

Biskupski says SLC council reckless in budget raid for housing, homeless

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Mayor Jackie Biskupski on Wednesday accused the Salt Lake City Council of being arbitrary and reckless with its \$30 million rewriting of spending plans for the city's urban-renewal agency.

In a freewheeling meeting late Tuesday, the council, in its role as governing board for the city Redevelopment Agency (RDA), voted to raid cash from at least 28 separate budget items earmarked for other RDA projects and divert the money to address affordable housing and the homeless.

"It all just unraveled in front of us," Biskupski told the Salt Lake Tribune editorial board. "The decisions that were being made were random."

As the dust settled, RDA Chief Administrative Officer Justin Belliveau said the budget overhaul threatened to skew the agency's mission, disrupt a variety of long-range projects and potentially shake the trust of private developers.

Council members, meanwhile, are describing their moves as "bold" and "a sea change" in efforts to address the pressing issues of homelessness and an affordable housing crunch — saying they acted for lack of a plan from the mayor.

"We've been talking about affordable housing for years," Councilman Charlie Luke said Wednesday. "We need to take action. This is the time to move forward."

Biskupski, the council and top city staffers agree Salt Lake City lacks roughly 7,400 dwellings within reach of working-class, low-income and impoverished residents. All have formally labeled the issue a top policy priority.

But Tuesday's moves represent a major split as city leaders all seek to address it.

Some \$11.8 million of those RDA funds needed to be diverted, Biskupski said, to buy land for at least four new 150-bed homeless-services centers. Locations for those facilities, she said, need to be selected by mid-November.

But the first-term mayor said she was "very surprised" by the council's pulling another \$21 million from other RDA programs to spend on housing, calling the actions "fiscally irresponsible" and "probably the worst way to do budgeting."

Changing a carefully considered budget with little idea of the consequences, Biskupski said, "is of great concern to me."

The new funds are taken from RDA projects across the city, ranging from public art, park improvements and traffic studies to major, long-term initiatives tied to development and job creation.

The mayor said she has ordered a full review of the effects, especially on new economic-development strategies, a centerpiece of her administration. Thus far, she said, the largest impact appears to be an effective halt to the city's redeveloping parcels and buildings in the Depot District, on the western edge of downtown.

That project, dubbed Station Center, is slated to lose \$6.4 million in funds for planning, site preparation and construction, including utility work promised to developers.

More basically, RDA head Belliveau said, the budget rewrite broke dramatically with a collaborative approach the council has taken with RDA staff in the past. It also put outsized

emphasis on housing, Belliveau said, for an agency whose mandates also include enacting the city's master plans, eliminating blight and boosting the economy.

"Nobody within this building has any doubt about the need for making a big bold move to address homelessness," Belliveau said of City Hall. "But we want to do it in a very deliberate manner, not in a random fashion where the approach feels like a tactic."

Councilwoman and RDA Chairwoman Lisa Adams countered that the RDA board amassed the affordable-housing war chest in absence of any clear direction from the mayor.

The housing crisis, Adams said, has a direct link to worsening problems with the homeless encamped around Rio Grande Street downtown.

"I'm surprised that caught them off guard," Adams said of the administration. "We have been discussing using \$4 million to \$5 million in RDA funds [for housing] since January."

She played down the notion that cash stripped from RDA projects would have a great impact, Adams said, adding that there has been "a lot of money sitting dormant for years."

Luke also discounted the mayor's claims that realigning the RDA budget may impede strategies to improve the economy. "You can't have real economic development," he said, "without an affordable stock for employees."

Councilman Derek Kitchen called housing the most urgent issue facing Salt Lake City.

"We are empowering the administration with the resources they need to address the problem," Kitchen said. "If [Biskupski] is serious about affordable housing, she will take this and run."

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