



State of Utah
Department of Workforce Services Office of Homeless Services

United States Department of Housing and Urban Development (HUD)
Pathways to Remove Obstacles to Housing (PRO Housing)
Narrative Draft

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Exhibit A: Executive Summary

Throughout the state of Utah, there are countless efforts being made to address and mitigate affordable housing barriers. Over \$100,000,000 have been awarded across the state by The Department of Workforce Services Office of Homeless Services (DWS-OHS) in the past two years for the acquisition, construction, and rehabilitation of deeply affordable housing projects, which is the first program of its kind in the state. Preservation efforts are being conducted by the Utah Housing Preservation fund, and have saved 650 units from reverting to market-rate, and another 550 will follow suit in the next few years. Additional ventures are being conducted by other State-based agencies, developers, and nonprofits in every corner of the Beehive State.

Despite these efforts, data shows that there is still a deficit of over 70,000 in deeply affordable housing options, which creates a strain on individuals and families across Utah. Similarly, there is a risk of losing over 3,000 affordable units in the next five years as the result of concluding deed restrictions. These stressors, among many others, are more apparent in rural communities where developers and agencies have little to no capacity, land or funds to produce or preserve units effectively. Even so, rural communities are often the least assisted or informed on opportunities to improve their housing market.

DWS-OHS proposes to pilot the Utah Housing Development Program, whose sole purpose is to bridge the gaps that have been identified through community outreach, statewide studies, and active initiatives by local agencies. DWS-OHS also proposes to use additional funds for land banking in an effort to reduce costs for developers and to pinpoint spaces that would be best for affordable housing. Although these barriers are numerous, many of the discussed obstacles include: zoning concerns, land acquisition, objections from local officials, gaps in funding, and inadequate information on how to make affordable housing a reality. These barriers can be overcome through the creation of this program.

The success of the Utah Housing Development Program will create the groundwork for streamlining affordable housing development across Utah. This program will be the first of its kind at the State level in Utah and will create further collaboration between local leaders and on-the-ground agencies who are working diligently to create a positive impact on making Utah an affordable state to call home.

Exhibit B: Threshold Requirements and Other Submission Requirements

The State of Utah and this application comply with the threshold requirements listed in the NOFO.

Exhibit C: Need

Describe your efforts so far to identify, address, mitigate, or remove barriers to affordable housing production and preservation.

The State of Utah is a strong advocate and supporter for the development of affordable housing, especially as the demand and deficit have steadily increased in recent years. The state's joint and collaborative effort to recognize and minimize barriers to affordable housing is prevalent, as exemplified throughout this application.

Our agency, the Department of Workforce Services Office of Homeless Services (DWS-OHS), is taking the initiative to support the acquisition, construction, and rehabilitation of rental units for individuals and families whose income is 30% or below the area median income (AMI), better known as deeply affordable housing. In the 2022 General Legislative Session, \$55 million was awarded to DWS-OHS, which inaugurated the Deeply Affordable Housing Fund (DAHF). With these funds, 18 agencies were awarded that helped in creating 1,159 affordable housing units— of which 693 are deeply affordable and 572 are dedicated to households experiencing homelessness.

In the 2023 General Legislative Session, DWS-OHS was allocated another \$47 million that was awarded to 15 projects to create 453 affordable housing units— of which 363 are deeply affordable and 311 are homeless-dedicated. Additional units within these projects were dedicated to domestic violence survivors, homeless or at-risk youth, those diagnosed with substance use disorders (SUDs), and those with mental, physical, or behavioral health conditions. In an effort to preserve the affordability of these units, all grantees were required to have a 50-year deed restriction.

DWS-OHS was also allocated \$5,000,000 in the 2023 General Legislative Session towards the Attainable Housing Grant (AHG) program, which provides a monthly project based rental subsidy and allows properties to provide case management services and deeply affordable rental units. During the first round of the Affordable Housing Grant, six projects were awarded, solidifying 134 units of deeply affordable housing. Another round of the AHG will be conducted later this year to allocate the remaining funds that were not yet assigned.

One of the most vulnerable populations that are in need of deeply affordable housing are those who are at risk of or are currently experiencing literal homelessness. DWS-OHS works to collaborate and provide support with each regional community of homeless providers, known in Utah as Local Homeless Councils (LHCs). This includes the implementation of the State's [Homelessness Strategic Plan](#). One of the goals highlighted in this plan is to “Expand homeless prevention efforts by increasing coordination, resources, and affordable housing opportunities.”

This effort further conveys the need for more housing options for those who fall within these categories. The State Strategic plan was created with the support of multiple state agencies, local governments, and nonprofits.

Other Utah State departments play a crucial role. Rob Terry works as the Statewide Land Use Training Director for the Office of the Property Rights Ombudsman. His office provides statewide training for land use laws, and receives \$1.4 million in recurring funding created by a real estate transaction tax. Additionally, the Department of Workforce Services Housing and Community Development team (DWS-HCD) provides affordable housing tools for tenants, landlords, and developers. This includes three different services: The Olene Walker Housing Loan Fund (OWHLF), which helps to develop affordable housing to very-low, low, and moderate- income households; the Section 8 Landlord Incentive Program, which provides financial assistance to landlords to mitigate damages caused by tenants under the HUD Housing Choice Voucher (HCV) Program; and lastly, the Commission on Housing Affordability, which analyzes data and collaborates with other agencies to identify housing needs, gaps, and opportunities. Outside of these recurring services, DWS-HCD also awarded Evison Utah with funds to conduct research on barriers and solutions to affordable and attainable housing. This report calls attention to what progress Utah has made thus far, and recommends actions that state, regional, and local governments can take to increase the amount of affordable units in their respective communities.

One study conducted by the [National Housing Preservation Database](#) reports that 3,173 publicly supported rental homes are at risk of being lost in less than five years due to expiration of affordability deed restrictions; 7,218 of these types of homes are at risk of loss in less than 15 years. One organization that is paving the way to mitigate this issue is the [Utah Housing Preservation Fund](#) (UHPF). Their mission is to “preserve Utah’s existing affordable housing through the purchasing, remodeling, and the rent-stabilization of housing units.” As of early 2023, UHPF has preserved 650 affordable housing units. In March of this year, UHPF received a [\\$10 million investment](#) from the State (that will also be matched by philanthropic entities). This funding will help preserve an additional 550 affordable housing units over the next three years.

The Utah 2023 General Legislative Session provided more resources for further development of affordable housing. [H.B. 406](#) helped to further standardize rules for land use and development. This included improved development agreements and standards, annexations, and moratoriums, which provided more uniformity in the overall development process. [H.B. 364](#) “modifies provisions related to the moderate income housing reporting requirements.” This bill also created a fixed State-funded Low Income Housing Tax Credit LIHTC cap of \$10,000,000. [S.B. 174](#) provided revisions to the Local Land Use and Development Act, which included a more simplified subdivision process, as well as a penalty system for cities and counties that did not

submit a moderate income housing plan. This penalty involves paying a fee of \$250 per day for the year they are non-compliant; these funds would be allocated to the OWHLF.

Moderate income housing, as outlined in the Utah Code of Amendment sections 10-9a-103(40) and 17-27a-103(43), is defined as “housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income for households of the same size in the county in which the city is located.” The moderate income housing plan is part of each community’s general plan, which outlines the framework for growth in a neighborhood over an established amount of time. The Utah State Department of Housing and Community Development oversees that these plans are submitted, and condenses the data to an [accessible, public format](#). These reports consist of 95 different entities who establish multiple strategies to improve moderate income housing in their local areas. Among the most common include Strategy E (82 entities), which is to “create or allow for, and reduce regulations related to, internal or detached accessory dwelling units in residential zones,” and Strategy B (62 entities), which sets to “zone or rezone for higher density or moderate income residential development in commercial or mixed-use zones near major transit investment corridors, commercial centers, or employment centers.”

Do you have acute demand for affordable housing? What are your remaining affordable housing needs and how do you know?

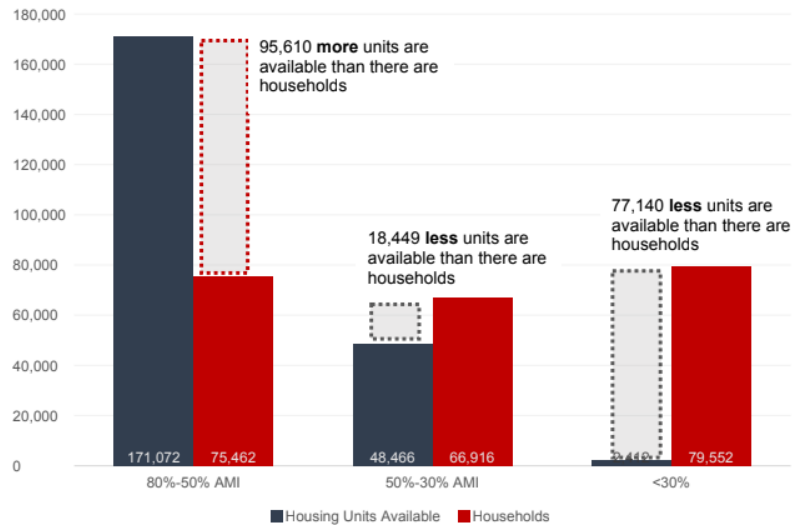
The State of Utah has a dire need and high demand for affordable housing, especially for rental units at 50% AMI and below. A recent study (2022, Kem C. Garner) broke down the number of affordable rental units available per county per 100 households.

Table 1: Rental Unit Deficit/Surplus by Area Median Income, Utah, 2022

AMI Range	Housing Units Available	Households	Deficit/Surplus of Available & Affordable Units	Units Available/ 100 Household
80%-50% AMI	171,072	75,462	95,610	227
50%-30% AMI	48,466	66,916	-18,449	72
<30%	2,412	79,552	-77,140	3

Source: Kem C. Gardner Policy Institute

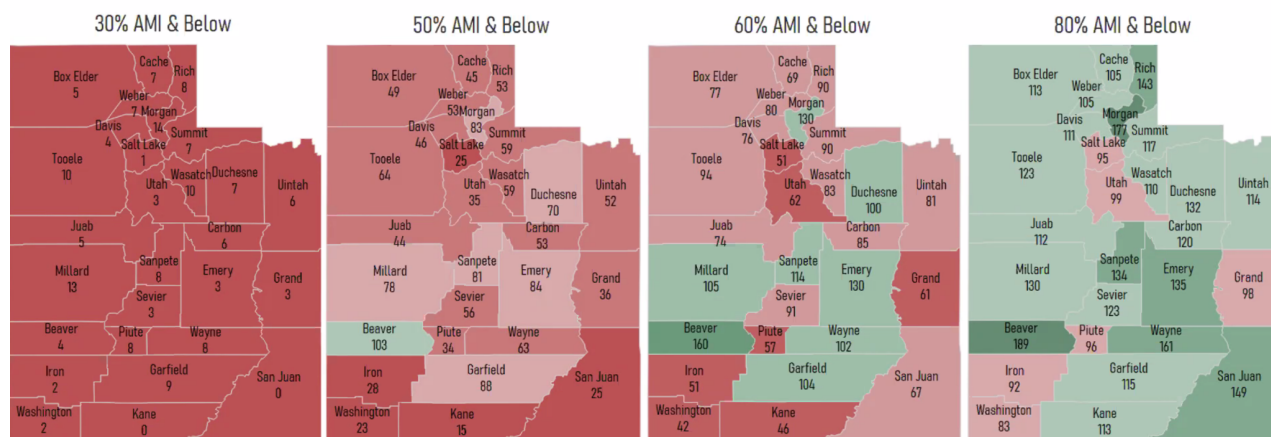
Figure 1: Rental Unit Deficit/Surplus by Area Median Income, Utah, 2022



Source: Kem C. Gardner Policy Institute

Table 2 provides a comprehensive overview of housing deficits and surpluses across different income categories for various counties within the state. In the category of 80%-50% AMI, for 2022 no county experienced a deficit, meaning there were enough affordable units to serve all the households at this income bracket. This also indicates that households at lower income brackets are limited in finding affordable housing and have greater portion of their income being allocated to monthly rent, causing them to be cost-burdened.

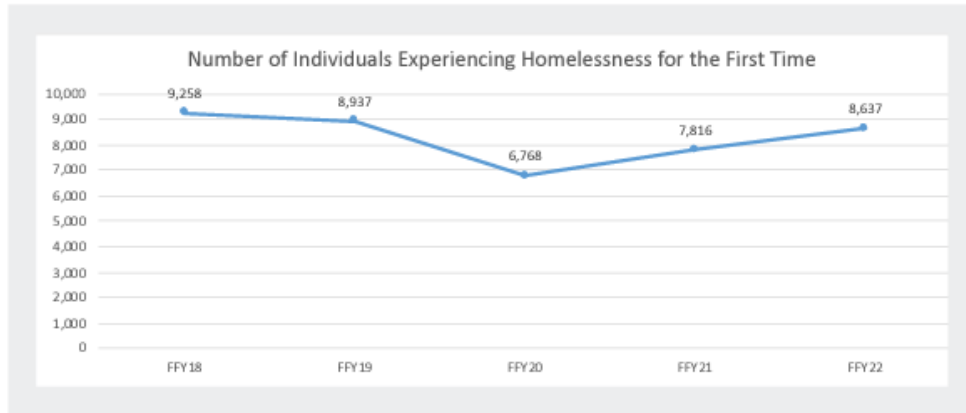
Affordable Renter Units Available/ 100 Household, Utah, 2022



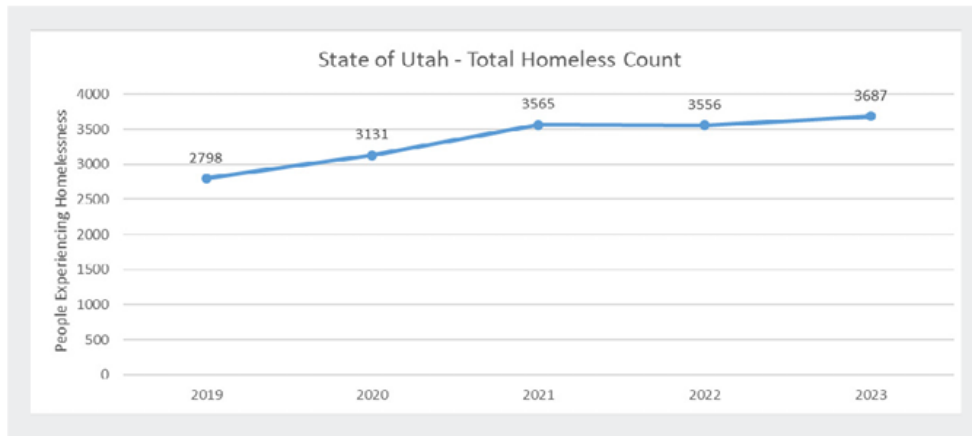
The data shows that every county within the State of Utah has a shortage of deeply affordable units. As of last year, the current statewide deficit of units at 30% AMI or below was 77,140 units, with only three for every 100 of those units being actively available to the community. This need is also echoed through the amount of requests received from the last two rounds of DWS-OHS’ Deeply Affordable Housing Fund (DAHf). In the 2022 round of funding for DAHF, \$55 million was available, and a maximum total of \$168,066,168 was requested from 27 applicants. In the 2023 round, \$47 million was available, and \$105,911,906 was requested from 21 projects. The number of applicants as well as the amounts requested demonstrates a dire need for deeply affordable housing and community support.

The need for affordable housing is also supported by the 2023 “[Annual Data Report on Homelessness](#)” conducted by the Utah Office of Homeless Services. As indicated in the report, “In Federal Fiscal Year (FFY) 2022, a greater number of Utahns were affected by homelessness compared to previous years. Data from the Utah Homeless Management Information System (UHMIS) revealed a 10% increase in the count of individuals experiencing homelessness for the first time and a 5% increase among those who have experienced homelessness multiple times accessing services during the reporting period. The 2023 Point in Time Count (PIT) also confirmed this rise, with 10.9 out of every 10,000 Utahns identified as experiencing literal homelessness on a single night in January. This rate is higher than the 9.6 out of 10,000 Utahns reported in the 2020 PIT...[It] is likely that structural challenges, such as rising living costs and the lack of accessible and affordable housing, contribute to the difficulty Utahns face in both preventing and exiting homelessness.” The graphs below reflect these trends over the past five years.

Number of Individuals Experiencing First-Time Homelessness



PIT: Total Homeless Count



What key barriers still exist and need to be addressed to produce and preserve more affordable accessible housing?

There are multiple barriers that are prevalent within the State of Utah. Thorough outreach was conducted amongst the identified high priority county service providers and affordable housing developers, as well as several other local government staff and community members. Discussions amongst these entities surrounded the topic of affordable housing barriers, and what they would need to minimize or eliminate these obstacles.

From a development perspective, a common concern involved the lack of available and correctly zoned land. Additionally, developers are uninterested if there is no incentive or would not make a profit from an affordable housing project. Instead they will shift gears to more market-rate level projects that will have a more guaranteed return on investment. The financing pieces of creating affordable housing can be difficult as well. Low Income Housing Tax Credits have their own provisions in place when applying which include restrictions that encourage larger projects,

rather than smaller-scale duplexes or homes. There is also a severe lack of non-loan based funding options, which reduces the chances of making any profit in low-income housing unless there are mixed rates within the building itself. Many stakeholders our office spoke with mentioned that they would prefer to have a more community-minded and holistic approach to the design of housing in their community. For example, a community that only has 30,000 people in the entire town does not need a 60-unit market-rate highrise apartment complex.

From a tenant perspective, there are a lot of barriers centered around the strict requirements set in place by landlords across the state. Such restrictions include: an income requirement of three times the rent, automatic denials for any criminal or eviction history, and instant denial or required double deposit based on a lower credit score. Individuals and families often struggle to meet all these requirements, especially in a post-pandemic world, and those with housing vouchers who can financially afford these units are also turned away if the standards set by landlords are not perfectly met. It is due to this unshifting position taken by the landlords in these communities, where there is already an extremely limited housing inventory, that many of the members of that community are left unassisted. This is due in large part to the fact that landlords will simply take the best tenant on paper, rather than offering someone a second chance. In the State of Utah, there is also a severe lack of tenant rights that leave many locals without legal resources or a choice in how they are treated by landlords and the courts during eviction proceedings.

One of the most vulnerable populations that struggle in finding and securing affordable housing are those experiencing homelessness. Winters in Utah are known to be notoriously harsh, and individuals are forced to come up with desperate measures in order to survive. Access to outreach services is especially difficult during this time of year as individuals may have been focused to abate their typical camp and flee the area, creating displacement in other cities. Many temporary solutions have been developed for this population, such as motel vouchers and overflow spaces, but the more long-term solution for these individuals would be more accessible housing.

Individuals who are actively in recovery also experience housing barriers. Those who have been ordered to attend a 'Drug Court' format for the foreseeable future have to live outside during that intermittent time between when they have their last court date and move into housing. This adds to the rigorous and stressful program they have already joined through the courts. Transitional housing is greatly needed for the above-mentioned situations in these communities. These units would allow the clients to stabilize long enough to find potential employment as well as providing the essential space to think critically in order to plan the next steps for their future.

Envision Utah is a non-profit that was selected by the Department of Housing and Community Development to receive \$250,000 to conduct research on the best practices to reform zoning and

housing regulations. This funding for the study was awarded in the 2022 General Legislative Session with the goal to further increase efforts towards housing attainability and affordability in the state. One of the key takeaways from this analysis was that there are a myriad of limitations and restrictions in reference to zoning laws. Envision Utah’s report, which studied 14 counties and 21 cities across the state, highlights:

“...local zoning ordinances often make it illegal to build anything other than single-family homes on large lots in residential zones segregated from city and employment centers. Other product types are often built in planned community or planned unit development zones under site-specific development agreements, leading to an increasing variety of housing types. These kinds of zones often work well for larger developers and can lead to well-planned development, but approval is subject to the discretion of a council or commission, which adds significant uncertainty, deters many small-scale landowners and builders, and often results in a negotiated reduction in units.”

The monopoly of larger-scale developers prevents smaller agencies and entities from working on beneficial affordable housing projects. As a result, these potential plots of land are utilized to build market-rate apartments which is unattainable for a large percentage of Utah residents.

While all of these aforementioned obstacles need to be tackled, the most common concern entities had was the necessity for further capacity, resources, and knowledge to take the first steps towards affordable housing development and preservation. Multiple stakeholders stated if they had a designated contact, who could be the guide to navigate the development process step-by-step, it would result in a more streamlined process and lead to increased affordable housing, especially in rural communities.

Exhibit D: Soundness of Approach

What is your vision?

Of all our office's conversations with entities throughout the state, there were two common topics of concern: agency capacity and land availability. Agencies reported the lack of staffing and capacity required to initiate housing projects, despite the need for affordable housing units in their area. Additionally, agencies who potentially had capacity were unable to initiate affordable housing projects due lack of available land options for development.

As a result, the State of Utah is requesting \$5,000,000 in PRO Housing funds. Our vision is to utilize \$3,000,000 of the funds to establish three key staff positions that would be the pioneers of Utah's Utah Housing Development Program (UHDP) for a minimum of five years. This program would bridge the gap between affordable housing ideas and make them a reality. These three proposed positions will be the guiding forces in helping agencies create affordable housing in their communities at any needed level of support, during any point of the development process. Each employee would have a collective caseload of projects and collaborate to provide on-going technical assistance both during project development and after the project's completion.

Although the specifics of the positions' process are subject to change to best fit community and capacity needs, an outline of the respective job duties of those proposed positions would be as described. When an agency reaches out to UHDP with a project they are working on, an introductory evaluation and discussion would be conducted. This would help to gauge where the project is at and what level of support is needed. Some examples of a lower-support project may include assistance with gap financing, barriers mid-development, and conflict with local officials regarding support of the project. Some examples of higher-level support may include assistance with starting development, budgeting, land acquisition, staffing, or first-time agencies that are creating affordable housing.

Based on the level of support identified, UHDP will create a timeline with the agency, with the goal being project completion. This timeline may range from a few months, up to a few years. Goals and itemized tasks can be set weekly, monthly, bi-monthly, or quarterly, and can be adjusted as needed. Collaboration with other agencies would also be encouraged, and UHDP would be the supporting intermediary. The team would conduct meetings both virtually and in-person, and re-evaluate goals as needed if projects are falling short of their deadlines. If the agency is identifying obstacles with development, city officials, or citizens in neighboring areas, UHDP can act as an in-between to help educate and answer questions on the project, and its essential benefits to the local community.

The three proposed positions on the Utah Housing Development Program team would consist of one State employee that focuses on the technical assistance (TA) and mediator element of the

process, another State employee whose expertise would fall within the development realm of responsibilities, and a third state employee whose focus would entail consulting services. All three positions would work collaboratively to best benefit the client(s), and many job duties will be shared outside of specific assignments to create a healthy and manageable work balance. If awarded, the Office of Homeless Services would submit requests to the State Legislature for funding to continue the program beyond the initial five years.

The remaining \$2,000,000 in ask would be utilized for land banking. The State of Utah would identify at least one piece of land that would be used within the prioritized geographical areas, if not more, to help secure locations for affordable housing development. These plots of land would be purchased by the State of Utah and offered to those working on affordable housing projects at no cost in an effort to reduce their budget costs and needs. Long-term land leases would be in place with the developers to guarantee long term affordability of the parcels for at least the next 99 years. By purchasing the land, the State of Utah could avoid zoning and land use restrictions that would otherwise take time and money to navigate.

This vision was further solidified after reviewing and speaking with organizations who have similar efforts in place. The Housing sector of the [Rural Community Assistance Corporation](#) (RCAC) helps to finance, develop, and operate affordable housing programs in many states across the West Coast, including Utah. However, upon conversing with one of their staff in a virtual meeting, their services are not as utilized in Utah, and having a more centralized and state-specific program would best benefit rural areas. Our office also had a discussion with BeauxSimone Consulting, who offers training, TA, and project development to rural, urban, and tribal communities within and around Colorado and neighboring states. One element of their organization is providing a [Pathways Home Toolkit](#), which provides “technical assistance and peer learning sessions designed to help non-profits, housing authorities, and service providers increase the number of permanent supportive housing units available in their community.” This toolkit sets a great example of how this program can be successful within the State of Utah with the right staffing, accessibility and connection to resources.

Use of third party consultants during the first two years of this program will build a solid foundation for how the UHDP will operate over the initial five years of the program.

What is your geographic scope?

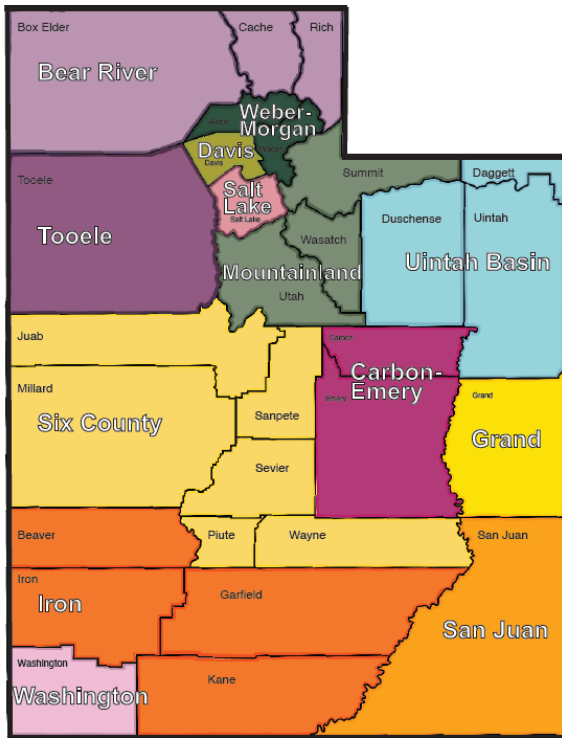
The Department of Workforce Services Office of Homeless Services’s (DWS-OHS) plan is to provide services to any area within the State of Utah, though there will be heightened focus on those within rural areas and identified by HUD as a prioritized geography. These focused areas include, though are not limited to, Daggett County, Morgan County, Summit County, Wasatch County, and Washington County. Additional focus will be placed on identified prioritized cities

via HUD. Our goal is to identify at least one entity (or a collaboration between multiple entities) within these identified counties or cities, and assist them in creating a deeply affordable housing project to benefit local residents. By initiating a housing project within the identified prioritized areas, it creates a groundwork for creating more affordable housing projects in these areas that typically may be discouraged due to the continual barriers they face in the process.

One way to initiate further discussion of affordable housing projects in these prioritized areas is through Utah’s Associations of Government (AOGs). DWS-OHS has conducted outreach to AOGs for the purpose of this application to discuss what affordable housing barriers and progress they have made in their respective communities. This pathway can also be made through Utah’s Local Homeless Councils (LHCs). DWS-OHS participates in each LHC meeting in every region of the state. This opportunity for State-backed housing development assistance would be advertised at these meetings, and LHC representatives could then discuss what projects they would hope to create within their communities.

Local Homeless Councils

Associations of Government



Who are your key stakeholders? How are you engaging them?

The Department of Workforce Services Office of Homeless Services (DWS-OHS) has engaged in multiple conversations with entities across Utah. These parties include Local Homeless

Councils (LHC), Associations of Government (AOG), housing developers, housing authorities, and state agencies.

[Local Homeless Councils](#), as described on the DWS-OHS site, “...are counties or groups of counties...and are the designated local oversight bodies that are responsible for developing a common agenda and vision for reducing homelessness in their respective regions, developing a spending plan that coordinates the funding supplied to local stakeholders, [and] aligning local funding to projects that improve outcomes and target specific needs in the community.” Our office meets with the LHCs on a monthly basis with further outreach conducted to specifically discuss affordable housing barriers that are identified within their respective areas. Outreach initially was conducted via a Google Forms survey, with a follow-up meeting with LHC leaders to discuss the results and provide a space for additional feedback. DWS-OHS received input via surveys from LHC leaders overseeing multiple areas including: Daggett, Duchense, Uintah, San Juan, Davis, and Summit, Wasatch, and Utah counties. These areas also engaged in the virtual meeting, with additional input from both high-density counties (i.e. Salt Lake County) and less-populated counties (i.e. Grand County). During the virtual meeting, all LHC leaders involved expressed their support for DWS-OHS’ application and their hopes that these discussions on housing barriers become an important part to bettering the state’s housing market in the future.

The [Associations of Government](#), as defined by Six County’s AOG website, “...were formally established in the early 1970’s to (1) provide a common forum to identify, discuss, study, and resolve area wide problems, (2) to achieve advantages of cooperative action which cannot be achieved individually and to make the most effective use of local leadership and staff resources, (3) to provide local input into state programs which are undergoing increasing decentralization to a regional level, (4) to serve as a multi-purpose ‘umbrella-type’ organization to engage in and carry out planning and development programs with respect to existing and emerging problems of industry, commerce, transportation, population, housing, agriculture, public services, local governments and any other matter which are relevant to the Association’s purposes, (5) to maintain liaison with members, governmental units and groups of organizations, and to serve as the regional voice for local governments; and (6) to perform such other functions as may be deemed necessary under the direction of local elected officials.” Outreach was conducted via Google Forms to engage with AOG officials, and responses were received from three of the seven AOGs who oversee Carbon, Emery, Grand, San Juan, Summit, Wasatch, Utah, Beaver, Iron, Washington, Garfield, and Kane Counties.

Conversations were also had via virtual meetings with a multiple of different housing developers and similar-acting nonprofits. These organizations include: Ivory Innovations, BeauxSimone, and Rural Community Assistance Corporation. All entities offered support or resources in providing information, as well as gave DWS-OHS insight on the work that they do and what has

been successful (either within or outside of Utah) thus far. Engagement with housing authorities located throughout Utah was conducted through a recently established quarterly meeting to discuss overall updates and concerns that need to be addressed. In their second meeting, DWS-OHS presented their concept for this PRO Housing application and received unanimous support. Lastly, DWS-OHS engaged in early discussions with the Housing and Community Development (HCD) team to gain insight on their efforts towards the creation of affordable housing, such as the monitoring of the Moderate Income plans submitted by officials across the state.

Input from the entities above were incorporated through this application, in areas that were most applicable to the prompt. Our office's efforts and requests for input on the needs of affordable housing do not end after the completion of this application. We hope to continue these conversations, regardless of whether funding is awarded, to help pinpoint how LHCs and the State can work collaboratively to tackle the prevalent barriers to housing.

How does your proposal align with requirements to affirmatively further fair housing?

As per the Kem C. Garner study, one of the greatest needs is deeply affordable housing, which specifies units for those at 30% AMI or below. [A previous study](#) from this institute also noted that 76% of Utahns are unable to afford a median-priced home, making housing opportunities extremely limited. Utah's population, per the last [Census](#), around 90% of residents identify as White, 1.6% as Black or African American, 1.5% as American Indian or Alaska Native, 2.8% as Asian, 1.2% as Native Hawaiian or Other Pacific Islander, and 15.1% as Hispanic or Latino. However, there is a disparity between the breakdown of race, and the percent of minority groups experiencing poverty. According to KFF.org, Only 7.1% of White households are experiencing poverty compared to 21.1% black households, 11.6% Hispanic households, 6.7% Asian, Native Hawaiian and Pacific Islander households, and 35.9% American Indian and Alaska Native households. The deeply affordable housing units that will stem from the creation of Utah Housing Development Program's (UHDP) support will primarily focus on serving those who fall within the 30% AMI and below range. By focusing on those who have extremely low incomes, we will address the increased demographic disparity present within this group.

In order to promote desegregation, one requirement of agencies engaging with UHDP can include the documentation of clients in affordable housing units, as well as the documentation of supportive services to ensure resources are distributed equitably. By requiring this reporting mechanic, UHDP can discuss any discrepancies or discrimination in services that may occur, though restrictions and guidelines set by the team will be provided prior to minimize chances of such discrimination occurring in the first place.

One concern identified by this PRO Housing NOFO is the concentration of affordable housing in low-opportunity areas, or in spaces where there is ample supply of such housing. One of the essential pieces of UHDP working with agencies is that the project in question benefits the community, while minimizing or eliminating the negative impacts in the neighboring areas. This includes creating a focus on areas that have more limited affordable housing opportunities, and looking at nearby amenities such as public transit, employment opportunities, and grocery stores.

Another UHDP goal for developing affordable housing is the accessibility to supportive services to its tenants. If an entity has no case management background, UHDP can connect them to local non-profit organizations that have knowledge in providing these vital services. The combination of affordable housing and case management are key to a tenant's long-term success and growth.

In regards to displacement, the risk has been considered and is important to keep in mind when developing affordable housing projects. One strategy by Salt Lake City entitled "[Thriving in Place](#)" provides an amazing outline for how to minimize gentrification and displacement. These efforts can be kept in mind when UHDP works on housing projects across the state. In addition to anti-displacement strategies, the Office of Homeless Services (OHS) ensures that all entities and grantees that work with the department follow fair housing practices, and that fair housing rights are a mandatory item to be provided and reviewed with all tenants. OHS also has rapport with the Disability Law Center, and could collaborate with them further to assist with project compliance in reference to ADA laws and requirements. Lastly, to ensure accessibility of UHDP assistance to as many protected classes and entities as possible, preference will be given to minority-, women-, and veteran-owned applicants to encourage their engagement in the program.

Progress towards advancing racial equity in all UHDP supported projects will be measured by using client level data. Looking at the demographics of who each project is serving, we can compare the project to the population as a whole and to the demographic information for those experiencing homelessness or in poverty. If who the project is serving does not reflect the demographic breakdown of who the project is intended to serve, corrections can be made with advertising and accessibility to ensure that individuals most in need of the affordable housing are served. Using existing HMIS data, we can see community specific breakdowns of individuals experiencing homelessness that can be compared to who is being served in each project.

What are your budget and timeline proposals?

The State of Utah has outlined a budget for three different award scenarios and has been broken down based on being awarded at 30%, 60%, and 100% ask. These scenarios are outlined below from lowest to highest amount.

The full scope of the proposed project is the creation of the Utah Housing Development Program (UHDP). This program would comprise of three State of Utah, Office of Homeless Services staff that would oversee all communities across Utah, with a special focus on high demand areas identified in the PRO Housing NOFO. In addition to these three positions, the program includes costs for travel across the state in a State of Utah owned vehicle, costs for a statewide consultant to assist with highly technical training for agencies to address community specific barriers, and funds to start a rural Utah land bank owned and operated by the State of Utah. Please see the included budget, form 424 (Attachment A), for a detailed breakdown of costs.

At a 30% ask of \$1,500,000, the State would reduce the length of the pilot program from five to two and a half years. The State believes that having these three UHDP positions is vital to ensure the success of clients' projects. However, this brings up a large concern; many affordable housing projects take at least a year, if not longer, to complete construction or rehabilitation. By only having support for up to 2.5 years, this would limit the amount of time staff would have to support projects to ensure that they are quickly developed, constructed, occupied, and remain operational. The cut in award ask would also reduce the caseload in which staff can manage, as more focus would need to be placed on current projects before the pilot program potentially ends. The Office of Homeless Services would request from the legislature ongoing funding for these positions during the initial two and a half years of HUD PRO Housing program funding.

At a 60% ask of \$3,000,000, the State could secure these three positions for a minimum of five years. This security would allow flexibility in the planning phase with agencies, such as creating a one-year, versus three-year development plan depending on the agency's stage of development. This would also allow more time to determine additional funding sources to secure the pilot program positions past the 5-year threshold.

At a 100% ask of \$5,000,000, the State would utilize the additional \$2,000,000 towards land banking properties across the state, with a prioritized focus on rural areas. A common concern that was reported throughout rural communities was the lack of land available for development, which creates a massive roadblock towards creating deeply affordable housing opportunities. The State of Utah would secure different sites and provide them to identified agencies at no cost through long-term land leases. By purchasing the properties and holding that land as state-owned, local zoning ordinances would not be enforceable. UHDP staff would work with local municipalities to comply with ordinances whenever possible, but the flexibility of using state land for the developments would ensure projects could be created in areas that otherwise would not allow affordable housing development.

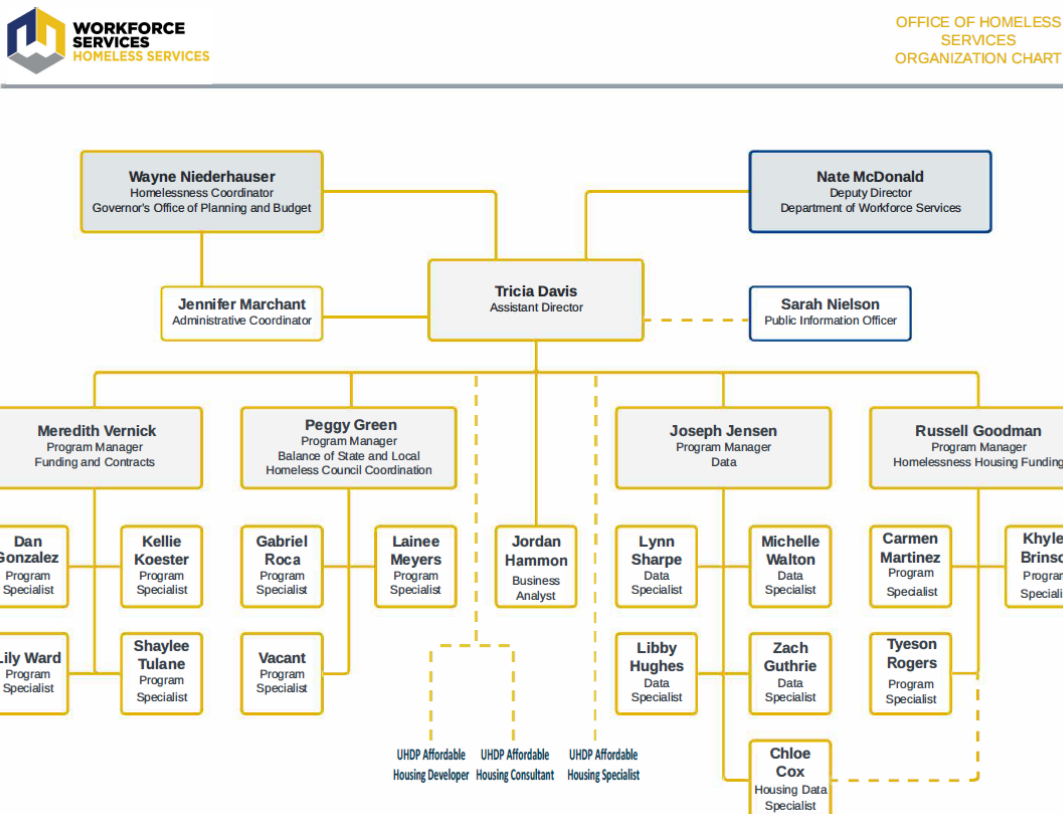
Exhibit E: Capacity

What capacity do you and your partner(s) have? What is your staffing plan?

Per our department’s website, [The Department of Workforce Services Office of Homeless Services \(DWS-OHS\)](#), “allocates funds from federal and state sources through a competitive grant application process. The office not only provides assistance in delivering homeless services but also facilitates the coordination of such services across the State of Utah.”

DWS-OHS will add the Utah Housing Development Program (UHDP) and its staff as their own department. All three positions would be supervised by the Assistant Director. This organizational placement will be subject to change if a more suitable set-up within the team is identified or if an organizational transition occurs. This funding request creates the internal capacity to execute the UHDP pilot program via the creation of new positions. DWS-OHS currently comprises four separate teams: Homelessness Housing Funding, Data, Balance of State and Local Homeless Council Coordination, and Funding and Contracts.

Please see below the organization chart for DWS-OHS. The chart also reflects the structure for the three UHDP positions. The vacancy shown in the organization chart is classified as of the submission of this application; these vacancies may be filled in future readings of this application. Although this impacts the capacity of the Balance of State and Local Homeless Council Coordination team, it does not have a heavy impact on the department as a whole, and therefore would not create any additional strain in the UHDP roles.



Due to the structure of DWS-OHS, all teams have consistent collaboration, and the Utah Housing Development Program team would have additional support and guidance from each team to be fully immersed in the department, as well as to have the needed resources to network the program out to entities throughout the State. Balance of State and Local Homeless Council Coordination team regularly engages with Utah's Continua of Care (CoCs) and 13 Local Homeless Councils (LHCs). This team would be vital in getting state entities aware of the UHDP, and encourage interested parties involved. Based on outreach discussions conducted for this application, there is active interest in working with UHDP, and compiling a caseload of clientele would be exponential. Additionally, the Homelessness Housing Funding team oversees the Deeply Affordable Housing Fund and the Attainable Housing Fund grants for the office, and in turn is also knowledgeable in both internal and external resources for funding housing projects. Collaboration between this team and the UHDP can quickly expand the knowledge of resources (financial, developmental, and staffing, among others) to relay to UHDP clientele.

The Funding and Contracts team oversees funding sources for services for those who are actively or at risk of homelessness. These services include homeless prevention, rapid re-housing, diversion, transitional housing, permanent supportive housing, emergency shelter, and street outreach. Collaboration between the Funding and Contracts team with UHDP would increase involvement from non-profit homeless providers to create a strong movement for deeply affordable housing to aid in our office's goal of making homelessness rare, brief, and non-recurring. Lastly, the Data team oversees reporting and maintenance of the Utah Homeless Management Information System (UHMIS). This team keeps tracks homeless services across the state, conducts trainings and provides resources for HMIS-users, oversees federal and state reporting requirements (i.e. Point in Time Count, Housing Inventory Count, System Performance Measurements), which can be utilized in the [Annual Data Report on Homelessness](#), and gathers data on a myriad of factors provided through the UHMIS database. Collaboration between the UHDP and Data teams are vital, as UHDP can utilize HMIS to monitor success of ongoing and completed housing projects (despite whether they were aided through UHDP), to improve on reporting, and minimize negative client outcomes (evictions, incarceration, etc.) Our State Homeless Coordinator, Wayne Niederhauser, can also bring up this new program in a legislative space as appropriate.

Our department has extensive experience working with and coordinating partners through the extensive number of contracts that have been awarded, assembled, executed, and monitored through their respective teams. OHS actively works alongside DWS' Contract Analyst team to ensure proper construction and execution of contracts both awarded to our office, as well as those that are executed to subrecipients. Once contracts are executed with subrecipients, OHS engages with grantees for reimbursement claims, site visits, technical assistance, and monitoring, along with additional support in other areas as needed. One of the many items reviewed during

the monitoring process is the verification of rights to fair housing documented in client files, and encouraging active fair housing practices to grantees.

In regards to the leadership capacity and legal authority to implement the UHDP, DWS-OHS leadership and Wayne Niederhauser would take lead to integrate the program into the office's scope of work, and network the program throughout state entities, alongside the efforts to incorporate and advertise the program from a legislative to public level.

This PRO Housing application for the State of Utah was written by the Homeless Housing Funding team within DWS-OHS. This includes three program Specialists (Carmen Martinez, Khylee Brinson, Tyeson Rogers), and a Program Manager (Russell Goodman). Additional editing was provided by Zachary Guthrie, who works within DWS-OHS' Data department. Kevin Goldthorpe with our Fiscal Management team also helped to assemble the budget portion of the application. All members worked efficiently and collaboratively to complete all sections of the narrative and additional documents.

Exhibit F: Leverage

Are you leveraging other funding or non-financial contributions?

The Department of Workforce Services Office of Homeless Services has identified a few sources that will be utilized as leverage for this funding. One identified source is the funds for the Attainable Housing Program, totaling at \$5,000,000, in addition to the Philanthropic Match funds tied to the second round of the Deeply Affordable Housing Fund, totaling to \$13,312,500. Additional leverage has been identified through \$1.4 million in recurring funding created by a real estate transaction tax that is allocated to the Office of the Property Rights Ombudsman.

*****Additional leverage sources and corresponding documentation are being identified during the public comment period. These sources will be properly reflected in the final submission of the application. Sources may be subject to change.*****

Exhibit G: Long-Term Effect

What permanent, long-term effects will your proposal have? What outcomes do you expect?

Within the initial five years of Utah Housing Development Program's (UHDP) creation, the intention is to create a minimum of 200 deeply affordable units, with at least 20% residing within the prioritized geographical and rural areas throughout the state. The Office of Homeless Services (OHS) also hopes to further promote self-sufficiency for other projects based on tactics and methods that prove successful from completed housing projects. Additional long-term goals include the formation of stronger connections between local officials and neighboring agencies, creation of more legislative support for affordable housing, and the minimization of the NIMBY (Not In My Backyard phenomenon) mentality through open forums and citizenship engagement.

On a citizen-based level, The UHDP intends to actively remove barriers while assisting marginalized, underrepresented, underserved and vulnerable populations to find affordable housing. Examples of these populations include those experiencing homelessness, refugees, asylum seekers, racial and ethnic minorities, and those with physical, mental, or behavioral impairments.

An obstacle that the UHDP program may face relates to the five year restriction of the program. As a proactive measure to ensure longevity of the program and its long-term successes, DWS-OHS would be prepared to request additional funds as a means to expand the program beyond this threshold. Another potential obstacle is the level of engagement and motivation from other entities taking part in the program. In the event that an entity drops out of, or strays from engaging with UHDP staff, the UHDP will take initiative to have a regulatory discussion and take immediate action to ensure that resources, time, and money are used efficiently. As discussed in the evaluation phase of the program, a timeline would be set on projects and can be reevaluated and adjusted accordingly to create attainable and realistic goals.

Communities across Utah face several environmental risks. A significant threat to consider is earthquakes, as the Wasatch fault, which is composed of ten segments, contains five that are considered active and could cause massive damage and displacement as a result. Another environmental risk considered is air quality, as the imposing pollution has long-term detrimental impacts on overall health and well-being of Utahns, especially for those experiencing homelessness. Our unhoused neighbors are not only the most vulnerable, but their exposure to environmental hazards far exceeds any other population.

For all intents and purposes of this project, when deciding what to purchase and hold state-owned land for, a factor that can be considered is the proximity to neighboring amenities, or the need for space for their production by other partners. This may include but is not limited to

schools, businesses for employment opportunities, public modes of transit, and community spaces.

Once the UHDP is up and running, the program can be utilized as a model for other communities on a city and county level. The State of Utah would provide support and collaboration with these entities to help them create the framework to best support their community's unique needs. A starting point to create similar programs can be through communication to the State legislature, Local Homeless Councils, Associations of Government, Continua of Care, the Utah League of Cities and Towns, and Housing Authorities. The ultimate goal across our state is to eliminate the deficit of affordable housing, and the most effective way is when each entity is an active participant in making a change. As proclaimed by former State Senate President Wayne Niederhauser in the State Strategic Plan, "There is much more we can accomplish if we do it together."

Grant Application Detailed Budget Worksheet

OMB Approval No. 2501-0017
Expiration: 1/31/2026

Applicant Name: State of Utah, Department of Workforce Services											
Subtotal - Transportation - Other				\$4,500	\$4,500						
3d. Per Diem or Subsistence (indicate location)	Days	Rate per Day	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Three days of food per diem for 3 people, once per year for annual conference, Washington DC	45	\$60.00	\$2,700	\$2,700							
Food per diem for in state travel, 10 days per month, statewide	600	\$30.00	\$18,000	\$18,000							
Subtotal - Per Diem or Subsistence				\$20,700	\$20,700						
Total Travel Cost				\$116,100	\$116,100						
4. Equipment (Only items over \$5,000 Depreciated value)	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Total Equipment Cost											
5. Supplies and Materials (Items under \$5,000 Depreciated Value)											
5a. Consumable Supplies	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Original Computers	3	\$1,200.00	\$3,600	\$3,600							
Monitors	6	\$200.00	\$1,200	\$1,200							
Computer upgrades at year 3	3	\$500.00	\$1,500	\$1,500							
Subtotal - Consumable Supplies				\$6,300	\$6,300						
5b. Non-Consumable Materials	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Office Supplies	1	\$5,000.00	\$5,000	\$5,000							
Subtotal - Non-Consumable Materials				\$5,000	\$5,000						
Total Supplies and Materials Cost				\$11,300	\$11,300						
6. Consultants (Type)	Days	Rate per Day	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Housing Toolkit Consultant, once per year, two week training	50	\$600.00	\$30,000	\$30,000							
Total Consultants Cost				\$30,000	\$30,000						
7. Contracts and Sub-Grantees (List individually)											

Grant Application Detailed Budget Worksheet

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Applicant Name:		State of Utah, Department of Workforce Services										
	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
7a. Contracts												
Subtotal - Contracts												
7b. Sub-Grantees (List individually)												
Subtotal - Sub-Grantees												
Total Contracts and Sub-Grantees Cost												
8. Construction Costs												
8a. Administrative and legal expenses												
Subtotal - Administrative and legal expenses												
8b. Land, structures, rights-of way, appraisal, etc												
Land Banking/Land Trust	10	300000	\$3,000,000	\$ 3,000,000.00								
Subtotal - Land, structures, rights-of way, ...												
8c. Relocation expenses and payments												
Subtotal - Relocation expenses and payments												
8d. Architectural and engineering fees												
Subtotal - Architectural and engineering fees												
8e. Other architectural and engineering fees												

Grant Application Detailed Budget Worksheet

OMB Approval No. 2501-0017
Expiration: 1/31/2026

Applicant Name:		State of Utah, Department of Workforce Services										
Total Other Direct Costs												
Subtotal of Direct Costs				\$4,402,280								
10. Indirect Costs		Rate	Base	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Type												
Total Indirect Costs												
Total Estimated Costs				\$4,402,280	\$4,402,280							

Grant Application Detailed Budget Worksheet	OMB Approval No. 2501-0017 Expiration: 1/31/2026
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Detailed Description of Budget		
Analysis of Total Estimated Costs	Estimated Cost	Percent of Total
1 Personnel (Direct Labor)	936,000.00	21.3%
2 Fringe Benefits	308,880.00	7.0%
3 Travel	116,100.00	2.6%
4 Equipment	0.00	0.0%
5 Supplies and Materials	11,300.00	0.3%
6 Consultants	30,000.00	0.7%
7 Contracts and Sub-Grantees	0.00	0.0%
8 Construction	0.00	0.0%
9 Other Direct Costs	4,402,280.00	100.0%
10 Indirect Costs	0.00	0.0%
Total:	4,402,280.00	100.0%
Federal Share:		
Match (Expressed as a percentage of the Federal Share):		