



COUNCIL STAFF REPORT

CITY COUNCIL of SALT LAKE CITY

TO: City Council Members

FROM: Ben Luedtke, Senior Analyst

DATE: March 5, 2024

Project Timeline:

Set Date: February 20, 2024
1st Briefing & Public Hearing: March 5, 2024
2nd Briefing: March 19, 2024
3rd Briefing: April 2, 2024 (if needed)
Potential Adoption Vote: April 9, 2024

RE: Annual U.S. Housing and Urban Development (HUD) Grant Funding Allocations 2023-2024: Community Development Block Grants (CDBG), Emergency Solutions Grants (ESG), HOME Investment Partnership Program (HOME) and Housing Opportunities for Persons With AIDS (HOPWA)

ISSUE AT-A-GLANCE

The U.S. Housing and Urban Development (HUD) Department's annual grant programs are one of the most significant non-pandemic related ongoing funding sources the City receives from the Federal Government. Fiscal Year 2025 is the last year subject to the 2020-2024 Consolidated Plan which identifies funding goals, strategies, and a targeted area for spending CDBG dollars on public infrastructure and economic development. The relevant advisory boards have reviewed and the Mayor has recommended a list of grant awards (see attached funding log). The Council will make the final grant awards decision. See the additional info section for the goals and strategies applications must advance to qualify for these grant funds which is also provided on the last page of the Attachment 2 funding log. See Attachment 3 for a map of the target area. The Council is scheduled to hold a hybrid public hearing on Tuesday, March 5 to hear from the public and grant applicants regarding community needs for the 2024-2025 funding cycle.

As seen in most years, the requested funding from applicants is significantly greater than available funds. Requests are 208% of available funding: \$17,891,136 is requested compared to \$8,590,365 in available funding. HUD has not confirmed the City's final awards so estimates based on the amounts last year are used. The timing of HUD announcing final awards is unknown in part because of uncertainty around Congress passing a new Federal budget. The resident advisory boards provided contingency recommendations in the event funding is more or less than estimated. The board's recommendations are shown on the Funding Log at the end of each grant and a summary table in the additional info section below. The table below summarizes requested and available funding by grant.

Grant	Request	Available	Requests as % of Funding Available
CDBG	\$ 10,268,630	\$ 5,197,763	198%
ESG	\$ 962,608	\$ 303,100	318%
HOME	\$ 5,487,156	\$ 2,156,661	254%
HOPWA	\$ 1,172,742	\$ 932,841	126%
TOTAL	\$ 17,891,136	\$ 8,590,365	208%



Inclusion of One-time Federal Pandemic-related Funding

(\$287,752 of CDBG-CV from the CARES Act recaptured after not being used, and \$1,501,608 of HOME-ARPA for rental assistance)

This year, the Administration also included two separate funding categories of one-time federal pandemic-related funding. \$287,752 of one-time CDBG-CV funding authorized by the CARES Act (labeled “CV” for coronavirus to distinguish from regular annual CDBG funds). The Council originally appropriated these and other CARES Act funds in FY2021. The \$287,752 was recaptured after the original awards were not used. The resident advisory board and the Administration recommend a new open and competitive application process for the CDBG-CV funds or targeted outreach to annual CDBG applicants to determine whether they have eligible expenses. The single application for these funds scored low and the Board stated it's not a good fit for these one-time public funds in part because the proposed uses are a for-profit business and a national service area instead of locally focused.

The other one-time federal pandemic-related funding category is \$1,501,608 of HOME-ARPA funding authorized by the American Rescue Plan Act or ARPA. In March 2023, the Council identified the \$1.5 million for rental assistance. Six applications were received for these funds and the full \$1.5 million is proposed to be awarded across all applicants. The total requested funding is \$2,303,635 which is 153% of the available funding.

Goal of the briefing: *Discuss the Council's federal grant priorities, receive a briefing about funding recommendations, ask questions about applications, and award funding to eligible programs and projects.*

Scoring Applications and Funding Recommendations

Projects receive scores and funding recommendations from the Community Development and Capital Improvement Program or CDCIP resident advisory board. The advisory board funding recommendations are provided to the Mayor and City Council. The Council receives another set of funding recommendations from the Mayor. The final decision is made by the Council for grant award amounts. Attachment 1 shows projects ranked by the combined score within each grant category.

Attachment 2 is the funding log for all four annual HUD grants and the two one-time federal pandemic-related grants. The funding log has more details than Attachment 1 such as project and program descriptions and prior year award amounts for returning applications. The funding log combines advisory board and Administration scores as shown in the far-right column where maximum potential scores are also shown.

A Single Difference between Mayoral and Board Recommendations

This year, the advisory board and mayoral funding recommendations are identical except for one difference in the CDBG housing category. The board recommended \$220,000 for CDBG Housing #6 Fix the Bricks which funds the federally required local match for low and moderate income residents to participate in the seismic retrofits program. The Mayor recommended the \$220,000 to CDBG Housing #8 Shared Equity Program / Community Land Trust. The Administration stated the Community Land Trust has fewer funding options currently than Fix the Bricks, maintaining affordable housing is a priority for the Mayor, and the \$220,000 would likely be enough to buyback a home from a property already in the Trust. The Administration provided the below table with updated Fix the Brick program metrics as of February 23, 2024.

Fix the Bricks Metrics as of February 23, 2024

Waitlist: Applications with no funding	Over 4,000. Working with IMS to clean up the list to inquire whether applicants are still at the same address and are still interested in the program.
Backlog: Applications funded but not started	366
In Progress: Site Visits, Pre-Bids, Contract Review	45
Under Contract: Executed contract, construction in progress	31
Completed Jobs: Project completed and paid out	67
Homeowner GF Match Grant FY 23: (Closed)	Budget \$84,000.00 Spent \$56,106.20
Homeowner GF Match Grant FY 24: (Open)	Budget \$ 84,000.00 Spent \$30,802.50

\$30,000 Minimum Funding Award

Several years ago, the City established a minimum funding level for grant awards. HUD recommends a \$35,000 minimum award for projects. The Housing Stability Division recommends \$30,000 after consultations with applicants. The minimum award is aimed at maximizing community benefits from grant awards. The intent of this policy is to balance the burden for the Administration and recipient organizations to manage grant funds with the goal of having positive impacts in the community. This year, no applications were disqualified for requesting less than the minimum funding requirement.

Disqualified Applications

Two applications were disqualified this year because they were determined to be ineligible, that is, the services would not advance one of the goals and strategies in the 2020-2024 Consolidated Plan. The applications are:

- CDBG Public Services #28 – Ruff Haven Crisis Sheltering for companion animals of homeless individuals and families which had requested \$42,900.
 - o Housing Stability staff shared the following clarification from HUD about why this application was deemed ineligible: “if it was part of a larger activity that took a holistic approach to removing housing barriers (such as a service that also helped low-income persons improve credit, learn financial skills, find employment), or if this was one piece of a larger shelter that also provided shelter for homeless persons, then there would be a better case for it. But, as it stands, as a standalone service that is not part of a larger holistic approach to housing/shelter, it is unfortunately not eligible.”
- CDBG Public Services #29 – Neighborhood House Association’s Early Childhood Education program which had requested \$87,387. There was an error where the organization applied to the neighborhood improvements category, but the proposed uses are ineligible under that funding category. Housing Stability staff provided technical assistance to the applicant to try and avoid the issue in the future. It should be noted that the organization and the specific program have applied for and received funding in the CDBG Public Services category for several years before.

Returning Applications without Funding Recommendations

There are five returning applications that received grant awards last year but did not receive a funding recommendation this year as follows:

- CDBG Public Services #12 – International Rescue Committee’s digital divide program for refugees and new Americans requested \$60,000 but is not recommended to receive funding. Last year the program received \$30,489.
- CDBG Public Services #16 – Salt Lake American’s refugee language and social services program requested \$30,000 but is not recommended to receive funding. Last year the program received \$30,000.
- CDBG Public Services #25 – Wasatch Community Gardens’ Green Team employment program requested \$39,884 but is not recommended to receive funding. Last year the program received \$30,489.
- CDBG Public Services #27 – YWCA’s domestic violence shelter requested \$218,990 but is not recommended to receive funding. Last year the program received \$56,249.
- CDBG Public Services #29 – Neighborhood House Association’s Early Childhood Education program requested \$87,387 from the Neighborhood Improvements category but the proposed uses are ineligible (see disqualified application section above). The error resulted in the application being disqualified. It should have been submitted to the Public Services category. It should be noted that the organization and the specific program have applied for and received funding in the CDBG Public Services category for several years before.

New Applications

This year there are 17 new applications for CDBG which is more than usual. There are also four new applications for ESG, three for HOME and no new applications for HOPWA. Note that some of the new applications represent new programs offered by returning organizations that have applied to fund different programs they operate. The new applications are highlighted yellow as new in the middle column titled “Previous Grant Awards” on the funding log (Attachment 2).

Organizations with Multiple Applications

(See Attachment 4 for a detailed list of the individual grants grouped by organization)

Some organizations submit applications for the same program seeking funding from multiple grants. Others submit applications narrowly tailored to each grant and for different programs. Organizations with multiple applications are listed alphabetically below. The total funding requested and recommended awards are listed.

\$450,000 requested by Alliance House for the same project and recommended to receive \$318,000.

\$100,000 requested by Catholic Community Services and recommended to receive \$60,000.

\$429,800 requested by Community Development Corporation of Utah but not recommended for funding.

\$2,762,124 requested by the County Housing Authority and recommended to receive \$522,223.

\$91,881 requested by Family Promise and recommended to receive \$63,000.

\$1,269,200 requested by First Step House and recommended to receive \$1,092,500.

\$476,572 requested by Friends of Switchpoint but not recommended for funding.

\$758,000 requested by NeighborWorks for downpayment assistance and recommended to receive \$358,000.

\$620,000 requested by Odyssey House and recommended to receive \$435,000.

\$3,028,550 requested by Salt Lake City Housing Stability Division and recommended to receive \$1,752,550.

- *Note that program administration costs are not included in these totals*

\$361,169 requested by Shelter the Homeless for operational expenses and recommended to receive \$60,000.

\$218,431 requested by South Valley Sanctuary and recommended to receive \$208,431.

\$1,142,936 requested by The Road Home and recommended to receive \$787,000.

\$182,919 requested by the Utah AIDS Foundation and recommended to be fully funded.

\$1,346,536 requested by Utah Community Action and recommended to receive \$933,224.

\$334,867 requested by Volunteers of America and recommended to receive \$234,867.

\$560,000 requested by WeeCare for the same program but not recommended for funding. The applications are:

\$443,990 requested by YWCA and recommended to receive \$221,000.

POLICY QUESTIONS

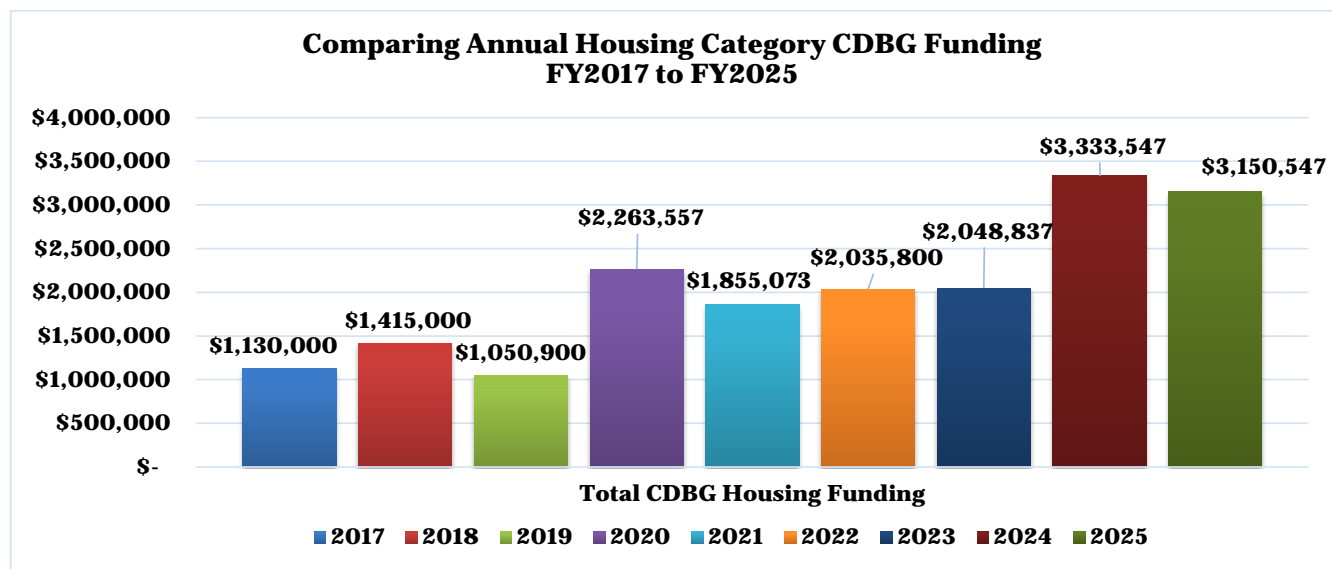
1. **Questions and/or Potential Funding Shifts** – Does the Council have any questions about the advisory board and mayoral funding recommendations? Do any Council Members have potential funding shifts between applications they are considering?
2. **New Application Process or Direct Award(s) for CDBG-CV Recaptured Funding** – The Council may wish to discuss with the Administration what approach is preferred to use the \$287,752 of recaptured funds. Some options include a new open and competitive application process, checking with FY2021 applicants that fully spent their awards, or select an eligible expense category (housing assistance, public service agency, community stabilization, or small business) and ask the Administration to recommend programs and projects. The deadline to spend all CDBG-CV funding is December 3, 2026.
3. **Fix the Bricks 366 Funded Projects Backlog** – The Council may wish to ask the Administration what additional resources could help address the backlog of funding but not started projects.
4. **Policy Guidance for 2025 – 2029 Consolidated Plan** – The Council may wish to share early policy feedback with the Administration about potential changes to the goals and strategies.

ADDITIONAL & BACKGROUND INFORMATION

Increasing CDBG Housing Category Funding

The chart below compares the annual funding in the housing category of CDBG over nine fiscal years. The Council identified affordable housing as a priority several years ago. The chart shows that a greater amount of CDBG funding has gone to housing in recent years. It's important to note that the Council's policy guidance is aligned with increasing CDBG housing funding. The recent policy decision to add program income to the City's annual CDBG award from HUD increases the amount of funding available for housing (instead of funds sitting unused over multiple years in dormant accounts).

The funding over nine fiscal years is \$18,283,261 in total assuming the FY2025 recommended amounts are approved by the Council. The funding has gone to several housing assistance programs during this time and some applications have been included every year. Examples of how this funding was used are first time homebuyer assistance, the City's Community Land Trust, rehabilitation of existing housing, development of new multifamily housing, emergency home repairs (large and small), and accessibility improvements.



Note: FY2025 is funding recommended by the advisory board and Mayor

CDBG Neighborhood Improvements Category Target Area in 2020-2024 Consolidated Plan (Attachment 3)

The target area creates geographic boundaries for spending CDBG funding on economic development and public infrastructure improvements. These applications are included in the CDBG Neighborhood Improvements category on the funding log. Examples of these project types include small business façade improvement grants, public transit improvements, and creation of ADA ramps. The geographic target areas do not apply to housing or public services category applications. Focusing federal grants in these target areas is intended to maximize community impact and stimulate investments from other entities into the neighborhoods. The Council chose the current boundaries to align Census tracts with relatively high concentrations of poverty and to overlap with three RDA project areas: North Temple, 9-Line, and State Street.

2025-2029 Consolidated Plan

This is the last year under the City's existing 2020-2024 Consolidated Plan. It governs the goals and strategies that determine eligibility for HUD grant funding and identifies geographic target areas for CDBG neighborhood improvement category funding. Housing Stability shared the below tentative timeline for creating the new plan.

- March 2024 through July 2024 – Data collection and analysis
- May 2024 – Begin community engagement (will be ongoing for several months)
- June 2024 – Begin public, community partner agency consultations
- June/July 2024 – Convene internal and external stakeholder groups for in-depth discussions (will be ongoing for a few months and include consultations with Council)
- Fall 2024 – Create a draft plan incorporating consultations and community input

- Late 2024 through Early 2025 – Review community feedback and draft plan with Mayor and Council, to receive additional input and recommendations.
- April 2025 – Adoption of Consolidated Plan

Funding Contingencies

The advisory board provided recommendations in case final grant funding amounts from HUD are more or less than the estimated amounts. These funding contingencies are summarized in the table below. The Council may wish to identify which funding contingencies are supported in the event HUD's confirmation of final funding amounts isn't available by the scheduled vote on April 9.

COUNCIL FUNDING CONTINGENCIES		
Grant	If MORE Funding Available	If LESS Funding Available
CDBG	Allocate 20% of the annual CDBG award to program administration. Allocate 15% of the annual award and 15% of the estimated 2024-25 CDBG Program Income to Public Services. Add additional funding to the highest scoring applications up to 75% of the average board recommended amount before moving to the next highest scoring application. As much as practicable, round to the nearest \$1,000 or \$10,000.	Allocate 20% of the annual CDBG award to program administration. Allocate 15% of the annual award and 15% of the estimated 2024-25 CDBG Program Income to Public Services. Remove funding from the lowest scoring activities and then reduce additional applications from lowest to highest scoring. As much as practicable, round to the nearest \$1,000 or \$10,000.
ESG	Allocate 7.5% of the annual ESG award to program administration. Do not exceed the 60% Part 1 funding cap. Add additional funding to the highest scoring applications up to 75% of the average board recommended amount before moving to the next highest scoring application. As much as practicable, round to the nearest \$1,000.	Allocate 7.5% of the annual ESG award to program administration. Do not exceed the 60% Part 1 funding cap. Add additional funding to the highest scoring applications up to 75% of the average board recommended amount before moving to the next highest scoring application. As much as practicable, round to the nearest \$1,000.
HOME	Allocate 10% of the annual HOME award to program administration. Allocate 15% of the annual award for the CHDO Set-Aside. Add additional funding to the highest scoring applications up to 75% of the average board recommended amount before moving to the next highest scoring application. As much as practicable, round to the nearest \$1,000 or \$10,000.	Allocate 20% of the annual CDBG award to program administration. Allocate 15% of the annual award and 15% of the estimated 2024-25 CDBG Program Income to Public Services. Remove funding from the lowest scoring activities and then reduce additional applications from lowest to highest scoring. As much as practicable, round to the nearest \$1,000 or \$10,000.
HOPWA	Allocate 3% of the annual HOPWA award to program administration. Add additional funding to the highest scoring applications up to 75% of the average board recommended amount before moving to the next highest scoring application. As much as practicable, round to the nearest \$1,000 or \$10,000.	Allocate 3% of the annual ESG award to program administration. Remove funding from the lowest scoring activities and then reduce additional applications from lowest to highest scoring. As much as practicable, round to the nearest \$1,000 or \$10,000.

Note that there are no funding contingencies for the CDBG-CV or HOME-ARPA one-time federal funding related to the pandemic because these are awards from prior years so the final actual amounts are known.

2020-2024 Consolidated Plan Goals and Strategies

The City must report progress to HUD on how funding awards advance the 2020-2024 Consolidated Plan goals. In past years, some applicants that received funding were not aligned with the five-year plan. As a result, the services provided by those organizations could not be reported to HUD. If a city does not adequately fund applications advancing the five-year plan, then HUD could view the program as underperforming, lower future grant award amounts, and/or audit the city's program. The below table summarizes the goals and strategies of the current consolidated plan.

Goals	Strategies
Housing: Provide expanded housing options for all economic and demographic segments of Salt Lake City's population while diversifying housing stock within neighborhoods	<ol style="list-style-type: none"> 1. Support housing programs that address the needs of aging housing stock through targeted rehabilitation efforts and diversifying the housing stock within the neighborhoods 2. Support affordable housing development that increases the number and types of units available for qualified residents 3. Support programs that provide access to home ownership 4. Support rent assistance programs to emphasize stable housing as a primary strategy to prevent and/or end homelessness 5. Support programs that provide connection to permanent housing upon exiting behavioral health programs 6. Provide housing and essential supportive services to persons with HIV/AIDS
Transportation: Promote accessibility and affordability of multimodal transportation options	<ol style="list-style-type: none"> 1. Within eligible target areas, improve bus stop amenities as a way to encourage the accessibility of public transit and enhance the experience of public transit 2. Within eligible target areas, expand and support the installation of bike racks, stations, and amenities as a way to encourage use of alternative modes of transportation 3. Support access to transportation, prioritizing very low-income and vulnerable populations
Community Resiliency: Provide tools to increase economic and/or housing stability	<ol style="list-style-type: none"> 1. Support job training and vocational rehabilitation programs that increase economic mobility 2. Improve visual and physical appearance of deteriorating commercial buildings - limited to CDBG Target Area 3. Provide economic development support for microenterprise businesses 4. Direct financial assistance to for-profit businesses 5. Expand access to early childhood education to set the stage for academic achievement, social development, and change the cycle of poverty 6. Promote digital inclusion through access to digital communication technologies and the internet 7. Provide support for programs that reduce food insecurity for vulnerable population
Homeless Services: Expand access to supportive programs that help ensure homelessness is rare, brief and non-reoccurring	<ol style="list-style-type: none"> 1. Expand support for medical and dental care options for those experiencing homelessness 2. Provide support for homeless services including Homeless Resource Center Operations and Emergency Overflow Operations 3. Provide support for programs undertaking outreach services to address the needs of those living an unsheltered life 4. Expand case management support as a way to connect those experiencing homelessness with permanent housing and supportive services
Behavioral Health: Provide support for low income and vulnerable populations experiencing behavioral health concerns such as substance abuse disorders and mental health challenges	<ol style="list-style-type: none"> 1. Expand treatment options, counseling support, and case management for those experiencing behavioral health crisis

Summary of Available Funding by Grant

The table below shows funding sources by grant. Note that only CDBG and HOME grant programs see some funds returned as program income from loan repayments. The City has a new practice of adding program income to the annual HUD grant allocations. Previously some program income sat unused for years. The new practice is meant to ensure funding is made available to benefit residents and better adhere to HUD guidance. When prior year grant awards are recaptured, it means the program or project was unable to use the funding as intended which happens for various reasons.

Grant	Source	Amount	Total
Community Development Block Grant (CDBG)	HUD Award	\$ 3,397,763	\$5,197,763
	Recaptured Funding	\$ 800,000	
	Program Income	\$ 1,000,000	
Emergency Solutions Grant (ESG)	HUD Award	\$ 303,100	\$303,100
	Recaptured Funding	\$ 0	
HOME Investment Partnership Program (HOME)	HUD Award	\$1,023,661	\$2,156,661
	Recaptured Funding	\$ 333,000	
	Program Income	\$ 800,000	
Housing Opportunities for Persons With AIDS (HOPWA)	HUD Award	\$932,841	\$932,841
	Recaptured Funding	\$ 0	

Program Income

CDBG and HOME funding is used for a few programs that generate income typically repayment of low or no interest loans. The amounts can fluctuate such as when someone decides to payback a loan early. The programs that generate income include downpayment assistance, first-time homebuyer mortgages, and certain rehabilitation programs.

Sources of Recaptured Funding from Prior Years

Listed below are the several sources of recaptured funding for CDBG, HOME, and HOPWA. Each year some of the awards are unable to be used for various reasons (e.g. completed under budget, contracts expired, project or program was unsuccessful). These funds are recaptured and made available in the next cycle so the taxpayer funds can benefit residents instead of sitting unused. Note the recaptured amounts for FY2025 are slightly less than the total of the individual items listed below. This was caused by final expenses coming in below the estimated costs. The difference in amounts will be added for recapture to the next grant funding cycle. Historically, ESG has the lowest level of federal funding available, are the most competitive, and the least likely to go unused and be available for recapture later.

\$800,000 Recaptured for CDBG

Program Year 2022-2023:

- SLC CDBG Administration - \$24,768.78
- NWSL, Home Rehabilitation & Improvement - \$119,587.00
- Catholic Community Services, Case Management - \$0.03
- South Valley Sanctuary, DV Assistance - \$3.50
- Children's Center of Utah, Preschool Program - \$1,999.49
- SLC - Transportation, Low-income transit passes - \$11,248.75
- YWCA Utah, DV Services - \$0.40

Prior Program Year(s):

- Salt Lake City - HAND, Housing Rehabilitation & Homebuyer Programs - \$455,842.40
- Salt Lake City - Housing Stability, Targeted Repairs - \$197,583.25

\$200,000 Recaptured for HOME

Program Year 2022-2023:

- SLC HOME Administration - \$375.08
- CDCU, Down Payment Assistance - \$167,822.88
- NWSL, Down Payment Assistance - \$66,691.00
- South Valley Sanctuary, TBRA - \$6,851.88

Program Year(s) 2021-2022 (and prior):

- SLC HOME Administration, \$93,210.15

\$287,752 recaptured for CDBG-CV

- Comunidaades Unidas/Communities United - \$63,069
- International Rescue Committee/Food Delivery - \$13,665.57
- International Rescue Committee/Spice Kitchen - \$3,053.95
- NWSL Mortgage Assistance - \$122,578.16
- Utah's Promise/Food Delivery - \$6,062.91
- SLC CDBG-CV Administration - \$79,340.41

Community Development and Block Grant (CDBG)

Total CDBG Funding Requests: \$10,268,630 (198% of available)

Total Available for Allocation: \$5,197,763

CDBG funds focus on community development with an emphasis on physical improvements. The Community Development & Capital Improvement Programs Advisory Board (CDCIP) submits funding recommendations for this grant. CDBG funds are allocated to organizations in four categories:

- City Administration (limited to 20% of the annual grant award)
- Housing
- Neighborhood Improvements: transportation and economic development infrastructure (subject to target area see Attachment 3 for map)
- Public Services (limited to 15% of the annual grant award)

Public Services

This category is directed to services for individuals in need and not necessarily to physical improvements. This is typically the most competitive category. Funding is awarded to non-profits and governmental entities that provide programming to meet the 2020-2024 Consolidated Plan's goals. This category is limited to 15% of the annual CDBG award. The Mayor has recommended funding requests that add up to the 15% maximum. If the Council would like to allocate money to any application beyond the Mayor's recommended funding in this category, then those funds must be shifted from another public services application.

Emergency Solutions Grant (ESG)

Total ESG Funding Requests: \$962,608 (318% of available)

Total Available for Allocation: \$303,100

ESG funds focus on preventing homelessness and providing services to persons experiencing homelessness. The Community Development & Capital Improvement Programs Advisory Board (CDCIP) submits funding recommendations for this grant. ESG funds are allocated to organizations providing services in three categories:

- City Administration (limited to 7.5% of the annual grant award)
- Street Outreach and Emergency Shelter (Part 1 and limited to 60% of the annual grant award)
- Homelessness Prevention, Rapid Re-Housing, Homeless Management Information Systems (HMIS) (Part 2)

HOME Investment Partnership

Total HOME Funding Requests: \$5,487,156 (254% of available)

Total Available for Allocation: \$2,156,661

HOME Investment Partnership focuses on expanding the supply of quality affordable housing for low-to-moderate-income residents. The Community Development & Capital Improvement Programs Advisory Board (CDCIP) submits funding recommendations for this grant. HUD mandates 15% of the annual grant award go to

community housing development organizations (CHDO). There are several requirements for CHDO status including annual certification with the City, be a private nonprofit organization, and who serves on the governing board. The requirements are sometimes perceived as onerous such as an annual recertification process. No new agencies have been certified as a CHDO in recent years. This challenge has been observed nationally and is not unique to Salt Lake City. Partially in response to these challenges, Congress has suspended the 24-month spending deadline for CHDO funds. The Council provided policy guidance for CHDO funds to be added to the RDA's annual affordable housing development NOFA to try and help utilize the funding.

Housing Opportunities for Persons With AIDS (HOPWA)

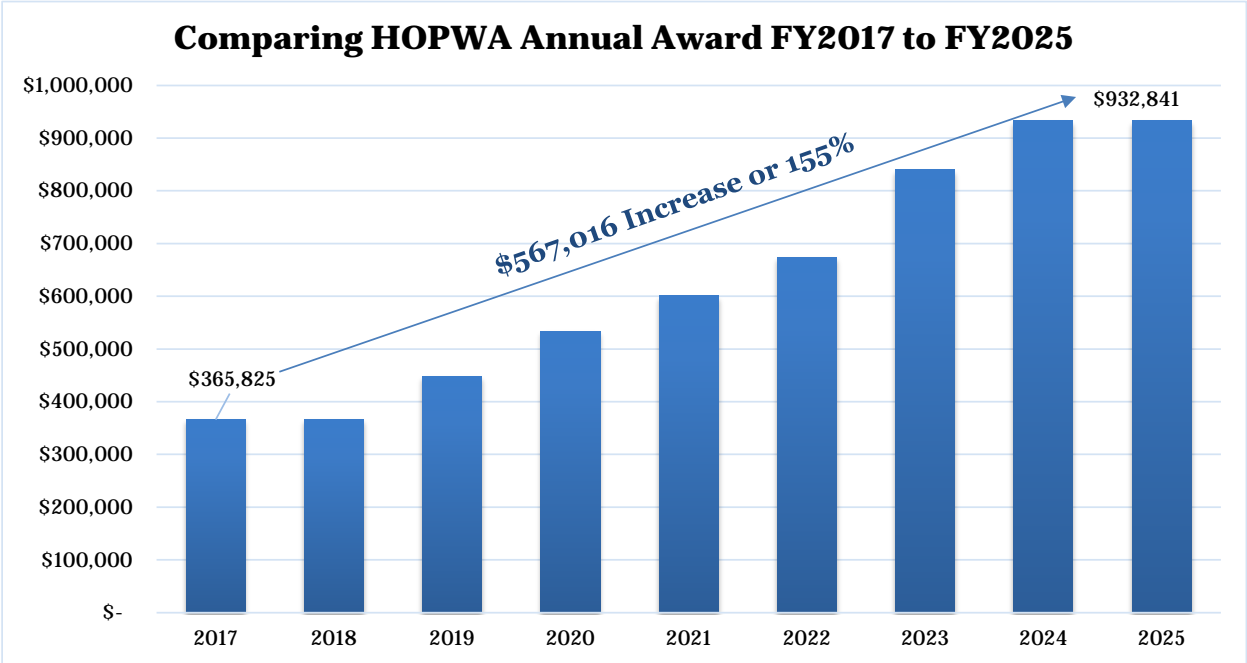
Total HOPWA Funding Requests: \$1,172,742 (126% of available)

Total Available for Allocation: \$932,841

HOPWA is the only federal program dedicated entirely to the housing needs of people living with HIV/AIDS. The Community Development & Capital Improvement Programs Advisory Board (CDCIP) submits funding recommendations for this grant.

Increasing HOPWA Funding

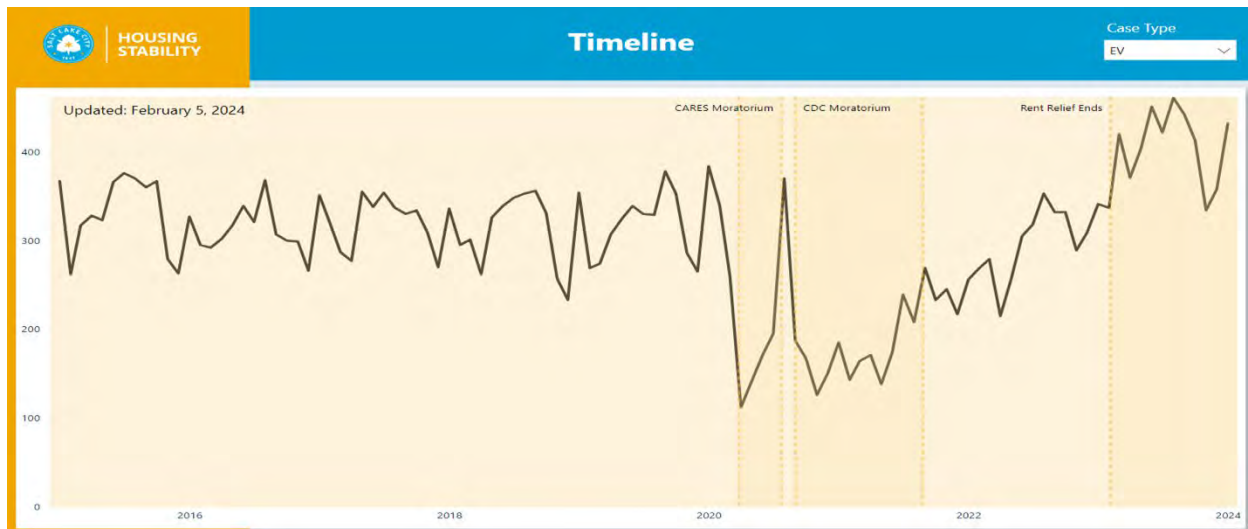
The chart below compares the City's annual HOPWA award over nine fiscal years. It shows a \$567,016 increase or 155%. The three other annual grants from HUD have not seen a similar increase; CDBG and ESG have been relatively flat and HOME has seen a modest increase. The City has awarded over \$5.6 million of HOPWA grant funds during the nine years. The trend of increasing annual HOPWA awards is a result of the 2016 Housing Opportunities Through Modernization Act. It adjusted the federal funding formula to better reflect HIV epidemic data. Continued funding increases like those seen over the past eight years are not expected to continue because the phased formula adjustment has now been fully implemented.



Eviction Data

The Housing Stability Division shared the below chart of eviction data from the Utah Third District Court. It's important to note that the Third District Court handles cases county-wide and this data is not specific to Salt Lake City. The data also does not represent whether an eviction was authorized by the court, dismissed, or settled another way. The City has a disproportionate share of renters in the county. According to the Gardner Policy Institute, since 2010, the amount fluctuates between 25% - 30% of all renters countywide. This year, the advisory board funding recommendations favor rental assistance over homeownership and downpayment assistance. Their deliberations highlighted the significantly greater number of individuals and families served by rental assistance compared to homeownership assistance because of the cost difference.

Chart of Evictions Filed in Third District Court



ATTACHMENTS

1. FY 2024-25 Grant Recommendations by Combined Score
2. FY 2024-25 HUD Grants Funding Log
3. Target Area Map for CDBG Neighborhood Improvements Category in 2020-2024 Consolidated Plan
4. Organizations with Multiple Applications

ACRONYMS

AMI – Area Median Income
CDBG – Community Development Block Grant
CDCIP – Community Development and Capital Improvement Programs Advisory Board
CHDO – Community Housing Development Organization
CLT – Community Land Trust
ESG – Emergency Solutions Grant
FTE – Full time employee
FY – Fiscal Year
HOME – HOME Investment Partnership Program
HOPWA – Housing Opportunities for Persons With AIDS
HRC – Homeless Resource Center
HUD – Housing and Urban Development
LMI – Low-to-Moderate Income
NOFA – Notice of Funding Availability
NWSL – NeighborWorks Salt Lake
RDA – Redevelopment Agency
STRMU – Short-Term Rental, Mortgage and Utility (Assistance)
TBRA – Tenant-Based Rental Assistance