



HOUSING AND COMMUNITY DEVELOPMENT

BUSINESS, ECONOMIC DEVELOPMENT AND LABOR APPROPRIATIONS SUBCOMMITTEE
STAFF: ANDREA WILKO

BUDGET BRIEF

SUMMARY

The Division of Housing and Community Development focuses on three primary areas, housing, community development, and community services.

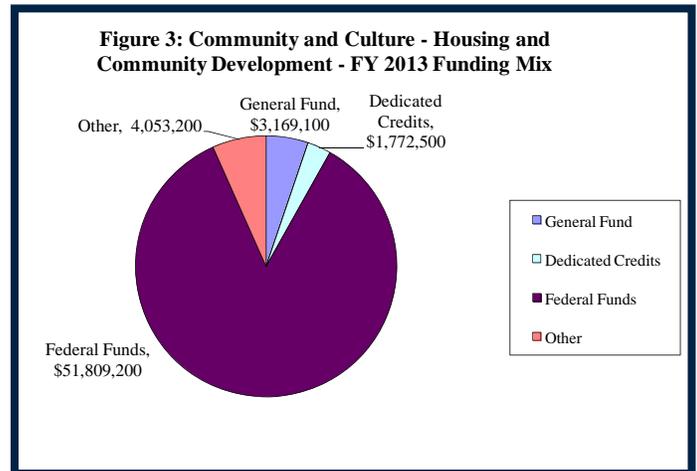
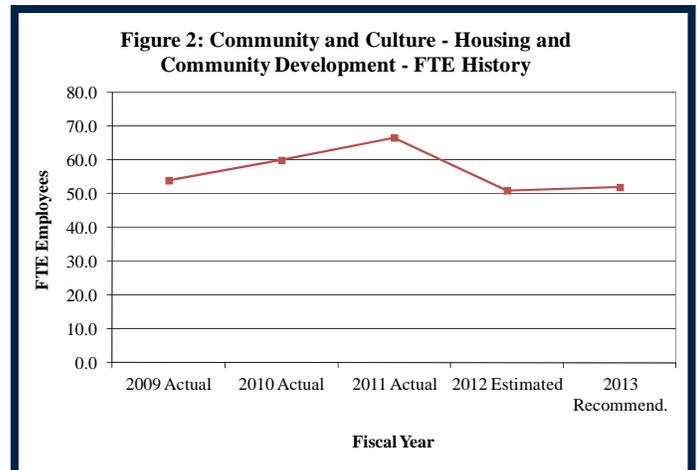
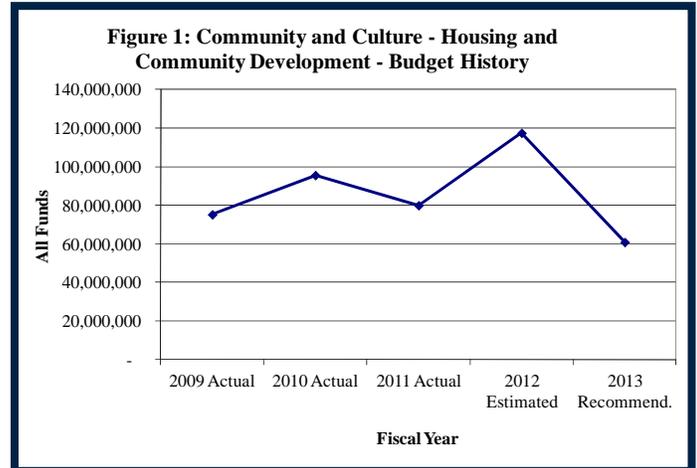
Housing resources provided by the Division include, the Olene Walker Housing Loan Fund, The Special Needs Housing Program, and Housing Opportunities for People with AIDS. The Community Development Block Grant is administered by the division and provides Department of Housing and Urban Development (HUD) funding to small cities and counties for infrastructure development. The division also administers the Home Energy Assistance Target (HEAT) and Weatherization programs which offer utility assistance and non-cash grants for home energy improvements.

Mineral Lease programs which are administered by the division include the Permanent Community Impact Fund, the Navajo Revitalization Fund, the Uintah Basin Revitalization Fund and the Rural Development Fund. These programs are used to develop infrastructure in mineral lease impacted areas.

The State Community Services Office provides services to communities which help individuals become self sufficient. The programs administered by the office include the Community Services Block Grant, the Community Food and Nutrition Program, the Emergency Shelter Grant, Critical Needs Housing, the Pamela Atkinson Trust Fund, and the Emergency Food Network.

The division also administers the Multicultural Affairs Commission and the Commission on Volunteers.

The division received federal funds last year for the State Small Business Credit Initiative. Funds will be used to help credit worthy small businesses access loans for investing and hiring. The goal of the program is to create jobs and stimulate the economy.



ISSUES AND RECOMMENDATIONS

The subcommittee should consider the following items in its deliberations:

Budget Adoption

For the Division of Housing and Community Development, the Fiscal Analyst recommends an FY 2013 budget of \$60,804,000 as shown in budget detail table on page 4.

Adoption of Fees

For the FY 2013 fee schedule for Housing and Community Development, please refer to the issue brief, *Department of Community and Culture: FY 2013 Fee Schedule*.

Federal Funds

Federal funds for Housing and Community Development are shown in the Issue Brief *Business, Economic Development, and Labor: Federal Funds*.

Intent Language

Under Section 63J-1-603 of the Utah Code, the Legislature intends that any remaining amount of the \$250,000 ongoing General Fund appropriation provided by Item 55, Chapter 379 the Laws of Utah 2011, for the Department of Community and Culture - Housing and Community Development (Ethnic Affairs Commission) line item not lapse at the close of Fiscal Year 2012.

Governor's Recommendation

The Governor recommended the following:

1. \$75,000 in dedicated credits one-time for poverty mitigation
2. \$30,000 in dedicated credits for the Multicultural Affairs Summit
3. \$500,000 General Fund one-time for homeless shelters

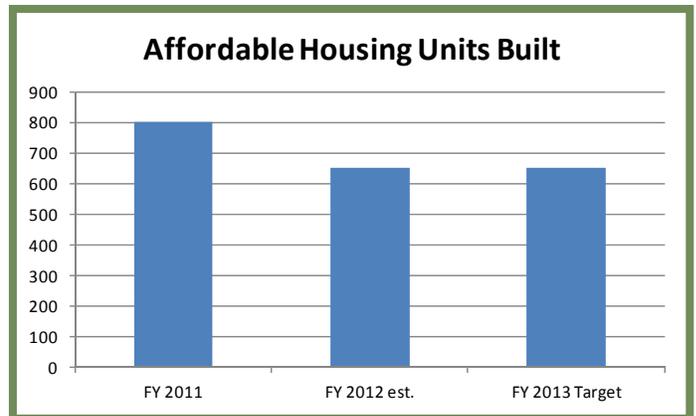
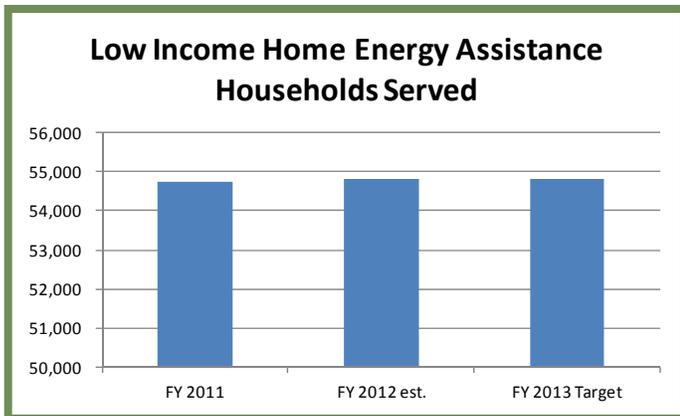
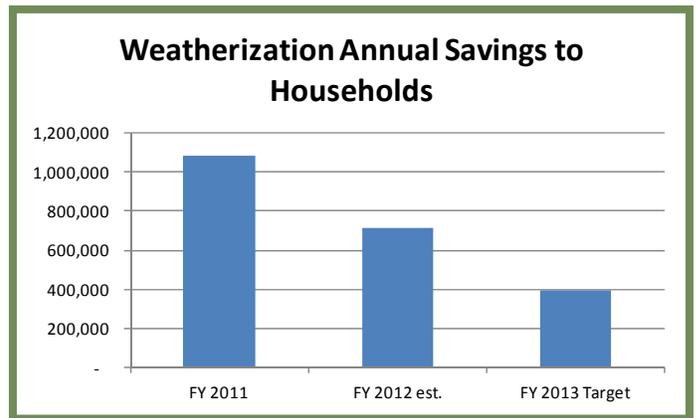
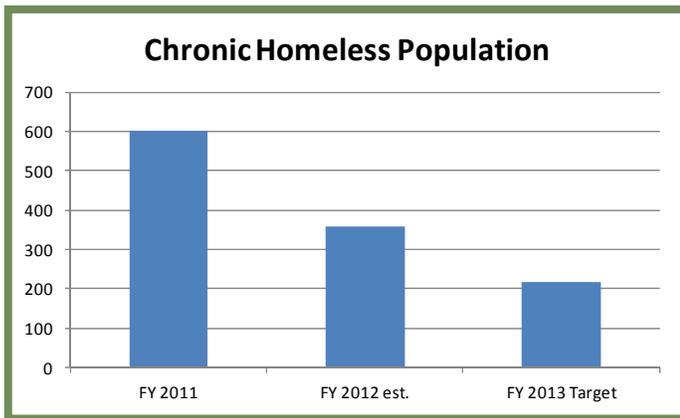
The Governor is also recommending that the Division of Housing and Community Development be moved from the Department of Community and Culture to the Department of Workforce Services. This will require a statute change. As part of this move DCC will keep the Multicultural Affairs Commission and the Commission on Volunteers.

ACCOUNTABILITY DETAIL

A primary goal of the Division of Housing and Community Development is to end chronic homelessness by 2014. To do this they make available nearly 600 units of supportive housing, where chronically homeless people are housed and receive support services needed to become more self-sufficient. Data for this program is shown in the table below.

Another goal is to reduce overall energy consumption for weatherization clients by 25%. Data for this measure is found in the table below. In conjunction with the previously stated goal the division attempts to assist all eligible households that apply for the Energy and Lifeline Assistance program.

The division also attempts to increase the number of affordable housing units available annually. Data for this measure is shown below.



BUDGET DETAIL

Funding for the division is used for a variety of purposes including housing and homeless services, infrastructure development assistance, multicultural affairs, community services, and volunteer services. Most of the funding for the division comes from federal funds.

BUDGET DETAIL TABLE

Community and Culture - Housing and Community Development						
	FY 2011	FY 2012		FY 2012		FY 2013*
Sources of Finance	Actual	Appropriated	Changes	Revised	Changes	Recommended
General Fund	5,289,000	3,169,100	0	3,169,100	0	3,169,100
General Fund, One-time	1,055,000	85,000	0	85,000	(85,000)	0
Federal Funds	59,531,700	71,260,900	5,004,300	76,265,200	(24,456,000)	51,809,200
ARRA	9,362,700	9,848,500	1,711,200	11,559,700	(11,559,700)	0
Dedicated Credits Revenue	1,701,200	24,993,000	(675,000)	24,318,000	(22,545,500)	1,772,500
GFR - Homeless Account	732,000	732,000	0	732,000	0	732,000
GFR - Meth House Reconstruction	8,600	8,600	0	8,600	0	8,600
Permanent Community Impact	1,313,000	1,312,600	0	1,312,600	0	1,312,600
Transfers	1,110,300	0	0	0	2,000,000	2,000,000
Beginning Nonlapsing	5,300	0	24,500	24,500	(24,500)	0
Closing Nonlapsing	(24,500)	0	0	0	0	0
Lapsing Balance	(177,000)	0	0	0	0	0
Total	\$79,907,300	\$111,409,700	\$6,065,000	\$117,474,700	(\$56,670,700)	\$60,804,000
Programs						
Commission on Volunteers	3,731,400	5,790,600	0	5,790,600	(2,006,700)	3,783,900
Community Development	13,409,300	12,696,700	(104,000)	12,592,700	(4,859,200)	7,733,500
Community Development Admin.	809,900	809,600	104,000	913,600	0	913,600
Community Services	5,000,700	3,694,300	0	3,694,300	44,300	3,738,600
Emergency Food Network	282,000	301,100	24,500	325,600	(30,500)	295,100
Ethnic Affairs Commission	720,700	250,000	0	250,000	30,000	280,000
HEAT	27,749,700	33,902,000	0	33,902,000	(5,429,500)	28,472,500
Homeless Committee	6,332,900	6,913,400	1,075,000	7,988,400	(2,022,800)	5,965,600
Housing Development	1,727,900	1,071,700	0	1,071,700	(10,000)	1,061,700
Small Business Program	0	24,000,000	0	24,000,000	(24,000,000)	0
Special Housing	141,200	145,000	0	145,000	0	145,000
Weatherization Assistance	20,001,600	21,835,300	4,965,500	26,800,800	(18,386,300)	8,414,500
Total	\$79,907,300	\$111,409,700	\$6,065,000	\$117,474,700	(\$56,670,700)	\$60,804,000
Categories of Expenditure						
Personnel Services	5,753,300	4,891,200	31,100	4,922,300	(443,300)	4,479,000
In-state Travel	74,800	82,000	41,900	123,900	(2,800)	121,100
Out-of-state Travel	100,800	95,700	19,900	115,600	(11,600)	104,000
Current Expense	632,500	1,891,900	(170,800)	1,721,100	(708,600)	1,012,500
DP Current Expense	208,800	206,400	143,000	349,400	(42,000)	307,400
DP Capital Outlay	36,000	0	35,200	35,200	300	35,500
Other Charges/Pass Thru	73,101,100	104,242,500	5,964,700	110,207,200	(55,462,700)	54,744,500
Total	\$79,907,300	\$111,409,700	\$6,065,000	\$117,474,700	(\$56,670,700)	\$60,804,000
Other Data						
Budgeted FTE	66.7	52.0	(1.0)	51.0	1.0	52.0
Vehicles	4.0	4.0	0.0	4.0	0.0	4.0

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.