

ORDINANCE NO. 711

AN ORDINANCE ESTABLISHING THE CRIME OF AFFORDABLE HOUSING FRAUD WITHIN SUMMIT COUNTY.

WHEREAS, Summit County has adopted affordable housing programs to meet State and Federal Fair Housing requirements, as part of their land use ordinances, with the current affordable housing program being contained within Summit County Code Title 10, Chapter 5; and

WHEREAS, there exists within Summit County, affordable housing located within the limits of incorporated municipalities, within Eastern Summit County and within the Snyderville Basin area of Summit County; and

WHEREAS, Summit County wants to ensure that the deed restricted affordable housing units within all of Summit County are complied with and remain viable and affordable for qualified buyers; and

WHEREAS, there have been several acts in the past by developers, sellers, buyers, real estate brokers and agents, appraisers, title companies, mortgage brokers and mortgage lenders, seeking to circumvent the recorded deed restrictions and to sell, lease or finance affordable housing units at full market value; and

WHEREAS Summit County seeks to ensure that the affordable housing program is a viable program and helps those targeted communities for which it is designed; and

WHEREAS Summit County wants to ensure that any fraud and unjust enrichment in the process is stopped and that buyers, sellers, renters and other intended beneficiaries of the restricted affordable housing program are protected from any fraudulent acts or statements;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF SUMMIT COUNTY, UTAH, AS FOLLOWS:

Affordable Housing Fraud.

A person commits the offense of Affordable Housing Fraud, a class B misdemeanor, if the person does any of the following with the intent to defraud, mislead, receive unjust enrichment, or otherwise circumvent the proper application of recorded deed restrictions for affordable housing:

(1) Knowingly makes any material misstatement, misrepresentation, or omission during the purchase, sale, mortgage lending process, leasing, or other process involving a deed restricted affordable housing unit, intending that it be relied upon by a buyer, seller, mortgage lender, borrower, renter or any other party;

(2) When dealing with a deed restricted affordable housing unit, knowingly:
(a) participates in or facilitate any contract or other agreement other than a standard Real Estate Purchase Agreement or other formal real estate contract or

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agreement for the real property, to sell or purchase improvements to the real property or personal property for a value in excess of the fair market value of the improvements or personal property being sold;

(b) obtains or facilitates financing of a deed restricted affordable unit at an amount greater than the deed restricted maximum sales price;

(c) closes an escrow or facilitates a transfer of the property without fully complying with all requirements related to a transfer; or

(d) leases and affordable unit without fully complying with the requirements set forth in deed restrictions.

(3) Knowingly files or causes to be filed with any county recorder in Utah any document that the person knows contains a material misstatement, misrepresentation, or omission; or

(4) Receives any proceeds or any compensation in connection with a sale, lease or financing of an affordable housing unit that the person knows resulted from a violation of this section.

BE IT FURTHER ORDAINED that the Board of County Commissioners finds it is necessary for the immediate preservation of the peace, health and safety of Summit County and its inhabitants that this Ordinance shall take effect January 1, 2009.

APPROVED, ADOPTED, and PASSED this 17 day of Dec, 2008.

BOARD OF COUNTY COMMISSIONERS
SUMMIT COUNTY, UTAH

By: K. E. Woolstenhulme
Chair

Commissioner Elliot Voted:

Commissioner Richer Voted:

Commissioner Woolstenhulme Voted:

Aye
Aye
Aye

ATTEST:

[Signature]
COUNTY CLERK
SUMMIT COUNTY, UTAH



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