



CITY COUNCIL STAFF REPORT

MEETING DATE:	27 July 2016
APPLICANT:	South Salt Lake City
REQUEST:	Adoption of the 2016 Moderate Income Housing Plan as an amendment to the General Plan
FILE NUMBER:	GP-16-001
PREPARED BY:	Francis Xavier Lilly, AICP, Deputy Director

SYNOPSIS: South Salt Lake City is petitioning the Planning Commission and City Council to adopt the 2016 Moderate Income Housing Plan as an element of the City's General Plan. In doing so, the City will fulfill its obligation under §10-9a-408 of the *Utah Code* to review and update a moderate income housing plan at least every two years.

The Moderate Income Housing Plan amends the General Plan's housing element with updated demographic information and new goals and objectives for housing for low- and moderate-income residents, including seniors and those with critical needs. The General Plan's housing element includes seven goals, described on pages 141 through 143 of the plan. Those goals remain relevant to the community and should be implemented by City staff. This updated Moderate Income Housing Plan does not replace the housing goals adopted in 2010 as part of the General Plan.

The intent of the South Salt Lake City Moderate Income Housing Plan is to ensure that the City provides ample opportunities for quality housing for all residents, especially those who live in cost-burdened households or who experience critical needs. While South Salt Lake provides a considerable amount of housing to the region's low- to moderate-income households, the need for additional housing opportunity is still acute. This plan advocates for additional affordable housing such that any resident can fully participate in and benefit from all aspects of neighborhood and community life.

PLANNING COMMISSION RECOMMENDATION: At a public hearing held on 7 July 2016, the South Salt Lake City Planning Commission unanimously recommended that the City Council adopt the 2016 Moderate Income Housing Plan as an element of the South Salt Lake City General Plan, for the following reasons:

1. The Moderate Income Housing Plan meets the minimum requirements established by State statute.
2. The Moderate Income Housing Plan recommends policies that will increase opportunities for affordable housing for South Salt Lake residents at all income levels.



CITY COUNCIL STAFF REPORT

State Code Requirements

10-9a-408. Biennial review of moderate income housing element of general plan.

- (1) The legislative body of each city shall biennially:
 - a. review the moderate income housing plan element of its general plan and its implementation;
 - b. prepare a report setting forth the findings of the review.
- (2) Each report under Subsection (1) shall include a description of:
 - a. efforts made by the city to reduce, mitigate, or eliminate local regulatory barriers to moderate income housing;
 - b. actions taken by the city to encourage preservation of existing moderate income housing and development of new moderate income housing;
 - c. progress made within the city to provide moderate income housing, as measured by permits issued for new units of moderate income housing; and
 - d. efforts made by the city to coordinate moderate income housing plans and actions with neighboring municipalities.
 - e.
- (3) The legislative body of each city shall send a copy of the report under Subsection (1) to the Department of Workforce Services and the association of governments in which the city is located.
- (4) In a civil action seeking enforcement or claiming a violation of this section or of Subsection 10-9a-404(5)(c), a plaintiff may not recover damages but may be awarded only injunctive or other equitable relief.

10-9a-403. Plan preparation.

- (2) (a) At a minimum, the proposed general plan, with the accompanying maps, charts, and descriptive and explanatory matter, shall include the planning commission's recommendations for the following plan elements:
 - (i) a land use element that:
 - (A) designates the long-term goals and the proposed extent, general distribution, and location of land for housing, business, industry, agriculture, recreation, education, public buildings and grounds, open space, and other categories of public and private uses of land as appropriate; and
 - (B) may include a statement of the projections for and standards of population density and building intensity recommended for the

various land use categories covered by the plan;

- (ii) a transportation and traffic circulation element consisting of the general location and extent of existing and proposed freeways, arterial and collector streets, mass transit, and any other modes of transportation that the planning commission considers appropriate, all correlated with the population projections and the proposed land use element of the general plan; and
 - (iii) for cities, an estimate of the need for the development of additional moderate income housing within the city, and a plan to provide a realistic opportunity to meet estimated needs for additional moderate income housing if long-term projections for land use and development occur.
- (b) In drafting the moderate income housing element, the planning commission:
- (i) shall consider the Legislature's determination that cities shall facilitate a reasonable opportunity for a variety of housing, including moderate income housing:
 - (A) to meet the needs of people desiring to live there; and
 - (B) to allow persons with moderate incomes to benefit from and fully participate in all aspects of neighborhood and community life; and
 - (ii) may include an analysis of why the recommended means, techniques, or combination of means and techniques provide a realistic opportunity for the development of moderate income housing within the planning horizon, which means or techniques may include a recommendation to:
 - (A) rezone for densities necessary to assure the production of moderate income housing;
 - (B) facilitate the rehabilitation or expansion of infrastructure that will encourage the construction of moderate income housing;
 - (C) encourage the rehabilitation of existing uninhabitable housing stock into moderate income housing;
 - (D) consider general fund subsidies to waive construction related fees that are otherwise generally imposed by the city;
 - (E) consider utilization of state or federal funds or tax incentives to promote the construction of moderate income housing;
 - (F) consider utilization of programs offered by the Utah Housing Corporation within that agency's funding capacity; and
 - (G) consider utilization of affordable housing programs administered by the Department of Workforce Services.

Municipal Code Requirements:

17.07.020 - Establishment and duties of planning commission.

K. Responsibilities.

1. The planning commission makes recommendations to the city council for:
 - a. The general plan and amendments to the general plan;

General Plan Considerations:

Goal CV-3. Follow the General Plan as closely as possible.

Objective CV-3.2: The General Plan should be kept as a relevant document.

Goal HE-7. Review the moderate-income housing plan every two years and update as required.

Moderate Income Housing Plan Goals – See attached.

Staff Analysis:

The General Plan calls for the review of the moderate income housing plan every two years an update as required. Since it has been several years since the last moderate income housing plan, staff decided to rewrite the plan.

The Plan follows the State's statutory requirements and outlines community demographics, condition of the housing stock, the availability of housing at different income levels, the presence of regulatory barriers, and existing and projected gaps in housing affordability. Finally, the plan recommends the adoption of four goals to implement by 2020:

Goal 1: Increase housing opportunities for households earning to 50 percent of the City's Area Median Income (AMI) and for households with critical needs, by providing 100 new housing units for households earning less than 50 percent AMI, and another 100 units for low- and moderate-income senior households.

Goal 2: Increase housing opportunities for households earning from 50 to 80 percent of the City's AMI, by providing 200 new housing units for households at this target income level, and by continuing to promote the safety and quality of existing rental housing.

Goal 3: Increase housing opportunities for households earning from 80 to 100 percent of the City's AMI, by providing 200 new housing units for households at this target income level, by expanding the City's Housing Rehabilitation Program, and by continued support of the County's down payment assistance program.

Goal 4: Increase opportunities for affordable housing through rehabilitation and neighborhood revitalization. This should be done through continuing and expanding existing programs and partnerships to provide an additional 80 Community Connection neighborhood revitalization grants, 40 low-interest Critical Needs / Green and Healthy Home Initiative loans, 100 Emergency Home

Repair Grants, and pursuing additional opportunities to provide affordable, sustainable home ownership for existing residents. This goal is perhaps the most critical of the four, as South Salt Lake has an ageing housing stock that shelters thousands of households at all income levels. The programs recommended by this goal will help maintain equity and value in these homes, while providing households with an opportunity to repair critical needs or adapt to personal situations that would otherwise cause them to lose their homes.

The moderate income housing plan is a policy document required by State Statute, and is intended to inform decisions about affordable housing in the future. Like every other General Plan element, it is advisory in nature. However, as is apparent in the 2016 Moderate Income Housing Plan, the need for additional affordable housing in our community is acute, and the plan goals should be implemented as a means to provide additional housing choice to the community.

Planning Commission Recommendation:

The Planning Commission recommends adoption of the 2016 Moderate Income Housing Plan as an element of the General Plan, for the following reasons:

1. The Moderate Income Housing Plan meets the minimum requirements established by State statute.
2. The Moderate Income Housing Plan recommends policies that will increase opportunities for affordable housing for South Salt Lake residents at all income levels.

Attachments

Draft Planning Commission Meeting Minutes
Housing Element of the General Plan
2016 Moderate Income Housing Plan

Planning Commission Work Meeting Minutes

Thursday, July 7, 2016

City Council Chambers

220 East Morris Avenue

Time 6:45 p.m.

Commission Members Present:

Rachel Lauritzen, Presiding
Leslie Jones
Spencer Walker
Susan Dickstein

Staff Members Present:

Michael Florence, Community Development Director
Francis Lilly, Deputy Director Community Development
Alexandra White, City Planner
Hannah Vickery, Deputy City Attorney

1. Discussion of Agenda Items.

Deputy Community Development Director, Frank Lilly, presented the staff report regarding an amendment to the General Plan. This item was discussed at length at the last Work Session and the Planning Commission was familiar with the proposal. Mr. Lilly explained that State statute requires every municipality to bi-annually review a Moderate Income Housing Plan. The plan needs to address what the City can do to reduce barriers that exist in the ordinances that could prevent the provision of affordable housing. The plan must also reflect what actions have been taken and outline goals for the future.

Mr. Lilly reported that South Salt Lake City has done a lot to provide affordable housing but there is a consistent need for additional moderate income housing in the community. The proposed plan is particularly robust compared to some of the surrounding municipalities.

In response to a question from Chair Lauritzen, Mr. Lilly confirmed that the Planning Commission would be making a recommendation to the City Council regarding this issue. If approved, the plan would be adopted as an appendix to the General Plan.

Mr. Lilly explained that the Moderate Income Housing Plan will not force the City to go out and find affordable housing opportunities but it will compel the City to allow for such housing to be developed. The plan is primarily in place to eliminate barriers that may exist in the Code.

The Planning Commission Work Meeting adjourned at approximately 7:00 p.m.

Planning Commission Regular Meeting Minutes
Thursday, July 7, 2016
City Council Chambers
220 East Morris Avenue
Time 7:02 p.m.

Commission Members Present: Rachel Lauritzen, Presiding
Holly Carson, via telephone
Leslie Jones
Spencer Walker
Susan Dickstein

Staff Members Present: Michael Florence, Director Community Development
Frank Lilly, Deputy Director Community Development
Hannah Vickery, City Attorney
Alexandra White, City Planner

Moment of Reflection: **Chair Lauritzen**

Pledge of Allegiance: **Commissioner Jones**

Motion to Approve the Agenda: **Commissioner Jones**

Second to the Motion: **Commissioner Dickstein**

Vote: **Unanimous**

New Business

- **GP-16-001**
 1. **Amendment to the General Plan for a Moderate Income Housing Plan**

Action Item

Applicant: South Salt Lake City

Deputy Community Development Director, Francis Lilly, presented the staff report regarding the proposed Moderate Income Housing Plan. He explained that State statute requires all municipalities to have a Moderate Income Housing Plan, which would be reviewed bi-annually. The plan must include a report on efforts made by the City to reduce, mitigate, or eliminate local regulatory barriers to moderate income housing, and actions taken by the City to encourage the preservation of existing moderate income housing and development of new moderate income housing. Mr. Lilly stated the City adopted a Moderate Income Housing Plan several years ago and this plan would simply update the existing plan.

Mr. Lilly reported that staff conducted a fairly detailed analysis of the moderate income housing needs within the South Salt Lake City community and the types of housing currently available and identified gaps between the two. The plan also contains specific goals and objectives that will assist the City in bridging those gaps.

Mr. Lilly reviewed report and identified each section. With regard to income, Mr. Lilly described how the median income was calculated and how it compared to surrounding municipalities. He also noted that the median income for the county and the City are different but staff chose to use the City's median income throughout the report. Mr. Lilly reported that the City has an abundance of affordable housing compared to the rest of the county but a cost burden housing situation still exists. The City will attempt to address the issue with the goals at the end of the plan. Mr. Lilly stated that part of the issue had to do with the current housing market, so the issue couldn't be completely resolved on a City level. He then listed all of the goals and objectives at the end of the plan.

Commissioner Carson asked if there were programs available to aging residents who need to make their homes more accessible. Mr. Lilly explained that grants and loans were available through programs such as Assist and the Community Development Corporation of Utah. The City has done about 20 of these types of loans over the past five years for senior citizens in the community. At least 60 small grants have been distributed. Mr. Lilly stated that the City was well aware of the issue and it was a major component in the proposed Moderate Income Housing Plan.

Commissioner Walker asked if an appraisal was needed in relation to the loans or grants. Mr. Lilly stated that an appraisal was not required but there are loan guidelines that encourage an applicant to have a lot of equity in the home. He briefly explained the application process.

In reference to accessible housing, Commissioner Walker asked if there was a policy in place that prevents a property owner from renting or selling an accessible unit to someone who does not have those needs. Mr. Lilly was unsure.

Chair Lauritzen asked if the plan included discussion about integrating different housing times for varying income levels. Mr. Lilly explained that this was not included in the report because South Salt Lake City already has a wide variety of housing types. The only exception would be the need for senior assisted living facilities, which is addressed in the goals.

Commissioner Walker asked if there was a timeline associated with the goals as it was not listed in that section of the report. Mr. Lilly stated that all of the goals were pegged to the year 2020. This information would be added to the goals section.

Chair Lauritzen opened the public hearing.

Jonathan Hanks identified himself as a representative of the Utah Housing Corporation and gave their business address as 2479 Lake Park Boulevard in West Valley City. He commended staff for the research they had done in preparing the plan. Mr. Hanks briefly explained tax credits and stated that this is a great time for tax credit projects in Utah. In regard to accessible units, Mr. Hanks explained that a property owner can fill the units with people who do not need an accessible

unit. However, when a potential resident comes in who needs an accessible unit, the property owner is required to make that unit available by finding another unit for the current occupant.

There were no further public comments. Chair Lauritzen closed the public hearing.

Chair Lauritzen commented that the document was very thorough and contained a lot of valid data. She was comfortable forwarding a positive recommendation to the City Council.

Motion to recommend that the City Council adopt the 2016 Moderate Income Housing Plan as an element of the General Plan.

Commissioner Carson

Second on the Motion:

Commissioner Walker

Vote on Motion:

Unanimous

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CHAPTER 9

HOUSING ELEMENT (HE)



9.1 INTRODUCTION

Utah State Code Section 10-9a-401 requires a moderate-income housing plan for all cities. Residents were involved; and interviews were conducted with business leaders, educational institutions, service providers, and housing industry professionals. Analytical economic development and housing research established baseline supporting the creation of the housing plan.

The process revealed that South Salt Lake is unique among cities in Salt Lake County. The City exhibits significantly different economic and demographic characteristics. Compared with Salt Lake County South Salt Lake has an inverse home tenancy. Census data confirms a disproportionately low homeownership rate of 38 percent and a high rate of rental housing of 62 percent.

South Salt Lake is a significant employment center within the county as demonstrated by its considerable daily in-migration workforce pattern. There are 31,000 employees working in the City each day.

Educational attainment and incomes are low relative to those of Salt Lake County. The Governor's Office of Planning and Budget reported a slow but consistent growth pattern since the 2000 census, which then indicated its population to be 20,146. Census data has the 2007 population of South Salt Lake at 21,607. The annual growth rate has been approximately 1.4 percent per year that translates into 330 new residents each year. The housing gaps analysis shows a strong need for affordable housing.

Citizen, community groups and key stakeholder meeting feedback demonstrated a strong desire for policies that would improve the overall appearance and livability of South Salt Lake. Residents of the City want stable neighborhoods, new affordable rental housing, increased homeownership opportunities, housing and neighborhood revitalization, additional park and recreational areas, and convenient shopping.

9.2 EXISTING CONDITIONS

9.2.1 Demographic Characteristics

The population of South Salt Lake City in 2007 was estimated to be 21,607. (See Table 1). Since 2000, the population of the city has increased by 1,461 residents. The growth rate of 1.8 % in 2007 should be similar through the planning period to 2010. The estimated number of households in the city is 3,100. The median age for residents of the city was 28.9. South Salt Lake is one of the smallest cities in Salt Lake County. However, it ranks sixth in the county for the number of businesses and the fifth for average employment, total wages paid and average monthly wages.

9.2.1.1 Demographic Analysis

South Salt Lake City is expected to grow to 23,336 by 2010 and to 27,725 by 2020 based on the implementation of aggressive housing programs. South Salt Lake had 8,819 households in 2007 expected to increase to 8987 by 2010. The average size of the households is 2.56 and is expected to decrease in size.

Table 1 Population Estimates

Current Population	2010	2015	2020
21,607	23,336	25,436	27,725

Bureau of Economic and Business Research, University of Utah.

Table 2 Number of Households

Year	South Salt Lake City	Absolute Change	Percent Change
1990	4439		
2000	8042	35	0.4%
2001	8187	145	1.8%
2002	8300	113	1.4%
2003	8404	104	1.3%
2004	8497	93	1.1%
2005	8593	96	1.1%
2006	8735	141	1.6%
2007	8819	84	1.0%
2010	8987	168	1.9%

Source: U.S. Census Bureau, Governor's Office of Planning and Budget.
 Bureau of Economic and Business Research, University of Utah.
 Economic Baseline Study of South Salt Lake City BUREAU OF ECONOMIC AND BUSINESS RESEARCH

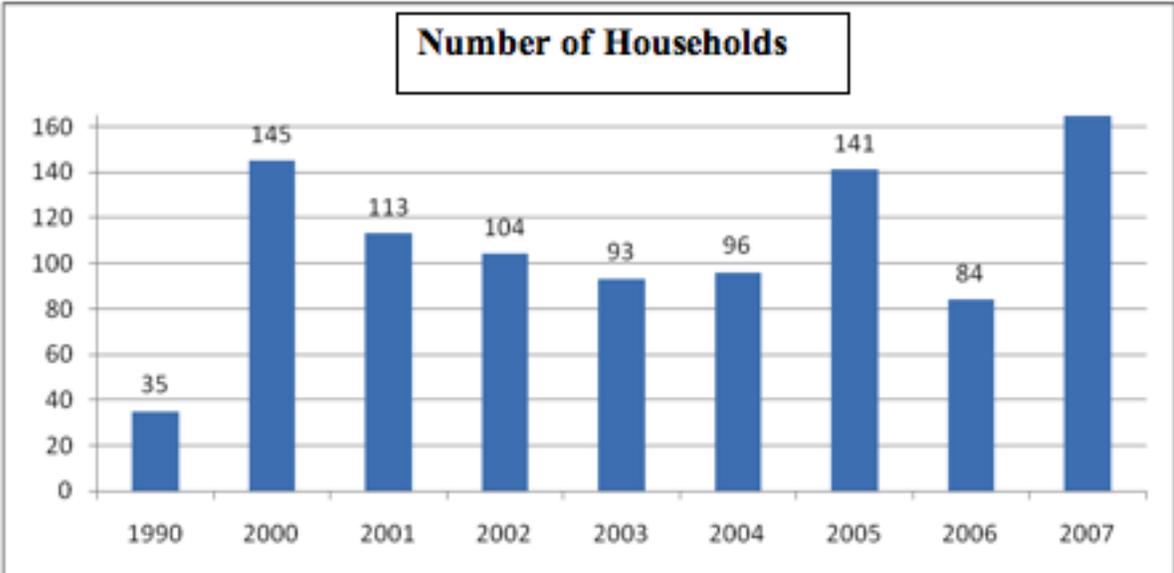


Chart 1 depicting change in number of households.

Table 3 Household Size

Year	South Salt Lake City
1990	2.26
2000	2.47
2007	2.56
2010	2.58
2020	2.42

Source: U.S. Census Bureau, Governor's Office of Planning and Budget and Bureau of Economic and Business Research, University of Utah.

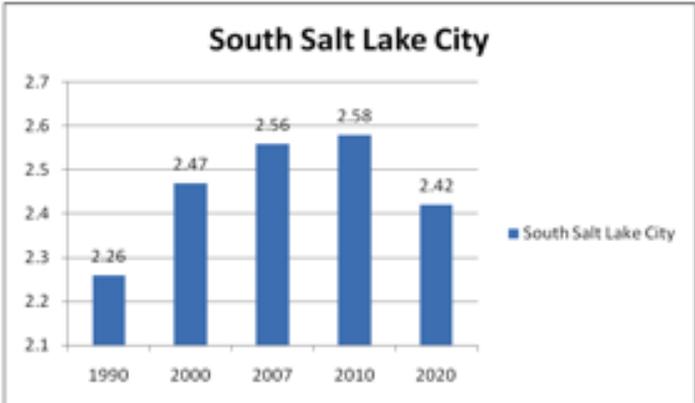


Chart 2 shows changing household size.

9.2.1.2 Median Age

Table 4 Current Age Distribution for South Salt Lake City

Age Range	Percent of Total
0-9 Years	15.4
10-19 Years	12.3
20-29 Years	25.0
30-39 Years	17.5
40-49 Years	13.1
50-59 Years	6.9
60-69 Years	4.1
70-79 Years	3.7
80+ Years	2.0
Total	100.00%

*US Census 2000

BUREAU OF ECONOMIC AND BUSINESS RESEARCH

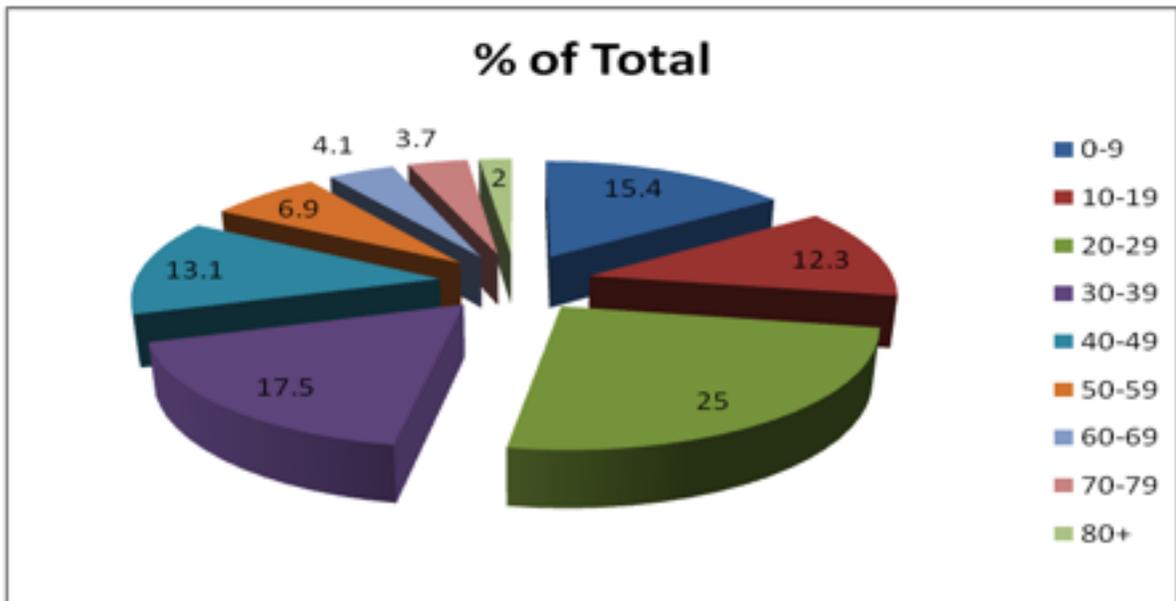


Chart 3 shows Age Distribution for South Salt Lake City.

9.2.1.3 Review of Age Demographics

Since the 2000 census, the population of South Salt Lake has become younger with a increase in children younger than 9. The age of new residents has been lower and has brought a significant number of children into the City. Over one quarter of the all of the residents of the City is under 19. Twenty Five percent are between the ages of 20 and 29; and 15 percent of the population is over 50 years. Housing development needs to include larger homes for families with children, a portion of which must be affordable. Affordable housing for single adults and young couples and options for seniors as they move into retirement and assisted living are built into this plan. Housing rehabilitation will help to resolve the lack of affordable housing in the community and will add stability to the City.

9.2.1.4 Aging of South Salt Lake Population

Only 9 percent of the population of South Salt Lake is over the age of 60. (See Table 4). There will be a need for retirement, accessible and assisted living housing as the population continues to age. The community's natural life cycle requires varied housing types and size options.

9.2.1.5 Ethnic Status

South Salt Lake has ethnic diversity with a high number of Hispanics. South Salt Lake has a growing population of Hispanic workers that are critical to its economic vitality. Many Hispanic households have second wage earners in the household and even multiple jobs per person. Lower income households often live in overcrowded housing circumstances (See housing needs projection model in Section 4 of this plan.)

Table 5 Ethnic Status (2000 Census)

	Percent of Total
White	65.7
African American	2.7
Native American	2.5
Hispanic	22.4
Asian	2.6
Pacific Islander	1.2
All other races	2.9
Total	100%

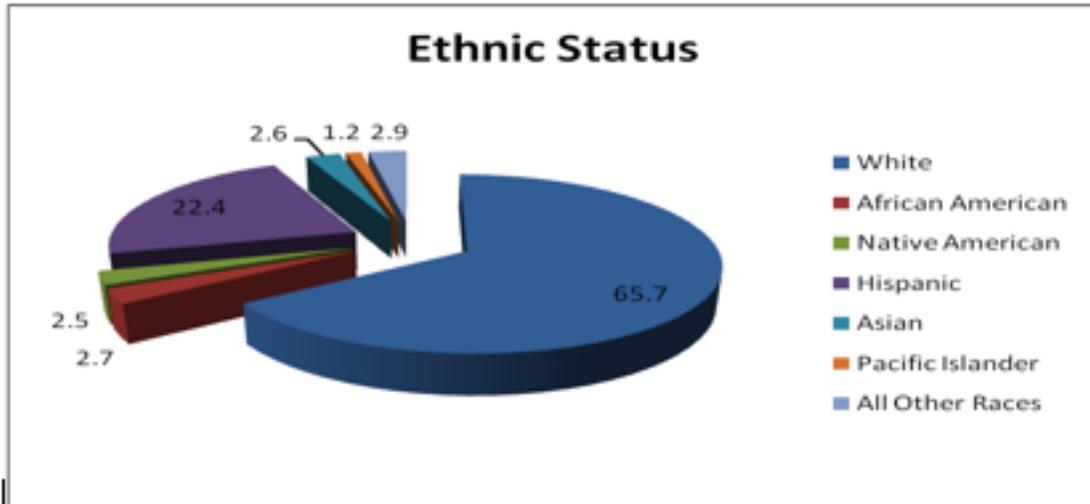


Chart 4 shows ethnic status of South Salt Lake City according to the 2000 Census.

9.3. AFFORDABILITY AND TYPE

9.3.1 Housing Affordability Analysis

9.3.1.1 Introduction

Family size, income and State Law determine housing affordability. Utah State Law defines “moderate income” as 80 percent of the area median income. On this basis, an average family of three, in 2007, would meet this definition if their income was less than \$47,050. For the purpose of this plan, housing affordability will be based on 30 percent of income going to housing costs.

Housing affordability is influenced by a variety of elements including vacancy. Vacant Housing in South Salt Lake in 2000 was .07 percent of all housing, equivalent to 64 Units. Vacant housing could be rehabbed into moderate-income housing. Vacant housing can also be a resource to increase homeownership in the City, which has been a goal for many years in South Salt Lake. Homeownership and rental patterns also affect housing affordability. The number of families/persons owning their home is lower in South Salt Lake than any other community in Salt Lake County. Only 38 percent of the population own their home compared to Salt Lake County. The number of renter households was 5,662 in 2008 or 62 percent of the population. Due to the current economic situation, the number of households needing affordable rental housing will increase and vacancies will decrease.

Of the nearly 5,219 rental, units in South Salt Lake 289 are considered affordable based on the previously stated definition and as identified through local non-profit and the local housing authority. Other units may in fact be affordable but are held in private ownership and as such cannot be effectively tracked. Consequently, low or very low-income families may be living in higher priced market rate housing which often is in sub-standard condition and in situations where overcrowding is occurring.

Table 6 Subsidized rental housing owned by non-profits

Property	# of Units
Frontier Transitional Housing	14
Dominguez Park Apartments (Phase III)	60
Grace Mary Manor	84
Gregson Apartments	16
Helm Apartments	8
Park Hills Mobile Home Estates	30
Stratford Apartments	46
Transitional Living Center	6
TURN - Granite Apartments	5
TURN - Kensington Duplex	2
TURN - Riviera Duplex	2
Aspen View Apartments	16

Table 7 Salt Lake Utah Metropolitan Statistical Area, (US Census Bureau) Income Limits for 2008.

	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
30% of Median								
Very Low-income	13700	15700	17650	19600	21150	22750	24300	25850
50% of Median								
Low Income	22850	26100	29400	32650	35250	37850	40500	43100
80% of Median								
Moderate Income	36600	41800	47050	52250	56450	60600	64800	68950

HUD 2008 Income Limits, HUD.Gov

Affordability is generally defined as the monthly rental rates or mortgage payments including principal, interest, taxes and insurance (PITI) costs that do not exceed 30 percent of the household income on a graduated scale based on family size. Table 8 below provides data on those figures for South Salt Lake City.

Table 8 Housing Affordability for Income Classifications based on Household Size

	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
30% of Median	343/mo.	392/mo.	441/mo.	490/mo.	529/mo.	569/mo.	608/mo.	646/mo.
50% of Median	571/mo	653/mo.	735/mo.	816/mo.	881/mo.	946/mo.	1013/mo.	1078/mo.
80% of Median	915/mo.	1045/mo.	1176/mo.	1306/mo.	1411/mo.	1515/mo.	1620/mo.	1724/mo.

9.3.1.2 Housing Affordability at 120% of Area Median Income

Community stability programs should remain focused on in-fill housing that is affordable. Rehabilitation and additions to existing homes and programs that drive homeownership rates up by 15 percent over the next 20 years should be developed. This plan takes into account housing up to and including 120% of the area median income, with the full understanding that it is not “affordable” based on Federal and State definitions. In this scenario, the income for a three person household would be \$58,813. Using 30 percent of the income for housing would support rent at \$1,470/month or a mortgage payment including PITI of about \$1470 per month on a mortgage of \$265,000 (at 5 percent interest). There is a declining supply of properties above \$150,000 found in the community today; these figures include rehabilitated/enlarged single-family homes, and newly constructed housing. Due to the national economic slowdown the targeted sales prices of new homes has begun to decrease. Where new homes were built and sold at approximately \$250,000 in 2007-2008, they are now listed for closer to \$200-\$225,000 in projects with higher densities enabling greater developer financial feasibility and borrowing capacity for buyers in today’s market place. Rental properties at these levels are limited in South Salt Lake but when available there are low vacancy rates; and turnover rates of 4 to 5 percent.

9.3.1.3 Housing Affordability at 80% of Area Median Income

As of 2007, the average family size in South Salt Lake according to the U.S. Census was 2.56. When rounded to a three-person household, this equates to an 80 percent of AMI income of \$47,050 or \$3,921 per month. This means that housing costs must be \$1176 per month or less at 30 percent of income going to housing costs. Rents in the South Salt Lake area are \$1300/mo. for a two-bedroom apartment. This type of income would enable a monthly mortgage payment on a total mortgage of about \$185,000 based on 5 percent interest on a 30 year fixed term including taxes and insurance.

In the current South Salt Lake market, there are a limited number of condominiums, twin homes or older, smaller homes at this price. Many of the existing homes at this price need substantial rehabilitation. Often rehabilitation is not economical or even feasible. The Plan must also be sensitive to those who lose their homes by foreclosure. In 2008, there were 160 foreclosures in South Salt Lake. Those needs are also addressed in this Plan.

A recent municipal survey indicated that an additional 40 single-family homes meet the abandoned housing definition. Implementation and enforcement of the newly adopted abandoned housing ordinance will enable vital housing stock to be placed back into homeownership.

Seniors, disabled persons and other persons with special needs often make less than 30% of the AMI, and are therefore particularly vulnerable in changes in local housing markets. Many of these individuals cannot work and are living on fixed incomes. Domestic abuse victims also have limited incomes, as do persons who are homeless. Youth aging out of foster care and persons leaving incarceration are part of this group (See special needs section of this plan).

9.3.1.6 Credit Issues

A critical issues effecting housing in South Salt Lake are credit issues. Credit issues can include abuse of credit and high debt to income ratios. Individuals that cannot get mortgages must rent properties. The need to help people plan for their future financial well-being is important including purchasing property rather than renting, developing long-term equity, asset saving and retirement plans in all types of economic conditions. The City should continue to support services offered by local social services, housing authorities, credit educators and other non- and for-profit agencies.

9.3.2 Special Needs and Disadvantaged Housing

Planning should include public awareness of the need for housing for persons least able to provide it for themselves. Solutions to help meet these housing needs must be explored. Special consideration should be given by the public sector to assist in providing housing affordable for the special needs and disadvantaged persons and families. Proposed activity types and units are provided in this plan as examples for consideration.

Table 10 Special Needs & Disadvantaged Populations in South Salt Lake City

Special Needs & Disadvantaged Populations:	Number of Individuals
Persons over the Age of 60	2368
Persons living with Physical disabilities	1472
Persons living with Mental disabilities	1074
Single Female Head of Households (with children)	811
Homeless Persons (annual count)	23
Victims of Domestic Abuse (including children)	1244
Youth Aging out of Foster Care	6

9.3.2.1 Housing for Seniors

Senior housing options in South Salt Lake City cover the spectrum from private dwellings, market and affordable rental units, small assisted living care providers to long-term care facilities. As the local population ages in place there will be a growing demand for more specialized housing such as assisted living and HUD202 subsidized apartments. About 120 units of existing HUD202 properties exist in the market today.

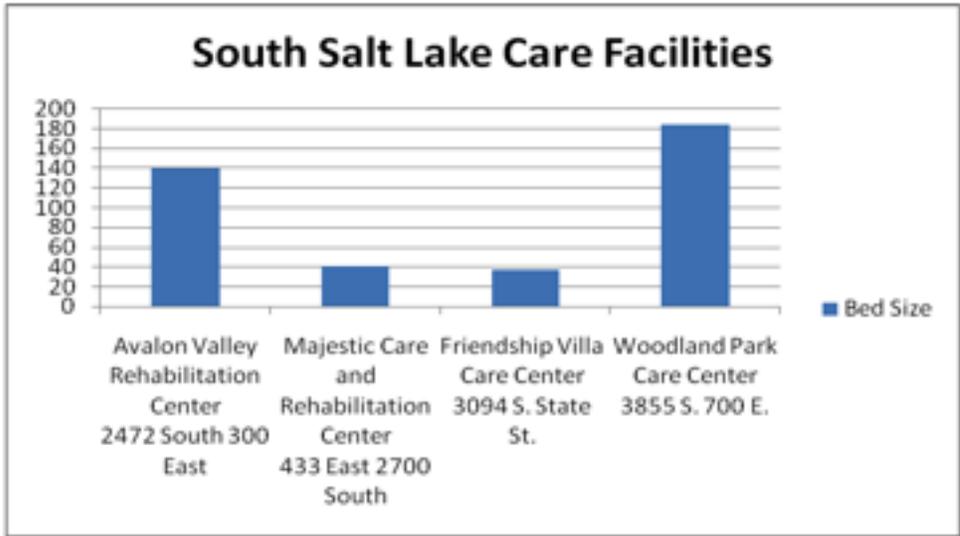


Chart 5 shows distribution of care facilities beds in the South Salt Lake area.

9.3.2.2 Housing for the Disabled

According to the 2000 census there were 3,864 persons with disabilities or 4.5 percent of the population; a third of this population had physical disabilities while 355 had sensory disabilities requiring different accessibility requirements. These figures indicate a need for accessible housing options in both the rental and homeownership market. The City can play a role by promoting practical methods for rehabilitation, providing resource and referral information to local non-profits and by encouraging new developments to include these features and units types.

Table 11 Disabilities in South Salt Lake City

Disability Type	Number of individuals (Ages 16 to 64)	Number of individuals (Ages 5 to 15)
Sensory	355	18
Physical	1070	29
Mental	958	116
Employment Disability	2694	-

US Census 2000

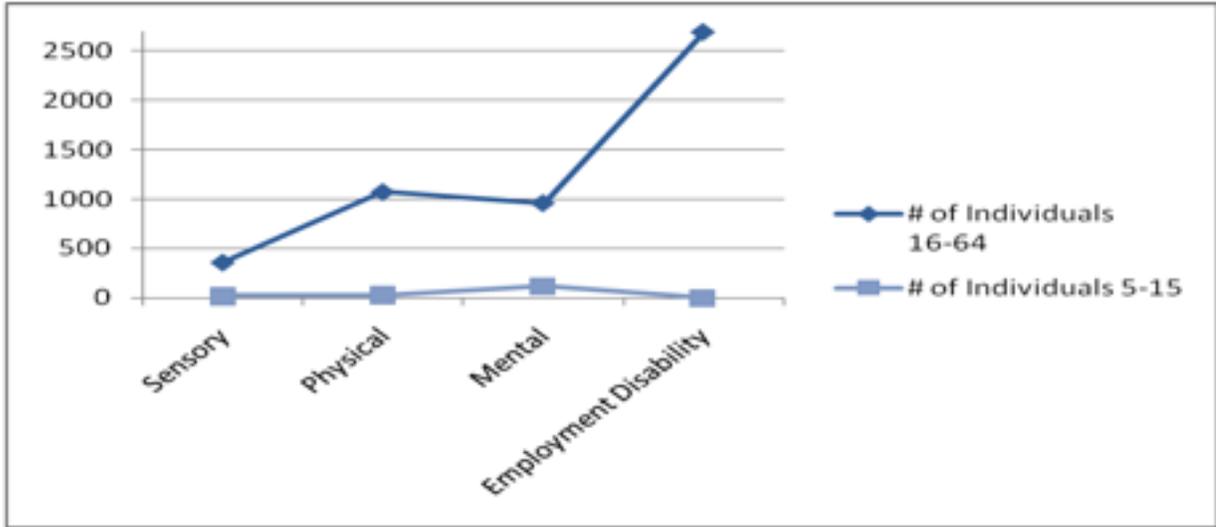


Chart 6 shows the range of disabilities of South Salt Lake City residents.

It should be noted that persons with mental disabilities are provided for by local entities such as the Utah Independent Living Center and Valley Mental Health. The Utah Independent Living Center offers services, training and housing referrals now for citizens while Valley Mental Health operates a 45-unit housing project located in South Salt Lake.

Table 12 Existing Housing for the Developmentally Disabled

Project	Type	Location	# Units
Kensington Apts.	Developmentally Disabled	155 East Ford Avenue	Duplex - serves up to 4 people
Columbus Apts.	Developmentally Disabled	500 East	Fourplex/Single Family Home serves up to 6 people
Lambourne Apts.	Developmentally Disabled	379 & 381 Lambourne	Duplex - serves up to 4 people

9.3.2.5 Youth & Youth Aging out of Foster Care

The Division of Youth Services and associated service providers offer programming impacting minors of all ages through an array of facilities located along West Temple at approximately 3600 South. The facilities take in and care for approximately 100 youth of all ages every day including youth aging out of foster care.

9.3.2.6 Persons Exiting Incarceration

Table 14 Incarceration Capacity Figures for South Salt Lake City

Facility	Capacity
Salt Lake County Metro Jail	2,200 Inmates
Oxbow Jail	500 Inmates

South Salt Lake City incarceration facilities hold approximately 2,100 inmates on a daily basis.

9.3.3 Housing Needs Statement

South Salt Lake City will continue to deal with issues related to aging single- and multi-family housing stock, disproportionate renter/ownership ratios, diminishing urban in-fill opportunities and a distinct lack of available open land for future development.

The City should see additional housing within (TOD) overlay zones as the population grows and new household formations occur. South Salt Lake residents are already among the highest users of public transportation and will likely continue to be. New development along corridors with available mass transit will provide for a unique opportunity to diversify the City’s housing stock.

9.4. GOALS, OBJECTIVES AND POLICIES

Goal HE – 1. Seek a broad range of housing types and styles with community sustainability in mind.

Objective HE-1.1: Determine the current mix of housing types located in the city.

Policy HE-1.1.1: Within one year of plan adoption, accurately inventory all housing by type, price and square footage into a usable database and determine target-housing type(s) for programmatic focus.

Policy HE-1.1.2: Adopt ordinances and possibly incentives or lines of credit to demolish/rebuild or renovate housing of the target type(s).

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Goal HE - 2. Improve the overall quality of existing housing stock.

Objective HE-2.1: Reduce or eliminate the number of abandoned housing units.

Policy HE-2.1.1: Continue with the acquisition and rehabilitation initiatives related to current abandoned housing units.

Policy HE-2.1.2: Adopt ordinances and possibly incentives or lines of credit to demolish/rebuild or renovate housing of the target type(s).

Policy HE-2.1.3: Actively encourage, educate and assist property owners in the remodeling or redevelopment of abandoned dwellings.

Objective HE-2.2: Stop the observable exterior deterioration of housing stock within the city.

Policy HE-2.2.1: Enact an exterior property maintenance ordinance.

Policy HE-2.2.2: Actively improve and promote city housing rehabilitation programs.

Objective HE-2.3: Strive to decrease and eliminate non-conforming uses.

Policy HE-2.3.1: Strengthen identification of non-conforming uses and maintain active code enforcement.

Policy HE-2.3.2: Actively encourage, educate and assist property owners in the remodeling or redevelopment of abandoned dwellings.

Goal HE-3. Infill housing should be encouraged.

Objective HE-3.1: Within one year of plan adoption, accurately inventory all vacant lots and determine target-housing type(s) for redevelopment and programmatic focus.

Policy HE-3.1.1: As possible, create incentives or lines of credit to demolish/rebuild or renovate housing of the target type(s).

Goal HE-4. Improve the overall homeownership ratio.

Objective HE-4.1: Increase the overall long-term homeownership ratio by 15%.

Policy HE-4.1.1: Support financial literacy, credit counseling, home maintenance, homebuyer and foreclosure education.

Policy HE-4.1.2: Draft and implement policies enabling appropriate conversion of multi-family units to condominiums.

Policy: Identify and create new partnerships with local non-profits to expand homeownership opportunities.

Goal HE-5. Strict development and design standards should be adopted that will result in desirable, modern and attractive houses.

Objective HE-5.1: Adopt an ordinance that mandates design criteria.

Policy HE-5.1.1: Form a task force to determine what good design is and develop design criteria for South Salt Lake.

Policy HE-5.1.2: Adopt ordinances that incorporate design principles into the approval process.

Goal HE-6. Improve the quality, appearance and maintenance of existing multi-family housing.

Objective HE-6.1: Stop the observable deterioration of multi-family housing stock.

Policy HE-6.1.1: Continue the “Good Landlord” program and make changes as necessary to improve the program.

Policy HE-6.1.2: Strictly enforce landscape maintenance and replacement and encourage use of “water wise” landscaping where appropriate.

Policy HE-6.1.3: Adopt incentive programs to aid owners in exterior upgrades of properties, i.e., relaxed or waived fee structures.

Policy HE-6.1.4: Provide sufficient staff to administer programs.

Goal HE-7. Review the moderate-income housing plan every two years and update as required.

Objective HE-7.1: Validate trends in local housing needs annually through utilization of the Utah Workforce Housing Analysis Model and Stakeholder Interviews.

9.5 REGULATORY REVIEW AND RECOMMENDATIONS

9.5.1 Regulatory Conditions

South Salt Lake City is working on developing ordinances that will provide greater opportunity for homeownership. The City will also continue to enable rental property development consistent with the housing and land use elements of the general plan.

Current South Salt Lake regulations do not create significant barriers to workforce and moderate-income housing development. Table 13 identifies amendments to improve ordinances that will aid in the development of desired income targeted housing. The analysis of the regulatory barriers usually finds that there is a lack of flexibility in regulations affecting affordable housing projects. The lack of flexibility limits cost savings in housing projects that make them more affordable; this is especially true in saving time in municipal approval processes.

9.5.2 Current Zoning Requirements

9.5.2.1 Residential Zones

South Salt Lake zoning ordinance contains four residential zones (A-1, R-1, R-S and R-M) and contains the “Neighborhood Commercial Zone” which permits mixed uses, encouraging a “mix of housing types” along with commercial uses compatible with residential uses. There is also the “Transit Oriented Development Zone” that allows residential uses.

This plan suggests an evaluation of increased flexibility for projects offering affordability. There are no specialized allowances for projects providing moderate-income housing. It is suggested that the ordinance allow for increased density when an affordability component is built into the project, even with mixed incomes. It is also suggested that the inclusionary code allow flexibility when a project is addressing the housing needs of people with very low incomes less than 30 percent of AMI and rents affordable for people with incomes between 30 percent and 50 percent of AMI.

All density increases beyond the specified allowed number of units will be addressed through the development approval process. It is suggested that to obtain more density a project will have to include an affordability component as part of the project.

9.5.2.2 Regional Housing Plan Coordination

This element takes into account the need to coordinate land uses with adjacent municipalities and Salt Lake County. South Salt Lake will encourage and continue to participate in regional planning efforts to address existing and future housing issues. An example of the need for and success of coordination is the regional homeless coordinating committee. South Salt Lake has played a major role in addressing the needs of homeless citizens from across the county. Participation in other regional housing discussions concerning domestic abuse shelters, elderly housing, assisted living centers and housing for the disabled should continue. Through regional cooperation, site locations and financial leveraging or limited community resources can be found to meet the housing needs of under-served special needs households in South Salt Lake City. South Salt Lake City should invite continuous discussions with entities such as those listed below.

RECOMMENDED POTENTIAL PARTNERS

- Community Development Corporation of Utah
- Habitat for Humanity
- Housing Authority of Salt Lake County
- Multi Ethnic Development Corporation
- Odyssey House
- Salt Lake County Health Department
- South Salt Lake Works
- Utah Department of Community and Culture
- Utah Department of Human Services
- Utah Independent Living Center
- Utah Nonprofit Housing Corporation
- Valley Mental Health

9.6. IMPLEMENTATION

9.6.1 Gaps Analysis

The housing gaps analysis is to address the need for workforce housing for the next two years:

Rental workforce housing for families making less than 50 percent of AMI (\$29,400 for a family of 3).

- 100 units over a five year period; gaps analysis shows substantial shortfalls but limited land availability would drive smaller projects over dispersed locations.
- Suggested Location(s): Mixed use and commercial zones near employment centers, shopping, medical care and public transportation; with emphasis in the TOD zone.

Rental workforce housing for families with incomes less than 80 percent of AMI (\$47,050 for a family of 3).

- 5-10 units over a five year period; gaps analysis shows no shortfalls but multi-family Low Income Housing Tax Credit rental projects as outlined above would encompass these figures in the unit mix up to 60 percent AMI targeting. Rehabilitation of existing properties is strongly encouraged to maintain the existing housing supply for those between 60 percent and 80 percent AMI.
- Suggested Location(s): Redevelopment or infill areas near employment centers, shopping, medical care and public transportation; with emphasis in the TOD zone.

Workforce Housing for families at 80 percent or less of AMI

- Focusing on single family homes to purchase including condominiums and town homes in the form of duplexes or larger higher density properties. The city should also act to identify locations for crown homes and land trust in consultation with the local non-profit entities.
- Ten units or more annually; identify all vacant lots and work with for- and non-profit providers to establish local capacity to maximize further movement in the overall homeownership rate. These are likely upward income earners or new residents to the city.
- Suggested Location(s): In-fill lots.

Lower cost, subsidized, rental properties for persons with special needs, including for elderly persons on fixed incomes.

- 23-61 units every five years; routinely assess unit potential based on aging demographics and competitive Housing & Urban Development application criteria.
- Suggested Location(s): Sites currently under review include State, Main and 2nd East; RM, Mixed Use and Commercial zones.
- Accessible rental housing for persons with disabilities including physical and mental disabilities and with incomes below 50 percent of AMI separate or as part of all other rental housing that is approved.
- 5-10 Units biennially (Based on the Federal Low Income Housing Tax Credit development that requires a 5 percent set-aside for accessibility in all new projects).
- Suggested Location(s): Sites currently under review include State, Main and 2nd East; RM, Mixed Use and Commercial zones.

6 additional shelter units and 6 units of transitional housing for victims suffering from domestic abuse over a two year period.

- Suggested Location(s): In R1, RM, Mixed Use and Commercial zones; open to city wide citing by ordinance.

No large multi-family units of additional housing for the homeless with full supportive services; however the plan does call for:

- 6 units utilizing existing duplex, tri-plex properties of transitional housing for youth aging out of foster care within the next two years.
- Suggested Location(s): In R1, RM, Mixed Use and Commercial zones; open to city wide citing by ordinance.
- No units of transitional housing for persons exiting incarceration within the next two years.
- Location(s): To be determined through participation with the Salt Lake County Long Range Planning Committee for the Homeless in conjunction with other municipalities.

Workforce Housing for families at 120 percent or less of AMI

- Focusing on single family homes to purchase including condominiums and town homes in the form of duplexes or larger higher density properties; as well as in-fill housing and PUD sites to support both economic development and community stabilization. These are likely upward income earners and new residents to the city.
- 100 units annually; the majority of which have already been approved.
- Suggested Location(s): Identify all vacant lots and work with for- and non-profit providers to establish local capacity to promote movement in the overall homeownership rate; emphasis in the TOD zone.

Workforce Housing for families at 80% or less of AMI

- Focusing on single-family and multi-family for purchase housing in the form of duplexes or higher density properties to support economic development and community stabilization. These are likely upward income earners and new residents to the city.
- 50 units within the next two years; a portion of which have already been approved.
- Suggested Location(s): Mixed Use and Commercial zones with emphasis in the TOD zone.

Credit Counseling and Homebuyer education programs

- Need to be delivered on a more targeted local basis to citizens through Community Development Corporation of Utah, Utah State University, and other professional counseling agencies such as Triple AAA Fair Credit. Credit management should be taught in conjunction with long-term financial management courses; they should particularly be made available to help single female heads of house holds and potential first time homebuyers.

Create housing opportunity and promote rehabilitation

- of 10-20 homes per year in partnership with key stakeholders. Supplement the effort with a municipal educational best practice resource publication and educational workshops.

Research and develop an inclusionary zone

- applicable to the TOD Zone and commercial corridors to assist in meeting current growth patterns for existing low-income households.

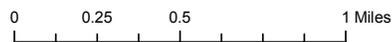
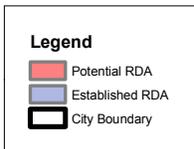
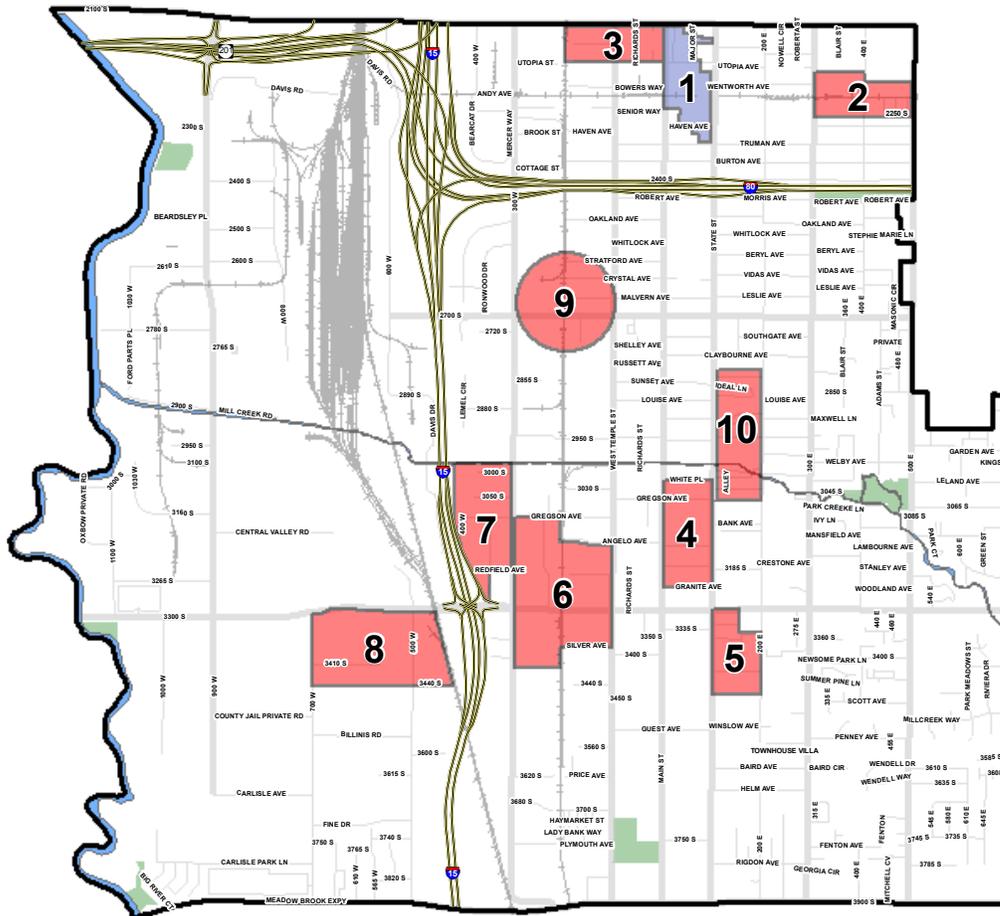
9.6.2 Preferred locations for Priority Housing

South Salt Lake City has created appropriate zoning enabling optimal location and development of higher density rental and for purchase housing to meet the long term demographic growth demands.

9.6.3 Redevelopment

South Salt Lake City will work toward redeveloping or revitalizing areas of the city that are important and that have deteriorated or which have unsightly antiquated housing or commercial development. See the RDA Map below for potential new designations.

RDA Map



9.6.4 Single Family Homeownership Development Sites

Locations will be identified where opportunities can be developed. Housing that will be facilitated with city involvement will be housing for moderate and middle-income homebuyers in the 50 percent to 120 percent of AMI range. This housing would include in-fill lot development, abandoned and deteriorated housing rehabilitation with partners such as Odyssey House, Habitat for Humanity, UHC Crown Homes, and other subsidized or mixed-income homeownership programs with the Community Development Corporation of Utah, South Salt Lake Works and/or other non- or for-profit developers. Other moderate and middle-income single-family housing for purchase includes town-homes and condominiums including potential conversions. See the census tract map below highlighting income designations.

9.6.5 Infill Analysis of Existing Undeveloped/Vacant Lots and Dilapidated Housing

Location analysis of existing condominiums, apartments, and duplexes has been completed as seen in the map below; further identification of single-family homes will be added to this chart for further study.

Single-family, in-fill lots and dilapidated housing maps will be created to identify potential properties for redevelopment across the city. The map below classifies and locates existing multi-family housing units and parcels.

9.7. FINANCIAL RESOURCE EVALUATION

General Fund Appropriations: Through capital planning South Salt Lake City could allocate funds for implementation of the housing plan. The priority will be the acquisition of real property especially vacant undeveloped land, fore-closed properties and abandoned housing at lower than market prices.

URA and CRA Funding: Going forward South Salt Lake City will evaluate the creation of Urban Renewal Areas (URA) and Community Redevelopment Areas (CRA). These designations can generate 20 percent of the expected tax increment for moderate-income housing revitalization and development purposes. South Salt Lake should create and routinely update a prioritization plan for these revenues in accordance with the housing this Plan.

Community Development Block Grant Funding (CDBG): South Salt Lake City has successfully utilized CDBG funding for various housing activities to promote community stabilization. These funds should be prioritized in conjunction with the housing element of its general plan.

Department of Housing and Urban Development (HUD) 202/811 program funding in addition to the CDBG and HOME program funds, additional specific HUD funds are available on a competitive “Super Notice of Funding Availability” (NOFA) basis. Section 202 funds are available for housing projects targeted toward low-income senior citizens. Section 811 funds are provided for accessible housing for disabled persons. Both programs provide grants and low interest loans to maximize affordability. It is expected that in the next 5 years an application for Section 202 funding will be submitted for senior housing to address the need to house aging and disabled persons on fixed incomes.

Low Income Housing Tax Credit Program (LIHTC): The primary federal subsidy makes rental housing truly affordable is the federal tax credit program administered by the Utah Housing Corporation (UHC). Private syndicators manage equity funds for corporate entities or high wealth individuals that are interested in making the investment in return for a tax reduction benefit. The funds are not calculated in the debt service to projects but rather act as direct equity. At present, applications are received only once per year by UHC. The competition for funds is arduous but it is suggested that South Salt Lake City through development partners plan to apply for tax credits to rehabilitate antiquated and aging multi-family housing stock.

Federal Home Loan Bank: Located in San Francisco, the Federal Home Loan bank is a potential funding partner for rental and homeownership workforce housing projects, especially to drive further affordability through project subsidies. It is expected that funding applications will be made as appropriate to annual FHLB criteria for rental housing projects in South Salt Lake City appropriate to changing annual project/grant criteria publications.

Olene Walker Housing Loan Fund (OWHLF): Funds from both the Utah State Legislature and the HOME Program funds from the federal Department of Housing and Urban Development are administered by the staff of the OWHLF. These funds, especially when matched with LIHTC funding, can truly create housing available to low-income residents. The OWHLF has four application cycles in which funds can be obtained. These funds are primarily low interest loans that can be deferred or can be repaid in a variety of different ways. These funds are not available for large long-term debt. However, the funds are often the key gap-financing tool to make projects affordable for targeting incomes below 40 percent of AMI. Applications for OWHLF projects in South Salt Lake City should be encouraged as appropriate to viable project applications for typical project costs including predevelopment, acquisition, construction financing and limited gap financing of long term debt. It should be noted that program guidelines are re-established on an annual basis and must therefore be tracked closely for impacts on priority projects in this housing plan.

Private Activity Bond Program: This program is administered by the State of Utah Division of Housing and Community Development and has some funding available for housing. Private Activity Bond (PAB) funds have not typically been used for affordability projects due primarily to underwriting requirement differences. However, in certain instances when rents can target the 80 percent of AMI level or for home purchase properties, PAB funding could be an alternative source of funds for revitalization efforts in South Salt Lake City.

Private Funding Partnerships: The primary source of private funding for workforce housing includes funds from local financial institutions under the Community Reinvestment Act (CRA), with the exception of credit unions that are not mandated to do so under their existing charter guidelines. Institutions set forth their CRA plans annually – there is no prescribed funding level, but rather institutions conduct needs analysis and establish internal goals and objectives. These plans include lending, investments, and services within their service footprint. Typical activities include affordable housing, small business lending and financial educational services for consumers. The Utah Community Reinvestment Corporation (UCRC) manages a multi-million dollar fund that acts as the primary agency through which multi-family long term debt funds flow. Funds may however be obtained directly through standard banking application processes.

There are different kinds of financial institutions available to communities for housing related funding.
Industrial Banks: These banks are not physically found in most communities and do not function in the traditional retail branch model. As they do take in funds from the local community and are headquartered in Utah, many provide CRA funding to a delineated service foot prints and offer community development, housing and small business loans and investments which have obvious benefits for communities.

Community Banks: Community banks are also available for partnerships and often provide CRA funds for projects of high community value and impact.

Regional and National Banks: Creating partnerships with all local banks with offices in the community is important to a successful housing strategy. Regional and National Banks can also be partners in developing housing projects; the City should be sure to identify all institutions located within their jurisdiction.

Most banks are interested in loaning funds for real property acquisition, predevelopment costs (market studies, environmental reviews, architectural and engineering designs, etc.) and construction financing. Participating institutions often utilize the Utah Community Reinvestment Corporation as a long-term debt/mortgage provider for multi-family projects.

Credit Unions: Credit unions with offices in the community should also be invited to participate in helping to fund housing projects. While not subject to the federal CRA requirements they are willing to participate with loan funds to help communities create housing opportunities. Mountain America Credit Union is well established in Vernal and could be contacted, as project financing is needed.

Foundations: Foundations are located along the Wasatch Front area generally have specific application requirements and prefer to be consulted directly. Other regional and national foundations should be explored. The Utah Non-profits Association publishes a state wide foundation guidebook.



MODERATE INCOME HOUSING PLAN

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Introduction and Executive Summary

Background and Context

Incorporated in 1938, South Salt Lake City was one of the first suburban communities established after the founding of Salt Lake City. Two significant building booms in the twentieth century, the first after the Second World War and the second in the 1970s and 1980s, established neighborhoods centered around schools and churches, and a significant commercial and industrial center west of State Street. South Salt Lake grew rapidly, due to good access to transit and excellent proximity to regional employment centers, and is now essentially built-out. The City was an attractive place to start a household and grow a business, a defining feature of life in the community even today.

Throughout its history, South Salt Lake faced the acute need to provide affordable housing to residents at every income level, ability, and lifestyle. While the City is widely perceived to be one of the more affordable communities in the region, this Moderate Income Housing Plan demonstrates that there is still a significant demand for affordable housing, and that many South Salt Lake households lack access to quality housing they can afford. Housing is considered affordable at any income level if households spend no more than 30 percent of their gross monthly income on housing expenses, including utilities.

This report uses South Salt Lake's *Area Median Income* (AMI) as a metric to measure household affordability. The City's AMI, according to the U.S. Census Bureau, was \$37,238 in 2014, while the County's was \$59,846. Since the City's AMI is significantly lower than the County's, the City's need for housing is particularly acute. This report uses the City's AMI to demonstrate the number of cost-burdened households that *already reside* in the Community. However, we note that eligibility for the various developer tax credits, housing subsidies, and neighborhood revitalization programs are based on the County's AMI. The differences between the City and County median household incomes, and their policy implications, are discussed at several points throughout this report.

This report examines current conditions and projects housing demand into the future, making recommendations for the provision of additional affordable housing over the next four years, to 2020. In developing this Moderate Income Housing Plan, the City utilized the Utah Department of Workforce Services' *Utah Affordable Housing Forecast Tool*, as well as the *Fair Housing and Equity Assessment of the Urban County* prepared by the University of Utah Bureau of Economic and Business Research in 2014.

Statutory Requirements

Section 10-9a-408 of the *Utah Code* mandates that each city shall review biennially a moderate income housing plan. Plans shall include:

- Efforts made by the City to reduce, mitigate, or eliminate local regulatory barriers to moderate income housing

- Actions taken by the city to encourage preservation of existing moderate income housing and development of new moderate income housing.
- Progress made within the city to provide moderate income housing, as measured by permits issued for new units of moderate income housing, and.
- Efforts made by the City to coordinate moderate income housing plans and actions with neighboring municipalities.

This report addresses the above requirements in multiple sections:

- **Section I** presents a demographic summary for South Salt Lake, discussing population and growth trends in housing; household size and income; race, ethnicity, and place of origin; and age and critical needs.
- **Section II** explores the City's current housing stock, including vacancy, structure types, unit sizes, values, rents, age and condition of the housing stock, and the availability of subsidized housing and housing for residents with critical needs.
- **Section III** concerns affordability and availability of owner- and renter-occupied housing. This section also reviews the availability of housing types, including housing for residents with critical needs, in the City's various zones.
- **Section IV** reviews the *Fair Housing and Equity Assessment*, and makes the case for a more comprehensive understanding of the components of housing equity, and the City's fair share of housing opportunity along the Wasatch Front.
- **Section V** discusses how the City has reduced regulatory barriers to housing affordability through zoning regulations, design standards, and innovative neighborhood revitalization and housing rehabilitation programs that help maintain equity and integrity in our existing single-family neighborhoods.
- **Section VI** illustrates the existing and projected gaps and needs in housing affordability in South Salt Lake.
- **Section VII** lays out goals, objectives, and policies intended to maintain and increase affordable housing opportunities for anyone who wishes to reside in South Salt Lake.

Plan Goals and Objectives

The goals, objectives, and policies are important tools for the City to plan for new housing in a manner that ensures that housing choice and opportunity is available to everyone. These goals are intended to update and expand upon the goals, objectives, and policies established in the South Salt Lake City General Plan, adopted in 2010. This plan recommends that the following goals be implemented by 2020:

Goal 1: Increase housing opportunities for households earning to 50 percent of the City's Area Median Income (AMI) and for households with critical needs, by providing 100 new housing units for households earning less than 50 percent AMI, and another 100 units for low- and moderate-income senior households.

Goal 2: Increase housing opportunities for households earning from 50 to 80 percent of the City's AMI, by providing 200 new housing units for households at this target income level, and by continuing to promote the safety and quality of existing rental housing.

Goal 3: Increase housing opportunities for households earning from 80 to 100 percent of the City's AMI, by providing 200 new housing units for households at this target income level, by expanding the City's Housing Rehabilitation Program, and by continued support of the County's down payment assistance program.

Goal 4: Increase opportunities for affordable housing through rehabilitation and neighborhood revitalization. This should be done through continuing and expanding existing programs and partnerships to provide an additional 80 Community Connection neighborhood revitalization grants, 40 low-interest Critical Needs / Green and Healthy Home Initiative loans, 100 Emergency Home Repair Grants, and pursuing additional opportunities to provide affordable, sustainable home ownership for existing residents. This goal is perhaps the most critical of the four, as South Salt Lake has an ageing housing stock that shelters thousands of households at all income levels. The programs recommended by this goal will help maintain equity and value in these homes, while providing households with an opportunity to repair critical needs or adapt to personal situations that would otherwise cause them to lose their homes.

The Moderate Income Housing Plan and the South Salt Lake City General Plan

This plan is adopted as an update to the South Salt Lake City General Plan. It amends the General Plan's housing element with updated demographic information and new goals and objectives for housing for low- and moderate-income residents, including seniors and those with critical needs. The General Plan's housing element includes seven goals, described on pages 141 through 143 of the plan. Those goals remain relevant to the community and should be implemented by City staff. This updated Moderate Income Housing Plan does not replace the housing goals adopted in 2010 as part of the General Plan.

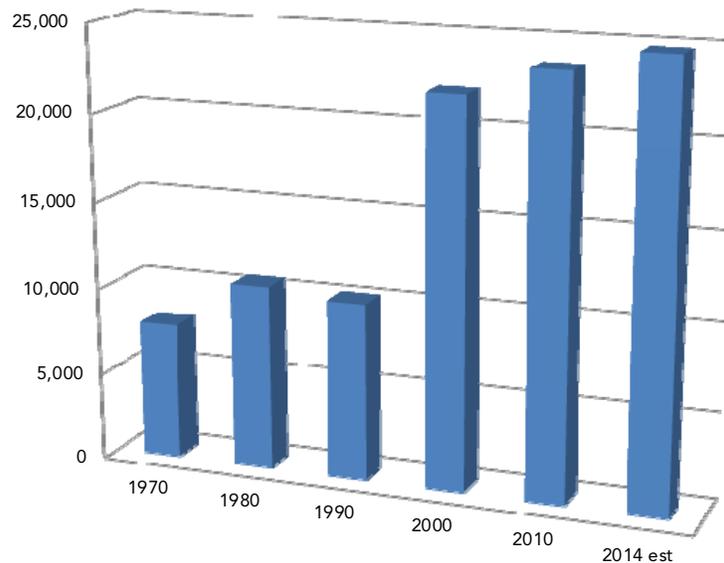
The intent of the South Salt Lake City Moderate Income Housing Plan is to ensure that the City provides ample opportunities for quality housing for all residents, especially those who live in cost-burdened households or who experience critical needs. While South Salt Lake provides a considerable amount of housing to the region's low- to moderate-income households, the need for additional housing opportunity is still acute. This plan advocates for additional affordable housing such that any resident can fully participate in and benefit from all aspects of neighborhood and community life.

I: Demographic Summary

Population and Growth Trends in Housing

South Salt Lake is an essentially built-out community with an abundance of traditional neighborhoods that are characterized by a mix of housing types and a variety of densities. The U.S. Census Bureau estimates that the City has 24,748 residents as of 2014. The City's population has increased by nearly 4.8 percent since 2010, and by over 12 percent since the turn of the century. South Salt Lake's population growth trend is expressed in Figure 1.

Figure 1: Population of South Salt Lake - 1970 to Present

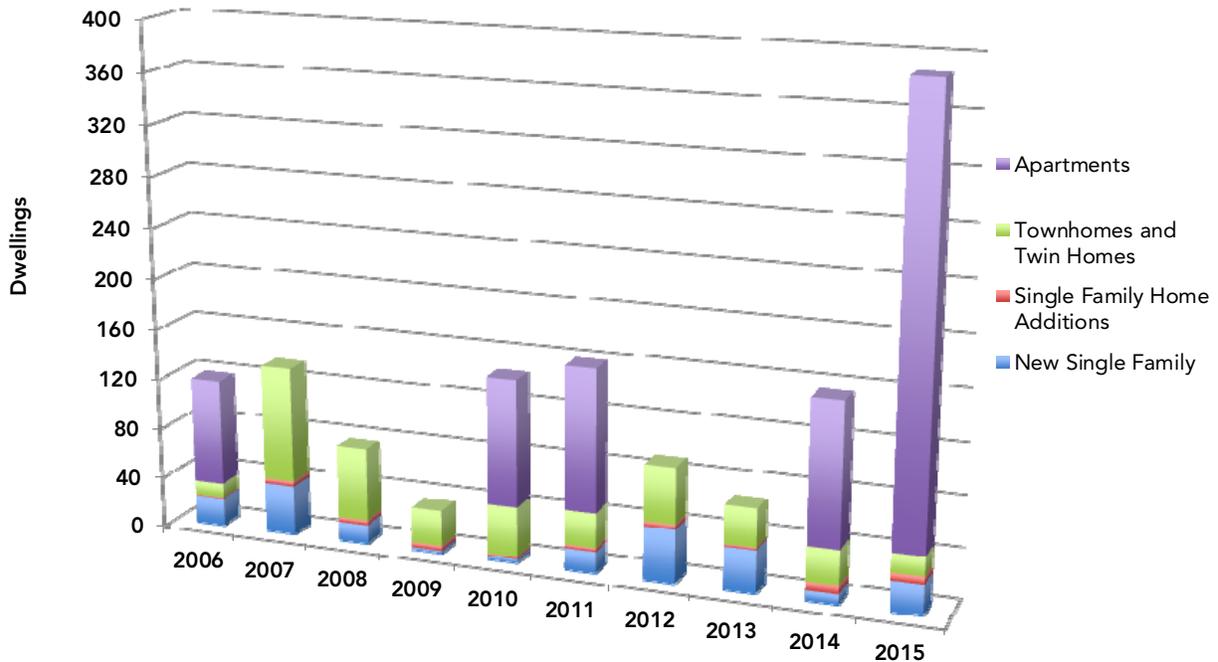


Source: U.S. Census Bureau, South Salt Lake General Plans

Note: In 1998, South Salt Lake City annexed a portion of unincorporated Salt Lake County. This annexation increased the city's population by over 10,000 residents.

While the City lacks the open space necessary to drive population growth at rates that are common in the southwest portion of Salt Lake County, growth has occurred through infill development in existing neighborhoods. Since 2006, the South Salt Lake Community Development Department has issued certificates of occupancy on 1,325 new residential units and 37 residential additions. In the last nine years, South Salt Lake also issued permits for 206 new single-family homes, 369 townhomes, and 750 multifamily units. A summary of new housing trends in South Salt Lake since 2006 is shown in Figure 2.

**Figure 2: New Housing in South Salt Lake
2006-2015**



Source: South Salt Lake City Community and Economic Development

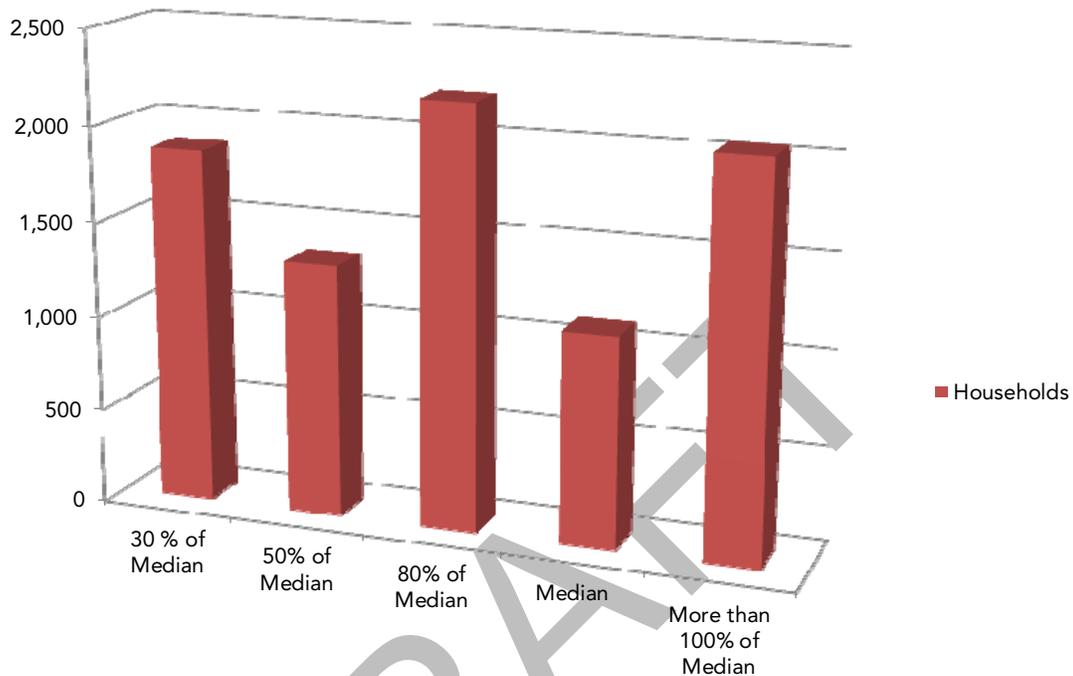
Household Size, Household Income, and Poverty Status

South Salt Lake is a working-class community with a high concentration of moderate- to low-income households relative to Salt Lake County. Households, housing units and families in South Salt Lake tend to be smaller than those of the entire county. While the average family size in South Salt Lake increased from 3.17 people in 2000 to 3.24 people in 2010, the average household size remained fairly steady: 2.47 in 2000 and 2.46 in 2010. According to the Bureau of Economic and Business Research, minority groups tend to have larger household sizes: the average Hispanic/Latino household increased from 2.63 in 1990 to 3.31 in 2010. Despite the overall trend toward smaller household sizes, nearly all minority groups had average household sizes in excess of three persons in 2010 (BEBR, 2013).

The median household income for South Salt Lake residents was \$36,345, according to the U.S. Census Bureau’s *American Community Survey 2008-2012*. In 2007, the median household income for South Salt Lake Residents was \$35,946, in 2013 dollars. The area median income (AMI) for all Salt Lake County residents for the same time period was \$59,626. The median household in South Salt Lake earns 61 percent of the county-wide AMI. Of the 8,087 households in South Salt Lake, 1,715 earn approximately \$10,000 per year, and fall below 30 percent of the South Salt Lake AMI. Nearly a quarter of all households in South Salt Lake earn

more than 100 percent of AMI. Distribution of Household Incomes in South Salt Lake is shown below in Figure 4 and Table 1.

Figure 4: Distribution of Household Incomes in South Salt Lake: 2014



Source: Utah Affordable Housing Forecast Tool, v. 2.2.

Table 1: Distribution of Household Incomes in South Salt Lake: 2014

Income Level	Households	Percentage
≤30% AMI	1,870	21.9%
>30% to ≤50% AMI	1,330	15.5%
>50% to ≤80% AMI	2,205	25.8%
>80% to ≤100% AMI	1,105	12.9%
>100% AMI	2,044	23.9%
Total Households	8,554	

Source: Utah Affordable Housing Forecast Tool, v. 2.2.

The U.S. Census Bureau indicates that, in 2007, 22.3 percent of South Salt Lake residents fell under the poverty line; in 2011, that share of residents below the poverty line increased to 23.8. Household incomes increased in the last five years, as did poverty rates. This could be

due to the changing composition of city residents, an increase in immigrant and refugee populations, the effects of the Great Recession, and economic trends that contribute to continued and increasing economic inequality nationwide.

Using a broader measure of poverty status provided by the U.S. Department of Housing and Urban Development, the Bureau of Economic and Business Research concluded that 37 percent of South Salt Lake residents are considered ‘poor’, and that South Salt Lake had among the highest concentrations of poverty in Salt Lake County (BEBR, 2013).

Race, Ethnicity, and Place of Origin

South Salt Lake’s transition from a predominantly white, non-Hispanic or Latino, working-class suburb into one of the most diverse communities in Utah is the single-most important demographic change to have occurred in the City in the last 20 years. From 2000 to 2010, the percentage of residents identifying as Hispanic or Latino increased from 22 percent to 29 percent. Meanwhile, the population of those who identify as white and not Hispanic or Latino declined from 63 percent of the population in 2000 to 56.5 percent in 2010. During this time, the city also experienced significant growth in the population of African- and Asian-Americans, likely owing to the significant increase in the City’s foreign-born immigrant and refugee population over the same time period.

The demographic changes summarized in Table 2 testify to the changing nature of the City, and the need for the City’s housing policies and programs to be responsive to new and potentially-underserved populations.

Table 2: Race and Ethnicity in South Salt Lake	2000	2010
Hispanic or Latino	4,932	6,869
Not Hispanic or Latino	17,106	16,748
Percent Hispanic or Latino	22.38%	29.08%
White	17,375	16,420
Black or African American	802	1,038
American Indian or Alaska Native	877	625
Asian	760	1,184
Native Hawaiian and Other Pacific Islander	340	237
Some other Race	2,882	3,154
Two or More Races		959
White alone, Not Hispanic or Latino	14,476	13,344
	62.84%	56.50%
	2000	2010-2014
Percentage of Foreign-Born Persons	3,923	6,583
	17.7%	26.6%

Note: Hispanics and Latinos may be of any race.

Source: U.S. Census Bureau, 2000 and 2010 Censuses; 2010-2014 American Community Survey.

Age and Critical Needs

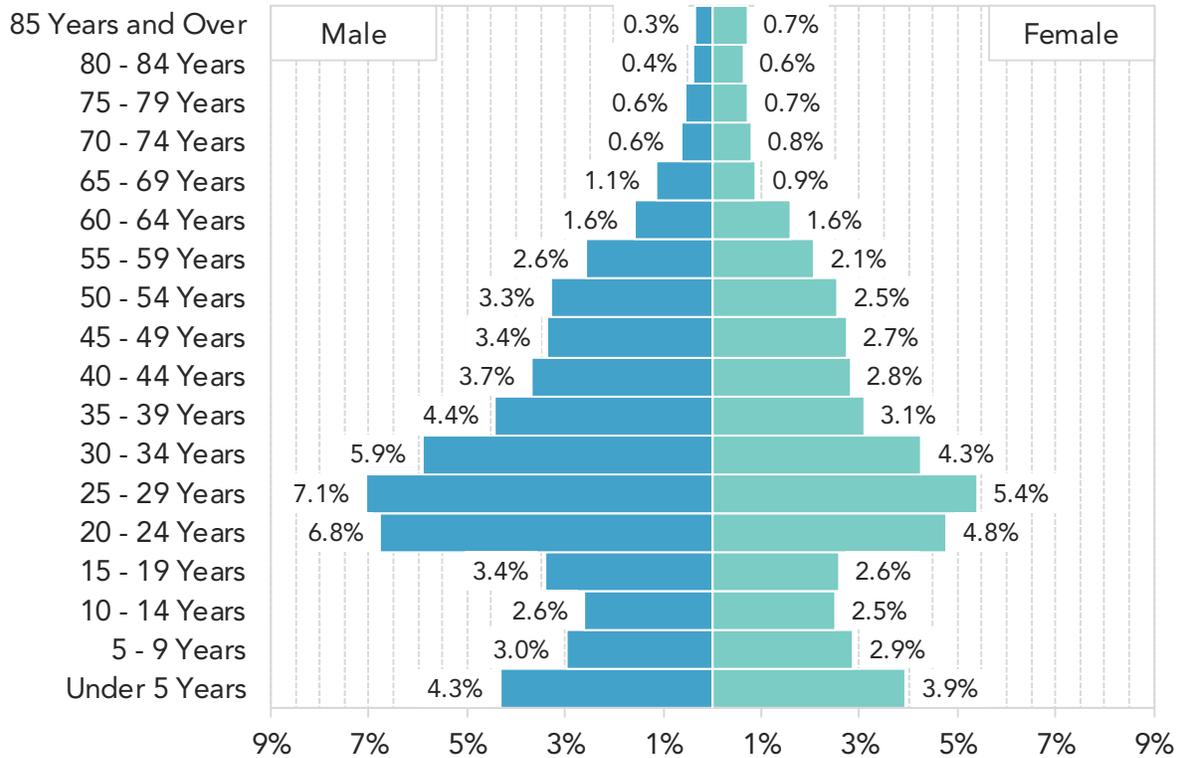
South Salt Lake continues to be attractive to families with children. The percentage of residents under the age of 18 has remained fairly constant – 24 percent in 2000 to 22 percent in 2010. At the same time, the population of senior citizens aged 65 and over declined from nearly 8 percent of the population in 2000 to 6.5 percent as of the 2012 American Community Survey. The share of the City's population that is 65 and older is expected to remain constant through 2020, and then increase to 9.3 percent by 2030.

The population of working-age residents, roughly those aged 20 to 64 years old, increased from 65 percent of the population in 2000 to almost 68 percent of the population in 2010. This age cohort is also the group most likely to have children living at home with them. A review of recent American Community Survey data shows that the populations may be growing *younger* over time, as families with young children move into the City. As the City's population ages, there will continue to be a need for affordable senior housing, but the trend over 15 years suggests that there is a continued need for affordable housing that can accommodate growing families.

According to the 2012 *American Community Survey*, 8.3 percent of all Americans under the age of 65 and 36.8 percent of all Americans 65 and older have some form of disability. Assuming that the percentage of South Salt Lake residents with disabilities is comparable to national figures, approximately 1,827 residents under the age of 65 and 593 residents 65 and older suffer from a disability. Individuals with disabilities may require special housing accommodations.

The number of beneficiaries of Social Security Disability payments in and around South Salt Lake corresponds to the *American Community Survey* estimates. According to the Bureau of Economic and Business Research, there were 735 disabled beneficiaries in ZIP Code 84115, and another 1,065 in ZIP code 84119. Both ZIP codes include South Salt Lake neighborhoods. Regionally, individuals with disabilities tend to be concentrated in West Valley City, Taylorsville, Kearns, and some neighborhoods in South Salt Lake. This is likely due to proximity to public transit and convenient access to care facilities, employment, and regional amenities.

Figure 4: Age Distribution of South Salt Lake Residents



Source: Utah Affordable Housing Forecast Tool, v. 2.2.

Table 3: Age Demographics in South Salt Lake

Age	2000		2010		2010-2014 Est.	
Under 5 years	2,040	9.3%	1,956	8.3%	2,359	9.7%
Under 18 years	5,287	24.0%	5,245	22.2%	6,395	26.3%
20 to 64 years	14,264	64.7%	16,047	67.9%	15,683	64.5%
65 years and over	1,679	7.6%	1,610	6.8%	1,580	6.5%
Total Population	22,038		23,617		24,315	

Note: The 2010-2014 estimates come from the American Community Survey. Some samples contain significant margins of error.

Source: U.S. Census Bureau, 2000 and 2010 Censuses; 2010-2014 American Community Survey.

II: Current Housing Stock

Housing Occupancy and Vacancy

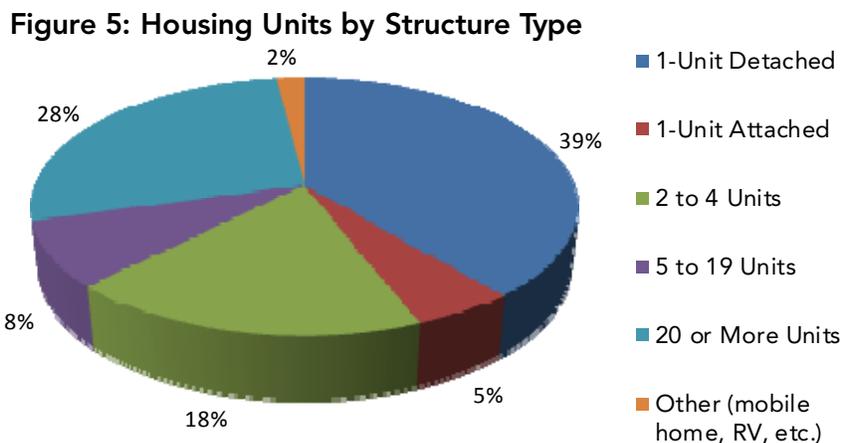
According to 2010 U.S. Census, there were 9,160 housing units in South Salt Lake. Of these, 8,554 units (93 percent) were occupied and 3,287 units (7 percent) were vacant. Of the housing units in South Salt Lake, 5,267 (62 percent) were renter-occupied housing units and 3,287 (38 percent) were owner-occupied. More recent data from the American Community Survey 2013 Five-Year Estimates suggests that the share of owner-occupied housing in South Salt Lake has increased slightly since 2010, from 38 to nearly 40 percent of all housing units. Between 2010 and 2013, the City added 236 single-family homes and townhomes intended for owner occupancy. In addition, the first quarter median home value for homes sold in ZIP Code 84115 increased 31 percent from \$135,566 in 2012 to \$177,874 in 2014. These trends indicate that South Salt Lake City's existing residential housing stock is becoming increasingly attractive to owner-occupants.

Composition of Housing Units by Structure Type

Just over half of all housing units in South Salt Lake are in multifamily housing structures with at least 2 units. Of the multifamily units, 16 percent consist of duplexes, triplexes, and four-plexes; 20 percent consist of medium size apartment complexes from 5 to 19 units; and 16 percent consist of larger complexes with 20 units or more.

The most common housing structure in South Salt Lake is the single-family detached home, accounting for 39 percent of all housing units in the City. Other single family housing types include townhomes, or 1-unit attached structures, and other housing, to include 304 mobile homes and recreational vehicles that serve as primary residences in the City. Most of these residents are in four mobile home parks in the City.

A breakdown of housing units by structure types in South Salt Lake is indicated below in Figure 5.



Source: Utah Affordable Housing Forecast Tool, v. 2.2.

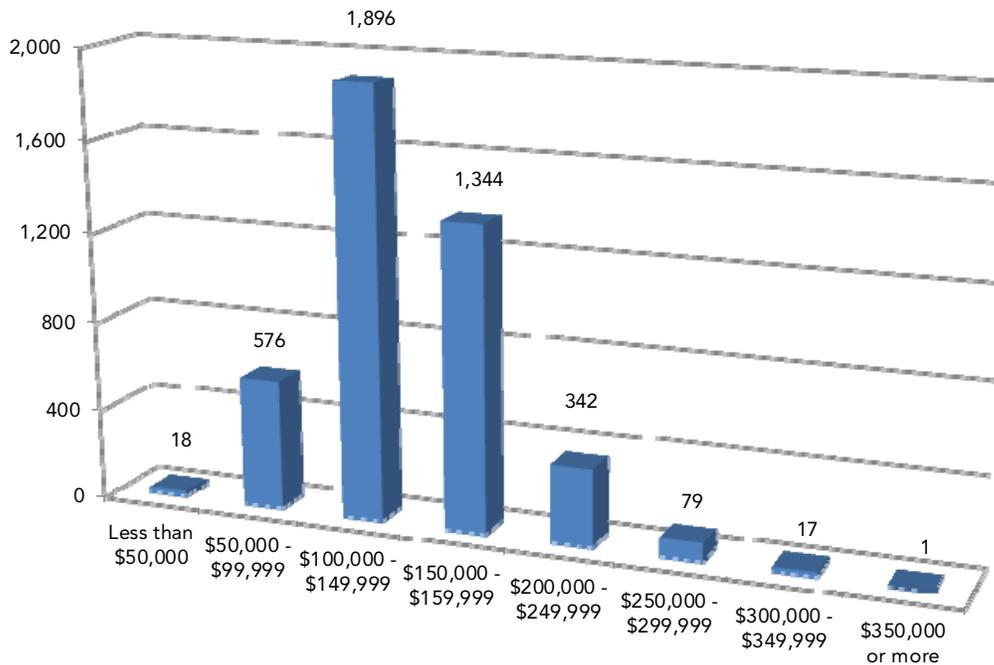
Unit Sizes

The range in unit sizes is an important consideration in assessing the need for affordable housing. According to U.S. Department of Housing and Urban Development’s Community Planning and Development map dataset, South Salt Lake City’s housing stock consists of 167 studio units or units with no bedrooms, 1,439 one-bedroom units, 3,533 two-bedroom units, and 2,948 units with three or more bedrooms.

Value of Single-Family Homes, Townhomes, and Condominiums

A review of the Salt Lake County Assessor’s data on property values in 2014 indicated that South Salt Lake City has 4,273 single-family homes, townhomes, and condominiums. The median assessed value of these units was \$141,800. Three quarters of the homes in South Salt Lake are valued between \$100,000 and \$200,000, and only 97 homes in have assessed values greater than \$250,000. The recent assessed values for single-family homes, townhomes, and condominiums is shown in Figure 6.

Figure 6: Assessed Value of Single-Family Homes, Townhomes, and Condominiums - 2014



Source: Salt Lake County Assessor, 2014

Limited data is available on home sales, but data obtained by the Salt Lake Board of Realtors suggests that the market prices of homes is slightly higher than assessed values. In 2013, 91 homes in South Salt Lake sold, ranging in price from \$77,500 to \$297,500. The median sale price for the 91 homes sold that year was \$152,000.

Rents

The U.S. Census Bureau estimates that the median gross rent for units in South Salt Lake was \$739 (U.S. Census Bureau, *American Community Survey 2009-2013 5-Year Estimates*). Over 75 percent of gross rents in South Salt Lake fell between \$500 and \$1,000 per month, as indicated in Table 4 below.

Table 4: Gross Rent in South Salt Lake

Occupied units paying rent	Estimate	Percentage
Less than \$200	5	0.1%
\$200 to \$299	188	3.8%
\$300 to \$499	124	2.5%
\$500 to \$749	1,911	38.9%
\$750 to \$999	1,884	38.3%
\$1,000 to \$1,499	667	13.6%
\$1,500 or more	137	2.8%
Median	\$777	

Source: U.S. Census Bureau; 2010-2014 American Community Survey 5-Year Estimates

Age and Condition of Housing Stock

South Salt Lake is a built-out community with limited opportunities for new development aside from specific infill and redevelopment sites. As such, the City has a significant inventory of older housing stock. In South Salt Lake, 5.3 percent of residential structures were built prior to 1950, 22.6 percent were built between 1950 and 1979, 50.2 percent were built between 1980 and 1999, and 21.8 percent were built within the last 15 years. The share of housing built before 1979 – 27.9 percent – may have critical environmental, life-safety, or amenity deficiencies that could impact the affordability and marketability of these homes in the long run. The City has long been committed to housing rehabilitation and neighborhood revitalization, and finds that these initiatives are a key part of maintaining quality, affordable housing in the community.

Existing Inventory of Subsidized Housing and Housing for Residents with Critical Needs

South Salt Lake’s existing housing inventory consists of 581 housing units that offer rent subsidies or that provide housing for residents with critical needs. Of these, 234 are owned and operated by various nonprofit entities or the Housing Authority of the County of Salt Lake

(HACSL), 96 are privately owned and operated through the Low-Income Housing Tax Credit (LIHTC), which provides subsidized rents, and three long-term care and rehabilitation facilities in South Salt Lake provide 249 beds or units. In 2014, the Utah Non-Profit Housing Corporation received a conditional use permit to construct Sharon Gardens, a 58-unit senior independent living project in South Salt Lake. Rents for this project will be subsidized at 40% to 50% AMI through a tax credit issued in 2015.

Within the city's boundaries, HACSL operates 114 units of transitional housing or permanent supportive housing for the chronically homeless. In addition, various entities operate 20 units for developmentally disabled. Currently, the City has 102 units of subsidized senior housing, with another 58 units to be occupied in the next two years.

In addition to public, non-profit, and tax-credit subsidized housing, 387 renter households received subsidies in 2011 through the Section 8 Housing Voucher program (BEHR, 2013). Overall, approximately 1,000 units in South Salt Lake are subsidized through government or nonprofit programs, or provide housing for residents with critical needs.

There is a limited supply of dedicated senior housing in the community. Including the Sharon Gardens project, which is entitled and soon to be under construction, the City has 409 units of housing that range from independent living for seniors to care facilities. Most seniors live in conventional homes or apartments. Salt Lake County manages three housing programs on behalf of South Salt Lake City that allow for qualifying senior households to maintain and improve their homes in order to meet their needs as they age. These programs include grants, loans, and volunteer assistance. These programs are discussed in detail later in this report.

A summary of project-based subsidized housing and housing for residents with critical needs in South Salt Lake is described in Table 5, below.

Table 5: Subsidized Housing and Housing for Residents with Critical Needs

Project	Units
Homeless and Transitional Housing	
Grace Mary Manor	84
Gregson Apartments	16
Frontier Apartments	14
Total	114
Housing for the Physically or Developmentally Disabled	
Ford Avenue Apartments	2
500 East Apartments	6
Lambourne Apartments	4
Leslie Apartments	4
Louise Apartments	4
Total	18
Subsidized Senior Housing Projects	
St. Mark's Millcreek	24
IOOF Tower	28
South Lake Villa	50
Sharon Gardens Senior Housing *	58
Total	160
Care Facilities	
Avalon Valley Rehabilitation Center	140
Majestic Care and Rehabilitation Center	40
Fenton Court Care Center	29
Friendship Villa Care and Rehabilitation Center	40
Total	249
Other Public or Tax Credit Projects	
Stonecrest PUD	16
Harmony Park Apartments	20
Villa Charmant Apartments	54
Southgate Apartments	6
Total	96

* This project received LIHTC financing in 2015, and is currently under design.

Source: South Salt Lake City

III: Housing Affordability and Availability

In determining the affordable housing needs for South Salt Lake Residents, the City used the *Utah Affordable Housing Forecast Tool, v. 2.2.*, developed by the Utah State Department of Community and Culture. Additional information was obtained from two documents produced by the University of Utah Bureau of Economic and Business Research as part of the Wasatch Choice 2040 initiative: *Salt Lake County: Fair Housing and Equity Assessment of the Urban County (2014)* and *South Salt Lake: Fair Housing and Equity Assessment (Draft, 2013)*.

The need for affordable housing in the community is determined through multiple inputs including the income of residents living in South Salt Lake, mortgage and gross rents, household size, unit sizes, and age of the housing stock. In addition, the Fair Housing and Equity Assessments provide important context to the issue of affordability and equity by examining school conditions, access to transit, proximity to quality jobs, concentration of poverty and protected classes, the capacity to obtain equitable mortgages, and the prevalence of cost-burdened households in a community.

This analysis indicates that while South Salt Lake has an abundance of affordable housing, especially relative to other communities, the City also has an acute need for additional affordable housing, especially for households at or below 50 percent of the median income of South Salt Lake households.

Housing is considered affordable when a household spends no more than 30 percent of their annual income on housing expenses, including mortgage or rent and utilities. For the purpose of this analysis, households that exceed that threshold are considered cost-burdened. The median annual income of households in South Salt Lake in 2014 was \$37,238 while in Salt Lake County it was \$59,846. Based on a monthly median income of \$3,103, the typical moderate income-earning household in South Salt Lake should pay no more than \$745 per month in mortgage or rent and utilities.

This plan is intended to assess the need for affordable housing at all income levels, and the cost of affordable housing varies by income level. Table 6 below, summarizes the maximum monthly affordable housing costs for the various income levels of South Salt Lake households.

Table 6: Summary of Housing Affordability *

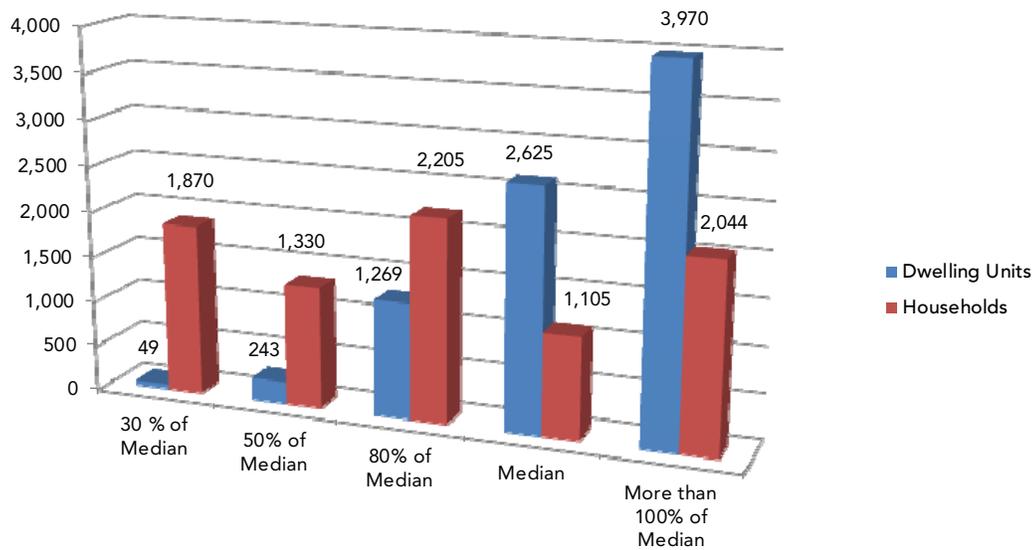
Income Level	Maximum Monthly Income for Housing Expenses	Maximum Mortgage Loan Amount
≤30% AMI	\$ 223	\$ 25,441
>30% to ≤50% AMI	\$ 372	\$ 56,144
>50% to ≤80% AMI	\$ 596	\$ 102,197
>80% to ≤100% AMI	\$ 745	\$ 132,900

* Measured at 30 percent of monthly income.

Source: *Utah Affordable Housing Forecast Tool, v. 2.2.*

Data on the affordability of existing rental housing stock was obtained from the U.S. Census Bureau’s *American Community Survey 2010-2012 Estimates*, while data on owner-occupied housing was obtained from the Salt Lake County Assessor. A number of single-family properties in the County Assessor’s dataset showed a different address for the property owner. These were deemed to be likely rentals that were counted in the *American Community Survey*, and were removed from the dataset. Due to the margins of error inherent in survey data, and the lack of a definitive dataset of owner-occupied housing, the data on the affordability of the existing housing stock is an approximation of current conditions. A comparison of the existing housing stock in South Salt Lake relative to households shows that, below the median income, there is a considerable need for additional affordable housing in the community. Figure 7 below compares the total number of households for each income bracket to the total number of dwelling units (excluding vacant homes, supportive housing, group homes, and care facilities) that are affordable for that income bracket.

Figure 7: Comparison of Existing Housing Stock to Household AMI



Source: Salt Lake County Assessor, 2013 Data; U.S. Census Bureau American Community Survey 2010-2014 5-Year Estimates

Relative to the median income of the South Salt Lake household, there is a significant oversupply of housing at or above the median income. However, for moderate-income South Salt Lake households, at 80 percent AMI, there was a shortage in 2013 of 936 units. For very low-income (50 percent AMI) or extremely low income (30 percent AMI) households, the shortage is even more acute. This suggests that the market for owner-occupied and rental housing is unable to accommodate households with incomes below the City’s median. Assessing the affordability and availability of owner-occupied housing, rental property, and special needs housing requires distinct analyses. Each will be discussed individually.

Affordability of Owner-Occupied Housing

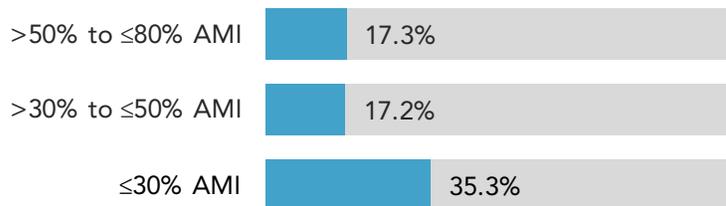
Assuming a 30-year fixed rate mortgage at 3.4 percent interest, a monthly payment of \$596 would support a mortgage of up to \$134,391. Homes valued at or below this level are considered affordable for moderate income earning households in South Salt Lake. Of the entire stock of owner-occupied housing in South Salt Lake, only 217 homes have appraised values that are affordable to households earning less than 80 percent of the median. Nearly 80 percent of the owner-occupied homes in South Salt Lake are affordable only to those households that earn more than median household income in the City.

Figure 8: Cost Burdened Owner Households

Households Spending 30% or More of Monthly Income on Housing (by Income Level)



Households Spending 50% or More of Monthly Income on Housing (by Income Level)



Source: Utah Affordable Housing Forecast Tool, v. 2.2.

Figure 8 describes the percentage of cost burdened owner-occupied households by income level in South Salt Lake. Over half of all households earning below 80 percent of the median income spend more than 30 percent of their monthly income on mortgage or rent, insurance, and utilities; individuals and families are purchasing homes in South Salt Lake, but many spend a much higher share of their incomes than is recommended for housing.

The median assessed value of all homes in South Salt Lake is \$141,800, and, in the last two years, new homes in South Salt Lake tended to sell for anywhere between \$180,000 to \$350,000. While South Salt Lake’s real estate market is considered to be affordable relative to

the region, it is not affordable to all the residents who live here. Recent trends in homebuilding in South Salt Lake suggests that future census and survey data will show that the City’s median household income will increase over time, but existing conditions indicate a high number of cost-burdened households and a limited supply of affordable owner-occupied housing in South Salt Lake. Consequently, South Salt Lake should continue its support of its down payment assistance, housing rehabilitation, and critical needs home repair programs to assist households earning less than 80 percent of the city’s median income achieve and sustain homeownership.

Affordability of Rental Housing

An *affordable gross rent*, inclusive of utilities, for South Salt Lake residents earning less than 80 percent of the area median income is \$595.81. The median gross rent, according to the 2010-2014 *American Community Survey*, is \$777. While there is limited availability of affordable owner-occupied housing, just over half of the City’s existing rental housing stock, 1,052 units, is affordable to households earning from 50 to 80 percent of the area median income. For households that earn less than 50 percent of the median income, only 238 rental units are deemed affordable. According to the 2010-2014 *American Community Survey*, there are an estimated 1,870 households in South Salt Lake whose incomes are at or below 30 percent of the area median income, and over 90 percent of these households are cost burdened, as indicated below in Figure 9.

Since 2010, South Salt Lake City permitted 1,416 new multifamily housing units, all of which are intended for market-rate occupancy. These units are not subsidized, and rents for the newer multifamily projects range from \$875 to \$1,300 per unit. Grace Mary Manor, an 80-unit permanent supportive housing project approved in 2006, was the last dedicated affordable housing development approved by the City.

In 2015, South Salt Lake entitled three new multifamily projects that are to be financed using low-income housing tax credits. These entitlements will result in 162 new affordable units in the next two years. The new units and their planned affordability targets are indicated in Table 7 below:

Table 7: Affordable Housing Units Approved in 2015

Project	Total Units	Affordable Units	Affordability Target
Sharon Gardens	58	58	40% to 50% AMI
Liberty on Main	120	72	50% to 60% AMI
Liberty Crossing	157	32	up to 50% AMI

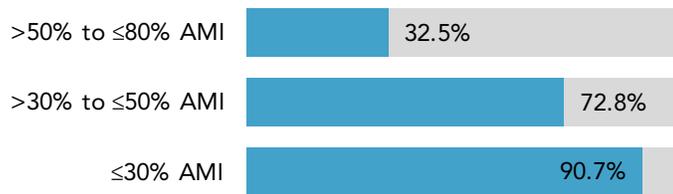
Source: South Salt Lake City Community and Economic Development

The majority of affordable housing in the City consists of established rental units that are at least ten years old, including all 1,100 units that are subsidized or provide housing for residents with critical needs. South Salt Lake City regulates these rental units through business

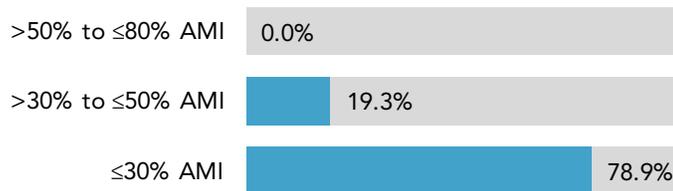
license requirements and the City’s Good Landlord Program, but many affordable rentals may be substandard, due to nonconforming building and code conditions. The City should continue to aggressively enforce the Fit Premises Act and its contractual relationships with landlords through the Good Landlord Program to ensure that existing rental units are safe and meet minimum required standards.

Figure 9: Cost Burdened Renter Households

Households Spending 30% or More of Monthly Income on Housing (by Income Level)



Households Spending 50% or More of Monthly Income on Housing (by Income Level)



Source: Utah Affordable Housing Forecast Tool, v. 2.2.

Recently, South Salt Lake adopted a zoning ordinance and design standards for its Downtown District, encompassing nearly 200 acres between State Street and I-15 and 2100 South and I-80. The Downtown District is intended to leverage access to transit and mixed use opportunities, including a grocery store, to support quality new commercial and residential development. The Downtown district and the City’s other Transit-Oriented Development (TOD) Core districts are the best opportunities to support new affordable housing in the community.

Housing Opportunities for Residents with Critical Needs

South Salt Lake has at least 1,580 residents aged 65 or older and approximately 1,827 residents with a disability. There is a limited supply of housing for these populations: 409 units dedicated to seniors and those in need of long term care and rehabilitation, 18 units set aside for the physically and mentally disabled and 114 units of transitional housing.

Consequently, much of the housing demand for residents with critical needs is being met in existing single-family homes, duplexes, townhomes, and apartments. Most of our residents with critical needs are assumed to be on fixed incomes, and their capacity to meet their housing costs is affected by property values, maintenance requirements, and utility costs. In partnership with Salt Lake County, South Salt Lake offers two programs to homeowners to facilitate affordability and ageing in place in existing housing: ASSIST Utah's Emergency Home Repair (EHR) program, and the Salt Lake County Green and Healthy Homes Initiative (GHHI). These programs are funded through a regional allocation of Community Development Block Grant (CDBG) funds.

Over the last four years, these programs have helped nearly 100 homeowners stay in their homes, through projects ranging from small grants for emergency repairs and accessibility improvements, to low-interest home improvement loans. To qualify, homeowners need to earn less than 80 percent of the County's AMI. Since 2012, the EHR program completed 79 projects, including 6 ageing-in-place projects and 16 accessibility design projects. In that same timeframe, the GHHI program and its predecessor, the Critical Needs Home Repair Loan Program, helped 20 homeowners undertake critical needs in their homes with loans of up to \$20,000, helping them build and maintain equity. Several of these loans were issued to senior citizen homeowners, who are eligible for a loan where the principal is recaptured through a lien on the mortgage, and the homeowner is only required to make a token payment of typically \$100 per month. South Salt Lake should continue to support these programs and should actively promote them to residents with critical needs.

Typically, renter households do not have access to these programs, since the CDBG allocations are intended to facilitate affordable, sustainable *homeownership*. However, the City is committed to ensuring that rental units are safe and compliant with the Utah Fit Premises Act, and the City requires that all landlords obtain business licenses, and all rentals are subject to inspection by City staff, to the extent allowed by state law.

All new multifamily development in the City is required to comply with aggressive design standards to promote quality design and construction. In the City's residential design standards and in special standards for the City's East Streetcar Corridor Neighborhood, developers must select from a list of unit features that includes visitability features in at least 10 percent of units, to include no-step entries, ADA restrooms, and accessible controls. This year, the City adopted a new form-based code to promote the creation of a mixed use downtown, which creates an unprecedented opportunity for new housing in a 200 acre area that has excellent access to regional transit. While the 10 percent visitability standard is optional in most zones in the City, the standard is *mandatory* for any multifamily project approved in the Downtown District. The City anticipates that 2,500 multifamily units will be constructed in the Downtown District in the next 25 years, 250 of which will meet visitability standards. This will be a significant enhancement to the City's inventory of quality housing for residents with critical needs.

Availability of New Housing Opportunities in South Salt Lake

South Salt Lake has long pursued a strategy of supporting new housing through appropriate zoning. In 2010, the City adopted a general plan that articulated a policy to support the development of higher density housing in appropriate areas – near TRAX and streetcar stations and along major transit corridors. In the years following the adoption of the general plan, South Salt Lake established two new mixed-use districts, The East Streetcar Neighborhood and Downtown, that support multifamily housing. There are no density limits in these districts, and parking requirements were reduced to support quality transit-oriented development.

In 2015, the City established a new Transit-Oriented Development Core District surrounding the Millcreek and Meadowbrook TRAX stations, which also eliminated the previous density limit in these districts. Combined, these zones encompass 440 acres of land in the City, all of which is within a short walk of existing light rail and streetcar stations. The City anticipates that most new multifamily housing will be permitted in the Downtown, East Streetcar, and TOD Core districts. This new housing will be the result of redevelopment; there is little vacant land left in the city and virtually none in the three districts intended for transit-oriented mixed use development.

Table 8 lists the allowable housing types by zone district in South Salt Lake City. Virtually every residential or commercial zone allows for housing of some type, and housing in commercial zones must include a mixed-use component, either office, retail, or live/work space. Residential facilities for elderly persons and persons with a disability are allowed in all residential and TOD zones, and manufactured homes are allowed wherever single-family residences are allowed.

Group homes and transitional housing are permitted in the Residential Multiple district, and permanent supportive housing and homeless shelters are allowed within the Commercial General district, provided they are within one half-mile of an existing light rail station and at least four of the five following community facilities: supermarket or general retail store, laundry or dry cleaner, educational facility, pharmacy, post office, public park, public library, medical clinic, or social services center. These requirements are intended to ensure that permanent supportive housing and homeless shelters are integrated with local community services, rather than being isolated in nonresidential districts where there is limited opportunity for residents to meet the needs of daily living. Most of properties in the city that are zoned Commercial General meet the maximum distance requirements for permanent supportive housing and homeless shelters.

The city's zoning regulations do not impose any significant regulatory burdens on the provision of affordable housing and housing for disadvantaged populations or for residents with critical needs. The most significant barrier to affordable housing in South Salt Lake is the lack of buildable land in the zones where housing is encouraged. While there are infill sites available in the single-family district, virtually all of the land in the transit-oriented mixed use

zones is developed. Development of affordable housing in these areas will likely acquire land acquisition, demolition of existing buildings, and redevelopment. This adds to the cost of the project, but these costs are not insurmountable. Two of the three affordable projects approved in the last year involve demolition of existing structures and the remediation of poor soil conditions. These projects were part of a redevelopment area, and the City worked with the developer of these projects to ensure that the projects could perform at the desired affordability targets.

Other viable options for affordable housing include the park-and-ride lots at the Millcreek and Meadowbrook TRAX stations. Currently, these stations feature large surface parking lots, which can be repurposed for mixed use residential projects, with structured parking replacing the lost surface parking. Due to proximity to transit and the potential for public-private partnerships, these sites are good candidates for affordable housing. Moving forward, South Salt Lake City should continue to support the development of quality affordable housing in mixed use projects near or adjacent to transit stations, and should participate in these projects through the use of redevelopment incentives in areas where it would fulfill the City's strategic plan goals for economic development, including job creation and new commercial opportunities.

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Table 8: Allowable Housing Types by Zone District in South Salt Lake

Zone District	Size (acres)	Housing Types Allowed as Permitted (P) or Conditional (C) Uses							Residential Facility for Elderly Persons and Persons with a Disability	Live/Work Unit
		Assisted Living (up to 30 units)	Assisted Living (31 or more units)	Condominiums	Senior Living	Group Home	Homeless Shelter			
Agricultural Residential	101.3									
Business Park	5.7									
Commercial Corridor	393.6		C	C	C				C	
Commercial General	103.2						C			
Commercial Neighborhood	11.77	C		P	P			C	C	
Community Facilities	8.9									
Downtown	205.4	P	P	P	P				P	
East Streetcar Neighborhood	36.7	C	C	C	C				C	
Gateway West Overlay	17.1	C	P					C	P	
Historic	2.2									
Light Industrial	1701.4			C					C	
Master Planned Mixed Use	82	See note.								
Mixed Use	24.9		P	P	P			C		
Professional Office	7.8			C					C	
Residential Multiple	123.6	C		P	P	C		C		
Single Family Residential	962.1				C			C		
Transit Oriented Development Overlay	372.6	P	P	P	P			C	P	
Transit Oriented Development Overlay - Core	197.9	P	P	P	P			C	P	

Zone District	Size (acres)	Manufactured Home	Multifamily (up to 50 units)	Multifamily (50 or more units)	Nursing Home	Permanent Supportive Housing	Single-Family Residence	Townhome	Transitional Housing	
										Agricultural Residential
Business Park	5.7									
Commercial Corridor	393.6			C						
Commercial General	103.2					C				
Commercial Neighborhood	11.77				C			C		
Community Facilities	8.9									
Downtown	205.4		C	P				P		
East Streetcar Neighborhood	36.7			C				P		
Gateway West Overlay	17.1	P			C		P	P		
Historic	2.2									
Light Industrial	1701.4									
Master Planned Mixed Use	82	See note.								
Mixed Use	24.9	P		C	C		P	P		
Professional Office	7.8									
Residential Multiple	123.6	P		C	C		P		C	
Single Family Residential	962.1	P					P			
Transit Oriented Development Overlay	372.6			C	C			P		
Transit Oriented Development Overlay - Core	197.9			C	C			P		

Note: The master plan mixed use zone could accommodate a variety of housing types, subject to a site-specific master plan that is adopted as a regulating plan for the district. South Salt Lake adopted two master plans in the last three years: Riverfront, which provided for 56 single-family homes and 288 market-rate multifamily units; and the Crossing, which provided for 240 multifamily units, 132 of which will be affordable for households from 40 to 60% AMI.

IV: Fair Housing and Equity Assessment for Salt Lake County

The affordable housing situation in South Salt Lake is not unique to the City; critical needs exist throughout the region, affecting every community along the Wasatch Front. In 2014, as part of the Wasatch Choice 2040 initiative, BEBR completed the *Fair Housing and Equity Assessment for Salt Lake County*, comparing South Salt Lake to housing needs throughout the County. The study evaluated South Salt Lake and nine other suburbs with populations less than 50,000. Collectively, these communities and the unincorporated urban areas in the county receive annual CDBG allocations through Salt Lake County.

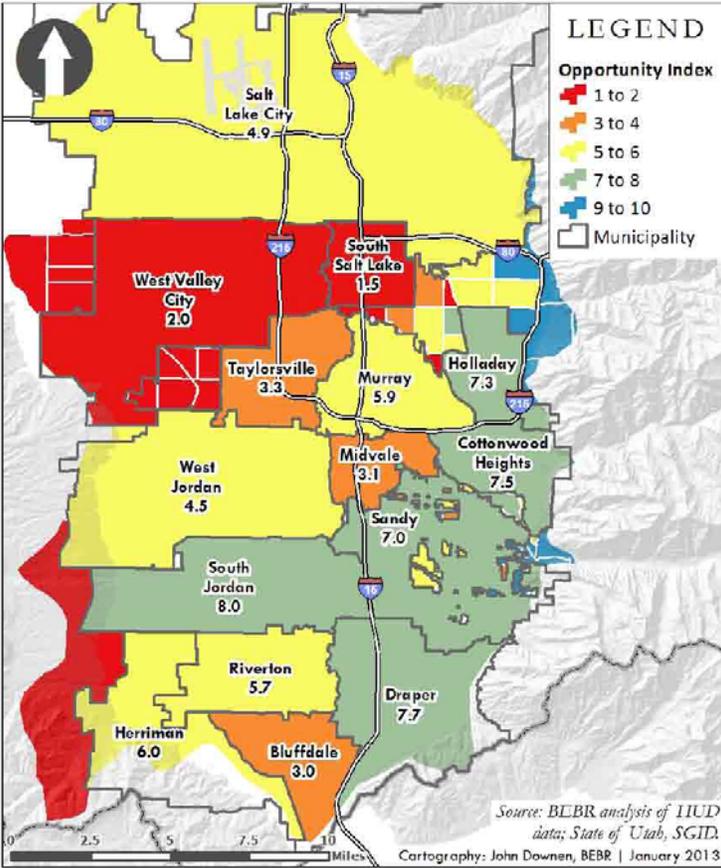
While South Salt Lake has an acute need for affordable housing, the City also has a significant share of the county's affordable housing stock, as measured against the County's AMI. According to BEBR's assessment, South Salt Lake had a surplus in 2014 of 1,873 affordable housing units that were affordable up to 80 percent of the County's median income which, as noted earlier in this report, is 40 percent higher than the City's median income. Midvale and Salt Lake City are the only other communities in the County that has a similar concentration of affordable housing in the County. This is a function of the number of rental units in the City, as well as units that provide a subsidy in the form of a voucher to the tenant or a tax credit to the property owner.

The *Fair Housing and Equity Assessment* affirms the widely-held assumption in South Salt Lake that the community plays an outsized role in providing affordable housing to those in need in Salt Lake County. However, the assessment uses the City's own median income to demonstrate that the need for additional affordable housing is acute, despite the fact that we meet or exceed our fair share for affordable housing county-wide.

The *Fair Housing and Equity Assessment* highlighted other conditions in our community are impediments to housing choice and affordability, many of which require a concerted and coordinated effort among various government entities. The Department of Housing and Urban Development measures these conditions – school proficiency, concentration of poverty, labor market conditions, housing stability, and access to quality jobs – and created an *opportunity index* to quantify them. The assessment reported that of the ten cities measured in the study, South Salt Lake had the lowest opportunity index at 1.5, while Draper had the highest at 7.7. (BEBR, 2014). Figure 10 indicates the opportunity indices by city and unincorporated township in Salt Lake County.

While South Salt Lake led the ten cities and the unincorporated county in terms of job access, the city had the lowest score for the other 5 measures in the opportunity index. The quality of our public schools was a particular concern articulated in the BEBR study. The impediments to fair housing choice that affect South Salt Lake residents are multivariate, and multiple actors across the region need to work in concert to lower the barriers to quality housing. This is not a challenge that South Salt Lake can take on alone.

Figure 10: Opportunity Index by City and Unincorporated Township in Salt Lake County



V: Regulatory Barriers to Housing Affordability

South Salt Lake City's 2010 General Plan included a regulatory barriers analysis, finding that "current South Salt Lake regulations do not create significant barriers to workforce and moderate-income housing development." Since the General Plan was adopted, South Salt Lake adopted additional ordinances and policies aimed at facilitating the development of quality market rate and affordable housing. The following regulations and policies have lowered the barriers to housing affordability since 2010:

- **Downtown and East Streetcar Neighborhood Zones.** These new zoning districts created new opportunities for housing, encompassing nearly 240 acres of land along transit lines. These districts include a reduced parking requirement. In addition, the Downtown District requires that a portion of multifamily units be visitable, and all projects over 50 units in size are approved as permitted uses, which reduces the time and uncertainty involved in permitting projects.
- **Density and Parking Requirements for Transit-Oriented Development Core Zones.** In 2015, the City established a Transit-Oriented Development Core Overlay for properties generally within a quarter mile of the Millcreek and Meadowbrook TRAX stations. The previous density caps were removed from these zones, which created opportunities for additional transit-oriented housing surrounding existing transit stations. Later that year, the City established new, lower parking requirements for residential developments in the TOD Core zones, matching the requirements for the East Streetcar Neighborhood.
- **Housing Rehabilitation Program.** In 2014, the City allocated nearly \$100,000 in housing funds to support rehabilitation of vacant housing. South Salt Lake works with the Community Development Corporation of Utah (CDCU), providing them with a grant of up to \$25,000 per home. CDCU identifies a distressed property, acquires it, and uses the City contribution to fund the rehabilitation. After rehabilitation, CDCU sells the home to a qualifying homeowner. Home purchasers participate in credit repair and homebuyer education and commit to long-term occupancy of the homes they buy. The City facilitated the rehabilitation of one home using this fund, and CDCU recently acquired a second abandoned home that will be rehabilitated using this money.

Since 2012, CDCU has purchased, repaired, and sold 14 homes in South Salt Lake, using the City's rehabilitation fund as well as other sources of funding. The average income of homebuyers was 77 percent of the County's AMI. Two homebuyers were police officers, and one was a teacher.

- **Critical Needs Home Repair Program / Green and Healthy Homes / Emergency Home Repair.** South Salt Lake partners with CDCU on a program that provides an opportunity for existing qualifying homeowners to conduct critical repairs to their home. Since 2014, our partnership expanded to include the County's Green and Health Homes and Lead Free Salt Lake programs. Since 2012, CDCU assisted 20 homeowners

in undertaking critical home repairs through low-to no-interest loans ranging of up to \$20,000. To qualify, homeowners need to demonstrate that they earn 80 percent or less of the County's AMI.

During that same time, South Salt Lake worked with Salt Lake County and ASSIST to provide emergency home repair grants of up to \$5,000 to 79 homes in the City. Together, these programs made a significant contribution to the existing affordable housing stock in the City.

- **Community Connection.** Community Connection provides small curb-appeal grants to qualifying homeowners, making up to 80 percent of the County's AMI. Since the program began in 2011, Community Connection has completed over 250 housing projects for qualifying households and 45 projects at parks and community facilities. This work has been leveraged by the labor of 6,930 volunteers contributing over 41,000 volunteer hours, valued at \$800,000. Community Connection was funded through successive CDBG allocations totaling \$200,000 in the last five years. The intent of the program is to help with minor improvements to yard areas and repairs to the exteriors of homes. City staff coordinate with ASSIST, CDCU, and other partners to bring additional resources to homes that need them. In this respect, Community Connection functions in a suite of programs that range from minor repairs to significant rehabilitation.
- **Promise South Salt Lake.** The City of South Salt Lake acknowledged long ago that we, as a municipality, can greatly enhance the quality of life of our residents. We recognize that educational attainment is a key component of housing equity. The mission of Promise South Salt Lake is to form partnerships with educational institutions, social service agencies and nonprofit organizations to provide academic and youth development initiatives, address health, mental health and dental needs, support families in achieving financial stability through connections to adult education, training, and job resources, and facilitate neighborhood connections that increase resident relationships, leadership capacity and sense of belonging within the city. Through its programs and initiatives, Promise South Salt Lake works to provide services that mitigate the effects of poverty, transiency, and lack of opportunity. Promise South Salt Lake and its institutional partners operate child, youth and adult programs in nine neighborhood centers across the City, serving nearly 1,000 youth and 300 adults per day. Centers are open five to six days a week to offer the various programs. Promise South Salt Lake began as a multi-year initiative in 2012, and became a City department in 2014.

In 2015 and 2016, South Salt Lake City adopted impact fees for sewer, culinary water, and parks. Impact fees for sewer and water lines depend on the on the size of the meter, and a parks impact fee was established at \$1,677 for a single-family residence and for \$1,608 per multifamily unit. These fees are essential if the City is to continue to provide an appropriate

level of service for sewer, culinary water, and parks and open space. However, the fees could serve as a regulatory barrier to affordable housing by incrementally increasing the cost of developing affordable housing units. The 2010 General Plan recommended that waivers should be allowed on a case-by-case basis if it is shown that the fees affect the affordability of the project. Moving forward, the City could consider a waiver of the parks impact fee if a developer of affordable housing commits to provide an equivalent value of project open space above what is required by the ordinance. Alternatively, in designated Urban Renewal Areas (URA) where housing participation is required, the City's Redevelopment Agency could rebate required impact fees as a means of meeting the participation requirement and ensuring the performance of an affordable housing project in a redevelopment area.

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VI: Gaps and Needs in Housing Affordability

In order to identify appropriate goals, objectives, and strategies, gaps and needs must be identified. This section identifies the existing and future gaps and needs in housing affordability in South Salt Lake.

Existing Gaps and Needs

A comparison of South Salt Lake's existing housing stock to the number of households at specific income thresholds shows that there are acute gaps in available housing for households at or below 80 percent AMI. Existing gaps are identified in Table 9. The most significant housing gap is for extremely low income households, those that earn up to 30 percent of the City's AMI. Only 49 units are available at this income level, and an additional 1,821 would be needed for all extremely low income households to find affordable housing. Large gaps also exist for households earning from 30 to 50 percent AMI, and those earning up to 80 percent AMI. It is only for households earning 80 percent or more of the City's median income that a surplus of affordable housing is available.

Table 9: Existing Gaps in Affordable Housing in South Salt Lake

Income Level	Available Units	Households	Gap/Surplus
Up to 30% AMI	49	1,870	(1,821)
>30% to ≤50% AMI	243	1,330	(1,087)
>50% to ≤80% AMI	1,269	2,205	(936)
>80% to ≤100% AMI	2,625	1,105	1,520
More than 100% AMI	3,970	2,044	1,926

Source: Utah Affordable Housing Forecast Tool, v. 2.2.

Additionally, the condition of the City's housing stock presents an existing need. Nearly 30 percent of our housing was built prior to 1979. This housing requires ongoing maintenance and eventual critical upgrades. Thus, a cost-burdened household in an older home is faced with significant financial uncertainty when a critical repair becomes necessary.

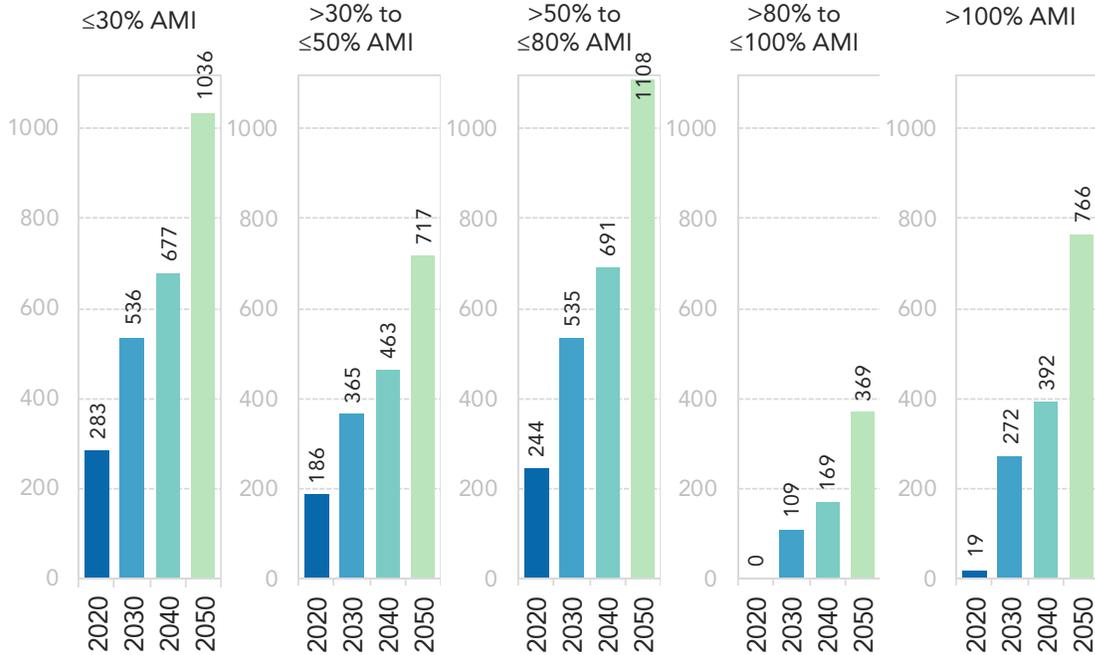
Future Gaps and Needs

The population of the City of South Salt Lake is expected to increase from approximately 25,000 residents in 2016 to 26,845 by 2020 and 29,693 by 2030. These additional residents amount to over 1,312 households by 2020 and an additional 2,470 households by 2030, based on the City's current average household size.

Based on population change, observed income levels, and existing vacancies, it is projected the City will need an additional 706 housing units by 2020. Of those 706 units, 283 will need to be affordable to extremely low-income (≤30% AMI) households, 186 will need to be affordable to low-income (>30% to ≤50% AMI) households, and 244 will need to be affordable to moderate-income (>50% to ≤80% AMI) households.

Current population projections indicate that, by 2030, the City of South Salt Lake will need an additional 1,817 housing units. Of these, 536 will need to be affordable to extremely low-income ($\leq 30\%$ AMI) households, 365 will need to be affordable to low-income ($>30\%$ to $\leq 50\%$ AMI) households, and 535 will need to be affordable to moderate-income ($>50\%$ to $\leq 80\%$ AMI) households. A summary of new housing demand to 2050 is found in Figure 11.

Figure 11: New Housing Unit Demand by Household Income Level



Source: Utah Affordable Housing Forecast Tool, v. 2.2.



VII: Goals, Objectives and Policies

Together, the current and future gaps in affordable housing will require a concerted regional effort to ensure that housing equity is provided to everyone living along the Wasatch Front. Many of the most significant impediments to affordable housing are regional or national in nature, and are a function of real estate prices, wage stagnation, and educational opportunity. Given the South Salt Lake's constraints – a limited availability of buildable land, high costs for redevelopment, ongoing budget constraints, and a small residential population – the City alone cannot meet its demand for affordable housing. Nevertheless, South Salt Lake acknowledges that it should pursue four goals to increase housing choice over the next four years. These goals include target numbers for new low- and moderate-income households, which are summarized in Table 10 below and are discussed in greater detail on the following pages.

Table 10: Summary of Proposed New Housing Opportunities

Objective	Households
Goal 1: Increase housing opportunities for households earning up to 50 percent AMI and for households with critical needs.	
New units for households earning less than 50 percent AMI	100
New units for low- to moderate-income senior households	100
Goal 2: Increase Housing Opportunities for Households Earning From 50 to 80 Percent AMI.	
New units for households earning from 50 to 80 percent AMI	200
Goal 3: Increase Housing Opportunities for Households Earning From 80 to 100 Percent AMI.	
New units for households earning from 80 to 100 percent AMI	200
Goal 4: Increase Opportunities for Affordable Housing through Rehabilitation and Neighborhood Revitalization.	
Additional Community Connection curb-appeal grants	80
Additional Critical Needs Home Repair / Green and Healthy Home Loans	40
Additional Emergency Home Repair Grants	100

Goal 1: Increase Housing Opportunities for Households Earning up to 50 percent AMI and for households with critical needs.

<u>Demand</u>	<u>30 percent AMI</u>	<u>50 percent AMI</u>
<i>Current Demand:</i>	<i>1,821 units</i>	<i>1,087 units</i>
<i>Additional Demand by 2020:</i>	<i>283 units</i>	<i>186 units</i>

The need for affordable housing is most acute for households earning less than 50 percent of the City’s AMI. Rents for households in these amounts should not exceed \$372 per month and mortgages should not exceed \$56,144. Given existing rental rates and mortgage costs, the private market is unable to accommodate most of this need. South Salt Lake City can be most effective at increasing opportunities for extremely low and extremely low income residents by supporting additional units of residential housing for elderly people and people with disabilities, permanent supportive housing for the chronically homeless, and by expanding offerings of housing rehabilitation loans and grants. Housing rehabilitation and neighborhood revitalization is addressed in Goal 4.

Objective 1.1: Objectively encourage the provision of an additional 100 housing units by 2020 for households earning less than 50 percent AMI, to include populations with critical needs, and an additional 100 housing units by 2020 for low- to moderate-income senior households.

Policy 1.1.1. Pursue the creation of additional housing near transit stations or along major commercial corridors, in order to increase opportunity for households earning less than 50 percent AMI and households with critical needs, including senior households.

Policy 1.1.2. Evaluate parking requirements, RDA participation, and other incentives to facilitate the development of appropriate new housing.

Goal 2: Increase Housing Opportunities for Households Earning From 50 to 80 Percent AMI.

Demand 50 to 80 percent AMI

Current Demand: 1,087 units

Additional Demand by 2020: 186 units

Households that earn from 50 to 80 percent of the City’s AMI should pay no more than \$589 in rent and utilities or hold a mortgage worth no more than \$102,197. There are few opportunities to buy housing at this price, but there are many existing older rental properties that are available at this price. Market-rate rents for new multifamily rentals range from approximately \$900 to \$1,400 a month. South Salt Lake should pursue the development of additional LIHTC projects targeting households from 40 to 50 percent of the County’s AMI, which roughly corresponds to 80 percent of the City’s AMI. Housing rehabilitation and neighborhood revitalization is an essential component of ensuring the viability of affordable housing for residents earning less than 80 percent AMI.

Objective 2.1: Actively encourage the provision of an additional 200 housing units by 2020 for households earning from 50 to 80 percent AMI.

Policy 2.1.1. Pursue the creation of additional housing near transit stations or along major commercial corridors, in order to increase opportunity for households earning from 50 to 80 percent AMI. Promote LIHTC and other funding guarantees to developers as a means of encouraging affordable housing, particularly near transit stations and in the Downtown district.

Policy 2.1.2. Evaluate parking requirements, RDA participation, and other incentives to facilitate the development of appropriate new housing.

Policy 2.1.3. Continue promoting the City’s Good Landlord Program and aggressively enforce the Fit Premises Act to the greatest extent allowable by state law, in order to ensure that existing rental properties meet minimum building, health, and fire codes.

Goal 3: Increase Housing Opportunities for Households Earning From 80 to 100 Percent AMI.

Demand 80 to 100 percent AMI

Current Demand: 936 units

Additional Demand by 2020: 0 units

Households that earn from 80 to 100 percent of the City’s AMI should pay no more than \$745 in rent and utilities or hold a mortgage worth no more than \$132,900. At this AMI target, new housing is limited but there are many existing residential properties that sell for less than \$149,000. The median assessed value of all single-family homes, townhomes, and condominiums in South Salt Lake was \$141,800 in 2014. Considering current standards that require a 20 percent down-payment, homeownership is in reach for households earning from 80 to 100 percent AMI. The City should continue to support down payment assistance, critical needs home repair loans, and community supported housing rehabilitation for low-income households at this level. Moreover, new townhomes or condominiums could be feasible at this price point, and are a good option for infill projects in the City’s TOD and Downtown Districts.

Objective 3.1: Actively encourage the provision of an additional 200 housing units by 2020 for households earning from 80 to 100 percent AMI.

Policy 3.1.1. Pursue the creation of additional townhomes or condominiums in the Downtown District, TOD overlay zone, or other master-planned areas as a means of providing affordable owner-occupied housing for South Salt Lake residents.

Objective 3.2: Expand the Housing Rehabilitation Program to fund the rehabilitation of 10 existing vacant or abandoned homes by 2020.

Policy 3.2.1. Budget additional municipal funds up to \$50,000 per year to continue funding the Housing Rehabilitation Program.

Objective 3.3: Support the continued allocation of regional CDBG funds for down payment assistance programs for homeowners earning up to 80 percent of the County’s AMI. Six down payment assistance grants should be issued to qualifying first-time South Salt Lake homebuyers per year, or 24 by 2020.

Policy 3.3.1. Promote the down payment assistance program to residents and others looking for affordable housing in South Salt Lake.

Goal 4: Increase Opportunities for Affordable Housing through Rehabilitation and Neighborhood Revitalization.

The perception of declining neighborhoods remains one of the greatest impediments to establishing a successful and desirable housing stock in South Salt Lake. The City should continue to leverage CDBG funds with volunteer resources to improve targeted, qualifying homes and resolve outstanding code issues. In the future, Community Connection and other housing rehabilitation and neighborhood revitalization programs could be expanded by the use of RDA tax increment when it becomes available.

The goals of South Salt Lake’s neighborhood revitalization program are to:

- Target neighborhoods most in need of improvement
- Ensure that CDBG resources go to homeowners most in need.
- Leverage federal, city, and donation funds with volunteer labor for optimal impact.
- Resolve lingering code and life safety issues
- Advance South Salt Lake’s strategic objective to establish a safe, clean, and beautiful city.

Housing rehabilitation and neighborhood revitalization is a goal that could provide opportunity to homeowners at every income level. The City’s existing programs and partnerships are essential in maintaining equity and value in our existing housing stock, which is the City’s greatest opportunity for affordable housing.

- Objective 4.1:** Provide exterior curb-appeal grants per year to at least 20 homeowners earning up to 80 percent of the County’s AMI, or 80 grants by 2020.
- Objective 4.2:** Support the funding of at least 10 Critical Needs Home Repair / GHHI loans per year to qualifying homeowners, or 40 loans by 2020.
- Objective 4.3:** Support the funding of at least 25 Emergency Home Repair grants per year to qualifying homeowners, or 100 grants by 2020.
- Objective 4.4:** Research additional means of providing affordable, sustainable homeownership for existing residents, to include City-promoted sewer and water line insurance.