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• Hon. Jackie Biskupski, Mayor
• Mike Akerlow, Community Development Corporation of Utah
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• Amanda Holty, Redevelopment Agency of Salt Lake City
• Brian Wilkinson, ULI Utah
• Cameron Diehl, Utah League of Cities and Towns
Salt Lake City, Utah
Shaping a Mixed-Income Community in East Downtown
Mission:
To encourage and support excellence in land use decision making.

“We should all be open-minded and constantly learning.”

--Daniel Rose
Mission:
Helping city leaders build better communities
Mission:
Providing leadership in the responsible use of land and in creating and sustaining thriving communities worldwide
• Policy & Practice Forums
• Education for Public Officials: webinars, workshops, and scholarships to attend ULI conferences
Daniel Rose Fellowship

- Four cities selected for yearlong program of professional development, leadership training, assistance with a local land use challenge
- Mayor selects 3 fellows and project manager
class of 2018 cities

Salt Lake City

Tucson

Columbus

Richmond
Peer Exchange Panel Visit

• Assemble experts to study land use challenge
• Provides city’s fellowship team with framework and ideas to start addressing their challenge
• Part of yearlong engagement with each city
The Panel

- Co-Chair: Nolan Lienhart, ZGF Architects, Portland, OR
- Co-Chair: Molly McCabe, HaydenTanner, Bigfork, MT
- Ana Gelabert-Sanchez, Gelabert-Sanchez & Associates, Coral Gables, FL
- Russell Kaney, Enterprise Community Partners, Winnebago, IL
- Christopher Kurz, Linden Associates, Baltimore, MD
- Carolyn Laurie, Planning & Development Services Department, City of Tucson, AZ (Rose Fellow)
- Mark Noskiewicz, Goodmans LLP, Toronto, ON, Canada
- Steve Schoeny, Department of Development, City of Columbus, OH (Rose Fellow)
- Bob Steidel, Deputy Chief Administrative Officer of Operations, Mayor’s Office, City of Richmond, VA (Rose Fellow)
- Molly Urbina, Urbina Strategies, Denver, CO
How can Salt Lake City preserve and improve East Downtown to cultivate a complete neighborhood that serves as a model for mixed-income communities throughout the city?
Presentation Outline
1. Observations
2. Vision + Land Use
3. Financing Strategies + Tools
4. Engagement + Leadership
5. Conclusions + Homework
Observations: Salt Lake City
● Explosive population and job growth being driven by quality of life, unparalleled access to natural environment
● Surrounding natural beauty, while visible, is compromised by air-quality problems
● City is attracting high proportion of millennial workers looking for urban lifestyle
● City is experiencing unprecedented residential development, but still has record low vacancy rates
● Housing affordability is a challenge at every price point and homelessness is a major concern
● Housing shortage is exacerbating economic segregation, will eventually compromise economic growth if not solved
● City and community leadership is committed to dealing with these issues

Observations: Salt Lake City
Observations: Opportunities in East Downtown
Location between Downtown and University should attract a diverse group of residents and investment

Neighborhood is well served by rail and bus

Historic districts in place to protect remaining architectural heritage

Some large parcels offer significant redevelopment opportunities, but cumulative impact of many small sites can also be catalytic

Eclectic mix of uses offers unique urban experience for Salt Lake City

Observations: Opportunities in East Downtown
Observations: Challenges
Observations: Challenges

- Block size and irregular parcels make access and property aggregation difficult
- Neighborhood lacks a defined center or heart, sense of place
- Lack of continuity of urban design and building form
- Lack of park space and community facilities
- Vacant properties send the wrong message to potential investors
- Perception of crime and safety
- Lack of town-gown engagement
- Lack of organized neighborhood stewardship and engagement
Presentation Outline
1. Observations
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What do we want to be?
Imagine: A mixed-income community
Imagine:
A mixed-income community

- 70% renters – vulnerable to displacement
- Median income below city average
- Well served by transit
- Strong access to employment and educational opportunities in Central Business District and University
- Market rate development momentum
Imagine: A mixed-income community

- Preserve naturally occurring affordable housing that already exists
- Conduct a vulnerability assessment
- Develop and incentivize new housing construction at that is affordable to all income levels, including in the same buildings
- Allow and promote a range of building and unit types to accommodate different types of households
Imagine:
A place that preserves and builds on heritage

- Incentivize preservation of contributing historic buildings and landscapes
- Develop clear and focused guidelines for new construction within the historic district
- Develop clear development guidelines that promote the relationship of historic and non-historic structures
- Celebrate cultural heritage and history
Imagine:
A place with its own character and identity

Wynwood, Miami
Imagine:
A place with its own character and identity

- Build on cultural and historical character
- Establish identity for the neighborhood and sub-areas
  - Reinforce the emerging center: 2-3-4-5 block
  - District branding and wayfinding
- Create new open space/public realm amenities
  - Parks, plazas, other special places
Imagine:
A place with strong community stewardship
Imagine:
A place with strong community stewardship

- Who speaks for this neighborhood?
- Deeper community engagement & organization
  - Reach and engage underrepresented residents
- Identify champions & stewards
  - Community leaders
  - Major businesses & property owners
  - University, philanthropic & institutional partners
Zoning Approach
Zoning Approach

- Reduce and simplify zoning categories, and expand form-based approach to entire District
- Zoning categories should permit and encourage a mix of residential and commercial uses throughout the District
- Maximize densities and heights along the 400S and other transit corridors
- Consider transit-supportive minimum densities and heights along the corridors
- Discourage suburban-form development
- Refine design guidelines and introduce incentives to encourage design excellence and enhanced streetscape/tree canopy
- Introduce density and/or height bonuses for provision of affordable housing, community services, public open-space and mid-block connections and/or dedication of mid-block right-of-way or access lanes
Historic Districts

• Capitalize on historic apartments and mansions as identifying character and theme for the district
• Historic buildings are providing an existing supply of affordable housing
• Secure conservation, renovation or restoration of historic buildings in exchange for density or height bonuses for adjacent and compatible infill development

Adaptive reuse policy

• Allow expanded range of uses within the historic building footprint
• Lift regulations associated with change of use such as parking, loading and pedestrian circulation
- Masonic Temple parking lot
- Big Lots
- Other retail sites with underutilized parking
Resolving fire protection regulatory conflicts

- Establish internal utility corridors (mid-block or on existing easements) as properties redevelop
- Consider changes to setback requirements
- Facilitate Fire Code amendments
- Align equipment purchases with community development goals
Presentation Outline
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3. **Financing Strategies + Tools**
4. Engagement + Leadership
5. Conclusions + Homework
Opportunities to harness economic value

- Development of office space has the opportunity to create more resources for mixed-income housing programs.
- Housing-only focus can be short sighted.
- This neighborhood has all of the ingredients of an office-retail-residential vibrant neighborhood.
- RDA/City need funds to seed projects today that can grow housing revenues in the future.
Using Office to Fund Housing
Using Office to Fund Housing

- Strategy is to grow commercial office along southern corridor of study area to campus and better utilize existing office space
- In addition to creating job opportunities, office will generate significantly more new revenue for affordable housing than development of new market-rate housing
- Create a TIF/Urban Revitalization District - invest incremental tax revenue into your housing trust fund
- A $20 mm building would generate about $175,000/year
study area
OPPORTUNITY AREAS

study area

potential TIF District
OPPORTUNITY AREAS

study area

office core

2-3-4-5 block

potential TIF District

TRAX
Housing Economics 101

• Need to increase the total amount of housing
• Multifamily rental housing is the most cost-effective way to provide housing that is affordable to the average working person
• The rules of supply and demand always beat regulation
• Downward housing pressure
• A project at 80% helps those at 40%
Non-monetary levers
Non-monetary levers

Strategies you can use for any project that is willing to commit to making some percentage affordable at 40%, 60%, 80% AMI.

- Density bonus
- Demo process
- TDR - historic buildings
- Reduced parking requirements
- Change the economics of neglect
<table>
<thead>
<tr>
<th>Tools – local control</th>
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<tbody>
<tr>
<td>Development districts (TIFs, Urban Revitalization District)</td>
</tr>
<tr>
<td>Density Bonus</td>
</tr>
<tr>
<td>Tax abatement</td>
</tr>
<tr>
<td>Linkage fees</td>
</tr>
<tr>
<td>Impact fee waivers</td>
</tr>
<tr>
<td>Reduced parking restrictions</td>
</tr>
<tr>
<td>Fast Track</td>
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<tr>
<td>Adaptive Reuse ordinance to allow for redevelop into residential</td>
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<tr>
<td>Real Estate Transfer Fee</td>
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<tr>
<td>Community Land Trust</td>
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<tr>
<td>Ground lease existing City property to developers</td>
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<tr>
<td>Colocate or create affordable housing with the renovation or re-use of public facilities. One successful example: Violin Commons (old public safety building)</td>
</tr>
<tr>
<td>Opportunity Zone</td>
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</tbody>
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### Salt Lake City Rent Comparisons

<table>
<thead>
<tr>
<th>Unit Type</th>
<th>Market Rate</th>
<th>Vouchers</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio</td>
<td>$900</td>
<td>$642</td>
<td>$258</td>
</tr>
<tr>
<td>1 Bedroom</td>
<td>$1,050</td>
<td>$795</td>
<td>$255</td>
</tr>
<tr>
<td>2 Bedroom</td>
<td>$1,275</td>
<td>$990</td>
<td>$285</td>
</tr>
<tr>
<td>3 Bedroom</td>
<td>$1,550</td>
<td>$1,425</td>
<td>$125</td>
</tr>
</tbody>
</table>
East downtown Median Household Income $28,232

100% AMI Moderate income rents
Monthly average rent of $1,508

80% AMI: Monthly average rent of $1,206

60% AMI Monthly average rent of $906

40% AMI Monthly average rent of $603

Affordability Challenge

Annual income required for 100% @ 30%: $60,300

Annual income required for 80% @ 30%: $48,250

Annual income required for 60% @ 30%: $36,240

Annual income required for 40% @ 30%: $24,120

Salt Lake City Median Household Income $47,243

Nurses
Teachers

Firefighters, police offers, teachers

Security Guards
Factory Workers
Data Entry workers

Hotel receptionists
Personal support workers.
1,000 units
200 affordable (20% of total) at 80% AMI
Delta between market rent and rent affordable at 80% AMI (Firefighters, police and teachers): $156/month
= $1,875 per year per unit or $375,000 for all 200 units.
That’s the TIF value on 1 or 2 new Class A office buildings that are of the scale that are already in the neighborhood
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Community Engagement & Transparency

Community engagement is a partnership of the community, the developer, the City and the University

Community
- Inclusive community engagement: outreach includes various tools
- Strategy to engage in-town and absentee property owners
- Transparency to the community throughout the process

Developer
- Developer’s responsibility is to understand the vision of the community, know the rules from the staff
- Peer exchange with other markets to learn from innovative projects

City
- Staff needs to be transparent and let the developer know what tools will be applied in each case
University is an anchor partner - but not physically growing into the neighborhood (undergraduate student housing on campus, University of Utah Master Plan)

- East Downtown is a connector between downtown and campus (e.g., Columbus and OSU)
- Neighborhood can support housing for university workforce (university teaching, support, graduate, doctoral and post doctoral)
Leadership | Stewardship

Dennis Lindsey  
G.M.

Quin Snyder  
Coach

Donovan Mitchell  
Player
Leadership/Stewardship

- Role of staff (exceptional experts)
- Roles of Mayor and Council (CEO and board of directors)
- Mayor & Council set land use policy and vision
- Mayor: proposes budget that executes vision
- Council: budget approval and land use policy (sets vision upon adoption)
- City Staff: experts charged with implementing the vision that provides the outcomes the community expects from policy and budget resources
Presentation Outline
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Conclusions

• East Downtown can be a highly connected, mixed-income, mixed-use neighborhood
• Engaging community and partners (especially the University) is critical to achieving success
• Zoning regulations should be simplified to remove barriers to development (i.e., focus on form, predictable process)
• Facilitate the preservation and adaptive re-use of heritage buildings for naturally occurring affordable housing and neighborhood character
• Use incentives to provide public access and infrastructure to enable infill opportunities on large blocks
Conclusions (con’t)

• There’s a relationship between land use strategy and housing strategy: Office development can substantially fund affordable housing (e.g., TIF)
• Housing partners (non-profits, developers and City) need to regularly evaluate the fundamentals and financial gaps around mixed-income housing
• With a clear vision and best-practice tools, City staff has the talent and expertise to achieve your goals
Homework

1. Review current land inventory to ID opportunity sites for housing development or redevelopment
2. City and University meeting to define priorities and opportunities for cooperation
3. Assign staff project manager to develop adaptive reuse policy and ID any code conflicts
4. Analyze recent outreach efforts and prepare plan for reaching under-represented community members
5. ID a clean-air metric that will improve as a result of infill development in the study area

Next check-in:
Rose Fellowship Retreat
Detroit, May 1
Thank you to the following people; their assistance was essential to the panel’s work: