



# Staff Report

PLANNING DIVISION

DEPARTMENT of COMMUNITY and NEIGHBORHOODS

**To:** Salt Lake City Planning Commission  
**From:** Jason Berntson, Associate Planner, [jason.berntson@slc.gov](mailto:jason.berntson@slc.gov), 801-535-6247  
**Date:** June 24, 2026 (hearing), June 11, 2026 (publication)  
**Re:** PLNPCM2025-01180 – Affordable Housing Incentives Fines Zoning Text Amendment

## Zoning Text Amendment

**APPLICATION TYPE:** Zoning Text Amendment  
**MASTER PLAN:** City Wide  
**ZONING DISTRICT:** City Wide  
**ORDINANCE SECTION:** [Chapter 21A.20.040 Civil Fines](#)

### REQUEST:

Mayor Erin Mendenhall has initiated a petition for a text amendment to add the fines for violation of the City's Affordable Housing Incentives (AHI) program into the City's Zoning Code. Currently, the Zoning Code refers to the City's "Consolidated Fee Schedule" (CFS) for the fine, but that document legally cannot list fines. This text amendment will remove reference to the CFS and add the associated fines directly into Chapter 21A.20 "Enforcement" of the city zoning code. The proposal applies to any property utilizing the City's Affordable Housing Incentives program.

### RECOMMENDATION:

Based on the findings listed in this staff report and the standards for the zoning text amendment, Planning Staff recommends that the Planning Commission forward a positive recommendation to the City Council regarding this proposal.

### ATTACHMENTS:

- A. [ATTACHMENT A: Petition Initiation](#)
- B. [ATTACHMENT B: Proposed Amendment](#)
- C. [ATTACHMENT C: Text Amendment Consideration Standards](#)
- D. [ATTACHMENT D: Public Process & Comments](#)
- E. [ATTACHMENT E: Department Review Comments](#)

## PROJECT DESCRIPTION

The purpose of this text amendment is to clarify the fines for violations of the Affordable Housing Incentives (AHI) regulations for proposals that utilized the AHI process for development. The AHI process and code were adopted in 2023. The AHI process allows for additional development potential on a site, and removes certain public process requirements, when income-restricted “affordable housing” units are included in a development proposal. The process is regulated in City Code section 21A.52.050 [“Affordable Housing Incentives.”](#)

When the AHI code was adopted, an enforcement mechanism (a fine) was implemented to ensure that any approved development continues to comply with the requirements of its approval, such as retaining the associated affordable housing units included in the development proposal. The text of the ordinance made reference to the enforcement fine being located in the Consolidated Fee Schedule (CFS). However, legally fines are not considered fees, and so cannot be listed on the CFS. All civil enforcement fees in Salt Lake City are listed in City Code. Therefore, this text amendment is proposing to add the associated fines directly into City Code.

The fines proposed include \$100 per affordable unit per day in violation of the affordability provision, plus the difference between the amount of rent required (the affordable rent level) and the amount of rent being charged (in excess of the affordable rent level). There is also a \$100 per day violation for any other provision of the associated restrictive covenant. The “restrictive covenant” is a legally binding agreement, agreed to by the property owner and recorded against the property, that may include other miscellaneous provisions related to the AHI unit, such as the number of bedrooms in a unit or the location of the unit. Further, an additional fine is proposed of \$500 per day per affordable unit if an affordable unit is being used as a short-term rental. The fine is proposed at \$500 per day in order to serve as a sufficient financial deterrent to using an AHI unit as a short-term rental, given the potential daily short-term rental income from such a unit. The fines are specifically listed in the proposed ordinance in [Attachment B](#).

Listing these fines in the code provides clarification to applicants, residents, and City Staff of the fine for violating the Affordable Housing Incentives regulations. As noted, the requirements of an AHI approval are further outlined in a restrictive covenant that is signed and agreed to by the associated property owner. The fines outlined in this text amendment do not replace or invalidate any other specific remedies or financial penalties identified in the terms of the restrictive covenant agreement.

## APPROVAL PROCESS AND COMMISSION AUTHORITY

City Council is the decision-making body in zoning text amendments. The Planning Commission can consider forwarding the proposal to the City Council for adoption as is, with modifications to any aspect of the proposal, provided the modifications comply with applicable state and federal laws, or recommend that the proposal not be adopted.

If considering modifications, the Commission can provide clear direction to the planning staff regarding the changes and ask that the changes be made before sending the proposal to the

council for consideration, provide staff with exact wording (or deletions) that are desired, or table the matter with clear direction to staff to make specific changes that the Commission will review at a later date.

## KEY CONSIDERATIONS

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

1. Ensuring the Ordinance is Enforceable

### Consideration 1: Ensuring the Ordinance is Enforceable

As currently written, referring applicants and the public to the Consolidated Fee Schedule (CFS) for violation of the Affordable Housing Incentives (AHI) regulations is misleading and can create potential legal issues for enforcing noncompliance violations. Chapter [3.02.010](#) concerning the fee schedule states that fees are “charged by the city to offset regulatory and service costs”. Noncompliance fines are not necessarily intended to offset regulatory and service costs for the City. Additionally, the CFS document specifically states that “penalties, such as fines” are not listed in the document, therefore the specific fine amounts for violations need to be stated in the City Code itself.

This text amendment ensures clarity for applicants and the public regarding the enforcement mechanism and the actions that can be taken when the Affordable Housing Incentives regulations are violated. This clarification reduces risk to the public, the city, and landowners.

## STAFF RECOMMENDATION

Staff recommends that the Planning Commission forward a positive recommendation to the City Council to adopt the proposed text amendment.

## NEXT STEPS

The Planning Commission can provide a positive or negative recommendation for the proposed text amendment. The recommendation will be sent to the City Council to hold a briefing and additional public hearing on the proposed amendments. The City Council may modify the proposal and approve or decline the proposed amendments.

If ultimately approved by the City Council, the changes would be incorporated into the Salt Lake City Zoning Ordinance, and new development would be required to follow the new regulations.

# **ATTACHMENT A: Petition Initiation**

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# MEMORANDUM

PLANNING DIVISION  
DEPARTMENT *of* COMMUNITY *and* NEIGHBORHOODS

To: Mayor Erin Mendenhall

Cc: Rachel Otto, Chief of Staff; Jill Love, Chief Administrative Officer; Tammy Hunsaker, Director, Department of Community and Neighborhoods

From: Nick Norris, Planning Director

Date: November 19, 2025

Re: Initiation of a zoning text amendment related to zoning incentives to include fines in Enforcement Chapter of the zoning ordinance

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The Planning Division is requesting that you initiate a text amendment to Chapter 21A.20 Enforcement of the zoning ordinance related to the Affordable Housing Incentives section of Chapter 21A.52 Zoning Incentives. When the City Council adopted Ordinance 74 of 2023 on December 5, 2023, the ordinance specified that civil fines for noncompliance violations would be included in the Consolidated Fee Schedule. The Consolidated Fee Schedule is limited to fees and does not include fines. The fine does not appear on the current fee schedule. The text amendment would identify the fine in Chapter 21A.20 and remove the reference to the fine in the Consolidated Fee Schedule. The fine that was adopted by the City Council when the affordable housing incentives were adopted is \$100.00 per day per affordable unit that is in violation of the approved incentives. An additional fine that is equal to the difference between the approved rental rate as part of the incentives and the charged rate and is charged on a per month, per unit in violation rate was adopted as part of the incentives.

The proposal will go through the normal 45-day public engagement period prior to the typical adoption process for zoning text amendments.

Please contact me at 801-535-6173 or [nick.norris@slc.gov](mailto:nick.norris@slc.gov) if you have any questions. Thank you.

***Concurrence to initiate the zoning text amendment petition as noted above.***

Erin Mendenhall

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**Erin Mendenhall, Mayor**

11/19/25

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**Date**

Signature:   
Erin Mendenhall (Nov 19, 2025 12:04:45 MST)

Email: [erin.mendenhall@slc.gov](mailto:erin.mendenhall@slc.gov)

# **ATTACHMENT B: Proposed Amendment**

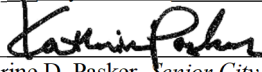
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**Project Title:** Affordable Housing Incentives Fines

**Petition No.:** PLNPCM2025-01180

**Version:** Planning Commission Draft

**Date Prepared:** 5/4/26

<p><b>APPROVED AS TO FORM</b> Salt Lake City Attorney's Office</p> <p>Date: <u>May 22, 2026</u></p> <p>By: <u></u> Katherine D. Pasker, <i>Senior City Attorney</i></p>
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This proposed ordinance makes the following amendment (for summary purposes only):

- Modifies Subsection 21A.20.040.B to remove the reference to the Consolidated Fee Schedule and list fines in the subsection.

Underlined text is new; text with strikethrough is proposed to be deleted. Modifications made as part of the Planning Commission recommendation are highlighted in yellow. All other text is existing with no proposed change.

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If adopted by the City Council, the Salt Lake City Council ordains the following, in substantial compliance with the following:

1 1. *Amends Section 21A.20.040.B as follows:*

2 B. Affordable housing incentives per 21A.52.050: The fines in this subsection apply to violations of  
3 the affordable housing incentives of Section 21A.52.050 and are in addition to any remedies or  
4 financial penalties identified in the terms of the restrictive covenant required by Subsection  
5 21A.52.050.F.1. If the violation(s) are not corrected by the citation deadline, civil fines shall  
6 accrue at the following rates: ~~rate set in the Consolidated Fee Schedule per day per violation.~~

7 1. \$100 per affordable unit per day for violation of any of the applicable requirements of  
8 sSection 21A.52.050. If the violation(s) include renting an affordable rental unit in excess  
9 of the approved rental rate, then an additional monthly fine shall accrue that is the  
10 difference between the market rate of the unit and the approved rental rate that is agreed  
11 to by the applicant at the time of approval for a project using the incentives.

12 2. \$500 per affordable unit per day for such unit being utilized as a short-term rental.

13 3. \$100 per affordable unit per day for violating any other requirements within the  
14 restrictive covenant not otherwise addressed by this subsection.

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Effective Date: This ordinance, if passed, shall become effective on the date of its first publication and shall be recorded with the Salt Lake City Recorder.

# ATTACHMENT C: Text Amendment Consideration Standards

**Zoning Text Amendments**

**21A.50.050.A:** A decision to amend the text of this title or the zoning map by general amendment is a matter committed to the legislative discretion of the city council and is not controlled by any one standard. In making a decision to amend the zoning map, the City Council should consider the following:

**1. Whether a proposed text amendment is consistent with the purposes, goals, objectives, and policies of the city as stated through its various adopted planning documents;**

**Finding:** The proposal is generally consistent with the AHI-related provisions of adopted City planning documents.

[Plan Salt Lake](#)

Guiding Principle 13 of *Plan Salt Lake* is to have “A local government that is collaborative, responsive, and transparent”. By clarifying the AHI noncompliance fine in the code, this ensures transparency on the part of the city towards the public, ensuring that there is no confusion regarding the enforcement of the AHI regulations.

**Other Citywide Plans**

[Thriving in Place](#)

The City’s *Thriving in Place* plan serves as “Salt Lake City’s Anti-Displacement Strategy” document. One of the goals of *Thriving in Place* is to “elevate anti-displacement as a citywide priority”. This serves to further that goal by ensuring that property owners can be held accountable for maintaining affordable housing approved through the AHI process. This will reduce displacement by ensuring affordable housing options remain available for residents.

[Housing SLC 2023-2027](#)

The City’s *Housing SLC 2023-2027* plan serves as the City’s 5-year housing action plan. Increasing the supply of affordable housing is mentioned as a priority in *Housing SLC*. This text amendment will ensure that property owners can be held accountable for maintaining affordable housing approved through the AHI process

**2. Whether a proposed text amendment furthers the applicable purpose statements of the zoning ordinance.**

**Finding:** The proposal generally furthers the related, applicable purpose statements.

The Zoning Ordinance purpose is noted as the following:  
[21A.02.030: Purpose and Intent:](#)

The purpose of the zoning ordinance is to promote the health, safety, morals, convenience, order, prosperity, and welfare of the present and future inhabitants of Salt Lake City, to implement the adopted plans of the city, and, in addition:

- A. Lessen congestion in the streets or roads;
- B. Secure safety from fire and other dangers;
- C. Provide adequate light and air;
- D. Classify land uses and distribute land development and utilization;
- E. Protect the tax base;
- F. Secure economy in governmental expenditures;
- G. Foster the city's industrial, business, and residential development; and
- H. Protect the environment.

The purpose of the Affordable Housing Incentives is noted as the following:

**21A.52.050.A: Purpose:**

*The incentives set forth in this section are intended to encourage the development of affordable housing. The provisions within this section are intended to facilitate the construction of affordable housing by allowing more inclusive development than would otherwise be permitted in the base zoning districts. Housing constructed using the incentives is intended to be compatible in form with the neighborhood and provide for safe and comfortable places to live and play.*

The proposal aligns with both purpose statements. Clarifying the zoning code helps to promote the safety and welfare of our residents, including those residents in Affordable Housing Incentives created housing, as outlined in [21A.02.030](#). It also serves the purpose of the Affordable Housing Incentives section as stated in [21A.52.050.A](#) by ensuring the construction, and subsequent retention, of affordable housing.

**3. Whether a proposed text amendment is consistent with the purposes and provisions of any applicable overlay zoning districts which may impose additional standards;**

**Finding:** No overlay districts are impacted by this proposal.

**Discussion:** The proposed text amendment does not change or impose additional standards for any specific zoning overlay district and only deals with implementing compliance fines.

**4. The extent to which a proposed text amendment implements best current, professional practices of urban planning and design.**

**Finding:** The proposal implements best practices by implementing clear enforcement regulations.

**Discussion:** Providing clarity in the zoning ordinance follows best practices in ensuring that the code is clear and concise for the public and government officials alike. Fines are a standard enforcement mechanism for zoning ordinance violations.

**5. The impact that the proposed text amendment may have on city resources necessary to carry out the provisions and processes required by this title.**

**Finding:** The proposal helps limit the city resources necessary to ensure compliance by making the penalties clear and enforceable.

**Discussion:** The text amendment ensures proper allocation of city resources by providing clarity in the City’s enforcement mechanism. Clear fines and enforcement mechanisms help ensure a clear path for enforcement action and help avoid other more resource intensive legal processes to ensure compliance.

**6. The impact that the proposed text amendment may have on other properties that would be subject to the proposal and properties adjacent to subject properties.**

**Finding:** The proposal will help ensure compliance for properties subject to the associated AHI process and generally will not impact properties adjacent to those subject properties.

**Discussion:** The proposed text amendments would only apply to properties utilizing the affordable housing incentives. The fines will help ensure that the resulting affordable housing development continues to be used for that purpose.

**7. The community benefits that would result from the proposed text amendment, as identified in 21A.50.050.C.**

**Finding:** Not applicable.

**Discussion:** As per 21A.50.050.C, the Community Benefit standard within the zoning amendment code only applies to private property owners. Since this is a City-initiated petition by the Mayor, providing a community benefit is not required.

# ATTACHMENT D: Public Process & Comments

## Public Notice, Meetings, Comments:

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

- January 27, 2026 - The project was posted to the Planning Division’s Online Open House webpage, and notice of the open house was provided to all persons on the Planning Division’s e-mail listserv.
- January 27, 2026 – All Recognized Community Organizations citywide received an early 45-day required notice and were provided information on the proposal, how to provide input, and the timeframe for providing input.

Notice of the public hearing for the proposal included:

- June 10, 2026
  - Public notice posted on City and State websites and Planning Division listserv.

## Public Input:

Planning Staff has received no comments regarding the proposed text amendment.

# **ATTACHMENT E: Department Review Comments**

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As the scope of the amendment is limited and generally does not impact other department regulations or processes, no department comments or concerns were provided on the proposed text amendment.