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## SALT LAKE CITY COUNCIL STAFF REPORT

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**DATE:** March 29, 2002

**SUBJECT:** 28<sup>th</sup> Year Community Development Block Grant (CDBG);  
Emergency Shelter Grant (ESG); HOME Investment  
Partnerships Program (HOME) Funding; Housing  
Opportunities with Persons with AIDS (HOPWA) Funding

**STAFF REPORT BY:** Michael Sears, Budget & Policy Analyst

Document Type	Budget-Related Facts	Policy-Related Facts	Miscellaneous Facts
Appropriation Resolution adopting 28 <sup>th</sup> Year funding and approving interlocal agreement between Salt Lake City and the U.S. Dept of Housing and Urban Development.	HUD awarded the City \$4,854,000 in CDBG funding (+ \$163,800 in projected reallocation funding for a total of \$5,017,800); \$171,000 in ESG funding; \$1,350,000 in HOME funding; \$421,000 in HOPWA funding.	The proposed allocation of these grants follows previously adopted Council policy.	A public hearing is scheduled for April 9, 2002 to accept comment on the proposed budgets and Consolidated Plan/Citizen Participation Plan. Council work session discussions are scheduled for April 2, 4, 9 and 16. The appropriation resolution is scheduled for consideration on April 16, 2001 in order to meet the Federal deadline.

### OPTIONS

The Council may wish to consider the following options when reviewing the Mayor's 28<sup>th</sup> Year CDBG, ESG, HOME and HOPWA recommendations:

#### **Option 1**

The City Council could agree to schedule the adoption of the Mayor's Recommended 28<sup>th</sup> Year CDBG, ESG, HOME and HOPWA programs as proposed.

#### **Option 2**

The Council could consider identifying Council funding priorities and making adjustments to the Mayor's recommendations if the Council's priorities are different than those recommended by the Mayor.

## **BACKGROUND**

On March 5, 2002, Mayor Anderson presented his proposed 28<sup>th</sup> Year Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG), Home Investment Partnerships Program (HOME), and Housing Opportunities for Persons with AIDS (HOPWA) budget recommendations to the Council. The 28<sup>th</sup> Year corresponds to the City's 2002-2003 fiscal year. The Administration has submitted an amendment to the Consolidated Plan and Citizen Participation Plan for the five year period from 2000-2005 within this packet for the Council's consideration as well.

On March 5, 2002, Council staff provided Council Members with a history of the CDBG/ESG/HOME/HOPWA budget process over the last six years, including policy directions and legislative intents that the Council has followed or adopted during that time. The Council had previously discussed and reaffirmed the Council's historic policy directions with the understanding that such policies would be reevaluated during or after the 2000-2001 CDBG/ESG/HOME budget process. The policies were evaluated during the 2000-2001 CDBG/ESG/HOME budget process and the Mayor's recommendations for the 2002-2003 CDBG/ESG/HOME/HOPWA budget appear to be consistent with these policies.

The Council set a date of April 9, 2002 to hold a public hearing regarding the proposed CDBG/ESG/HOME/HOPWA budget recommendations and Consolidated Plan/Citizen Participation Plan. Council discussions of the CDBG/ESG/HOME/HOPWA budget recommendations and Consolidated Plan/Citizen Participation Plan have been tentatively scheduled for April 2<sup>nd</sup>, 4<sup>th</sup>, 9<sup>th</sup> (following the public hearing) and April 16<sup>th</sup>. The City Council is scheduled to consider a resolution approving the 28<sup>th</sup> Year CDBG/ESG/HOME/HOPWA budget on Tuesday, April 16, 2002, as HUD must receive the package by May 15, 2002 in order for the City to receive funding by July 1, 2002. The Council is scheduled to consider adopting an amendment to the Consolidated Plan/Citizen Participation Plan on April 16, 2002.

## **MATTERS AT ISSUE /POTENTIAL QUESTIONS FOR THE ADMINISTRATION:**

The Council may wish to hold a discussion regarding the proposed 28<sup>th</sup> year CDBG, ESG, HOME, and HOPWA budgets. A summary of the proposed budgets and major policy issues for Council consideration follows. Council staff and Administration staff will be available at the briefing to address the Council's questions about the proposed budgets.

## **ANALYSIS AND POLICY CONSIDERATIONS:**

The following information is a brief summary of the proposed 28<sup>th</sup> Year CDBG, ESG, HOME, and HOPWA budgets. The summary includes an analysis of the recommended budgets and indicates where the proposed budgets differ from previous budgets or may not be consistent with previous policy directives adopted by the Council. Council staff has attached the 28<sup>th</sup> Year CDBG, ESG, HOME, and HOPWA recommendations that were provided during the Mayor's address, as well as a comprehensive description of each project that applied for funding.

## **Community Development Block Grant Program –**

The Administration received applications for \$9,463,116 in 28<sup>th</sup> Year CDBG funding (up from \$8,647,701 during the 01-02 cycle). HUD awarded Salt Lake City \$4,854,000 in 28<sup>th</sup> Year CDBG funding, a decrease of \$177,000 from the last fiscal year, which, with the exception of year 27 funding, is consistent with a general decrease in CDBG funding over the last eight years. The Administration is proposing to augment HUD's award with \$163,800 in funding reallocated from prior years for a total budget of \$5,017,800. The difference between funding requested and funding that can be allocated this year is \$4,609,116.

The total funding awarded and allocated over the past eight years is as follows:

- 28<sup>th</sup> Year (02-03)                      \$4,854,000 (+ \$163,800 reallocated from contingency = \$5,017,800)
- 27<sup>th</sup> Year (01-02)                      \$5,031,000 (+ \$300,000 reallocated from contingency = \$5,331,000)
- 26<sup>th</sup> Year (00-01)                      \$4,791,000 (+ \$249,279 reallocated from contingency = \$5,040,279)
- 25<sup>th</sup> Year (99-00)                      \$4,840,000 (+ \$150,000 reallocated from contingency = \$4,990,000)
- 24<sup>th</sup> Year (98-99)                      \$4,810,000
- 23<sup>rd</sup> Year (97-98)                      \$4,999,000 (+ \$220,000 reallocated from contingency = \$5,219,000)
- 22<sup>nd</sup> Year (96-97)                      \$5,145,000
- 21<sup>st</sup> Year (95-96)                      \$5,400,000
- 20<sup>th</sup> Year (94-95)                      \$5,468,000

The CDBG budget is divided into 12 major categories. A brief analysis of overall proposed funding for each category and how such funding compares to the 27<sup>th</sup> Year CDBG budget is as follows:

<b>Category</b>	<b>27<sup>th</sup> Year Adopted (2001-02)</b>	<b>28<sup>th</sup> Year Applications (2001-02)</b>	<b>28<sup>th</sup> Year CDAC Recommended</b>	<b>28<sup>th</sup> Year Mayor Recommended</b>	<b>% Change (27<sup>th</sup> Yr. Adopted to 28<sup>th</sup> Yr. Proposed)</b>
Housing	\$1,595,000	\$1,655,000	\$1,475,000	\$1,260,000	- 21.0%
Street Design	30,000	127,000	30,000	40,000	33.3%
Streets	200,000	1,043,000	1,043,000	923,000	361.5%
Sidewalks	282,500	400,000	250,000	200,000	-29.2%
Parks	750,000	2,477,000	481,000	743,000	-0.9%
Public Services	801,000	1,471,014	728,100	725,000	-9.5%
Building Improvements	837,500	801,660	109,900	271,000	-67.6%
Economic Development	0	440,000	0	0	N/A
Planning	40,000	228,000	100,000	55,000	37.5%
Administration	703,093	737,442	717,442	717,442	2.0%
Percent for Art	6,000	3,000	3,000	3,000	-50.0%
Contingency	85,907	80,000	80,358	80,358	-6.5%
<b>TOTAL</b>	<b>\$5,331,000</b>	<b>\$9,463,116</b>	<b>\$5,017,800</b>	<b>\$5,017,800</b>	<b>-5.9%</b>

\*Community Development Advisory Committee

The overall Mayor's Recommended 28<sup>h</sup> Year CDBG Budget reflects the \$177,000 decrease in HUD's award compared to last year, as well as the \$163,800 being proposed for reallocation from prior years' funding. Funding for Street Design,

Streets, Planning, Administration is recommended to increase over 27<sup>th</sup> Year funding levels while funding for Housing, Sidewalks, Parks, Public Services (operating support for community agencies), Building Improvements (capital improvements for community agencies), Percent for Art and Contingency is proposed to decrease from 27<sup>th</sup> Year funding levels.

The following synopsis details the major changes between the 27<sup>th</sup> Year Adopted and 28<sup>th</sup> Year Recommended CDBG budget by funding category. The Mayor's Recommended 28<sup>th</sup> Year CDBG budget generally follows the policy directives established by the City Council over the past few years.

When reviewing the past funding of CDBG projects, the Council may wish to note that since CDBG funding is not made available to the City until July 1, most capital projects are not actually completed in the funded year. For example, many projects funded in the 27<sup>th</sup> Year did not actually go out to bid until this spring, and will not be constructed until this summer. While some 27<sup>th</sup> Year projects have not actually been completed, funds remain obligated for these projects.

### **Housing**

The City received nine applications for 28<sup>th</sup> Year CDBG Housing funding in the amount of \$1,655,000. The Mayor's recommendations for funding in this category vary significantly from the recommendations made by the Community Development Advisory Committee (CDAC). The Mayor and CDAC were, with two exceptions, in agreement on which projects to fund, but differed on the amount of funding. The Mayor recommended increasing the funding to the Community Development Corporation (CDC) - Older Home Rehabilitation and Multi-Ethnic Development Corporation proposals over what was recommended by CDAC.

The Mayor recommended against funding for the Salt Lake CDC - Property Acquisition and CDAC recommended against funding for the Salt Lake CDC - Older Home Rehabilitation. The Mayor did recommend an allocation to the HOUSING component of CDBG that was \$215,000 less than CDAC recommended.

All of the organizations that received CDBG Housing category funding in the 27<sup>th</sup> Year are recommended for funding in the 28<sup>th</sup> Year (Neighborhood Housing Services, Salt Lake Community Development Corporation, Salt Lake City Housing and Neighborhood Development Division, Utah Non-Profit Housing, ASSIST, LifeCare, and Multi-Ethnic Development Corporation).

The Administration has provided information on the past and projected performance levels of those programs being proposed to receive CDBG Housing funds. This information is available for your reference upon request.

### **Street Design**

Five applications were received for street design projects for a total amount of \$127,000. CDAC did not recommend funding for any of the Street Design proposals. The Mayor is recommending that Salt Lake City Corporation Engineering Division be allotted funding in the amount of \$40,000 for the design of 1300 South between Montgomery St. and Glendale Avenue.

Several of the applications are for design work on private streets that are not part of the public way. The funding allocations for Street Design and Street construction or reconstruction projects are related to the Council's discussion on private streets, which is scheduled for April 4, 2002.

### **Streets**

The City received three applications totaling \$1,043,000 for this category, which funds street improvements in CDBG-eligible areas. The proposed funding for this category is \$923,000, which represents an increase from 26<sup>th</sup> Year funding. Overall CDBG Street funding has increased from previous years in order to complement the Council's intent to increase the City's efforts in addressing the condition of City streets. The Council may wish to note the following:

- Physical Access Ramps (item #1) – Year 27 funding allocation was \$200,000, which was their request amount, but previous year allocations and requests averaged \$50,000. The Salt Lake City Engineering Division applied for \$200,000 in CDBG funding to construct access ramps at various locations in CDBG eligible areas this year, and noted that the increase in its request was due to the increase in the number of requests by City residents who cannot get around freely within their neighborhoods.

CDAC recommended that funding be awarded in the amount of \$200,000, which is the same as last year. The total for years 23 through 26 was 210,000. The Mayor is recommending that this project be awarded \$80,000, which is 40% of what was funded last year.

- Glendale Street Reconstruction (item #2) – Year 27 funding allocation was \$30,000 for design. CDAC and the Mayor recommend that the full request amount of \$535,000 be allocated for construction of Phase 2 of this project.
- 600 West between 500 and 600 North Street Improvements (item #3) - This project was designed four years ago with \$20,000 in CDBG funds. The application was for \$308,000 in anticipated construction costs. CDAC and the Mayor are recommending that this project receive \$308,000 in funding.

### **Sidewalks**

The CIP Five Year Plan includes \$300,000 per year in CDBG-funded sidewalk replacement. The application for CDBG-funded sidewalk replacement this year was for \$400,000, and CDAC has recommended \$250,000. However, the Mayor has recommended that \$200,000 be awarded to Citywide sidewalk replacement in CDBG-eligible areas.

### **Parks**

The Mayor's recommended funding for the Parks category represents a reduction of \$7,000 or 0.9% decrease over 27<sup>th</sup> Year funding. The Council may wish to note the following:

- Ratio of design to construction – As requested by the CDBG Administrative staff, the Salt Lake City Corporation Engineering Division has included the amount of each Park project that is spent on engineering and design. The Council may wish to ask for information on how these engineering and design percentages relate to industry standards. This was recently discussed at a Redevelopment Advisory Committee meeting.
- Cannon Park Improvements (item #1) – Both CDAC and the Mayor have recommended not funding the requested improvements to Cannon Park. The requested amount was \$485,000. Cannon Park is located on the east side of the Jordan River between California and 1700 South. This park received \$45,000 in year 27 funds.
- Riverpark Community Garden Neighborhood (item #2) – The Mayor has recommended funding this project at the requested amount of \$10,000. CDAC does not recommend funding this project. Riverpark Community Garden is in the Jordan River Parkway between 500 and 600 South. This park received \$10,000 in year 27 funds.
- Fairmont Park Improvements (item #3) - The Mayor has recommended funding this project in the amount of \$330,000. This amount is less than the requested amount of \$400,000. CDAC did not recommend funding of this project. This project will allow for the master planning of this park and the construction of a skate park within the park. The recommended funding did not include enough money to complete the requested master planning of this park or enough to cover the Engineering and Design costs. The application indicated that \$40,000 was needed for Engineering and Design. The Council may wish to clarify that the park can be constructed without an appropriation for design and engineering. The request application also indicated that \$30,000 was needed to master plan the park. The Council may wish to confirm that the requested amount of \$30,000 is sufficient to master plan the park given the fact that there are more amenities in Fairmont Park than other parks in the City. A recent request by the Administration for \$60,000 to create an action use plan for Pioneer Park could be used as a funding level gauge. The Council may wish to clarify the difference in funding needed to complete plans for these two parks.
- Jordan Park residence house remodel (#8) – Neither CDAC nor the Mayor recommended funding for this project. The Mayor's Office, through Youth Programs, may have identified another source of funding to complete this project. The Council may wish to confirm their intent concerning the timing of this project and the intended programming as it relates to the Art in the Park program. The Council may also wish to request confirmation on whether the other source of funds can be used for construction.
- Riverside Park playground (item #13) – The Mayor is recommending that the requested amount of \$140,000 be appropriated to this project. CDAC did not recommend funding for this project. Riverpark is in the Jordan River Parkway between 500 and 600 South.

- Tauffer Park playground (item #16) – CDAC is recommending that the full request amount of \$240,000 be appropriated. The Mayor is recommending only the design budget of \$22,000 be appropriated. Tauffer Park is located at 300 East and 700 South. A request for this park has also been submitted to the Redevelopment Agency.

### **Public Services**

The Administration received applications for \$1,471,014 in 28<sup>th</sup> Year funding from thirty-four organizations. According to HUD guidelines, the maximum amount that can be spent per year on public services expenses is 15% of the total award, plus program income. The recommended budget of \$725,000 is within the cap of 15% of 28<sup>th</sup> Year award plus program income, and therefore does not exceed HUD's funding cap.

The "Public Services" category includes requests from agencies and organizations for operational or administrative support for programs that provide community services. While federal Community Development Block Grant regulations allow a certain amount of funds to be spent for the expansion and improvement of community services, the original intent of the program was to revitalize neighborhoods. In consideration of this intent and in light of limited CDBG funding from the federal government, past Councils have maintained a policy not to increase administrative or operational funding for existing programs or grant operational funding for new programs absent extenuating circumstances.

In several instances, the Mayor and CDAC have recommended that agencies receive increased operational and administrative funding, and have indicated that these recommendations were based on extenuating circumstances. The Council may wish to note that cost of living or inflationary increases have not been considered into CDBG funding allocations within recent years. The Council may also wish to note that some of the funding requests within this category are for equipment and supplies, which could be considered more of a capital item than administrative or operating item.

As requested by the Council, Council staff has determined that the ratio of recommended operational/administrative support (Public Services category) versus capital improvements (Public Services Building Improvements category) is 73% operational/administrative versus 27% capital. As mentioned above, however, some of the requests for funding within the Public Services category include some small capital-type items such as equipment or furniture, which could be considered to increase the percentage of capital items being recommended for funding. The ratio for operating to capital was 51% to 49% in Year 27.

The Council may wish to note the following:

- Asian Association of Utah (item #3) – CDAC has recommended funding \$10,000 of the \$20,000 requested for administrative and staff support. The Mayor did not recommend any funding for this program.

- Boys & Girls Club (item #5) – CDAC recommended \$15,000 and the Mayor recommended \$20,000. The requested amount was \$32,416 for salaries and benefits for the Youth with a Voice program.
- Community Health Centers (item #9) – CDAC recommended \$90,600 and the Mayor \$85,000 for this program. The requested amount was \$150,000 for salaries, benefits and operating expenses to provide primary medical and dental care.
- First Step House (item #12) – CDAC recommended \$15,000 and the Mayor \$5,000 for this program. The requested amount was \$35,230 for administrative expense assistance.
- Guadalupe Center Educational Programs (item #13) – CDAC recommended \$42,000 and the Mayor \$40,000 for this program. The requested amount was \$44,000 for administrative expense assistance.
- LifeCare (item #14) – CDAC recommended \$10,000 and the Mayor \$0 for this program. The requested amount was \$50,000 for salaries, building materials and office expenses for the Security Light and Lock project.
- Literacy Volunteers of America (item #15) – CDAC recommended \$5,000 and the Mayor \$10,000 for this program. The requested amount was \$49,108 for salary expenses relating to adult literacy and basic ESL programs.
- Neighborhood House (item #16) – CDAC did not recommend funding for this program, the Mayor recommended \$15,000. The requested amount was \$50,000 for the purchase of two vans to transport children to child day care and adults to day centers.
- Our House (item #18) – CDAC recommended \$15,000 and the Mayor \$20,000 for this project. The requested amount was \$165,045 for salaries and operating expenses relating to the Childcare & Family Education Center.
- Rape Recovery Center (item #21) – CDAC recommended \$40,000 and the Mayor \$30,000 for this project. The requested amount was \$40,150 for salaries and operating expenses relating to the crisis counseling and services provided to victims of sexual assault.
- SL Community Action Program (item #23) – CDAC recommended \$27,500 and the Mayor \$25,000 for this project. The requested amount was \$27,500 for salaries for program that supplies emergency food supplies to residents.
- SL Community Action Program (item #24) – CDAC recommended \$12,500 and the Mayor \$10,000 for this project. The requested amount was \$12,500 for salaries for program that provides home maintenance and money management.
- SL Donated Dental (item #25) – CDAC recommended \$21,000 and the Mayor \$30,000 for this project. The requested amount was \$39,500 for salaries for program that supplies emergency food supplies to residents.

- SLC HAND (item #26) – CDAC recommended \$0 and the Mayor \$9,000 for this project. The requested amount was \$18,000 for grant monies to be awarded to community councils for preparing and distributing letters and agendas. Year 27 funding was \$10,000. Year 27 was the first time that a request was made for funds for this purpose.
- The Road Home (item #29) – CDAC recommended \$126,000 and the Mayor \$120,000 for this project. The requested amount was \$126,000 for salaries and benefits for staff that help shelter residents gain skills to become self-sufficient.
- Utah Nonprofit Housing Corporation (item #30) – CDAC recommended \$40,000 and the Mayor \$30,000 for this project. The requested amount was \$40,000 for salaries of agency staff who manage affordable and transitional housing units.
- Utah Peace Institute (item #31) – CDAC recommended \$0 and the Mayor \$10,000 for this project. The requested amount was \$25,000 for salaries and operating expenses for programs that assist refugee youth. The Council may wish to request information on how this request relates to the City’s existing grant for assisting this group.
- Wasatch Community Gardens (item #32) – CDAC recommended \$7,500 and the Mayor \$10,000 for this project. The requested amount was \$15,000 for partial salary expenses for the director of a youth program.
- YMCA (item #33) – CDAC recommended \$10,000 and the Mayor \$15,000 for this project. The requested amount was \$18,000 for partial salaries and operating expenses for the after school and summer programs for youth living in homeless shelters.

### **Public Services Building Improvements**

Applications for Public Services Building Improvements totaled \$801,660 from 14 agencies. CDAC has recommended funding \$109,900 of these requests. The Mayor has recommended funding \$271,000 of these requests.

The Council may wish to note the following.

- The Mayor recommended funding for the following programs that the CDAC did not:
  1. “and Justice for all”
  2. Artspace/Bridges
  3. Asian Association of Utah
  4. East Central Community Council
  5. First Step house
  6. Nettie Gregory Community Center
  7. Utah Alcoholism Foundation
- CDAC recommended funding for the Salvation Army and the Mayor did not.

- Neither the Mayor nor CDAC recommended funding for the Children's Museum of Utah.
- The following programs were recommended for funding by both the Mayor and CDAC:
  1. Rape Recovery Center
  2. SLC Hand
  3. Utah Alcoholism Foundation (Carpet, blinds, driveway)
  4. Volunteers of America

The Council may wish to consider whether the funding recommended by the Mayor will result in projects that cannot be fully completed without contingency funding or 29<sup>th</sup> Year CDBG funding. Council staff can provide additional information concerning each of the programs and intended uses at the briefing on April 2, 2002.

### **Planning**

Four applications totaling \$228,000 were submitted for CDBG funding within this category. CDAC is recommending that the following projects receive funding: Sugar House Business District Small Area Plan, Rose Park commercial node and the Wasatch Front Resource Conservation & Development Council (Parley's Creek Corridor Trail). The Mayor is recommending that SLC Planning be awarded funding for the Sugarhouse Business District Small Area Plan and the National Register study for the Sugarhouse Community. Neither the Mayor nor CDAC recommended funding for a feasibility study for the Wasatch Plunge community recreation center. The Council may wish to note that there are also requests for the Sugarhouse Business District Small Area Plan and Parley's Creek Trail before the RDA.

### **Economic Development**

Two applications totaling \$440,000 were submitted for CDBG funding within this category. The applications were for the CDBG revolving Loan Fund and the North Temple Corridor Economic Revitalization Plan. Neither the Mayor nor CDAC recommended funding for these two projects.

### **Administration (General/City)**

This year, there was one application for General Administration funding. Neither the Mayor nor CDAC recommended funding. The request was for \$20,000 from Utah Issues for administrative support for a program to coordinate homeless plans.

For City Administration requests, both CDAC and the Mayor have recommended the full requested amount of \$717,442. In year 27 and 26 the Council has agreed with the recommendations of the Mayor and CDAC for this category.

### **Percent for Art**

The percent for art budget recommended by CDAC for the CDBG program is proposed to remain at the historical constant level of \$3,000. Last year the Mayor proposed increased funding level of \$6,000 and the Council funded that recommendation. This

year both CDAC and the Mayor are recommended that \$3,000 be allocated for art projects. The Council may wish to see the possible art enhancements to City properties that these funds can make and determine if the requested amount is sufficient.

### **Contingency**

The 28<sup>th</sup> Year contingency budget is proposed to decrease by \$5,539 to \$80,358. The Council may wish to note that both the Mayor and CDAC recommended \$80,358 for contingency. The Council approved \$85,907 in 27<sup>th</sup> Year contingency. Each year unspent contingency funds are recaptured in a budget amendment and allocated to augment the next year's CDBG award from HUD. The Council may wish to consider this amount if additional funds are desired to fund Council CDBG priorities.

### ***Emergency Shelter Grant Program (ESG) –***

This program is designed to improve the quality of existing emergency homeless shelters, make available additional emergency shelters, meet the costs of shelter operation and provide certain essential social services to the homeless.

The Administration received applications for \$207,000 in 28<sup>th</sup> Year ESG funding, a decrease of \$100,250 over 27<sup>th</sup> Year funding requests. The City will receive \$171,000 from the federal Department of Housing and Urban Development this year, which represents a 1% increase from 27<sup>th</sup> Year funding. Total funding for past eight years is as follows:

- 27<sup>th</sup> Year (01-02)            \$169,000
- 26<sup>th</sup> Year (00-01)            \$171,000
- 25<sup>th</sup> Year (99-00)            \$172,000
- 24<sup>th</sup> Year (98-99)            \$191,000
- 23<sup>rd</sup> Year (97-98)            \$134,000
- 22<sup>nd</sup> Year (96-97)            \$137,000
- 21<sup>st</sup> Year (95-96)            \$197,000
- 20<sup>th</sup> Year (94-95)            \$145,000
- 19<sup>th</sup> Year (93-94)            \$ 64,000

A limited number of agencies in Salt Lake City operate programs that are eligible for ESG funding. CDAC did not recommend funding for the SL Interfaith Hospitality Network but the Mayor recommended \$5,000. All other requests had funding recommendations from CDAC and the Mayor, but in varying amounts. Council staff will review the differences in funding recommendations during the briefing on April 2, 2002. Staff will also review the programs and the intended uses of the funds, during the briefing presentation.

### ***Home Investment Partnerships Program (HOME) –***

The purpose of the HOME program is to provide funding for the expansion of decent, safe, sanitary and affordable housing for very low-income people. Total HOME funding over the past seven years is as follows:

- 27<sup>th</sup> Year (01-02)           \$1,350,000
- 26<sup>th</sup> Year (00-01)           \$1,215,000
- 25<sup>th</sup> Year (99-00)           \$1,209,000 (+ \$151,800 reallocated from contingency = \$1,360,800)
- 24<sup>th</sup> Year (98-99)           \$1,122,000
- 23<sup>rd</sup> Year (97-98)           \$1,046,000
- 22<sup>nd</sup> Year (96-97)           \$1,071,000
- 21<sup>st</sup> Year (95-96)           \$1,048,000
- 20<sup>th</sup> Year (94-95)           \$ 974,000

The City received 28<sup>th</sup> Year HOME applications totaling \$1,479,600 from seven agencies plus \$135,400 for program administration for a total of \$1,615,400. However, the City will only receive \$1,354,000 from HUD this year in HOME funds.

The Mayor's proposed HOME budget supports the recommendations made by the Housing Advisory and Appeals Board (HAAB) for the allocation of available funds, with the exception of the Family Support Center, which HAAB did recommend for funding (\$70,000) but has not been recommended for funding by the Mayor. The Mayor recommended additional funds be allocated to the Neighborhood Housing Services organization for the acquisition of vacant properties in the Fairpark area. The properties would be rehabilitated or developed for first time homebuyers. The Mayor recommended funding Neighborhood Housing Services at \$198,600 and HTFAB recommended funding the organization at \$128,600.

The proposed budget reflects continued funding for Neighborhood Housing Services (decreasing the loan amount it was awarded last year from \$175,000 to \$150,000) and the Salt Lake City Housing and Neighborhood Development Division (\$570,000 which is equal to the funding received last year).

Finally, consistent with previous years, \$135,400 is proposed for costs for the City Housing and Neighborhood Development Division to administer the HOME program. The HOME program allows up to 10% of total funding to be allocated to program administration, as is proposed in this budget. Both HTFAB and the Mayor recommended the full \$135,400 be funded for administrative costs.

### ***Housing Opportunities for Persons With AIDS (HOPWA) –***

The purpose of the HOPWA program is to provide housing assistance and supportive services for low-income persons with HIV/AIDS and their families. The HOPWA Grant program provides assistance through formula allocations to eligible States and metropolitan areas. The Salt Lake City/Ogden Metropolitan Statistical Area (MSA) now qualifies to receive funding for year 2001-2002 due to the number of HIV/AIDS cases in the MSA. The grant amount is \$421,000.

The City participates on a Statewide HIV/AIDS Housing Steering Committee to ensure all applications are consistent with the needs identified in the strategy for the MSA. The Steering Committee updated the State HIV/AIDS housing Plan in June 2001. The City has also met with all entities within the MSA to coordinate their recommendations and determine the services needed in their areas.

There were nine requests for \$835,594 in funding. The recommendations from the HIV/AIDS steering committee and Entitlement City Officials are consistent in that both recommend funding \$380,000 towards the program and wanted the additional \$41,000 of available funding to be split between the Northern Housing Authorities and CCS Northern Utah. The Mayor has recommended full funding of the available \$421,000 between all programs (with the exception of the Ogden Area Community Action Program, which did not receive funding recommendation from any of the parties).

cc: Cindy Gust-Jenson, Mayor Anderson, Rocky Fluhart, Jay Magure, Margaret Hunt, David Dobbins, Luann Clark, Sandi Marler, Karen Wiley, Greg Johnson, Gary Mumford