



UTAH DEPARTMENT OF  
**WORKFORCE  
SERVICES**  
HOUSING & COMMUNITY  
DEVELOPMENT

# RECOVERY HOUSING PROGRAM

PY20 ACTION PLAN

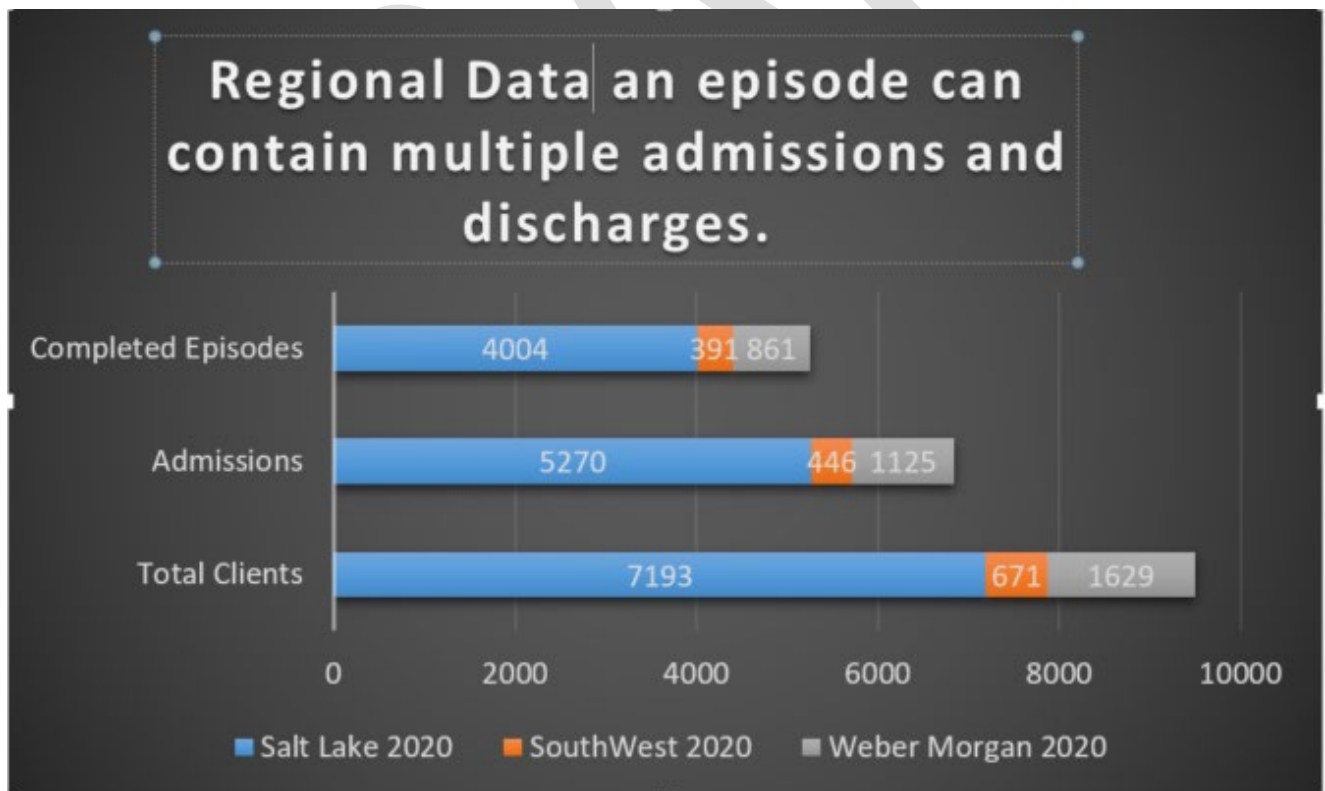
## Program Summary

The Federal Register Notice No. FR-6225-N-01 as authorized under Section 8071 of the SUPPORT for Patients and Communities Act, entitled Pilot Program to Help Individuals in Recovery from a substance use disorder become stably housed, herein referred to as the Recovery Housing Program (RHP). The pilot program authorizes assistance to grantees (states) to provide stable, temporary housing to individuals in recovery from a substance use disorder.

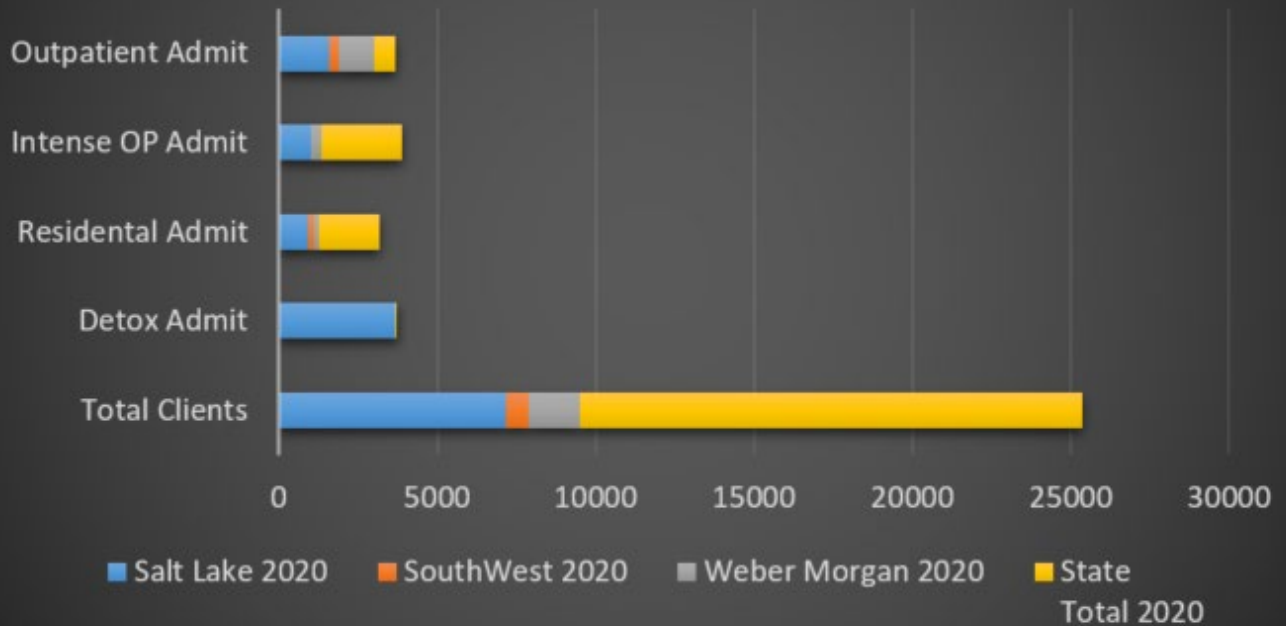
The Department of Workforce Services Housing and Community Development Division has determined to use this funding for Acquisition of Real Property, giving priority to organizations that have demonstrated the greatest need and the ability to deliver effective assistance in a timely manner.

The State of Utah's RHP Action Plan will guide the use of approximately \$755,000 of the first allocation and \$671,526 of the second allocation in RHP funding received by the State through the U.S. Department of Housing and Urban Development's Community Development Block Grant (CDBG) Program for the period July 1, 2021 through September 1, 2027.

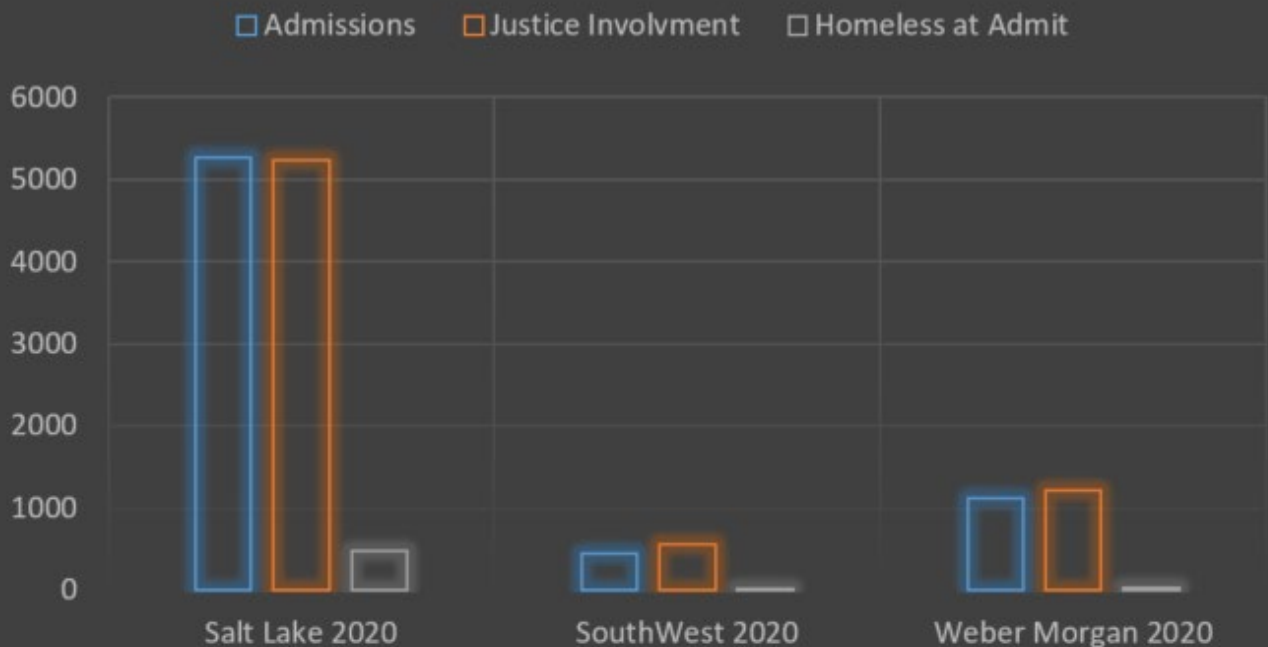
Regional data from the Dept. of Health's IBIS database, the Utah Health Improvement Plan, and the Utah Department of Human Services Substance Abuse and Mental Health database reflects Utah's greatest need for RHP funding is in Salt Lake and Weber County.



## Regional Data - Admittance Type



## Regional Data - Application Evaluation Factors



Utah recognizes that treatment is necessary, but accessibility is insufficient for long-term recovery of low-income and homeless individuals experiencing substance use disorders, mental health conditions, and criminal justice involvement. Housing stability is fundamental to recovery and a critical factor contributing to positive outcomes. Participants who know they will exit to stable housing are 30% more likely to successfully complete treatment. We know, that many who exit treatment will return to homelessness without long-term, affordable housing and comprehensive, evidence-based wrap-around case management services. It is reported that of those exiting treatment for a substance use disorder or mental health condition, only 18%, respectively, of those in need of housing received housing assistance according to the Utah Homeless Management Information System (HMIS). Data also shows that without stable housing, the risk of relapse and inability to maintain abstinence, is greatly increased.

HCD notified the public that RHP funding was available by posting a notice on the Utah Public Meeting Notice Website. A public notice was posted on February 11, 2021 announcing Utah's first allocation of RHP funding. A second public notice was posted on March 10, 2021 announcing the second allocation of RHP funding. The purpose of the notice was to inform the public that DWS HCD had been awarded these funds from the U.S. Department of Urban Development for a pilot program to support individuals in recovery onto a path to self-sufficiency. Interested organizations were instructed to reach out to Jennifer Domenici by March 25, 2021 for application structure, guidance and submission instructions.

On May 4, 2021 the RHP Rating & Ranking Committee met to review, and score applications. Based on data and capacity to carry out the grant, priority was given to First Step House. First Step House will utilize RHP funding to acquire and renovate a pre-existing building containing 15 two bedroom units, which will result in a licensed recovery residence with 30 beds in Salt Lake County. RHP funding will expand existing services to provide recovery housing for an additional 30 people. First Step House's current recovery residence program

has a 25+ person waiting list, the demand for recovery housing in Salt Lake County currently outweighs inventory or capacity. These new beds will house and serve low-income individuals diagnosed with a substance use disorder; providing transitional housing (for up to 24 months) and supportive services necessary for people to manage their conditions, access services, exit to permanent housing and achieve long term stability. All units are set for incomes at or below 30% of the Area Median Income. First Step House is licensed through the State of Utah Department of Human Services Office of Licensing to provide Substance Abuse/Recovery Residence services. Their Long Term Recovery Model emphasizes sustained, post-treatment recovery management to elevate long-term recovery rates, enhance the quality of personal/family life in long-term recovery, increase employment income, obtain and sustain housing, and track, identify and report on community benefits, such as decreasing criminal justice involvement and mitigating rising healthcare costs.

## Resources

If approved the Department of Workforce Services Housing and Community Development Division will award First Step House \$1,340,934 for Acquisition to be combined with a potential \$1,000,000 from the federal/state funded Olene Walker Housing Loan Fund and \$650,000 from Rocky Mountain Community Reinvestment Corporation.

First Step House has a strong record of administering federal, state and local grant funding and increasing quality partnerships to ensure programs continue providing comprehensive supportive services to members of

the community. Since 1988, First Step House has been leveraging dollars to develop recovery housing for low-income and homeless individuals experiencing substance use disorders and mental health conditions. Due to a lack of supportive and stable housing, they significantly expanded their housing portfolio to help reduce the housing gap in Salt Lake County. This includes buying two fourplexes, two duplexes, operating a 72-unit transitional housing facility, and receiving Low-Income Housing Tax Credits to develop 115 units of permanent supportive housing that opened in 2020 and 2021. First Step House was able to build two new permanent supportive housing facilities by leveraging over \$30 million and partnering with entities including American Express, the Richman Group, Optum, Salt Lake County Behavioral Health, National Equity Fund, Dominion Energy, Housing Connect, Salt Lake City, Blueline Development, Morgan Stanley, Dept. of Workforce Services, Zions Bank, Hilltop Bank, U.S. Dept of Veterans Affairs, Utah Housing Corporation, the Housing Authority of Salt Lake City, Kier Construction, Olene Walker Housing Loan Fund, Rocky Mountain CRC, and Federal Home Loan Bank of Des Moines.

### **Administration Summary**

The Department of Workforce Services Housing and Community Development Division will oversee the administration of the RHP grant. Oversight includes: sub-recipient grant management, monitoring, completing an environmental review, ensuring Residential Anti-Displacement and Relocation Assistance plans are adopted and followed and complying with acquisition and relocation requirements of the Uniform Relocation Act.

Point of Contact: Jennifer Domenici – 801-803-3173 – [jdomenici@utah.gov](mailto:jdomenici@utah.gov)

As a Sub-recipient, First Step House will be responsible for purchasing and rehabilitating the property as well as administering program services under the guidance of the Department of Workforce Services Housing and Community Development Division.

Point of Contact: Shawn McMillen – 801-359-8862 x2114 – [smcmillen@firststephouse.org](mailto:smcmillen@firststephouse.org)

### **Use of Funds – Method of Distribution**

A rating & ranking committee (RRC) was established consisting of 5 individuals: one from the Utah Homelessness Programs Office, one from the Utah Department of Human Services Substance Abuse & Mental Health Division, one from Utah's Multifamily Housing Program and two people from the State Community Development Block Grant Program. The RRC created the scoring matrix, reviewed applications, prioritized projects and decided which organizations to fund based on ranking criteria. A copy of this criteria, outlining exactly what applications would be scored on and the possible points for each section was provided to all organizations during the application process.

### **Use of Funds – Activities Carried Out Directly**

The Department of Workforce Services Housing and Community Development Division will use 6% of the total award: 3% for Administration costs and 3% for Technical Assistance. The remaining funds will be distributed to First Step House: 2% for Administration costs and the rest for Acquisition of Real Property.

DWS HCD – 3% General Admin & 3% TA - \$85,591.56

First Step House – 2% General Admin - \$26,818.68

First Step House – Acquisition - \$1,314,115.32

Total available for both allocations: \$1,426,526

### Use of Funds – Eligible Sub-recipients

Eligible sub-recipients are nonprofit entities that have a valid license through the State of Utah Department of Human Services Office of Licensing to provide Substance Abuse and Recovery Residence services; have experience providing successful services related to substance use disorder recovery and have capacity to carry out the grant in a timely manner.

### Use of Funds – Criteria for Evaluation

Criteria for evaluation of applications and organizations was based on:

- Regional data collected by the Housing & Community Development Division
  - Dept. of Health's IBIS database
  - Utah Health Improvement Plan
  - Utah Department of Human Services Substance Abuse and Mental Health database
- Demonstrated coordination with other federal and non-federal assistance related to
  - Substance Abuse
  - Homelessness or at risk of homelessness
  - Employment
  - Wraparound Services
- Licensing Status:
  - A valid license through the Utah Department of Human Services
- Existing Services
  - Services currently provided
  - Ability to provide comprehensive recovery services
  - Support offered after program exit for long term recovery
  - Explanation of how RHP will change or enhance services provided
  - Criteria for determining eligibility
  - Timely assistance provided to those with the greatest need
  - Minimal barriers to entry
- Unmet Need
  - Data justifying the need for RHP funding
- Sustainability
  - A plan to sustain and continue services if RHP funding is invested in the project
- Contingency Plan
  - Contingency plan if RHP funds are not awarded
- Annual Outcome Measures
  - Proposed number of individuals assisted with RHP funding
  - Proposed number of individuals able to transition to permanent housing
  - How the project measures success

- Feasibility
  - The possibility, capability and likelihood of the project being completed within a year
- Timeline
  - Specific timeline that supports the feasibility of the project
- Total Cost of the Project
  - RHP funding
  - Federal funding
  - State funding
  - Local funding
  - Other
- Management, Oversight & Monitoring Policies & Procedures
  - Eligibility determination
  - Support of clients success after exit
  - Referral process
  - Tracking, follow up and relapse protocol
  - Civil Rights and Fair Housing
  - Coordination with law enforcement
  - Client discharged, evicted or no longer interested are offered assistance in accessing other housing services

A copy of this criteria, outlining exactly what applications would be scored on and the possible points for each section was given to all organizations that applied for this funding.

Recovery Housing Program Rating and Ranking -2021										
Review Committee:										
Applicant:		Requested RHP Amount \$					Total Score:			
Project Description:		Purpose: Provide stable, temporary housing to individuals in recovery from a substance use disorder.  HCD has determined to use this funding for Acquisition of Real Property.								
RHP Rating and Ranking Criteria Description		Data Range/Score						Score	x Weight	Total Score
1	Data Collected by Housing & Community Development.	Greatest	Moderate	Low Need					3.0	0.00
2	Demonstrated Coordination with other Federal and Non-Federal	Excellent	Good	Fair	Deficient	Poor			2.5	0.00
3	Licensing Status: - Valid license through DHS to be a recovery residence - In good standing, no violations	Yes 10 points	No 0 points						1.0	0.00
4	Existing Services:	Excellent	Good	Fair	Deficient	Poor			2.5	0.00
5	Unmet Need: Data justifying the need for RHP funding	Excellent	Good	Fair	Deficient	Poor			1.0	0.00
6	Sustainability: Plan to sustain and continue services if RHP funding	Excellent	Good	Fair	Deficient	Poor			2.0	0.00
7	Annual Outcome Measures:	Excellent	Good	Fair	Deficient	Poor			1.0	0.00
8	Feasibility: The possibility, capability and likelihood of the project	Excellent	Good	Fair	Deficient	Poor			2.0	0.00
9	Total Cost of Project: Detailed Budget	Excellent	Good	Fair	Deficient	Poor			2.0	0.00
10	Management, Oversight & Monitoring: Policies & Procedures	Excellent	Good	Fair	Deficient	Poor			2.0	0.00

## Definitions

**Individual in Recovery:** A person that is in the process of change to improve their health and wellness, live a self-directed life, and strive to reach their full potential.



**Substance Use Disorder:** As defined by Substance Abuse and Mental Health Services Administration (SAMHSA) - the recurrent use of alcohol and/or drugs causing clinically significant impairment, including health problems, disability, and failure to meet major responsibilities at work, school, or home.

## Anticipated Outcomes

The Proposed number of individuals served with RHP funding at one point in time is 30, Historically, First Step Houses average length of stay has been 160 days. Assuming this and a 95% occupancy rate, First Step House would serve an additional 65 individuals per year. The Housing and Community Development Division and First Step House anticipates being able to transfer 60% or more of these recovery residents to permanent housing.

The proposed number of individuals served per year with RHP– 65

Achieve a 75% or higher lease compliance rate

Maintain an eviction rate of 25% or less

Transfer 60% or more clients to permanent housing

## Expenditure Plan

The Department of Workforce Services Housing and Community Development Division will comply with all RHP guidelines and expend at least 30% of the funds within year one as required. We anticipate spending 100% of the RHP funds within the first year as we look to close on acquisition by October/November 2021. The need for appropriate recovery housing to fill gaps in Salt Lake County is substantial and based on First Step House's knowledge of acquisition and providing recovery services we do not anticipate any type of barrier to spending down funds expediently and effectively. Administrative costs will not exceed the 5% allotment. Any program income generated will be used to continue RHP- eligible activities.

## Citizen Participation Summary

Before the RHP final Action Plan is submitted the Housing and Community Development Division (HCD) will make available to citizens, public agencies, and other interested parties information that includes the amount of assistance HCD expects to receive and the activities that will be undertaken with these funds. HCD will make this information available on the Utah Public Notice Website at least 15 days before the final Action Plan is submitted to HUD. HCD will publish the proposed Action Plan in a manner that affords citizens, units of general local governments, public agencies, and other interested parties a reasonable opportunity to examine its contents and to submit comments.

An in person public hearing will be held on July 8, 2021 with the option for persons to call into the meeting. If restrictions are in place that do not allow an in person meeting then the meeting will be held remotely with all persons given access to call into the meeting.

HCD will consider any comments or views received in writing, or orally at the public hearing. A summary of these comments or views, and a summary of any comments or views not accepted and the reasons therefore will be attached to the RHP final Action Plan.

## Partner Coordination



The Department of Workforce Services Housing and Community Development Division has an extensive history of collaborating with diverse community stakeholders to ensure we meet organizational objectives and participant needs.

The Emergency Solutions Grant, Balance of State Continuum of Care, Housing Opportunity for Persons with Aids, Community Development Block Grant, Community Services Block Grant, Earned Income Tax Credit, Emergency Food Network, Qualified Emergency Food Agencies Fund, Olene Walker Housing Loan Fund, and Section 8 Landlord Incentives are all administered by divisions within the Department of Workforce Services. These divisions work closely on a daily basis to identify gaps and ensure programs are strategically integrated.

The State Community Development Block Grant program manager met with the Department of Human Services Substance Abuse and Mental Health and the Homelessness Programs Office to discuss their current programs and initiatives for transitional housing for persons that are recovering from addiction.

First Step House Executive Director, Shawn McMillen is a member of the Salt Lake Valley Coalition to End Homelessness and the co-chair of the Health and Wellness Core Function Group First Step House Associate Director, Austin Davis serves as board treasurer of the Utah Housing Coalition.

Department of Workforce Services personnel serve on various other core function groups including Community Engagement, Dignity of Work and Housing and Client Focused to ensure coordinated assessments and to share information on available resources to reduce duplication among programs that serve the homeless.

### **Sub-recipient Management and Monitoring**

The Department of Workforce Services Housing and Community Development Division will manage the implementation of requirements under the new Recovery Housing Program rule. The Community Development Block Grant (CDBG) program manager will ensure that the project is carried out in accordance with all program regulations and other federal requirements. The CDBG program manager will work with First Step House throughout the life of the project to assist them through the process. First Step House will be required to submit a Sub-recipient Pre-Award Risk Assessment, this form will be provided by the Department of Workforce Services. This assessment takes into account the sub-recipients prior performance in federal grant management. Current CDBG acquisition monitoring checklists and forms will be used to monitor the project. Financial monitoring that complies with Sub-recipient monitoring per the Uniform Guidance will be uploaded in WebGrants, the Department of Workforce Services grant management system.

### **Pre-Award/Pre Agreement Costs**

Following the Housing and Community Development Divisions Community Development Block Grant's policies and procedures the only pre-award or pre-agreement costs that can be reimbursed with RHP funds would be associated with the environmental clearance.