



Overview/Requirements/Strategies

Moderate-Income Housing

Plan & Progress Required

- Utah State Code (10-9a-408) requires every municipality to adopt a moderate-income housing plan and submit progress reports
 - Current requirement: Updated Plan every 5 years / annual progress report
 - New city master plan will need to be adopted and submitted by August 1, 2025
- Of 26 options, city must adopt a minimum of 3 state-defined housing strategies, including detailed implementation plans
 - city may adopt 5 strategies to be eligible for priority road funding from Transportation Investment Fund

Current Defined Strategies

- Create or allow for, and reduce regulations related to, internal or detached accessory dwelling units in residential zones
- Zone or rezone for higher density or moderate-income residential development in commercial or mixed-use zones near major transit investment corridors, commercial centers, or employment centers
- Implement zoning incentives for moderate-income units in new developments
- Demonstrate utilization of a moderate-income housing set aside from a community reinvestment agency, redevelopment agency, or community development and renewal agency to create or subsidize moderate income housing

Recent Progress & Statistics

- 2 PDD projects have created deed-restricted affordable housing units:
 - ICO – 21 units 50% AMI
 - Northern Gravel Pit – 15% of total units at 80% AMI (approx. 40 units)
- Santa Fe Apartments:
 - Of 492 total units, 173 are deemed ‘affordable’ units (mix of 65% AMI and 50% AMI)
- ADUs are allowed:
 - Internal ADUs are permitted, require license and inspection
 - Detached ADUs are conditional, require Planning Commission approval
 - 15 licenses issued or in process
- Percentage of ‘constrained’ households – 27%
 - Median income – \$110,197 (2022)
 - Median home cost - \$770,100
 - Population decrease of 0.5% (indicates early shift in demographic make-up of city)
- Multiple commercial zones allow for mixed residential housing
 - Residential Office, Neighborhood Commercial, Mixed Use, PDD, Form-Based Code*
- One Community Reinvestment Area (Town Center)
 - CRA project area budgets require a moderate-income housing set-aside when TIF is implemented

Moderate Income Housing Considerations

Various Approaches

- Federal Programs
- Local Programs
 - Financial Tools
 - Policy Tools
 - Other

What is 'Affordable' or 'Moderate Income'?

- Definition of Affordable housing – total household costs no more than 30% of household gross income
- Affordable (moderate income) = 80% AMI
- CH AMI = \$110,197 (as of 2022)
 - Affordable monthly housing costs - \$3,061
 - 80% AMI - \$88,157 (\$2,448/month)
- Other affordability 'bands' can be targeted = 50% AMI / 30% AMI (low income / very low income)

Preliminary Staff Suggestions

- Continue existing strategies, but explore adding at least one additional strategy to qualify for priority funding
- Develop varied and detailed implementation plans within each strategy, including a mix of policy/financial/other local options
 - Strategies should target and promote ‘missing middle’ housing, and housing mixes (apartments/condos/townhomes/single-family homes) that serve a varied population demographic
- Identify development strategies to utilize private resources, public-private partnerships, and other state- and federal-level programs to implement goals
- Additional State legislative land use changes are anticipated – monitor closely

Preliminary Staff Suggestions

- Review ADU standards, streamline pathway/regulations for detached ADUs
- Explore programs/policies to assist with ongoing housing expenses
 - Neighborhood improvement funds, owner-occupied STRs, expansion of 50/50 program, etc.
- Consider local financial incentives for development of targeted housing types
 - FHIZ/HOPZ zones, use of future TIF/CDRA funds, fee waivers/reductions for MIH projects, etc.
- Development of a city 'card file' system for new homes / ADUs
 - Pre-engineered building plans that can expedite review times and expenses
- Ensure that mixed-use housing options are codified in various non-residential zoning districts
- Proactively work with private sector/non-profits/adjacent municipalities on creative solutions:
 - Burden shouldn't be on one entity/sector over another
 - Partnership with multiple sectors and levels of government is key