



DEPARTMENT OF
Workforce Services
Budget Reduction



Kevin Burt — Department of Workforce Services, Deputy Director

Colonel Gary Harter - Department of Veterans and Military Affairs, Executive Director

2024 General Session

Special Administrative Expense Account (SAEA) (Line 24)

The SAEA consists of penalties and interests collected in association with the unemployment insurance program. Because these funds were collected through unemployment, DWS has always focused them (with Committee support) on reemployment efforts.

- This is not a funding request, the funding is already available
- DWS annually seeks spending authority to continue the programs
- Annually they are introduced as potential reductions / repurposing
- If repurposed, each of these reemployment programs would be discontinued (or become funding requests)
- Any use of the SAEA funds requires administrative reimbursement to unemployment insurance for identification and collection



SAEA Funded Programs

ACE (Accelerated Credentialing to Employment) Program

- Program serves veterans, active military personnel, active drilling members of the Guard and Reserve, and their spouses
- SFY23 Outcomes - 142 outreach events, 287 employment placements, 360 veterans in training, 132 veterans / spouses obtained licenses / certificates

Apprenticeships

- SFY23 Outcomes - 26 apprenticeship programs developed, 1,931 new apprentices enrolled, 841 apprenticeships completed

Workforce NOW and Labor Exchange Modernization

- DWS Labor Exchange has approximately 35,000 open jobs, 225,000 active job seekers and offers free services to Utah's nearly 104,000 employers
- Response to current needs - "HOT Jobs", virtual job fairs, targeted youth campaign (58,000 clicks to update resume and improve work skills)



Veteran Accelerated Credentialing to Employment (ACE) Program

Colonel Gary Harter - Department of Veterans and Military Affairs, Executive Director





DEPARTMENT OF
Workforce Services
Funding Requests



Casey Cameron — Executive Director

Wayne Niederhauser — State Homeless Services Coordinator

Steve Waldrip — Senior Advisor for Housing Strategy and Innovation

2024 General Session



Summer Meals for K-12 Students SNAP Summer EBT

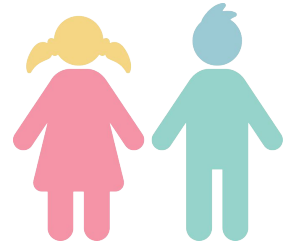
Line 17



Pandemic SNAP (Food Stamps) Summer EBT

(Line 17)

Pandemic food program for children that are income eligible for the free and reduced school lunch program



- Approximately 208,000 eligible children across the state
- Each eligible child receives \$120 for summer food purchases - \$25M total
- Money is made available on a SNAP (Food Stamps) EBT card, limited to food purchases
- Benefit and administrative costs were 100% federally funded, program ended after the 2022-2023 school year

Utah State Board of Education (USBE) collects and provides eligible children names to the Department of Workforce Services (DWS), DWS processes the payment (in coordination with the Department of Technology Services – DTS), and the payment is provided on the EBT card



Summer EBT Program (Line 17)



Optional federal / state partnership program that is similar to the Pandemic Summer EBT

- Summer EBT administrative federal match is 50%
- Summer EBT does not allow USBE to charge any related administrative expenses to the Free and Reduced lunch program
- A new application is needed for home and private schooled children to apply
- Benefit remains 100% federally funded

Budget request includes all DWS, USBE and DTS administrative costs

- One-Time SFY 2024 - \$1,110,400
- Ongoing SFY 2025 - \$745,100
- Total Income Eligible Children – 208,000 (annually)
- Total Benefits Issued - \$25,000,000 (annually) – 100% federally funded





Olene Walker Housing Loan Fund

Line 46

Housing and Community Development Staff

Line 6



DWS Funding Requests



Olene Walker Housing Loan Fund

(Line 46) - \$5,000,000 Ongoing

- Well established revolving loan program used for GAP financing
- All funded items will be 30-40 year deed restricted
- Serve up to 60% Area Median Income with prioritized small projects in rural Utah
- GAP funding supports 1,850 additional affordable units annually

Housing and Community Development Staff

(Line 6) - \$238,000 Ongoing

- 2023 General Session – 11 total appropriations, 9 for new programs to Housing and Community Development
- Monitored 30-50 years with no administrative funding provided
- DWS's only staffing request (2 positions) to better support these ongoing programs



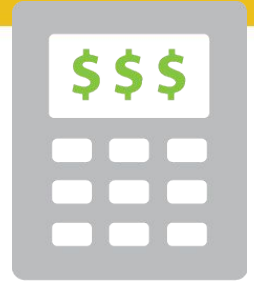


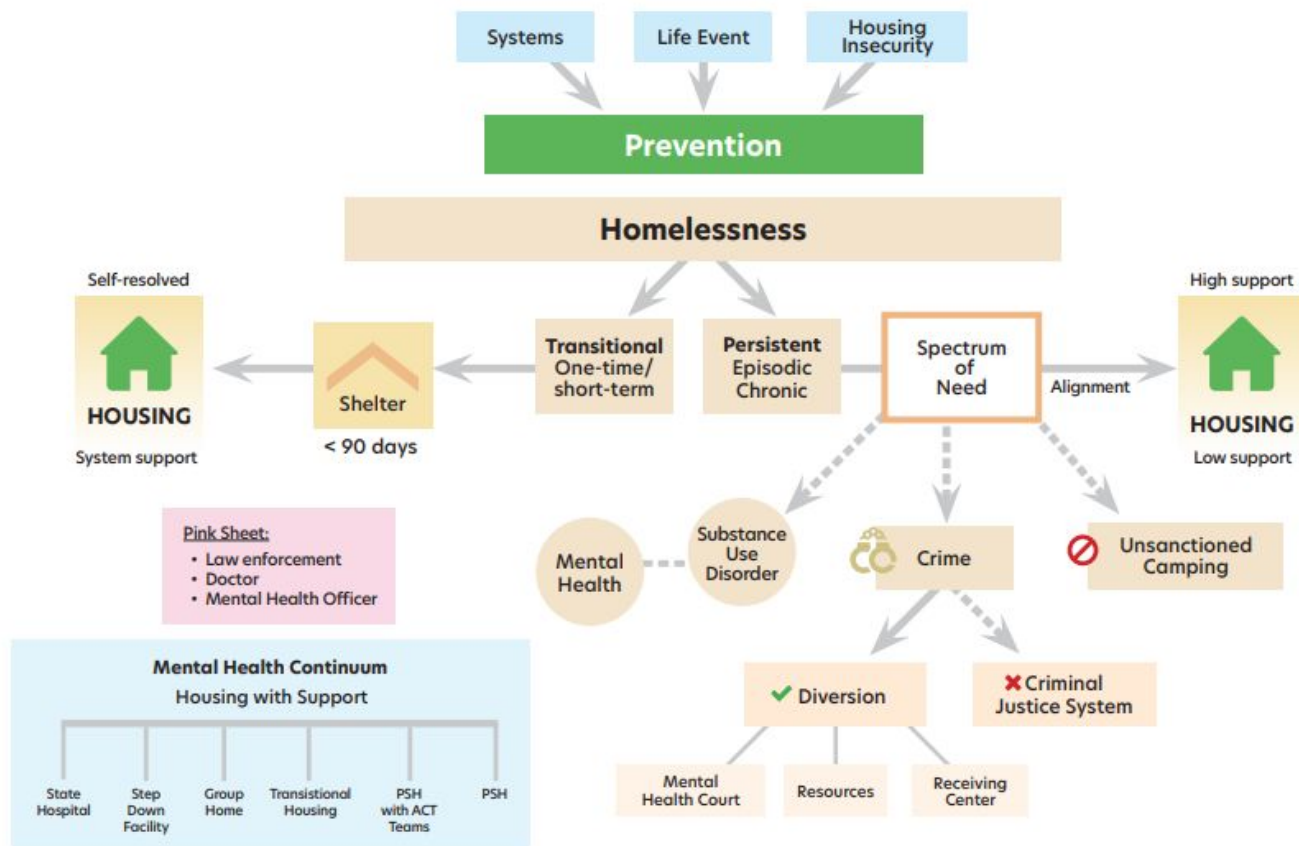
**WORKFORCE
SERVICES**
HOMELESS SERVICES

Office of Homeless Services

Homeless Services Budget Recommendations

- Governor's budget recommendations made collaboratively with Department of Health and Human Services, Department of Corrections, and Department of Commerce.
- Takes a comprehensive approach to address needs identified across the state in:
 - Public safety
 - Behavioral health - mental health and substance use
 - Emergency shelter and services
 - Housing
- Governor's budget funding source recommendation - Line item for Alcoholic Beverage Services
 - Round-up for Pamela Atkinson Homeless Trust Fund





Low Barrier Shelter Development

(Line 10)

\$25,000,000 - one-time

Purpose: Identified need to reduce unsheltered homelessness and to support public safety efforts.

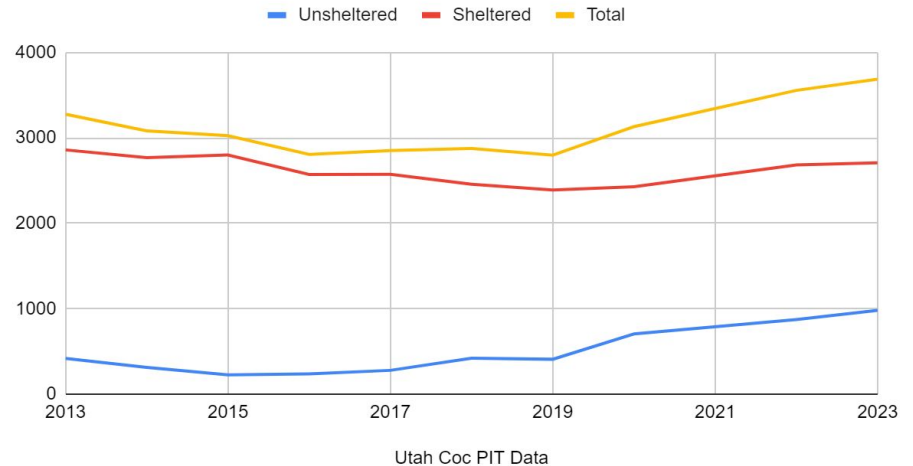
2023 Utah Point in Time Count:

- **3687** individuals experiencing homelessness throughout the state
 - **980 unsheltered**
 - **2707 sheltered**
- Increases across the state

Funding for:

- Property and building acquisition
- Infrastructure
- Development and construction
- Capital Costs
- Design

Utah Point in Time Count (PIT) Data



Low Barrier Shelters Operations Over Three Years

(Line 11)

\$33,900,000 - one-time used over three years

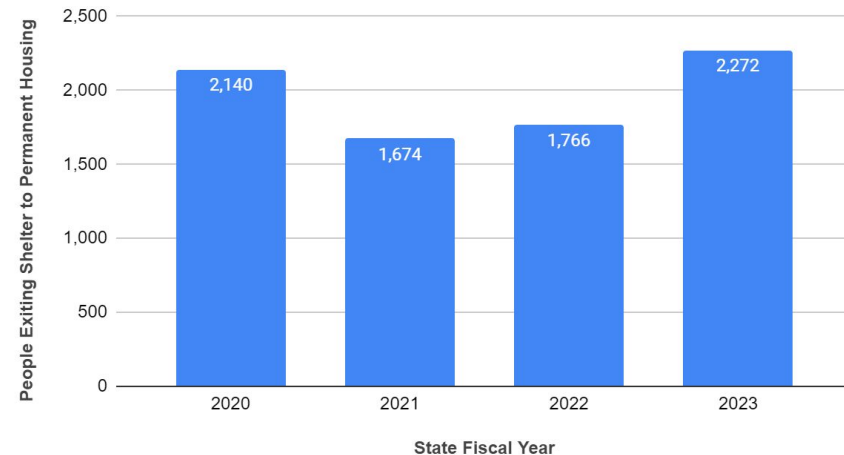
Purpose: Operations for additional low barrier shelter needs throughout the state. Funding will be leveraged with other sources.

Identified need: Funding analysis for an additional site to serve 600-800 individuals estimated \$13+ million per year.

Funding for:

- Operations over 3 years
 - Front-line staff
 - Behavioral health staff
 - Security
 - Street outreach
 - Food
 - Property management
 - Utilities
 - Transportation

Number of People Recorded as Exiting Shelter to Permanent Housing



Non-Congregate Shelters Operations Over Three Years

(Line 12)

\$27,300,000 - one-time used over three years

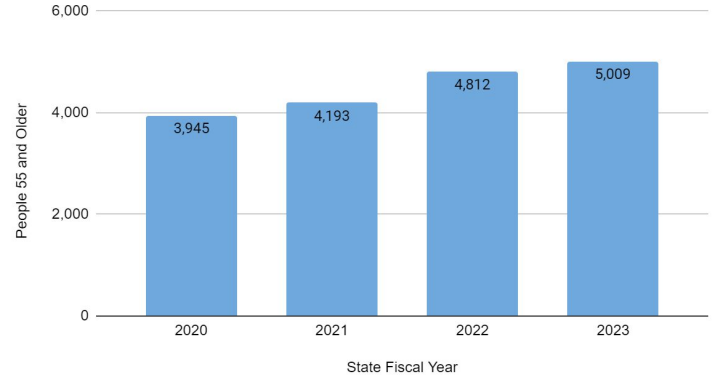
Purpose: Sites have been identified to serve medically vulnerable senior population, and families. Operations funding will be leveraged with other sources.

- **Senior homelessness is increasing**
 - **27% increase** since 2020
 - Increase of 1,064 individuals
- **Family homelessness is increasing**
 - **27% increase** since 2020
 - Increase of 2,309 individuals
- **Youth homelessness is increasing**
 - **59% increase** since 2020
 - Increase of 259 youth since 2020

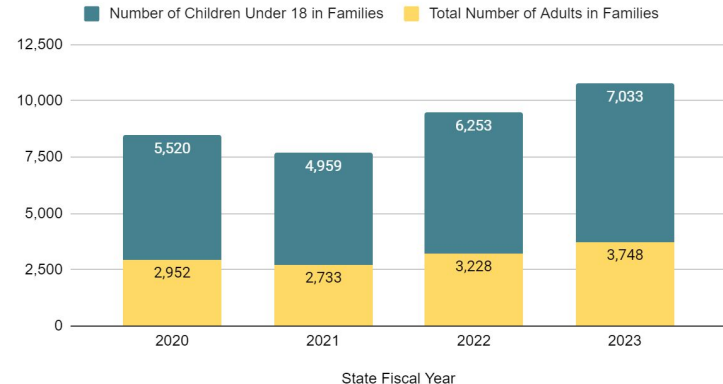
Funding for:

- Operations over 3 years:
 - Microshelter site - UDOT property
 - Medically Vulnerable Populations - Sandy City
 - Family non-congregate - South Salt Lake City

Seniors 55 and Older



Adults in Families and Children Under 18 in Families



Shelter Cities Mitigation

(Line 48)



\$2,500,000 - ongoing

Purpose: The Homeless Shelter Cities Mitigation (HSCM) restricted account provides funding to mitigate the impacts for eligible shelter cities

In 2023, the legislature allocated \$2,500,000 in one-time funding to the Homeless Shelter Cities Mitigation account to be distributed in FY24; OHS is seeking an ongoing commitment of \$2,500,000

Funding for:

- Public safety services
- Emergency services
- Direct services and street outreach

Eligibility for funding:

- First and second class counties with an eligible shelter
- Third through sixth class counties with an eligible shelter
- Winter response - Eligible counties providing temporary shelter

FY24 Participating Cities:

- Cedar City
- Logan City
- Midvale City
- Ogden City
- Richfield
- Salt Lake City
- South Salt Lake City
- St. George City



Shelter Your Neighbor - Public Education and Outreach

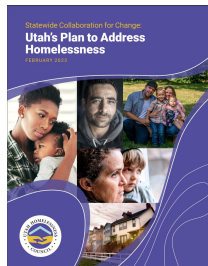
(Line 7)

\$250,000 - one-time

Purpose: Match for philanthropic public education effort. This is a \$1,000,000 marketing campaign with the state participating at 25%.

Collaboration with the Office of Homeless Services, Salt Lake City, Salt Lake County, and Utah Impact Partnership to support a public education effort.

Background: The state strategic plan, [Utah's Plan to Address Homelessness](#) has identified the following goal:



By 2024, the state of Utah will launch a statewide social marketing campaign to change perceptions around homelessness and to lessen community resistance to development of new permanent housing for people experiencing homelessness. (page 7)



Statewide Homeless Systems Support

(Line 15)

\$10,000,000 - ongoing

Purpose: To equalize and maintain services throughout the state.

In coordination with the Local Homelessness Councils, the Office of Homeless services has developed a funding formula for the FY25 competitive grant process in order to equitably distribute funding.

Funding for:

- Emergency Shelter
- Homeless Prevention
- Permanent Supportive Housing
- Rapid Rehousing
- Street Outreach
- Transitional Housing
- Medical services



FY23 Outcomes for State Homelessness Funding Competitive Grant



- **Emergency Shelter**

- 14,798 Utahns served
- 2,667 individuals exited to permanent housing
- 59% of those served stayed in these projects for 30 days or less

- **Homelessness Prevention**

- 423 Utahns served
- 193 people exited to permanent housing

- **Permanent Supportive Housing**

- 1,874 Utahns served
- 179 individuals exited to permanent housing
- 93% maintained housing or moved on to other permanent housing

- **Rapid Rehousing**

- 704 Utahns served
- 155 entered housing
- 466 individuals exited to permanent housing

- **Street Outreach**

- 3,103 Utahns served
- 283 individuals exited to more stable housing

- **Transitional Housing**

- 314 Utahns Served
- 104 individuals exited to permanent housing



Winter Response and System Stabilization

(Line 13)



\$28,800,000 - one-time used over three years

Purpose: Counties of the second class are required to have a winter response plan in August 2024. This will create additional cost for winter and code blue response. Additionally, emergency shelters throughout the state lack sufficient funding for operations.

Funding for: Maintenance and expansion of winter response and emergency shelter throughout the state.

Winter 2023-2024 Response:

- \$5,300,000 one-time funding used this winter to support efforts throughout the state
 - Warming centers in Cache and Utah counties
 - Hotel/motel vouchers for counties without emergency shelter options - Carbon, Davis, Emery, Washington, Weber counties
 - Microshelter site in Salt Lake City (50 individuals)
 - Additional site in West Valley City (170 individuals)
 - Code blue sites
 - 25-35% increase in number of people served at emergency shelters (flex 175-245 individuals)
 - Salt Lake County site at Valley Behavioral Health (50 individuals)
 - Salt Lake City site on 2nd and 2nd United Methodist Church (85 individuals)
- There have been more code blue nights called this winter than anticipated, creating additional costs.



Counties of the Second Class Required to Submit Winter Response Plans by August 1, 2024

Data shows that people primarily access shelter where they last reported a stable address.

County	*Last Stable Zip Code	2023 Point in Time Count Unsheltered
Davis	200+	45
Utah	124+	106
Washington	25+	171
Weber	134+	76

*During the 2022-2023 winter period, people who last reported a stable address in counties of the second class and accessed emergency shelter in a different county.



Deeply Affordable Housing Grants

(Line 16)

\$10,000,000 - one-time

Purpose: To fund the creation of housing units for individuals at 30% Area Median Income (AMI) and below. In FY24, additional focus is being placed on households experiencing chronic homelessness and families experiencing homelessness

Utah has a **deficit of 77,000** units at 30% AMI or below, meaning that there are three (3) units for every 100 individuals in need of deeply affordable housing. (Gardner Institute)

Funding for:

- Development of deeply affordable housing units
- Supportive services to households residing in designated units (requirement of funding)



Outcomes:

- FY23 \$55,000,000 - 16 projects funded creating a total of 1,069 units
 - 325 units currently operational
- FY24 \$47,738,855 - 15 projects funded creating a total of 526 units
 - 53 units currently operational
 - 928 units in total are dedicated to homelessness to be operational by 2026



Table 2: Cumulative Rental Unit Deficit/Surplus by Area Median Income, by County, 2022

	80%-50% AMI		50%-30% AMI		<30%	
	Unit Deficit/Surplus	Units Available/ 100 Household	Unit Deficit/Surplus	Units Available/ 100 Household	Unit Deficit/Surplus	Units Available/ 100 Household
Beaver	165	369	101	664	-102	4
Box Elder	1,432	228	27	103	-1,057	5
Cache	4,351	221	-783	79	-3,084	7
Carbon	1,019	407	272	163	-945	6
Davis	7,811	219	-444	91	-5,469	4
Duchesne	494	257	211	203	-399	7
Emery	279	332	211	223	-286	3
Garfield	72	141	60	177	-80	9
Grand	450	232	-2	99	-468	3
Iron	1,664	216	-451	62	-1,567	2
Juab	286	293	1	101	-223	5
Kane	349	341	-93	35	-193	0
Millard	348	233	140	160	-254	13
Morgan	194	402	30	134	-56	14
Piute	22	312	-11	49	-12	6
Rich	60	386	-2	93	-24	7
Salt Lake	42,957	234	-12,803	55	-34,935	1
San Juan	460	355	-10	88	-214	0
Sanpete	587	210	249	173	-394	8
Sevier	555	242	160	175	-469	3
Summit	814	216	240	158	-724	7
Tooele	1,140	241	132	116	-723	10
Uintah	968	250	109	119	-784	6
Utah	17,217	218	-4,043	69	-13,639	3
Wasatch	595	184	89	119	-512	10
Washington	4,295	201	-2,621	41	-3,780	2
Wayne	132	415	4	106	-44	8
Weber	6,893	217	777	115	-6,702	7
State Total	95,610	227	-18,449	72	-77,140	3



Affordable & Deeply Affordable Housing Need

-77,140 deeply affordable units

What does 30% AMI or below mean for our most vulnerable Utahns?

- Average Social Security payment is \$1,706/mo = \$20,472/year
- Average Social Security Disability payment is \$1,474/mo = \$17,688/ year



Deeply Affordable Rent vs. Fair Market Rent

County	ONE PERSON				FAMILY			
	30% Area Median Income (AMI)	Affordable Rent by 30% AMI	*Fair Market Rent (FMR) 1 Bedroom	Difference -Gap- Need to be filled with assistance	30% Area Median Income (AMI)	Affordable Rent by 30% AMI	*Fair Market Rent (FMR) 3 Bedroom	Difference -Gap- Need to be filled with assistance
Cache County	\$18,350	\$459	\$748	-\$289	\$30,000	\$622	\$1,325	-\$704
Daggett County	\$22,450	\$561	\$670	-\$109	\$32,050	\$721	\$1,095	-\$374
Davis County	\$22,350	\$559	\$1,032	-\$473	\$31,900	\$719	\$1,734	-\$1,015
Duchesne County	\$18,350	\$459	\$711	-\$252	\$30,000	\$622	\$1,138	-\$517
Morgan County	\$22,350	\$559	\$1,032	-\$473	\$31,900	\$719	\$1,734	-\$1,015
Rich County	\$18,350	\$459	\$670	-\$211	\$30,000	\$622	\$1,095	-\$474
Salt Lake County	\$22,300	\$558	\$1,258	-\$701	\$31,800	\$716	\$2,061	-\$1,345
Summit County	\$29,750	\$744	\$1,180	-\$436	\$42,500	\$956	\$1,890	-\$934
Tooele County	\$20,650	\$516	\$846	-\$330	\$30,000	\$664	\$1,520	-\$856
Utah County	\$20,850	\$521	\$1,009	-\$488	\$30,000	\$670	\$1,643	-\$973
Washington County	\$18,450	\$461	\$1,011	-\$550	\$30,000	\$622	\$1,734	-\$1,113
Weber County	\$22,350	\$559	\$1,032	-\$473	\$31,900	\$719	\$1,734	-\$1,015

*A FMR is generally calculated as the 40th percentile of gross rents for regular, standard-quality units in a local housing market. **Real market rents are much higher.**



Deeply Affordable Stabilization Grants

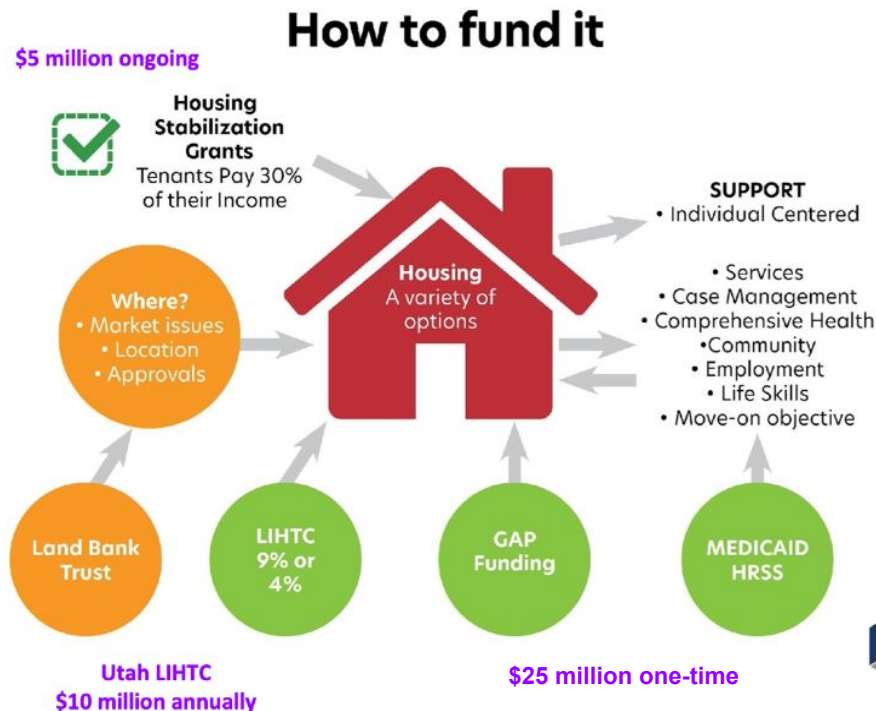
(Line 14)

\$5,000,000 - ongoing

Purpose: Increase the supply of deeply affordable units by providing sufficient rental subsidies to projects that serve households at or below 30% of the Area Median Income (AMI) and also provide those households with supportive services.

Outcomes:

- Round 1 resulted in 6 projects being awarded \$1,305,648 in annual funding to provide rental subsidy to 134 new deeply affordable units
- Round 2 funding is currently open for applications. 29 projects have submitted letters of intent for this application cycle, representing 764 new deeply affordable units across the state





DEPARTMENT OF
Workforce Services



Steve Waldrip — Senior Advisor for Housing Strategy and Innovation

2024 General Session

FY25 - Governor's Budget Requests



SFY 2025 One-Time Funds

Program	General Funds
First Time Home Buyer Program	\$50,000,000 one-time
Statewide Affordable Housing Construction	\$250,000 one-time
Utah First Homes	\$25,000,000 one-time
Utah Housing Preservation Fund	\$10,000,000 one-time



First-time Home Buyer Program - \$50,000,000

(Line 45)

- One-time funding to the First-time Homebuyer Assistance Program established during the 2023 General Session
- Assist more Utahns in securing their first home through downpayment assistance, interest rate buy-downs and closing costs
- Success will be measured by the number of households obtaining homeownership.
- 37,000 renter households could afford to buy a home at \$450,000*
- 2023 funding resulted in 440 closed loans with 68 in process

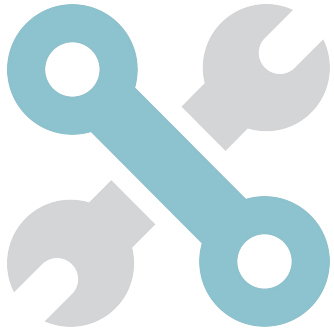


*Based upon an estimate from Kem C. Gardner staff



Statewide Affordable Housing Construction - \$250,000

(Line 8)



- One-time funding to assist with land acquisition, infrastructure development and other costs to assist with affordable housing construction throughout the state
- All 5 Habitat for Humanity affiliates receive an equal portion of the funding to assist with low-income homeownership
- Success will be measured by the number of households assisted in obtaining homeownership



Utah First Homes - \$25,000,000

(Line 9)

One-time funding for three proposed programs:

- Starter Home Innovation Fund: Identify and promote innovations in starter home planning, design, permitting, and construction
- Sweat Equity Programs:
 - Additional funding for rural sweat equity programs
 - Establish an Urban Sweat Equity Program
- Community Land Trust: Funding to establish additional land trusts throughout the state.



Utah Housing Preservation Fund - \$10,000,000

(Line 47)

- UHPF is a public-private partnership that purchases currently affordable housing units to ensure they remain affordable
- Preservation prevents naturally occurring or previously deed restricted and publicly funded affordable housing from becoming market rate, preventing tenant displacement.
- Q3 2023
 - Units Preserved: 768
 - Average AMI: 51%

