

SUMMIT COUNTY HOUSING HELPS PROGRAM

Program Overview

Summit County has implemented a new program called Housing Helps to help create, maintain and preserve the County's existing housing stock for the Summit County workforce. The program works by incentivizing existing homeowners and/or real estate buyers to place a deed restriction on their property which preserves the homes for local workers. Under Housing Helps the County will pay owners or buyers to record a deed restriction on homes that are currently unrestricted market rate homes. The amount that will be paid for a deed restriction will vary depending on the market and how well the home meets current needs in the community. Typically, the County is looking to purchase deed restrictions on market rate housing units at a price of 10% - 15% of the current value of that property. Recipients may use the funds for down payment, home repairs, special assessments, or any other purpose. In return, the recipients are required to execute a deed restriction that requires the home to be occupied by a local worker. The deed restriction lets the local worker be the owner or a renter and it does not have an appreciation cap, income caps or rental caps.

Housing Helps Program Details

Who is Eligible?

Anyone who owns or intends to purchase a property in unincorporated Summit County, including investors. However, the County only has limited funds to purchase Housing Helps deed restrictions. Therefore, certain guidelines will be used to determine whether the County will purchase a deed restriction.

What criteria will used to determine when the County will purchase the deed restriction?

- Is the property valued at an appropriate price point for workforce housing?
- How much is the applicant requesting compared to other applicants?
- Does the property currently restrict short term rental?
- Is the property in a location that has a shortage of workforce housing?
- Is the property already occupied by a local worker?
- What is the unit type/number of bedrooms?
- Is the property naturally occurring affordable housing that is at risk?
- Will the lender on the purchase of a new deed restricted property subordinate to the County?

Why Should I Consider Deed Restricting My Property?

The County's goal is to help locals stay in the community where they can live, work, play, and raise their families. The most recent Housing Needs Assessment indicates there is a significant shortage of housing to serve the needs of local families and employees. This impacts the ability of businesses to recruit and retain employees and provide the products and services needed. The lack of housing also impacts the character of our community when locals are unable to live in the community where they work. By deed

restricting your property you are helping the County retain a variety of housing options for locals. You may use the proceeds that you received from the County in return for the deed restriction for any purpose.

What is a Deed Restriction?

This deed restriction is an agreement that restricts the use of your property in perpetuity. In return for the payment from the County, the deed restriction will be recorded in the County records. Because the deed restriction will restrict how the property may be used, it is likely that the future value of the property will be impacted by the deed restriction.

What are the Key Terms of the Deed Restriction?

The actual deed restriction is considered a light use deed restriction. The key terms include:

- The property must be occupied as a primary residence by person(s) employed a minimum of 30 hours a week in Summit County.
- The property may not be used as a seasonal or vacation home or as a short term rental.
- Unlike some other deed restricted properties these units will not be subject to any resale cap, appreciation cap, rental restrictions, or income cap. Retirement in these properties may be permitted subject to the County's Housing Guidelines for retirement in deed restricted units.

What Happens to the Deed Restriction When I Sell the Property?

The deed restriction will remain with the property in perpetuity and future owners will be subject to the same restricted use.

Can I Use a Realtor?

Yes, you are strongly encouraged to use a Realtor to assist in the acquisition or sale of any property. Please advise your Realtor if you intend to utilize Housing Helps funds in the acquisition of a property. Many local Realtors are familiar with the Housing Helps Program and can assist with the process.

Can I Rent My Property or Use it as an Investment?

Yes, you may rent a property that is subject to this occupancy restriction provided the occupant meets the employment requirement.

Are There Tax Implications Associated With the Payment I Received?

You should check with your financial or legal advisor as the County cannot provide any financial or legal advice. Under this program the County is acquiring a deed restriction from you and the County will not issue a 1099 for the proceeds that you receive.

Are There Local Lenders Familiar With the Housing Helps Program?

Yes, you may use a lender of your choice but please confirm they will loan subject to the County’s Housing Helps Deed Restriction. We have been in communication with local lenders including 1st Bank, Wells Fargo, and Alpine Bank, and they are familiar with the program.

If the property currently prohibits Short Term Rental will the County provide a Housing Helps Deed Restriction?

Properties that currently preclude STR’s are a very low priority as those properties already discourage non-local investors and have a heavy local workforce occupancy/ownership rate.

How Many Properties May I Restrict?

There is no limit on the number of properties that you may restrict. The goal of the County is to obtain deed restrictions on as many properties as possible.

How Much Money Will I Receive?

Every property is different and there is no set amount that the County will pay for a deed restriction. The value will vary depending on the size of the unit, the location of the unit, the proximity to jobs and or transit, and how well the unit meets the housing needs in the community. The County will evaluate the property but ultimately the price paid for a deed restriction will be the price that is negotiated and is acceptable to you and also to the County. The County may compare other similar properties or may review appraisals or other information from real estate professionals to determine a reasonable and acceptable price. The County estimates that the value of the deed restriction may be in the range of 10-15% of the market value of the property.

If my Application is Accepted When Will I Receive the Payment?

Once an agreement is reached, funds are generally available within 3-4 weeks.

How Do I Qualify/Apply?

Please complete an application to initiate the process at the below link.

<https://www.summithousing.us/real-estate/housing-helps/>