

May 17, 2024

Salt Lake City
City Hall
451 South State Street
Salt Lake City, Utah 84111

re: Inclusion of affordable housing in Delta Center area rezone

Dear Mayor Mendenhall, City Council Members, and Planning Commissioners:

On March 4, 2024, the Salt Lake City Council passed an ordinance creating a Community Benefit Policy to create a process for evaluating how development proposals within Salt Lake City requiring zoning approval would impact the community. This ordinance came out of the Thriving in Place study of gentrification and displacement and is intended to help make the City's housing affordability goals a factor in zoning decisions. The policy meets that goal by requiring projects requesting a zoning variance that include housing to be evaluated on the basis of "the level of affordability of the additional density that may be allowed if the proposal were to be adopted."

The first major test of the value of this Community Benefit Policy is now before city officials. On May 14, 2024, KSL reported that the Smith Entertainment Group is preparing to ask the Planning Commission and City Council to modify zoning in the blocks around the Delta Center to further a plan to create a sports, entertainment, cultural and convention district. This district will include housing, and so it is significant that one of the zoning changes being proposed for the new district is the elimination of the current height restriction of 125 feet. The KSL story mentions that the height restriction could be increased to 375 feet. Increasing the number of floors that could be included in an apartment building from eleven to 34 is a major increase in density.

Increasing density on that scale means there could potentially be thousands of new housing units included in the blocks around the Delta Center. It is imperative that some of these units are affordable to lower income city residents. One in four city residents is a tenant paying more for rent than they can afford. One billion dollars of the financing for development in this district will come from a sales tax increase on purchases made within Salt Lake City. If all taxpayers, including struggling renters, will be helping to finance the creation of this district then it is only fair to demand that some of the housing in it is affordable.

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The development at the site of the old state prison in Draper is a model for how state investment in a project can be leveraged to spur the inclusion of affordable housing units. The plans for this mixed use development, built on land owned by the state, include 3,300 units—400 of which will be affordable. Salt Lake City residents will be giving so much to help foster this development that it is only fair to ask for an even larger share of the units in this district to be affordable, and that some of those units be deeply affordable so that people working at the part-time, low wage, leisure and hospitality sector jobs in the district can afford to live there.

For these reasons, we urge you to insist that any zoning amendment made to enable increased density in the proposed district around the Delta Center be contingent on the inclusion of an agreement that ten percent of the units within the district will be affordable to households earning less than \$30,000 per year and that an additional ten percent be affordable to households earning less than \$60,000 per year.

It is long past time to quit giving our city away to developers without expecting a tangible benefit for our community, especially low and moderate income residents struggling to get by each month. Let's set the precedent now that community benefits and inclusion matter before confronting similar decisions regarding the Olympic Games and a new baseball stadium.

Sincerely,

Glenn Bailey

**Executive Director**