



SALT LAKE CITY

HOMELESS HOUSING GRANT PROGRAM FUNDING GUIDELINES

I. PURPOSE

The \$6 million being offered through the Fall 2022 Homeless Housing Grant Fund (“HHGF”) notice of funding availability (“NOFA”) is intended to provide a crucial subsidy for housing that is the most difficult to develop. Accordingly, Salt Lake City (the “City”) is accepting applications for the construction or acquisition/rehabilitation of new permanent supportive housing (“PSH”) or transition housing (“TH”) units. Projects shall target qualified low-income households that meet HUD’s definition of chronically homeless, are otherwise assessed by the region’s coordinated entry system as the most vulnerable homeless persons, or other populations with critical needs. Due to the limited cash flow generated by these types of housing projects, funding may be provided as a grant or a loan that converts to a grant. Funding shall leverage various other sources of local, state, and federal funds

II. FUNDING AVAILABILITY

The Fall 2022 NOFA application round will open on September 30, 2022 and close on October 14, 2022 at 5:00 PM.

Applications must be submitted via email to CanTech@slcgov.com. Late or incomplete applications may not be considered.

At the City’s discretion, a subsequent NOFA will be issued at a future date if the entirety of the \$6 million in funding is not disbursed because qualified applications are not received or if applications are deemed to not meet intent.

III. ELIGIBLE APPLICANTS

The project may be owned/operated by a mission-driven, non-profit, or public entity except for those identified by the Utah Housing Corporation as not in good standing.

IV. ELIGIBLE PROJECTS

Eligible project types include the new construction or substantial rehabilitation of PSH and TH. Projects must meet the following standards:

1. Site Control and Zoning: The proposed project must be allowed under the current zoning code and evidence of site control must be demonstrated through ownership, option, sale agreement, or long-term lease.
2. Policies and Master Plans: Projects shall align with Salt Lake City’s Comprehensive Housing Policy, City Housing Plan, and Master Plans.
3. Relocation Plan (if applicable): Displacement is strongly discouraged. However, if it is necessary and unavoidable, the applicant must submit a relocation plan that complies with applicable policies for temporary or permanent displacement.
4. Funding is limited to one project per development team and \$2.5 million per project/property.

V. ELIGIBLE USES

Funding shall be limited to the difference between total development costs and the amount that can be secured from other sources. Eligible uses include hard construction costs, site improvements, and related soft costs. Depending on project needs

and senior lending requirements, funding is anticipated to be disbursed through construction draws and provided as a deferred, interest-free loan that converts to a grant when the project is completed and certain requirements are met.

VI. PRIORITIZATION

Funding shall be prioritized based on the following:

1. Projects that have an immediate need for financial assistance and that are scheduled to complete construction by May 2023 or soon thereafter.
2. Projects that serve populations most critically in need of housing, including households earning 30% AMI and below and vulnerable populations.
3. Projects with longer affordability terms.
4. Projects that offer on-site supportive services.
5. Low City funding ratio per unit, with City funds being a low percentage of the total development cost.
6. Experience and capacity of the development and operating teams.

VII. GEOGRAPHY

Funding shall be available to projects located within Salt Lake County that serve the City's homeless population.

VIII. INCOME LIMITS & AFFORDABILITY PERIOD

Funding shall be available to projects that meet the following income and affordability standards:

1. Income Limits: Funding shall be provided to units affordable to households earning 40% AMI and below, with priority given to projects affordable to households earning 30% AMI".
2. Affordability Period: The minimum affordability period shall be 30 years with 50 or more years prioritized for funding.

IX. EVALUATION & APPROVAL PROCESS

The City shall administer an evaluation and approval process pursuant to the following:

1. Application: Applicants shall submit an application and supporting documents by the deadline – October 14, 2022 at 5:00 PM.
2. Staff Evaluation: City staff shall conduct an analysis to determine whether applications conform to eligibility requirements.
3. Committee Review: Applications and supporting material shall be forwarded to a committee for evaluation to determine if a project shall be recommended to the City Council for a funding allocation.
4. Approval: The City Council shall approve funding allocations and terms.
5. Loan Finalization: City staff shall work with applicants to finalize the funding agreement subject to a set of conditions precedent to closing.

XI. MONITORING AND COMPLIANCE

The City shall monitor, or contract with a third party to monitor, the projects allocated funding through the program.

Monitoring shall evaluate and ensure that projects are complying with affordability requirements, applicable funding priority policies, and other requirements as determined in the loan agreement.