

HOUSNG HELPS EVALUATION AND PROCESS GUIDELINES

Purpose: The County is looking to purchase deed restrictions on market rate housing units generally at a price of 10% - 15% of the current value of that property. Given the limited amount of funds available to spread across all four Basins, compared to the demand seen to date for funds, this is intended to prioritize applications that provide the largest immediate impact to workforce housing based on new housing being made available to workers, basin housing needs, and preservation of existing workforce neighborhoods.

- Does the property currently allow STR's ?
 - 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.
- Neighborhood
 - Does WF housing make sense here? Some developments, through price or design, are targeted towards STR's, non-local homeownership and would not be ideal local neighborhoods. These areas would be very low priorities for funds.
 - Is the property naturally occurring affordable housing "NOAH" that is at risk? If yes, this would be a high preservation/funding priority.
 - Is local neighborhood preservation a high priority in this area? If yes this would be a high funding priority
 - Its preferable that the neighborhood/unit be within 10 miles of employment centers
- Is the property priced/valued at an appropriate price point for local housing? How much is too much?
 - The County is willing to offer between 10-15% on properties valued up to \$1,000,000 within the Snake River, Lower Blue, and 10 Mile Basins. Within the Upper Blue Basin the County and Town of Breckenridge are willing to split the cost of a property up to \$1,200,000 and offer up to 19% of the purchase price. The County and Town of Breckenridge are also willing offer up to 30% of the declared value up to \$1,200,000 if the owner is willing to place a heavy deed restriction on their property that includes an appreciation cap. Due to the high dollar amount these properties likely will require in Housing Helps funds and the limited number of workforce buyers that could potentially afford these units, the County generally recommends paying 10% of the property value or below for high AMI properties. There may be situations where paying up to 15% for high AMI properties is consistent with the County's housing goals and needs.
- Priority by property/applicant use of funds- ranked by priority
 - Acquisition of deed restrictions of existing market rate property for new workforce owner occupancy
 - This is ranked the highest because it creates a new homeownership and occupancy opportunity for the local workforce. Additionally it fills a gap that

currently exists in the housing continuum in between deed restricted to market rate housing.

- Acquisition of deed restrictions on market rate property for workforce renter occupancy
 - This creates new occupancy opportunities that may or may not have been available to the local workforce
- Acquisition of deed restrictions on market rate property already occupied by a local workforce owner
 - This preserves local housing for future buyers but doesn't immediately create new local workforce housing as the local worker is already living in the unit.
- For applicants who own an existing property that want to utilize the HH program and whose lenders will not subordinate to the deed restriction, they will need to have a minimum loan to value that is 10% greater than the percentage of home value being requested, for example:
 - A property valued at \$500k that requests 15% (\$75K) of the value for a HH deed restriction will need to have at least 25% loan to value or in this case \$125K in equity.
 - An owner of a \$500K property who has \$100K in property equity (20%) and is requesting \$75K (15% of the property value) would not be eligible for the program, they have a loan to value of only 5% above the percent they are requesting 15%. However they would be eligible at a \$50K (10%) request because we would have the required 10% buffer.
- Unit Type and need according to the future Housing Needs Assessment may also be a consideration used to rank properties.
 - Unit Type – i.e. Beds, Sq. Ft., Single Family, Condo, Townhome (waiting for greater details to be provided in the new HNA)
- Valuation Method and factors to consider
 - How is the value on the application determined
 - An offer to purchase - need to confirm this is a reasonable offer and get comparable comps from an independent third party.
 - Neighborhood Comps from an independent realtor – Neighborhood comps are the preferred valuation method
 - Assessor's Data – Assessors data is typically a low valuation when compared to the market