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# REQUESTS FOR APPROPRIATIONS: HOUSING AFFORDABILITY

— Representative Stephen Whyte —

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# Deeply Affordable Housing - \$50M 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

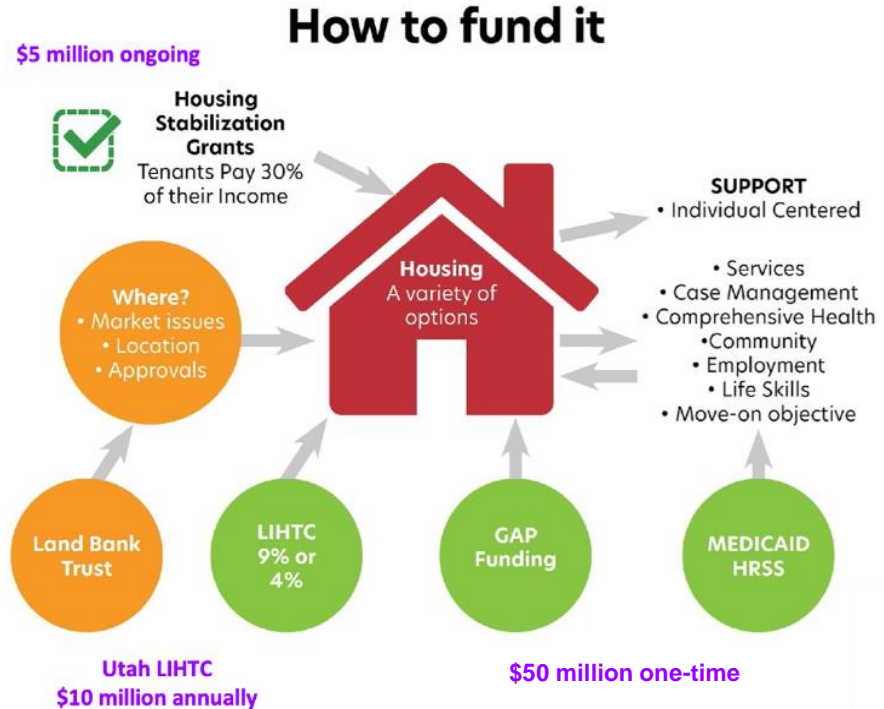
Request was prioritized by the Commission on Housing Affordability, endorsed by the Unified Economic Opportunity Commission and listed in the Governor's budget at \$25M One Time.

# Deeply Affordable Stabilization Grants - \$15M 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



Request was prioritized by the Commission on Housing Affordability, endorsed by the Unified Economic Opportunity Commission and listed in the Governor's Budget for \$5M ongoing.

# Shelter Cities Mitigation - \$2.5M 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



# Housing Development GAP Financing - \$10M Ongoing

Department of Workforce Services, Olene Walker Housing Loan Fund 'Last Dollar In' to assist ~1,800 units per year

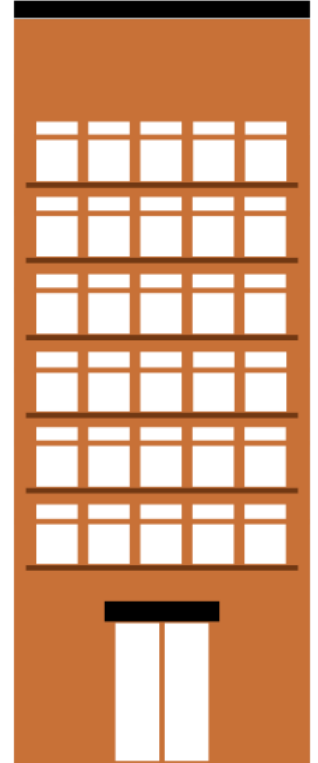
## Problem:

Interest rate hikes and inflated materials costs have created a situation where many shovel ready projects in the development pipeline may not be constructed thereby exacerbating our already deficient statewide affordable housing portfolio.

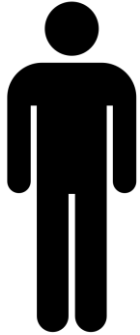


## Solution:

This funding, loaned at rates of up to 2.5%, will allow for stable low-cost funding in lieu of commercial rates thereby resulting in higher production and rehabilitation of affordable for-rent units. The funding will be recycled within the State of Utah as funds are repaid, the income stream is reallocated for additional targeted affordable for-rent housing units.



# DWS Support Staff - \$238,000 Ongoing



- Assist with the Moderate Income Housing Plan (MIHP) program.
- Prior to 2022, HCD was only required to 'check a box' when a MIHP was turned in.
- MIHP program now requires HCD staff to provide one-on-one technical assistance meetings with 95 municipalities and counties year round in addition to statewide training, MIHP approval/disapproval/tracking, and financial penalty/funding eligibility tracking.



- Manage new 2022-2023 programs created by the legislature.
- Staff funding was not provided to run these programs.
- Majority of funding for the Housing and Community Development Division is federal and cannot be used to run state programs.

Request was prioritized by the Commission on Housing Affordability, endorsed by the Unified Economic Opportunity Commission and listed in the Governor's budget for \$238,000 ongoing.

**Questions?**