director
Marc Christensen
(435) 257-9485
mchristensen@tremontioncity.com

Police Chief
Dave Nance
(435) 257-9555
dnance@tremontioncity.com

Public Works Director
Paul Fulgham
(435) 257-9471
pfulgham@tremontioncity.com

Senior Center Director
Marion Layne
(435) 257-9455
mlayne@tremontioncity.com

in excess of \$25,000 the Tremonton City Redevelopment Agency would like to be involved in concurring with the expense.

From time to time the Tremonton City Redevelopment Agency may identify projects that are in compliance with UCA 17C-1-412 in which the Redevelopment Agency would like to undertake. In these cases the Redevelopment Agency will budget the expense to complete the project and deduct from the housing funds the necessary revenue. If the Tremonton City Redevelopment Agency undertakes a project the balance of the housing funds that the Agency does not expend in a given year will be forwarded to BRAG in accordance with the proceeding paragraph.

If these terms are acceptable to BRAG, please sign and return one of the copies to the Tremonton City Redevelopment Agency's office.

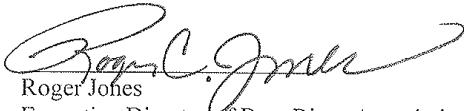
Sincerely,



Roger Fridal

Chairperson, Tremonton City Redevelopment Agency Board of Directors

BRAG agrees to the terms of this letter agreement.



Roger Jones

Executive Director of Bear River Association of Governments

Appendix 2- Moderate Income Housing Projects

ASHFIELD APARTMENTS



Ashfield Apartments, located at 2711 West 450 North, is a multi-family subsidized moderate income housing complex. Built in 2010 the unit rents are set by the owner, but the rent cannot be over the maximum allowed by the AMI % of the tenant. For example if the tenant qualifies at 45% AMI, then the rent is set accordingly based upon that 45% of the AMI. Complex amenities include covered parking, balconies, dishwasher, washer and dryer hooks and a community building with a workout room and laundry room, and playground. Apartments are Energy Star Certified for low monthly utility costs. The property is currently managed by Sellers Management & Development (801) 878-7370.

Data Source: http://nnhc.net/affordable_rental.html and Michael Bair, Finance Manager for Sellers Management & Development

ASHFIELD APARTMENTS UNIT COMPOSITION	
NUMBER OF UNITS	UNIT SIZE
24	2 bedrooms
24	3 bedrooms
48	TOTAL UNITS

ASHFIELD APARTMENTS AVERAGE OCCUPANCY PER YEAR	
YEAR	PERCENTAGE
2011	97.01%
2012	92%

Data Source: Michael Bair, Finance Manager for Sellers Management & Development

TREMONTON TERRACE APARTMENTS



Tremonton Terrace, located at 2696 West 450 North is a multi-family subsidized moderate income housing complex. Built in 2009 the complex is for families with a targeted income of 50% to 80% of AMI or lower. Rent for a 2 bedroom apartment is \$400 and \$500 for 3 bedroom apartment. The two apartment buildings are designed as two-level garden style apartments, with parking located between the two buildings. There is an on-site laundry room and washer and dryer hook-ups available in each unit. Apartments are Energy Star Certified for low monthly utility costs. This property started out with a specific goal of housing agriculture workers but was amended with Rural Development to allow a broader range of qualifications. The property is currently managed by Sellers Management & Development (801) 878-7370.

Data Source: http://nnhc.net/affordable_rental.html and Michael Bair, Finance Manager for Sellers Management & Development

TREMONTON TERRACE APARTMENTS UNIT COMPOSITION	
NUMBER OF UNITS	UNIT SIZE
8	2 bedrooms
4	3 bedrooms
12	TOTAL UNITS

TREMONTON TERRACE APARTMENTS AVERAGE OCCUPANCY PER YEAR	
YEAR	PERCENTAGE
2011	30.27%
2012	88.10%

Data Source: Michael Bair, Finance Manager for Sellers Management & Development

CROWN VILLAGE APARTMENTS



Crown Village Apartments located at 300 North 270 West is a multi-family subsidized moderate income housing complex. Built in 2006 the complex is for families with a targeted income of 48% to 51% of AMI or lower. Rents for apartment are as follows: 1 bedroom are \$400, 2 bedroom are \$475, and 3 bedroom are \$550. The property is currently managed by Sellers Management & Development (801) 878-7370.

CROWN VILLAGE APARTMENTS UNIT COMPOSITION	
NUMBER OF UNITS	UNIT SIZE
4	1 bedrooms
12	2 bedrooms
8	3 bedrooms
24	TOTAL UNITS

CROWN VILLAGE APARTMENTS AVERAGE OCCUPANCY PER YEAR	
YEAR	PERCENTAGE
2010	92%
2011	88%
2012	77%

Data Source: Jeff Kearl, BRAG

TREMONTON VILLAGE APARTMENTS



Tremonton Village Apartments, located at 730 West 960 South is a multi-family subsidized moderate income housing complex. Built in 1982 the complex is for families with a targeted income of 50% of AMI or lower. There is an on-site laundry and playground. The property is currently managed by Community Housing Services. For leasing information call 435-257-0434

TREMONTON VILLAGE APARTMENTS UNIT COMPOSITION	
NUMBER OF UNITS	UNIT SIZE
8	1 bedrooms
16	2 bedrooms
24	TOTAL UNITS

TREMONTON VILLAGE APARTMENTS AVERAGE OCCUPANCY PER YEAR	
YEAR	PERCENTAGE
2011	Unknown
2012	Unknown

BEAR RIVER VALLEY APARTMENTS



Bear River Valley Apartments, located at 717 West 600 South is a multi-family subsidized moderate income housing complex. Built in 1979 the complex is for families with a targeted income of 35% to 44% of AMI or lower. The rent is based upon 30% of adjusted monthly income and can be from \$0 to \$719. The current average rent is \$152 per month. There is an on-site laundry room and playground. The property is currently managed by Sellers Management & Development (801) 878-7370.

BEAR RIVER VALLEY APARTMENTS UNIT COMPOSITION	
NUMBER OF UNITS	UNIT SIZE
8	1 bedrooms
24	2 bedrooms
32	TOTAL UNITS

BEAR RIVER VALLEY APARTMENTS AVERAGE OCCUPANCY PER YEAR	
YEAR	PERCENTAGE
2009	97.86%
2010	95.61%
2011	96.59%
2012	93.29%

Data Source: Michael Bair, Finance Manager for Sellers Management & Development

RIVERVIEW APARTMENTS



Riverview Apartments, located at 153 South 100 East is a multi-family subsidized moderate income housing complex. Built in 1981 the complex is for elderly individuals with a targeted income of 50% of AMI or lower. The rent is based upon 30% of adjusted monthly income and can be from \$0 to \$605. The current average rent is \$237 per month. The property is currently managed by Sellers Management & Development (801) 878-7370.

RIVERVIEW APARTMENTS UNIT COMPOSITION	
NUMBER OF UNITS	UNIT SIZE
18	1 bedrooms
18	TOTAL UNITS

RIVERVIEW APARTMENTS AVERAGE OCCUPANCY PER YEAR	
YEAR	PERCENTAGE
2009	92.75%
2010	96.62%
2011	97.01%
2012	100%

Data Source: Michael Bair, Finance Manager for Sellers Management & Development

CROWN HOMES



Crown Homes, located at 300 North 400 West is a single family subsidized moderate income housing subdivision. This subdivision was the first moderate income housing subdivision in Tremonton, and was developed by BRAG with help from Utah Housing Corporation and Tremonton City. The subdivision consists of twelve homes referred to as CROWN Homes (CREDIT to OWN). CROWN Homes enable qualified people to lease a home at a very affordable rent while earning financial credit towards the possible purchase of that same home. Built in 1999 and 2005, these single family homes are for families with a targeted income of 55% of AMI or lower. Rental prices are 50% of HUD AMI rental prices, and can range from approximately \$535 (three-bedroom) to \$565 (four-bedroom) per month. The property is currently managed by BRAG, and home rental is not subsidized (BRAG, 2012).

Data Source: BRAG, 2012.

CROWN HOMES COMPOSITION	
NUMBER OF UNITS	HOME SIZE
9	3 bedrooms
3	4 bedrooms
12	TOTAL HOMES

CROWN HOMES AVERAGE OCCUPANCY PER YEAR	
YEAR	PERCENTAGE
2011	96%
2012	90%

Data Source: Michael Bair, Finance Manager for Sellers Management & Development, and BRAG, 2012.

HABITAT FOR HUMANITY NORTHERN UTAH



Habitat for Humanity North Utah has renovated a 4 bedroom 2 bath single family home located at 451 South 600 West. When completed, the home will be sold to a selected family with a no-interest loan. The family then pays low monthly mortgage payments of approximately \$500 per month for 30 years.

Eligible families must be within 30% to 60% of the AMI and be able to pay the low monthly mortgage payments, approximately \$500 per month. Additionally, eligible families must: have a steady income; have any bankruptcies or foreclosures must be cleared for at least 2 years; and all judgments must be cleared.

Selected families must complete at least 250 sweat equity hours (volunteer work) per adult for Habitat for Humanity. Families are selected in part upon need which includes the selected family is unable to qualify for conventional financing and one of the following is true: that the family has no permanent housing or shares housing with other families; the families present housing is unsafe or unsuitable; there are too many people for the number of bedrooms; or the families current rent payment is unaffordable.

Data Source: <http://habitatforhumanitynu.org/media/86ab36c0ec3f2e47ffff83e9ffffe904.pdf>

MANUFACTURED HOUSING PARKS

ASPEN GROVE



The Aspen Gove Manufactured Housing Park is located at approximately 700 West Main Street. There are 45 spaces for manufactured homes with 7 spaces being occupied as of June 2012. Home owners can purchase a new manufactured home costs between \$70,000 to \$100,000 and used manufactured home costs between \$25,000 to \$40,000. Thereafter the homeowner leases a space to place their home in the Park.

Data Source: Carl Liljenstolpe

TOWN & COUNTRY



The Town & Country Manufactured Housing Park is located at approximately 900 West Main Street. There are 128 spaces for manufactured homes with 85 spaces being occupied as of June 2012. Home owners can purchase a new manufactured home costs between \$70,000 to \$100,000 and used manufactured home costs between \$25,000 to \$40,000. Thereafter the homeowner leases a space to place their home in the Park.

Data Source: Carl Liljenstolpe

Appendix 3- Other Entities Involvement in Moderate Income Housing

Bear River Association of Government (BRAG). The Bear River Association of Governments (BRAG), a regional organization serving Box Elder, Cache, and Rich Counties, provides shared staff services and some funding to Tremonton City in the areas of aging services, community and economic development, various moderate income housing programs, and human services. BRAG is also the designated housing authority serving the entire tri-county region.

The Bear River Regional Housing Authority was created in July of 1990 through an Interlocal agreement among Box Elder, Cache, and Rich Counties with management and staffing responsibilities assigned to BRAG at that time. Later, the U.S Department of Housing and Urban Development (HUD) asked that each incorporated city and town also adopt Resolutions recognizing BRAG as the Regional Housing Authority. Tremonton City adopted such a Resolution in May of 2004.

Tremonton City entered into an agreement (see Appendix 1) with BRAG authorizing BRAG to administer 20% of tax increment generated from the Tremonton RDA and West Liberty Foods Project Area to benefit low-moderate income residents of Tremonton City.

A summary of BRAG involvement in creating and supporting moderate income housing in Tremonton follows:

Moderate Income Housing Development

- In 1999, developed 5-acre moderate income housing subdivision on 400 North and 400 West in partnership with Tremonton City, Utah Housing Agency, and tax credit investor American Express Centurian Bank.
- In 1999, built 8 rental homes that may be sold after 15 years.
- In 2005, built 4 rental homes that may be sold after 15 years.
- In 2006, built 24-1, 2 and 3 bedroom moderate income apartment units in partnership with Utah Housing Agency, Utah Community Reinvestment Corporation, and tax credit investor The Richman Group.

Note: There are three building lots still available in the Crown Home subdivision. Two lots are owned by Utah Housing Corporation and 1 lot owned by BRAG

Other BRAG Housing Assistance in Tremonton Since 2001 or Later

- Emergency home repairs were completed on 23 homes.
- Provided 21 first-time homebuyers with up to \$2,000 in down payment or closing cost assistance.

- Completed 1 Major Home Repair project with total loan amount of \$12, 048.
- Housed 34 families in BRAG CROWN moderate income rent subdivision.
- Housed 54 families in BRAG CROWN Village Apartments (moderate income apartment complex).
- Allocated \$75,000 of federal Community Development Block Grant (CDBG) funding to Tremonton for the 24 unit moderate income housing complex.
- Provided rental assistance, Section 8, to an average of 18 eligible low-income households each month since August 2003 totaling \$444,280 paid.
- Provided HEAT assistance and rent/mortgage payments to dozens of Tremonton residents to help with utility bills, emergency rent and mortgage payments.

Data Source: Jeff Kearl, BRAG

Neighborhood Nonprofit Housing Corporation. Neighborhood Nonprofit Housing Corporation was incorporated in Utah in 1996, with a mission to provide quality affordable housing opportunities, enhance and strengthen communities, and provide households with the skills to become self sufficient. Neighborhood Nonprofit is both a 501(c)(3) and a Community-based Housing Development Organization (CHDO), and currently has a staff of 16. To date, Neighborhood Nonprofit has developed over 600 units of affordable housing through a variety of single and multi-family programs. The economic impact of Neighborhood Nonprofit's work to date is approximately \$1.75 B. These programs include the following:

- Mutual Self Help Housing, a single family program that allows very-low and low-income households to become homeowners by participating in the construction of their homes, under the guidance of Neighborhood Nonprofit's construction supervisors. Over 300 families have become homeowners through this program, and the average household income is just over 50% of the area median income. Neighborhood Nonprofit acts as the land developer for this program, and has developed multiple subdivisions to provide affordable lots for the self help participants.
- HomeChoice is a state-wide homeownership program for people with disabilities. Services available to clients include budget management, financial counseling, pre- and post-purchase homeownership counseling, down payment assistance, and helping borrowers apply for a mortgage. The Olene Walker Housing Trust Fund has partnered with Neighborhood Nonprofit to provide second mortgages with reduced interest rates to qualified homebuyers. Over 100 very low-income households have become homeowners through this program.

- The Brigham City Neighborhood Improvement Program provides rehabilitation assistance for low-income homeowners in Brigham City. Over 30 homes have been rehabilitated through this program.
- Foreclosure Prevention Counseling helps those facing foreclosures or at risk of foreclosure in the near future. Counseling services include debt restructuring, forbearance, loan modifications, deed in lieu of foreclosure, and budgeting education.
- Multi-family project funding comes from the HUD 811 program (affordable housing for people with disabilities,) USDA/RD rental housing, and Low Income Housing Tax Credits (LIHTC). These projects focus on providing housing for under-served segments of the population, including those with disabilities, seniors, and work-force housing. Projects include Providence Place, a 22-unit HUD 811 project, designed for people with physical disabilities; Discovery Place, a HUD 811 funded 6-unit group home and 15-unit apartment building for people with developmental disabilities; River Park Senior Housing, a 40-unit LIHTC funded project for very low-income seniors; Tremonton Terrace, a 12-unit RD project for very low-income agricultural workers; Aspen Court, a 72-unit LIHTC designed for larger low-income households; and Ashfield Apartments, 48 unit LIHTC project targeting rural workforce housing in Northern Utah; Vernal Gardens Apartments, 48 unit LIHTC project targeting rural workforce housing in North Eastern Utah.

Data Source: 2011 Annual Report Neighborhood Nonprofit Housing Corporation Corporate Resume, Supplied by Kim C. Datwyler, Executive Director

Habitat for Humanity Northern Utah (HFHNU). Habitat for Humanity Northern Utah (HFHNU) is an autonomous nonprofit organization that is governed by our local board of directors. HFHNU raises its own funds and is dedicated to providing decent, moderate income housing for those in need. Families are selected on need, ability to pay and willingness to partner.

Selected families purchase their home through no-interest, no profit mortgages while working many sweat equity hours on their house and houses of others. Mortgage payments are then recycled into the construction of more homes.

Since 1982, HFHNU has built, repaired or rehabbed 40 houses in Box Elder, Cache and Weber counties, and has recently completed Project 41 in Tremonton, Utah. HFHNU currently serves the Box Elder County area.

Data Source: <http://habitatforhumanitynu.org/index.html>

Appendix 4- Glossary

AMI. “AMI” means “Area Median Income” which is the median monetary value of total household income per year for a particular area, such as Box Elder County. Percentages of AMI are often used by HUD and other government entities to determine eligibility for various government programs. For example, many programs require applicants to make 80% or less of AMI in order to qualify for their respective program.

BRAG. “BRAG” means “Bear River Association of Governments” which is a political subdivision of the state that was created to facilitate regional coordination and collaboration, utilize federal and state funds more effectively for those programs that could be administered regionally, and to assist local governments with technical planning assistance. BRAG also administers the Bear River Regional and Logan City Housing Authorities.

Manufactured Home. “Manufactured Home” means a permanent dwelling structure built in prefabricated units which are assembled and erected on the site or at another location and brought as a unit to the site.

Moderate Income Housing. “Moderate Income Housing” means “housing occupied or reserved for occupancy by households with a gross household income of less than 80% of the Area Median Income of the rural statistical area for households of the same size.” Eighty percent of the Area Median Income (AMI) for Tremonton City in 2010 was \$44,132 per household (based upon a four person household).

Multi-Family Homes/Units. “Multi-Family Home” means a dwelling unit attached to multiple other dwelling units by a common vertical wall, where each dwelling unit may or may not be located on a separate lot.

Single Family Homes/Units. “Single Family Home” means a detached dwelling unit arranged, designed for, and/or used for, or occupied by not more than one (1) single-family.

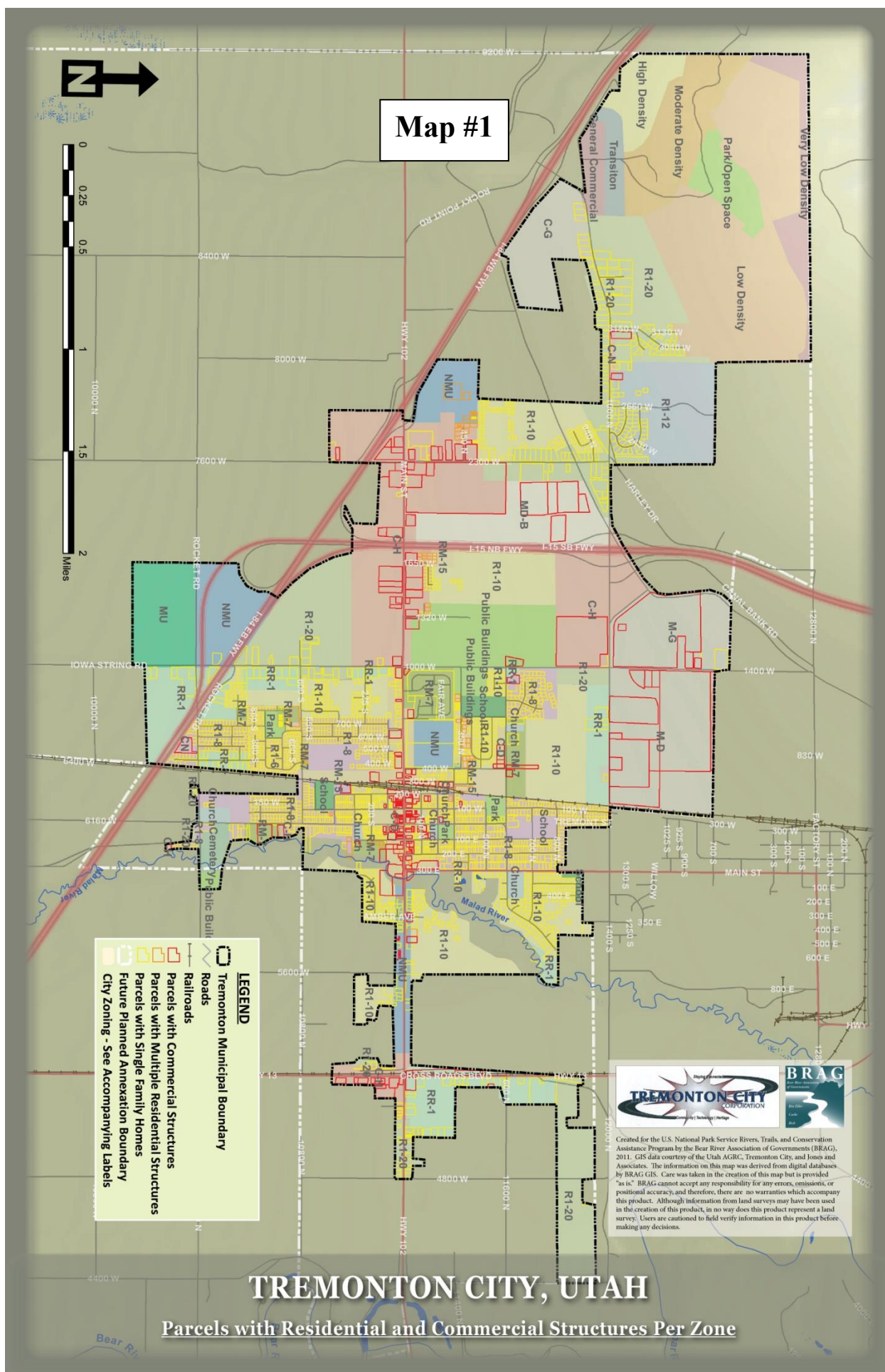
Subsidized. For purposes of the *2013 Moderate Income Housing Plan*, “Subsidized” means a moderate income housing project that received financing from a governmental entity which assists in making the cost of housing affordable to individuals that make less than 80% of the Area Median Income.

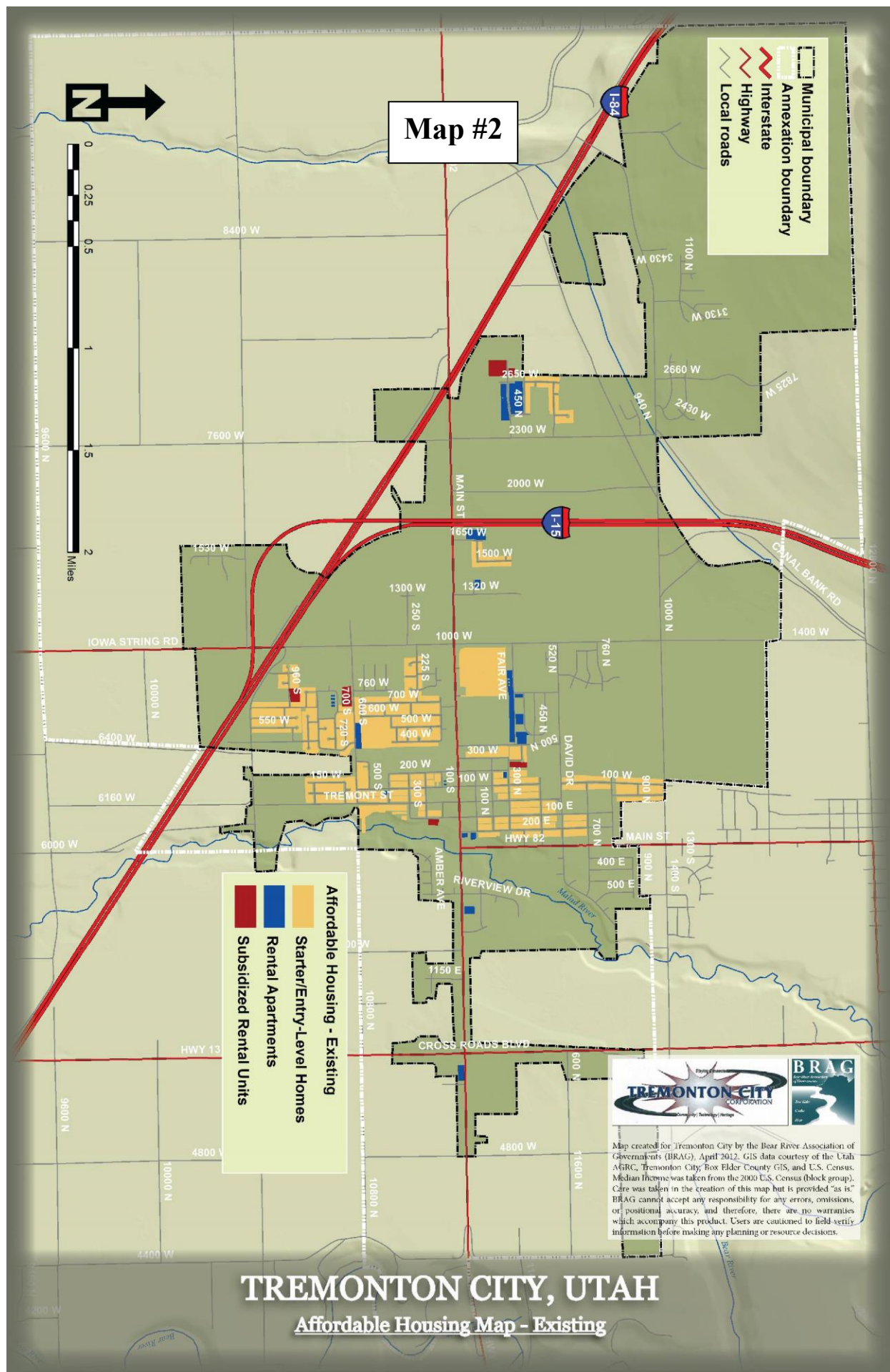
Tax Increment. For purposes of the *2013 Moderate Income Housing Plan*, “Tax Increment” means property tax that the Tremonton City Redevelopment Agency receives to address moderate income housing. For an official definition of Tax Increment see Utah Code 17C-1-102.

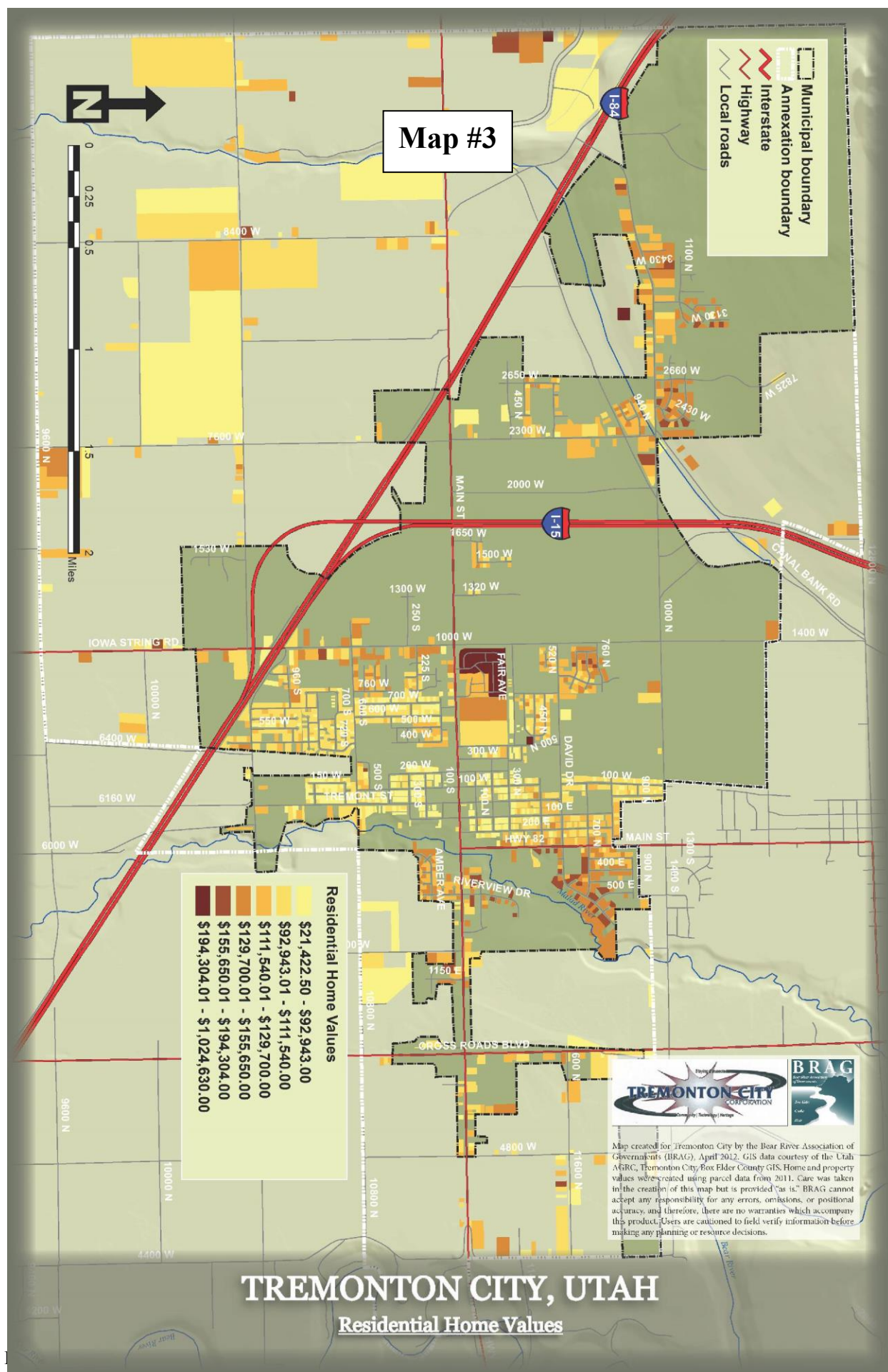
Tremonton City RDA or Tremonton City Redevelopment Agency. “Tremonton City Redevelopment Agency” or “Tremonton City RDA” means a separate body corporate and politic, created under Section 17C-1-201 of Utah Code that is created to undertake or promote urban renewal, economic development, or community development, or any combination of them, and whose geographic boundaries are coterminous with Tremonton City.

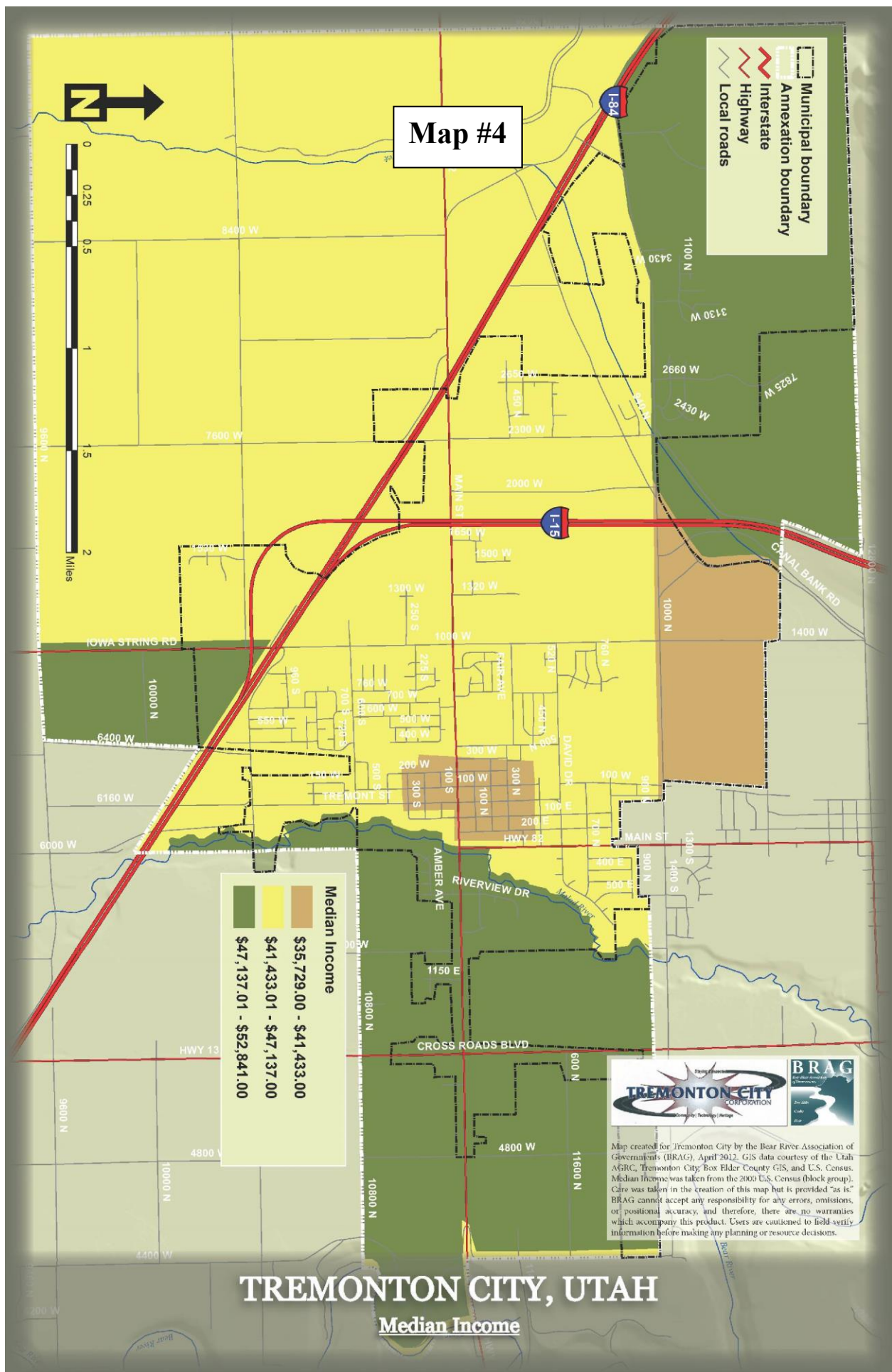
West Liberty Foods Project Area. For purposes of the *2013 Moderate Income Housing Plan*, "West Liberty Foods Project Area" means the geographic area in which tax increment is generated from the taxable value that is within the geographic area.

Appendix 5- Maps









Appendix 6- West Liberty Foods Project Area Housing Plan

RESOLUTION NO. RDA 11-05a

A RESOLUTION OF THE TREMONTON CITY REDEVELOPMENT AGENCY AMENDING RESOLUTION NO. RDA 06-04 ADOPTING THE WEST LIBERTY FOODS PROJECT AREA HOUSING PLAN

WHEREAS, The Community Development and Renewal Agencies Act (the "Act") was created to encourage economic development within municipal jurisdictions; and

WHEREAS, The Tremonton City Redevelopment Agency has created an Economic Development Project area within the boundaries of Tremonton City; and

WHEREAS, The provisions of Title 17C require the allocation of twenty (20) percent of tax increment generated from the proposed project area to be dedicated to the creation and preservation of housing; and

WHEREAS, Section 17C-3-203 of the Act requires a redevelopment agency boards to adopt project area housing plans; and

WHEREAS, The Tremonton City Redevelopment Agency adopted the West Liberty Foods Project Area Housing Plan on May 23, 2006; and

WHEREAS, from time to time it is prudent to review and revise adopted plans to meet the changing needs that occur within the West Liberty Foods Project Area; and

WHEREAS, The Tremonton City Redevelopment Agency has decided that there is a need to amend the West Liberty Foods Project Area Housing Plan.

NOW THEREFORE, BE IT RESOLVED that Tremonton City Redevelopment Agency Board of Directors does hereby amend the West Liberty Foods Project Area Housing Plan as contained in Exhibit "A", identifying the uses for housing funds generated from the West Liberty Foods Project Area as required under UCA 17C-1-412 of the Community Development and Renewal Agencies Act and directs the Tremonton City Redevelopment Agency Executive Secretary to send a copy of this amendment to the taxing entity committee, the loan fund board as required by UCA 17C-3-203(2) (b) and to the Bear River Association of Governments.

APPROVED and ADOPTED this 16th day of August, 2011.

REDEVELOPMENT AGENCY OF
TREMONTON CITY


Roger Fridal
Chairperson, Board of Directors


Darlene S. Hess
Executive Secretary



Exhibit "A"

West Liberty Foods Project Area Housing Plan

The housing monies generated by the West Liberty Project Area will be invested to further the housing goals of Tremonton City. Twenty (20) percent of the total tax increment generated by the West Liberty EDA Project Area will be reserved for housing; of that amount the Tremonton City Redevelopment Agency will target one hundred (100) percent of the housing investment within the incorporated limits of Tremonton City but outside of the West Liberty Foods Project Area as there is no housing included within the project area.

Tremonton City's primary goal is to provide safe, adequate and affordable housing for all residents. Tremonton City's General Plan finds that housing quality should be adequate to support the health, safety, and welfare of the public. This plan authorizes the use of the funds generated from West Liberty Housing Project Area for any permissible use authorized by Utah Code Annotated 17C-1-412 and as amended which is attached in Exhibit "1".

Primarily, Tremonton City RDA will contract with the Bear River Association of Governments, which administers the Bear River Regional Housing Authority to manage the expenditure of housing funds. From time to time the Tremonton City Redevelopment Agency may identify projects that are in compliance with UCA 17C-1-412 in which the Redevelopment Agency would like to undertake. In these cases the Redevelopment Agency will budget the expense to complete the project and deduct from the housing funds the necessary revenue. If the Tremonton City Redevelopment Agency undertakes a project the balance of the housing funds that the Agency does not expend in a given year will be forwarded to BRAG in accordance with the proceeding paragraph.

Annual Reports. For each of the years of the project life (to be determined as part of the budgeting process), the Tremonton City RDA will create an annual report quantifying the amount of RDA investment in affordable housing outside of the Project Area for the prior year. This information will be provided to the Tremonton City RDA Board by BRAG and RDA staff.

Exhibit "1" of the West Liberty Foods Project Area Housing Plan

**17C-1-412. Use of funds allocated for housing -- Separate accounting required --
Issuance of bonds for housing -- Action to compel agency to provide housing funds.**

(1) (a) Each agency shall use all funds allocated for housing under Section [17C-2-203](#) or [17C-3-303](#) to:

- (i) pay part or all of the cost of land or construction of income targeted housing within the boundary of the agency, if practicable in a mixed income development or area;
 - (ii) pay part or all of the cost of rehabilitation of income targeted housing within the boundary of the agency;
 - (iii) lend, grant, or contribute money to a person, public entity, housing authority, private entity or business, or nonprofit corporation for income targeted housing within the boundary of the agency;
 - (iv) plan or otherwise promote income targeted housing within the boundary of the agency;
 - (v) pay part or all of the cost of land or installation, construction, or rehabilitation of any building, facility, structure, or other housing improvement, including infrastructure improvements, related to housing located in a project area where blight has been found to exist;
 - (vi) replace housing units lost as a result of the urban renewal, economic development, or community development;
 - (vii) make payments on or establish a reserve fund for bonds:
 - (A) issued by the agency, the community, or the housing authority that provides income targeted housing within the community; and
 - (B) all or part of the proceeds of which are used within the community for the purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);
 - (viii) if the community's fair share ratio at the time of the first adoption of the project area budget is at least 1.1 to 1.0, make payments on bonds:
 - (A) that were previously issued by the agency, the community, or the housing authority that provides income targeted housing within the community; and
 - (B) all or part of the proceeds of which were used within the community for the purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi); or
 - (ix) relocate mobile home park residents displaced by an urban renewal, economic development, or community development project.
- (b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all or any portion of housing funds to:
- (i) the community for use as provided under Subsection (1)(a);
 - (ii) the housing authority that provides income targeted housing within the community for use in providing income targeted housing within the community; or
 - (iii) the Olene Walker Housing Loan Fund, established under Title 9, Chapter 4, Part 7, Olene Walker Housing Loan Fund, for use in providing income targeted housing within the community.
- (2) The agency or community shall separately account for the housing funds, together with all interest earned by the housing funds and all payments or repayments for loans,

advances, or grants from the housing funds.

(3) An agency may:

(a) issue bonds from time to time to finance a housing undertaking under this section, including the payment of principal and interest upon advances for surveys and plans or preliminary loans; and

(b) issue refunding bonds for the payment or retirement of bonds under Subsection

(3)(a) previously issued by the agency.

(4) An agency:

(a) shall allocate housing funds each year in which the agency receives sufficient tax increment to make a housing allocation required by the project area budget; and

(b) is relieved, to the extent tax increment is insufficient in a year of an obligation to allocate housing funds for the year tax increment is insufficient.

(5) (a) Except as provided in Subsection (4), if an agency fails to provide housing funds in accordance with the project area budget and, if applicable, the housing plan adopted under Subsection ~~17C-2-204~~(2), the loan fund board may bring legal action to compel the agency to provide the housing funds.

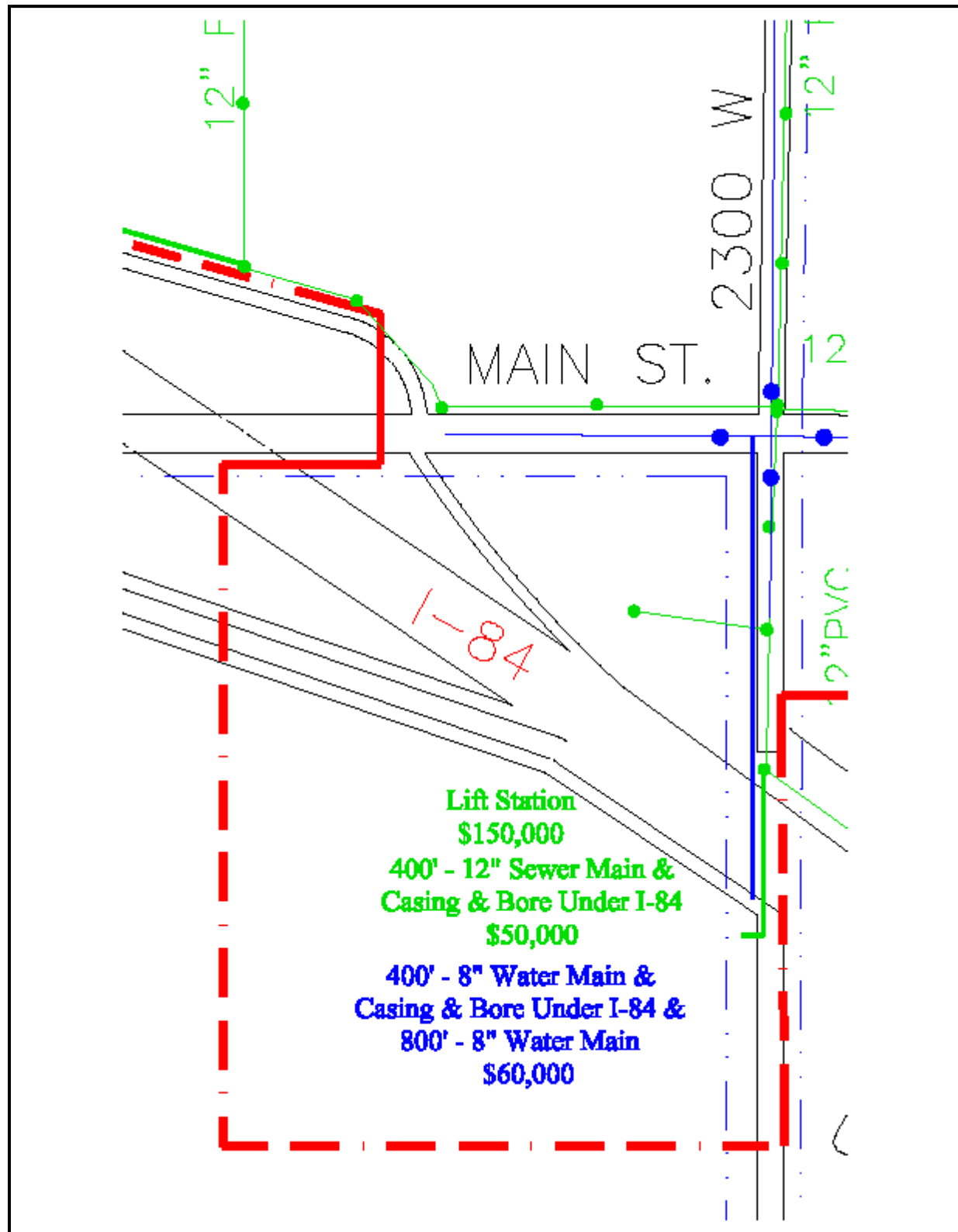
(b) In an action under Subsection (5)(a), the court:

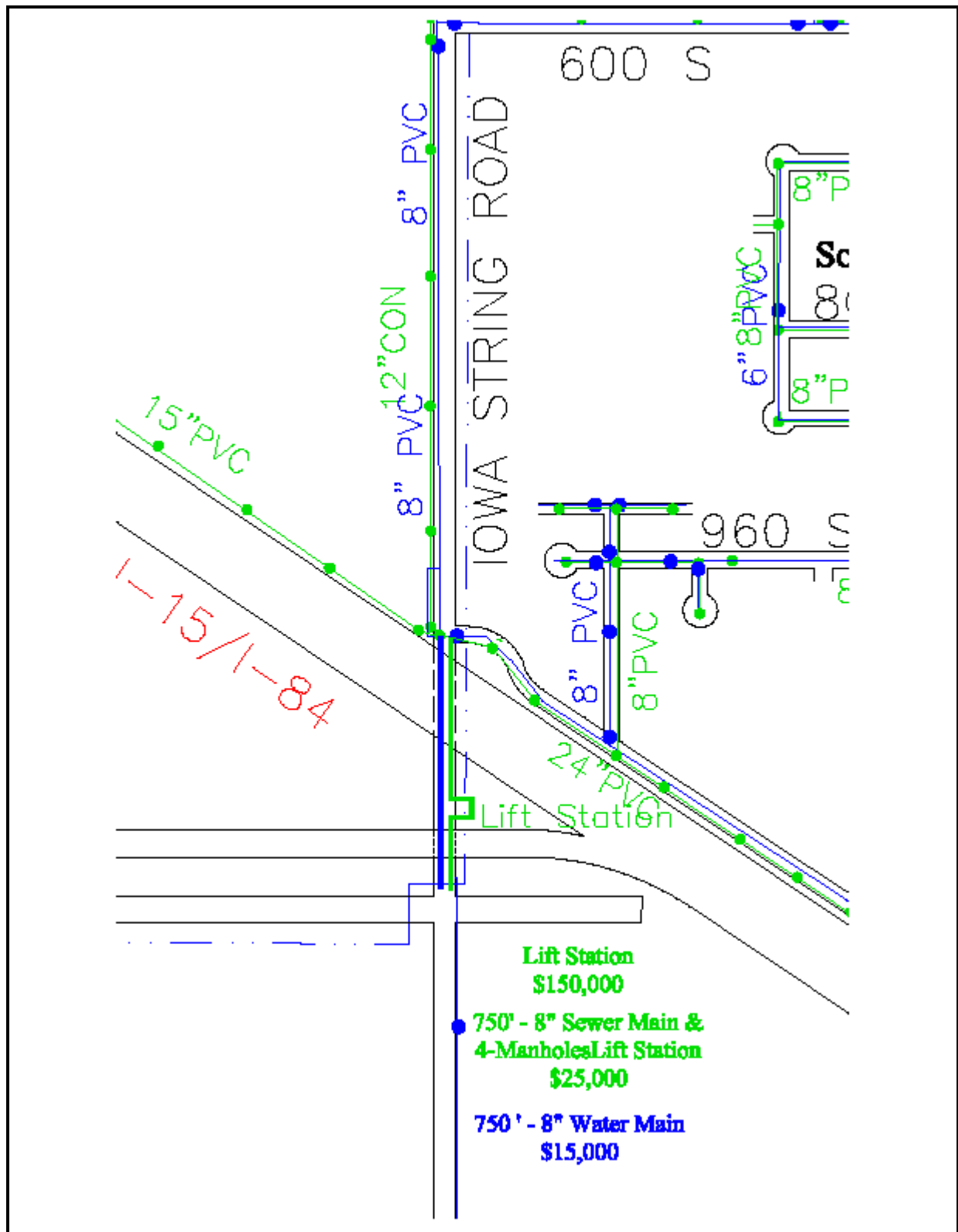
(i) shall award the loan fund board reasonable attorney fees, unless the court finds that the action was frivolous; and

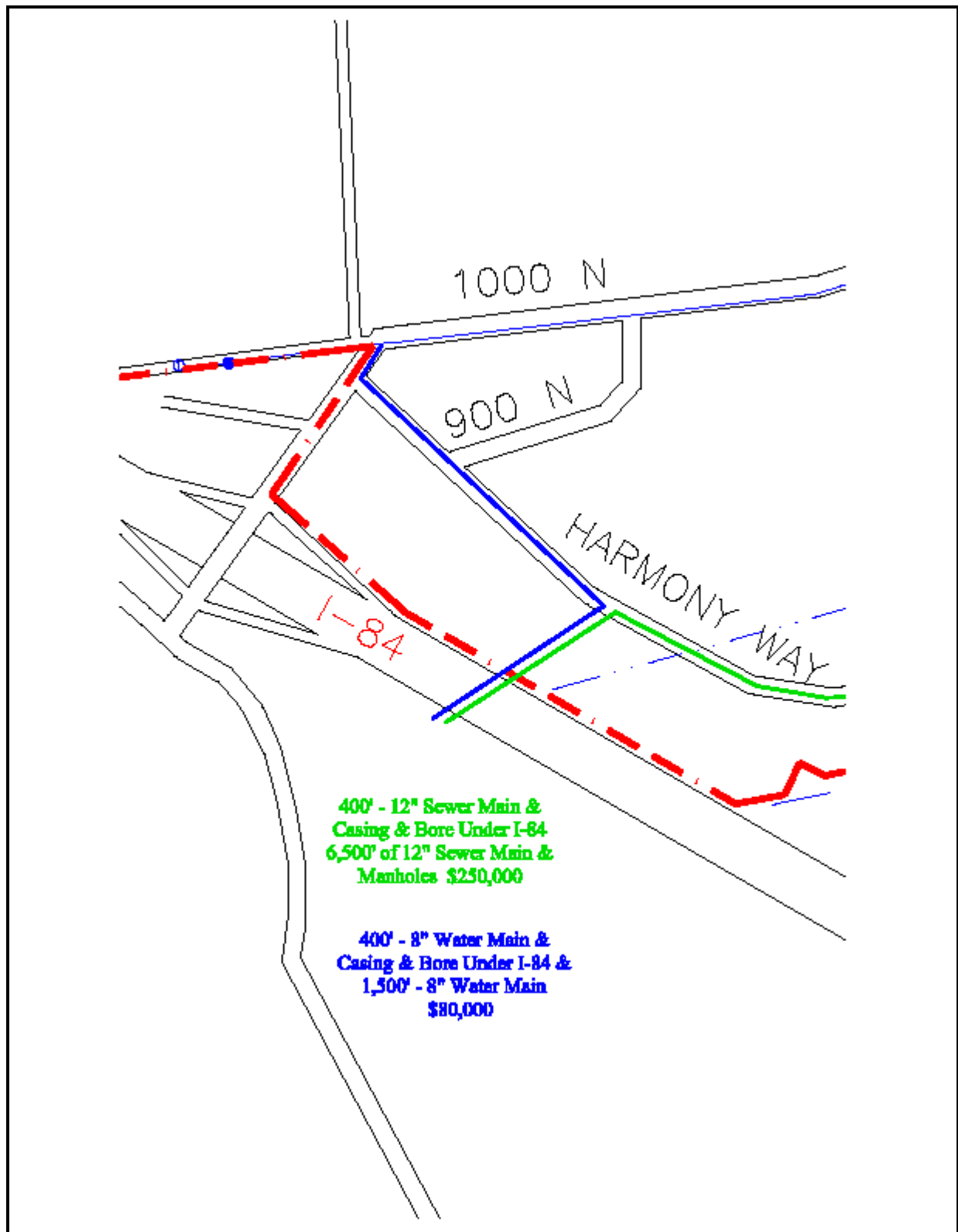
(ii) may not award the agency its attorney fees, unless the court finds that the action was frivolous.

Amended by Chapter 279, 2010 General Session

Appendix 7- Schematics of Connection Points for Extending Utilities to South/West of Interstate 15 and 84







Appendix 8- Letter from Division of Housing & Community Development Regarding Emergency Shelters



State of Utah

GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

Department of Community and Culture

Julie Fisher
Executive Director

Michael Hansen
Deputy Director

Division of Housing and Community Development

Gordon D. Walker
Division Director

December 6, 2011

Shawn Wamke, City Manager
City of Tremonton
102 South Tremont St
Tremonton UT 84337

Dear Mr. Wamke,

In reviewing your request, there are several points to consider.

1. Under 17C-2-203 of the Utah Code, housing funds allocated from a project area must meet the requirements of 17C-1-112: "Pay part or all of the cost of land or construction of income targeted housing". In the past, we have defined the word "housing" to include units that serve victims of domestic violence when residents need to stay as long as necessary before transitioning to other more permanent units.

2. Per 17C-1-112, the housing should be "within the boundary of the agency". According to the resolution adopted by the Tremonton City Redevelopment Agency RDA06-05a, the boundaries to be targeted are "within the incorporated limits of Tremonton City but outside of the West Liberty Foods Project Area as there is no housing included within the project area". Siting a housing project for victims of domestic violence anywhere in Tremonton would, therefore, meet the intent of 17C-1-112.

3. The language of the current West Liberty Foods Project Area Housing Plan notes, "From time to time the Tremonton City Redevelopment Agency may identify projects that are in compliance with UCA 17C-1-112 in which the Redevelopment Agency would like to undertake." This language is flexible enough to support allocating proceeds to housing for victims of domestic violence.

4. Your moderate income housing plan does not include any discussion of targeted populations except for the elderly.

We support your use of the tax increment funds for a project that creates housing units for victims of domestic violence (as well as ancillary space for offices, counseling areas, dining area, etc.) conditional upon updating the "2001 Moderate Income Housing Plan" to better support the proposed use. We hope that this update can occur before March 31, 2012.

If we can help further, please contact Erik Carlson at 801-538-8798

Sincerely,

Mike Glenn
Housing Programs Director

324 South State Street, Fifth Floor • Salt Lake City, Utah 84111 • (801) 538-8703 • fax/facsimile (801) 538-8888
www.community.utah.gov