



Community Development Department

Tom Dolan
Mayor

Scott J. Bond
Chief Administrative Officer

James L. Sorensen
Director

MEMORANDUM

June 21, 2017

To: City Council
From: Community Development Department
Subject: **Interlocal Cooperation Agreement for the HOME Investment Partnership Program for Federal Fiscal Years 2018 through 2020**

BACKGROUND

The HOME Program's main objective is to implement local housing strategies designed to increase homeownership and affordable housing opportunities for low and very low-income Americans. It is authorized by the HOME Investment Partnerships Act, which is Title II of the Cranston-Gonzalez National Affordable Housing Act, as amended.

The funds may use HOME funds for a variety of housing activities, according to local housing needs. Eligible uses of funds include tenant-based rental assistance; housing rehabilitation; assistance to homebuyers; and new construction of housing. HOME funding may also be used for site acquisition, site improvements, demolition, relocation, and other necessary and reasonable activities related to the development of non-luxury housing. Funds may not be used for public housing development, public housing operating costs, or for Section 8 tenant-based assistance, nor may they be used to provide non-federal matching contributions for other federal programs, for operating subsidies for rental housing, or for activities under the Low-Income Housing Preservation Act.

The HOME funds are allocated using a formula designed to reflect relative housing needs. These funds are divided up amongst states, cities, urban counties, and consortia (contiguous units of local governments with a binding agreement). Local jurisdictions that are eligible for at least \$500,000 can receive a direct allocation. Entitlement Communities that do not qualify for an individual allocation under the formula can join with one or more neighboring localities in a legally binding consortium whose members' combined allocation would meet the threshold for direct funding.

The City does not qualify for direct allocation for HOME Funds and has historically partnered with other direct entitlement cities (South Jordan, West Jordan, West Valley, and Taylorsville) within Salt Lake County to receive these funds through the Salt Lake County consortium. The other jurisdictions within the Salt Lake County are already under the urban county entitlement group and do not receive direct allocation of any HUD funds. The agreement to join the consortium is done every three years and is binding for the duration of the terms of the agreement.

Salt Lake County has set up an advisory committee to help guide how the HOME funds are spent each year (similar to the function of our CDBG Committee). Each entitlement city has a representative on the HOME Advisory and Allocation Committee and other appointed persons from the County, as well as support staff provided by The Community Resources Department. Mike Wilcox serves as that representative for Sandy City. The committee makes recommendations that best fit the priorities of the Salt Lake County Consolidated Plan. These recommendations go before the County Mayor for formal approval in their budget process. The following link provides additional information on the committee member and the meetings held for this upcoming budget cycle and the allocations made:

<http://slco.org/community-resources/home-advisory-and-allocation-committee/>

<http://slco.org/uploadedFiles/depot/fRD/fCRD/FinalMayorsFundingFY17-PendingFederalBudgetConfirmation.pdf>

<http://slco.org/community-resources/plans-and-reports/>

STAFF RECOMMENDATION

1. Staff recommends that the City Council authorize Mayor Tom Dolan to sign the Interlocal Cooperation Agreement for the HOME Investment Partnership Program for Federal Fiscal Years 2018 through 2020.

Planner:



Mike Wilcox
Long Range Planning Manager
CDBG Program Administrator