City Council delays Walnut Lane decision; Local evictions turn up housing pressure

by Alison Harford and Rachel Fixsen, Moab Sun News
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At the Jan. 11 city council meeting, councilmembers considered the status of a floundering housing project on Walnut Lane. The city bought the property in 2018 hoping to replace an aging trailer park with 80 high quality affordable housing units, but it’s been difficult to make progress. Elected officials don’t want to let the project drag out and cause the city to lose money, but they and local housing advocates also fear the consequences if the city can’t bring the project to fruition.

“I do not want to see this project die,” said Councilmember Tawny Knuteson-Boyd. “I don’t know how [this community] can withstand another trailer park being sold and scraped. I know this is hard, no part of it has been easy ... We just have got to figure out how to make this work, or people aren’t going to be able to stay here.”

Rhiana Medina, executive director at the Moab Valley Multicultural Center, called in to the meeting to urge the city not to abandon the Walnut Lane project.

“I can’t imagine the crisis of epic proportions that would occur if everyone in Walnut Lane were to be displaced,” she said. “There’s nowhere else for people to go right now.”

The area at 250 and 280 Walnut Lane in Moab, near Swanny Park, is currently a manufactured home park with to 26 occupied trailers. In 2018, the city bought the trailer park with the hopes of turning it into an 80-unit affordable housing complex, which would both re-house the current tenants and provide affordable housing for other Moab locals.
All of the current units at Walnut Lane were built before 1976 and thus don’t meet Department of Housing and Urban Development-approved standards. Many of the trailers have constant maintenance issues, most commonly leaks and furnace and swamp cooler repairs, according to Kaitlin Myers, the senior project manager for Walnut Lane. Creating modern and safe housing for current tenants is the city’s main goal.

However, the project has run into endless complications, and in September 2021, was forced to return to square one after the city terminated its contract with the design and building firm indieDwell, after the firm was unable to meet its contractual expectations. The city has a plan for the project—in 2020, the firm Architectural Squared developed a master plan, including a site plan and phased construction timeline—but has not been able to make progress since last fall.

At the Jan. 11 meeting, the council was presented with three options for how to move forward: to return the $6.5 million Sales Tax Revenue Bond from Zions Public Bank, issued in April 2021; to follow a design-build process for phase one, which would entail hiring separate firms to design the duplexes, then to build them; or to hire a master developer for phase one, who would complete both the design and construction.

To move forward with hiring a master developer or design-build team, and to move forward with the project regardless, Acting City Manager Carly Castle said the city will first have to hire a new senior project manager since Myers is leaving her position. That means that it will be “many months” before the project can get off the ground again, Castle said.

At the meeting, Myers presented updated numbers on the project cost. The estimated cost for the project currently stands at $17,406,791.15, meaning the city would break even on the project from rent revenue 13 years after the project is fully completed.

Ben Billingsley, finance director and acting deputy city manager, explained that due to the interest rate the city is paying on the Sales Tax Revenue Bond, if the city does not spend the $6.5 million allocated for building phases one and two by July or August, it would make sense to return the funds before the city starts losing money.

**Housing crisis already acute for many**

Rhiana Medina frequently works with people who are looking for emergency housing through the multicultural center. The current housing market is the worst she’s ever seen for people who need immediate and affordable housing, she said, especially considering the current
eviction notices for a neighborhood along **Kane Creek Boulevard** and the sale of another trailer park in town at the corner of 200 N. and 200 E.

Ten households in the trailer park on 200 N. and 200 E. were notified on Dec. 16 that they had until Jan. 31 to vacate the property. In an email to the Moab Sun News, Medina said among the residents there are seniors, children, pregnant women, and pets—and all households include members of the local workforce.

“Moab can’t afford to lose more workers!” Medina wrote. Over the past year, entities that provide essential services, such as the school district and the police and sheriff’s departments, have struggled to retain employees, as have many businesses in town. A lack of attainable housing is contributing to that labor shortage.

Medina said a representative of the trailer park’s property owners has been working diligently with the MVMC to find alternative housing for all ten households by the deadline. As of Jan. 5, about half of the tenants had found new homes, though for some their housing costs will be significantly higher than what they had been paying. She’s unsure if all tenants will be able to move by Jan. 31.

“The reality is, it takes a long time to find a place to live in Moab, no matter what your salary is,” Medina wrote. She hopes that in the near future, policy makers will enact legislation that protects tenants when mass-displacement, such as from the sale of a residential property, is imminent.

“Large scale crises like these are never easy, especially in the winter months,” she said. “MVMC is very interested in advocating for protection for this kind of circumstance in the future, such as a mandated six-month notice for mass displacement due to property sales.”

**Council deliberates**

Councilmembers expressed that despite the project’s delays, they’re willing to persevere.

“I think it’s okay to change our expectations a little bit,” Councilmember Tawny Knuteson-Boyd said. “When we began this three years ago, the housing market was decidedly different. We thought what we needed were mostly low-income or very-low-income dwellings, and what we’ve come to understand is we just need housing, whether it’s market-rate or whether it’s affordable.”
“My priorities are what puts housing on the ground the fastest, but that also ... sticking to some of the commitments we initially had, that the whole point of attaining this property was to make sure it didn’t turn into something unattainable for the people most in need,” said Councilmember Rani Derasary.

The council members decided to table their decisions regarding both the Sales Tax Revenue Bond and the design hiring aspect until a later meeting, to have more time to think about and discuss their options.