

1 **HOUSING PILOT PROGRAM FOR LOW-INCOME STUDENTS**

2 2017 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Mike Winder**

5 Senate Sponsor: Howard A. Stephenson

6	Cosponsors:	Craig Hall	Elizabeth Weight
7	James A. Dunnigan	Karen Kwan	
8	Steve Eliason	Marie H. Poulson	

9

10 **LONG TITLE**

11 **General Description:**

12 This bill modifies provisions related to the Housing and Community Development
13 Division.

14 **Highlighted Provisions:**

15 This bill:

- 16 ▶ defines terms;
- 17 ▶ describes the requirements of a housing pilot program for low-income students;
- 18 ▶ requires the Department of Workforce Services and the Olene Walker Housing
19 Loan Fund Board to select a provider to develop and implement the pilot program;
- 20 ▶ describes reporting requirements related to the pilot program; and
- 21 ▶ provides a sunset date.

22 **Money Appropriated in this Bill:**

23 This bill appropriates:

- 24 ▶ to the Olene Walker Housing Loan Fund, as an ongoing appropriation
 - 25 • from the General Fund, \$250,000; and
- 26 ▶ to the Department of Workforce Services -- Housing and Community Development,



27 as an ongoing appropriation

- 28 • from the Olene Walker Housing Loan Fund, \$250,000.

29 **Other Special Clauses:**

30 None

31 **Utah Code Sections Affected:**

32 AMENDS:

33 **35A-8-505**, as last amended by Laws of Utah 2016, Chapter 131

34 **63I-1-235**, as last amended by Laws of Utah 2016, Chapter 43

35 ENACTS:

36 **35A-8-509**, Utah Code Annotated 1953



38 *Be it enacted by the Legislature of the state of Utah:*

39 Section 1. Section **35A-8-505** is amended to read:

40 **35A-8-505. Activities authorized to receive fund money -- Powers of the executive**
41 **director.**

42 At the direction of the board, the executive director may:

43 (1) provide fund money to any of the following activities:

44 (a) the acquisition, rehabilitation, or new construction of low-income housing units;

45 (b) matching funds for social services projects directly related to providing housing for
46 special-need renters in assisted projects;

47 (c) the development and construction of accessible housing designed for low-income
48 persons;

49 (d) the construction or improvement of a shelter or transitional housing facility that
50 provides services intended to prevent or minimize homelessness among members of a specific
51 homeless subpopulation; ~~and~~

52 (e) other activities that will assist in minimizing homelessness or improving the
53 availability or quality of housing in the state for low-income persons; and

54 (f) a housing pilot program for low-income students as described in Section
55 35A-8-509; and

56 (2) do any act necessary or convenient to the exercise of the powers granted by this part
57 or reasonably implied from those granted powers, including:

58 (a) making or executing contracts and other instruments necessary or convenient for
59 the performance of the executive director and board's duties and the exercise of the executive
60 director and board's powers and functions under this part, including contracts or agreements for
61 the servicing and originating of mortgage loans;

62 (b) procuring insurance against a loss in connection with property or other assets held
63 by the fund, including mortgage loans, in amounts and from insurers [it] the board considers
64 desirable;

65 (c) entering into agreements with a department, agency, or instrumentality of the
66 United States or this state and with mortgagors and mortgage lenders for the purpose of
67 planning and regulating and providing for the financing and refinancing, purchase,
68 construction, reconstruction, rehabilitation, leasing, management, maintenance, operation, sale,
69 or other disposition of residential housing undertaken with the assistance of the department
70 under this part;

71 (d) proceeding with a foreclosure action, to own, lease, clear, reconstruct, rehabilitate,
72 repair, maintain, manage, operate, assign, encumber, sell, or otherwise dispose of real or
73 personal property obtained by the fund due to the default on a mortgage loan held by the fund
74 in preparation for disposition of the property, taking assignments of leases and rentals,
75 proceeding with foreclosure actions, and taking other actions necessary or incidental to the
76 performance of [its] the board's duties; and

77 (e) selling, at a public or private sale, with public bidding, a mortgage or other
78 obligation held by the fund.

79 Section 2. Section **35A-8-509** is enacted to read:

80 **35A-8-509. Housing pilot program for low-income students.**

81 (1) As used in this section:

82 (a) "Centralized housing" means multifamily housing that:

83 (i) provides housing for higher education students in Salt Lake County; and

84 (ii) is not governed or owned by a college or university.

85 (b) "Eligible provider" means a nonprofit organization that:

86 (i) meets the requirements of developing and implementing a program as described in
87 this section; and

88 (ii) is not owned, operated, or governed by a single college or university.

89 (c) "Low-income student" means a student who:

90 (i) at the time of high school graduation lived in a household with a gross income at or
91 below 135% of the federal poverty level;

92 (ii) is actively pursuing a ~~four-year college or university degree~~ **postsecondary**
92a **degree or certificate** ; and

93 (iii) is selected to participate in the program.

94 (d) "Program" means a housing pilot program for low-income students as described in
95 this section.

96 (2) Subject to legislative appropriations or donations to the fund specifically for the
97 program and subject to the board determining there is an eligible provider that meets the
98 requirements of this section, on or before August 1, 2017, the board shall select, with the
99 assistance of the executive director and the director, an eligible provider to develop and
100 implement a housing pilot program for low-income students.

101 (3) The program shall provide:

102 (a) centralized housing near a main transportation corridor in Salt Lake County for
103 each low-income student with no initial cost to the low-income student and that does not
104 require the low-income student to go into debt for the housing;

105 (b) a code of conduct for low-income students designed to facilitate the students'
106 emotional and physical health, including adequate sleep, exercise, and nutrition;

107 (c) upper-level and postgraduate mentors living onsite with low-income student
108 tenants;

109 (d) early and ongoing academic planning for each low-income student, including an
110 online help desk available 24 hours a day, seven days a week;

111 (e) ongoing life skills training sessions for low-income students conducted by
112 professionals and program mentors, including training in time management, professional
113 communication, personal financial management, emotional self-regulation, and physiological
114 health;

115 (f) successive summer internship opportunities throughout each low-income student's
116 participation in the program; and

117 (g) job placement and career networking assistance upon graduation.

118 (4) An eligible provider selected to develop and implement a program shall:

119 (a) provide matching funding from outside investors or donors at least equal to money

120 awarded to the provider from the fund; and

121 (b) have demonstrated experience providing a similar mentor-based program of support
 122 to students from low-income households at a four-year college or university in the state where
 123 the students from low-income households do not incur student loan or other debt and pay no
 124 out-of-pocket expenses to the provider.

125 (5) In addition to the other requirements of this section, in selecting low-income
 126 students for the program, an eligible provider may select students based on an application
 127 process developed by the eligible provider, high school grade point average, ACT or other
 128 college entrance examination scores, written essays, and in-person interviews.

129 (6) On or before October 1, the provider, with the assistance of the department, shall
 130 provide an annual written report to the Economic Development and Workforce Services
 131 Interim Committee that describes:

132 (a) how many low-income students are being served by the program and the students'
 133 progress in obtaining ~~H~~→ **[four-year college or university degrees]** **postsecondary degrees or**
 133a **certificates** ←~~H~~ , internships, and job opportunities;

134 (b) the success in attracting outside investors and donors to contribute to the program;

135 (c) the total cost of the program relative to the number of low-income students served;

136 and

137 (d) recommendations whether the program should be continued or if changes should be
 138 made to improve the program.

139 Section 3. Section **63I-1-235** is amended to read:

140 **63I-1-235. Repeal dates, Title 35A.**

141 (1) Subsection **35A-4-312(5)(p)** is repealed July 1, 2017.

142 (2) Title 35A, Chapter 5, Part 4, Career and Technical Education Board, is repealed
 143 July 1, 2018.

144 (3) Section **35A-8-509** is repealed July 1, 2021.

145 Section 4. **Appropriation.**

146 The following sums of money are appropriated for the fiscal year beginning July 1,
 147 2017, and ending June 30, 2018. These are additions to amounts previously appropriated for
 148 fiscal year 2018. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures
 149 Act, the Legislature appropriates the following sums of money from the funds or accounts
 150 indicated for the use and support of the government of the state of Utah:

151	<u>ITEM 1</u>		
152	<u>To Fund and Account Transfers -- General Fund -- Olene Walker Housing Loan Fund</u>		
153	<u>From General Fund</u>		<u>\$250,000</u>
154	<u>Schedule of Programs:</u>		
155	<u>Olene Walker Housing Loan Fund</u>	<u>\$250,000</u>	
156	<u>ITEM 2</u>		
157	<u>To Department of Workforce Services -- Housing and Community Development</u>		
158	<u>From Olene Walker Housing Loan Fund</u>		<u>\$250,000</u>
159	<u>Schedule of Programs:</u>		
160	<u>Housing for low-income students pilot program</u>	<u>\$250,000</u>	

Legislative Review Note
Office of Legislative Research and General Counsel