

## Affordable Housing Requests – Monday, February 7, 2022



### One-time Funding \$100M from General Surplus Fund

**DWS - Private Activity Bonds and Rural Workforce Housing** - Gov Budget: "With the support of the Chairs of Commission on Housing Affordability, *the Department of Workforce Services Housing and Community Development Division is requesting \$100 million in funds* to bolster statewide affordable housing financing capacity through the Olene Walker Housing Loan Fund. All of the funds received will be disbursed through an existing competitive application process as loans with varying project-specific terms. As loan repayments are received, they will be redistributed to new loan applications for the same purpose." The funding is for the current fiscal year 2022. DWS historically has placed a 30-year deed restriction on all projects with PAB allocations; Utah Housing Corporation typically does 50-year deed restrictions if these tax credits are used. How to Measure Success? Facilitate the construction of 500 affordable housing units by allocating revolving loan funds to eligible projects by June 30, 2023.

### One-time Funding \$128M from American rescue Plan Act (ARPA) Federal Funds

**DWS - Deeply Affordable Housing** - Gov Budget: "With the support of the Commission on Housing Affordability, *the Department of Workforce Services, Housing and Community Development and the Office of Homeless Services is requesting \$127,838,200 in ARPA funds* to provide deeply affordable housing to the most vulnerable Utah residents throughout the State." The funding is for the current fiscal year 2022. How to Measure Success? The measure of success is the increased number of additional deeply affordable units with supportive services (case management). **Our goal is \$40,000 to \$50,000 per unit, which should generate approximately 2,560 to 3,200 additional deeply affordable supportive units by 12/31/2026.**

### On-going Funding \$322,200

**DWS - Office of Homeless Services Staffing Funding** - Gov Budget: "This budget request is to get the funding that was not approved and appropriated during the 2021 Session to fund the staffing level necessary to accomplish the goals and statutory requirements of the Office of Homeless Services. The request equates to three additional full-time employees. **How to Measure Success?** Three staff hired by the fall of 2022 to support the ongoing efforts within the Office of Homeless Services as well as support the Local Homeless Councils around the state. An immediate measure of success and goal is that all 13 Local Homeless Councils create and implement strategic plans that are aligned with the state strategic plan by December 31, 2023.

### On-going Funding \$5M

**DWS - Homeless Shelter Cities Mitigation Funds** - Gov Budget: "Utah Code 35A-16-304, 35A-16-305 and 35A-16-306 establishes the Homeless Shelter Cities Mitigation Restricted Account (Mitigation Account) and the guidelines for how funds are distributed. To qualify for grants, a city must have a shelter as defined in code and use the funds to mitigate impacts of having the shelter located within their boundaries. There are two application processes. The Municipality and the Grant application process. Currently, the Mitigation Account is funded by cities across the state that don't have shelter. This budget request is to increase the funding available for mitigation.

Budget Note - If approved, the General Funds for this request would need be appropriated to the Homeless Shelter Cities Mitigation Restricted Account, 1049 then appropriated from that account to The Office of Homeless Services, NOAA/NOA. 1049 is not an option in Budget Prep to add the General Funds appropriation, but the Mitigation Account (1049) to NOA has been entered." How to Measure Success? All cities with a minimum requirements for city size and shelter size receive funding to mitigate the public safety and emergency services impact that a shelter may bring to a community.

Note: Performance measures vary from municipality to municipality based on the data systems and reporting structures in place. Therefore, contract performance measures for each funded municipality are negotiated between the municipality and the Office of Homeless Services.

### **One-time Funding \$2M**

**DWS – Affordable Housing Support:** “Funding will provide capacity for Salt Lake Valley Habitat for Humanity to build affordable, energy efficient homes, at the EcoCommunity development in Kearns.” **How to Measure Success:** Approval of this program will provide housing for eight homes (four 5-bedroom homes/four 3-bedroom homes).

### **One-time Funding \$10M**

**DWS – Affordable Housing Funding for GOEO:** "Assistance with startup funding for Momentum Modular, a Volumetric Modular Building Company that will focus on affordable housing with a capacity of up to 2,000 doors. The costs to start are prohibitive without support from the State in addition to our partner developers and builders." **How to Measure Success?** "Year 1 production = 500+ Modules = 1,000+ doors (1.5/day by year end) Year 2 production = 650+ Modules = 1,300+ doors (2.5/day by year end) Year 3 production = 1,000+ Modules = 2,000+ doors (4/day by year end) Year 4 production = 1,250+ Modules = 2,500+ doors (5/day by year end) Production at maturity = 5/day ongoing."

### **One-time Funding \$5.8M**

**DWS - Homeless Resource Center Loan Repayment** - "This is a request for one-time funding to pay off a portion of the remaining debt on the homeless resource center. This appropriation is ARPA eligible." **How to Measure Success?** Pay off the loan.

### **One-time Funding \$15M**

**DWS - Affordable Housing Gap Financing** - "There is an acute shortage of affordable housing statewide for households earning less than 80% of the area median income (AMI). This shortage is especially acute - over 40,000 units - for extremely low-income renter households (30% AMI or less) 72% of whom pay over half of their income on rent. This appropriation to the Olene Walker Housing Loan Fund (OWHLF) would be used for gap financing loans that would leverage tax credits, bonds, and other public and private funds to construct subsidized, deed restricted affordable housing in urban and rural Utah." **How to Measure Success?** "Additional funding of \$15 million will allow support for construction of more than 1,000 new units of housing affordable to households earning 60% or less of the Area Median Income."

### **One-time Funding \$186M**

**DWS - Deeply Affordable Housing and Wraparound Services** - "With increasing housing costs, many are being priced out of the market. This request is to help create housing units that could be utilized by some of the most vulnerable populations in the state." **How to Measure Success?** "Increased stock of housing units that are affordable."

### **One-time Funding \$3M**

**DWS - Development of Sober Living Housing** - "There is a lack of sober living housing available to individuals in early recovery that are entering the community after substance use treatment in a residential facility or incarceration. A site has been identified for purchase that will be renovated and will accommodate up to 9 families and 25 individuals. Additional acreage surrounding the property is available for future expansion of housing options. Three million dollars has been secured for the project, and a projected two million has been committed from other funding sources. The funding request of \$3 million dollars would finalize the acquisition of the existing structure." **How to Measure Success?** "The goal of the project is to increase the number of households that remain sober and stably housed. The project will measure success by the amount of families that are able to remain self-sufficient, without relapse and remain free from criminal involvement one year after program exit. One way to measure this, is to have 70% of households remain substance free and stably housed upon completion of the program."

**One-time Funding \$29M**

**DWS - Housing and Wraparound Services for Formerly Incarcerated Individuals With Families** - "Finding housing is the biggest challenge formerly incarcerated individuals face alongside securing employment, obtaining medical care and avoiding substance abuse. This program would provide temporary assistance to help these individuals during this transition time as to become self-sufficient. This service will be available to formerly incarcerated who have spouses/partners and/or children who cohabitate with them." Chairs propose using \$6.0 million from TANF for this item thereby lowering the one-time request from \$35.0 to \$29.0 million. **How to Measure Success?** "Fewer instances of children living in dangerous, substandard housing due to the difficulty of the formerly incarcerated to access housing opportunities."