

Whitefish Legacy Homes Program Administration

Contents

1.0 Whitefish Legacy Homes: Program Administration	2
2.0 HOUSING MITIGATION PLAN: SUBMITTAL REQUIREMENTS.....	3
2.1 Housing Mitigation Plan Contents	3
3.0 REVIEW PROCESS:.....	4
3.1 Pre-Submission Conference	4
3.2 Review of Housing Mitigation Plan.....	4
3.3 Resubmittal of Housing Mitigation Plans	4
3.4 Revisions to Housing Mitigation Plans After Approval	4
3.5 Noncompliance with Conditions of Housing Mitigation Plan	4
4.0 LEGACY HOMES PROGRAM REQUIREMENTS	5
4.1 Number of Legacy Homes in a Development.....	5
4.2 Providing Fractions of Ownership or Rental Units	5
4.3 Options to Provide Legacy Homes	5
4.4 Timing of Compliance	7
4.5 Incentives for Developers Participating in the Legacy Home Program.....	7
5.0 TYPE OF HOUSING - Rental:.....	9
6.0 TYPE OF HOUSING - Ownership:	12
7.0 RESPONSIBILITY FOR ADMINISTRATION	16
7.1 Legacy Homes Coordinator/Whitefish Housing Authority	16
7.2 Planning and Building Department	17
7.3 City Council	17
APPENDIX A: 2021 Home Prices, Rental Prices and Fee In Lieu.....	18
2021 Home Price Distribution:.....	18
2021 Rental Price Distribution:	18
2021 Fee in Lieu of Providing Units:	18
APPENDIX B: 2021 Area Median Income for Flathead County, HUD.....	19

1.0 Whitefish Legacy Homes: Program Administration

The purpose of this program administration document is to:

- Provide the technical procedures to deliver the affordable housing through the Whitefish Legacy Homes Program (LHP); and
- Establish procedures for the City of Whitefish, staff, boards, or committees, the Legacy Homes Coordinator, and any agent of the City (Whitefish Housing Authority) to implement and administer the requirements of the Whitefish LHP.

Appendix A contains all relevant tables, which may be updated on an annual basis and Appendix B contains the most current year's Area Median Income for Flathead County.

2.0 HOUSING MITIGATION PLAN: SUBMITTAL REQUIREMENTS

Housing Mitigation Plans (HMP) are required by the City for residential developments using the LHP incentives described in §11-1A, Whitefish LHP regulations. HMP will be prepared and submitted by the developer concurrent with the application request for the development permit (subdivision, conditional use permit [CUP] or planned unit development [PUD]). Once projects are approved by City Council, the details described in the HMP become conditions of the development permit approval. HMP for projects approved by staff using an Administrative CUP process will also become a condition of the permit.

2.1 Housing Mitigation Plan Contents

- Total number of market rate and Legacy units
- Square footage of total development and each unit
- Details regarding how the unit types, sizes, number of bedrooms proposed
- Site plan and amenities
- Incentives utilized by the project
- Average lot size and square footage of market rate and Legacy units – the final details of exact square footages will be reviewed prior to recording the deed restriction
- Location of Legacy units within the project by type and size; justification for clustering of Legacy units, if proposed
- Proposed production schedule of market rate and Legacy units, including issuance of building permits
- If applicable, any proposed alternative methods of compliance with these Policies and Procedures, demonstrating how the alternative meets or exceeds the intent of the LHP and helps the City achieve its housing goals as established in the Strategic Housing Plan and the current Housing Needs Assessment
- Any other information deemed relevant by the Legacy Homes Coordinator

A HMP template is available for use or applicants may generate their own document provided all the required information is included.

3.0 REVIEW PROCESS:

3.1 Pre-Submission Conference

Prior to submitting any development request proposing to use LHP incentives or Site Review Meeting, the applicant must schedule a pre-submission conference with Planning and Building Department staff and the Legacy Homes Coordinator. At this meeting, applicants must provide the number and type of units proposed and how they meet the intent of the LHP. The City and the Legacy Homes Coordinator will describe the requirements of the program, the needs of the City and go over the HMP template.

3.2 Review of Housing Mitigation Plan

After submittal of a land use permit, the HMP will be reviewed by Planning and Building Department staff, in coordination with the Legacy Homes Coordinator. Following review, staff will either:

- a) accept the HMP if it meets the intent of the LHP and make a recommendation to City Council for approval of the Plan, if required,
- b) approve the Housing Mitigation Plan for administrative land use permits, or
- c) not accept the HMP if it does not meet the intent of the LHP and refer it back to the applicant with written comments regarding the Plan's deficiencies. If the identified deficiencies are not adequately addressed by the applicant, Planning staff will only approve or recommend approval by the Council with conditions added to address the deficiencies.

3.3 Resubmittal of Housing Mitigation Plans

If a HMP has been disapproved, an applicant may resubmit a revised Plan addressing and correcting the deficiencies identified by staff.

3.4 Revisions to Housing Mitigation Plans After Approval

If the applicant wishes to modify or amend an approved HMP due to changes in the development proposal as it proceeds through the development review process or for other reasons, the developer must submit a new or amended HMP for approval by the zoning administrator, along with a letter justifying and outlining proposed modifications. Changes may include, but are not limited to, reduction in the size of the affordable units, change in the timing or phasing of construction or a change in the method of complying with the requirements of the regulations.

3.5 Noncompliance with Conditions of Housing Mitigation Plan

Failure to comply with the approved HMP is a failure to comply with the conditions of the development approval and may result in the revocation of the development approval.

4.0 LEGACY HOMES PROGRAM REQUIREMENTS

4.1 Number of Legacy Homes in a Development

If a developer proposes to subdivide residential lots or construct residential housing, ten percent (10%) of the gross number of residential lots or housing units in a development must be Legacy Homes. To calculate the number of units, multiply the number of proposed units by 10% ($X \text{ units} \times 0.10 = \# \text{ Legacy Homes required}$) and the result is the number of units required. The applicant for a development permit opting to use the Legacy Home incentives is required to provide the Legacy Homes. The type of units to be constructed must be

proposed in the HMP and will become a condition of approval. In developments where both Legacy and market rate residential units will be constructed, the balance of ownership versus rental units, the type of units (single family attached, detached, or multi-family), and the number of bedrooms offered per unit will be proportional between the Legacy and market rate units.

4.2 Providing Fractions of Ownership or Rental Units

When the calculation to determine the number of units required by LHP, as described above, results in a fraction of a home, a fee in-lieu (FIL) may be paid for the fraction. The fee will be the associated rate from Appendix A multiplied by the fraction.

4.3 Options to Provide Legacy Homes

There are several options to provide Legacy Homes which include providing the units within the development, paying a fee in lieu of the units, providing land in lieu of units, or providing units off-site. The City will consider all options and any combination in order to provide affordable housing for our community. The following describes each of the options and expectations.

4.3.1 On-Site Housing

On-site housing is the preferred method to comply with the LHP. Affordable housing dispersed throughout our community serves the needs of our workforce and better aligns with community values. If this option is pursued, the units will be interspersed with the market rate residential units within the development. If the project is to be phased, a developer must provide a financial guarantee for each Legacy unit required which will be released upon issuance of a certificate of occupancy for each Legacy unit.

There may be special circumstances when clustering the Legacy units within the development site is preferred including: an enhanced a sense of neighborhood, the market units are used as short-term rentals, the housing provided would be close to trails, bus stops, or places of

NUMBER OF UNITS EXAMPLES:

A proposal to build eight single-family attached townhomes would require $16 \times 0.1 = 1.6$ Legacy townhomes for ownership.

A proposal to build ten single-family attached townhomes and 16 rental units would provide one Legacy ownership townhome and 2.6 Legacy rental units. (ownership – $10 \times 0.1 = 1$ & rental – $16 \times 0.1 = 1.6$)

FRACTIONAL EXAMPLE:

The 0.6 in the previous example would be eligible for a fee in-lieu. A project with 4 units $\times 10\% = 0.4$ units. This project would be eligible to pay the fee in-lieu at 0.4 of the full rate.

employment, or the clustered Legacy Homes will otherwise exceed the requirements of the LHP. If Legacy units are not compatible with the proposed future development site, it is the responsibility of the developer or property owner to describe the reasoning for this option.

4.3.2. Fee In Lieu of Housing

Fees in lieu (FIL) of housing can be paid for a partial unit or a whole unit or any combination, as described previously. Fees are calculated and must be paid prior to issuance of a building permit along with other impact fees or recording of a final plat for subdivisions. To calculate the fee in lieu of affordable housing, multiply the number of Legacy Units by the fee in Appendix A (LH unit x fee = fee in lieu of housing). This fee is reviewed annually by the City Council and may be updated to reflect area income, as published for Flathead County by the U.S. Department of Housing and Urban Development (HUD) and the area housing market.

The proceeds of the FIL for the LHP will be accounted for in the City's Affordable Housing Fund which are appropriated for eligible affordable housing projects and needs at the discretion of the City Council.

4.3.3. Off-Site Housing

In situations where the provision of the Legacy Homes off-site is preferable, an off-site location may be considered by the City Council if the developer can demonstrate how the option meets the City's housing goals established in the Strategic Housing Plan. A developer may also propose to partner with another developer who already has an approved land use permit and could construct additional Legacy units as part of that project. When Legacy units are provided off-site from market rate units, unit size, quality, design, and construction must be provided in the HMP approved by the City as part of the development permit approval process. The ratio of Legacy units required relative to market rate units in a project remains 10:90 when the off-site option is used.

OFF-SITE HOUSING EXAMPLE:

A development proposing 10 housing units would provide 1 Legacy Unit (10:90 ratio achieved). If the developer is to build 10 on-site market rate units and 1 off-site Legacy Unit (11 total), a FIL for 0.1 Legacy Units would also be paid as 10% of 11 units built is 1.1 Legacy Units (10:90 ratio achieved).

4.3.4. Land in Lieu

A developer may propose to provide land in lieu of the required Legacy Homes. The appraised value of the property to be dedicated must be of equal or greater value than the FIL that would otherwise be paid. Additionally, the property to be dedicated must help further the goals of the LHP and provide an overall public benefit. It is the responsibility of the developer to propose a means of compliance with the LHP for the City Council to consider and approve at its discretion. Considerations may include but are not limited to whether the parcel is served by existing infrastructure, adjacent land uses, and proximity to services.

4.4 Timing of Compliance

4.3.1 RENTAL UNITS

A proportion of the required number of Legacy Home rental units in a single project must be leased as each building or phase of the project is offered for rent. A phase is defined as a group of units which is completed and ready for occupancy within a period of one year. This requirement will be reflected in each HMP providing for on-site rental housing. In developments where Council has approved a FIL, the fee is due prior to the issuance of a building permit along with other impact fees.

4.3.2 OWNERSHIP

For ownership units, the Legacy Homes must be made available for sale at the same time and in proportion to the market rate homes in the project which are made available for sale. This requirement will be reflected in the HMP providing ownership units. In developments where Council has approved a FIL, the fee is due prior to final plat for the subdivision.

4.5 Incentives for Developers Participating in the Legacy Home Program

As a partial offset to the cost of providing Legacy Housing as part of a market-rate development, the LHP provides incentives effectively reducing certain development standards by-right (below).

A developer volunteering to be part of the LHP with a CUP receives the following incentives:

- Reduce Parking Requirements for 2+ Bedroom Units by 20%
- Increase Maximum Building Height by 5 feet limited to a maximum of three (3) floors¹
- Increase Maximum Lot Coverage by 10%
- Increase Density by 20%

EXAMPLE: In the WR-3 (low density multi-family residential) zoning district, the incentives would provide the following benefits for a one-acre site with an 8-plex and a 6-plex proposed (seven 2-bedroom, four 1-bedroom, and three studio):

	District Development Standard	Reduced Standard
Required # parking spaces	26	23
Max building height	35 feet	40 feet with a maximum of three (3) floors
Max lot coverage	40% = 0.4 acres = 17,424 sf	44% = 0.44 acres = 19,166 sf
Max density	14 units/gross acre	16.8 units/gross acre (two more units could be added)

¹ Projects in the WB-3 Zoning District are not eligible for this incentive.

A land developer subdividing will receive the following incentives:

- Reduce Lot Size by 20%
- Increase Density by 20%
- Reduce Lot Width by 10%
- Increase Lot Coverage by 10%

EXAMPLE: In the WR-1 (one-family residential) zoning district these incentives would provide the following benefits for a two-acre site with an eight-lot subdivision proposed:

	District Development Standard	Reduced Standard
Minimum lot size	10,000 sf	8,000 sf
Max density	4 units/gross acre = 8 lots	4.8 units/gross acre = 9 lots
Minimum lot width	60 feet	54 feet
Max lot coverage	35% = 3500 sf/10,000 sf lot	38.5% = 3080 sf/8,000 sf lot or 3850 sf/10,000 sf lot

The number of units used to determine density cannot be rounded up. If the subdivision application was four lots per acre, the extra density allowed would be 4.8 units/gross acre, but an additional lot would not be permitted because it would increase density by greater than 20% to 5 units/acre.

A developer using the PUD process may use by-right either set of incentives based on the project needs but may not use both. Should the developer need or want additional reductions in these standards, or other development standards, the request needs to be made through the PUD process and requires City Council approval. The density bonus provided for in the PUD chapter (§11-2S-3) may be used if the project meets the community benefit criteria (§11-2S-6).

5.0 TYPE OF HOUSING - Rental:

Legacy Home Program (LHP) rental units must be marketed, leased, and occupied according to these criteria:

5.1 Eligible Renters

WHA will screen rental applicants for income and residency eligibility and maintain a list of eligible renters for LHP units. In general, households earning incomes between 60% and 80% AMI will be eligible to rent Legacy Homes; however, the range of incomes allowed for eligible households will be somewhat broader to ensure there are enough renters for the Legacy Homes produced. The range of eligible household incomes will be established by the WHA but will be capped at 100% AMI. Priority will be given to households with at least one household member who is employed in the City of Whitefish, then to those with members employed within the 59937-zip code area, and finally to those with employment outside the 59937-zip code area. Further program eligibility criteria may be established or modified by WHA.

5.2 Rental Rates

The monthly rent of an LHP unit being rented pursuant to a HMP is provided in Appendix A under the rental price distribution table. There must be no side agreement obligating the Legacy tenant to pay the property owner for any add-on features or services. Security deposits may not exceed the sum of two months' rent at the Legacy Home rental rate for a unit and in no case can the security deposit be a larger percentage of rent than what is required for market rate units.

Legacy Home rental rates are based on AMIs for Flathead County as established by HUD using Montana Board of Housing (MBOH) methodology. Rental housing is affordable when housing expenses (including rent and utilities) are no more than 30% of a household's income. Since AMI varies by household size, the following assumptions about the number of people in a household are made for LHP rental units with different number of bedrooms:

# Bedrooms	# People in Household
0	1
1	1.5
2	3
3	4.5

The prices provided in Appendix A assumes the landlord pays all utilities. If heat, electric, or water utilities are not included in the rental price, the monthly rate will be reduced accordingly. Contact the WHA for details on this calculation. Prices will be updated annually following HUD's updates to AMI for Flathead County.

5.3 Recording of Deed Restrictions

Prior to recording the deed restriction, using the standardized deed restriction provided by the City, the following details must be provided:

- Details regarding how the requirements of the LHP will be met, including unit types, sizes, number of bedrooms, amenities, heating systems and estimated utility costs, target income category, and initial rental prices.

The developer will record, at Flathead County Clerk and Recorder, a deed restriction to fulfill the requirements of this section regarding controls placed on the occupancy and rental of the LHP unit. The effect of recording said deed restriction is to create, in accordance with state law, an obligation that runs with the property. The Legacy Homes Coordinator/City Attorney will provide a template deed restriction to be used.

5.4 Adjustment of LHP Rental Rates

The Legacy Homes Coordinator will review and adjust the rent in each income range and for each unit size based on annual updates to AMI and using the MBOH methodology. The Legacy Homes Coordinator will publish the new rents immediately upon adoption of a Resolution approved by the City Council.

5.5 Minimum Requirements for Legacy Home Rental Units

LHP rental units will be built to conform to local, state and federal laws according to the following guidelines concerning design, equipment, and physical features.

5.5.1 Floor size

Legacy Home rental units must be constructed according to the minimum and average requirements for square footage of habitable residential space shown in the table below. The size of each unit type may vary within a development, but no unit may be smaller than the minimum size, and the size of all units by type must meet the average size shown below. However, as an alternative to the standards set forth below, the developer has the option of offering Legacy units similar in floor area to the market rate units in the same project. Should the developer choose this option, the justification for doing so must be addressed in the HMP.

Unit Type	Minimum Square Feet	Average Square Feet of all units/type in development
0 Bedroom (Studio)	350	450
1 Bedroom	550	650
2 Bedroom	725	825
3 Bedroom	900	1000

Minimum floor areas of habitable residential space include partitions, closets, heated utility rooms, halls and stairways but exclude attics, porches, unfinished basements, garages and unheated storage space.

5.5.2 Equipment and hookups

Each LHP rental unit must include a new ENERGY STAR® kitchen range and refrigerator, hookups for a clothes washer, dryer, or laundry on site.

5.5.3 Design and location

The proposed design and location of the Legacy Home rental units within the development will be reviewed by Planning staff, in consultation with the Legacy Homes Coordinator, and approved by City Council or Planning staff in order to achieve spatial integration, dispersion throughout and compatible exterior architectural and landscaping appearance with the market units in the development.

5.6 Mix of Unit Types

The mix of LHP rental units must match the mix of market rate rental units but may be modified annually by the City to meet the needs identified in the Workforce Housing Needs Assessment, Strategic Housing Plan, or any housing needs identified subsequent to adoption of those documents.

5.7 Marketing to and Certifying Tenants for Legacy Rental Units

The WHA will certify tenants who are income eligible to rent LHP units and will maintain a list of eligible tenants. Marketing of the LHP units is the responsibility of the developer or property manager. The WHA may assist with marketing but will not be responsible for a unit being vacant because of insufficient marketing or any other reason. Reviews, background checks, decision to rent or not rent, execution of rental leases, and the day-to-day management of the rental units will be the responsibility of the developer/property manager or their designee or successor.

The WHA will establish and maintain an equitable process for allocating rights to lease the rental units, including waiting lists when demand exceeds supply.

5.8 Certification of income after occupancy

The income of tenants will be recertified by the WHA upon lease renewal, or no more often than once per year. Based on its findings, the WHA will determine whether the lease will be renewed.

5.9 Terms of compliance

Rental housing developments subject to the LHP requirements must maintain required occupancy rules and rental rates in LHP units for a period of 90 years after the date of issuance of a certificate of occupancy for the entire development or portions thereof. Subsequent 90-year deed restrictions must be renewed any time the property changes hands. This requirement is applicable to successors in title by means of a deed restriction. A City approved deed restriction template must be used.

6.0 TYPE OF HOUSING - Ownership:

This section covers all requirements specific to Legacy Homes ownership.

6.1 Eligible Buyers

Following are general eligibility criteria for purchasers of Ownership Housing, although further program eligibility criteria may be established or modified by WHA. Ownership Legacy Homes created through the LHP will be sold to and occupied by an eligible owner-occupant household. An eligible owner-occupant household will be certified by the WHA no more than 90 days prior to a purchase contract being executed for a Legacy Home. Such certification is valid for 12 months following the execution of the purchase contract. If the 12 months elapses before closing of the unit for which the Legacy Home buyer is under contract, the household's eligibility will be re-certified and valid for an additional 90-day period. Priority will be given to households with at least one household member who is employed in the City of Whitefish, then to those with members employed within the 59937-zip code area, and finally to those with employment outside the 59937-zip code area.

6.2 Income

Legacy Homes will be targeted for households earning 80.1% AMI to 120% AMI. However, the range of incomes allowed for eligible households will be somewhat broader to ensure there are enough buyers for the Legacy Homes produced. The range of eligible household incomes will be established by the WHA but will capped at 150% AMI. The AMI is updated annually by HUD and is provided in Appendix B for the current year.

6.3 Liquid Assets

Eligible purchasers must not have more than two times their annual income in liquid assets, excluding retirement funds, college savings funds, and funds in Health Savings Accounts.

6.4 Characteristics of Legacy Ownership Units

The type of housing unit (single-family detached or attached, duplex, triplex, townhome, etc.) and the number of bedrooms offered (not necessarily the square footage) must match the market units offered in a development. If the development provides a mix of unit types, the Legacy units must proportionately match the mix among market units acknowledging rounding may be required (round down for 0.4 units or less, round up for 0.5 units or more). For example, a development of market rate townhomes must provide townhomes for the Legacy units. Exceptions may be allowed if all market units are single-family detached homes, in which case up to half of the required Legacy units may be attached single family homes (triplexes, townhomes). If the project is a subdivision only in which the developer plans to sell lots but not build market rate units, the Legacy unit types, and numbers of bedrooms required will be based on the needs identified by the WHA based on the most current Housing Needs Assessment.

The mix of the number of bedrooms offered in Legacy units will mirror the mix of bedrooms offered in the market rate units, provided the mix is responsive to the needs and demographics of Whitefish residents as established by the WHA based on the most recent Housing Needs

Assessment and the performance of previous housing developments. The City reserves the right to adjust the mix once some Legacy Homes have been built in the community and the performance of various bedroom mixes established. Three-bedroom units satisfy the Legacy Homes requirement for market units with four or more bedrooms. The sizes of the Legacy units may vary in a development, but no unit may be smaller than the minimum square footage (SF), and the size of all units must at a minimum average the SF, listed below. However, as an alternative to the standards set forth below, the developer has the option of offering Legacy units similar in floor area to the market rate units in the same project. Should the developer choose this option, the justification for doing so must be addressed in the HMP.

# Bedrooms	Minimum SF	Minimum Average SF
Studio	400	500
1 Bedroom	700	1,000
2 Bedrooms	800	1,150
3 Bedrooms	1,100	1,300

When a Homeowner's Association's CC&Rs define a minimum square footage for homes in the development, an exemption for Legacy Homes and their smaller square footages must be made.

When phased construction is planned for a development, the proportion of Legacy units must be constructed in proportion to the market rate units constructed during each phase of development. In a 20-unit development in which ten units will be constructed in each of two phases, one Legacy unit must be constructed in each phase. If the development will be constructed in one phase, a financial assurance or some other guarantee that the Legacy units be completed concurrently with market units is required.

Legacy Homes must meet the requirements of the City of Whitefish land development regulations and building codes. Legacy units must be architecturally compatible with surrounding development. Exterior finishes must be substantially compatible and consistent with the materials and finishes used on the market rate units. A minimum of 20 square feet of storage space must be provided.

Legacy units must meet mandatory minimum building codes for insulation and air sealing. Electric resistance or wood heat is not allowed except when all market rate units are using the same heating system. The design must address livability, maintenance, health, safety, climate, lifestyle, and the needs of the types of households the units are intended to serve. Balconies, decks and private yards similar to the market rate units are required to enhance livability of the Legacy units.

6.5 Pricing of New Housing for Ownership

The initial sales price of the Legacy ownership homes is the lesser of either 80% of the appraised market value of the home, or the price shown in the price distribution table in Appendix A. The Legacy Homes must be priced in a spectrum consistent with unit size, location, and market

demand, with the average price of Legacy Homes affordable to households earning 100% of AMI. The following assumptions about the number of people in a household are made for Legacy ownership units with different numbers of bedrooms:

# Bedrooms	# People in Household
0	1
1	1.5
2	2.5
3	3.5

Variables affecting the initial target sales price of a Legacy ownership unit include the mortgage interest rate, the amount of the down payment, the term of the mortgage, and the portion of the monthly mortgage payment going toward principal and interest. These variables will be updated annually as needed. The distribution of target prices is shown in Appendix A.

The actual sale price will include the following costs to the buyer as described on the settlement sheet for the sale:

- The sale price of the home
- Any sales commission which is payable by the buyer
- Any monthly fee such as a homeowner's association fee or common area fee
- Any other settlement cost charged to the buyer which in Whitefish is normally charged to the seller

6.6 Adjustment of New Legacy Home Prices

The Legacy home prices approved by Council by Resolution annually will remain in effect until the updated AMIs are published by HUD, after which time the prices may be adjusted as set forth in these administrative procedures unless otherwise amended by Council.

Beginning in 2020 and annually thereafter, the Legacy Homes Coordinator will review and adjust the Legacy Home price for each income range and for each unit size based on annual updates to AMI. The Legacy Homes Coordinator will publish new Legacy Home prices immediately upon adoption of a Resolution approved by the City Council.

Nothing herein prevents the City Council from amending the LHP ordinance without such recommendations from the Legacy Homes Coordinator.

6.7 Deed Restrictions for Ownership Housing

Prior to recording the deed restriction using the standardized deed restriction provided by the City, the following details must be provided:

- Details regarding how the requirements of the LHP will be met, including unit types, sizes, number of bedrooms, amenities, heating systems and estimated utility costs, target income category, initial sales prices or rental prices, homeowner's association (HOA) structure and fees, if applicable

- Exemption within a development's Covenants, Conditions and Restrictions (CC&Rs) for Legacy Homes providing an exemption from the minimum square footage

All deed restrictions applicable to Legacy ownership homes must include resale restrictions binding future buyers and sellers to the applicable conditions set forth in this Program Administration as updated annually and will be in a form approved by the Legacy Homes Coordinator and the Whitefish City Attorney.

The Legacy Homes will be deed restricted for a term of 90 years subject to renewal of the 90-year term anytime the property changes ownership.

6.8 Recording of Deed Restrictions

The developer or any owner selling a Legacy Home must cause to be recorded with the Flathead Clerk and Recorder's Office, simultaneous with the recording of the deed of sale, deed restriction fulfilling the requirements of this section regarding controls placed on the occupancy and resale of Legacy Homes. The effect of recording said deed restriction is to create, in accordance with state law, an obligation that runs with the property. The Legacy Homes Coordinator/City Attorney will provide a template deed restriction to be used for the transaction. Initial affordability will be achieved by including in the HMP the terms of an escrow instruction requiring certification of LHP compliance by an escrow agent.

6.9 Rental Prohibition

Legacy Homes may not be rented to a second party, except at the discretion of and as approved in writing by the Legacy Homes Coordinator for instances in which the owner is under duress by reason of unemployment, family medical emergencies, inability to sell the home for an amount equal to or greater than the original sale price, or other unique circumstances of family hardship such as military deployment. In providing written permission, the Legacy Homes Coordinator will specify a limit on the rental not to exceed 24 months.

7.0 RESPONSIBILITY FOR ADMINISTRATION

7.1 Legacy Homes Coordinator/Whitefish Housing Authority

The Legacy Homes Coordinator and the WHA are responsible for the following functions regarding administration of the Whitefish LHP:

- 7.1.1 Attend a pre-submission conference with City Planning Staff and the applicant of a development request to review Legacy Homes requirements.
- 7.1.2 Facilitate flow of information and communication among City staff, WHA, and applicants for development.
- 7.1.3 Set, review, adjust and publish Legacy Home rental rates, housing prices, and fee in-lieu rates based on available AMI and other variables for Flathead County.
- 7.1.4 Review the individual HMPs in coordination with City staff to determine if each plan can be approved by staff or recommended for approval by the City Council. If Plans are found to be deficient, the Legacy Homes Coordinator and City staff will work with the developer to resolve deficiencies.
- 7.1.5 Track "available" and "in progress" Legacy Homes.
- 7.1.6 Manage all prior affordable housing agreements and the prior affordable housing program.
- 7.1.7 Act as the primary resource to prospective and active Legacy Home buyers and renters in the Legacy Housing Program by:
 - Developing and implementing public education and information activities including workshops, newsletters and public presentations.
 - Providing technical assistance.
 - Screening and qualifying households eligible to purchase or rent Legacy Home units.
 - Maintaining lists of pre-qualified households and matching qualified households with available housing units.
 - Assisting with marketing of Legacy rental and ownership homes.
 - Monitoring compliance of renters with Legacy Homes eligibility criteria.
 - Providing information to home purchasers and owners regarding allowed appreciation of deed restricted units and determining resale values of Legacy Homes.
 - Determining allowable annual increases in rent for Legacy Homes based on MBOH methodology.

7.2 Planning and Building Department

This City department or its designees will be responsible for the following functions regarding administration of the LHP:

- 7.2.1 Attend a pre-submission conference with the Legacy Homes Coordinator/Whitefish Housing Authority and the applicant of a development request to review Legacy Homes requirements.
- 7.2.2 Require applicants to prepare a HMP concurrently and as part of the development review process.
- 7.2.3 Work with applicants to ensure the Legacy Homes proposed in the HMP follows the LHP Administration and helps the City meet its goals for housing as outlined in the 2017 Strategic Housing Plan.
- 7.2.4 Recommend to City Council approval or disapproval of HMPs, including proposals for alternatives.
- 7.2.5 For administrative CUPs, review and approve HMPs as part of development approval process.
- 7.2.6 Monitor developer compliance with LHPs regulations through completion of construction, and in the event of noncompliance, request the City Manager direct action by appropriate departments regarding the department's responsibility for administrating the LHP.

7.3 City Council

The City Council will be responsible for approving HMPs as part of the standard development permitting process. Council is also responsible for adopting any updates to this Program Administration document including changes to AMI or affordable rates and evaluating whether the housing goals are being met.

APPENDIX A: 2021 Home Prices, Rental Prices and Fee In Lieu

2021 Home Price Distribution:

AMI%	OBR	1BR	2BR	3BR
80%	\$147,423	\$157,953	\$179,014	\$200,074
90%	\$165,851	\$177,698	\$201,391	\$225,084
100%	\$184,279	\$197,442	\$223,767	\$250,093
110%	\$202,707	\$217,186	\$246,144	\$275,102
120%	\$221,135	\$236,930	\$268,521	\$300,111

2021 Rental Price Distribution²:

AMI %	OBR	1BR	2BR	3BR
60%	\$746	\$799	\$959	\$1,108
70%	\$870	\$932	\$1,118	\$1,292
80%	\$994	\$1,065	\$1,278	\$1,477

2021 Fee in Lieu of Providing Units:

FEE:
\$118,547

² Can be adjusted if utilities are *not* included in the rental price.

APPENDIX B: 2021 Area Median Income for Flathead County, HUD

All Other Counties	40%	19,880	22,720	25,560	28,400	30,680	32,960	35,240	37,520	\$497	\$532	\$639	\$738	\$824
	49%	24,353	27,832	31,311	34,790	37,583	40,376	43,169	45,962	\$497	\$532	\$639	\$738	\$824
	50%	24,850	28,400	31,950	35,500	38,350	41,200	44,050	46,900	\$621	\$665	\$798	\$923	\$1,030
	55%	27,335	31,240	35,145	39,050	42,185	45,320	48,455	51,590	\$621	\$665	\$798	\$923	\$1,030
	60%	29,820	34,080	38,340	42,600	46,020	49,440	52,860	56,280	\$745	\$798	\$958	\$1,107	\$1,236
	100%	49,700	56,800	63,900	71,000	76,700	82,400	88,100	93,800	\$1,242	\$1,331	\$1,597	\$1,846	\$2,060

C:\Users\lcc0199\Desktop\HC MF Income Limits Effective 4-1-2021 Printing Copy

4

MONTANA HOUSING															
Tax Credit and MF Loan Program Income Limits for 2021															
EFFECTIVE APRIL 1, 2021															
			Maximum Income						Maximum Rent						
MSA/ County	AMI	%	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person	Eff.	1 Bdr	2 Bdr	3 Bdr	4 Bdr
All Other Counties	Big Horn				Granite				Mineral				Sanders		
	Blaine				Great Falls / Cascade				Musselshell				Silver Bow		
	Carbon				Hill				Petroleum				Sweet Grass		
	Carter				Judith Basin				Phillips				Toole		
	Chouteau				Lake				Pondera				Treasure		
	Deer Lodge				Liberty				Powder River				Valley		
	Fergus				Lincoln				Powell				Wheatland		
	Flathead				Madison				Prairie				Wibaux		
	Garfield				McCone				Ravalli						
	Glacier				Meagher				Roosevelt						