Targeted Attainable Housing on Trust Lands

The fundamental concept of targeted attainable housing on trust lands is that property held in trust may be developed for housing targeted toward a specific set of buyers with all the "affordability" components of the project retained in perpetuity under the governance of a Housing Authority through deed restrictions on the property and a qualifying buyer selection process.

Land could come into this program already held in trust such as would be the case with SITLA, it could be donated land given to a local land trust for that specific purpose or provided in partnership by a private entity specifically for workforce housing related to their business such as Black Desert Resort or Sentierre.

The program would require that Ivins City create a Housing Authority whose responsibility it would be to manage sales into the future by qualifying potential buyers under whatever terms are established for a particular parcel and assuring that the terms of the deed restrictions are enforced at the time of sale. At such time as land is acquired either by donation or by purchase for a specified housing related use, a local Land Trust would need to be in place to house title.

The basic concept is that land is made available to be developed into some form of attainable housing targeted toward a specific group with buyers selected from that group through a qualifying process. That land is then subdivided and improved by the land owner, developer or by the local land trust on acquired parcels. The building lots are sized and developed according to the requirements of the targeted housing type. Homes are then constructed according to the needs and incomes of the qualified buyers. The purchase price of the home is determined under agreed upon terms that exclude the land and development costs as well as any additional negotiated savings through donations discounts, deferrals and etc. That discounted sales price becomes the numerator in a fraction that includes as a denominator the appraised value of the home and property according to the current real estate market. That fraction translated into a percentage is then attached to the deed to establish the sales price to any subsequent qualified buyer based on a new market appraisal reduced by the deed restricted percentage. This mechanism keeps the property in the attainable range for future qualified buyers while allowing the current homeowner and the long term property owner to retain their respective appreciated values.

Procedurally, the Housing Authority working in partnership with the land owner then issues a Request for Qualifications (RFQ) or a Request for Proposals (RFP) to the development community subsequently selecting a qualified developer/builder to oversee the land development and construction of the homes. While the property is under development the Housing Authority and property provider under the criteria they established begins the

application process by advertising the availability directly to the targeted communities, making the applications available and processing them through the Housing Authority whose makeup may for the specific parcel and by agreement include members representing the property owner and possibly from organizations representing the targeted buyers. Selected buyers select from among a pool of approved plans according to their income, contracts are signed, a home is constructed and after the closing occupancy is taken. Their mortgage payment would be based on the discounted price with the possibility of a modest land lease payment added.

At such time as a homeowner desires to sell, the selling process and sales transaction are managed by the Housing Authority as constituted for that particular development. The property is not listed conventionally but rather the targeted application process is once again initiated. A new market appraisal is conducted to determine the updated sales price and the home is sold accordingly to the selected qualified buyer.

This is a brief prospectus on the program. Many details are yet to be worked out and will likely vary from property to property. It has the potential to significantly reduce the purchase price of a home for qualified buyers. I have been approached by SITLA to pilot this program targeting "Essential Service Workers" in the fields of education, public safety and health care as qualified buyers. It would be developed on their forty acre parcel south of highway 91 at approximately 800 West. The parcel would require annexation and zoning. After several years of lobbying this concept I appreciate SITLA paying attention to the idea and seeing its potential. I'm excited by the prospect of actually putting it into practice.

Mayor Hart