

SALT LAKE CITY ORDINANCE
No. 59 of 2022

(Adopting an implementation plan to “Growing SLC: A Five Year Housing Plan 2018-2022”)

An ordinance adopting an implementation plan to “Growing SLC: A Five Year Housing Plan 2018-2022” as required by Utah Code Subsection 10-9a-403(2)(a)(iii)(C).

WHEREAS, the Utah Legislature adopted HB462 during its 2022 general session, which amended Utah Code Section 10-9a-403 to require specified municipalities--including Salt Lake City--to adopt an “implementation plan” to the municipalities’ moderate income housing plans by October 1, 2022; and

WHEREAS, the city’s moderate income housing plan is found within “Growing SLC: A Five Year Housing Plan 2018-2022”, which is anticipated to be replaced in early 2023 by a new housing plan; and

WHEREAS, the Salt Lake City Planning Commission (“Planning Commission”) held a public hearing on July 27, 2022 on a request submitted by the Salt Lake City Department of Community and Neighborhoods (“CAN”) to adopt the implementation plan required by Utah Code Subsection 10-9a-403(2)(a)(iii)(C), which implementation plan relates to the city’s moderate income housing plan; and

WHEREAS, at its July 27, 2022 meeting, the Planning Commission voted in favor of forwarding a positive recommendation to the Salt Lake City Council (“City Council”) on said request; and

WHEREAS, after holding a public hearing on this matter, the City Council has determined that adopting this ordinance is in the city’s best interests.

NOW, THEREFORE, be it ordained by the City Council of Salt Lake City, Utah:

SECTION 1. Adopting an Implementation Plan to the City's Moderate Income Housing Plan. That the implementation plan provided in Exhibit "A" attached hereto is adopted to implement the moderate income housing strategies set forth in "Growing SLC: A Five Year Housing Plan 2018-2022".

SECTION 2. Effective Date. This ordinance shall become effective on the date of its first publication.

Passed by the City Council of Salt Lake City, Utah, this 20th day of September, 2022.

Dan Dugan

Dan Dugan (Sep 23, 2022 17:22 MDT)

CHAIRPERSON

ATTEST AND COUNTERSIGN:

C. Kraen

CITY RECORDER

Transmitted to Mayor on Sep 23, 2022.

Mayor's Action: Approved. Vetoed.

Erin Mendenhall

Erin Mendenhall (Sep 27, 2022 10:13 MDT)

MAYOR

C. Kraen

CITY RECORDER

(SEAL)



APPROVED AS TO FORM

Salt Lake City Attorney's Office

Date: Sep 22, 2022

By: *Paul Nielson*

Paul C. Nielson, Senior City Attorney

Bill No. 59 of 2022.

Published: September 30, 2022.

Ordinance adopting Implementation Plan to Growing SLC

EXHIBIT “A”

Implementation Plan to “Growing SLC:
A Five Year Housing Plan 2018-2022”

Implementation Plan for Final Year of *Growing SLC*

Introduction

Growing SLC, Salt Lake City's (the "City") Moderate Income Housing Plan, is in its final year and has seen significant success toward the goals and objectives outlined within it, [accomplishing or making reasonable progress toward 26 of the 27 action items outlined](#). Despite the progress, the local housing market has seen record price increases. In light of the increased pressures on the housing market and the ongoing COVID-19 pandemic, which has required both acute and ongoing responses to housing needs, the City is continuing to address the housing crisis and expand upon the accomplishments in *Growing SLC*. This implementation plan will serve to guide short-term efforts while the City looks toward the future with the preparation of a new five-year housing plan, which will be adopted in early 2023.

During the 2022 legislative session, [HB 462 – Affordable Housing Amendments](#) was passed, requiring cities to select from a menu of strategies and amend the adopted Moderate Income Housing Plan to include an implementation plan. It is imperative that the city adopts the implementation plan by October 1, 2022, to be in compliance with state statute and to ensure priority consideration for critical state funds. The process of composing and adopting this implementation plan will meet the new requirements while also guiding the City's efforts as a new five-year plan is drafted. To both continue addressing the housing situation and to comply with new requirements, this implementation plan has been drafted to be included as an Amendment to *Growing SLC* and to build upon the housing-related efforts that are currently being undertaken by the City.

Legislative Requirements

Per section 10-9a-403 from HB 462, a Moderate Income Housing Plan must:

- (A) Provide[] for a realistic opportunity to meet the need for additional moderate income housing within the next five years;
- (B) Select[] three or more moderate income housing strategies described in Subsection (2)(b)(iii) for implementation, including one additional moderate income housing strategy as provided in Subsection (2)(b)(iv) for a specified municipality that has a fixed guideway public transit station; and
- (C) Includes an implementation plan as provided in Subsection (2)(c).
(Lines 661-667)

Additionally, municipalities with a fixed guideway public transit station, must include:

- (A) The strategy described in Subsection (2)(b)(iii)(V); and
- (B) A strategy described in Subsection (2)(b)(iii)(G), (H), or (Q).
(Lines 765-766)

HB 462 further requires that:

In drafting the implementation plan portion of the moderate income housing element..., the planning commission shall establish a timeline for implementing each moderate income housing strategy selected by the municipality for implementation.

(ii) The timeline described in Subsection (2)(c)(i) shall:

- (A) Identify specific measures and benchmarks for implementing each moderate income housing strategy selected by the municipality, whether one-time or ongoing; and
- (B) Provide flexibility for the municipality to make adjustments as needed.

(Lines 767-774)

Cities with fixed guideway public transit stations that include six or more strategies for implementation in their moderate income housing plan may be eligible for priority consideration for various State fundings sources, including transportation funding. (Lines 1195-1211)

Growing SLC Goals included in this Implementation Plan

- 1.1.1 Develop flexible zoning tools and regulation, with a focus along significant transportation routes.
- 1.1.2 Develop in-fill ordinances that promote a diverse housing stock, increase housing options, create redevelopment opportunities, and allow additional units within existing structures, while minimizing neighborhood impacts.
- 1.1.3 Revise the Accessory Dwelling Unit ordinance to expand its application and develop measures to promote its use.
- 1.1.4 Reduce parking requirements for affordable housing developments and eliminate parking requirements in transit-rich, walkable neighborhoods or when the specific demographics of a development require less parking, such as senior populations.
- 2.1.2 Consider an ordinance that would require and incentivize the inclusion of affordable units in new developments.
 - 2.2.1 Propose a significant, long-term, and sustainable funding source for the development, preservation, and stability of affordable housing.
 - 2.4.1 Create an Affordable Housing Community Land Trust.
 - 2.4.2 Work with community partners and government entities to acquire hotels, multi-family properties, and surplus land to preserve or redevelop them as affordable housing.
 - 2.4.3 Structure renovation programs to reduce utility, energy, and maintenance costs while promoting healthy living.
 - 2.5.1 Support and potentially expand incentives for landlords to rent low-income households, including landlord insurance programs.
 - 2.5.2 Enhance neighborhood development programs to entice landlords of substandard properties to improve their rental units.
- 3.3.1 Support diverse and vibrant neighborhoods by aligning land use policies that promote a housing market capable of accommodating residents throughout all stages of life.

Growing SLC and HB 462

Though *Growing SLC* complies with State code, because it was adopted prior to legislative requirements regarding moderate income housing strategies, the language in *Growing SLC* is different than the language used in the strategies outlined in State code. For convenience in addressing these disparities, the table below explicitly links the strategies in State code and the goals in *Growing SLC*. The strategies that are being addressed in this Implementation Plan are included below, along with the description found in HB 462 and a reference to the *Growing SLC* goals, a description of which can be found in the previous section.

HB 462 Strategy	HB 462 Strategy Description	Growing SLC Goal
A	Rezone for densities necessary to facilitate the production of moderate income housing	1.1.1, 1.1.2
C	Demonstrate investment in the rehabilitation of existing uninhabitable housing stock into moderate income housing	2.4.3, 2.5.1, 2.5.2
F	Zone or rezone for higher density or moderate income residential development in commercial or mixed use zones near major transit investment corridors, commercial centers, or employment centers	1.1.1
G	Amend land use regulations to allow for higher density or new moderate income residential development in commercial or mixed-use zones near major transit investments corridors	1.1.1, 1.1.2
H	Amend land use regulations to eliminate or reduce parking requirements for residential development near major transit investment corridors or senior living facilities	1.1.4
J	Implement zoning incentives for moderate income units in new developments	1.1.1
M	Demonstrate creation of or participation in a Community Land Trust (CLT) for moderate income housing	2.4.1
O	Apply for or partner with an entity that applies for state or federal funds or tax incentives to promote the construction of moderate income housing, an entity that applies for programs offered by the Utah Housing Corporation within that agency's funding capacity, an entity that applies for affordable housing programs administered by the Department of Workforce Services, an entity that applies for affordable housing programs administered by an association of governments established by an interlocal agreement under Title 11, Chapter 13, Interlocal Cooperation Act, an entity that applies for services provided by a public housing authority to preserve and create moderate income housing, or any other entity that applies for programs or services that promote the construction or preservation of moderate income housing	2.4.2
P	Demonstrate utilization of a moderate income housing set-aside from a RDA	2.2.1
V	Develop and adopt a station area plan in accordance with Section 10-9a-403.1	1.1.1, 3.3.1
W	Create or allow for, and reduce regulations related to, multifamily residential dwellings compatible in scale and form with single-family residential dwellings and located in walkable communities within residential or mixed-use zones	1.1.1, 1.1.2, 1.1.3
X	Demonstrate implementation of any other program or strategy to address the housing needs of residents of the municipality who earn less than 80% AMI, including the dedication of a local funding source to moderate income housing or the adoption of a land use ordinance that requires 10% or more of new residential development in a residential zone be dedicated to moderate income housing	2.1.2, 2.2.1

Implementation Efforts, Benchmarks, and Timelines

Of the 12 strategies selected for implementation, six are focused on land-use, four involve programs and partnerships managed by the Housing Stability division, two involve the Redevelopment Agency (RDA), and one involves the creation and or update of Station Area Plans, which are required for all fixed guideway public transit stations.

These 12 strategies address 12 unique goals from *Growing SLC*. Successful implementation of the selected strategies will have significant impacts on housing within Salt Lake City over the next year, helping make Salt Lake City a more equitable and affordable place for all residents.

The implementation efforts for the selected strategies, the benchmarks associated with them, and the timelines for implementation are outlined in the table on the following pages.

Abbreviations used in the table:

AHZI – Affordable Housing Zoning Incentive
CDBG – Community Development Block Grant
CDCIP - Community Development & Capital Improvement Programs
CHDO – Community Housing Development Organizations
CLT – Community Land Trust
HDLP – Housing Development Loan Program
HOME – HOME Investment Partnerships
HOME-ARP – Home Investment Partnerships - American Rescue Plan
HUD – US Department of Housing and Urban Development
NOFA – Notice of Funding Availability
RDA – Redevelopment Agency of Salt Lake City
RFP – Request for Proposals
SAP – Station Area Plan
WCI – Westside Community Initiative

HB 462 Strategy	Growing SLC Goal	Implementation Effort	Implementation Benchmarks	Implementation Timeline*
A	1.1.1 1.1.2	The Planning division is currently developing an AHZI Ordinance. The AHZI Ordinance is anticipated to be presented to Council later in 2022.	- AHZI Planning Commission Hearing - AHZI presented to Council - AHZI passed by Council	- AHZI Ordinance passed by City Council by June 30, 2023
C	2.4.3 2.5.1 2.5.2	- Allocate \$30,000 to help rehabilitate units through City Housing Repair Programs (30 units) – HUD CDBG - Provide \$453,718 to CHDOs for rehabilitation efforts (60 units) – HUD HOME - Provide \$700,000 to ASSIST Utah's Housing Repair Program (195 units) – HUD CDBG - Provide \$300,000 to VBH Storefront, via ICast, for rehabilitation (49 units) – HUD CDBG - Provide \$196,837 to NeighborWorks SLC to rehabilitate units (80 units) – HUD CDBG - Provide \$322,000 to First Step House to rehabilitate (26 units) – HUD CDBG Partners were selected through a competitive process, were recommended by CDCIP advisory board, and approved by the Mayor and City Council. Total Funding Committed: \$2M; Total Units Rehabilitated: 440.	- Spend /distribute \$2M - 440 units rehabilitated (directly or through partners)	- Funding committed by August 15, 2022 - City funding spent by June 30, 2023 - Units rehabilitated by June 30, 2023
F	1.1.1	The Planning division is currently developing an AHZI Ordinance. The AHZI Ordinance is anticipated to be presented to Council later in 2022.	- AHZI Planning Commission Hearing - AHZI presented to Council - AHZI passed by Council	- AHZI Ordinance passed by City Council by June 30, 2023
G	1.1.1 1.1.2	The Planning division is currently developing an AHZI Ordinance. The AHZI Ordinance is anticipated to be presented to Council later in 2022.	- AHZI Planning Commission Hearing - AHZI presented to Council - AHZI passed by Council	- AHZI Ordinance passed by City Council by June 30, 2023
H	1.1.4	The Planning division has prepared a PRO that is before the City Council.	- PRO presented to Council - PRO passed by Council	- PRO passed by City Council by June 30, 2023
J	1.1.1	The Planning division is currently developing an AHZI Ordinance. The AHZI Ordinance is anticipated to be presented to Council later in 2022.	- AHZI Planning Commission Hearing - AHZI presented to Council - AHZI passed by Council	- AHZI Ordinance passed by City Council by June 30, 2023
M	2.4.1	Salt Lake City created a CLT in 2018, that currently has 17 properties within the Trust. The City is conducting a study to further develop the CLT into a more robust program. The RDA is establishing the WCI and allocating \$500,000 through a NOFA process. The WCI intends to develop shared-equity models for ownership and for keeping properties affordable by taking them off the market. Commit \$12M through HUD HOME and CDBG Program Income for the creation of new affordable housing, with a prioritization on deeply affordable housing. Commit \$3.5M through HUD HOME-ARP for the creation of housing for the unsheltered.	- Final report received - Recommendations presented to Mayor's Office, City Council, and internal departments - \$500k allocated to WCI by RDA.	- Report received by July 31, 2022 - Recommendations presented to Council by December 31, 2022 - RDA Funding allocated by June 30, 2022
O	2.4.2	Funding and partner selection will be made available in FY22-23 through a competitive application process. The number of units this funding is anticipated to create is to be determined.	- Competitive application process completed - Partners contracted - \$15.5M funding distributed - Housing units in pipeline	- Present to City Council in July 2022 - Partners contracted/awarded by October 31, 2022 - Funds distributed by June 30, 2023

HB 462 Strategy	Growing SLC Goal	Implementation Effort	Implementation Benchmarks	Implementation Timeline*
P	2.2.1	<p>The RDA has budgeted over \$8M in affordable housing funds for FY2022-23. Most of these funds will be dedicated to the HDLP (\$5.2M). \$3.3M will be dedicated to property acquisition. The RDA's policy priorities include:</p> <ul style="list-style-type: none"> - Provide a mix of affordable housing...to promote housing opportunity and choice throughout the city for households...of various sizes - Foster a mix of household incomes in projects and neighborhoods and disperse affordable housing projects throughout the city to encourage a balance of incomes in all neighborhoods and communities - Promote equity and anti-displacement efforts through the development and preservation of affordable housing in low-income neighborhoods - Contribute to the development of sustainable, walkable neighborhoods to expand housing choice near transportation, services, and economic opportunity - Support an array of scale of project types, including detached housing accessory dwelling units, rowhouses, and small to large scale multifamily buildings, that contribute to neighborhood context and livability - Incorporate green-building elements and energy efficiency to lower housing expenses, conserve resources, and promote resiliency 	<ul style="list-style-type: none"> - NOFA released - Awardees notified - Funding spent or committed 	<ul style="list-style-type: none"> - NOFA released in September 2022 - Awardees notified by December 31, 2022 - Funding spent or committed by June 30, 2023
V	1.1.1 3.3.1	<p>The Planning division is intending to complete a study regarding existing SAPs to ensure that they meet the requirements outlined in Section 10-9a-403.1. For station areas over which the City has limited to no control, a resolution will be passed acknowledging the exemptions, per state statute 10-9a-403.1. The City intends to have all SAPs in compliance and completed by December 2023.</p>	<ul style="list-style-type: none"> - RFP issued - Consultant selected - Report provided to City - Resolution passed 	<ul style="list-style-type: none"> - Study completed by December 31, 2022 - Resolution passed by March 31, 2023 - New Station Area Plans adopted by December 31, 2023
W	1.1.1 1.1.2 1.1.3	<p>The Planning division is currently developing an AHZI Ordinance. The AHZI Ordinance is anticipated to be before Council later in 2022.</p>	<ul style="list-style-type: none"> - AHZI Planning Commission Hearing - AHZI presented to Council - AHZI passed by Council 	<ul style="list-style-type: none"> - AHZI Ordinance passed by City Council by June 30, 2023
X	2.1.2 2.2.1	<p>Mayor Mendenhall dedicated, and Council approved, \$20.1M to the creation and preservation of affordable housing in the FY 2022-2023 budget.</p>	<ul style="list-style-type: none"> - Budget allocated - Competitive application process - Projects awarded - Funding committed 	<ul style="list-style-type: none"> - Budget allocated June 30, 2022 - Present to City Council in July 2022 - Partners contracted/awarded by October 31, 2022 - Funding spent or encumbered to contracts by June 30, 2023

*This is an anticipated implementation schedule. HB462 (2022) requires the city's planning commission establish a timeline for implementing these strategies. However, Part 4 of Utah Code Chapter 10-9a establishes that a planning commission's role with respect to general plan adoption is as a recommending body and it is the municipal legislative body that adopts the general plan and amendments to the general plan. Thus, given the commission's limited role and separation of powers principles, this implementation timeline provides estimates of when the Salt Lake City Council may potentially take action based on information available to the commission and in no way binds the City Council to act by any specific date.

Looking Forward

Growing SLC is in its final year as the Salt Lake City's Moderate Income Housing Plan. Over the course the next year, the City will be undertaking the creation of a new housing plan, Housing SLC. The process for creating a new housing plan will allow multiple methods and opportunities for public input and engagement at various stages. We understand that the city, and housing within the city, has changed dramatically since *Growing SLC* was adopted, and that the challenges facing residents within the city have shifted. The new plan will build upon the successes of *Growing SLC*, will incorporate anti-displacement strategies that are being developed through [Thriving In Place](#), and will learn from resident experiences to create an actionable plan to ensure all residents in Salt Lake City have an equitable opportunity to safe and affordable housing. We hope that you will be a part of the process. For more information and to sign up for updates do visit www.slc.gov/can/housing-slc.











Ordinance 59 of 2022 - Growing SLC: Five Year Housing Plan 2018-2022 (Adopted 9/20/22)

Final Audit Report

2022-09-28

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