

CITY OF DAVIS

2003-2004 CDBG/HOME APPLICANT QUESTIONS WITH RESPONSES

Name of Organization: Community Housing Opportunities Corporation (CHOC)

Project Title: Housing-Special Activities

1) **What deliverables can the city expect for the land trust component of the project?**

A model legal and management structure for a Davis-based community land trust
Proposed ground lease covenants addressing affordability, ownership tenure, resale
Recommended development guidelines (e.g., project size, site considerations, financial assumptions)

A financial feasibility assessment of a representative land trust home ownership project

Evaluation of potential sites in Davis

Financing options including identification of potential lenders and underwriting criteria they would apply in lending a) to the land trust and b) individual home buyer mortgages

Profiles of other existing land trusts with a summary of recommendations and lessons learned from those developments

2) **Would it be feasible to use rental subsidy funds to encourage more Section 8 units in Davis?**

CHOC has asked the Yolo County Housing Authority if there would be any barriers to Section 8 voucher holders using our rental assistance to bridge the gap between the Housing Authority's fair market rent limits and actual Davis fair market rents. For many Section 8 voucher holders actual rents would require them to pay more than 40% of their income as their share of the rent. YCHA is still reviewing our request. We do not have their response yet.

3) **If a land trust model is developed, is there a recommended site for a pilot program?**

Part of our "deliverables" will be an evaluation of available sites in Davis. At this time CHOC has not yet identified a specific recommended site.

4) **Why is an architect needed?**

The budgeted line item is Architect/Consultant. While most of our information will be gathered by talking "free of charge" directly to principals involved with land trusts, we may want to seek independent professional assistance such as legal counsel, land trust consultants and possibly an architect for a site specific project proposal.