



# MEMO

TO: Bert Lumbreras, City Manager  
FROM: Shannon Mattingly, Director of Planning and Development Services  
DATE: January 13, 2018  
RE: Analysis of Salt Lake City Housing Plan

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Staff has conducted an analysis of the draft Salt Lake City Housing Plan to identify elements of the Plan that are related to the affordable housing efforts in San Marcos.

The attached spreadsheet lists each of the goals and objectives in Salt Lake City's Housing plan and identifies how they are addressed in Code SMTX and/or our current Affordable Housing Policy.

Finally, the spreadsheet includes some recommendations about how the elements of Salt Lake City's Housing Plan could be explored in San Marcos through an update to our current affordable housing policy or the creation of a more detailed affordable housing action plan and program.

To learn more about the Salt Lake City Housing Plan and read the complete document you can visit the project website here:

<http://www.slcgov.com/hand>

Salt Lake Policy Goal	Salt Lake Implementation	Addressed in Code SMTX	How	Addressed in AH Policy	How2	Recommendation
<b>Goal 1: Increase Housing Options: Reform City Practices to Promote a Responsive, Affordable, High Opportunity Housing Market</b>	Encourage the market to increase housing supply focusing on diversity of housing types and flexibility in zoning and a predictable and efficient development process focused on growth	Limited	New Character Districts in Intensity Zones are achieving this but re-zoning is still a significant step for property owners.	Yes	Removing barriers to diverse housing	City Initiated Re-zoning in Intensity zones
<b>Objective 1: Modernize land-use and zoning regulations to reflect the affordability needs of a growing, pioneering City</b>						Recommend a housing study that analyzes housing supply, housing demand, and housing choice.
<b>1.11: Develop Flexible zoning tools and regulations, with a focus along significant transportation routes</b>	Improve or expand the form based zoning districts to encourage more development and create infill ordinances that allow greater density in existing neighborhoods	Limited	New Character Districts are achieving this but re-zoning is still a significant step. Need neighborhood character studies to identify locations in Existing Neighborhood areas where diverse housing should be implemented	Yes	Removing barriers to diverse housing	Re-zone in Intensity Zones and Conduct NCS in Existing Neighborhoods to identify locations for diverse housing
<b>1.1.2: Develop infill ordinances that promote a diverse housing stock, increase housing options, create redevelopment opportunities, and allow additional units within existing structures, while minimizing neighborhood impacts.</b>	Infill ordinances allow increasing the number of units on particular properties. For example, subdividing large properties for single family development where there are oddly shaped lots.	Yes	Platting exemptions for infill lots, Cottage Courts and Density Bonus system	Yes	Cottage Courts and removing barriers	Build on the density bonus program included in Codes SMTX focusing on creating permanently affordable and owner occupied housing in infill areas.
<b>1.1.3: Revise the accessory dwelling unit ordinance to expand its application throughout the city and develop measures to promote its use</b>	Owner not required to live on property, design standards ensure integration, city approved building plans and financing options, allowed in all areas and all zones	Yes	Require owner occupancy of one building, allowed in all residential zoning districts	Yes	Same way that the Code is implementing	Rental Registration should be used as the enforcement mechanism to ensure owner occupancy.
<b>1.1.4: Reduce parking requirements for affordable housing developments and eliminate parking requirements where it makes sense for community and neighborhood development</b>	parking requirements should be based on the area and are directly linked to housing affordability	Yes	Parking minimums are lower in intensity zones and a reduction is available for affordable housing	No		Should continue to monitor results from parking requirements
<b>Objective 2: Remove impediments in City processes to encourage housing development</b>						Analyze incorporating more fee waivers.
<b>1.2.1: Create an expedited processing system to increase City access for developers constructing new affordable units.</b>	Administer has the authority to waive fees and expedite permits for long term affordable housing	Limited	We have some fee waivers for CDBG and Habitat projects	No		Analyze incorporating more fee waivers for long term affordable projects.
<b>Objective 3: Lead in the construction of innovative housing solutions</b>	Pioneer new and innovative construction technology that emphasizes quality materials and design.	No		No		
<b>1.3.1 Lead in the development of new affordable housing types, as well as construction methods that incorporate innovative solutions to issues of form, function, and maintenance.</b>	Utilize the City's housing innovation lab to incorporate green technologies; support the development of new or underutilized housing types that meet unique needs of diverse communities	No		Limited	Utilize the Green Energy audits	Should be included in an affordable housing plan/ program

Establish partnerships with housing industry leaders to construct innovative and affordable developments.		No		Limited	Partnerships with other taxing jurisdictions are discussed	Should be included in an affordable housing plan/ program
Objective 4: Provide residents, community advocates, business leaders, and elected officials with high quality data to drive decision-making						
1.4.1 Maintain a public-facing set of housing metrics to provide insight into market characteristics and the performance of regulatory changes that will drive decision making.	The current rate of housing unit production The impact zoning changes are having on housing unit production. The full cost of housing development for every housing type.	No		No		Data and accountability are very important elements of an affordable housing program
GOAL 2: AFFORDABLE HOUSING: INCREASE HOUSING OPPORTUNITIES AND STABILIZATION FOR COST-BURDENED HOUSEHOLDS						
Objective 1: Prioritize the development of new affordable housing with an emphasis on households earning 40% AMI and below						The City needs a housing study and annalysis of our gaps and where to docus efforts.
2.1.1 Convene a Blue Ribbon Commission for affordable housing comprised of industry experts, advocates, partners, and government entities.	Under the Mayor’s leadership a Blue Ribbon Commission, comprised of policy and industry leaders, will evaluate the best ways in which to leverage a variety of resources, while focusing on some of the city’s most challenging housing issues. This group will also be able to look at the issue without geographical constraints, cultivating partnerships across jurisdictions and with a variety of public and private organizations.	No		NO		The City needs to assemble a multi-disciplinary and collaborative team to implement affordable housing goals and program.
2.1.2 Consider an ordinance that would require and incentivize the inclusion of affordable units in new developments.	Such practices fit into a larger theme surrounding a comprehensive strategy to increase affordable housing and increase the available housing stock across the “affordable” spectrum. Inclusionary zoning programs refer to local land use ordinances that require or encourage developers to include affordable units in new residential developments. Affordability is often achieved through an indirect subsidy to residential developers—including through increased development capacity or other accommodations during the development review process—and therefore the public cost of generating affordable homes can be relatively low.	Yes	Planning Area Developments; Bonus Densities; and Additional Stories are included in Code SMTX and designed as incentives that require affordable housing	No		Should be included in an affordable housing plan/ program and the effectiveness and focus of the incentives should be analyzed based on a housing study so that they can be targeted to our needs as a community

<b>2.1.3 Offer incentives to developers of affordable housing such as land discounts and primary financing options.</b>	As the strategies in this plan are deployed, funding sources will need to increase their capacity and their flexibility in order to incentivize new development. In addition to financing, the use of land “write-offs” and other non-traditional methods of incentive will be incorporated when developing available City-owned land.	No		Limited	Discussion about utilizing city property and tax forfeiture property for affordable housing	Should be included and expanded on in an affordable housing plan/ Program
<b>Objective 2: Pursue funding sources for affordable housing opportunities</b>						
<b>2.2.1 Propose a significant, long-term, and sustainable funding source for the development, preservation, and stability of affordable housing.</b>	A local funding source needs to be designed in a way that could subsidize new units under an inclusionary program, infuse the Housing Trust Fund’s loan program with capital, purchase and preserve vacant land for future affordable development, offer program assistance, or purchase dilapidated properties for housing redevelopment projects. Most importantly this funding source would target the difficult task of stabilizing current cost burdened households through an incentivized rent assistance program	No		No		Local funding sources for affordable housing allow the City to have more control over how when and where affordable housing is implememnted in San Marcos
<b>2.2.2 Pursue legislative change at the state level that would create opportunities for new incentives and revenue sources.</b>		No		No		
<b>Objective 3: Stabilize very low-income renters</b>						
<b>2.3.1 Work with housing partners and government entities to create an incentivized rent assistance program.</b>		No		No		
<b>Objective 4: Secure and preserve long-term affordability</b>	As a result of low vacancy rates, rising housing costs, and flattening wages it is not only necessary to create new affordable housing units, but also preserve them in the long term.					
<b>2.4.1 Create an Affordable Housing Community Land Trust.</b>	In order to preserve the ability to develop affordable housing in the future, the City will create a Community Land Trust and work with its institutional partners to purchase land and entrust it for future development.	No		No		
<b>2.4.2 Work with community partners to acquire hotels and multi-family properties to preserve or redevelop them as affordable housing.</b>	The most cost-effective means of adding new affordable units may be to purchase existing multi-family structures, either hotels and motels or apartment complexes, renovate or redevelop those units, and partner with a local housing operator to manage the properties.	No		No		

2.4.3 Structure renovation programs to reduce utility, energy, and maintenance costs while promoting healthy living.	As the housing stock continues to age, especially for homeowners, rehabilitation and energy efficiency upgrades will be central to long term community preservation.	Limited	Code Addresses non-conforming structure ppolicies to make it easier for older buildings to upgrade	limited	Affordable Housing Program discusses preserving and making it easier for existing complexes to upgrade. Policy also discusses energy audits and energy efficiency	Needs more implementation strategies in housing program/ policy
Objective 5: Work with landlords to both improve their housing stock and rent to very low-income households	Throughout Salt Lake City, the age and condition of the housing stock is varied with some rental properties being maintained an improved, while others slowly deteriorate causing blight, vacancy and increased crime. In addition, such properties are often rented at lower costs serving a low-income population while the conditions of the units are not suited for habitability. This issue is complex as renovation can increase rents and therefore displace current tenants however, the current condition merits significant improvement to be habitable.					
2.5.1 Support and potentially expand incentives for landlords to rent lowincome households, including landlord insurance programs.	The need for affordable options, outside of new development, but within existing neighborhoods is a key piece of equitable distributions of housing and access to opportunity. This may be most propelled by the creation of a landlord insurance program that covers possible damages and other related costs to ease concerns as they relate to individuals who may traditionally be considered hard to house.	No		No		
2.5.2 Enhance neighborhood development programs to entice landlords of substandard properties to improve their rental units.	Home repair programs like the one the City operates can be marketed specifically towards landlords whose properties are in need of improvement. In addition, the program will be geared toward landlords who own properties in specific neighborhoods, streets, or nodes where additional City investment is already planned specifically in accordance with Master Plans thereby magnifying the overall impact of efforts in the target area.	No		No		
Objective 6: Increase home ownership opportunities						

2.6.1 Increase funding and marketing for affordable homeownership programs.	As noted in the Salt Lake Live Work Survey the primary reason for leaving the Capitol City was related to housing and homeownership options and affordability. Therefore, the increase in funding should be leveraged through an increase in down payment assistance and through increased access to permanent mortgages.	No		Yes	Policy discusses increased marketing of the down payment asistance program.	Look at additional funding sources and better marketing of the program.
GOAL 3: EQUITABLE & FAIR HOUSING: BUILD A MORE EQUITABLE CITY						
Objective 1: Eliminate incidences of housing discrimination in Salt Lake City	Discrimination grows when market conditions increase competition among renters. Working to increase the housing supply will help decrease competition over time, which may reduce instances of discriminatory housing practices in the longterm, but there are distinct actions the City will pursue to make a direct impact on reducing discrimination.					
3.1.1 Utilize data and evaluation efforts developed by partner organizations about housing discrimination to meet the City’s requirements under the Affirmatively Furthering Fair Housing ruling.	<ul style="list-style-type: none"><li>▪ Local zoning policies do not create segregation</li><li>▪ Creating affordable opportunities in high-opportunity neighborhoods</li><li>▪ Directing resources to invest in the lifting up of traditionally low-income neighborhoods</li><li>▪ Utilizing local data about instances of discrimination to steer policymaking</li></ul>	No		No		Our policy needs to address equitable and fair housing
3.1.2 Work with partners to enhance awareness and resources around tenant rights and responsibilities.	The City will coordinate across local service providers to help inform and guide tenants about their rights and responsibilities.	Limited	Rental Registration is one step in shifting responsibility to the Landlord	No		Rental Registration and rental property ordinance
Objective 2: Align resources to create Areas of Opportunity	The City is in the unique position of having acquired a depth of knowledge about neighborhoods and possess the ability to direct funds to produce the greatest impact in those neighborhoods. A key priority in alignment of resources is ensuring that they create opportunity in underserved neighborhoods or conversely create access to neighborhoods considered areas of opportunity, where residents have access to jobs, healthcare, education, transportation, and other amenities.	No				

<b>3.2.1 Align financial resources to increase access to housing in high opportunity areas.</b>	Access to jobs, quality education, healthcare, fresh food, transportation, and other amenities is key to unlocking the potential of the city’s residents to succeed economically. Unfortunately, these opportunities are not available in every neighborhood in Salt Lake City. To address this geographic inequity, Salt Lake City will align its resources to achieve significant and impactful change within specifically targeted areas of concentrated poverty. In addition to this long-term strategy, Salt Lake City will also seek to encourage and fund the development of new affordable housing units in neighborhoods that are already considered areas of opportunity.	No		NO		This should be reflected in our housing policy and in neighborhood studies
<b>3.2.2 Work with partners at the Kem C. Gardner Policy Institute to produce an updated Opportunity Index assessment as a tool for guiding City investment.</b>						
<b>Objective 3: Implement Lifecycle Housing principles in neighborhoods throughout the city</b>	Salt Lake City should be a place where residents are not stifled in their housing choice, because certain neighborhoods are not conducive to their stage of life.					
<b>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.</b>	In order to truly encourage new types of housing that considers cost, energy efficiency, and accessibility a strong land use and zoning foundation must be laid that supports new types of building.	Yes	Our new zoning tools and zoning framework support diverse housing types	Yes	emphasizes the importance of diverse housing	Implement these new districts through zoning in Intensity Zones and through neighborhood studies in Existing Neighborhoods