

**THIRD AMENDED AFFORDABLE HOUSING MITIGATION PLAN FOR THE KINGS CROWN PROJECT FINDINGS OF FACT, CONCLUSIONS OF LAW AND CONDITIONS OF APPROVAL**

WHEREAS, the owners of the Kings Crown Project located on Lowell Avenue and Rothwell Road have a total housing obligation of 8,775 SF equaling 9.75AUEs.

WHEREAS, the Park City Housing Authority approved a Housing Mitigation Plan on August 30, 2018, for the construction of a 15-unit building, Building A, to provide seven Affordable units priced affordable to households earning an average of 76% of AMI and eight Attainable units priced affordable to households at 150% of AMI.

WHEREAS, the Park City Housing Authority approved an amendment to the Housing Mitigation Plan on May 29, 2019, adding another AUE to Building B to meet an increase in the number of residential units due to a change in project design. The amendment also lifted the income limits for the remaining Attainable units which hadn't sold after 10 months of advertising.

WHEREAS, the Park City Housing Authority approved a 2<sup>nd</sup> amendment to the Housing Mitigation Plan on November 21, 2019 allowing the AUE in Building B to be changed from common space to private.

NOW, THEREFORE, the Housing Authority of Park City, Utah hereby approves the 3<sup>rd</sup> Amendment to the Housing Mitigation Plan as follows:

SECTION 1. APPROVAL. The above recitals are hereby incorporated as findings of fact. The Housing Mitigation Plan submitted by the Applicant is approved subject to the following Findings of Fact, Conclusions of Law, and Conditions of Approval.

**Findings of Fact:**

1. The applicable Development Agreement was recorded June 14, 2018 for the Kings Crown Master Planned Development (MPD).
2. Housing Resolution 03-2017 Section 8 requires that affordable housing shall be provided equal to 15% of the market residential units in an MPD. The total residential units proposed in the MPD are sixty-five (65), 15% equals 9.75 Affordable Unit Equivalentents (AUEs) totaling 8,775 SF. This requirement is met by providing 12.91 AUEs (11,616) of affordable housing averaging less than 80% of AMI. Each AUE is measured as 900 square feet of interior space.
3. The Housing Mitigation Plan was recommended for approval by the Planning Commission to the Park City Housing Authority on August 8, 2018.
4. The applicant proposes to build:
  - a. 9,697 SF of affordable housing comprised of nine (9) two and three bedroom units varying in size from 997 SF to 1,377 SF within Building A;
  - b. one (1) 1,163 SF attainable unit (150% AMI, HUD Income Limits) in the same Building A; and
  - c. One (1) unit of 756 SF in Building B.

5. The Applicant proposes to price the nine affordable units at an average household AMI of 77% (\$57,834 to \$85,680 annual household income based on the Resolution definition of household size) and one unit at attainable to 150% of AMI depending on the household size (\$128,520 to \$219,600 annual household income).
6. The Applicant proposes to plat the 756 SF, one-bedroom unit in Building B (B101) as a private unit and set rent affordable to a household at 45% of AMI.
7. Under Section 9 of the Housing Resolution, Applicant is requesting to use Alternative Distribution Ratios so that instead of building 4 townhomes, 1 single family home and 3.5 condominiums, they build 11 affordable/attainable Units in two buildings.
8. Housing Resolution 03-2017 allows for waivers by the Housing Authority.
9. The Applicant has requested the Housing Authority waive pursuant to Section 19 of Housing Resolution 03-2017 requirements related to construction timing and delivery of the affordable housing units, specifically Sections 11 (Timing of Occupancy) which states that the affordable units must be delivered in proportional timing to the market units & 14A (Construction of Market Units) which states that Affordable units shall be made available for occupancy on approximately the same schedule as a project's market units; except that Certificates of Occupancy for the last ten percent of the market units shall be withheld until Certificates of Occupancy have been issued for all of the inclusionary units.
10. The waiver provision states that the City Council may waive all or part of the requirements of this Resolution in exchange for enhanced project affordability or livability including but not limited to the incorporation of sustainable building practices and systems in the unit design and development.
11. The Applicant will build the affordable/attainable building to green building standards in compliance with Section 9.B.5 of Housing Resolution 03-2017.
12. In addition, in order to meet the spirit of the Housing Resolution timing requirements, applicant proposes that:
  - a. CRH will post a Performance Bond in an amount equal to the construction cost and in a form acceptable to the City for the completion of the Affordable Housing building.
  - b. If the construction timing of the affordable housing building deviates more than 120 days from the proposed construction, the Applicant shall appear before the Park City Housing Authority within 30 days to explain the timing discrepancy and propose a remedy. The Housing Authority shall at that time have the right to require that the applicant post a 100% cash (or cash equivalent) guarantee for the remaining portion of the affordable housing building to be constructed.

**Conclusions of Law:**

1. The conditions of the Development Agreement between CRH Partners, LLC and Park City Municipal Corporation recorded on June 14, 2018 related to Affordable Housing have been met by this plan.
2. This plan complies with Park City Housing Resolution 03-2017.

3. Housing Authority approves a waiver of the Housing Resolution timing of construction and delivery of the affordable housing units.

**Conditions of Approval:**

1. The Affordable Housing building will be the first building to draw a building permit.
2. No Certificate of Occupancy will be granted for the Crown Homes (market townhomes) prior to receiving the CO for the affordable/attainable building.
3. CRH will post a Performance Bond equal to the cost of construction and in a form acceptable to the City for the construction of the Affordable Housing building.
4. If the construction timing of the affordable housing building deviates more than 120 days from the proposed construction, the Applicant shall appear before the Park City Housing Authority within 30 days to explain the timing discrepancy and propose a remedy. The Housing Authority shall at that time have the right to require that the applicant post a 100% cash (or cash equivalent) guarantee for the remaining portion of the affordable housing building to be constructed.
5. Units will be sold at pricing as follows:

Unit	Area	Permits	Price
A-101	1,349	3	\$ 308,010.00
A-102 ADA	1,000	2	\$ 200,724.00
A-201	1,000	2	\$ 242,558.00
A-202	998	2	\$ 242,558.00
A-203	1,377	3	\$ 308,010.00
A-303	1,000	2	\$ 267,632.00
A-304	997	2	\$ 267,632.00
A-301	989	2	\$ 311,358.00
A-302	987	2	\$ 311,358.00
A-502	1,163	3	\$ 577,519.00

6. Deed Restrictions shall be recorded against 11 units in a form approved by the City Attorney.
7. CCRs for the Affordable/Attainable building will include a provision that HOA fees won't increase more than three percent (3%) per year.
8. Initial HOA dues shall not exceed an average of \$250 per month per unit excluding utilities and internet and/or an average of \$370 per month per unit including utilities and internet.
9. Ten units within Building A, the affordable/attainable building shall be sold to Qualified Buyers as defined in the recorded Deed Restriction.

10. One Unit within Building B will be rented to Qualified Renters defined in the recorded Deed Restriction, or if sold, to a Qualified Buyer as defined in the recorded Deed Restriction.
11. All sales shall be approved in writing by the City Affordable Housing Office.
12. Housing Authority waived the Housing Resolution 03-2017 construction timing and delivery of the affordable housing units Sections 11 and 14.A.
13. The 756 SF one-bedroom unit in Building B (B101) shall be platted as a private unit and rent shall be set affordable to a household at 45% of AMI (\$39,528 maximum income for a family of two and \$988 monthly rent in 2019) and shall be inclusive of HOA dues. HOA dues may not be charged separately to the lease holder of Unit B101.
14. The developer is required to amend the MPD/CUP Final Action Letter and the Development Agreement to reflect the changes approved in this plan.

SECTION 2. EFFECTIVE DATE. This approval shall take effect upon adoption and execution.

PASSED AND ADOPTED this 17<sup>th</sup> day of September, 2020

PARK CITY HOUSING AUTHORITY

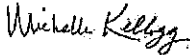
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Andy Beerman, Chair

Attest:

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Michelle Kellogg, City Recorder

Approved as to Form:

  
Margaret Plane, Special Counsel