
SALT LAKE CITY COUNCIL STAFF REPORT

DATE: February 13, 2004

SUBJECT: Utah Non-Profit Housing Corporation- proposed Liberty Wells Retirement Community at 280 East 800 South - Petition No. 400-03-25

1. Rezone
2. Master Plan amendment
3. Subdivision vacation and amendment

AFFECTED COUNCIL DISTRICTS: If the ordinances and resolution are adopted, the proposed development will affect Council District 4

STAFF REPORT BY: Janice Jardine

ADMINISTRATIVE DEPT. Community and Economic Development, Planning Division

AND CONTACT PERSON: Everett Joyce, Principal Planner

WORK SESSION SUMMARY/NEW INFORMATION:

The Council discussed this item and a Housing Trust Fund loan request for the proposed elderly housing project during a briefing on February 3, 2004:

- A. Land use issues discussed during the land use portion of the briefing included:
 1. Population composition of the surrounding area including census information.
 2. Possible impacts on existing aging housing.
 3. Number of existing elderly housing developments.
 4. Market structure
 5. Requirements such as tax credit funding that requires the housing to remain affordable and would prevent conversion for uses other than the proposed elderly housing. (The petitioners housing loan application notes that apartments are intended to remain affordable for people at 50% of area median income or less for a period of 99 years.)
- B. Planning staff has provided additional information requested by the Council. Please see the attached memo for details.
- C. During the loan portion of the briefing, the Administration indicated that the applicant may return to the City to seek additional funding to help offset construction costs. The project relied on funding from Salt Lake County, but was not successful in receiving that portion. The Council approved the Housing Trust Fund loan on February 10, 2004.

POTENTIAL MOTIONS:

1. ["I move that the Council"] Adopt the proposed ordinances:
 - A. Rezoning properties located at 280 East 800 South from Commercial Neighborhood CN and Residential Multi-family RMF-30 to Residential Multi-family RMF-45.
 - B. Amending the Central Community Master Plan Future Land Use Map.
 - C. Vacating and amending a portion of Block 3 in the City Hall Subdivision.
2. ["I move that the Council"] Not adopt the proposed ordinances.

The following information was provided previously. It is provided again for your reference.

KEY ELEMENTS:

- A. Items that require Council action to facilitate development of the proposed Liberty Wells Retirement Community include:
 1. Housing Trust Fund loan in the amount of \$250,000. (Please see Budget Related Facts on pg. 2 for additional details.)
 2. Rezone property from Commercial Neighborhood CN and Residential Multi-Family RMF-30 to Residential Multi-Family-45. The split zoning reflects the previous commercial zoning classification and a commercial parking lot permitted in 1988 as a conditional use in a residential zoning district prior to the 1995 Zoning Rewrite project.
 3. Amend the Central Community Master Plan Future Land Use Map from neighborhood commercial – low/medium density residential to medium/high density residential.
 4. Vacate and amend Lots 5-18, Block 3 of the City Hall Subdivision. (The lots will be combined into one lot that reflects the current use of the property.)
- B. The proposed 51-unit elderly affordable housing development will include:
 1. 43 one-bedroom and 8 two-bedroom units in one 4-story structure.
 2. Density = 42.5 units per acre.
 3. Parking to be located on the ground level under the structure and on an existing surface parking lot fronting on Roberta Street.
 4. Additional amenities include landscaped grounds, a coin-operated laundry room, an exercise and wellness center and common area for a variety of activities.
 5. Support facilities such as the Liberty Senior Center and the Central City Community Center are located within the immediate neighborhood.
- C. Currently, the property includes one structure, previously used as a restaurant, and associated surface parking. Surrounding land uses include low-density single-family and multi-family residential uses, offices and a church. Medium-high density residential developments are scattered throughout the surrounding area with a density range of 30-50 units per acre. (Please see attached map for reference.)
- D. On November 19, 2003, the Planning Commission voted to forward a positive recommendation to the City Council to rezone the property, amend the master plan and vacate and amend a portion of the City Hall Subdivision subject to issuance of a building permit. Issues discussed at the Planning Commission hearing included:
 1. Options for reducing the parking requirement through the alternative parking process. (Please note. The petitioner has chosen to meet the Zoning Ordinance standards for parking.

- Utah Non-Profit Housing has agreed to allow the church to the south of the property use of a portion of the parking. The church currently has inadequate parking to meet the needs of its congregation.)
2. Building scale and design, landscaping, neighborhood compatibility and potential crime reduction.
- E. Two ordinances and a resolution have been prepared by the City Attorney's office.
1. Ordinance - Rezoning the property and amending the master plan subject to submission of a complete application for a building permit for the proposed development.
 2. Ordinance - Vacating and amending a portion of Block 3 in the City Hall Subdivision.
 3. Resolution – Authorizing a loan from the Housing Trust Fund to Utah Non-Profit Housing Corporation.
- F. The project has been reviewed by the City departments. Public facilities and services are in place. The proposed project and new subdivision will be required to meet all City standards and subdivision regulations.
- G. The public process included review by the Central City Community Council and written notification of the Planning Commission hearing to surrounding property owners. The Community Council supported the proposed development and rezoning request.

BUDGET RELATED FACTS

- A. Utah Nonprofit Housing Corp. has requested a \$250,000 loan from the City Housing Trust Fund to assist in construction of the proposed project. The apartments are intended to remain affordable for people at 50% of area median income or less for a period of 99 years.
- B. On January 28, 2004 the applicant sent a letter to the City requesting that the loan payments be deferred until July 2005. This request has not been reviewed by the Housing Trust Fund Advisory Board. On January 30, 2004 the applicant asked that the letter not be included and the loan application be processed as submitted. (Please see the attached letter from Utah Non-Profit Housing Corp. dated Jan. 28th for details.) **The Council may wish to confirm with the applicant that a loan payment deferral is not being requested and that it is not necessary. If a loan deferral is necessary the Council may wish to refer this request to the Housing Trust Fund Advisory Board for consideration and advice.**
- C. The project will consist of 13 units at 35% of Area Median Income (AMI), 28 units at 40% AMI, 8 units at 45% AMI and 2 units at 50% AMI. The project financing is based on area median income rents being between \$347 and \$461 for one bedroom units and \$479 to \$617 for two bedroom units. Area median household income for Census Tract 1030 is \$32,067 and median family income is \$33,514.
- D. The Housing Trust Fund Advisory Board reviewed this proposal on December 18, 2003 and recommended approval of a \$250,000 loan at 2.5% interest for 30 years. The City will be in second or third position on the loan. The current balance of the Housing Trust Fund is approximately \$2,020,000.
- E. The Richman Group (\$3,266,062), Salt Lake County (\$200,000), Olene Walker Housing Loan Fund (\$200,000), and the Federal Home Loan Bank (\$300,000) are also providing funding for this project. The total cost of project will be \$4,959,091. Utah Nonprofit Housing Corporation is contributing \$655,000 to this project. Rental income from the units in this project will cover all expense obligations for this project.

MASTER PLAN & POLICY CONSIDERATIONS:

- A. The 1974 Central Community Master Plan identifies this property for low/medium density residential development with a range of 11.5 units per acre. The Master Plan notes the following principles:
 1. Revitalize and stabilize inner-city neighborhoods.
 2. Recognize mixed-use areas and their relative permanence.
 3. Establish neighborhood revitalization as a remedy for obsolescence and decline.
- B. The 1995 Zoning Rewrite modified the land use designation in the Plan for this property through zoning a portion of the property for neighborhood commercial uses.
 1. The purpose of the Commercial Neighborhood district is to provide for small scale commercial uses that can be located within residential neighborhoods without having significant impact upon residential uses.
 2. The purpose of the Residential Multi-Family RMF-30 is to provide an environment suitable for a variety of housing types of a low density nature, including multifamily dwellings.
 3. The purpose of the Residential Multi-Family RMF-45 zoning classification is to provide an environment suitable for multi-family dwellings of a moderate/high density.
- C. The Council has adopted housing policy statements that support creating a wide variety of housing types citywide. The policy statements address a variety of issues including quality design, public and neighborhood participation and interaction, transit-oriented development, encouraging mixed-use developments, housing preservation, rehabilitation and replacement, zoning policies and programs that preserve housing opportunities as well as business opportunities.
- D. The City's 1990 Urban Design Element includes statements that emphasize preserving the City's image, neighborhood character and maintaining livability while being sensitive to social and economic realities. Applicable policy concepts include:
 1. Ensure that land uses make a positive contribution to neighborhood improvement and stability.
 2. Ensure building restoration and new construction enhances district character.
 3. Treat building height, scale and character as significant features of a district's image.
 4. Ensure that features of building design such as color, detail, materials and scale are responsive to district character, neighboring buildings, and the pedestrian.
- E. The City's Strategic Plan and the Futures Commission Report express concepts such as maintaining a prominent sustainable city, ensuring the City is designed to the highest aesthetic standards and is pedestrian friendly, convenient, and inviting, but not at the expense of minimizing environmental stewardship or neighborhood vitality. The Plans emphasize placing a high priority on maintaining and developing new affordable residential housing in attractive, friendly, safe environments.

CHRONOLOGY:

➤ BACKGROUND

The Administration's transmittal provides a chronology of events relating to the proposed development. Key meeting dates are listed below.

➤ KEY DATES

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| • March 5 & June 4, 2003 | Central City Community Council meeting |
| • Nov. 19, 2003 | Planning Commission meeting |

- Dec. 18, 2003 Housing Trust Fund Advisory Board

cc: Rocky Fluhart, Sam Guevara, DJ Baxter, Ed Rutan, Lynn Pace, Lee Martinez, David Dobbins, LuAnn Clark, Louis Zunguze, Brent Wilde, Doug Wheelwright, Cheri Coffey, Everett Joyce, Sandi Marler, Sylvia Jones, Gwen Springmeyer

File Location: Community and Economic Development Department, Planning Division, Rezoning,
Utah Non-Profit Housing Corp., 280 East 800 South
Michael\Staff Reports\Housing Trust Fund