



Staff Report

PLANNING DIVISION

DEPARTMENT of COMMUNITY and NEIGHBORHOODS

To: Salt Lake City Planning Commission
From: Ruedigar Matthes, Policy & Program Manager, Department of Community & Neighborhoods, ruedigar.matthes@slcgov.com, 385-415-4701
Date: July 27, 2022
Re: Moderate Income Housing Plan (Growing SLC) Implementation Plan Amendments

Moderate Income Housing Plan (Growing SLC) Implementation Plan Amendments

REQUEST:

Community and Neighborhoods (CAN) is requesting that the Planning Commission forward a positive recommendation to the City Council to adopt the Moderate Income Housing Implementation Plan amendments to *Growing SLC*. The State requires an implementation plan be adopted by October 1, 2022.

RECOMMENDATION:

Planning Staff recommends that the Planning Commission forward a positive recommendation to the City Council to adopt the Moderate Income Housing Plan Implementation Amendments to *Growing SLC*. This is based on information in this staff report, the efforts in process at the city and consideration of city housing issues and meeting state requirements.

ATTACHMENTS:

- A. [ATTACHMENT A: Draft Plan](#)
- B. [ATTACHMENT B: Public Engagement Report](#)

PROJECT DESCRIPTION

On December 12, 2017, the Salt Lake City Council voted unanimously to adopt *Growing SLC: A Five-Year Housing Plan 2018-2022*, which was the City's first housing plan since 2000. The City has been successful in implementing or making progress on the goals and action items outlined in *Growing SLC*, accomplishing, or making significant progress on, all 27 items. Despite this progress, the housing market over the past few years has seen rapid price increases. In addition to the rapidly increasing housing costs in the city (and throughout the region, State, and Nation), the legislature passed HB 462 – Affordable Housing Amendments during the 2022 legislative session.

HB 462 requires that all housing plans include an “Implementation Plan element” by October 1, 2022. HB 462 also dictates that housing plans for municipalities with fixed guideway public transit stations must select a minimum of four strategies outlined in the legislation to remain eligible for certain State funding sources, including transportation funding.

To be eligible for priority consideration for these funding sources, a municipality must implement at least six strategies. HB 462 requires that all municipalities with a fixed guideway public transit station include strategy (V) “develop and adopt a station area plan in accordance with Section [10-9a-403.1](#),” and select at least one of either strategies (G) “amend land use regulations to allow for higher density or new moderate income residential development in commercial or mixed-use zones near major transit investment corridors,” (H) “amend land use regulations to eliminate or reduce parking requirements for residential development where a resident is less likely to rely on the resident's own vehicle, such as residential development near major transit investment corridors or senior living facilities,” or (Q) “create a housing and transit reinvestment zone pursuant to Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act.” Accordingly, the City has included strategy (V) and strategies (G) and (H).

The Implementation Plan presented to the public and to the Planning Commission includes 12 strategies from HB 462, touching on 12 goals outlined in *Growing SLC*, and representing RDA funding and programs, zoning ordinance changes, Housing Stability programs and funding, and a budget item that has since been adopted by City Council to allocate \$20.1M toward deeply affordable housing.

APPROVAL PROCESS AND COMMISSION AUTHORITY

The Planning Commission is a recommending body for all master plan amendments.

The Planning Commission can choose to forward the Moderate Income Housing Plan Implementation Plan amendments with a recommendation to adopt the plan, adopt the plan with specific changes, or to not adopt the plan.

After a recommendation is made, the City Council is required to consider the Planning Commission’s recommendation. The Council can adopt the amendments as recommended, make modifications as it sees fit and then adopt the amendments or deny the plan amendments. If the amendments are denied, *Growing SLC* remains unchanged.

KEY CONSIDERATIONS

The key considerations listed below were identified through the analysis of the project:

1. How the proposal helps implement city goals and policies identified in adopted plans.
2. Compliance with Zoning Requirements
3. Any detail/impact/issue that warrants specific discussion

Consideration 1: How the proposal helps implement city goals and policies identified in adopted plans.

Plan Salt Lake

Plan Salt Lake Outlines housing plans including, “increase diversity of housing types” and “decrease the percentage of incomes spent on housing for cost-burdened households.” This implementation plan includes zoning changes that would allow for greater variety of housing types in all neighborhoods, which would improve housing choice. The implementation plan also

has funding set aside for supporting the development of affordable and deeply affordable units, which would help lower the housing-related expenses of those most at risk of displacement. *Plan Salt Lake* also includes “reducing single-occupancy vehicle trips” in its transportation goals. The strategy to reduce parking along transit corridors would contribute to more people taking transit instead of driving vehicles.

Growing SLC

The Implementation Plan would address 12 goals outlined in *Growing SLC*. As this is an amendment to *Growing SLC*, the Implementation Plan is directly related to the plan and helps accomplish the broader goals of housing affordability. Furthermore, the Implementation Plan will ensure that *Growing SLC* adheres to State statute.

Consideration 2: Compliance with Zoning Requirements

As this is a plan amendment, there are no zoning requirements at play. However, the Implementation Plan does consider various zoning ordinance changes.

STAFF RECOMMENDATION

Planning Staff recommends that the Planning Commission forward a positive recommendation to the City Council to adopt the Moderate Income Housing Plan Implementation Amendments to *Growing SLC*. This is based on information in this staff report, the efforts in process at the city and consideration of city housing issues and meeting state requirements.

NEXT STEPS

After Planning Commission’s positive or negative recommendation, the Implementation Plan will be forwarded to City Council for final decision and adoption.

If the Planning Commission does not submit a favorable recommendation, the City’s good standing with the State is at risk as it relates to the housing plan. If the Implementation Plan is not adopted by October 1, 2022, the City is at risk of becoming ineligible for State funding. Additionally, not adhering with housing plan requirements could mean further consequences through legislation at the state level.

ATTACHMENT A: Growing SLC Implementation Plan Amendment

ATTACHMENT B: Public Process & Comments

Public Notice, Meetings, Comments

The following is a list of public meetings that have been held, and other public input opportunities, related to the proposed project since the applications were submitted:

- June 6, 2022 – All recognized community organizations in the city and other housing stakeholders were sent the 45-day required notice. No comments were provided by either the recognized community organizations or the housing stakeholders.
- June – July 2022 – The project was posted to the Community & Neighborhoods webpage.

Notice of the public hearing for the proposal included:

- July 20, 2021
 - Public hearing notice emailed to recognized community organizations and housing stakeholders
 - Public notice posted on City and State websites and sent to recognized organizations including other parties on the Planning Division list serve

Public Input:

To date, one comment has been received regarding the proposed Implementation Plan. The comment stated a preference for any allocated funding to be used to support the development of deeply affordable housing (30% AMI and below) for individuals experiencing homelessness and those most at risk of experiencing homelessness. The comment noted the severe shortage of housing stock for those earning 30% AMI or lower. This is addressed in implementation items (O) – Committing \$12M through HUD HOME and CBG Program Income for the creation of new affordable housing, with a prioritization on deeply affordable housing and (X) – Mayor Mendenhall dedicated, and Council approved, \$20.1M to the creation of affordable housing in the FY 2022-23 budget.