MEMORANDUM

Date: July 6th, 2023

To: Budget Committee

From: Chanel Flores, Economic Development Director

RE: Housing Coordinator Position

Summary:

On April 25, 2023, the County Commission approved a $2-$4 Million State Local and Fiscal Recovery Funds (SLFRF) request for a Homeownership Assistance Program. As part of that application, there was $300,000 to $400,000 set aside for personnel expenses for administration of the Homeownership Assistance Program. The Community and Economic Development Department (CED) requests to hire a new Housing Coordinator, who will report to the Deputy Director, Economic Development, and will be responsible for managing and implementing affordable housing programs. This involves monitoring compliance, handling contract administration, facilitating affordable housing lending and development, and providing administrative support to CED.

Currently, CED does not have the capacity to administer a Homeownership Assistance Program without additional staff. The funds that have been allocated under SLFRF will be able to support this position until approximately the end of 2025 or 2026, at which point will then be covered by the following: an annual activity delivery cost charged to the Community Development Block Grant Homeownership Assistance Program, administrative costs of Social Services Block Grant, the HOME Program (if available), and the 1% interest that will be recouped when a homeowner sells.

The Housing Coordinator key responsibilities include administering the Homeownership Assistance Program, coordinating with various organizations like HUD, DWS, and OHS, and working with diverse stakeholders. The role also involves identifying strategies to preserve existing affordable housing, providing training and technical support to ensure compliance with regulations, resolving conflicts, and creating reports and analyses related to housing.

Proposal:

The Housing Coordinator will be responsible for administering the Homeownership Assistance Program. This program is designed to help low to moderate-income families and individuals in the county to purchase homes. Duties involved in administering this program may include reviewing housing assistance applications, preparing loan documents, working with lenders and title companies, and collecting borrowers' information. The coordinator may also be required to perform home inspections to ensure the homes meet certain standards of safety, quality, and affordability. This role is critical in helping to increase homeownership rates within the county and ensure that affordable housing options are available to those who need them most.

Costs of the proposal:

Payroll Objects	Dollars
510110 Payroll	$77,419
520131 FICA, MC	$5,923
520132 WorkComp	$1,339
520133 Medical Ins	$39,692
520134 Retirement	$16,018
520135 CommAllw	$720
Total	**$141,111**

Benefits of the proposal:

Davis County Economic Development is creating a new Homeownership Assistance program to help low/moderate income residents purchase a home in the County. Through this program, Davis County Economic Development will offer loans up to $50,000 to reduce the purchase price of a home financed through a reputable financial institution. The loans provided to these low/moderate income households would be paid back to the County when the home is sold. This will create a revolving loan fund that will be used to finance additional loans for low/moderate income families in the future.

This is a much needed program for Davis County residents. Low/moderate income families have been disproportionately impacted by circumstances created as a result of the pandemic, namely, unprecedented inflation not seen since the 1980's and disruptions in the supply chain that have caused housing prices in Utah and especially in Davis County to rise at a rate never before seen.

According to the Davis County Assessor, the average home price in Davis County is approximately $510,000 compared to $350,000 in early 2020. This is a dramatic increase that has made it almost impossible for low/moderate income families to purchase a home in Davis County. Without this new program it is unlikely that low/moderate income families in the County would ever be able to realize the

dream of homeownership and be on a path to creating long-term wealth through home value appreciation.

Other considerations, if applicable:

General funds should not be impacted for sustaining the position long term.

I am happy to answer any questions you might have and appreciate you consideration of this proposal. Please feel free to contact me with any questions.