Memorandum

To: Councilmembers and Media
From: Mayor Emily S. Niehaus
Date: 6/24/2020
Re: Special City Council Meeting

The City of Moab will hold a Special Moab City Council Meeting on Thursday, June 25, 2020 at 12:00 p.m. The purpose of this meeting will be:

1. Discussion of Walnut Lane Priorities

Per Executive Order 2020-5 issued by Governor Gary R. Herbert on March 18, 2020, this meeting will be conducted electronically and may be viewed on the City’s YouTube channel: https://www.youtube.com/channel/UCloozoZgdmz4y1FoIOl7CJA. An anchor location will not be provided.

In compliance with the Americans with Disabilities Act, individuals needing special accommodations during this meeting should notify the Recorder’s Office at 217 East Center Street, Moab, Utah 84532; or phone (435) 259-5121 at least three (3) working days prior to the meeting.
Moab City Council Agenda Item  
Meeting Date: June 23, 2020

Title: Discussion of Walnut Lane Priorities  
Disposition: Presentation and discussion  
Staff Presenter: Kaitlin Myers, Senior Project Manager  
Attachment(s):  
- Attachment 1: Example PDF of Walnut Lane Prioritization Sheet  
Recommended Motion: N/A  

Background/Summary:

Since the issuing of the RFP for this project, Staff has prioritized including Council on key decision points for the Walnut Lane redevelopment project. As such, City Staff and Architectural Squared (“The Team”) are coming before Council to facilitate a discussion to identify the top priorities for master planning, acquiring funding, and performing other necessary predevelopment work. The Team has been working for several weeks on preliminary work for the master plan but has come to a few critical decision points; an understanding of the Council’s priorities will help move the project forward.

Architectural Squared will first give a presentation to the Council like the one presented to the RFP Review Committee; the presentation will outline the Team’s initial priorities and will highlight several important challenges to address.

After the presentation, the Team, led by Staff, will facilitate a discussion with Council to identify priorities, including the following:

- For the master plan, Council is asked to prioritize the amount of land dedicated to housing units, parking, and open space.
- For funding priorities, Council is asked to prioritize whether the Team should focus on emphasizing affordability, sustainability, or community amenities.

Staff has included an example PDF in this packet to show Council the “Walnut Lane Prioritization” spreadsheet Staff will use to rank these priorities. As is shown in the example, Council members will be asked to rank each of the items respectively as a high, medium, or low priority to provide the Team with a clear list. It is important to note that the numbers reflected in this example were chosen at random and do not reflect projected priorities of the Council or the Team.

Each of the three elements in each of these groupings are all high priority and are just as important as the others, and this project will only succeed if all the elements are included in the project. However, the Team developed this exercise to gain consensus amongst Council members about which priorities are most important.
This exercise will help guide the Team as it proceeds, but more importantly, it is intended to be a guide to the Council as it reviews various master plans, responds to public comments, and allocates funding for the project.

In particular, the ranking of land allocated in the site plan is currently critical to the Team because it will inform whether to proceed with developing this project utilizing the Planned Affordable Development (PAD) ordinance or the R-4 Manufactured Housing Zone.

Though the City has always intended to develop this project with the PAD, the Team has discovered challenges written into the ordinance, namely with the parking requirements. On one hand, to reach the intended density for this project to reach affordability and as allowed by the PAD, the Team cannot reach the parking spaces required. On the other, by proceeding in the R-4, the Team cannot reach the intended density, which will heavily impact the affordability of this project – both for current and future residents and for the City’s return on investment – but it will provide the required parking spaces. The Team will further explain this element of the discussion during the presentation portion of this item.
Walnut Lane Priorities: Site Plan

The goal of this spreadsheet is to identify the Council's priorities regarding how the land is utilized for this project.

<table>
<thead>
<tr>
<th></th>
<th>Council Member 1</th>
<th>Council Member 2</th>
<th>Council Member 3</th>
<th>Council Member 4</th>
<th>Council Member 5</th>
<th>Council Member 6</th>
<th>Average</th>
<th>Priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2.33</td>
<td>High</td>
</tr>
<tr>
<td>Parking</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>1.83</td>
<td>Medium</td>
</tr>
<tr>
<td>Open Space</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>1.83</td>
<td>Low</td>
</tr>
</tbody>
</table>

**Housing** = Prioritizing space for housing units over parking and open space; EITHER: lower density and fewer overall units (less height, larger building footprints) OR higher density and overall more units (more building footprint, and possibly more height and/or mass).

**Parking** = Prioritizing adequate parking over housing units and open space; units would likely be lower in density and/or taller in height to accommodate for adequate parking.

**Open space** = Prioritizing open space (and likely community amenities) over housing units and parking; units must either be fewer (requiring less parking) and/or taller in height.

Density considerations: Higher density leads to increased affordability and a better pro forma over time, but it also requires more parking spaces. Lower density requires less parking but makes each unit more expensive to build. As the Council considers proceeding with R-4 vs. PAD, it should consider the tradeoffs between density and parking.
Walnut Lane Priorities: Funding

The goal of this spreadsheet is to identify the Council's priorities regarding how funding is prioritized for this project.

<table>
<thead>
<tr>
<th></th>
<th>Council Member 1</th>
<th>Council Member 2</th>
<th>Council Member 3</th>
<th>Council Member 4</th>
<th>Council Member 5</th>
<th>Council Member 6</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affordability</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2.17</td>
</tr>
<tr>
<td>Sustainability</td>
<td>3</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>2.50</td>
</tr>
<tr>
<td>Amenities</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1.33</td>
</tr>
</tbody>
</table>

Affordability = Prioritizing maintaining the highest level of affordability for units over paying more for sustainability or community amenities

Sustainability = Prioritizing sustainable design, construction, and O&M of project over affordable development or providing amenities

Amenities = Prioritizing providing high quality indoor (communal kitchen, remote workspace, fitness equipment, etc.) and/or outdoor (playground equipment, gardens, rec equipment, etc.) amenities over affordability and sustainability

Sustainability considerations: The design team is already planning on emphasizing sustainability in this project, as highlighted in the presentation to Council. This category represents support from Council for the design team to, if necessary, spend more on sustainable elements (and potentially sacrifice some overall affordability) in exchange for achieving Net Zero, Living Building Challenge, etc. However, it is also noted that increased investment in sustainable systems over time passes energy savings to tenants and property owner, as long as sustainable systems implemented are not complicated for O&M.
WALNUT LANE HOUSING

PROGRAM
• 38-unit mobile home park
• 193 Walnut Lane
• 2.91 acres
• R-4
• Affordable, sustainable, mixed-income
• Apartment buildings, multiplexes, cottage
• Replace utilities
• Avoid displacing residents
• Offer current residents housing in new buildings
• Target service and low wage workers in need of housing
MASTER PLANNING CONSIDERATIONS

Efficient Building

Benefits:
- Lower capital costs
- Frees space for landscaping and amenities
- More sustainable

Efficient Site

Kane Creek Apartments, Moab

Highland Affordable Senior Housing, Grand Junction
GOALS - Overview

Which of these facets of design are most important?

a) Meet City codes and standards
b) Sustainable Design and Construction
c) Density
   a) Quality of Housing
   b) Type of Housing (single family, townhome, apartment)
   c) Massing, Scale, Height
d) Parking
e) Amenities & Place Making
   a) Open space
   b) Community connectivity
f) Phasing approach
g) Community participation and support
h) Funding - Fiscally responsible
b. SUSTAINABILITY—Key Aspects

**Environmental**
- Passive and active techniques
- Energy efficiency
- Sustainable site and stormwater management
- Local, Natural and Durable materials
- Low embodied energy materials & approaches to framing and Insulation
- Promote alternative transportation
- Low water use landscape

**Social**
- Inclusive process
- Healthy living
- Connected community
- Outdoor social spaces
- Improved quality of life

**Economic**
- Long term savings
- Low utility bills
b. SUSTAINABILITY - Buildings

- Site - Optimize Building Orientation for Passive Solar, Shading, and PV
- Building Envelopes - Insulation and Reduction in Framing Materials. Eliminate Thermal Bridging. Good Air Sealing
- Structure - Reduce Framing Materials and Labor Costs With Alternative Framing Methods.

- Systems - Super Efficient HVAC Systems Using Air Source Heat Pumps, Up to 400% Efficient for Heating and cooling
- Energy Sources - Consider All Electric Appliances. Offset Energy use with PV
- Materials - Use of low VOC materials to improve indoor air quality
b. SUSTAINABILITY LANDSCAPE

Stormwater Management
• Minimize impervious surfaces
• Maximize use of onsite stormwater by providing basins for managing runoff.

Low Water Use
• Efficient fixtures
• Rainwater harvesting
• Consider Potential for Grey Water to offset landscape watering costs. allows for high water use planting in landscape like fruit trees and overstory.

Plant Selection
• Native, pollinator attractors, and drought tolerant landscaping.
• Native landscapes use less water, generate less waste, and require less maintenance than tradition lawns.
• Overstory of shade trees.
• Strategically placed shade trees to improve building efficiency.
b. SUSTAINABILITY - LOW HANGING FRUIT

Low cost, High Return / Highly Recommended
1. Daylighting and Passive Solar
2. Meet minimum IECC 2018 Code requirements
3. Natural Ventilation
4. Building Orientation
5. Energy Efficient Lighting
6. Water Efficient Fixtures
b. SUSTAINABILITY SOLAR P.V

Pros
- Save up to 100% household energy use.
- Rebates up to 26% state tax credit UP TO $1600
- Inline with Moab City commitment to 100% renewables by 2030.

Cons
- Approximately 9k per 4kw system.

Option 2: Using a loan to pay for solar

Option 3: Buying the electricity, not the panels with a Power Purchase Agreement (PPA)
b. SUSTAINABILITY GREY WATER

**Pros**
- Repurpose an average 3,744 gal/year/household
- Recharge Ground Water
- Offset cost of irrigating landscape.
- Grow High water use plants like fruit Trees and large shade trees

**Cons.**
- Cost up $2K per unit.
- Can only use biodegradable soaps. How do we get community members to adhere?
b. SUSTAINABILITY - LOW V.O.C. MATERIALS

**Pros**
- Better indoor air quality
- Fewer long and short term health effects

**Cons.**
- Increase costs vary depending on decreased VOC levels and what products we want to prioritize.
  - Example: Cost of Paint/gal
    - High VOC $20-30
    - Low VOC - $40-50
    - Non VOC-$50-$60
b. SUSTAINABILITY MECHANICAL VENTILATION

Pros
- Better indoor air quality
- Improved health
- Reduced contraction of airborne disease
- Increase longevity of the structure

Cons.
- 2k-3k increased cost/unit
b. ENERGY STAR APPLIANCES

Pros
- Reduced Energy Use
- Lower utility bills
- Rebate options Through WattSmart

Cons.
- Higher upfront cost

<table>
<thead>
<tr>
<th>Appliance</th>
<th>Cost Savings per Year</th>
<th>5-year Savings*</th>
<th>Average Lifespan</th>
<th>Lifespan Savings*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clothes Washer</td>
<td>$40</td>
<td>$189</td>
<td>11 years</td>
<td>$415</td>
</tr>
<tr>
<td>Clothes Dryer</td>
<td>$16</td>
<td>$67</td>
<td>12 years</td>
<td>$160</td>
</tr>
<tr>
<td>Dishwasher</td>
<td>$2</td>
<td>$10</td>
<td>10 years</td>
<td>$20</td>
</tr>
<tr>
<td>Dehumidifier</td>
<td>$17</td>
<td>$71</td>
<td>7 years</td>
<td>$100</td>
</tr>
<tr>
<td>Refrigerator</td>
<td>$6</td>
<td>$30</td>
<td>12 years</td>
<td>$72</td>
</tr>
<tr>
<td>Freezer</td>
<td>$4</td>
<td>$20</td>
<td>11 years</td>
<td>$44</td>
</tr>
<tr>
<td>Air Conditioners</td>
<td>$11</td>
<td>$55</td>
<td>9 years</td>
<td>$99</td>
</tr>
<tr>
<td>Air Purifier</td>
<td>$27</td>
<td>$119</td>
<td>9 years</td>
<td>$215</td>
</tr>
</tbody>
</table>
b. SUSTAINABILITY NATIVE AND CLIMATE ADAPTED LANDSCAPING

Pros

◆ 86% fewer hours of maintenance.
◆ 80% Reduced water use
◆ 52% Reduced green waste

Cons.

● 25% Increases up front cost.

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APPORXIIMATE COSTS | NATIVE GARDEN | TRADITIONAL GARDEN

| CONSTRUCTION COST | $16,700 | $12,400 |
| ANNUAL WATER USE | 14,300 gallons | 76,700 gallons |
| ANNUAL WATER CHARGES | $14 | $74 |
| MAINTENANCE REQUIREMENT | Monthly | Weekly |
| ANNUAL MAINTENANCE CHARGES | $800 | $3,000 |

Source: City of Santa Monica, Office of Sustainability

https://www.smgov.net/Departments/OSE/Categories/Landscape/garden-garden.aspx
High Cost, Low Return/ Not Recommended

- Certifications - How important is this?
  - LBC - Approximate 50% increase building Cost
    - LBC Community?
    - Petal Certification?
  - LEED - +2% for construction + 150k in soft costs.
    - Silver?
    - Gold?
    - Platinum?
  - HERS?
    - Score under 50
  - Net-Zero Energy?
## c. DENSITY

<table>
<thead>
<tr>
<th></th>
<th>R-4</th>
<th>PAD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MINIMUM PROJECT AREA</strong></td>
<td>Apartments, Townhomes, Triplex = 1800 SF Site Area</td>
<td><em>No max density as per 17.68.040</em></td>
</tr>
<tr>
<td></td>
<td>Duplexes = 2500 SF Site Area</td>
<td></td>
</tr>
<tr>
<td></td>
<td>= Approx. 70 units for this site.</td>
<td></td>
</tr>
<tr>
<td><strong>MINIMUM UNIT SIZE</strong></td>
<td>500 SF Ground floor units</td>
<td>275 SF Interior Space</td>
</tr>
<tr>
<td><strong>OPEN SPACE</strong></td>
<td>200 SF / UNIT</td>
<td>5% Site Area</td>
</tr>
<tr>
<td></td>
<td>=14,000 SF</td>
<td>=6,340 SF</td>
</tr>
<tr>
<td><strong>PARKING</strong></td>
<td>• Apartments, Townhomes, Triplex = 1.5 spaces</td>
<td>• 1 Bed = 1 space</td>
</tr>
<tr>
<td></td>
<td>• Duplexes = 2 spaces</td>
<td>• 2 Bed = 2 spaces</td>
</tr>
<tr>
<td></td>
<td>= Apx 5-10% Greater # of Spaces</td>
<td>• 3 Bed = 2 spaces</td>
</tr>
<tr>
<td></td>
<td></td>
<td>= Apx 5-10% Greater # of Spaces</td>
</tr>
<tr>
<td><strong>STORAGE</strong></td>
<td>Not required</td>
<td>Lockable, covered storage for each unit, large enough for 1 bike / bedroom.</td>
</tr>
<tr>
<td><strong>ACCESSORY DWELLING UNITS</strong></td>
<td>Permitted</td>
<td>Not permitted</td>
</tr>
<tr>
<td><strong>MARKET RATE UNITS</strong></td>
<td>No limit</td>
<td>30%</td>
</tr>
<tr>
<td><strong>AFFORDABILITY REQUIREMENTS</strong></td>
<td>None</td>
<td>NTE 130% AMI, Rental rate per income tier</td>
</tr>
<tr>
<td><strong>MAXIMUM APPRECIATION</strong></td>
<td>None</td>
<td>Original Purchase Price + Capital Improvements + 3% per year</td>
</tr>
</tbody>
</table>
c. DENSITY

2-3 Story Apartments adjacent to Single family neighborhoods

3 Story Apartments adjacent major roadway access and at center of site

2 Story Duplex / Triplex adjacent to Single family neighborhoods

2 Story Townhomes adjacent to Single family neighborhoods

SCHEMATIC Site Plan from original RFP Response
c. DENSITY- Typology

- Duplexes
- Townhomes
- Apartments / Multifamily
### c. DENSITY - Affordability

<table>
<thead>
<tr>
<th>TYPE</th>
<th>Single Family</th>
<th>Duplexes</th>
<th>Townhomes</th>
<th>Apartments</th>
</tr>
</thead>
<tbody>
<tr>
<td>COST / SF</td>
<td>$175 - $225 / SF</td>
<td>$165 - $200 / SF</td>
<td>$140 - $180 / SF</td>
<td>$125 - $165 / SF</td>
</tr>
<tr>
<td>BEDROOMS</td>
<td>2 – 3</td>
<td>2 – 3</td>
<td>1 – 2</td>
<td>0 – 2</td>
</tr>
<tr>
<td>UNIT AREA</td>
<td>1200 – 1500 SF</td>
<td>1000 – 1300 SF</td>
<td>800 – 1200 SF</td>
<td>400 – 1000 SF</td>
</tr>
<tr>
<td></td>
<td>$$$$$</td>
<td>$$$</td>
<td>$$</td>
<td>$</td>
</tr>
</tbody>
</table>
c. DENSITY - Height

- Additional height results in increased site area for parking, storage, amenities & open space
- Consider the County HDHO 35b zone = 42’, 4 stories
d. PARKING

Variables to Balance:
• Number of units
• Density and height
• Amount of open space v. parking

Parking Design:
• Efficient Layout
• Covered parking, roof to have solar
• Provide parking close to each unit
• Covered bike parking
• Covered storage unit

[Diagram showing different FAR ratio:] 1 story (100% lot coverage), 2 stories (50% lot coverage), 4 stories (25% lot coverage)

[Pie chart showing Site allocation: Open Space, Building footprint, Parking]
e. AMENITIES & UNIQUE PLACE MAKING

- Provide Internal Amenities
- Support Healthy Living
- Community gardens
- Tot lot, Kid and Pet Friendly
e. AMENITIES & UNIQUE PLACE MAKING

• Mixed Use Community Space

• Bike parking

• Outdoor grilling picnicking and shared spaces
g. COMMUNITY PARTICIPATION

• Complete feasibility studies and incorporate council input before involving the public

• Facilitate meaningful public comment:
  • Proactive and timely public notice
  • Readily accessible information about plan assumptions and findings
  • Creative public engagement solutions
  • A consistent message of listening
  • Wide variety of opportunities for comment
  • An attitude of responsiveness on the part of the design team

• Incorporate public comments into the design as widely as feasible
g. COMMUNITY PLANNING

- Provide quality site organization
- Provide walkway connections
- Provide buffers to surrounding residential areas
h. FUNDING

- Construction budget to be determined based on priorities of council, funding sources available and project phasing.
- Low Income Housing Tax Credit - Financial Modeling, Traditional and Private Lender potential
- Understand Marketable Package needed to secure funding
- Well documented plan and process to support grants and overall support
- Taxable bonds grants and equity investments potential
PROJECT APPROACH

• Feasibility Analysis First
• Study Site Capacity
• Calculate Preliminary Pro Forma
• Understand Access And Utilities
• Review Code Conformance
• Address Constraints

• Define basic assumptions that keep costs within a reasonable range
• Determine quantity of affordable housing / density desired
• Confirm buy in on cost reduction strategies:
  - 3 to 4 story height
  - Apartment buildings versus single family
  - Leaning toward a high number of total units
b. SUSTAINABILITY - Pre Manufactured Buildings

- Reduced on-site construction time
- Reduced material waste
- Energy efficient
- Air Tight
- Improved quality control

INNSTRUCT SMART PANELS
http://www.innstruct.com/

MASS TIMBER
https://www.thinkwood.com/products-and-systems/mass-timber

PHOENIX HAUS-PRE MANUFACTURED
https://www.phoenixhaus.com/
f. PHASING APPROACH

- Strategic Phasing
- On Site Relocation
- Temporary solutions