

SALT LAKE CITY // PLANNING DIVISION

AFFORDABLE HOUSING INCENTIVES



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CONTENTS

4	Introduction
6	Context
12	Project Process
13	Program Administration
15	Proposals
16	Multi-family and Mixed-Use Zoning Districts
22	Waive Planned Development Requirement for Specific Developments
25	Allow Housing on Institutional Lands
26	Allow Additional Housing Types
28	Modify Density Limits in Residential Multifamily Zones
32	Single- and Two-Family Zoning Districts
38	Modify Lot Requirements
40	Next Steps
	Appendix A: Draft Language
	Appendix B: Options No Longer Pursuing

SALT LAKE CITY PLANNING

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INTRODUCTION

This proposal is for affordable housing incentives. The goal is to increase deed restricted affordable housing units for those with incomes at or below 80% of the area median income.

Over time, and particularly in recent years, housing in Salt Lake City has become less affordable. There are many variables affecting housing prices, including zoning regulations.

The proposed amendments would incentivize the construction of affordable housing through modifications to the zoning requirements. The following pages provide a brief description of housing affordability issues, zoning regulations and their impacts, and the project process.



CONTEXT

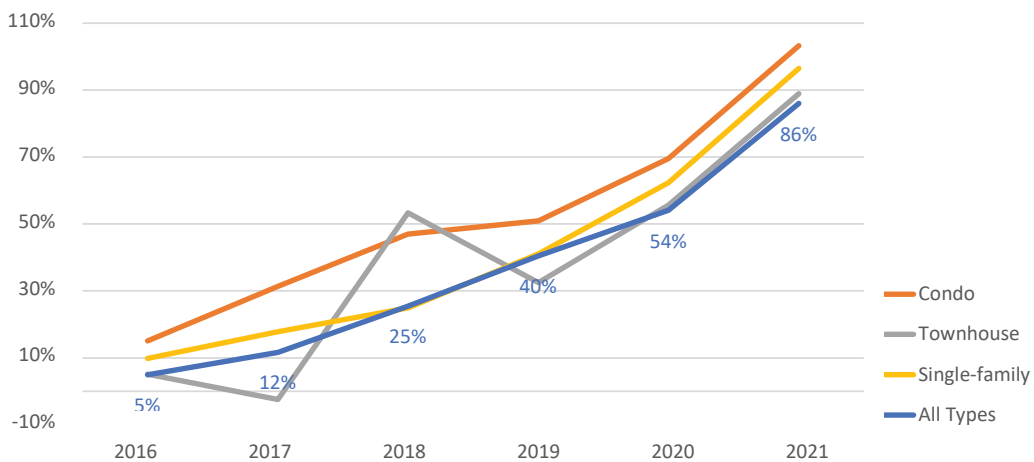
INCREASING HOUSING COSTS

In the past few years, and with increasing frequency, city plans, studies, and news articles have highlighted affordability concerns in Salt Lake City and across the Wasatch Front. These are increased with continuing high rates of population and job growth. The proposed zoning amendments would incentivize the construction of designated affordable units, lessening the burden for those that would qualify and live in these units. Other proposed and upcoming zoning changes would further enable the construction of more housing. However, there are issues and concerns that zoning cannot address, including job wages, home prices, and, outside of these proposed amendments, the types of units constructed and the rents charged.

Increasing Prices & Constrained Supply

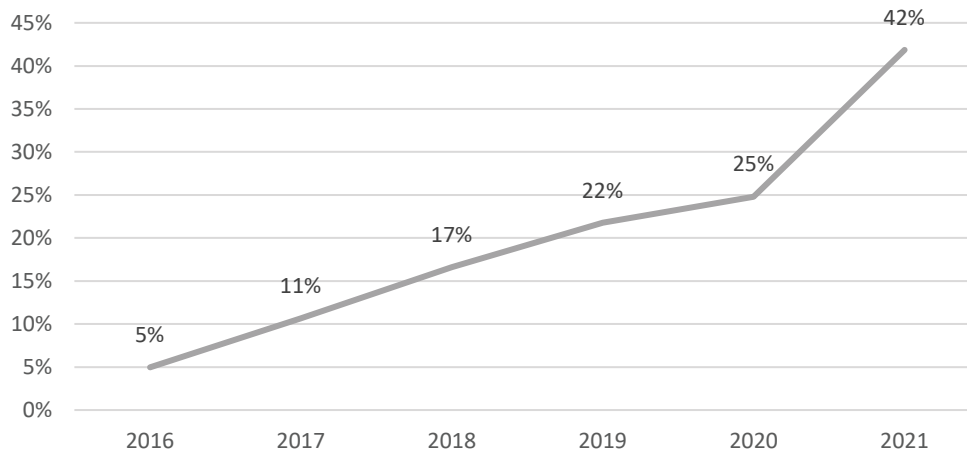
Since the initiation of this project in 2019, home sale prices have increased dramatically. The median sale price in 2015 for all home types in Salt Lake City was \$259,000. Since then it has increased 86%. The increase has been the greatest in the past two years with sale prices for all home types in Salt Lake City increasing 32% from \$363,800 in September 2019 to \$481,750 in September 2021. Salt Lake County home sale prices have increased similarly from \$252,500 in 2015 to \$478,500 in 2021, an increase of nearly 90% ([UtahRealEstate.com](https://www.utahrealestate.com)).

Salt Lake City - Percent Change in Median Sold Price 2016 - 2021



Rental rates in the Salt Lake MSA (Salt Lake and Tooele Counties) have had less of an increase, from \$1,089 in September 2015 to \$1,545 in September 2021 (Zillow, Metro ZORI). This is an increase of 48%. The greatest year over year increase is the past year at 17%.

Salt Lake MSA - Percent Change in Rent 2015 - 2021



The city continues to build new housing, primarily multifamily units. From January-August 2021, Salt Lake City issued 67 permits for 1,636 residential units, with approximately 95% of them as multifamily units. Despite this, Salt Lake City has a rental vacancy rate of less than 2% ([State of the State Housing Report](#)). There is also a constrained supply of for-sale housing, with average days on market one of the lowest in the country (Zillow). Through the end of September 2021, the median days on market for Salt Lake City and Salt Lake County was seven days, a decrease from 20 and 22 days, respectively, in 2019 ([UtahRealEstate.com](#)).

Increasing Cost Burden for Lower Income Households

Affordable housing may be needed when an individual or family becomes cost burdened, which is when it is necessary for them to spend more than 30% of their income on housing. This can apply to rental or ownership living arrangements. While a family of four that earns 80% of the area median income (AMI, 80% = \$73,750) may be able to afford rent for an average two-bedroom apartment in Salt Lake, a family with a lower income, of 50% AMI (\$46,100) would be considered cost burdened since more than 30% of their income would go towards rent. A family earning 30% of AMI (\$27,650) would be considered severely cost burdened since more than 50% of their income would go towards rent.

For ownership, a family of four earning 80% AMI could afford an approximately \$380,000 home (assumes 30 year mortgage, 30% of income allocated towards housing and utilities, and 3% interest rate). This is 69% of the median single-family home sale price. Condos and townhouses have also increased in price. The median condo at \$325,000 would still be affordable, but not the median townhouse at \$425,000. Lower income households are completely priced out. A family of four at 50% AMI could afford an approximately \$235,000 home and is priced out of the median of all housing types.

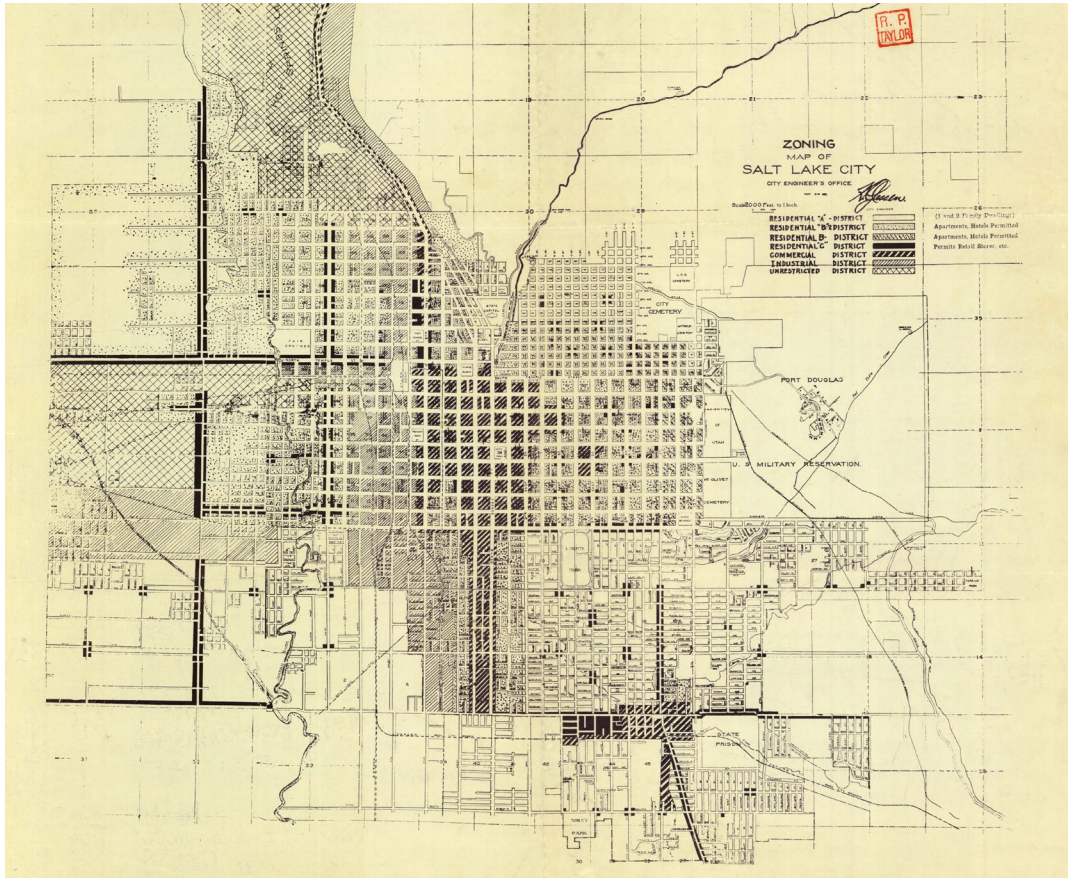
INCREASING RESIDENTIAL ZONING RESTRICTIONS

Salt Lake City adopted its first zoning ordinance in 1927. The document was 16 pages and established seven zoning districts. Four were specifically identified as residential with the least restrictive allowing for a variety of commercial uses. The current ordinance, generally accessed online, is over 400 printed pages and includes 18 residential districts, 34 other districts, and 14 additional overlay districts. Many of these districts permit residential uses.

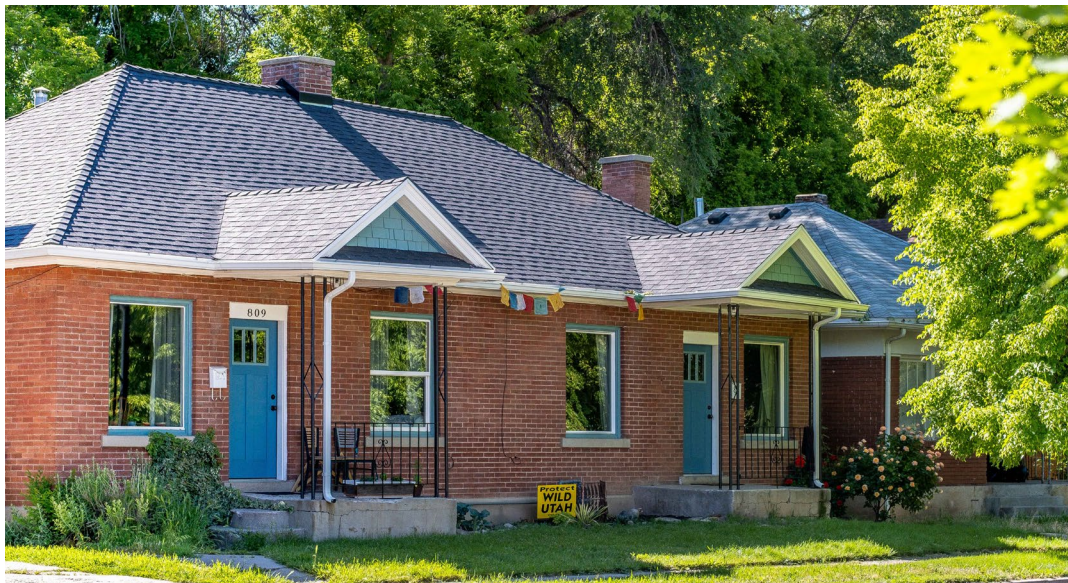
Residential zoning in Salt Lake City has become more restrictive over time. In the first zoning ordinance, a two-family dwelling was permitted in all residential zones and the minimum lot sizes varied from 3,500 and 9,000 square feet, depending on the zone. The less restrictive “Residential B” zone permitted apartments and hotels and was mapped in many neighborhoods that now permit only single-family homes. Many of the existing houses in the neighborhoods were constructed under the “Residential B” requirements.

Over the years, these classifications grew more restrictive, generally with neighborhoods closer to downtown still permitting apartments. Outlying and later-developing neighborhoods on both the east and west sides became more restrictive and allowed for single and two family homes. It was not until 1995 when most of the city zoned R-2 was rezoned to R-1 that two-family dwellings were prohibited in much of the city.

Zoning Map - 1927



Prior to 1995, two-family homes, like this duplex shown, were allowed in most residential districts across the city.



FEDERAL PROGRAMS AND POLICIES

The New Deal of the 1930s established many government programs including the Home Owners Loan Corporation (HOLC) and Federal Housing Administration (FHA). The HOLC office created maps of cities across the country to assist with lending. The maps graded residential city neighborhoods on an A (Best) to D (Hazardous) scale. The grades were based on characteristics including age of housing and the race and ethnicity of its residents. Most areas with older housing or heterogeneity in residents were graded lower than newer, more expensive housing, or neighborhoods with restrictions. These restrictions included covenants on race that are no longer enforceable.

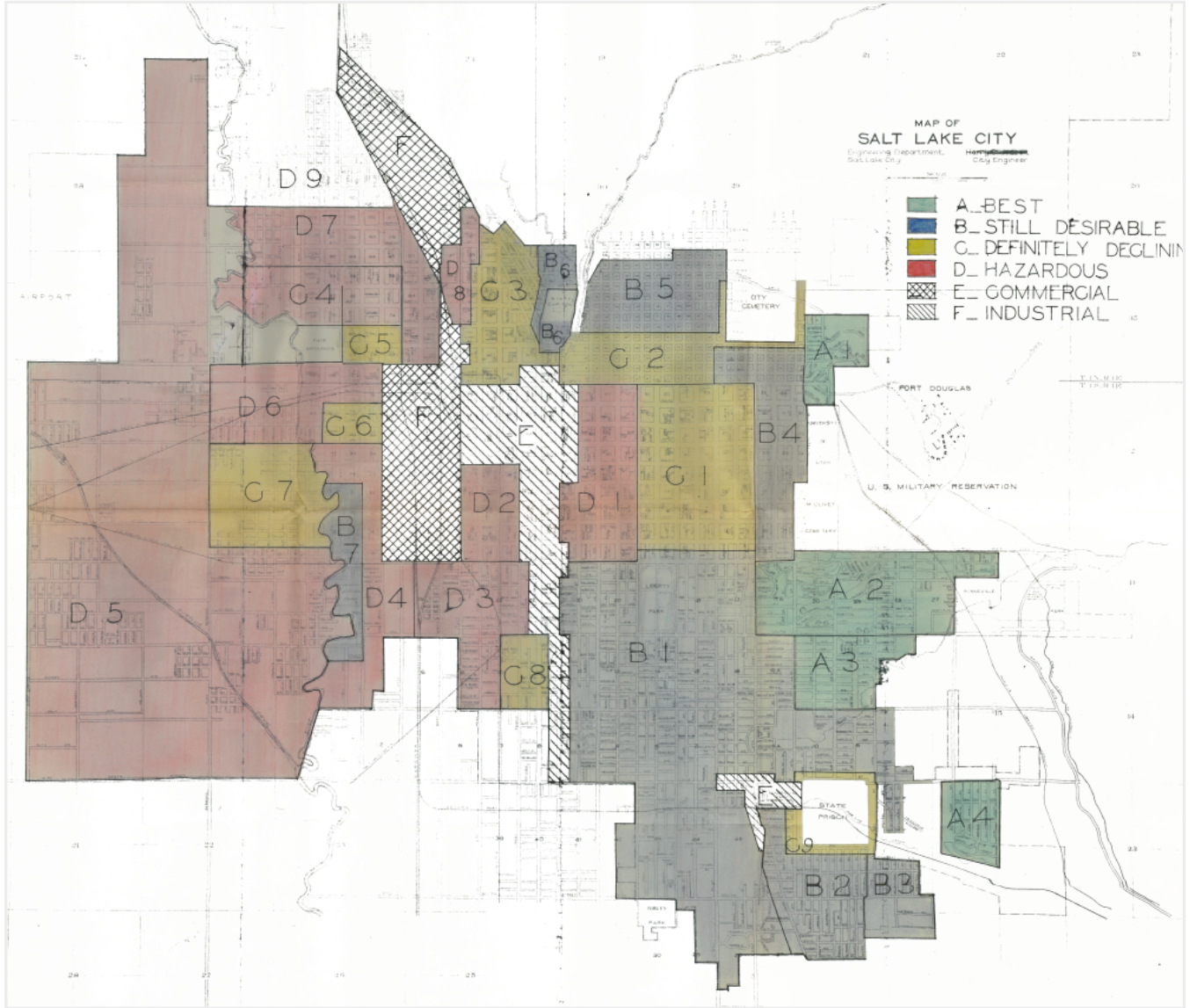
The resulting effect of Federal policies was that lending was encouraged in neighborhoods that had higher grades and discouraged in neighborhoods with lower grades. Recent research shows that this may have been due to FHA policies. In many areas, this has had lasting effects on property values and maintenance. Over time, those who were able to purchase homes in neighborhoods with higher grades often had an opportunity to build greater wealth than families who did not, or could not, purchase homes in these neighborhoods. Many neighborhoods shown on the HOLC map on the following page that have higher grades have maintained higher property values than those with lower grades. Additionally, predominantly single-family neighborhoods were generally rated higher than neighborhoods with apartments, and this may have led to more investment and higher values in these areas.

These maps and more information about them can be found at dsl.richmond.edu/panorama/redlining

The intent of the affordable housing incentives is to allow additional housing types throughout the city, providing more opportunities for residents who cannot afford, or do not want to live in a single-family home, to live in other neighborhoods.

The incentives would provide an opportunity for more housing units than currently allowed, provided a percentage of these units were designated as affordable. The incentive and affordability varies by location and zoning district and is detailed in subsequent sections of this document.

HOLC Map for Salt Lake City



PROJECT PROCESS

The Planning Division began working on this project in 2019 with stakeholder interviews and a community survey. We sought input from the public in late 2019 and early 2020 with an initial survey started by over 2,000 people. It included questions about whether people rented or owned property, what housing types were appropriate in neighborhoods, where housing was needed, and what amenities were nearby.

Based on this feedback, and broader city demographics and trends, planning staff developed proposals to increase affordable housing of all types. Broadly, they were defined as Single-family and Middle Housing and Multi-family and Mixed Use. General parameters of the proposal were described in an online [StoryMap](#) with an accompanying survey.

The second survey, available online in July 2020, included proposals for modifying zoning to permit more affordable housing. There were two sections to the survey. One addressed single family and middle housing opportunities, which included single family homes, duplexes, and smaller apartment buildings. The second section included proposals designed for areas with larger apartment buildings and mixed-use buildings. There was a lower level of response from the public with this survey. A total of 290 people completed the single-family portion and 180 people completed the multifamily portion.

Complete survey results for both surveys are available on the project page: <https://www.slc.gov/planning/2022/01/26/affordable-housing/>.

This document further describes the draft zoning amendments, provides additional options and modifications, and makes recommendations for moving forward on the proposal. Draft zoning amendments that would implement these changes are located in [Appendix A](#).

PROGRAM ADMINISTRATION

Program requirements would be prepared to assist with implementation. Residential units that wanted to use the incentives would be required to place a deed restriction or covenant on the property for the units to be made available to qualifying households. The zoning amendments could apply to rental housing units and for sale units, provided there is a method for the properties to be sold and maintain the affordability levels required by the incentives and staffing resources are available to monitor and enforce the affordability requirements.

It is likely that most of the housing would be part of a building or project with several units. Regulating owner-occupied units can be complicated, but the survey results and community input indicate that there is a desire to include owner-occupied units in addition to rental units, with the regulations addressing both types of units. Owner-occupied units would have a maximum income threshold at the time of purchase and during the period of affordability, a resale of the unit would be regulated with restrictions on price and income. Rental units would be required to demonstrate that tenants meet the income requirements and properties meet the maximum rent charged in a manner similar to existing requirements for Low Income Housing Tax Credit projects.

There are several important considerations with this approach:

- Deed restrictions require at least annual reporting for owners, and staff resources will be required to monitor and review owner reports.
- Ensuring that property owners and residents are complying with requirements creates potential enforcement issues. One option would be to assess a monthly penalty that is equal to the difference between the market rate rent of the unit and the percent of market rate that the affordable unit was approved at with the incentives.
- Programs would be time-limited and would expire, which could create additional affordability issues decades down the road.

It is important to note that once a housing unit is established under the incentives, it will be nearly impossible to remove the unit through an enforcement action. This also applies to the point in time when the period of affordability expires: those units would become market rate units. Adding affordable housing incentives will require the allocation of city resources to monitor and enforce the ordinance. The amount of staff resources is not known at this time because it is impossible to determine at this point the number of projected units or developments that would take advantage of the affordable housing incentives.



PROPOSALS

- 16** Multi-family and Mixed-Use Zoning Districts
- 22** Waive Planned Development Requirement for Specific Developments
- 25** Allow Housing on Institutional Lands
- 26** Allow Additional Housing Types
- 28** Modify Density Limits in Residential Multifamily Zones
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MULTI-FAMILY AND MIXED-USE ZONING DISTRICTS

ADDITIONAL HEIGHT BASED ON CONTEXT

Proposal: Permit additional height – generally between 1-3 stories (approximately 10' per story), depending on the zone in various zoning districts that permit multifamily housing.

WHAT IS PROPOSED?

Several zoning districts require Design Review approval for additional building height. These applications can take approximately 4-6 months. Allowing for some additional height would provide an incentive for affordable housing in a manner that is generally compatible with the neighborhood, while also adding affordable units. Simplifying the design review process would allow for the specified available increase in height permitted through an administrative process.

Proposals that wanted to use this incentive would require affordable units that meet the following characteristics:

- 20% of units are restricted to those with an income at or below 80% AMI;
- 10% of units are restricted to those with an income at or below 60% AMI; or
- 10% of units are restricted to those with an income at or below 80% AMI when the affordable units have two or more bedrooms.

The following Residential Districts would allow for additional stories by right or with administrative design review for additional height with affordable units as follows:

ZONING DISTRICT	PERMITTED MAXIMUM HEIGHT	PROPOSED MAXIMUM HEIGHT WITH AH INCENTIVES
RMU-35	35', 45' Design Review*	45' with administrative Design Review*
RMU-45	45', 55' Design Review*	55' with administrative Design Review*
RB	30'	One additional story equal to or less than the average height of the stories permitted.
SR-3	28' pitched, 20' flat, wall height 25'	
RMU	75' residential 125' Design Review and in mapped area	Maximum 125' with administrative Design Review in the mapped area in Figure 21A.24.170.F.3. May build three additional stories equal to or less than the average height of the other stories in the building with administrative Design Review outside of the mapped area.
RO	60' multifamily 90' if adjacent to a district with greater maximum height	One additional story equal to the average height of the stories permitted.

* Additional height not permitted for property abutting a Single-Family or Two-Family Residential District

The following Commercial districts would allow for additional stories by right or with administrative design review for additional height with affordable units as follows:

ZONING DISTRICT	PERMITTED MAXIMUM HEIGHT	PROPOSED MAXIMUM HEIGHT WITH AH INCENTIVES
SNB	25'	May build one additional story equal to or less than the average height of the other stories in the building.
CB	30'	May build one additional story equal to or less than the average height of the other stories in the building.
CN	25'	May build one additional story equal to or less than the average height of the other stories in the building.
CC	30' 45' Design Review and additional landscaping equal to 10% of the additional floor	45' with administrative Design Review; additional landscaping not required
CG	60' 90' Design Review and additional landscaping equal to 10% of the additional floor	90' with administrative Design Review; additional landscaping not required. 150' with administrative Design Review for properties in mapped area in draft zoning amendments.
CSHBD1	105' for residential with structured parking and Design Review for buildings over 50'	105' for residential with structured parking, with administrative Design Review, and two additional stories equal to or less than the average height of the other stories in the building with administrative Design Review.
CSHBD2	60' for residential with Design Review over 30'	60' with administrative Design Review and one additional story equal to or less than the average height of the other stories in the building with administrative Design Review.
TSA-Transition	UC-T: 60' UN-T: 50' MUEC-T: 60' SP-T: 60'	May build one additional story equal to or less than the average height of the other stories in the building with administrative review. *only allowed if affordable units are provided
TSA-Core	UC-C: 90'; 105' with two sloping planes UN-C: 75' MUEC-C: 75' SP-C: 75'	May build two additional stories equal to or less than the average height of the other stories in the building with administrative review. *only allowed if affordable units are provided

The following Form-Based districts would allow for additional stories by right or with administrative design review with affordable units as follows:

ZONING DISTRICT	PERMITTED MINIMUM OR MAXIMUM HEIGHT	PERMITTED MINIMUM OR MAXIMUM HEIGHT WITH AH INCENTIVES
FB-UN3 <i>*pending</i>	85' 125' Design Review	<i>125' and three additional stories equal to or less than the average height of the stories permitted with administrative Design Review</i>
FB-UN2	50' <i>65' on identified corners and in mapped area</i>	<i>One additional story equal to the average height of the stories permitted.</i>
FB-SC	45'	
FB-SE	45'	<i>May build one additional story equal to the average height of the other stories in the building.</i>
FB-UN1	2.5 stories, 30'	<i>May build up to three stories and 30' in height.</i>

The Downtown districts would allow for additional stories by right or with administrative design review with affordable units as follows:

ZONING DISTRICT	PERMITTED MAXIMUM HEIGHT	PERMITTED MAXIMUM HEIGHT WITH AH INCENTIVES
D-1	Min. 100' corners Mid-block 100' or greater with Design Review Greater than 375' with Design Review	Administrative Design Review permitted when a Design Review process is required.
D-2	65' 120' Design Review	120' and one additional story equal to or less than the average height of the other stories in the building with administrative Design Review.
D-3	75' 90' residential Design Review	90' and three additional stories equal to or less than the average height of the other stories in the building with administrative Design Review.
D-4	75' 120' Design Review	120' with and three additional stories equal to or less than the average height of the stories permitted with administrative Design Review.

The two districts below would allow for additional stories by right or with administrative design review with affordable units as follows:

ZONING DISTRICT	PERMITTED MAXIMUM HEIGHT	PERMITTED MAXIMUM HEIGHT WITH AH INCENTIVES
GMU	75' flat 90' pitched 120' Design Review	120' and three additional stories equal to or less than the average height of the other stories in the building with administrative Design Review.
MU	45' mixed-use and residential 60' with residential and Design Review	60' with administrative Design Review

WHAT IS THE GOAL?

The goal of this proposal is to encourage affordable housing in projects where it may not be built otherwise. This is proposed by permitting additional height to encourage the development of affordable housing and, in some zoning districts, by decreasing the processing time for applications without modifying the design standards and requirements. Decreasing the processing time could allow for projects to begin construction sooner with reduced carrying costs and development timelines.

OPPORTUNITIES	CHALLENGES
<ul style="list-style-type: none">• Proposal includes additional height in some zoning districts to make projects with affordable housing units more viable• Provides a benefit for affordable projects because they often have to get local approval before they can lock in financing and sometimes the design needs to change based on the outcome of the financing.• Adds height in areas of the city that are served by transit, closer to business districts, and close in proximity to existing neighborhoods that have a broad range of housing types and uses.• Creates a more livable situation because it expands housing opportunities geographically.	<ul style="list-style-type: none">• Decreases opportunities for public comment and review.• Additional height permitted based on the surrounding context and may result in buildings that are taller than others in the surrounding area. This could be addressed with the creation of buffering requirements when next to lower intense zoning districts.• Requires application of street engagement standards.• Difficult to monitor and administer through deed restrictions.• Programs are usually time-limited and expire, which could create additional affordability issue decades down the road.

RECOMMENDATION

Continue with proposal. It would incentive affordable housing and could reduce processing times for applicants without modifying or reducing design standards.

WAIVE PLANNED DEVELOPMENT REQUIREMENT FOR SPECIFIC DEVELOPMENTS

Proposal: Permit affordable housing developments by right that would otherwise require a Planned Development.

WHAT IS PROPOSED?

Waive the Planned Development requirement for the following developments when affordable housing is provided with at least 20% of units affordable and available to those with an income of up to 80% AMI:

Proposals in the Gateway Mixed Use (GMU) and Community Shopping (CS) zoning districts:

- **CS:** These modifications would apply to a small number of properties in the CS zone. There are 20 parcels with a total area of 64 acres. The parcels consist of the Brickyard, Foothill Village, Trolley Square, the Redwood Rd. shopping center with a Lucky grocery, and a church at the southwest corner of 400 S and 800 E.
- **GMU:** The GMU zone has approximately 360 parcels on 132 acres, including many condo parcels. There is a significant amount of development occurring in the area with approximately 350 units constructed since 2014, 50 units under construction, and 650 submitted for planning review in late 2020. The Planned Development requirement does not seem to be hindering development. However, waiving the requirement may encourage additional development of affordable housing in the neighborhood and could decrease the review time for these proposals.

Proposals for buildings and lots that do not have street frontage:

This part of the proposal would allow for the development of housing in the following locations:

- Private streets
- Improved public alleys
- Parcels without adequate street frontage

This type of development currently requires a planned development, as buildings are normally required to face a public street.

- For both of these proposals, at least 20% of the units developed would be deed restricted to those with an income at or below 80% AMI.

From 2015-2020, the Planning Commission reviewed approximately 80 Planned Development requests. Approximately 45% of these requests included a request for lots without street frontage. The applications also requested other items, such as reduced yard setbacks or a reduction in landscaping, but for most, it is likely that the requirement for street frontage was a primary issue. The removal of this requirement for projects that provide affordable units could potentially decrease the review time and development costs for the applicant.

WHAT IS THE GOAL?

Planned development proposals often ask for modifications for reduction in the required yard setback, height, or other regulations. The purpose of the review is to ensure that the resulting development is one that is enhanced compared to a proposal that would otherwise be constructed. However, all development proposals in the Gateway Mixed Use (GMU) and Community Shopping (CS) zoning districts require Planned Development approval. This is also a requirement for buildings that do not have street frontage, including those on public alleys or private streets. This planning process takes approximately 4-6 months and requires Planning Commission approval. Similar to the other proposals, this would decrease the review time for a project with affordable housing in these zones. Proposals using these provisions would still need to meet other zoning district standards, including design standards.

OPPORTUNITIES	CHALLENGES
<ul style="list-style-type: none"> • <i>Simplifies process and decreases processing time for some projects</i> • <i>Provides a benefit for affordable projects because they often need local approval before they can lock in financing and sometimes the design needs to change based on the outcome of the financing.</i> 	<ul style="list-style-type: none"> • <i>Decreases opportunities for public comment and review</i> • <i>Difficult to monitor and administer through deed restrictions.</i> • <i>Programs are usually time limited and expire, which could create additional affordability issue decades down the road.</i>

RECOMMENDATION

Move forward with these recommendations. The modification to the planned development requirements will simplify the development process for proposals in these areas. As part of a separate text amendment, modify the CS and GMU zoning districts to require Design Review rather than a Planned Development and adopt design standards for the CS. Modify the affordable housing incentives proposal to reflect this change, such that properties in the CS and GMU zoning districts that provide affordable housing require administrative Design Review rather than a Planned Development.

ALLOW HOUSING ON INSTITUTIONAL LANDS

Proposal: Allow affordable housing on institutional lands.

WHAT IS PROPOSED?

This differs from the proposal in the [StoryMap](#) that identified permitting affordable housing on properties zoned as public lands. This limits the proposal to properties that are in the Institutional zoning district and excludes multifamily development. This district includes schools, hospitals, and non-profits. However, state owned land, including the University of Utah, is not subject to city zoning regulations. The proposal would require that the units are deed restricted such that 20% of units are affordable to those with an income at or below 80% AMI.

WHAT IS THE GOAL?

The intent of this would be to allow single-family and single-family attached housing on Institutional zoned land. Future zoning amendments may be considered to allow multifamily housing.

OPPORTUNITIES	CHALLENGES
<ul style="list-style-type: none">• Allow for building adaptability/preservation in the Institutional zoning district.• Allow for development of properties that are underutilized.• Allow for adaptive reuse of properties without a formal rezoning of the property.	<ul style="list-style-type: none">• Lack of support for residential development on properties zoned for public purposes.

OPTIONS

Permit single family, two-family, rowhouses, sideways rowhouses, and cottages on properties that are zoned Institutional.

RECOMMENDATION

Permit residential uses in the Institutional zoning district provided that residential units also have an affordable component.



ALLOW ADDITIONAL HOUSING TYPES

Proposal: Allow additional housing types in commercial zoning districts to encourage the redevelopment of underutilized land.

WHAT IS PROPOSED?

Allow additional housing types in the CG (General Commercial), CC (Community Commercial), and CB (Community Business) zoning districts. These districts permit multifamily housing, but not single-family dwellings, including single-family attached units, or cottages. This would require that the units are deed restricted such that 20% of units are affordable to those with an income at or below 80% AMI.

WHAT IS THE GOAL?

Allowing additional housing types could provide for more variety in development or redevelopment opportunity. It would also provide the opportunity to transition additional land to lower scale residential development.

OPPORTUNITIES	CHALLENGES
<ul style="list-style-type: none"> Allow for residences on land that may be underutilized, close to services, and often centrally located. Encourage a mix of commercial and residential uses/ live work/ walkability and results in a reduction in traffic. Reduces the need for time consuming zoning changes. 	<ul style="list-style-type: none"> Allowing single-family attached homes in Commercial districts could reduce the amount of commercial space available and lead to sales leakage. Property tax revenue may be reduced if commercial properties are changed to residential use. Single-family residential in commercial zones may limit walkability and higher density development. Concerns with inappropriate uses or locations Sites may not be available for redevelopment

OPTIONS

Similar to other proposals, staff recommends defining single-family attached as row houses and sideways row houses. These projects would be required to meet the standards for those housing types. Additionally, permitting single-family dwellings would allow for these dwellings in a cottage development.

Characteristics of zoning districts where proposed:

ZONE	# OF PARCELS	ACRES	AVG. SIZE (SQ. FT.)
CG	1,005	950	40,735
CC	775	380	21,400
CB	420	170	17,565

RECOMMENDATION

Move forward with the proposal and define the single-family attached unit as a row house and a sideways row house.



MODIFY DENSITY LIMITS IN RESIDENTIAL MULTIFAMILY ZONES

Proposal: Allow for additional units in RMF zoning districts when affordable housing is provided.

WHAT ARE THE RESIDENTIAL MULTIFAMILY (RMF) ZONING DISTRICTS?

The city has four RMF zoning districts. They are located throughout the city with the greatest concentration to the east of downtown. Properties in these districts have a mix of single and multifamily uses. Many of the existing multifamily structures have density exceeding what is currently permitted in the zone.

The four districts, distinguished by their height limits are listed below:

- RMF-30
- RMF-35
- RMF-45
- RMF-75

WHAT IS PROPOSED?

The **StoryMap** proposed allowing greater density with increases in the affordability of units provided. Staff is recommending a modification of this proposal. Instead, the proposal would remove the density requirements in the RMF zoning districts, if the proposal met one of the three categories below:

- A minimum of 40% of units shall be affordable to those with incomes at or below 60% AMI;
- A minimum of 20% of units shall be affordable to those with incomes at or below 50% AMI; or
- A minimum of 40% of units shall be affordable to those with incomes averaging no more than 60% AMI and these units shall not be occupied by those with an income greater than 80% AMI.

For sale owner occupied units shall provide a minimum of 50% of units affordable to those with incomes at or below 80% AMI.

This is intended to allow for a greater number of smaller and more affordable units than what is currently permitted. It would also allow for up to a 25% reduction in side and rear yards. It would not modify the height or building coverage requirements. Only 25% of the units could be 500 square feet or smaller.

To provide for greater compatibility with existing development, it would add development and design standards for rowhouse, sideways rowhouse, cottage, and other building forms. For rowhouses, the building length and number of attached units would be limited based on the zoning district.

Based on property size restrictions, many RMF parcels, especially in RMF-30 and RMF-35, and excluding small parcels ($\leq .03$ acres usually occupied by condos) are not large enough to develop under the current zoning requirements. All RMF zones require a minimum of 9,000 square feet for a multi-family building. With the exception of the larger properties in RMF-75, often occupied by existing large multi-family buildings, less than half of the parcels meet the existing minimum size requirements. **See the following pages for an example.**

ZONING DISTRICT	NUMBER OF PARCELS ≥ .03 AC.	AVG. SQ. FT.	# PROPERTIES > 9,000 SQ FT.	% OF PROPERTIES > 9,000 SQ. FT.
RMF-30	1,087	13,570	183	16.9%
RMF-35	1,883	12,200	492	26.6%
RMF-45	343	21,150	159	46.4%
RMF-75	76	24,078	42	55.3%

Removing the density requirements would increase the number properties that could accommodate affordable units. This benefit would increase the feasibility of these developments.

WHAT IS THE GOAL?

The goal is to encourage the construction of affordable multifamily housing in neighborhoods that are typically close to services and amenities and have a variety of existing housing types.

OPPORTUNITIES	CHALLENGES
<ul style="list-style-type: none"> • Increase the city’s housing stock • Allow for a diversity of housing types and lifestyles • Would encourage the construction of affordable units • Most land zoned RMF is located along major corridors or east of downtown so the proposal would encourage growth in places that are accessible by transit and close to services. • Housing diversity would reduce demand on existing single-family housing, leaving families with increased access. 	<ul style="list-style-type: none"> • Possible demolition of existing housing, potentially the loss of historic buildings that are not locally designated or existing homes that are more affordable. • Difficult to monitor and administer through deed restrictions. • Programs are usually time-limited and expire, which could create additional affordability issues decades down the road.

RECOMMENDATION

Planning staff’s preferred approach is to proceed as identified above.

EXAMPLE

These are examples of how the existing qualifying provisions for density can affect the type, size, and number of units that are built.



Existing Development

The older apartment/condo building and the newer building are on the same block and are zoned RMF-30. The older building has 19 units, and is combined with the property to the north for a total of 24 units. There are several different unit sizes that range from about 500 to 900 square feet. The land it is on is a little over 1/2 acre. This is a density of about 44 dwelling units per acre.



Currently Permitted

The newer building is on land that is about 10,000 square feet, a little less than a 1/4 of an acre, and has three dwelling units, the maximum permitted for the property, which is about 13 dwelling units per acre. Each unit is about 3,000 square feet.



SINGLE- AND TWO-FAMILY ZONING DISTRICTS

EXPANDING OPPORTUNITIES IN SINGLE AND TWO-FAMILY ZONING DISTRICTS

Proposal: Allow additional building types in some areas of single and two-family zoning districts provided 50% of the units would be affordable to those with incomes at or below 80% AMI.

The current proposal is to allow townhouses, 3-4 unit buildings, and cottage developments on parcels that are currently zoned for single- or two-family homes and are located within 1/4 mile of high-frequency transit or are located adjacent to arterial streets. Twin and two-family homes would also be permitted in the zoning districts where they are not currently allowed.

The units could be rentals or owner-occupied. The appreciation on owner-occupied units would be limited and, if sold, would require the unit to remain affordable for the remainder of the required time period.

This is more extensive than the initial proposal detailed in the [StoryMap](#). It proposed additional options for accessory dwelling units (ADUs) and did not include 3-4 unit buildings. The changes for ADUs are not recommended due to changes in state law. See Attachment B for additional information. **The current proposal is detailed in the following pages.**

WHAT ARE THE SINGLE-FAMILY AND TWO-FAMILY ZONING DISTRICTS?

The city has six single-family zoning districts. These are divided into Foothills and R-1 districts. The Foothills districts are generally located on the periphery of the city and close to the Foothills. The R-1 districts are located closer to the center of the city. Most of these areas developed in the early to mid-20th century. The districts and minimum lot sizes are as follows:

- FR-1/43,560
- FR-2/21,780
- FR-3/12,000
- R-1/12,000
- R-1/7,000
- R-1/5,000

Many properties in the R-1 districts were previously zoned to allow for additional uses including two-, three-, and four- family buildings. Approximately 20,750 properties would be affected.

There are four additional two-family districts where the current proposal applies:

- R-2
- SR-1
- SR-1A
- SR-3

These zoning districts allow two-family units in addition to single-family homes. This would allow for the additional housing types in these zoning districts in the same locations. This would add an additional approximately 3,600 properties for a total of 24,350 properties.

Per county data, there are an existing 1,750 two- to four- dwelling unit buildings in the zoning districts where the proposal would apply. Over half of them are located in the R-1/5,000 zoning district.

Allowing additional affordable units would increase affordable housing options across the city. Compared to the original proposal that permitted only ADUs, duplexes, and two-family homes, property owners may be more willing to comply with the affordability requirements and deed restrictions for 3-4-unit buildings since there would be additional units permitted. Since each project would produce at least three units, the time spent on administrative tasks would likely be less on a per unit basis. Design standards would apply to these buildings. **These are described in the following sections.**

NEW DWELLING TYPES

The proposal would allow these types of dwellings, provided 50% of the units are designated as affordable and the properties are located near high-frequency transit or adjacent to arterial roads. There would be design standards and limited modifications to lot and bulk standards, including yards and building coverage. The proposal would also limit the required off-street parking per unit to one space.

- **Twin and Two-family Dwellings:** Twin, two-family, and duplex dwellings are not currently permitted in the single-family zoning districts (FR and R-1 zones). This proposal would permit them with design standards and limited modifications to the existing yard and building coverage requirements.
- **Townhouses and Row houses:** These would be defined as row houses and sideways row houses similar to the RMF-30 proposal. In the single- and two-family districts, the number of attached units would be limited to four and design standards would ensure greater compatibility with the existing development.
- **Three- and Four-family Dwellings:** Small, multi-unit dwellings would be permitted with design standards and limited modifications to the yard and building coverage requirements in the zoning district. These are to ensure greater compatibility with the existing development.
- **Cottage Development:** The proposal would allow cottage developments with similar design and standards to the RMF-30 proposal. Cottages are designed to look like single-family homes and would be permitted in groups of two to eight with a common green or open space.

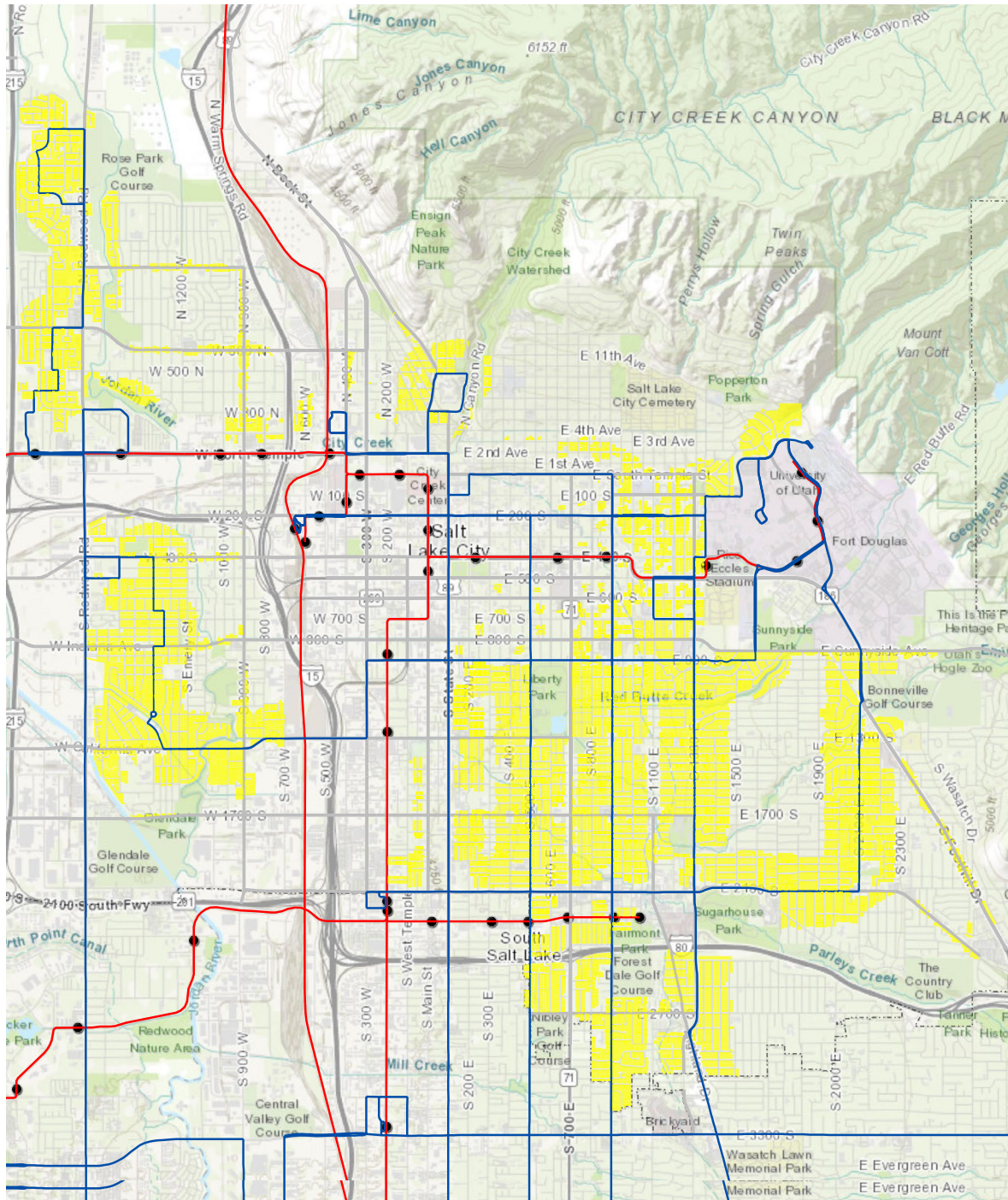
LOCATION

This proposal would affect parcels with ¼ mile of fixed rail stops (FrontRunner, Trax, and S-Line), parcels that are located within a ¼ mile of high-frequency bus stops (defined as bus stops serviced by routes with 15-minute headways), and parcels adjacent to arterial streets.

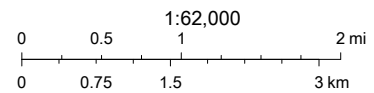
SUMMARY

The proposal would allow for some gentle increases in density in higher opportunity areas of the city that are predominantly occupied by single-family homes. Housing located near public transit often reduces the cost of transportation when residents can live without, or with fewer, cars, which adds to the affordability of these areas. Parcels adjacent to arterials are often less desirable for single-family homes because of their locations on corridors with higher levels of traffic. These areas are likely still desirable for small multi-unit buildings, rowhouses, or the detached, but denser cottages. This gentle increase in density aligns with the historic development patterns of the city, where properties along streetcar lines had a mix of housing types.

Affected Single and Two-Family Parcels



- Affected SF and TF Parcels
- UTA Frequent Bus Routes
- UTA Rail Lines
- Arterial Roads
- UTA Rail Stops
- City Boundary



HISTORIC PRESERVATION CONSIDERATION

Planning staff understands that there are concerns regarding the potential demolition of historic resources. The process for construction and demolition, including review by the Historic Landmark Commission, would not change for properties that are in local historic districts. It would be difficult for a contributing building in a local historic district to be demolished for construction using the affordable housing incentives. Demolition of a non-contributing structure and new construction would need to meet historic preservation standards and guidelines. However, the same regulations do not apply for districts that are listed on the National Register of Historic Places but are not locally designated. The effect would be similar on local landmark sites, which are required to follow local historic regulations, and sites listed on the National Register, but not locally, which are not subject to local historic regulations. The table identifies the historic districts that have single- and two-family properties near transit routes and adjacent to arterial roadways.

SALT LAKE CITY HISTORIC DISTRICTS	LOCAL	NATIONAL
Avenues	X	X
Capitol Hill	X	X
Central City	X	X
South Temple	X	X
University	X	X
Yalecrest		X
Yalecrest - Douglas Park	X	
Yalecrest - Harvard Heights	X	
Yalecrest - Normandie Circle	X	
Boulevard Gardens		X
Central City (Bryant)		X
Bennion-Douglas		X
Forest Dale		X
Gilmer Park		X
Highland Park		X
Northwest		X

**Local and National district boundaries may not be the same*

WHAT IS THE GOAL?

Increase affordable housing options in neighborhoods with single- and two- family dwellings.

OPPORTUNITIES	CHALLENGES
<ul style="list-style-type: none">• <i>Permit housing types that often already exist in neighborhoods</i>• <i>Allow for more housing units than are currently permitted</i>• <i>Increase the city's housing stock</i>• <i>Reduction in vehicle pollutants with more housing closer to transit, services, and places of employment</i>• <i>Allow for a diversity of housing types and lifestyles</i>• <i>Improve urban resiliency by encouraging housing diversity and community stability during downturns in the economy.</i>• <i>Housing diversity would reduce demand on existing single-family housing, leaving families with increased access.</i>	<ul style="list-style-type: none">• <i>Potential loss of more affordable single-family homes</i>• <i>Possible demolition of existing housing, potentially the loss of historic buildings that are not locally designated or existing more affordable homes.</i>• <i>Difficult to monitor and administer through deed restrictions.</i>• <i>Increase in residential units could result in an increase in parking demand</i>• <i>Possible increase in traffic along high-frequency bus lines or arterial roads</i>• <i>Programs are usually time-limited and expire, which could create additional affordability issue decades down the road.</i>

RECOMMENDATION

Staff's recommendation is in support of the revised proposal. This adds zoning districts that permit two-family and attached dwellings, and permits up to four dwelling units when properties are near transit or adjacent to arterial roads. It also limits the number of attached units in these districts to four, and defines the additional housing types with definitions and design standards similar to the RMF-30 proposal.

MODIFY LOT REQUIREMENTS

Proposal: Allow modifications or reductions to lot requirements in the single- and two-family zoning districts to enable or simplify the development of property with these uses.

WHAT ARE LOT REQUIREMENTS?

There are general requirements that apply to lots, such as a requirement for a building to face a street, and other requirements within specific zoning districts, such as a minimum lot area or width. These provisions would allow for modifications of these requirements if affordable housing is provided.

WHAT IS PROPOSED?

This proposal would allow for modifications or reductions in the minimum lot area, minimum lot width, setbacks or required yards, and maximum lot coverage in traditionally single-family zoning districts. They would be as follows:

- **Lot area:** The minimum lot area could be reduced up to 40%. This amount could not be less than the average of the other properties on the block face.
- **Lot width:** The minimum lot width would not apply.
- **Setbacks or yards:** Setbacks or yards could be reduced by up to 25%.
- **Building coverage:** Coverage may increase up to the existing average of the block face if the average exceeds the maximum coverage of the zone.

While these may be sizeable reductions, many lots that are zoned for single family, for example R-1/5,000, which requires a minimum of 5,000 square feet, often have lots that are smaller than this minimum. Additionally, many lots that are larger may have a difficult time meeting the setback or lot coverage requirements if they wanted to add an ADU or other living space.

WHAT IS THE GOAL?

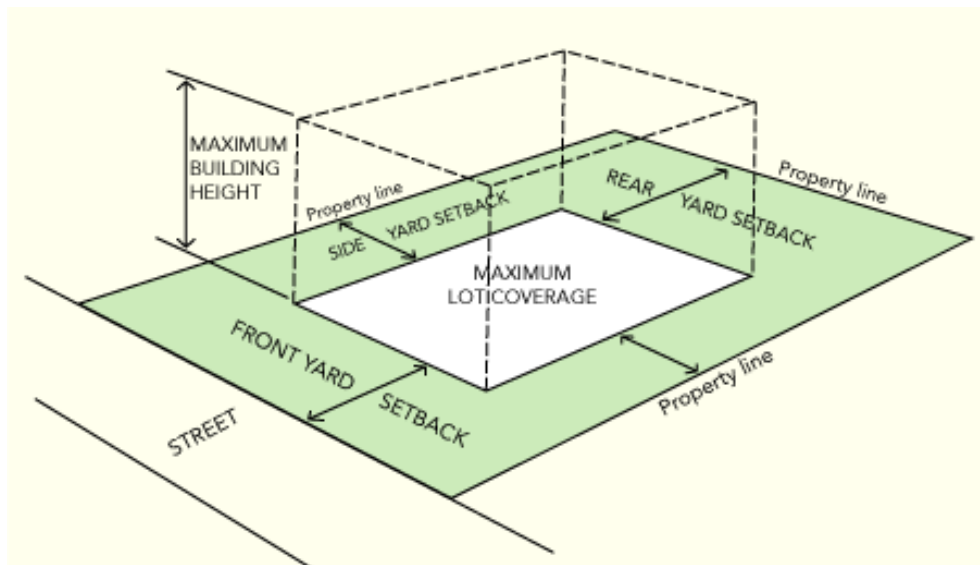
The goal is to allow for infill development on parcels that do not currently permit it and to simplify the process for infill development on other parcels. These developments are generally consistent with existing development and permitted under the existing zoning.

OPPORTUNITIES	CHALLENGES
<ul style="list-style-type: none"> • Unlocks development potential in existing zoning standards. • Could provide low-scale infill development in single family neighborhoods. • The reduction in lot size could potentially be a major incentive since it corresponds with the size of the house that could be built. • Could allow a revival of city alleyways that are currently underutilized. 	<ul style="list-style-type: none"> • Could potentially create size and scale issues to existing single-family neighbors. • Can result in dwellings that only have a view of a narrow side yard and/or driveway without a view to or from the street. • Important to understand how new development would fit in with the existing development pattern, and how to address traffic and parking concerns if lot requirements waivers resulted in additional density. • Difficult to monitor and administer through deed restrictions. • Programs are usually time-limited and expire, which could create additional affordability issue decades down the road.

RECOMMENDATION

Staff's recommendation is in support of the proposal. The modifications in single-family zoning districts are unlikely to affect a large number of parcels and have the potential to provide for some infill development opportunities that may allow for ownership.

Building Envelope



NEXT STEPS

ADOPTION PROCESS & IMPLEMENTATION

STEP 1: Planning staff is seeking feedback on the proposal. Based on the feedback, staff will revise the proposal and present the update to the community for additional outreach and schedule it for the public hearing process.

STEP 2: Review draft zoning ordinance text amendment language. This will be reviewed by the community, the Planning Commission will hold a public hearing and provide a recommendation, and the City Council will hold an additional public hearing prior to action. Language implementing the proposal will be adopted in the Zoning Ordinance.

STEP 3: After adoption, interested parties consult with planning and other city staff to determine during the planning stages if the project meets the zoning and other applicable requirements. A planning process may be required.

STEP 4: Development plans are reviewed to make sure they comply with the incentives and applicable regulations. This would require the typical review process as well as an additional review to ensure compliance with the incentives and a deed restriction or equivalent is in place. This would be required prior to the issuance of a building permit.

STEP 5: Building is constructed and after completion, annual statements are submitted to the city to verify compliance with the requirements of affordability.



APPENDIX A: DRAFT LANGUAGE

DRAFT ORDINANCE LANGUAGE

New Chapter:

21A.52 Zoning Incentives

21A.52.010 Purpose: The purpose of this chapter is to establish zoning incentives to support achieving adopted goals within the City's adopted plans and policy documents and promote the increase of affordable housing.

21A.52.020 Applicability: This chapter applies as indicated within each subsection.

21A.52.030 Relationship to base zoning districts and overlay zoning districts: Unless otherwise indicated in this chapter, all base zoning district or overlay zoning district standards and requirements take precedence except as indicated in this section.

21A.52.040 Approval Process: Any process required by this title shall apply to this chapter unless specifically exempt or modified within this chapter.

- A. The Planned Development process in 21A.55 shall not be used to modify any specific requirement of this chapter.
- B. The Design Review process in 21A.59 may be modified as indicated within this chapter.
- C. Developments authorized by this chapter are exempt from 21A.10.020.B.1.

21A.52.050 Affordable Housing Incentives:

- A. Purpose: The Affordable Housing Incentives encourage the development of affordable housing. The provisions within this section facilitate the construction of affordable housing by allowing more inclusive development than would otherwise be permitted in the underlying zoning districts. Housing constructed using the incentives are intended to be compatible in form with the neighborhood and provide for safe and comfortable places to live and play.
- B. Applicability: The provisions in this section provide an optional incentive to development projects that include affordable housing units. Unless specifically stated below, all other applicable provisions in the base zoning district or other overlay districts shall apply.
- C. Uses: Additional housing types are allowed in zones subject to complying with this section.
- D. Incentives and Eligibility Standards: Developments shall meet the criteria below to be eligible for the authorized incentives. Incentive criteria:
 1. Deed Restriction Required: Prior to the issuance of a building permit for construction of a building that includes affordable housing, a deed restriction, the form of which shall be approved by the City Attorney, shall be filed with the County Recorder's office that guarantees that the affordability criteria will be met for at least 30 years from the issuance of the Certificate of Occupancy. The deed restriction shall run with the land.
 2. Single- and Two-Family Zoning Districts:

- a. The following housing types: twin home and two-family, three-family dwellings, four-family dwellings, rowhouses, sideways row houses, and cottage developments are authorized in the FR-1, FR-2, FR-3, R-1/12,000, R-1/7,000, R-1/5,000, R-2, SR-1, SR-1A, and SR-3 zoning districts provided the affordability requirements in subsection b. are met.
 - b. To be eligible for the incentives listed in this section, a development shall provide the following:
 - (1) At least 50% of the provided dwelling units are affordable to those with incomes at or below 80% AMI, rental units shall be income-restricted and rent-restricted; and
 - (2) Any portion of the property is located:
 - (A) Within ¼ mile measured in a straight line from a passenger rail stop or a bus stop that is part of a high frequency bus route with a minimum of 15-minute service during daytime hours Monday through Saturday; or
 - (B) With street frontage on a roadway that is classified as an arterial on the adopted Major Street Plan.
3. RMF-30, RMF-35, RMF-45 and RMF-75 zoning districts:
- a. The qualifying provisions for density do not apply in the RMF-30, RMF-35, RMF-45, and RMF-75 zoning districts provided the affordability requirements in subsection b. are met.
 - b. To be eligible for the incentives listed in this section, a development shall meet the following:
 - (1) Rental housing shall be income-restricted and rent-restricted and shall meet at least one of the following affordability criteria:
 - (A) A minimum of 40% of units shall be affordable to those with incomes at or below 60% AMI;
 - (B) A minimum of 20% of units shall be affordable to those with incomes at or below 50% AMI; or
 - (C) A minimum of 40% of units shall be affordable to those with incomes averaging no more than 60% AMI and these units shall not be occupied by those with an income greater than 80% AMI.
 - (2) For sale owner occupied units shall provide a minimum of 50% of units affordable to those with incomes at or below 80% AMI.
 - c. Comparable units: Affordable units shall be comparable to market rate units in the development including entrance location, dispersion throughout the building or site, number of bedrooms, and access to all amenities available to the market rate units in the development.
4. Incentives in the CB Community Business, CC Corridor Commercial, CG General Commercial, and I Institutional Zoning Districts:

- a. The following housing types: rowhouses, sideways row houses, and cottage developments are authorized in zoning districts provided the affordability requirements in subsection b. are complied with;
 - b. To be eligible for the incentives in this section, a development shall provide a minimum of 20% of the units as affordable to those with incomes at or below 80% AMI.
5. The following incentives are authorized in zoning districts provided the affordability requirements in subsection d. are complied with:
- a. Administrative design review provided the noticing requirements of 21A.10.020 B and the standards in 21A.59 are complied. Early engagement notice requirements to recognized organizations are not applicable.
 - b. Additional building height as indicated in the following sections:
 - (1) Residential districts:

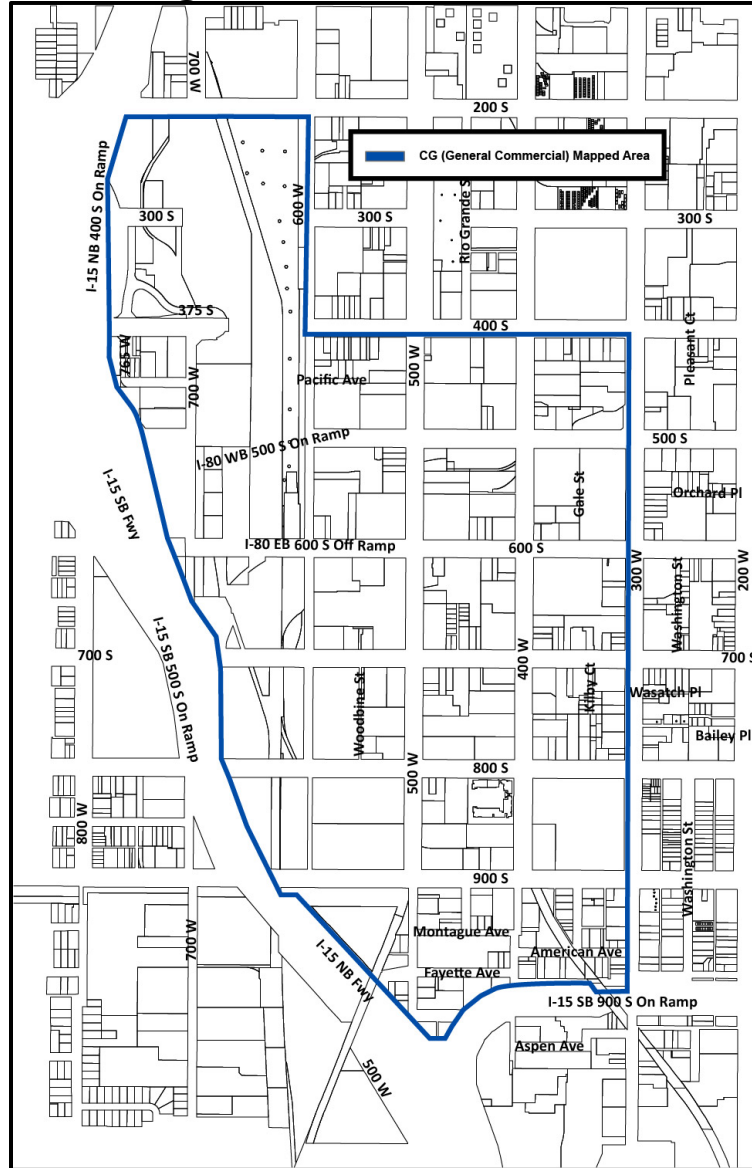
Zoning District	Permitted Maximum Height with Incentive
RMU-35	45' with administrative Design Review
RMU-45	55' with administrative Design Review
RB	May build one additional story equal to or less than the average height of the other stories in the building.
SR-3	May build one additional story equal to or less than the average height of the other stories in the building and maximum exterior wall height may increase up to 25'.
RMU	Maximum 125' with administrative Design Review in the mapped area in Figure 21A.24.170.F.3. May build three additional stories equal to or less than the average height of the other stories in the building with administrative Design Review outside of the mapped area in Figure 21A.24.170.F.3.
RO	May build one additional story equal to or less than the average height of the other stories in the building.

(2) Commercial Districts:

Zoning District	Permitted Maximum Height with Incentive
SNB	May build one additional story equal to or less than the average height of the other stories in the building.
CB	May build one additional story equal to or less than the average height of the other stories in the building.
CN	May build one additional story equal to or less than the average height of the other stories in the building.
CC	45' with administrative Design Review; additional landscaping not required
CG	90' with administrative Design Review; additional landscaping not required. 150' with administrative Design Review for properties in the mapped area in Figure 21A.52.060.D.5.b.2
CSHBD1	105' with administrative Design Review and two additional stories equal to or less than the average height of the other stories in the building with administrative Design Review.
CSHBD2	60' with administrative Design Review and one additional story equal to or less than the average height of the other stories in the building with administrative Design Review

TSA-Transition	May build one additional story equal to or less than the average height of the other stories in the building with administrative review.
TSA-Core	May build two additional stories equal to or less than the average height of the other stories in the building with administrative review.

Figure 21A.52.060.D.5.b.2



(3) Form-based districts:

Zoning District	Permitted Maximum Height with Incentive
FB-UN3	125' and three additional stories equal to or less than the average height of the other stories in the building with administrative Design Review
FB-UN2	May build one additional story equal to the average height of the other stories in the building.

FB-SC	May build one additional story equal to the average height of the other stories in the building.
FB-SE	May build one additional story equal to the average height of the other stories in the building.
FB-UN1	May build up to three stories and 30' in height.

(4) Downtown districts:

Zoning District	Permitted Maximum Height with Incentive
D-1	Administrative Design Review is permitted when a Design Review process is required.
D-2	120' and one additional story equal to or less than the average height of the other stories in the building with administrative Design Review.
D-3	90' and three additional stories equal to or less than the average height of the other stories in the building with administrative Design Review.
D-4	120' and three additional stories equal to or less than the average height of the stories permitted with administrative Design Review.

(5) Other districts:

Zoning District	Permitted Maximum Height with Incentive
GMU	120' and three additional stories equal to or less than the average height of the other stories in the building with administrative Design Review.
MU	60' with residential units and administrative Design Review.

- c. Administrative Design Review is permitted for the following:
 - (1) Buildings in the CSHBD1 and CSHBD2 zoning district that exceed 20,000 square feet in size.
 - (2) Buildings in the CB zoning district that exceed 7,500 gross square feet of floor area for a first-floor footprint or in excess of 15,000 gross square feet floor area.
 - d. To be eligible for the incentives listed in this section, a development shall meet the following:
 - (1) Housing shall meet at least one of the following affordability criteria
 - (A) 20% of units are restricted as affordable to those with an income at or below 80% AMI;
 - (B) 10% of units are restricted as affordable to those with an income at or below 60% AMI; or
 - (C) 10% of units are restricted as affordable to those with an income at or below 80% AMI when the affordable units have two or more bedrooms.
 - (2) Comparable units: Affordable units shall be comparable to market rate units in the development including entrance location, dispersion throughout the building or site, number of bedrooms, and access to all amenities available to the market rate units in the development.
6. Planned Developments: A Planned Development is not required when the purpose of the planned development is due to the following reasons cited below, subject to approval by other city departments. If a development

proposes any modification that is not listed below, planned development approval is required. To be eligible for the incentives in this section, a development shall provide a minimum of 20% of the units as affordable to those with incomes at or below 80% AMI unless otherwise specified for the zoning district.

- a. Multiple Buildings on a Single Parcel: More than one principal building may be located on a single parcel and are allowed without having public street frontage. This allowance supersedes the restrictions of 21A.36.010.B;
- b. Principal buildings with frontage on a paved public alley;
- c. Principal buildings with frontage on a private street;
- d. Development located in the Gateway Mixed-Use (G-MU) “Planned Development Review” in 21A.31.020.C; or
- e. Community Shopping (CS) “Planned Development Review” in 21A.26.040.C.

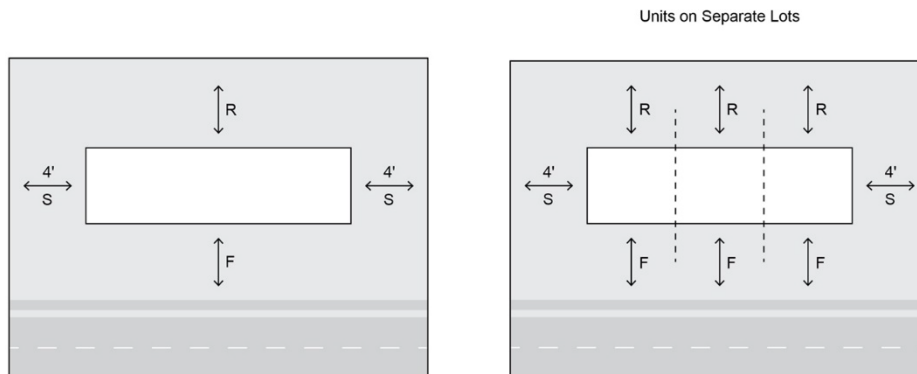
E. Development Regulations: The following development regulations are intended to provide supplemental regulations and modify standards of the underlying zoning district for the purpose of making the affordable housing incentives more feasible and compatible with existing development. Underlying zoning standards apply unless specifically modified by this section and are in addition to modifications authorized in subsection D.5. These standards are not allowed to be modified through the planned development process.

1. Modifications in the FR-1, FR-2, FR-3, R-1/12,000, R-1/7,000, R-1/5,000, R-2, SR-1, SR-1A, and SR-3 zoning districts:
 - a. Parking: Notwithstanding the parking requirements in 21A.44, only one off-street parking space per unit is required. One detached garage or covered parking space, no greater than 250 sq. ft. per unit, may be provided for each unit and these structure(s) may exceed the maximum size permitted for accessory structures in the underlying zone.
 - b. Yards:
 - (1) Minimum required yards shall apply to the perimeter of the development and not to the individual principal buildings within the development.
 - (2) Minimum side and rear yards may be reduced by up to 25%.
 - c. Minimum lot area for the purpose of calculating density may be reduced by 40%, or the average of the block face, if the average lot area on the block face is less than 40%.
 - d. Minimum lot width requirements do not apply.
 - e. Building coverage may increase up to the existing average of the block face if the average exceeds the maximum coverage of the zone.
2. Within the RMF-30, RMF-35, RMF-45 and RMF-75 Zoning Districts the following provisions shall apply:
 - a. Unit Mix: No more than 25% of the units shall be less than 500 square feet to promote a mix of unit sizes.
 - b. Parking: Notwithstanding the parking requirements in 21A.44, only one off-street parking space per unit is required in multifamily developments with less than 10 units.
 - c. Yards:

- (1) The minimum required yards shall apply to the perimeter of the development and not to the individual principal buildings within the development.
 - (2) Minimum side and rear yards may be reduced by up to 25%.
 - d. Lot width: Minimum lot width requirements do not apply.
3. The following provisions apply to the specific building types listed:
 - a. Row house
 - (1) Perimeter yard requirements:
 - (A) Front yards: The front yard and corner side yard of the underlying zoning district apply.
 - (B) Side yards: A minimum of 10 feet on one side of the building and 6 feet on the other interior side yard. When adjacent to a public alley, a side yard may be reduced to five feet provided the building contains an unenclosed entry porch, canopy, or awning feature on the façade that faces the alley. The entry feature may not encroach in the side yard.
 - (C) Rear yards: The minimum rear yard required within the underlying zoning district may be reduced by 25%. When adjacent to a public alley, the rear yard may be reduced to five feet provided the building contains an unenclosed entry porch, canopy, or awning feature on the façade that faces the alley.
 - (2) Number of Units: To qualify for incentives in the FR-1, FR-2, FR-3, R-1/12,000, R-1/7,000, R-1/5,000, R-2, SR-1, and SR-1A zoning districts there is a minimum of three and a maximum of four residential dwelling units per building.
 - (3) Building length facing street:
 - (A) The building length shall not exceed 60 feet or the average of the block face, whichever is less, in FR-1, FR-2, FR-3, R-1/12,000, R-1/7,000, R-1/5,000, R-2, SR-1, SR-1A, RMF-30, and RMF-35 districts;
 - (B) The building length shall not exceed 100 feet in the RMF-45 and RMF-75 districts; and
 - (C) The building length shall not exceed 175 feet in other zoning districts.
 - (4) Building entry facing street: At least one operable building entrance on the ground floor is required for each unit facing the primary street facing façade. All units adjacent to a public street shall have the primary entrance on the street facing façade of the building with an unenclosed entry porch, canopy, or awning feature. The entry feature may encroach in the front yard setback, but the encroachment shall not be closer than 5 feet from the front property line.
 - (5) Parking requirement and location: Notwithstanding the parking requirements in 21A.44, only one off-street parking space per unit is required. All provided parking shall be located to the side of the street facing building façade, behind a principal structure that has frontage on a street, or within the principal structure subject to any other applicable provision.

- (6) Garage doors facing street: Garage doors are prohibited on the façade of the building that is parallel to, or located along, a public street.
- (7) Personal outdoor space: Each unit shall have a minimum outdoor space of 60 square feet where the minimum measurement of any side cannot be less than 6 feet.
- (8) Glass: The surface area of the façade of each floor facing a street must contain a minimum of 15% glass.
- (9) Blank wall: The maximum length of any blank wall uninterrupted by windows, doors, or architectural detailing at the ground floor level along any street facing façade is 15’.
- (10) Screening of mechanical equipment: All mechanical equipment shall be screened from public view and sited to minimize their visibility and impact. Examples of siting include on the roof, enclosed or otherwise integrated into the architectural design of the building, or in a rear or side yard area subject to yard location restrictions found in section 21A.36.020, table 21S.36.020B, “Obstructions In Required Yards” of this title.

Illustration for 21A.52.060.E.3.a.1 Required Setbacks for Public Street Facing Row House

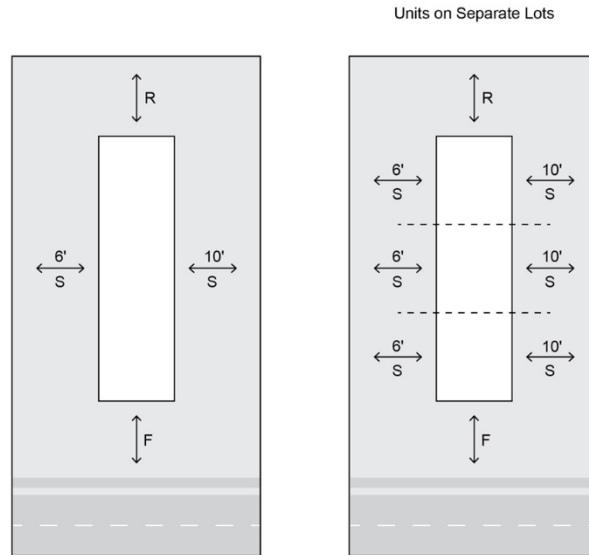


- b. Sideways row house
 - (1) Perimeter yard requirements:
 - (A) Front yards: The front yard and corner side yard of the underlying zoning district shall apply.
 - (B) Side yards: A minimum of 10 feet on one side property line and 6 feet on the other interior side yard. When adjacent to a public alley, a side yard may be reduced to 5 feet provided the building contains an unenclosed entry porch, canopy, or awning feature on the façade that faces the alley. The entry feature may not encroach in the side yard.
 - (C) Rear yards: The minimum rear yard required within the underlying zoning district may be reduced by 25%. When adjacent to a public alley, the rear yard may be reduced to 5 feet provided the building contains an

unenclosed entry porch, canopy, or awning feature on the façade that faces the alley.

- (2) Number of Units: In the FR-1, FR-2, FR-3, R-1/12,000, R-1/7,000, R-1/5,000, R-2, SR-1, and SR-1A zoning districts there is a minimum of three and a maximum of four residential dwelling units.
- (3) Building length facing street:
 - (A) The building length shall not exceed 60 feet or the average of the block face, whichever is less in FR-1, FR-2, FR-3, R-1/12,000, R-1/7,000, R-1/5,000, R-2, SR-1, SR-1A, RMF-30, and RMF-35 districts;
 - (B) The building length shall not exceed 100 feet in the RMF-45 and RMF-75 districts; and
 - (C) The building length shall not exceed 175 feet in other zoning districts.
- (4) Building entry facing street: At least one operable building entrance on the ground floor is required for each unit on the primary street facing façade. All units adjacent to a public street shall have its primary entrance on the street facing façade of the building with an unenclosed entry porch, canopy, or awning feature. The entry feature may encroach in the front yard setback, but the encroachment shall not be closer than 5 feet from the front property line.
- (5) Parking requirement and location: Notwithstanding the parking requirements in 21A.44, only one off-street parking space per unit is required. All provided parking shall be located to the side of the street facing building façade, behind a principal structure that has frontage on a street, or within the principal structure subject to any other applicable provision.
- (6) Garage doors facing street: Garage doors are prohibited on the façade of the building that is parallel to, or located along, a public street.
- (7) Personal outdoor space: Each unit shall have a minimum outdoor space of 60 square feet where the minimum measurement of any side cannot be less than 6 feet.
- (8) Glass: The surface area of the façade of each floor facing a street must contain a minimum of 15% glass.
- (9) Blank wall: The maximum length of any blank wall uninterrupted by windows, doors, or architectural detailing at the ground floor level along any street facing façade is 15’.
- (10) Screening of mechanical equipment: All mechanical equipment shall be screened from public view and sited to minimize their visibility and impact. Examples of siting include on the roof, enclosed or otherwise integrated into the architectural design of the building, or in a rear or side yard area subject to yard location restrictions found in section 21A.36.020, table 21S.36.020B, “Obstructions In Required Yards” of this title.

Illustration for 21A.52.060.E.3.b.1 Required Setbacks for Sideways Row House



- c. Cottage Development
- (1) Perimeter yard requirements:
 - (A) Front yards: The front yard and corner side yard of the underlying zoning district apply.
 - (B) Side yards: A minimum of 10 feet on one side property line and 6 feet on the other interior side yard. When adjacent to a public alley, a side yard may be reduced to 5 feet provided the building contains an unenclosed entry porch, canopy, or awning feature on the façade that faces the alley. The entry feature may not encroach in the side yard.
 - (C) Rear yards: The minimum rear yard required within the underlying zoning district may be reduced by 25%. When a dwelling unit is adjacent to a public alley, the rear yard may be reduced to 5 feet provided the building contains an unenclosed entry porch, canopy, or awning feature on the façade that faces the alley.
 - (2) Setbacks Between Individual Cottages: All cottages shall have a minimum setback of eight feet from another cottage.
 - (3) Area: No cottage shall have more than 850 square feet of gross floor area, excluding basement area. There is no minimum square foot requirement.
 - (4) Building Entrance: All building entrances shall face a public street or a common open space.
 - (5) Open Space: A minimum of 250 square feet of common, open space is required per cottage. At least 50% of the open space shall be in a courtyard or other common, usable open space. The development shall include landscaping, walkways or other amenities intended to serve the residents of the development.

- (6) Personal Outdoor Space: A minimum of 120 square feet of private open space is required per cottage. The open space shall provide a private yard area for each cottage and will be separated with a fence, hedge, or other visual separation to distinguish the private space.
 - (7) Parking: Notwithstanding the parking requirements in 21A.44, only one off-street parking space per unit is required. All provided parking shall be located to the side of a street facing building façade, behind a principal structure that has frontage on a street, or within the principal structure subject to any other applicable provision.
- d. All other buildings containing residential uses
- (1) Perimeter yard requirements:
 - (A) Front yards: The front yard and corner side yard setback of the underlying zoning district apply.
 - (B) Side yards: For housing types not otherwise allowed in the zoning district, a minimum of 10 feet on each side property line, unless a greater setback is required for single-family homes. When a dwelling unit is adjacent to a public alley, a side yard may be reduced to 5 feet provided the building has an unenclosed entry porch, canopy, or awning feature.
 - (C) Rear yards: The minimum rear yard required within the underlying zoning district may be reduced by 25% except when located next to a zoning district with a permitted building height that is 35 feet or less. When a dwelling unit is adjacent to a public alley, the rear yard may be reduced to 5 feet provided each dwelling unit on the ground floor of the building facing the alley contains an unenclosed entry porch, canopy, or awning feature on the façade that faces the alley.
 - (2) Building Entrances: The ground floor shall have a primary entrance on the street facing façade of the building with an unenclosed entry porch, canopy, or awning feature on the façade that faces the alley.
 - (3) Glass: The surface area of the façade of each floor facing a street must contain a minimum of 15% glass.
 - (4) Open space area: Open space areas shall be provided at a rate of one square foot for every ten square feet of land area included in the development, up to 5,000 square feet. Open space areas include landscaped yards, patios, public plazas, pocket parks, courtyards, rooftop and terrace gardens and other similar types of open space area amenities. All required open space areas shall be accessible to all residents or users of the building.
- e. Unit Limits: For overall development sites with more than 125 units, no more than 50% of units shall be designated as affordable units.
- f. Lots without public street frontage may be created to accommodate developments without planned development approval subject to the following standards:

- (1) Required yards shall be applied to the overall development site not individual lots within the development. The front and corner yards of the perimeter shall be maintained as landscaped yards;
- (2) Lot coverage shall be calculated for the overall development not individual lots within the development; and
- (3) Required off street parking stalls for a unit within the development are permitted on any lot within the development.
- (4) The subdivision shall be finalized with a final plat and the final plat shall document that the new lot(s) has adequate access to a public street by way of easements or a shared driveway or private street; and
- (5) An entity, such as a homeowner association, must be established for the operation and maintenance of any common infrastructure. Documentation establishing that entity must be recorded with the final plat.

Additional Enforcement Language:

21A.20.040 Civil Fines

Affordable housing incentives per 21A.52.050:

1. Units not maintained at approved rate: If a designated unit in an affordable housing development is not maintained at the approved rate a fine will accrue monthly until the unit is maintained at the approved rate.
2. Accrual and payment of penalties: The monthly fine shall be the difference between the market rate of the unit and the percent of market rate that the unit in the affordable housing development was approved at under the incentives.

Additional Definitions in 21A.62

21A.62 Definitions

Affordable Housing: Housing that is categorized based on Area Median Income (AMI) for the Salt Lake Metro Area, as determined by the most recent survey by the U.S. Department of Housing and Urban Development. Affordable dwelling units must accommodate (30% of gross income for housing costs, including utilities) at least one of the following categories:

- a. Extremely Low-Income Affordable Units: Housing units accommodating up to 30% AMI;
- b. Very Low-Income Affordable Units: Housing units accommodating up to greater than 30% and up to 50% AMI; or
- c. Low-Income Affordable Units: Housing units accommodating greater than 50% and up to 80% AMI

Affordable Housing Development: A housing development that meets the criteria in 21A.52.060.

Three-family dwelling: A detached building containing three dwelling units.

Four-family dwelling: A detached building containing four dwelling units.

Row house: A series of attached single-family dwellings that share at least one common wall with an adjacent dwelling unit and where the entry of each unit faces a public street. Units may be stacked and attached. Each attached unit may be on its own lot.

Sideways row house: A series of attached single-family dwellings that share at least one common wall with an adjacent dwelling unit and where the entry of each unit faces a side yard as opposed the front yard. Units may be stacked and attached. Each attached unit may be on its own lot.

Cottage development: A cottage development is a unified development that contains a minimum of two and a maximum of eight detached dwelling units with each unit appearing to be a small single-family dwelling with a common green or open space. Dwellings may be located on separate lots or grouped on one lot.

Modifications to existing language:

(Changes to purpose of single-family neighborhoods and adding uses)

21A.24.050: R-1/12,000 SINGLE-FAMILY RESIDENTIAL DISTRICT:

A. Purpose Statement: The purpose of the R-1/12,000 Single-Family Residential District is to provide for ~~conventional~~ single-family residential **dwellings and affordable housing developments with up to four units on residential neighborhoods with lots twelve thousand (12,000) square feet in size or larger.** This district is appropriate in areas of the City as identified in the applicable community Master Plan. Uses are intended to be compatible with the existing scale and intensity of the neighborhood. The standards for the district are intended to provide for safe and comfortable places to live and play, promote sustainable and compatible development patterns and to preserve the existing character of the neighborhood.

21A.24.060: R-1/7,000 SINGLE-FAMILY RESIDENTIAL DISTRICT:

A. Purpose Statement: The purpose of the R-1/7,000 Single-Family Residential District is to provide for ~~conventional~~ single-family residential **dwellings and affordable housing developments with up to four units on residential neighborhoods with lots not less than seven thousand (7,000) square feet in size.** This district is appropriate in areas of the City as identified in the applicable community Master Plan. Uses are intended to be compatible with the existing scale and intensity of the neighborhood. The standards for the district are intended to provide for safe and comfortable places to live and play, promote sustainable and compatible development patterns and to preserve the existing character of the neighborhood.

21A.24.070: R-1/5,000 SINGLE-FAMILY RESIDENTIAL DISTRICT:

A. Purpose Statement: The purpose of the R-1/5,000 Single-Family Residential District is to provide for ~~conventional~~ single-family residential **dwellings and affordable housing developments with up to four units on residential neighborhoods with lots not less than five thousand (5,000) square feet in size.** This district is appropriate in areas of the City as identified in the applicable community Master Plan. Uses are intended to be compatible with the existing scale and intensity of the neighborhood. The standards for the district are intended to provide for safe and comfortable places to live and play, promote sustainable and compatible development patterns and to preserve the existing character of the neighborhood.

21A.24.110: R-2 SINGLE- AND TWO-FAMILY RESIDENTIAL DISTRICT:

A. Purpose Statement: The purpose of the R-2 Single- and Two- Family Residential District is to preserve ~~and protect for single family dwellings~~ the character of existing neighborhoods which exhibit a mix of **predominantly** single- and two-family dwellings ~~by controlling the concentration of two family dwelling units.~~ Uses are intended to be compatible with the existing scale and intensity of the neighborhood. The standards for the district are intended to provide

for safe and comfortable places to live and play and to promote sustainable and compatible development patterns.

(Staff note: The following use would be added to the existing tables.)

Use	Permitted And Conditional Uses By District																		
	FR-1/43,560	FR-2/21,780	FR-3/12,000	R-1/12,000	R-1/7,000	R-1/5,000	S R-1	S R-2	S R-3	R-2	R-M F-30	R-M F-35	R-M F-45	R-M F-75	R-B	R-M U-35	R-M U-45	R-M U	R-O
Affordable Housing Development	P	P	P	P	P	P	P		P	P	P	P	P	P	P	P	P	P	P

21A.33.030: TABLE OF PERMITTED AND CONDITIONAL USES FOR COMMERCIAL DISTRICTS:

Use	Permitted and Conditional Uses by District		
	CN	CG	CC
Affordable Housing Development	P	P	P

21A.33.070: TABLE OF PERMITTED AND CONDITIONAL USES FOR SPECIAL PURPOSE DISTRICTS:

Use	Permitted and Conditional Uses by District
	I
Affordable Housing Development	P

21A.26.078

...

E. Development Standards:

...

2. Building Height: The minimum and maximum building heights are found in table 21A.26.078E2, "Building Height Regulations", of this subsection E2. The following exceptions apply:

a. The minimum building height applies to all structures that are adjacent to a public or private street. The building shall meet the minimum building height for at least fifty percent (50%) of the width of the street facing building wall.

b. Projects that achieve a development score that qualifies for administrative review are eligible for an increase in height. The increase shall be limited to one story of habitable space.

The height of the additional story shall be equal to or less than the average height of the other stories in the building. This is in addition to the height authorized elsewhere in this title.

Modifications to Existing Affordable Housing References:

21A.27.040: FB-SC AND FB-SE FORM BASED SPECIAL PURPOSE CORRIDOR

DISTRICT:

C. FB-SC Building Form Standards: Building form standards are listed in table 21A.27.040.C of this section.

TABLE 21A.27.040.C
FB-SC BUILDING FORM STANDARDS

Permitted Building Forms Multi-Family And Storefront		
H	Maximum building height	Maximum building height in the FB-SC is 60 ft. An additional 15 ft. in height (for a total height of 75 ft.) may be permitted for residential uses if a minimum of 10% of the units are affordable housing.

21A.31.010: GENERAL PROVISIONS:

...

~~N. Affordable Housing:~~

- ~~1. Notwithstanding the minimum height requirements identified above, any buildings that have ten (10) or more residential units with at least twenty percent (20%) of the units as affordable shall be allowed to have a minimum building height of thirty feet (30').~~
- ~~2. Affordable housing units within a market rate development shall be integrated throughout the project in an architectural manner.~~

21A.31.020: G-MU GATEWAY-MIXED USE DISTRICT:

...

~~I. Affordable Housing: Notwithstanding the maximum height requirements identified above, any buildings that have at least ten (10) or more residential units with at least twenty percent (20%) of the units as affordable shall be allowed a maximum building height of ninety feet (90'). The affordable units shall be integrated throughout the project in an architectural manner.~~

21A.55.010: PURPOSE STATEMENT:

...

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.

...

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. Affordable housing that meets the requirements of 21A.52.060.~~
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.

APPENDIX B: OPTIONS NO LONGER PURSUING

ACCESSORY DWELLING UNITS (ADUS)

This option was removed because of State Law (HB 82) that permits internal ADUs and the anticipated small number of proposals that would use this incentive.

WHAT ARE ACCESSORY DWELLING UNITS?

An accessory dwelling unit is a type of accessory use that includes a residential unit that is located on the same lot as a single-family attached or detached dwelling unit, either internal to or attached to the single-family unit or in a detached structure. It is a complete housekeeping unit with a shared or separate entrance, separate kitchen, sleeping area, closet space, and bathroom facilities. In 2018, the city passed regulations allowing ADUs as a permitted or conditional use on most single-family lots. This made ADUs a permitted use in residential districts that permitted multifamily housing and single- or two-family dwellings. ADUs in single-family districts require a conditional use approval.

WHAT IS PROPOSED?

The proposal allows an ADU by right in single-family zones if the ADU or single-family residence is deed restricted as affordable.

WHAT IS THE GOAL?

Increase affordable, detached housing options in neighborhoods with single-family dwellings.

OPPORTUNITIES	CHALLENGES
<ul style="list-style-type: none">• Allow for additional housing units on existing properties• Increase the city's housing stock• Allow for a diversity of housing types and lifestyles• Improve urban resiliency by encouraging housing diversity and community stability during downturns in the economy.• Allowing ADUs by right reduces staff time while still ensuring standards are met through the building permit process.• Housing diversity would reduce demand on existing single-family housing, leaving families with increased access	<ul style="list-style-type: none">• Small percentage of housing stock – if number of ADU permits remains consistent, it would take 10 years for there to be an ADU on 1% of single-family properties in the city• Unlikely to make a noticeable impact on housing affordability in the city• Difficult to monitor and administer through deed restrictions.

RECOMMENDATION

Not include with the affordable housing incentives. The best practice for ADUs is to remove barriers to their development, such as owner occupancy requirements, the conditional use approval process, impact fees, and utility connection fees. Additionally, the state legislature adopted a bill that permitted an internal ADU on single-family properties.

ADUs as an option with affordable housing incentives could potentially be used to circumvent the conditional use process. An ADU applicant in a single-family zoning district could state on their application that the unit would be offered free of charge to a family member, avoid the conditional use approval process, and become a permitted use with the affordable housing incentives. When the reporting the affordability of the unit, the owner could state that the income is zero, and be in compliance. The City would not likely have any way to challenge the information. Given the small number of ADUs, the best practice that achieves the goals of ADUs being an affordable option would be to allow ADUs as a permitted use in every zoning district that allows a single-family dwelling.

If it is included, the city should establish the percent of AMI that the ADU could be rented for, the process for annual reporting to verify that the unit remain affordable, and the length of time the unit should be retained as affordable. It is recommended that the time limit be shorter than other incentives listed.



TWIN HOMES, TWO-FAMILY, AND DUPLEXES

This option was revised to permit not only two family homes, but also three and four family homes.

WHAT ARE TWIN HOMES, TWO-FAMILY, AND DUPLEXES?

The zoning ordinance defines twin homes and two-family homes. Generally, these are located on a single parcel and separated by a vertical party wall. Duplexes, while not defined by the zoning ordinance, are similar. This type of housing can also be arranged with up and down units, front and back, or a combination of all the above.

WHAT IS PROPOSED?

The proposal allows a two-family or twin home by right in single-family zones if one of the units is deed restricted as affordable. The fundamental of this approach would cut the land cost per unit in half. That does not mean that it would cut the rent or purchase price in half. Construction costs would still need drive the overall cost. It is unknown how many properties would be converted from a single-family to a two-family unit.

The most likely scenario is that the existing rental buildings would be converted to two units and existing properties that are two units, but recognized as single-family dwellings, may have an option for legalization. There are costs associated with this approach due to the need to comply with building code requirements for fire separation, providing separate HVAC systems, and utility connections. Even though this is the most likely scenario, demolition of existing single-family homes and replacing them with two-family homes should be expected.

The ADU bill adopted by the legislature essentially made a two-unit dwelling a permitted use in all zoning districts as long as the owner resides on the property and abides by the other provisions of the bill and applicable local regulations. It would be a very challenging and time-consuming study to identify the number of demolitions that may occur.

In many areas that are currently zoned for only single-family dwellings, two-family or twin homes were previously permitted. While the zoning limits parcels to single-family homes, County assessor records show that there are over 1,400 existing duplex units on properties that are zoned R-1/5,000 and R-1/7,000. Over 4% of R-1/5,000 and R-1/7,000 properties have existing duplex units.

WHAT IS THE GOAL?

Increase affordable housing options in neighborhoods with single-family dwellings.

OPPORTUNITIES	CHALLENGES
<ul style="list-style-type: none">• <i>The city has a unit legalization process for the recognition of existing buildings with more units than permitted. This would legalize existing two-family residences that may not meet these requirements.</i>• <i>Legal non-conforming units would become conforming</i>• <i>Increase the city's housing stock</i>• <i>Allow for a diversity of housing types and lifestyles</i>• <i>Improve urban resiliency by encouraging housing diversity and community stability during downturns in the economy.</i>	<ul style="list-style-type: none">• <i>Conversions to two-family units may require additional costs to meet building code requirements</i>• <i>Difficult to monitor and administer through deed restrictions.</i>• <i>Possible demolition of existing housing, potentially the loss of historic buildings that are not locally designated or existing more affordable homes.</i>• <i>Unlike an ADU, would not require owner occupancy.</i>

RECOMMENDATION

Not include with the affordable housing incentives. Remove the proposal from the affordable housing incentives and consider a separate zoning amendment to permit duplex and two-family homes by right in zoning districts that limit housing to single-family units.

This could require that they meet the same footprint and massing standards as a single-family home. While more common than ADUs, it is unlikely that a significant number of existing single-family homes would be demolished for a duplex or two-family home if the footprint and massing of the home could not be larger than what is currently permitted. It is more likely that permitting duplexes or two-family units by right would result in the conversion of existing single-family homes and result in an increased number of housing units.

Similar to ADUs, if this proposal is included, the city should establish the percent of AMI that the ADU could be rented for, the process for annual reporting to verify that the unit remain affordable, and the length of time the unit should be retained as affordable. It is recommended that the time limit be shorter than other incentives listed.

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