

Dolores Housing Taskforce Meeting October 25, 2022

Rural Homes Manager Paul Majors and Project leader David Bruce (via Zoom) presented the Site Feasibility Study to the Task force.

It included the purpose, strategy and methodology for developing affordable homes in a community.

“Affordable” is equal to housing costs under 33% of household income of rent or a mortgage. A family earning \$47,000/year for instance can afford a \$245,000 home. The definition of affordable housing are those individuals or families earning 80% to 120% of Area Median Income (AMI). 80% of AMI in Montezuma County is for 1-person \$46,050 or for a 4-person family \$65,750.

How do you build a home for \$245,000 in today’s market?

Free land

Bring low-cost capital to the project

How is the house actually constructed? In this model it is factory-built housing built by Fading West.

Rural Homes is a non-profit development entity. Their mission is to provide affordable housing for the Dolores **local workforce**. This would include builders, plumbers, law enforcement, fire fighters, teachers, public lands employees etc.

LOTTERY, MORTGAGES & DOWN PAYMENT ASSIST.

Deed Restriction Basics (Reviewed by A.G. & Required to unlock State Funding)

- Income
- Residency
- Work
- Improved Residential Property

Mortgages and Down Payment

- Impact Development Fund (IDF)
 - Mortgage origination and underwriting
 - Down payment assistance (DPA) – 10% for households 100% AMI and below
- First Southwest Bank (FSWB) purchase mortgages
 - 80% AMI and below - 2.5% interest rate, 30-year amortization
 - 80-100% AMI 4% 30 year fixed
 - 100-120% AMI 4.5% 30 year fixed
 - ITIN lending allowed (no SS number) and UTR credit scoring
- Conventional and Other lenders
 - USDA 502, CHFA and local community banks

Rural Homes talked about the important purpose of the task force is to support the affordable housing project, deflect rumors and answer questions. This project is for working families who desire to live in Dolores, raise a family, participate in the community but cannot afford to purchase a house.

Rural Homes planning scope for Dolores is listed on slide 15 of the presentation. There will be an analysis on available sites, match sites to the standards of the Land Use Code, create sketch of site plan scenarios and present to the Taskforce in December. In more detail:

RURAL HOMES PLANNING SCOPE

1. Available Sites - Analysis

- Land Use Code Review
- Site Advantages & Disadvantages (transportation & access, existing utilities, solar orientation, field observations, concept budgets & pro forma, drone photo analysis)
- Sketch Site Plan Scenarios
- December Presentation to Housing Committee to Select a Site

2. Hire Subconsultants

- SME Environmental – Phase 1 Analysis
- Lambert Geotechnical Engineering – Soil Report
- Goff Civil Engineering – Topographic & Existing Conditions Survey

3. Submit Land Use Application (if there's a viable project)

- a. Prepare Sketch Plan/Preliminary Plat (Depending on Site Complexity)
- b. Rural Homes, will prepare a Development Agreement with Town/Housing Committee

Then Subcontractors will be employed to do environmental and engineering studies on the sites.

Finally, David Bruce, the project manager will submit a Land Use Application if there is a viable project and enter into a development agreement with the Town.

Rural Homes will help organize a field trip to Norwood for the task force when the factory-built houses are installed on the already constructed foundations and this will occur in early December 2022.