

## **Staff Report**

PLANNING DIVISION
DEPARTMENT of COMMUNITY and NEIGHBORHOODS

To: Salt Lake City Planning Commission

From: Liz Hart, Principal Planner; (801) 535-6681; elizabeth.hart@slcgov.com

Date: January 11, 2023

Re: PLNSUB2022-00884 - Planned Development - Richmond Flats 2960 S Richmond St

## **Planned Development**

PROPERTY ADDRESS: 2960 S. Richmond Street

PARCEL ID: 16-29-277-049-0000

MASTER PLAN: Sugar House Master Plan

**ZONING DISTRICT:** R-MU-45 (Residential/Mixed Use District)

#### **REQUEST:**

Todd Reeder, representing the Community Development Corporation of Utah (CDCU), the property owner is requesting Planned Development approval for a reduction in the 10 foot landscape buffer associated with a 55-unit affordable multi-family project located at 2960 S. Richmond Street. The proposed project is currently under construction.

• The request is for a 7-foot reduction of the required 10-foot landscaped buffer along the northern property line that abuts a residential district.

**RECOMMENDATION:** Based on the findings listed in the staff report, it is Planning Staff's opinion that the project generally meets the applicable standards and therefore, recommends the Planning Commission approve the proposal.

#### **ATTACHMENTS:**

- A. Vicinity Map and Zoning
- B. Applicant Documents
- c. Site Photos
- D. Analysis of Standards Planned Development
- E. Analysis of Standards Applicable Zoning Standards
- F. Public Process and Comments
- G. Department Review Comments

#### PROJECT DESCRIPTION

The subject site is 1.39 acres, located on the southern city boundary in the Sugar House neighborhood. The southern property line abuts the boundary of Millcreek. The property is zoned R-MU-45, which allows for multifamily development. The site is accessed via a private drive from Richmond Street.

The applicant is building a 55-unit affordable multi-family housing building. The development will include one-, two- and three-bedroom units that will be affordable to households earning at or below 50% of the area median income (AMI). The project provides much needed affordable housing in the Sugar House neighborhood.

#### **Site Context**

The subject property is located on the southern boundary of the city and is zoned R-MU-45. To the west and north of the subject property are single-family homes that are zoned R-1-7000. To the east, across Richmond Street, the properties contain a mix of single and multi-



family housing, as well as some commercial businesses. The zoning to the east is primarily zoned RMF-30 and CB and is identified in the Sugar House Master Plan (SHMP) as a mixed-use area.

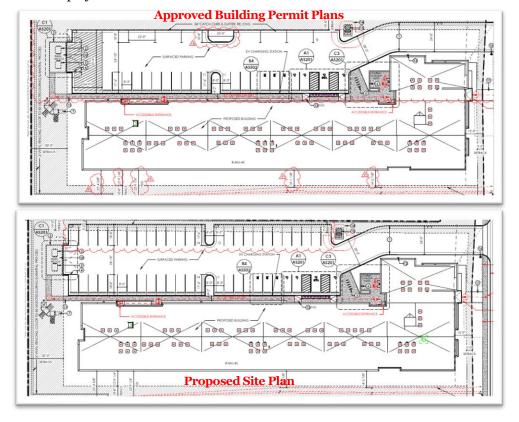
Properties to the south, which are located in the City of Millcreek, contain a mix of single and two-family homes. These properties are currently zoned R-2-6.5, which allows for single and two-family homes. Millcreek City has future plans to increase density in this area by changing the zoning to Neighborhood 2, which would allow for multi-family and mixed-use structures with a height up to three stories.

#### **Project Background**

In 2017, the RDA Board allocated \$4.5 million for affordable housing developments located within high opportunity areas. In 2019, the RDA approved a land acquisition loan using \$1.8 million of these funds to the CDCU to develop the Richmond Flats project.

The **CDCU** then submitted an application for the project site to be rezoned from R-1-7000 R-MU-45 in September of 2020. The requested zoning amendment was in response to the proposed project, in order increase the density on the property, thus providing more affordable housing.

Richmond The Flats project was issued a building permit in May of The initial 2022. submittal included proposal with 51 parking stalls. During construction of the project, the setback requirements for construction along the overhead powerlines



(south property line) conflicted with the approved project. The applicant resolved this conflict by shifting the

building 7 feet from the southern boundary line. In order to maintain the 10-foot landscape buffer along the north property line, the parking lot had to be reconfigured. The parking count was reduced from 51 stalls to 30 stalls. As an affordable housing development with 100% of the units at or below 50% of the AMI, the zoning ordinance allows a reduction in parking requirements. The modified project was issued approval, through the building permit process, with 30 parking stalls on site. During construction, the applicant concluded that the reduced parking could be problematic due to the location, unit characteristics, and availability of adjacent on-street parking. To address this concern, the applicant is requesting a reduction in the landscape buffer along the north property line in order to increase the parking back to the 51 stalls.

#### **Modification Request**

The applicant is requesting to reduce the required 10-foot landscaped buffer to 3 feet. The zoning ordinance requires a 10-foot landscaped buffer between lots zoned R-MU-45 and single or two-family residential districts and when a parking lot abuts a single or two-family residential district. This buffer requirement is being reviewed as one requirement for the project site because the parking lot is proposed along the property line which abuts the R-1-7000 zoning district.

#### **KEY CONSIDERATIONS**

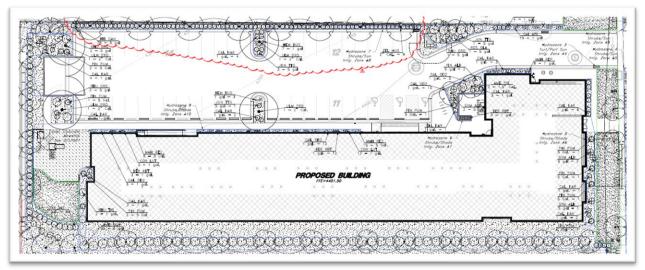
- 1) Reduction of landscaped buffer
- 2) Impacts to adjacent properties
- 3) Master Plan Compatibility

#### **Reduction of Landscape Buffer**

The zoning ordinance requires properties zoned R-MU-45 to provide a 10-foot landscaped buffer abutting a single- or two-family residential district. The buffer is required along the north property line and is approximately 350 feet in length. The applicant is proposing a new width of 3 feet, some portions of the buffer are larger but the majority of the buffer that abuts the residential lots is between 3 feet and 4 feet 10 inches.

The parking lot on the project site, as proposed, has two rows of 90-degree parking stalls that face either the north property line or the building. The parking stalls along the north property line face the rear yards of the residential properties to the north. With the proposed reduced buffer between the parking stalls and property line, this results in the parking stalls closer to the residential lots. The applicant has stated that the reduction in the buffer allows for more parking to be placed on-site which lessens the impact to the residential properties. This is due to the reduction of the likelihood of tenants parking on the street or spilling over into the lower scaled residential area.

In response to the proposed reduced buffer the applicant has proposed more landscaping within the buffer. The original approved landscape plans for the buffer included 11 trees and 48 shrubs that formed a continuous 5-foot hedge within the required landscaped buffer along the north property line.



Proposed Landscape Plan with Reduced Buffer

The proposed landscape plan for the reduced buffer includes 11 trees and 99 shrubs that will form a continuous maximum 6-foot-tall hedge between the parking lot and the north property line, when the landscaping is at full maturity. The proposed design is to help lessen the potential impacts the parking lot may have on the residential properties.

#### **Impacts to Abutting Properties**

The properties to the north are zoned R-1-7000 and contain existing single-family dwellings. The proposed design of the parking lot would place 26 parking spaces facing the rear yards of the residential properties. Parking lots can produce noise and light pollution onto adjacent properties. Buffers not only provide a barrier between uses, it also offers a transition between different uses, and a tool for absorbing potential impacts from the parking lot.

The proposed landscaping design for the reduced buffer is designed to lessen the potential impacts by providing a larger amount of vegetation. The trees and shrubbery proposed, will create a large hedge along the fencing that will limit views into the property and obscure the parking lot from the neighbors. The proposed landscaping and 6-foot vinyl fence will also help reduce the noise impact the parking lot may have on the abutting properties.

The reduced parking could create a conflict between adjacent land uses. Off-site parking in the area is limited, residential streets allow on-street parking but spill-over parking could create more congestion on these streets. Richmond Street allows on-street parking on the east side, this would require future residents to navigate pedestrian access to the site that may not be safe.

#### Compatibility with City Goals and Master Plan

The project is providing affordable housing that is the first of its kind for this area, which meets the city goals and master plans identified below. The landscaped buffer reduction request is for a site modification which impacts the project itself.

#### Sugar House Master Plan

The subject property is located within the Sugar House Master Plan (SHMP) area and is designated in the future land use map as Low Density Residential (5-10 units/acre).

Affordable housing is an emphasis within the SHMP. It emphasizes the importance of providing housing for families or individuals who earn less than the median income and encourages increasing opportunities for affordable housing. The proposal will provide 55 affordable housing units for 50% or less AMI.

The proposal follows these SHMP policies:

Medium-High Density Residential

- Support opportunities for conversion and infill development of medium-high density housing while requiring appropriate design and location to minimize land use conflicts with existing single family development
- Direct higher density housing in locations served within walking distance to transit, commercial services and parks.

Provide Affordable Housing

- Support the Salt Lake Community Housing Plan

Brickyard Plaza Redevelopment

- Plan for new development in this area to provide a mixture of land uses that support a pedestrian orientation and transit

#### Plan Salt Lake

The citywide master plan, Plan Salt Lake, emphasizes the need for a variety of housing options and provides the following guiding principles and initiatives that are relevant to this proposal:

Growing responsibly while providing people with choices about where they live, how they live, and how they get around.

- Locate new development in areas with existing infrastructure and amenities, such as transit and transportation corridors
- Encourage a mix of land uses
- Encourage a mix of land uses

- Promote infill and redevelopment of underutilized land
- Accommodate and promote an increase in the City's population

Access to a wide variety of housing types for all income levels throughout the City, providing the basic human need for safety and responding to change demographics.

- Ensure access to affordable housing citywide (including rental and very low income.)
- Increase the number of medium density housing types and options.
- Direct new growth toward areas with exiting infrastructure and services that have the potential to be people-oriented.
- Enable moderate density increases within existing neighborhoods where appropriate
- Promote high density residential in areas served by transit.

#### DISCUSSION

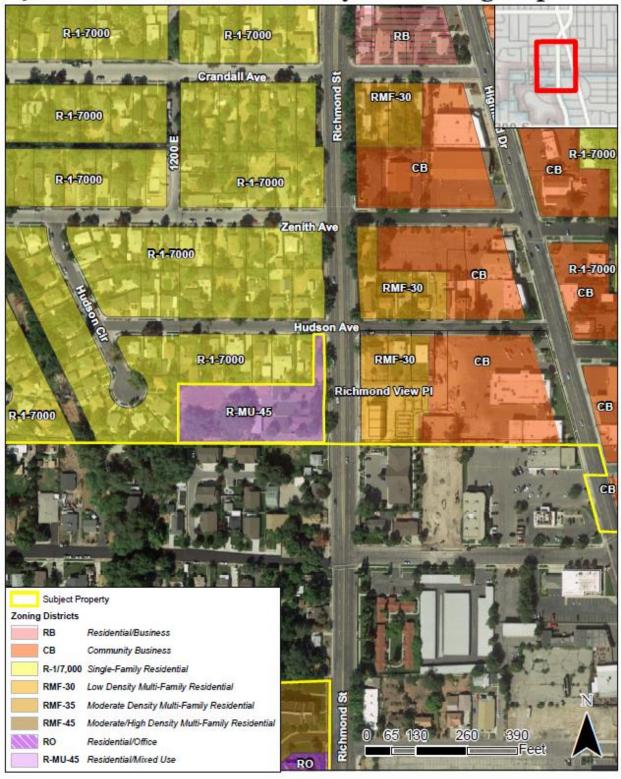
The proposed design of the site considers the scale of adjacent properties and existing neighborhood. By providing relief from the landscape buffer requirement through the Planned Development process, a project that is compatible with the existing zoning and neighborhood can be constructed while more efficiently utilizing the property. The project is providing housing that meets the goals of the city by increasing affordable housing options. As discussed in Attachment D, the proposed modification generally meets the standards for a Planned Development. As such, staff is recommending approval of the proposed modification.

#### **NEXT STEPS**

If approved, the applicant may proceed with the construction of the project site. If denied, the applicant would not be able to reduce the buffer and will need to build the site with a reduced amount of parking to meet the zoning requirements.

## ATTACHMENT A: VICINITY AND ZONING MAP

## 2960 S Richmond St - Vicinity and Zoning Map



## **ATTACHMENT B: APPLICANT DOCUMENTS**

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SLC Planned Development Application Submittal Requirements:

#### 1. PROJECT DESCRIPTION

Located at 2960 S. Richmond Street, Richmond Flats is a 55-unit multi-family affordable apartment project that is currently under construction with an estimated completion date of May 2023. Utilizing both federal and state tax credits, Richmond Flats will provide deeply affordable housing to individuals and families including 8 units designed for those with disabilities and 11 units set aside for low-income veterans. This will be the first 100% affordable multifamily project located in Sugarhouse.

The building permit for Richmond Flats was issued by Salt Lake City Corporation on May 2, 2022. At that time, the project met all zoning and building requirements for setbacks required within the RMU Zone, which included maintaining a 10' landscape buffer along the northern property line where the property abuts a single-family residential zone. The southern lot line has overhead powerlines running along the border of the property. While the building was designed to meet the required setback distance from an overhead powerline, the setback distances required during construction could not be satisfied. The scaffolding and work zone required by Rocky Mountain Power for construction of the building's southern face would not meet the required setback distance of the power lines. Various methods for constructing this section of the building were not feasible to maintain the distances from the overhead power line during construction. Other solutions considered included burying the power lines along the southern border, but this option was cost prohibitive to the project.

Ultimately, the resolution to this issue required the entire building shift approximately seven feet from the southern border to meet the required distance from power line during construction. To maintain, the ten-foot landscape buffer along the northern border of the property, the parking lot had to be reconfigured and the parking counts were dropped to from 51 to 30 stalls. As an affordable housing development with 100% of the units at or below 60% of the area median income, Salt Lake City ordinance allows the developer to reduce the parking requirements 50% to 0.5 parking stalls for every unit. The site plan was reconfigured with 30 stalls (2.5 stalls more than required), submitted to the City, and approved for construction.

While CDCU is providing more parking than required by City ordinance, the organization also wants to respond to the concerns of the community regarding the number of stalls available. This Planned Development request is to reduce the ten-foot landscape buffer along the northern border to a minimum of three feet and return the parking lot to the original design of 51 parking stalls.

The applicant, CDCU, purchased the land in July 2020, and completed a rezone of the parcels from R1-5000 to RMU. Through this process, CDCU held two neighborhood meetings through the Sugarhouse Community Council. The feedback from the immediate neighbors was an overwhelming concern for on street parking in their neighborhoods. There is not any on street

parking available along the frontage of the project. Richmond Street (aka 1300 East) is a two-lane road with street parking only on the east side of the road. Use of this on street parking requires the residence to cross the four-lane busy street with no pedestrian crossing. Additional on street parking is available on Hudson Street, located just north of the development, however most of the neighborhood feedback came from the neighbors on that street who were concerned that parking for the project would spill over in front of their homes.

As a collaborative partner with both the City and the neighborhoods they serve, CDCU received funding from the Redevelopment Agency of Salt Lake City (RDA) to develop affordable housing in high opportunity areas. Working with the City, CDCU was able to purchase, and develop affordable housing in an area that would typically see only market rate housing. While a parking reduction is a significant incentive to develop affordable housing, specific market characteristics may not make the parking reduction feasible.

Both the developer and property manager are concerned that there will not be enough parking based on the location, unit characteristics, and availability of adjacent on street parking. As for the neighboring properties, there are six residences on Hudson Street that benefit from the 10-foot landscape buffer with their backyards abutting the development. All of the neighbors along Hudson Street have voiced their concerns about parking overflow from the project and would support this request to right size the parking in exchange for a reduced landscape buffer.

#### 2. Planned Development Information

a) A planned development will result in a more enhanced product than would be achievable through strict application of land use regulations. Provide an overall benefit to the community as determined by the following planned development objectives:

OPEN SPACE: The development will include outdoor community gathering spaces, playgrounds and community gardens. Additional open space is included along Richmond Street to Hudson Street, enhancing the walkability experience in the neighborhood.

HOUSING: 100% of the units are affordable at 50% or below the area median income. Also, unique to the existing neighborhood is the development of both three and four-bedroom units.

MOBILITY: The project includes a bike storage and maintenance room to encourage residence to consider biking as an alternate form of transportation.

b) The project meets the Standard for Planned Developments. The building is oriented in a position to minimize the impact to the adjacent neighbors in the abutting single-family zone. The massing is located along the southern border which allowed the abutting neighbors to have sufficient open space with both a landscape and parking lot buffer to the rising mass. In addition, the developers did not maximize the building height of the

structure. The building will be constructed at 4-stories instead of the approved 5-story maximum allowed for the R-MU zone. The proposed landscaping will provide additional buffering to the abutting properties and will be maintained and preserved.

Concerning Mobility of the project, the current minimized parking configuration will impact the neighborhood negatively with overflow parking limited to unsafe pedestrian crossing across the four-lane Richmond Street and use of Hudson Street to the north. The request to expand the parking lot and reduce the landscape buffer will provide a safer project for all modes of transportation by maintaining onsite all project required parking.

c) Long term maintenance for all private infrastructure. All private infrastructure in the development will be maintained by the owners through a property management agreement for the lifetime of the multi-family operations.

#### Project Details:

55 units of affordable multi-family apartments 1 building / 4-story

12 / one-bedroom units

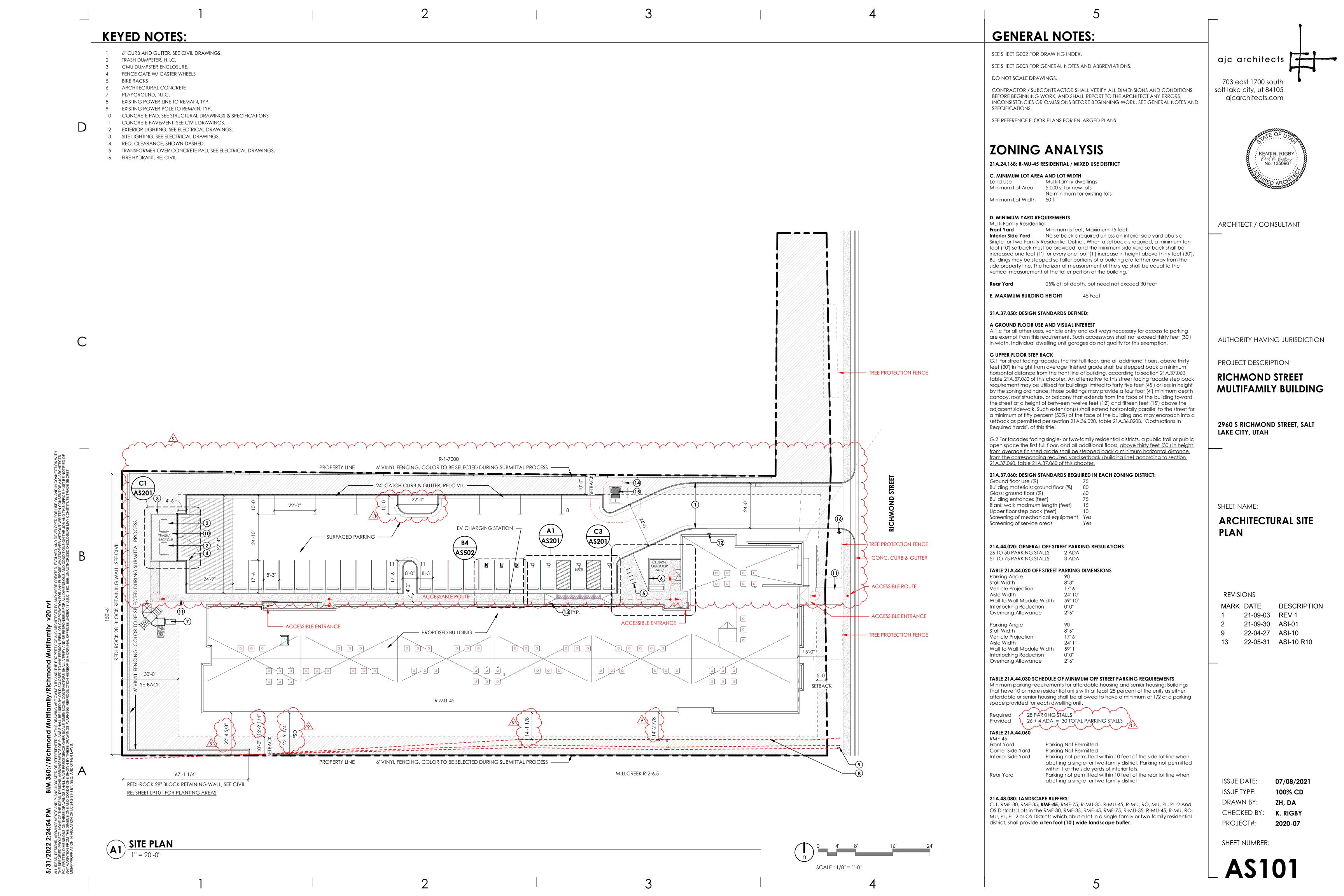
26 / two-bedroom units

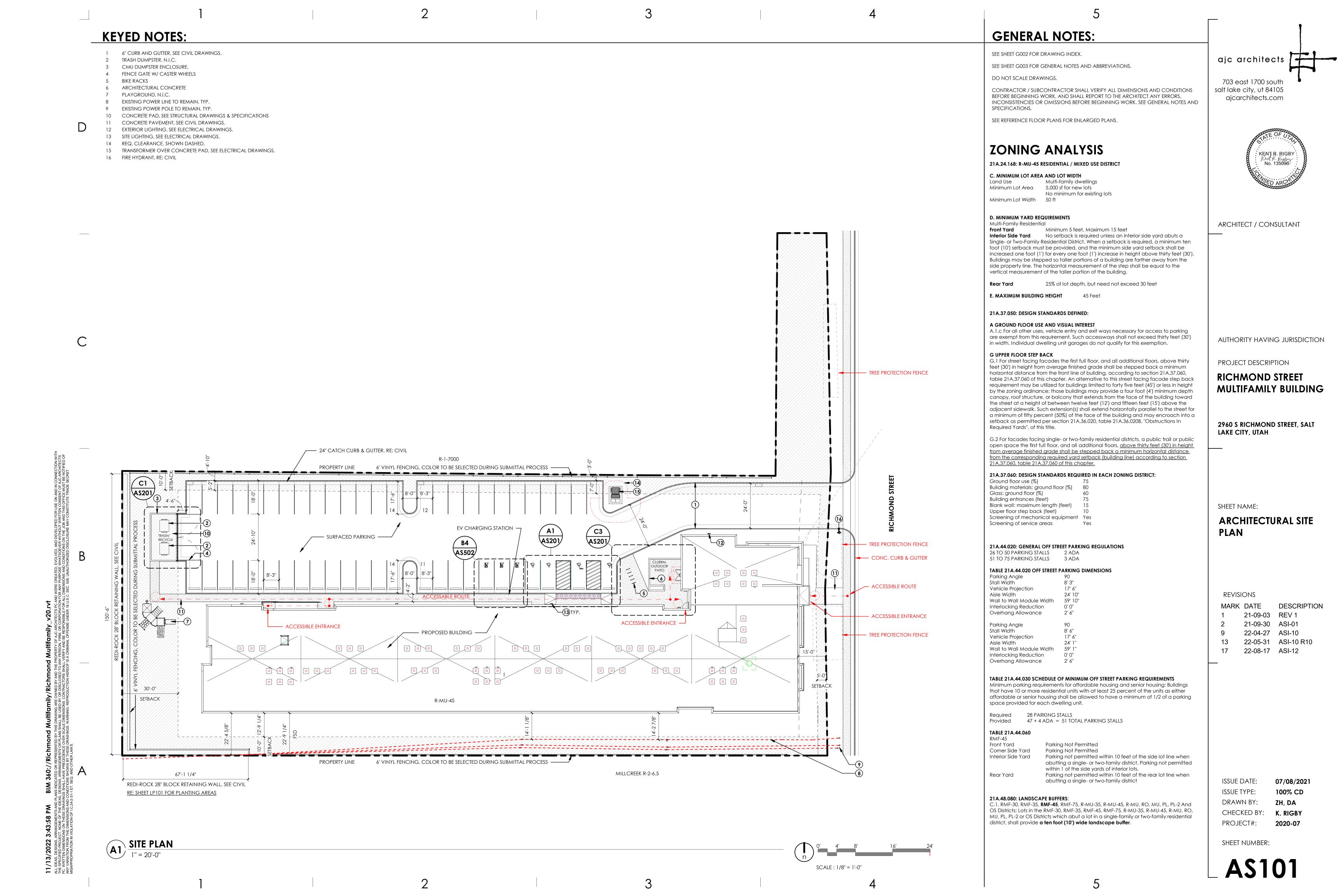
11 / three-bedroom units

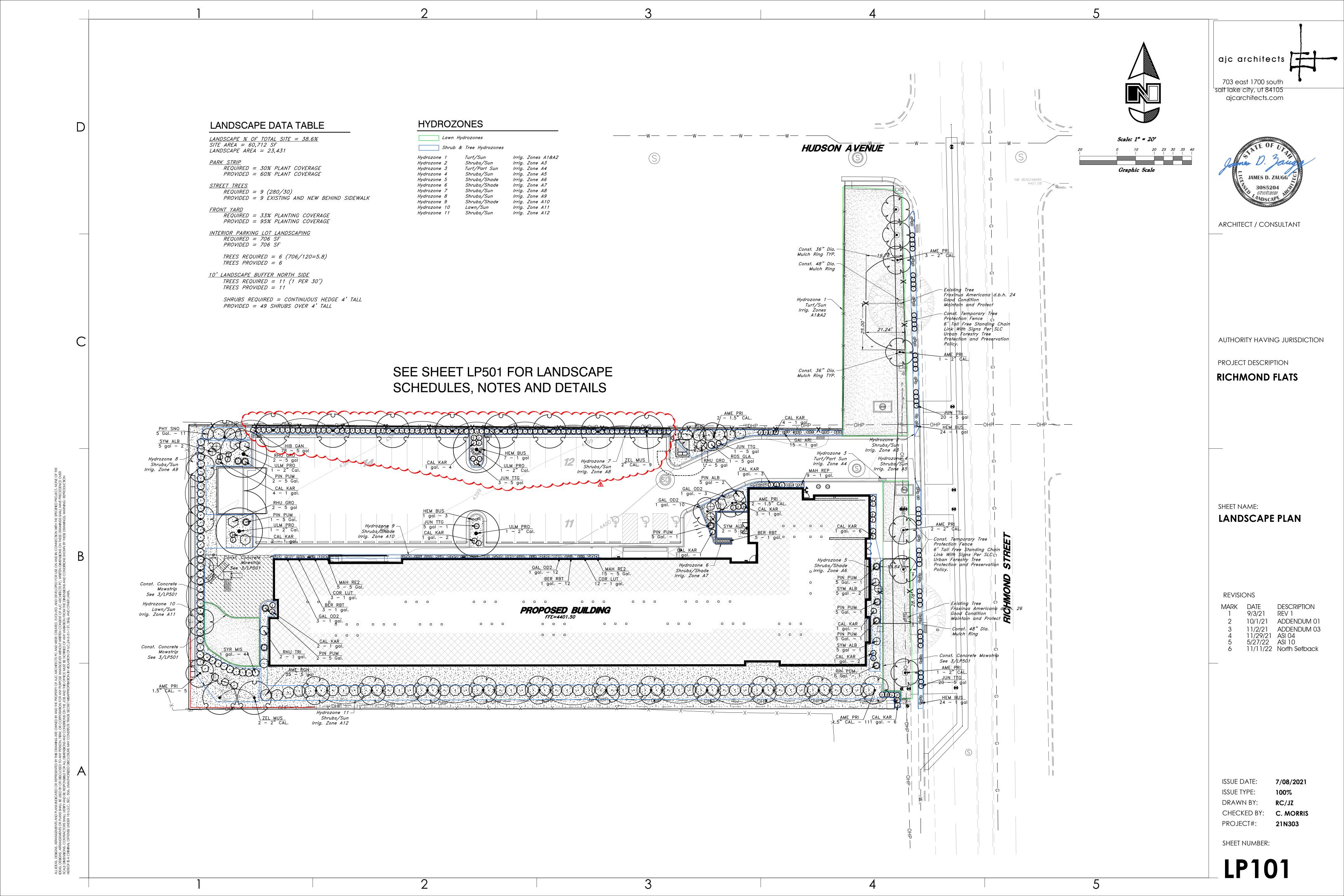
6 / four-bedroom units

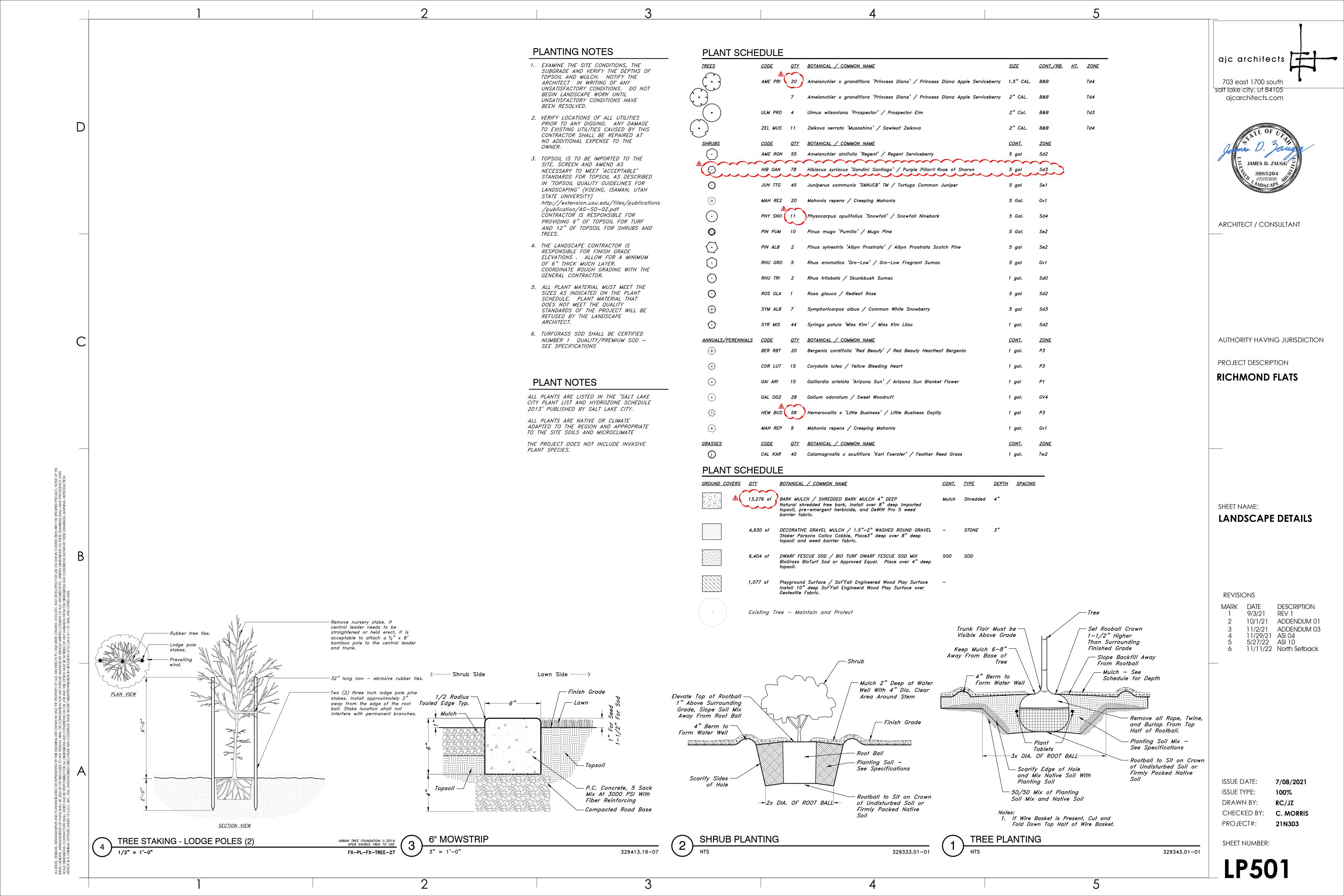
#### Parking:

Required by code: 28 stall (0.5 to 1) Current approved: 30 (0.55 to 1.0) Proposed Parking: 51 (0.93 to 1.0)









# RICHMOND STREET MULTIFAMILY BUILDING

09/03/2021 100% CD

2960 S RICHMOND STREET, SALT LAKE CITY, UTAH

## AJC ARCHITECTS ARCHITECT

703 E 1700 S SALT LAKE CITY, UT 84105 PHONE: 801-466-8818x118 EMAIL: jheppler@ajcarchitects.com NAME: JUSTIN HEPPLER

## OWNER | BLUELINE DEVELOPMENT

1004 SOUTH AVE W MISSOULA, MT 59801

PHONE: 406-926-1401 EMAIL: KEENAN@BLUELINEDEVELOPMENT.COM NAME: KEENAN WHITT

## CDC UTAH

501 EAST 1700 SOUTH SALT LAKE CITY, UT 84105 PHONE: 801-994-7222 x 101 EMAIL: MIKE@CDCUTAH.ORG NAME: MIKE AKERLOW

## GREAT BASIN ENG.

5746 S 1475 E #200 SOUTH OGDEN, UT 84403 PHONE: 801-394-4515 EMAIL: COURYM@GREATBASINENG.COM NAME: COURY MORRIS

## LANDSCAPE | GREAT BASIN ENG.

5746 S 1475 E #200 SOUTH OGDEN, UT 84403 PHONE: 801-394-4515 EMAIL: JZAUGG@GREATBASINENG.COM NAME: JAMES ZAUGG

## MJ STRUCTURAL STRUCTURAL

5673 S REDWOOD RD SALT LAKE CITY, UT 84123 PHONE: 801-905-1097 EMAIL: MJACKSON@MJSTRUCTURALENGINEERS.COM NAME: MATTHEW JACKSON

## MECH/PLUMB | PVE

1040 N 2200 W #100 SALT LAKE CITY, UT 84116 PHONE: 801-359-3158 EMAIL: KAGIBBS@PVE-UT.COM NAME: KENNETH GIBBS

## PVE **ELECTRICAL**

1040 N 2200 W #100 SALT LAKE CITY, UT 84116 PHONE: 801-359-3158 EMAIL: RWAMSLEY@PVE-UT.COM NAME: RON WAMSLEY

## **ACOUSTICS** | BNA CONSULTING

PHONE: 801-532-2196 EMAIL: JMORRIS@BNACONSULTING.COM NAME: JOE MORRIS

## **ENERGY STAR / ENTERPRISE** G-BUILD

5078 SANDSPIPER DR #546 SALT LAKE CITY, UT 84117 PHONE: 801-930-9121 EMAIL: BRETT@G-BUILD.COM NAME: BRETT MOYER

703 east 1700 south salt lake city, ut 84105 ajcarchitects.com



ARCHITECT / CONSULTANT

**AUTHORITY HAVING JURISDICTION** 

PROJECT DESCRIPTION

## RICHMOND STREET MULTIFAMILY BUILDING

2960 S RICHMOND STREET, SALT LAKE CITY, UTAH

SHEET NAME:

TITLE SHEET

REVISIONS

MARK DATE DESCRIPTION

ISSUE TYPE: DRAWN BY:

100% CD DA, ZH CHECKED BY: K. RIGBY 2020-07 PROJECT#:

09/03/2021

SHEET NUMBER:

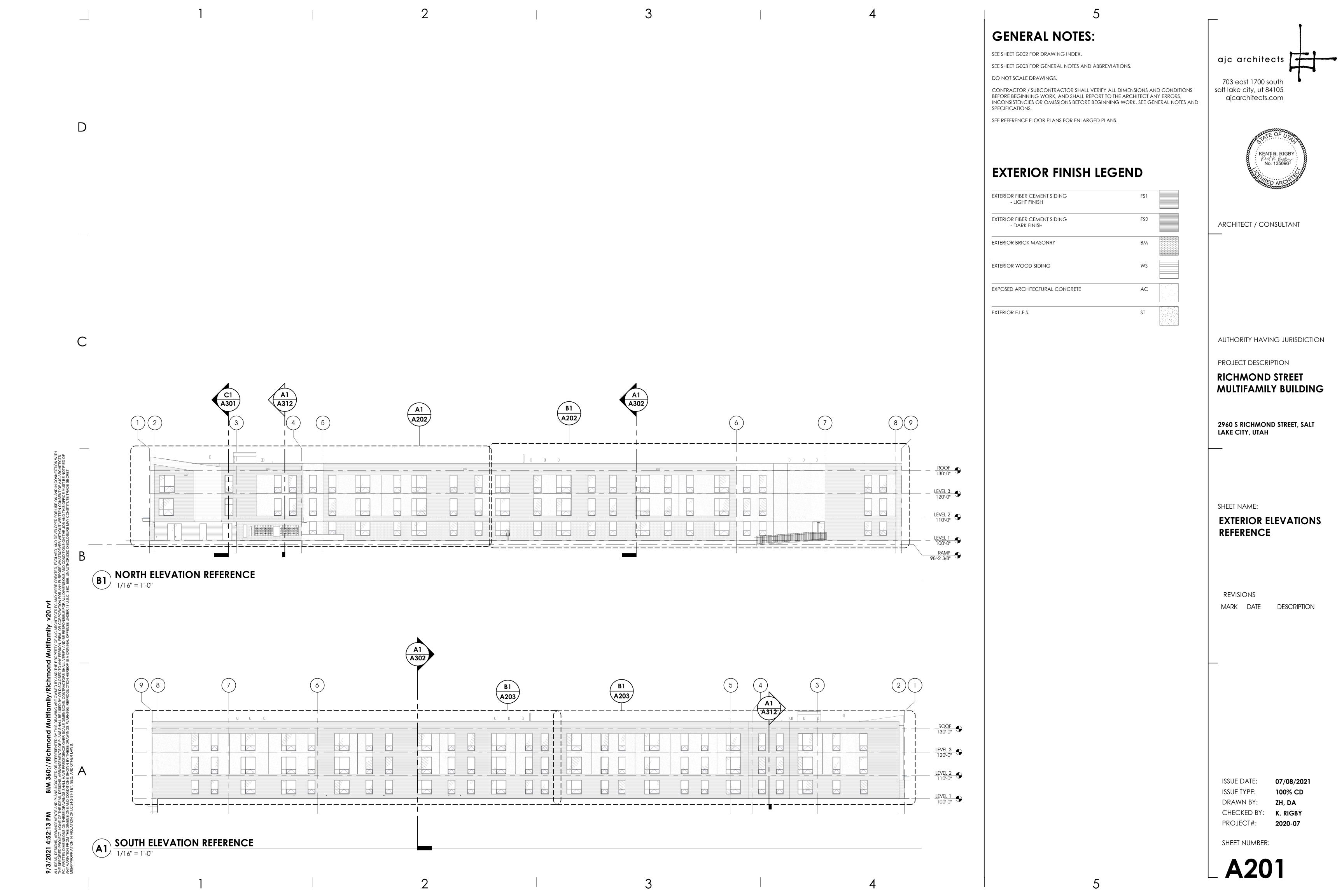
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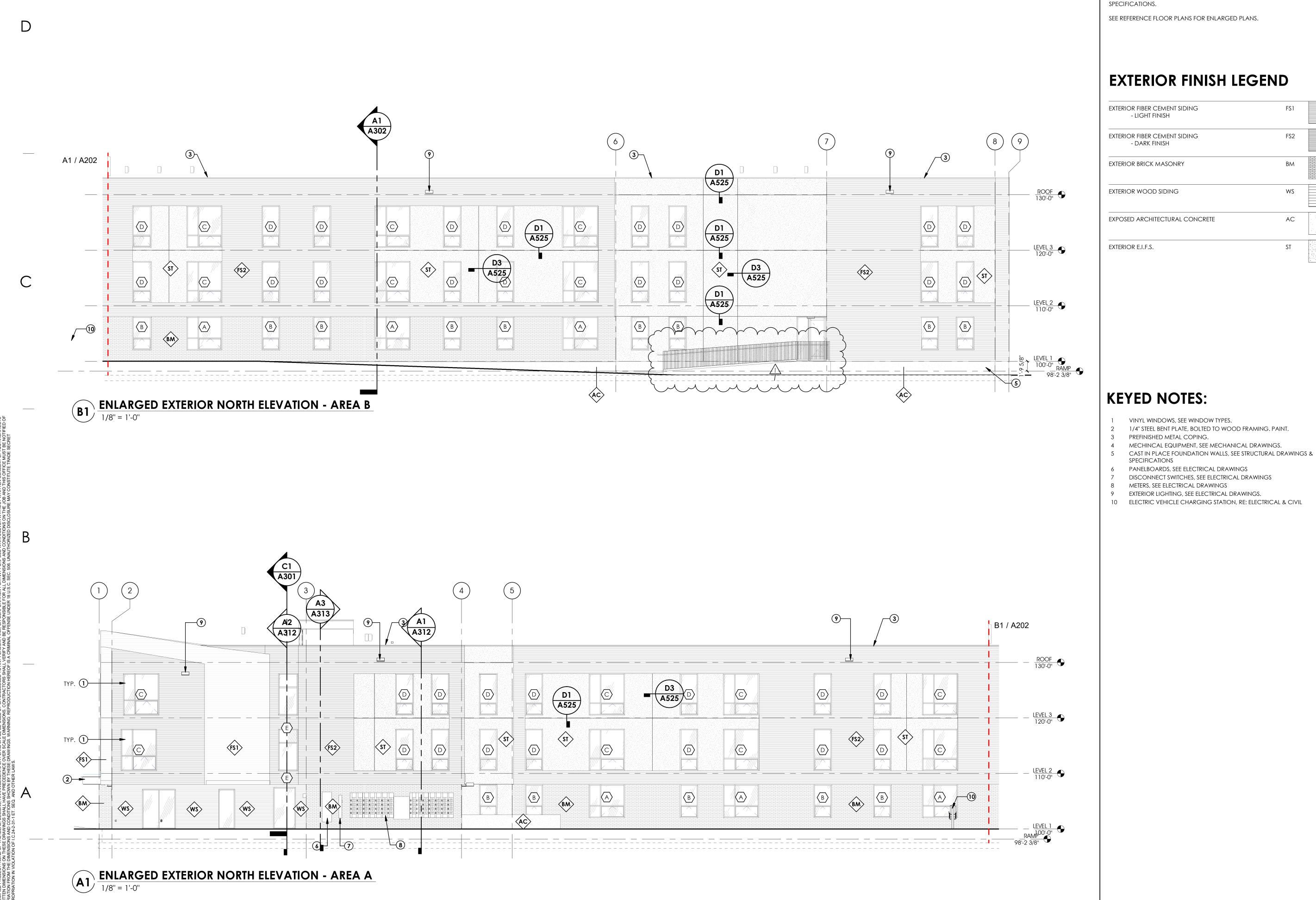
## **VICINITY MAP:**



## **PERSPECTIVE**







## **GENERAL NOTES:**

SEE SHEET G002 FOR DRAWING INDEX.

SEE SHEET G003 FOR GENERAL NOTES AND ABBREVIATIONS.

DO NOT SCALE DRAWINGS.

CONTRACTOR / SUBCONTRACTOR SHALL VERIFY ALL DIMENSIONS AND CONDITIONS BEFORE BEGINNING WORK, AND SHALL REPORT TO THE ARCHITECT ANY ERRORS, INCONSISTENCIES OR OMISSIONS BEFORE BEGINNING WORK. SEE GENERAL NOTES AND

SEE REFERENCE FLOOR PLANS FOR ENLARGED PLANS.

## EXTERIOR FINISH LEGEND

FS1	
FS2	
ВМ	
WS	
AC	
ST	
	FS2  BM  WS

ajc architects

703 east 1700 south salt lake city, ut 84105

ajcarchitects.com

ARCHITECT / CONSULTANT

**AUTHORITY HAVING JURISDICTION** 

PROJECT DESCRIPTION

## RICHMOND STREET MULTIFAMILY BUILDING

2960 S RICHMOND STREET, SALT LAKE CITY, UTAH

SHEET NAME:

## **ENLARGED EXTERIOR** NORTH ELEVATIONS

REVISIONS

09/03/21 REV 1

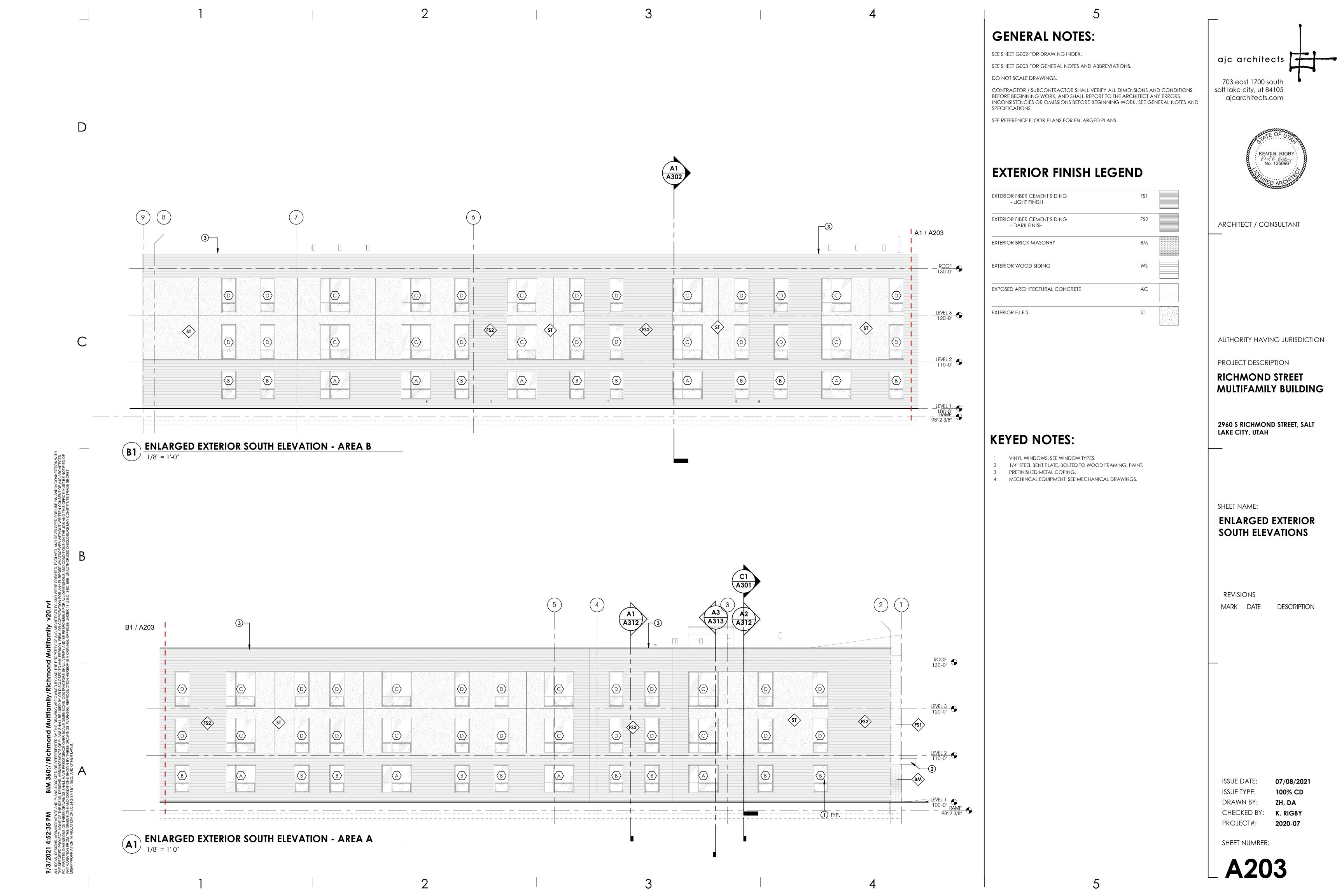
**ISSUE DATE:** 07/08/2021 100% CD ISSUE TYPE: DRAWN BY: ZH, DA CHECKED BY: K. RIGBY

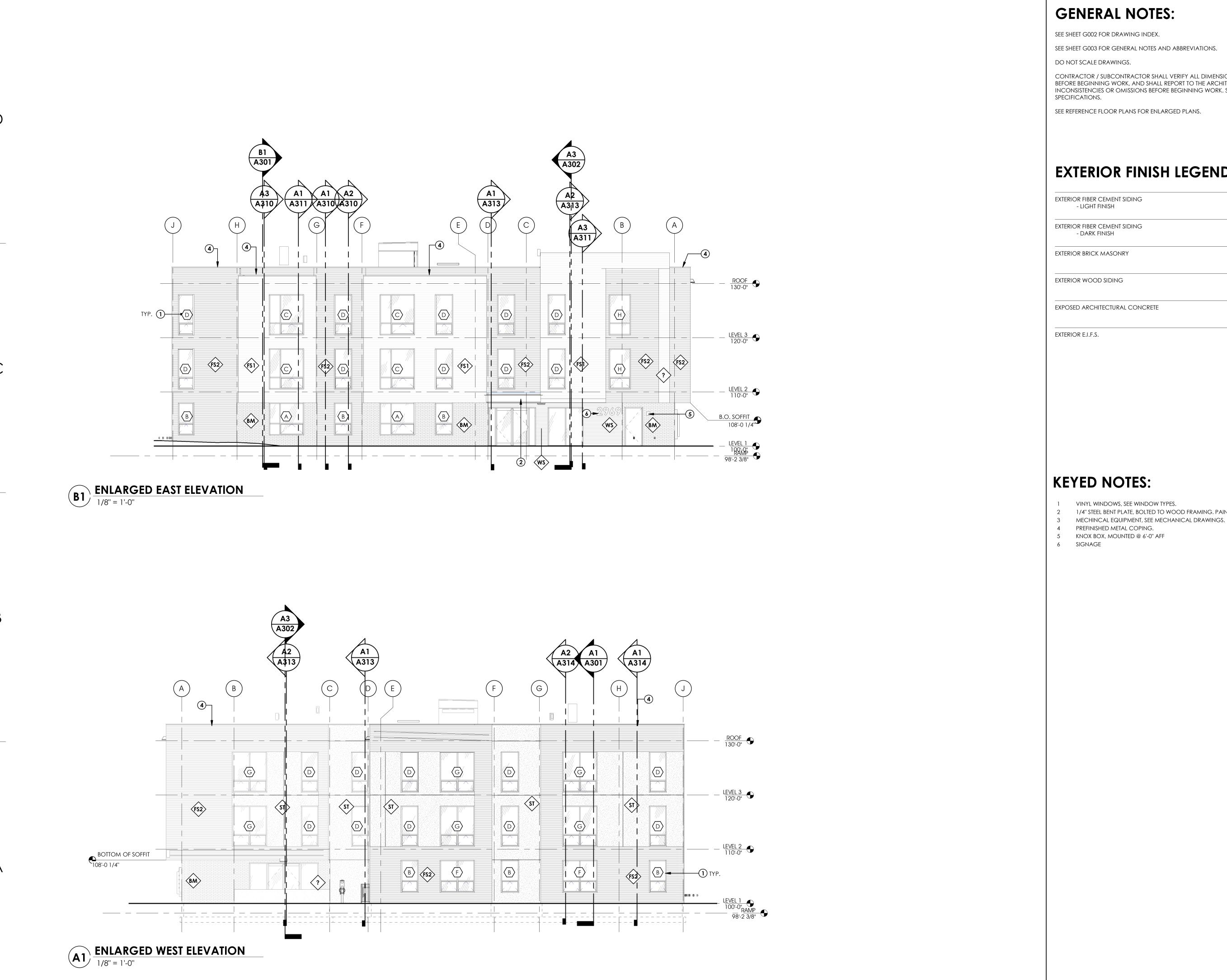
SHEET NUMBER:

PROJECT#:

2020-07

A202





CONTRACTOR / SUBCONTRACTOR SHALL VERIFY ALL DIMENSIONS AND CONDITIONS BEFORE BEGINNING WORK, AND SHALL REPORT TO THE ARCHITECT ANY ERRORS, INCONSISTENCIES OR OMISSIONS BEFORE BEGINNING WORK. SEE GENERAL NOTES AND

## EXTERIOR FINISH LEGEND

EXTERIOR FIBER CEMENT SIDING - LIGHT FINISH	FS1
EXTERIOR FIBER CEMENT SIDING - DARK FINISH	FS2
EXTERIOR BRICK MASONRY	BM
EXTERIOR WOOD SIDING	WS
EXPOSED ARCHITECTURAL CONCRETE	AC
EXTERIOR E.I.F.S.	ST

ARCHITECT / CONSULTANT

ajc architects

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ajcarchitects.com

AUTHORITY HAVING JURISDICTION

PROJECT DESCRIPTION

## RICHMOND STREET MULTIFAMILY BUILDING

2960 S RICHMOND STREET, SALT LAKE CITY, UTAH

SHEET NAME:

## **ENLARGED EXTERIOR EAST & WEST ELEVATIONS**

REVISIONS

DESCRIPTION

07/08/2021 ISSUE TYPE: 100% CD DRAWN BY: ZH, DA CHECKED BY: K. RIGBY PROJECT#: 2020-07

SHEET NUMBER:

When Recorded Return to:

Vice President, Multifamily Finance Utah Housing Corporation 2479 S. Lake Park Blvd. West Valley City, Utah 84120

Tax Parce	el I.D. No.:	

## LOW-INCOME HOUSING CREDIT COMMITMENT AGREEMENT

## AND DECLARATION OF RESTRICTIVE COVENANTS

This Low-Income Housing Credit Commitment Agreement and Declaration of Restrictive Covenants (the "Agreement") is made effective as of the day of February, 2022 by and between **RICHMOND FLATS**, **LLLP**, a Utah limited liability limited partnership, its successors and assigns (the "Project Owner"), and **UTAH HOUSING CORPORATION**, a public corporation of the State of Utah ("Utah Housing").

## RECITALS:

WHEREAS, Section 42 of the Internal Revenue Code of 1986, as amended ("IRC § 42"), and Sections 59-7-607 and 59-10-1010 of the Utah Code Annotated, as amended ("UCA §§ 59-7-607 and 59-10-1010"), provide for the allocation of low-income housing credits for the construction, acquisition and/or rehabilitation of qualified low-income housing buildings;

WHEREAS, Utah Housing is the housing credit agency which has been designated as the agency responsible for the allocation of low-income housing credits for the State of Utah pursuant to IRC § 42 and UCA §§ 59-7-607 and 59-10-1010;

WHEREAS, the Project Owner has made application, which application is on file with Utah Housing and is hereby incorporated herein by this reference, to Utah Housing for the allocation of low-income housing credits with respect to the construction, acquisition and/or rehabilitation of that certain qualified low-income building or buildings located upon and being a part of the real property described in <a href="Exhibit "A" attached hereto and incorporated herein by this reference and known as Richmond Flats (the "Project");"

WHEREAS, the Project Owner represents that the Project satisfies the requirements of IRC § 42 and UCA §§ 59-7-607 and 59-10-1010, as a qualified low-income housing project, and the Project Owner represents that it will maintain the Project in conformity and continuous compliance with IRC § 42 and UCA §§ 59-7-607 and 59-10-1010, and applicable regulations thereunder, as the same may hereafter be amended, any other federal or state requirements applicable thereto and this Agreement;

WHEREAS, Utah Housing has relied on the information submitted by the Project Owner in its application, as supplemented, with respect to the Project in reserving low-income housing credits to the Project Owner;

WHEREAS, Utah Housing is unwilling to allocate any low-income housing credits to the Project Owner for the Project unless the Project Owner shall, by entering into and pursuant to this Agreement, consent and agree to the conditions and restrictions set forth herein and make a declaration of restrictive covenants with respect to the Project as set forth herein; and

WHEREAS, the Project Owner, under this Agreement, intends, declares, and covenants that the regulatory and restrictive covenants set forth herein governing the use, occupancy and transfer of the Project shall be and are covenants running with the land for the term stated herein and binding upon all subsequent owners of the Project for such term set forth herein, and are not merely personal covenants of the Project Owner.

NOW THEREFORE, in consideration of the mutual premises set forth above, and based upon the mutual covenants and promises hereinafter set forth, and such other valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Project Owner and Utah Housing agree as follows:

1. <u>Applicable Fraction</u>. The Project Owner agrees that the applicable fraction, as defined in IRC § 42(c)(1), for each taxable year in the extended use period, as defined in IRC § 42, for the following qualified low-income buildings of the Project will not be less than 100%:

Building Id. No. Address

UT-21-09001 2960 Richmond Street, Salt Lake City, Utah 84106

- 2. <u>Set-Aside Election</u>. The Project Owner agrees that all 55 units of the Project shall be restricted as provided herein and in paragraph 13. The Project Owner agrees that for each taxable year in the extended use period, as defined in IRC § 42, the restricted residential units in the Project shall be both rent restricted, as defined in IRC § 42, and occupied by individuals (hereinafter "low-income tenants") whose income is 60% or less of the area median gross income, as more specifically provided in paragraph 13, with respect to the county in which the Project is located, as annually determined and published by H.U.D.
- 3. Notification of Non-Compliance. The Project Owner agrees to not take or permit to be taken any action which would have the effect or result, directly or indirectly, of subjecting the Project to non-compliance with IRC § 42 or UCA §§ 59-7-607 and 59-10-1010, as the same may be amended from time to time, the regulations issued thereunder, any other state or federal requirements or any provisions of this Agreement. If the Project Owner becomes aware of any incidence or manner in which the Project does not comply with IRC § 42 and UCA §§ 59-7-607 and 59-10-1010, or this Agreement, the Project Owner shall notify Utah Housing of such non-compliance within thirty (30) days after the date Project Owner becomes aware of such non-

compliance. As required by Income Tax Regulations § 1.42-5(e)(3), Utah Housing shall notify the Internal Revenue Service ("IRS") of any non-compliance of which Utah Housing becomes aware.

- 4. Consistency, Special Use and Nondiscrimination. The Project Owner agrees that the residential rental units of the Project occupied by low-income tenants will be of comparable quality to all other units in the Project. To the extent not inconsistent with state and federal fair housing laws, eight (8) units of the Project shall be set aside, exclusively used and made accessible as housing for physically handicapped persons (i.e., Type A wheelchair accessible), six (6) units of the Project shall be set aside, exclusively used and made accessible as housing for veterans, and five (5) units of the Project shall be set aside, exclusively used and made accessible as housing for homeless/near homeless persons, as the same are defined and applied under state and federal laws. Exceptions to the exclusive use by the foregoing special needs tenants may be permitted by Utah Housing, in its sole discretion, only after the Project Owner has met Utah Housing requirements for attempting to lease the specified units to the special needs tenants and establishing that no such special needs tenants are available. The Project Owner will not discriminate against any tenant or prospective tenant because of race, color, religion, age, sex, sexual preference, national origin, familial status, source of income or disability. The Project Owner will comply in all respects with all applicable federal, state and local laws, rules, regulations and Executive Orders relating to housing and employment.
- 5. Ownership. The Project Owner represents and warrants, upon execution and delivery of this Agreement, that it has good and marketable title to the Project, free and clear of liens and encumbrances, except for those liens and encumbrances which secure financing for the acquisition, construction or rehabilitation of the Project, property taxes, and customary non-monetary liens and encumbrances relating to easements, utilities, and similar matters.
- The Project Owner represents that it has Release and Indemnification. independently reviewed the applicable allocation documents providing for the allocation of lowincome housing tax credits for the Project to ensure the correctness and validity of the same, and has not relied on any representations or statements from Utah Housing with respect to the Project Owner's entitlement to the allocation of low-income housing tax credits for the Project. The Project Owner agrees to release and hold Utah Housing, its officers, trustees, employees and agents harmless from any claim, loss, liability, demand, or judgment incurred by or asserted against the Project Owner resulting from or relating to the allocation of low-income housing credits, or the recapture thereof by the IRS or the Utah Tax Commission, or the monitoring of the Project's compliance with IRC § 42 and UCA §§ 59-7-607 and 59-10-1010 and this Agreement. Further, the Project Owner agrees to defend, indemnify, and hold Utah Housing, its officers, trustees, employees, and agents harmless from any claim, loss, liability, demand, judgment, or cost (including without limitation reasonable attorneys' fees) incurred by or asserted against Utah Housing, its officers, trustees, employees, and agents arising out of the negligence, intentional misconduct or misrepresentation of the Project Owner or breach of this Agreement by the Project Owner.

7. Compliance Monitoring. The Project Owner acknowledges that Utah Housing, or its delegate, is required to monitor the Project's compliance with the requirements of IRC § 42 and UCA §§ 59-7-607 and 59-10-1010, and the covenants of this Agreement, further acknowledging that it will obtain from a low-income tenant prior to leasing a low-income unit, sufficient documentation to substantiate income levels of all individuals residing therein, and provide that documentation to Utah Housing upon request. Accordingly, the Project Owner agrees to pay such fees required by, and otherwise comply with the obligations, terms, and conditions of, Utah Housing's Compliance Monitoring Plan, as the same may be amended from time to time. All fees owing by the Project Owner pursuant to this paragraph 7, together with late charges and interest thereon and all fees, charges, and costs associated with collecting delinquent amounts hereunder, including, without limitation, court costs and reasonable attorney fees, shall be secured by a lien on the Project in favor of Utah Housing, which lien may be foreclosed in accordance with applicable law, subject to the provisions of the paragraph immediately below. To evidence such a lien, Utah Housing may prepare a written notice of lien setting forth the unpaid fees, the date due and the amount remaining unpaid. Such a notice shall be signed and acknowledged by Utah Housing and may be recorded in the office of the county recorder of the county in which the Project is located. No notice of lien shall be recorded until there is a delinquency in the payment of fees. A lien arising under this paragraph 7 has priority over each other lien and encumbrance on the Project except (i) a lien or encumbrance recorded before this Agreement or a notice thereof is recorded, (ii) a security interest on the Project secured by a mortgage or deed of trust that is recorded before a recorded notice of lien under this paragraph 7. (iii) subject to the provisions in the next paragraph, a security interest on the Project secured by a mortgage or deed of trust that is recorded after a recorded notice of lien under this paragraph 7, or (iv) a lien for real estate taxes or other governmental assessments or charges against the Project. Such a lien may be enforced by sale or foreclosure of such lien in accordance with the provision of Utah law regarding the enforcement of a deed of trust or, at the option of Utah Housing, by a judicial foreclosure. For purposes of nonjudicial or judicial foreclosure of the lien created hereby, (a) Utah Housing shall be considered to be the beneficiary under a deed of trust, (b) the Project Owner shall be considered to be the trustor under a deed of trust, and (c) First American Title Insurance Company is hereby appointed as the trustee, with all the powers and rights of a trustee under a deed of trust under Utah law, Utah Housing may appoint a successor trustee at any time by filing for record in the office of the county recorder of the county in which the Project is situated, a substitution of trustee. The new trustee shall succeed to all the power, duties, authority, and title of the trustee named in this paragraph 7 and of any successor trustee. The execution of this Agreement by the Project Owner constitutes a simultaneous conveyance by the Project Owner of the Project in trust, with power of sale, to the trustee designated herein for the purpose of securing payment of all amounts due from the Project Owner to Utah Housing under this paragraph 7.

Notwithstanding the foregoing paragraph, at any time during which a deed of trust, executed by Project Owner and encumbering the Project, for the benefit of a lender as security for a loan the proceeds of which were or will be used to acquire or improve the Project, is in effect and of record, Utah Housing agrees, without any further subordination agreement or written instrument, that the liens, rights, remedies, and security interests granted to Utah Housing

under or related to this paragraph 7 are and shall at all times continue to be, subordinate, subject and inferior to the rights of such lender under the deed of trust and other loan documents evidencing or securing such loan, regardless of whether Utah Housing's lien or notice of lien was filed prior to such lender's deed of trust. Utah Housing shall give such lender a concurrent copy of any notice of default given to Project Owner with respect to this Agreement, and agrees that such lender, at such lender's sole election, shall have the right (but not the obligation) to cure any such default on its and/or Project Owner's behalf. Utah Housing agrees that it will not exercise its right of foreclosure or any other remedy with respect to this paragraph 7 for at least 90 days after providing notice to such lender and allowing such lender the opportunity to cure any default, as required herein.

- 8. <u>Inspection</u>. The Project Owner shall permit, during normal business hours, upon reasonable notice, any duly authorized representative of Utah Housing to inspect any books and records of the Project Owner relating to the Project and the incomes of low-income tenants. Specifically, the Project Owner shall make available to Utah Housing the documentation substantiating incomes of low-income tenants. As required by Income Tax Regulations § 1.42-5(e)(3), Utah Housing shall notify the IRS of any non-compliance with the provisions of IRC § 42, or of this Agreement, with which it becomes aware.
- 9. Extended Use Period. The Project Owner and Utah Housing agree that the extended use period, as used in IRC § 42(h)(6)(D) and this Agreement, for each low-income building of the Project, means the period beginning on the first day in the initial 15-year compliance period, as defined in IRC § 42(i)(1), on which a qualified low-income building is a part of a qualified low-income housing project and ending on the date which is 35 years after the close of the initial 15-year compliance period (for a total extended use period of 50 years from the beginning date of the compliance period for a qualified low-income building); however, notwithstanding the foregoing to the contrary, the extended use period (including the initial 15-year compliance period) shall terminate on the date a qualified low-income building is acquired by foreclosure (or instrument in lieu of foreclosure), unless the IRS or Utah Housing reasonably determines that such acquisition is part of an arrangement of the Project Owner a purpose of which is to terminate the extended use period. The Project Owner agrees that IRC § 42(h)(6)(E)(i)(II) shall not apply to, and shall not cause the termination of, the extended use period applicable to any building of the Project.

## 10. Notice of Foreclosure; Eviction During and Following Extended Use Period.

- a. The Project Owner agrees to cause copies of any and all notices of default and notices of sale pertaining to any deed of trust or mortgage encumbering the Project to be provided promptly to Utah Housing.
- b. During the extended use period and the three (3) year period following the termination of the extended use period pursuant to a foreclosure (or instrument in lieu of foreclosure), the Project Owner shall not evict or terminate the tenancy (other than for good cause) of an existing low-income tenant of any low-income unit in the Project or

increase the gross rent with respect to a low-income unit, not otherwise permitted under IRC § 42.

11. <u>Subordination</u>. The Project Owner shall obtain the agreement of any prior recorded lienholder (excluding customary nonmonetary liens and encumbrances relating to easements, utilities and similar matters) of any building in the Project whereby the prior recorded lienholder, and its assigns or successors in interest, agrees to not evict an existing low-income tenant (other than for good cause) and not increase gross rent with respect to a low-income unit, not otherwise permitted under IRC § 42, for a period of three (3) years from the date of any foreclosure with respect to any qualified low-income building in the Project. The foregoing agreement shall be placed of record in the real property records of the county in which the Project is located.

## 12. Transfer of Building or Project.

a. <u>Transfer Defined</u>. As used in this Agreement and except as provided in the following paragraph under this Paragraph 12.a., a "Transfer" includes the sale, transfer, conveyance, or other disposition of (1) an interest in any building to which this Agreement applies, (2) all or any part of the Project, and (3) a majority interest in (a) the Project Owner, (b) if the Project Owner is a limited partnership, any general partner, or (c) if the Project Owner is a limited liability company, any manager or managing member, in each case under this subparagraph (3) either in a single transaction or in a series of transactions that result in such a Transfer.

A "Transfer" does not include a foreclosure or instrument in lieu of foreclosure under a deed of trust of any lender secured by the Project in accordance with Paragraph 9 (but that is not an arrangement as specified in Paragraph 9 above). Also, a "Transfer" does not include the sale, transfer, conveyance, or other disposition of a majority interest in the Project Owner during the initial 15-year Compliance Period to a person owned and controlled, directly or indirectly, by the transferor as long as notice of such sale, transfer, conveyance or other disposition is provided to Utah Housing pursuant to Paragraph 12.c.i.

- b. <u>Partial Disposition of Building Prohibited</u>. Pursuant to IRC § 42(h)(6)(B)(iii), the Project Owner shall not Transfer a portion of a building to which this Agreement applies to any person, unless all of the building to which this Agreement applies is Transferred to such person (a "Transferee"). To the extent that the Project Owner proposes to Transfer all of a building to which this Agreement applies, the Project Owner must comply with the Permitted Transfer rules in Paragraph 12.c.
- c. <u>Permitted Transfer</u>. If any person proposes to make a Transfer at any time after the expiration of the last Credit Period (as such term is defined in IRC § 42(f)(1)), the Project Owner agrees that <u>no such Transfer shall occur without first providing notice and obtaining the written consent of <u>Utah Housing</u>, which consent shall not be unreasonably withheld. With respect to a Transfer of a majority interest in the Project</u>

Owner (either in a single transaction or in a series of transactions that result in a Transfer) which takes place prior to the end of the Credit Period for the last building in the Project, the Project Owner shall provide notice to Utah Housing, but the consent of Utah Housing shall not be required.

- i. <u>Notice to Utah Housing</u>. The Project Owner shall give written notice to Utah Housing of its intent to Transfer the Project as soon as possible but in any event at least sixty (60) days prior to the projected closing date of the proposed Transfer. Such notice shall be provided to Utah Housing on a form provided by Utah Housing. In the event that such form is incomplete or if Utah Housing requires any additional information, the Project Owner and/or the proposed Transferee shall submit a supplemental form containing such additional information within three (3) business days of Utah Housing's request for such additional information.
- Relevant Factors. In exercising its right to reasonably withhold its consent to a Transfer as provided above, Utah Housing will consider factors in aggregate relevant to such Transfer, such as: (1) the multifamily experience of the proposed Transferee (years of ownership, number of properties, property types and use), (2) the financial strength of the proposed Transferee (net worth and liquidity to determine if the proposed Transferee can weather market downturns impacting property cash flows and unexpected costs of the Project), (3) the proposed Transferee's contingent liabilities (and if they could materially weaken the proposed Transferee's financial strength), (4) whether projected available cash flow is sufficient to achieve a debt service coverage ratio of at least 1.20, and if there are adequate reserves established, (5) whether the proposed Transferee's property management company has experience and reputation with IRC § 42 compliance, (6) the current condition of the Project, as evidenced by such third party reports as deemed appropriate by Utah Housing, and the sources and uses of funds proposed to address necessary capital improvements (7) recent trends in the Project's operations and financial performance, and (8) whether the legal and financial structure of the proposed Transferee and its principals may create any issues or problems in enforcing the Project Owner's obligations hereunder.
- iii. <u>Written Consent</u>. Utah Housing shall endeavor to provide written consent or denial of the proposed Transfer to the Project Owner no later than thirty (30) days after the Project Owner and/or the proposed Transferee have submitted all of the information required by Utah Housing.

Further, the exercise by (i) Community Development Corporation of Utah, a Utah nonprofit corporation ("CDCU") (or a successor to, or an affiliate of, CDCU that has been approved in writing by Utah Housing), of the right of first refusal purchase option granted to CDCU in Paragraph 1. of that certain Right of First Refusal/Purchase Option agreement of even date herewith ("ROFR/Purchase Option Agreement"), (ii) CDCU (or an affiliate of CDCU that

has been approved in writing by Utah Housing) of that certain option to purchase the Project pursuant to Paragraph 2. of the ROFR/Purchase Option Agreement, (iii) USA Institutional Richmond Flats LLC, a Delaware limited liability company ("Investment Partnership") (or a successor to Investment Partnership approved by Utah Housing), of the "Put Option" set forth in Paragraph 4.(a) of the ROFR/Purchase Option Agreement, or (v) the "General Partner" (the "General Partner" is collectively EOTW, LLC, a Utah limited liability company and the managing general partner of the Project Owner, and CDCU-Richmond, LLC, a Utah limited liability company and the administrative general partner of the Project Owner) of the "Call Option" set forth in Paragraph 4.(b) of the ROFR/Purchase Option Agreement, shall not require the consent of Utah Housing.

13. Rent and Income Limits. The Project Owner agrees that 55 units of the Project will be leased, throughout the extended use period as set forth in paragraph 9 above, (i) for a maximum monthly rental fee which is affordable to the tenants residing therein (as calculated below), and (ii) to individuals whose annual income (as defined under Section 8 of the United States Housing Act of 1937), aggregated for all individuals residing in a given unit, does not exceed the percentages set forth below of area median income for the county in which the unit is located:

<u>Units</u>	<u>Type</u>	<b>Income Limits</b>
2	1 bedroom 1 bath units	55% of area median income
6	2 bedroom 1 bath units	55% of area median income
2	3 bedroom 2 bath units	55% of area median income
1	4 bedroom 2 bath unit	55% of area median income
8	1 bedroom 1 bath units	50% of area median income
15	2 bedroom 1 bath units	50% of area median income
7	3 bedroom 2 bath units	50% of area median income
3	4 bedroom 2 bath units	50% of area median income
1	1 bedroom 1 bath unit	44% of area median income
3	2 bedroom 1 bath units	44% of area median income
1	3 bedroom 2 bath unit	44% of area median income
1	4 bedroom 2 bath unit	44% of area median income
1	1 bedroom 1 bath unit	30% of area median income
2	2 bedroom 1 bath units	30% of area median income
1	3 bedroom 2 bath unit	30% of area median income
1	4 bedroom 2 bath unit	30% of area median income

For purposes of determining the affordability of monthly rental payments, the maximum monthly rental fee is calculated as follows:

a. First, multiply the monthly rent limit applicable to the unit as calculated by Utah Housing for the applicable year, based on bedroom size, based

on 50% of area median income for the county in which the unit is located, by 2 (to arrive at a rental amount based on 100% of area median income);

b. Second, multiply the product derived in paragraph a. above by the percentages set forth below.

<u>Units</u>	<u>Type</u>	Rent Limits
2	1 bedroom 1 bath units	50% of area median income
6	2 bedroom 1 bath units	50% of area median income
2	3 bedroom 2 bath units	50% of area median income
1	4 bedroom 2 bath unit	50% of area median income
8	1 bedroom 1 bath units	45% of area median income
15	2 bedroom 1 bath units	45% of area median income
7	3 bedroom 2 bath units	45% of area median income
3	4 bedroom 2 bath units	45% of area median income
1	1 bedroom 1 bath unit	39% of area median income
3	2 bedroom 1 bath units	39% of area median income
1	3 bedroom 2 bath unit	39% of area median income
1	4 bedroom 2 bath unit	39% of area median income
1	1 bedroom 1 bath unit	25% of area median income
2	2 bedroom 1 bath units	25% of area median income
1	3 bedroom 2 bath unit	25% of area median income
1	4 bedroom 2 bath unit	25% of area median income

For purposes of determining the maximum monthly rental fee pursuant to this paragraph, the maximum monthly rental fee amount shall include an allowance for tenant-paid utilities as provided in IRC § 42 or notices, regulations or revenue rulings issued or promulgated thereunder. Notwithstanding the foregoing, upon written approval from Utah Housing, the Project Owner may increase the maximum monthly rental fee or income limit applicable to tenants for any unit of the Project in an amount agreed to by Utah Housing, as Utah Housing shall decide in its sole discretion; however, under no circumstances may the maximum monthly rental fee or income limit applicable to tenants for any given unit of the Project exceed the rent or income limits established under IRC § 42.

14. <u>Non-profit</u>. A qualified nonprofit organization is required to own an interest in the Project (directly or through a partnership or limited liability company) and materially participate (within the meaning of IRC § 469(h)) in the development and operation of the Project throughout the extended use period applicable to the Project. The term "qualified nonprofit organization" shall have that meaning set forth in IRC § 42(h)(5)(C). A qualified nonprofit organization may satisfy the requirements of this paragraph through a "qualified corporation" within the meaning of IRC § 42(h)(5)(D)(ii).

- 15. Restrictive Covenants. The Project Owner intends, declares and covenants that the covenants, terms, provisions and restrictions set forth in this Agreement shall run with the land and shall bind, and the benefits and burdens shall inure to, the Project Owner and Utah Housing, and their respective successors and assigns, and all subsequent owners of the Project or any interest therein, for the duration of the extended use period set forth in paragraph 9 above; provided, however, that the extended use period shall be terminated by a foreclosure or deed in lieu, unless the foreclosure or deed in lieu is an arrangement as specified in paragraph 9 above. Except as otherwise provided in paragraph 10 above, upon the termination of the extended use period this Agreement shall be deemed terminated and of no further force and effect, and Utah Housing shall execute a release for recordation purposes if so requested by the then owner of the Project (which shall be subject to the requirements during the three year period specified in paragraph 10 above as provided therein).
- 16. <u>Recordation</u>. This Agreement shall be placed of record in the real property records of the county in which the Project is located.
- 17. <u>Enforcement</u>. All of the terms, provisions and restrictions of the Agreement may be enforced by Utah Housing. In addition, Utah Housing and the Project Owner acknowledge and agree that any individual who meets the income limitations applicable to the Project under IRC § 42(g) (whether a prospective, present, or former occupant of the Project) has the right to enforce in any Utah state court the requirements and conditions of this Agreement.
- 18. <u>Section 8 Tenants</u>. The Project Owner shall not refuse to lease any unit of the Project to a holder of a voucher or certificate of eligibility under Section 8 of the United States Housing Act of 1937 because of the status of the prospective tenant as such a holder.
- Changes to IRC § 42 or UCA §§ 59-7-607 and 59-10-1010. Utah Housing and the Project Owner recognize that the provisions of IRC § 42 and UCA §§ 59-7-607 and 59-10-1010 may be amended from time to time. The Project Owner agrees to maintain the Project in compliance and conformity with the requirements of IRC § 42 and UCA §§ 59-7-607 and 59-10-1010, and the regulations issued thereunder, as the same are amended from time to time. However, if in the opinion of Utah Housing subsequent revisions to IRC § 42 or UCA §§ 59-7-607 and 59-10-1010 are so substantial as to necessitate amendment of this Agreement, this Agreement may be amended to reflect such changes in the law governing the low-income housing tax credit program. In such case, this Agreement shall be amended only by written instrument executed by the parties hereto.
- 20. <u>Notices</u>. All notices to be given to Utah Housing or to the Project Owner pursuant to this Agreement shall be in writing and shall be mailed, by first class, postage prepaid or sent by nationally recognized overnight delivery service, to the parties at the addresses set forth below:

to Utah Housing:

President

Utah Housing Corporation

2479 S. Lake Park Blvd. West Valley City, Utah 84120

to the Project Owner:

Richmond Flats, LLLP 1004 South Avenue West Missoula, Montana 59801

- 21. <u>Governing Law</u>. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah, and where applicable, the laws of the United States of America.
- 22. <u>Representations</u>. The Project Owner hereby warrants and represents to Utah Housing as follows:
  - a. The Project is located upon the real property described in Exhibit "A" attached hereto;
  - b. The Project Owner has the authority and power to execute, deliver and have recorded this Agreement;
  - c. The individuals signing on behalf of the Project Owner are duly authorized, empowered and have the authority to bind the Project Owner to the terms and conditions of this Agreement.

Utah Housing hereby warrants and represents to the Project Owner as follows:

- d. Utah Housing has the authority and power to execute, deliver and have recorded this Agreement;
- e. The individuals signing on behalf of Utah Housing are duly authorized, empowered and have the authority to bind Utah Housing to the terms and conditions of this Agreement.
- 23. <u>Attorneys' Fees</u>. In any action or defense associated with this Agreement, the prevailing party shall be reimbursed by the non-prevailing party for the costs, including attorneys' fees, incurred by the prevailing party in that action or defense.
  - 24. <u>Recitals</u>. The recitals are hereby incorporated into this Agreement.
- 25. <u>Waiver</u>. No action or failure to act by the parties shall constitute a waiver of any right or duty afforded any party under this Agreement, nor shall any such action or failure to act constitute approval of or acquiescence in any breach hereunder, except as may be specifically agreed to in writing. A waiver by a party of a breach hereunder by the other party shall not be construed as a waiver of any succeeding breach of the same or other provisions.

- 26. <u>Modifications and Integration</u>. This Agreement may only be modified by a writing signed by all of the parties hereto. This Agreement constitutes the entire agreement of the parties with respect to the subject matter addressed herein. No other agreements, oral or written, pertaining to the matters herein exist between the parties. This Agreement hereby supersedes any other agreement between the parties respecting the subject matter addressed herein.
- 27. <u>Annual Certification</u>. The Project Owner shall, in a form designed by Utah Housing, annually certify to Utah Housing its compliance with all the provisions of this Agreement and IRC § 42 and regulations issued thereunder.
- 28. <u>Definitions</u>. All words, definitions and terms used in this Agreement that are defined or set forth in IRC § 42 shall have the meanings given in IRC § 42.
- 29. <u>Counterparts</u>. This Agreement may be executed by the different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original, and all of which taken together shall constitute one and the same agreement.
- 30. <u>Severability</u>. If any provision of this Agreement or the application thereof to any party or circumstance shall be invalid or unenforceable to any extent, the remainder of the Agreement and the application of such provisions to any other party or circumstance shall not be affected thereby and shall be enforced to the greatest extent permitted by law.
- 31. <u>Headings</u>. Titles or headings to the sections of this Agreement are for convenience only, and neither limit nor amplify the provisions of this Agreement.

[Remainder of page intentionally left blank; signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective duly authorized representatives.

"Project Owner"

RICHMOND FLATS, LLLP, a Utah limited liability limited partnership

By: EOTW, LLC,

a Utah limited liability company Its: Managing General Partner

By: BlueLine, LLC,

a Montana limited liability company

Its: Sole Member

By: Kelly Gill

Its: Managing Member

By: CDCU-Richmond, LLC, a Utah limited liability company Its: Administrative General Partner

By: Community Development

Corporation of Utah,

a Utah nonprofit corporation

Its: Sole Member

By: Michael Akerlow

Its: Chief Executive Officer

"Utah Housing"

UTAH HOUSING CORPORATION, a Utah public corporation

By: Jonathan A. Hanks

Its: Senior Vice President & COO

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective duly authorized representatives.

"Project Owner"

RICHMOND FLATS, LLLP, a Utah limited liability limited partnership

By: EOTW, LLC,

a Utah limited liability company Its: Managing General Partner

By: BlueLine, LLC,

a Montana limited liability company

Its: Sole Member

By: Kelly Gill

Its: Managing Member

By: CDCU-Richmond, LLC, a Utah limited liability company Its: Administrative General Partner

By: Community Development

Corporation of Utah,

a Utah nonprofit corporation

Its: Sole Member

By: Michael Akerlow Its: Chief Executive Officer "Utah Housing"

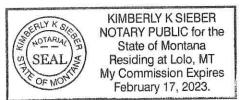
UTAH HOUSING CORPORATION, a Utah public corporation

By: Jonathan A. Hanks

Its: Senior Vice President & COO

STATE OF Montaina	)
Tip.	: SS
COUNTY OF Missoula	)

The foregoing instrument was acknowledged before me this 24 day of February 2022, by Kelly Gill, the Managing Member of BlueLine, LLC, a Montana limited liability company, which is the Sole Member of EOTW, LLC, a Utah limited liability company, which is the Managing General Partner of Richmond Flats, LLLP, a Utah limited liability limited partnership.



Residing at: Lolo, MT My commission expires:

STATE OF	)	
	: s	S.
COUNTY OF	)	

The foregoing instrument was acknowledged before me this day of 2022, by Michael Akerlow, the Chief Executive Officer of Community Development Corporation of Utah, a Utah nonprofit corporation, which is the Sole Member of CDCU-Richmond, LLC, a Utah limited liability company, which is the Administrative General Partner of Richmond Flats, LLLP, a Utah limited liability limited partnership.

**NOTARY PUBLIC** 

Residing at:

My commission expires:

STATE OF	)
	: SS.
COUNTY OF	)
The foregoing instrument v	was acknowledged before me this

2022, by Kelly Gill, the Managing Member of BlueLine, LLC, a Montana limited liability company, which is the Sole Member of EOTW, LLC, a Utah limited liability company, which is the Managing General Partner of Richmond Flats, LLLP, a Utah limited liability limited partnership.

NOTARY PUBLIC

Residing at:

My commission expires:

county of Satt Lake

The foregoing instrument was acknowledged before me this 24 day of Februar / 2022, by Michael Akerlow, the Chief Executive Officer of Community Development Corporation of Utah, a Utah nonprofit corporation, which is the Sole Member of CDCU-Richmond, LLC, a Utah limited liability company, which is the Administrative General Partner of Richmond Flats, LLLP, a Utah limited liability limited partnership.

NOTARY PUBLIC - STATE OF UTAH My Comm. Exp. 01/18/2023 Commission # 704168

NOTARY PUBLIC
Residing at: 50 Hake City
My commission expires: 1/18/23

STATE OF UTAH ) : ss. COUNTY OF SALT LAKE )

The foregoing instrument was acknowledged before me this 23d day of February, 2022, by Jonathan A. Hanks, the Senior Vice President & COO of Utah Housing Corporation, a Utah public corporation.

Notary Public - State of Utah
SUSAN LEE LARSEN
Comm. #719751
My Commission Expires
August 9, 2025

NOTARY PUBLIC

Residing at: Salt Lake Com My commission expires:

#### CONSENT

The undersigned (the "Ground Lessor") hereby represents and warrants to Utah Housing Corporation, a public corporation of the State of Utah ("Utah Housing") that it is the owner in fee simple of the real property described in <a href="Exhibit "A" attached hereto">Exhibit "A"</a> attached hereto (the "Subject Property") and that it has leased the Subject Property to Richmond Flats, LLLP, a Utah limited liability limited partnership (the "Project Owner") pursuant to that certain Ground Lease dated effective \_\_\_\_\_\_\_, 202\_\_\_ (the "Ground Lease") for the purpose of constructing, acquiring and/or rehabilitating the Project (as defined in the foregoing Low-Income Housing Credit Commitment Agreement and Declaration of Restrictive Covenants (the "Extended Use Agreement") between the Project Owner and Utah Housing). The Ground Lessor hereby:

- (1) consents to the execution of the Extended Use Agreement by the Project Owner,
- (2) agrees that any and all rights, interests, estate and title held by the Ground Lessor in and to the fee simple ownership of the Subject Property shall be and the same are hereby made subject to the Extended Use Agreement, as if the Ground Lessor was a signatory thereof, and
- (3) intends, declares and covenants that the covenants, terms, provisions and restrictions set forth in the Extended Use Agreement shall run with the land and shall bind, and the benefits and burdens shall inure to, the Ground Lessor and Utah Housing, and their respective successors and assigns, and all subsequent owners of the Subject Property or any interest therein, during the term of the extended use period set forth in Section 9 thereof, whether or not the Ground Lease shall continue to be in existence.

Upon the termination of the Extended Use Agreement, all obligations of the Ground Lessor pursuant hereto shall be deemed terminated and of no further force and effect.

Dated: February 24, 2027

**GROUND LESSOR:** 

COMMUNITY DEVELOPMENT CORPORATION OF UTAH, a Utah nonprofit corporation

By: Michael Akerlow

Its: Chief Executive Officer

fullue Dech

STATE OF UTAH	)
	: ss
COUNTY OF SALT LAKE	)

The foregoing instrument was acknowledged before me this 24 day of February 2022, by Michael Akerlow, the Chief Executive Officer of Community Development Corporation of Utah, a Utah nonprofit corporation.

	CAROL LAFRENIERE NOTARY PUBLIC - STATE OF UTAH My Comm. Exp. 01/18/2023
The state of the s	My Comm. Exp. 01/18/2023 Commission # 704168

NOTARY PUBLIC
Residing at: 39/1/24 KeC/1/23

#### **EXHIBIT A**

# Legal Description

That certain parcel of real property, situated in Salt Lake County, State of Utah, and more particularly described as follows:

Beginning at the Southwest Corner of Lot 13, Block 27, Ten Acre Plat "A", Big Field Survey, said point being West 1065.95 feet and North 793.47 feet from the East Quarter of Section 29, Township 1 South, Range 1 East, Salt Lake Base and Meridian U.S. Survey, said point also being the Southeast Corner of Rowena Subdivision, and running thence along said Subdivision North 0°01'02" East 152.55 feet to a point on a wood fence; thence along said wood fence the following 3 courses, (1) South 89°33'57" East 119.70 feet, (2) South 89°30"19" East 70.17 feet (3) South 89°44'22" East 160.36 feet; thence North 0°25'15" East 130.14 feet to the Southerly right of way line of Hudson Avenue; thence along said right of way line North 89°56'37" East 26.40 feet to the Westerly right of way line of Richmond Street; thence along said Richmond Street right of way line the following 3 courses; (1) South 1°02'05" East 127.99 feet (2) South 2°48'48" West 63.00 feet (3) South 0°47'05" East 89.21 feet to the North line of Elgin Orchard Subdivision; thence South 89°56'39" West 378.07 feet to the point of beginning.

Contains 60,712 Sqft or 1.39 Acres.

							Unit N	Лix									
Number	Bedrooms	Baths	Rents	Incomes	Gross Re	ents	Utility	Allowance	Net	t Rents	Voucher PMT	Conce	ssions	Rei	nts	Tota	al Rents
1	1	1	25%	30%	\$ 432	2.00	\$	42.00	\$	390.00		\$	-	\$	390.00	\$	390.00
2	2	1	25%	30%	\$ 518	00.8	\$	48.00	\$	470.00		\$	-	\$	470.00	\$	940.00
1	3	2	25%	30%	\$ 599	00.6	\$	55.00	\$	544.00		\$	-	\$	544.00	\$	544.00
1	4	2	25%	30%	\$ 668	00.8	\$	63.00	\$	605.00				\$	605.00	\$	605.00
1	1	1	39%	39%	\$ 674	1.00	\$	42.00	\$	632.00		\$	-	\$	632.00	\$	632.00
3	2	1	39%	39%	\$ 809	00.6	\$	48.00	\$	761.00		\$	-	\$	761.00	\$	2,283.00
1	3	2	39%	39%	\$ 935	00.5	\$	55.00	\$	880.00		\$	-	\$	880.00	\$	880.00
1	4	2	39%	39%	\$ 1,043	00.8	\$	63.00	\$	980.00				\$	980.00	\$	980.00
8	1	1	45%	45%	\$ 778	00.8	\$	42.00	\$	736.00		\$	-	\$	736.00	\$	5,888.00
15	2	1	45%	45%	\$ 933	00.8	\$	48.00	\$	885.00		\$	-	\$	885.00	\$	13,275.00
7	3	2	45%	45%	\$ 1,078	3.00	\$	55.00	\$	1,023.00		\$	-	\$	1,023.00	\$	7,161.00
3	4	2	45%	45%	\$ 1,203	3.00	\$	63.00	\$	1,140.00				\$	1,140.00	\$	3,420.00
2	1	1	50%	50%	\$ 865	00.6	\$	42.00	\$	823.00		\$	-	\$	823.00	\$	1,646.00
6	2	1	50%	50%	\$ 1,037	.00	\$	48.00	\$	989.00		\$	-	\$	989.00	\$	5,934.00
2	3	2	50%	50%	\$ 1,198	3.00	\$	55.00	\$	1,143.00		\$	-	\$	1,143.00	\$	2,286.00
1	4	2	50%	50%	\$ 1,337	2.00	\$	63.00	\$	1,274.00		\$	-	\$	1,274.00	\$	1,274.00
0	1	1	mkt	mkt	\$ 800	0.00			\$	800.00		\$	-	\$	800.00	\$	-
0	2	1	mkt	mkt	\$ 950	00.0			\$	950.00		\$	-	\$	950.00	\$	-
0	3	2	mkt	mkt	\$ 1,100	00.0		•	\$	1,145.00			•	\$	1,145.00		
0	4	2	mkt	mkt	\$			•	\$	-		\$	-	\$	-	\$	-
55																\$	48,138.00

	Manager Units														
Number	Bedrooms	Baths	Rents	Incomes	Gross Rents	Uti	ility Allowance	Utility A	Allowan	ce	Conces	sions		Net Rent	iS
0	2	2	0%	0%	\$ -	\$	-	\$	-		\$	-	\$ -	\$	-
0	2	2	0%	0%	\$ -	\$	-	\$	-		\$	-		\$	-

55 Total Units \$ 48,138.00

# **ATTACHMENT C: SITE PHOTOS**







# ATTACHMENT D: ANALYSIS OF PLANNED DEVELOPMENT STANDARDS

**21A.55.050: Standards for Planned Developments**: The planning commission may approve, approve with conditions, or deny a planned development based upon written findings of fact according to each of the following standards. It is the responsibility of the applicant to provide written and graphic evidence demonstrating compliance with the following standards.

The Finding for each standard is the recommendation of the Planning Division based on the facts associated with the proposal, the discussion that follows, and the input received during the engagement process. Input received after the staff report is published has not been considered in this report.

A. Planned Development Objectives: The planned development shall meet the purpose statement for a planned development (section 21A.55.010 of this chapter) and will achieve at least one of the objectives stated in said section. To determine if a planned development objective has been achieved, the applicant shall demonstrate that at least one of the strategies associated with the objective are included in the proposed planned development. The applicant shall also demonstrate why modifications to the zoning regulations are necessary to meet the purpose statement for a planned development. The Planning Commission should consider the relationship between the proposed modifications to the zoning regulations and the purpose of a planned development, and determine if the project will result in a more enhanced product than would be achievable through strict application of the land use regulations.

Planned Development Purpose Statement: A planned development is intended to encourage the efficient use of land and resources, promoting greater efficiency in public and utility services and encouraging innovation in the planning and building of all types of development. Further, a planned development implements the purpose statement of the zoning district in which the project is located, utilizing an alternative approach to the design of the property and related physical facilities. A planned development incorporates special development characteristics that help to achieve City goals identified in adopted Master Plans and that provide an overall benefit to the community as determined by the planned development objectives. A planned development will result in a more enhanced product than would be achievable through strict application of land use regulations, while enabling the development to be compatible with adjacent and nearby land developments.

**Discussion:** The project is providing more affordable housing options within the city. The proposed modifications allow for parking to remain on-site, which provide an overall benefit to the residents and surrounding community. On-site parking makes access to the site safer for resident and it would reduce the potential spill-over parking to the surrounding residential neighborhoods.

- A. Open Space and Natural Lands: Preserving, protecting or creating open space and natural lands:
  - 1. Inclusion of community gathering places or public recreational opportunities, such as new trails or trails that connect to existing or planned trail systems, playgrounds or other similar types of facilities.
  - 2. Preservation of critical lands, watershed areas, riparian corridors and/or the urban forest.
  - 3. Development of connected greenways and/or wildlife corridors.
  - 4. Daylighting of creeks/water bodies.
  - 5. Inclusion of local food production areas, such as community gardens.
  - 6. Clustering of development to preserve open spaces.

#### **Discussion:**

The project is not proposing open space that meets this objective

**Finding:** □ Objective Satisfied ☑ Objective Not Satisfied

#### **B.** Historic Preservation:

- Preservation, restoration, or adaptive reuse of buildings or structures that contribute to the character of the City either architecturally and/or historically, and that contribute to the general welfare of the residents of the City.
- 2. Preservation of, or enhancement to, historically significant landscapes that contribute to the character of the City and contribute to the general welfare of the City's residents.

**Discussion:** Project is not located in a historic district or listed as a landmark site and it does not involve a historic structure.

**Finding:** □ Objective Satisfied ☑ Objective Not Satisfied

- C. Housing: Providing affordable housing or types of housing that helps achieve the City's housing goals and policies:
  - 1. At least twenty percent (20%) of the housing must be for those with incomes that are at or below eighty percent (80%) of the area median income.
  - 2. The proposal includes housing types that are not commonly found in the existing neighborhood but are of a scale that is typical to the neighborhood.

**Discussion:** The project is an affordable housing development, that includes 55-units that are affordable to households earning between 30% and 50% of the AMI.

**Finding:** ☑ Objective Satisfied ☐ Objective Not Satisfied

- D. Mobility: Enhances accessibility and mobility:
  - 1. Creating new interior block walkway connections that connect through a block or improve connectivity to transit or the bicycle network.

<ol><li>Improvements that encourage transportation options other than just the automobile.</li></ol>
<b>Discussion:</b> Project is not proposing a design that meets these objectives.
<b>Finding:</b> □ Objective Satisfied ☑ Objective Not Satisfied
<ul> <li>E. Sustainability: Creation of a project that achieves exceptional performance with regards to resource consumption and impact on natural systems:</li> <li>1. Energy Use And Generation: Design of the building, its systems, and/or site that allow for a significant reduction in energy usage as compared with other buildings of similar type and/or the generation of energy from an onsite renewable resource.</li> <li>2. Reuse Of Priority Site: Locate on a brownfield where soil or groundwater contamination has been identified, and where the local, State, or national authority (whichever has jurisdiction) requires its remediation. Perform remediation to the satisfaction of that authority.</li> </ul>
<b>Discussion:</b> The project is not proposing any energy reduction design and the site is not considered a brownfield.
<b>Finding:</b> □ Objective Satisfied ☑ Objective Not Satisfied
<ul> <li>F. Master Plan Implementation: A project that helps implement portions of an adopted Master Plan in instances where the Master Plan provides specific guidance on the character of the immediate vicinity of the proposal:</li> <li>1. A project that is consistent with the guidance of the Master Plan related to building scale, building orientation, site layout, or other similar character defining features.</li> </ul>
<b>Discussion:</b> The project is consistent with the Sugar House and Plan Salt Lake Master Plans with the addition of affordable housing in an area that is mostly
SFD. See the master plan discussion below.
Finding: ☑ Objective Satisfied ☐ Objective Not Satisfied
B. Master Plan Compatibility: The proposed planned development is generally

B. Master Plan Compatibility: The proposed planned development is generally consistent with adopted policies set forth in the Citywide, community, and/or small area Master Plan that is applicable to the site where the planned development will be located.

**Finding: Complies** 

# **Discussion: PLAN SALT LAKE**

In Plan Salt Lake, the proposed project is consistent with an initiative in the Housing chapter, "Increase the number of medium density housing types and options." The proposed development provides medium density housing that is unique to this area.

The project is also consistent with Guiding Principle #3 in Plan Salt Lake, "Access to a wide variety of housing types for all income levels throughout the City, providing the basic human need for safety and responding to changing demographics." The proposed residential units provide additional housing units in the neighborhood to accommodate more residents.

Initiatives from the Growth chapter are also applicable. The following Growth initiatives apply:

- Encourage a mix of land uses.
- Promote infill and redevelopment of underutilized land.
- Accommodate and promote an increase in the City's population.

The development promotes infill development on underutilized (vacant) land and provides differing housing types into the area that is dominated by single family and commercial development. The multi-family development adds an alternative type of housing which is not seen in this area.

#### SUGAR HOUSE MASTER PLAN

Affordable housing is an emphasis within the Sugar House Master Plan. It emphasizes the importance of providing housing for families or individuals who earn less than the median income and encourages increasing opportunities for affordable housing. Affordable housing should be distributed evenly both area-wide and within individual developments evenly both area-wide and within individual developments. This proposal would be able to provide 55 affordable housing units in a small development. The proposal follows these Sugar House Master Plan policies:

#### Medium-High Density Residential

- Support opportunities for conversion and infill development of Medium-High Density housing while requiring appropriate design and location to minimize land use conflicts with existing single-family development.
- Direct higher density housing in locations served within walking distance to transit, commercial services, parks...

#### **Providing Affordable Housing**

- Support the Salt lake Community Housing Plan

#### Brickyard Plaza Redevelopment

- Plan for a new development in this area to provide a mixture of land uses that support a pedestrian orientation and transit

#### **New Housing Options**

- Provide a diversity of housing types, sizes, and prices within the community.

#### **Condition(s): None**

- C. Design And Compatibility: The proposed planned development is compatible with the area the planned development will be located and is designed to achieve a more enhanced product than would be achievable through strict application of land use regulations. In determining design and compatibility, the Planning Commission should consider:
- 1. Whether the scale, mass, and intensity of the proposed planned development is compatible with the neighborhood where the planned development will be located and/or the policies stated in an applicable Master Plan related to building and site design;

## **Finding: Complies**

#### **Discussion:**

Although much of the surrounding area is single-family residential, denser multi-family zoning is found to the east across Richmond Street, as well as on adjacent property to the south (Millcreek). Areas such as the Brickyard area and Millcreek City Center are seeing a growth in density, as these areas are moving towards becoming mixed-use destinations. The subject property prior to the proposed development was a nonconforming fourplex.

The project is approved to be 3 stories, less than what is allowed in the R-MU-45 standards. In relation to the single-family homes to the west and north, the building is larger, but is setback substantially from the north property line. This larger setback reduces the potential impact of the building on the SFDs. The large massing of the building is facing south. The private drive access and parking lot abut the properties to the north.

When looking to the east and south, the development begins to fit in with the surrounding buildings, being more in scale with the development that has occurred and what is likely to occur with future development in accordance with adopted master plan policies in Salt Lake City.

#### **Condition(s): None**

2. Whether the building orientation and building materials in the proposed planned development are compatible with the neighborhood where the planned development will be located and/or the policies stated in an applicable Master Plan related to building and site design;

#### **Finding: Complies**

**Discussion:** The building was approved to be oriented toward Richmond Street. The building materials are brick and fiber cement which are compatible with the existing surrounding buildings in the area.

#### Condition(s): None

3. Whether building setbacks along the perimeter of the development:

- a. Maintain the visual character of the neighborhood or the character described in the applicable Master Plan.
- b. Provide sufficient space for private amenities.
- c. Provide sufficient open space buffering between the proposed development and neighboring properties to minimize impacts related to privacy and noise.
- d. Provide adequate sight lines to streets, driveways and sidewalks.
- e. Provide sufficient space for maintenance.

# **Finding: Complies**

#### **Discussion:**

- a) The building setbacks meet the required setbacks for the R-MU-45 district.
- b) The site is proposed to have a playground and open space area behind the building.
- c) The R-MU-45 zone requires a 10-foot buffer between single and two-family residential districts or uses. The Planned Development request is for a reduction in size of this buffer. The buffer proposed is at a minimum 3 feet in width. To mitigate this reduced buffer, the applicant is providing a hedge and fence.
- d) Sight lines to streets, driveways, and sidewalks must be maintained per applicable City code requirements.
- e) Project must meet all requirements related to access for maintenance.

#### Condition(s): None

4. Whether building facades offer ground floor transparency, access, and architectural detailing to facilitate pedestrian interest and interaction;

#### **Finding: Complies**

**Discussion:** The approved building has a street facing façade which has recessed entries and canopies that add visual interest. Windows are proposed on the ground floor level. The building material is 100% fiber cement and brick.

#### Condition(s): None

5. Whether lighting is designed for safety and visual interest while minimizing impacts on surrounding property;

#### **Finding: Complies**

**Discussion:** The site lighting is on the building and provides enough lighting to make the site feel safe. Lighting will likely not impact surrounding properties.

#### Condition(s): None

6. Whether dumpsters, loading docks and/or service areas are appropriately screened;

# **Finding: Complies**

**Discussion:** One main dumpster is centrally located within the site and will be screened in a CMU wall.

## Condition(s): None

7. Whether parking areas are appropriately buffered from adjacent uses.

# **Finding: Complies**

**Discussion:** A portion of the parking lot abuts the rear yards of the residential properties to the north. The applicant is requesting a modification to the landscaped buffer that is required between the parking lot and the residential lots. The buffer is proposed to be 3-feet in width, which is a 7-foot reduction from the required 10-feet. The applicant is proposing to increase the landscaping within the reduced buffer and add a fence along the property line. This proposal does provide an adequate barrier between uses that may help reduce noise and air impacts from the parking lot to the residential lots. This proposal does meet the intent of providing an appropriate buffer from adjacent uses.

#### Condition(s): None

- D. Landscaping: The proposed planned development preserves, maintains or provides native landscaping where appropriate. In determining the landscaping for the proposed planned development, the Planning Commission should consider:
- 1. Whether mature native trees located along the periphery of the property and along the street are preserved and maintained;

#### Finding: Not Applicable

**Discussion:** There are 2 existing street trees that will be preserved and maintained.

#### Condition(s): None

2. Whether existing landscaping that provides additional buffering to the abutting properties is maintained and preserved;

#### Finding: Not Applicable

**Discussion:** There is not existing landscaping that provides buffering to the abutting properties.

# Condition(s): None

3. Whether proposed landscaping is designed to lessen potential impacts created by the proposed planned development;

## **Finding: Complies**

**Discussion:** The proposed landscaping in the modified buffer is designed to lessen the potential impacts created by the development. The landscaping for the project site meets the standards set forth in the zoning ordinance.

## Condition(s): None

4. Whether proposed landscaping is appropriate for the scale of the development.

# **Finding: Complies**

**Discussion:** Applicant is proposing trees, shrubs, and foliage that are appropriate for the scale of the development.

# Condition(s): None

- E. Mobility: The proposed planned development supports City wide transportation goals and promotes safe and efficient circulation within the site and surrounding neighborhood. In determining mobility, the Planning Commission should consider:
- 1. Whether drive access to local streets will negatively impact the safety, purpose and character of the street;

#### **Finding: Complies**

#### **Discussion:**

The proposed development would provide one access drive from Richmond Street into the development. The previous development on the site had only one access to Richmond Street. Staff does not anticipate the drive access having a negative impact on the safety, purpose and character of the street.

#### Condition(s): None

- 2. Whether the site design considers safe circulation for a range of transportation options including:
  - a. Safe and accommodating pedestrian environment and pedestrian oriented design;
  - b. Bicycle facilities and connections where appropriate, and orientation to transit where available; and
  - c. Minimizing conflicts between different transportation modes;

#### **Finding: Complies**

#### **Discussion:**

a. The proposed site design is pedestrian oriented, with direct pathway access to the sidewalk from the building on Richmond Street access to public transit.

- b. Bicycle lanes do not exist on Richmond Street. A UTA bus stop is within walking distance of the project area. The project site will have a bicycle storage facility for residents and bicycle parking.
- c. The proposed development compliments existing and future transportation modes. The Sugar House Master Plan identifies Richmond Street as needing bicycling facilities.

## Condition(s): None

3. Whether the site design of the proposed development promotes or enables access to adjacent uses and amenities;

## **Finding: Complies**

**Discussion:** The layout of the development includes direct access to the public sidewalk to access nearby adjacent uses and amenities.

#### Condition(s): None

4. Whether the proposed design provides adequate emergency vehicle access;

#### **Finding: Complies**

**Discussion:** Emergency vehicles will use the private drive from Richmond Street.

# Condition(s): None

5. Whether loading access and service areas are adequate for the site and minimize impacts to the surrounding area and public rights-of-way.

## **Finding: Complies**

**Discussion:** As this is a residential development there are no loading or major service areas.

#### Condition(s): None

F. Existing Site Features: The proposed planned development preserves natural and built features that significantly contribute to the character of the neighborhood and/or environment.

#### **Finding: Not Applicable**

**Discussion:** There are no natural or built features on the site, such as historically significant buildings, that significantly contribute to the character of the neighborhood or environment.

#### Condition(s): None

G. Utilities: Existing and/or planned utilities will adequately serve the development and not have a detrimental effect on the surrounding area.

# **Finding: Complies**

**Discussion:** Public utility connections have been fully evaluated during the building permits review phase of the development.

**Condition(s): None** 

# ATTACHMETN E: ANALYSIS OF APPLICABLE ZONING STANDARDS

# 21A.24.140: R-MU-45 RESIDENTIAL/MIXED USE DISTRICT:

A. Purpose Statement: The purpose of the R-MU-45 Residential/Mixed Use District is to provide areas within the City for mixed use development that promotes residential urban neighborhoods containing residential, retail, service commercial and small scale office uses. The standards for the district reinforce the mixed use character of the area and promote appropriately scaled development that is pedestrian oriented.

Standard	Proposed	Finding
Minimum lot area: 5,000 for new lots, no minimum for existing lots.	Lot Area: 60,712 SF	Complies
Minimum lot width: Fifty feet (50')	~285 feet	Complies
Front And Corner Side Yards: Minimum five feet (5') and Maximum Fifteen feet (15').	5 feet from closest portion of building	Complies
Interior Side Yards: None required unless an interior side yard abuts a Single- or Two-Family Residential District.  When a setback is required, a minimum ten foot (10') setback must be provided, and the minimum side yard setback shall be increased one foot (1') for every one foot (1') increase in height above thirty feet (30').	Height is ~37 feet.  North side is abutting single-family residential district, building is setback 63 feet.	Complies
<b>Rear Yard:</b> 25% of lot depth but need not exceed 30 feet.	Proposed 30 feet	Complies
Maximum Building Height: 45 feet	Proposed ~37 feet	Complies
Minimum Open Space Area: 20% of the lot area, maybe take the form of landscape yards or plazas and courtyards.	Required: 12,142 SF Proposed: 23,431 SF	Complies
Landscape Buffer: 10 foot wide landscape buffer along single – family or two-family residential districts	Proposing a range of 3-4 feet buffer	Complies with Planned Development Approval

Off-street Parking	The project falls under	Complies
Requirements.	the recently adopted	
	parking chapter. The	
	new regulations require	
	a minimum of 1 parking	
	stall per unit. However,	
	affordable housing may	
	reduce their parking	
	spaces by 25%.	
	Total required parking	
	stalls: 41	
	Total proposed parking	
	stalls: 51	

21A.37.050 Design Standard Regulations

STANDARD	#'/%	FINDINGS
Ground floor use (%) (21A.37.050A1)	75%	The building was approved
Building materials: ground floor (%) (21A.37.050B1)	80%	under Building Permit BLD2021-006358
Glass: ground floor (%) (21A.37.050C1)	60%	
Building entrances (feet) (21A.37.050D)	75'	
Blank wall: maximum length (feet) (21A.37.050E)	15'	
Upper floor step back (feet) (21A.37.050G)	10	
Screening of mechanical equipment (21A.37.050J)	X	
Screening of service areas (21A.37.050K)	X	

# ATTACHMENT F: PUBLIC PROCESS AND PUBLIC COMMENTS

The following is a list of public meetings that have been held, and other public input opportunities, related to this project:

#### **Public Notices:**

- Notice of the project and a formal letter requesting comments was sent to the Chair of the Sugar House Community Council on November 16, 2022.
- Staff sent an early notification announcement of the project to all residents and property owners located within 300 feet of the project site on November 16, 2022 providing notice about the project and information on how to give public input on the project.
- The 45-day recognized organization comment period expired on January 2, 2023.
- The Sugar House Community Council discussed the project at the December 12<sup>th</sup> meeting, staff attended.

## **Public Hearing Notice:**

- Public hearing notice mailed: December 20, 2022
- Public hearing notice signs posted on property: December 30, 2022
- Public notice posted on City & State websites & Planning Division list serve: December 20, 2022

#### **Public Comments:**

City Staff did not receive any comments regarding the project prior to this staff report being published. The Sugar House Community Council discussed the project at the December 12<sup>th</sup> meeting, prior to the meeting the SHCC received public comment regarding the project, which is attached to this document below. A letter from the Sugar House Community Council is also attached to this document.



December 18, 2022

TO: Salt Lake City Planning Commission

FROM: Judi Short, First Vice Chair and Land Use Chain

Sugar House Community Council

RE: PCMPCN2022-00884 Richmond Flats – Planned Development

We received the request from Todd Reeder of the Community Development Corporation of Utah (CDCU) for a reduced landscape setback on the north side of this parcel. We had originally reviewed these plans in May of 2020, it is too bad it takes this long for projects to even get started.

At the time we reviewed this, we knew it was a tight space in a neighborhood with narrow streets. And, we knew this would be an over-the-counter permit, that we would not see this again. They were not asking for anything that didn't comply with the RMU-45 zone. We discovered, when I emailed the people who had commented two years ago on the project, and we put flyers around the neighborhood last week, that there is a lot of misinformation on the part of the neighbors. It is hard to know where that came from. They seem to think we can veto a project, when what we can do is make a recommendation to you, and explain why we are making that recommendation. We try to explain the process, but it is complicated, and not everyone gets it the first time. And, we know during the permitting process, lots of things change that we never hear about. In this case, the fact that the building had to be moved 7' to the north, because Rocky Mountain Power was worried that during construction something might hit the power lines. I heard about that, and knew that it would reduce the parking, but also heard from CDCU that they would make sure there was enough parking.

To move the building north must make the residents on the south feel better, they were worried about how close the building was to their homes, and worried about the light from the cars at night. However, moving the building north results in reduced space for parking stalls. They are building 55 units, down from 60 they first asked for, and if this reduction is allowed, will have 51 parking spaces. The city ordinance now requires .5 stalls per unit, so they clearly meet the parking requirement. They are very aware of the narrow streets in the neighborhood and the lack of parking, and are doing everything they can to provide as much parking as possible. On the south, they will also provide a big row of 11 trees, and 80-90 shrubs, so there will still be a robust buffer along the north side of the project. And, statistics show that people with lower incomes don't always have a car, and we are certain that is true for the handicapped population as well. We know Richmond Avenue will be rebuilt in the next few years, and will work to get a bus stop on both sides of the street near this project. A hawk light would be terrific, but they are pricey and it could take five or more years to get that approved, and built. It might not be feasible, depending on how wide the road ends up.

One recommendation we would like to make is for the fencing to be more sturdy than a vinyl fence. Perhaps cinder block, or maybe the material freeway sound walls are made of. Vinyl blows away, and can be easily damaged, and melts in the heat or a fire.

We are very excited to have this project in Sugar House. It is the <u>only</u> 100% affordable building we have seen, and I have been doing this for many years. We have a few that have some affordable units, but this one has 55 deeply affordable units (50 percent AMI or lower) with 8 designed for those with disabilities, and 11 units set aside for low-income veterans. This serves a huge need in our community. Figuring out the funding is difficult, and we were glad when they finally got it all together and it is going to happen.

We ask that you approve this project as designed.

#### COMMENTS 2960 RICHMOND REDUCED LANDSCAPING

Oh my goodness - this is completely and absolutely outside of the bounds of acceptable. Hudson Avenue is already WAY too packed with cars and a terrible mess for two-way car traffic and pedestrian traffic.

I will be submitting a comment and plan to be extremely forceful about this issue. No, no, no. 100% unacceptable.

Thank you for your time, SarahAnn Whitbeck sawhitbe@gmail.com

Judi Short < judi.short@gmail.com>

Thu, Dec 8, 11:32 AM (1 day ago)

to SarahAnn, Landon

If this is turned down they will have 30 spaces for 55 units. Is that what you want? If we approve less landscape there will be 55 spaces.

#### SarahAnn Whitbeck

I have exactly zero preference about how they manage their landscaping issues; we CANNOT absorb any more cars on our street. It is already an unsafe street without lights, sidewalks, etc. We absolutely cannot have additional cars added to the street.

Whatever they need to do to solve their problems is the issue of the developer - not endanger the neighborhood.

Judi - I live on Hudson Ave one street north and submitted the attached comment.

Having an 80 unit facility with 55 parking spaces does not work, realistically there will be 2 vehicles per unit. So with 160 vehicles (80 cars x 2 tenants) and reducing that by 21 spaces means that the road I live on Hudson Ave will become overwhelmed with spill over parking. This parking issue has always been a concern, and the fact that this project was approved at the last second with no feedback from the community shows a lack of concern. Overall this project is badly designed which has been stated by those actually doing the construction that placing something this size in a space that small surprises them. This project overall needs to be reimagined.

#### Thank you

Jason Farley jasnfarley@gmail.com

From: Carol Harris < cjharris04@comcast.net>

Subject: 2960 Richmond Street with landscape changes Website Feedback

#### Message Body:

We are the neighbors on the southwest corner of this project.

We totally support the additional parking stalls on the north side since there is no neighborhood parking. We would like clarification on what will be in the southwest corner and along the south border. We have looked at the drawings online and cannot tell exactly what will be next to our property. It is very important for our security that there is a solid fence and a retaining wall to prevent flooding onto our property. Is there landscaping on the south side?

Also the plans say this is a four story building. It appears that it is topped out at three stories and I really hope that is the case since the visual impact is horrendous already. Please clarify.

We would like the link to be in the meeting on Monday.

Thank you, Carol Harris

#### COMMENTS 2960 RICHMOND REDUCED LANDSCAPING

From: Andrew Edwards <a href="mailto:andvedw@msn.com">andvedw@msn.com</a>
Date: December 9, 2022 at 3:31:45 PM MST
To: Landon Clark <a href="mailto:minnesotaute76@gmail.com">minnesotaute76@gmail.com</a>
Subject: RE: 2960 Richmond - Richmond Flats

Thanks for sending this Landon. At the Mayor's request, the decision last year to allow re-zoning and placement of this 55-unit low-income apartment community in the center of a R-1 neighborhood, without public comment, was a travesty. To add to that, now they cannot accommodate the parking requirement? This is why you have public hearings on major re-zoning projects! The project is not even close to complete. Shut it down immediately. The reduced buffer request is in my backyard and only a few feet from my new home and patio at 1204 E Hudson Ave. This impacts the quiet enjoyment of my property, has a direct impact on value, and is exactly why zoning requirements are in place. This cannot be allowed to move forward.

Please do not allow this requested zoning relief. Instead of allowing 55 units, they must be required to settle for 25. Shut this project down now before you do further damage to the neighborhood.

Thank you,

#### Andrew D. Edwards

TierOne Real Estate LLC Owner/Broker 2715 E 3300 S SLC UT 84109 O (801) 486-6200, C (801) 898-6909

From: Doug Fay < rushingzone@gmail.com >

Subject: 2960 Richmond Street with landscape changes Website Feedback

#### Message Body:

I would like to receive the link to this meeting.

And would also like information on what the plans are for the fencing around this project, between the house that are effected by this reduced buffer zone request. There are apartments east across the street that have a 8 foot wall separating them from the apartment property. Is there any plan to do a similar wall for this project. I think this would have to be a requirement for the approval of the reduced buff.

From: Jonathan Harrison < harrisonjond@gmail.com >

Subject: 2960 Richmond Street with landscape changes Website Feedback

#### Message Body:

Hello, we live on Hudson Avenue and are concerned about the lack of planning for this development particularly related to parking. Living in the area there has never been parking options on Richmond Avenue and lets be honest, most people living in an apartment require 1.5 to 2 parking spots (even the typical average on Google is 1.25 therefore if building 55 apartments they should have planned for at least 69 parking spots. Moving a building 7 feet should not have such a drastic plan to parking availability and while the landscape request is the least of our worries (as long as they have a plan for the strip of land between the building and Hudson Avenue alongside Richmond Avenue) we want further planning for parking as to not affect the neighborhoods around the area. Furthermore, there will be a significant increase in traffic in the area since multiple apartment complexes are going up and the plan for Millcreek commons, please tell us there has been thoughts on how to improve Richmond/Highland drive which is already a nightmare to walk on (we try to walk our dogs across these busy roads and have been nearly run over multiple times which will only get worse). Thank you!

# ATTACHMENT G: CITY DEPARTMENT REVIEW COMMENTS

The following comments were received from other City divisions/departments with regards to the proposed development:

# **Zoning**

No comments.

#### **Urban Forestry – Tony Gliot**

Thank you for reaching out about this. In truth, the UF Division does plant medium/large (at maturity) tree species in 4 foot parkstrips fairly regularly. And in talking with my UF team, we are in agreement that a 4 foot wide planting strip would be okay for Zelkova Serrata.

Over last 5 years or so, the UF Division has made a conserted effort to plant more trees that get large (over small trees, that are seemingly better suited for smaller spaces). The reason is that more canopy equals more tree benefits. On a side note this is something that the Mayor has expressed to me many times (she doesn't want small flowering trees, she wants big shade trees.

So, while less space for a larger tree is certainly not ideal, it is still preferable to planting small trees or shrubs.

I will state however, that I do not think that sacrificing the 10' buffer for parking is the right thing to do, it is not very considerate of the neighboring property owner. I would much prefer that the required 10' buffer be preserved. If that is not possible, I would then prefer that a compromise approach be taken where by eight (8) of the proposed new parking spaces be omitted (for each of the 8 proposed trees to each have a dedicated bump-out/peninsula, the size of a parking space to increase soil/rooting volume). By my count that compromise would still result in 18 additional parking spots on along the north property line.

#### **Engineering**

No Comments.

#### **Building Services**

No additional Building Code comments regarding the reduction of the landscape buffer.

Associated building permit: BLD2021-06358 - Richmond Flats

All new construction within the corporate limits of Salt Lake City shall be per the State of Utah adopted construction codes and to include any state or local amendments to those codes. RE: Title 15A State Construction and Fire Codes Act

#### **Public Utilities**

Public Utilities has no issues with the proposed modifications to reduce landscaping along the north property line (Planned Development). However, in review of this Planned Development, it was discovered that the applicant did not submit a Storm Water Pollution Prevention Plan (SWPPP) or Technical Drainage Study (TDS) during the building permit application process. The SWPPP must be addressed immediately - work cannot continue without an approved SWPPP and Salt Lake City

NOI. The TDS, and any required changes to the site drainage design, will be required before the certificate of occupancy is issued. Please email the SWPPP and TDS to <a href="Molecular.com">Kelly.Jones@slcgov.com</a> as soon as possible for review.

SWPPP and TDS quidelines are provided for assistance in submitting these documents.

A Storm Water Pollution Prevention Plan (SWPPP) is required for this project. It is recommended to
use the State of Utah SWPPP template that has been attached to this email. Ensure that it includes all
relevant contacts, the Utah State Construction General Permit, State and City Notice of Intent (NOI),
any relevant figures, and is signed by the Author, Owner, and Operator.

Follow the guidelines as outlined in the Technical Drainage Study Checklist that has been attached to this email. Complete this checklist and attach it as an appendix. Detention must be provided to the effect that no more than 0.2 cfs/acre is discharged for the 100-year 3-hour storm with the Farmer Fletcher Rainfall Distribution. The TDS must also address stormwater treatment prior to discharge to the public storm drain. Utilize stormwater Best Management Practices (BMP's) to remove solids and oils. Green Infrastructure should be used whenever possible. Green Infrastructure and LID treatment of stormwater is a design requirement and required by the Salt Lake City UPDES permit for Municipal Separate Storm Sewer System (MS4). This permit was updated with this requirement in June 2021. The applicant will need to provide options for stormwater treatment and retention for the 80th percentile storm. If additional property is not available, there are other options such as green roof or other BMP's. Lack of room or cost is generally not an exception for this requirement. If green infrastructure is not used, then applicant must provide documentation of what green infrastructure measures were considered and why these were not deemed feasible. Please verify that plans include appropriate treatment measures. Please visit the following websites for guidance with Low Impact Development: https://deq.utah.gov/water-quality/low-impact-development?form=MY01SV&OCID=MY01SV and https://documents.deg.utah.gov/water-quality/stormwater/updes/DWO-2019-000161.pdf?form=MY01SV&OCID=MY01SV

#### **Fire**

No additional Fire Code comments regarding the reduction of the landscape buffer.

Associated building permit: BLD2021-06358 - Richmond Flats

All new construction within the corporate limits of Salt Lake City shall be per the State of Utah adopted construction codes and to include any state or local amendments to those codes. RE: Title 15A State Construction and Fire Codes Act.

#### **Transportation – Kevin Young**

- I see no transportation issues with the proposed change in parking.
- The dimensions of the proposed parking spaces and drive aisle meet SLC standards.
- I did notice that the site plan shows four ADA parking spaces, with one of the ADA spaces not having the required access aisle. They need to remove the westerly ADA space or adjust the location of the westerly access aisle so that it is shared between the two westerly ADA spaces.