

Mapleton City Planning Commission Staff Report

Meeting Date: September 22, 2011

Item: 6

Applicant: Mapleton City

Prepared by: Matt Brady

Public Hearing Item: Yes

Council Action Required: Yes

REQUEST

Mapleton City requests approval of an update to the Moderate Income Housing Element of the General Plan.

STAFF REPORT SUMMARY OF KEY ISSUES:

1. Utah State Code Chapter 10-9a requires that each city include a moderate income housing element in their general plans. See Attachment #1 for the applicable state codes relating to moderate income housing elements of general plans.
2. Utah Code 10-9a-103(29) defines moderate income housing as follows: *"Moderate income housing" means housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income for households of the same size in the county in which the city is located.* According to estimates by the U.S. Department of Housing and Urban Development (HUD), the median family income for federal fiscal year 2011 is \$66,218.44. This figure updates the most recent census income data (2009) to the current year (2011) and adjusts for inflation. Thus, a family making 80% of the median family income for Utah County would be making an annual gross salary of \$52,974.75. The requirements of Utah State Code are to ensure that there is adequate housing for those making less than or equal to this amount. Cities can try to provide housing for those making even less than 80% of the median family income, but they are not required to.
3. Nation-wide, city planners typically recommend that cities try to provide a wide variety of housing options to ensure a balanced and healthy local economy. Having moderate income housing (and/or low income housing) provides options for many people to live in a community, including young families starting out at moderate to low incomes.
4. If it is assumed that an affordable monthly rental or mortgage payment should not exceed 25% of a family's gross income, this would mean that the monthly payment should not exceed \$1,103.64. Assuming a 20% down-payment on a home, with a 30-year fixed mortgage at 5.73% interest rate, this equates to a home value of \$189,530. For those making even less than 80% of the Utah County median family income, these figures would need to be lower to be affordable. Staff has prepared a table (see below) showing housing affordability for various income levels.
5. Utah State Code 10-9a-408 requires that each city biennially review the moderate income housing element of its general plan and its implementation and prepare a report setting forth the findings of its review.
6. Mapleton City's moderate income housing element of the general plan was adopted by the City Council on December 15, 1998. It has not been updated since that time. See Attachment # 2 for a copy of the moderate income housing element of the general plan.
7. Staff would like to discuss the current moderate income housing element of the general plan with the Planning Commission at the night of the Planning Commission meeting.

DISCUSSION ITEMS:

1. Does the Planning Commission feel that Mapleton's current general plan and ordinances allow and encourage a reasonable amount of affordable housing?
2. The currently adopted moderate income housing element of Mapleton City's general plan is almost 13 years old. At a minimum, it would need

	<p>revised data on current population, housing supply, median income levels, etc. Would the Planning Commission prefer to make minimal changes to the existing plan, or should we start over with a completely new draft plan?</p> <ol style="list-style-type: none">3. Are there any specific changes that the Planning Commission would like to see to the general plan or zoning ordinance that would further encourage moderate income housing?4. Most cities use planning efforts alone to try to encourage moderate income housing, and then wait for private developers to carry out development as permitted in the general plan and zoning ordinance. Some cities (for example, Provo, West Jordan, Vernal, Park City) have engaged in public-private partnerships and pursued grants to spur the development of affordable housing. Does the Planning Commission feel that such practices should be encouraged in Mapleton City’s moderate income housing element of the general plan? <p><u>RECOMMENDED ACTION:</u></p> <p>Staff recommends that the Planning Commission discuss the above items to give staff direction on the moderate income housing element of the general plan, and continue the item to a later date.</p> <p><u>ATTACHMENTS:</u></p> <ol style="list-style-type: none">1. Utah State Code – Moderate Income Housing Plans2. Mapleton City’s Current Moderate Income Housing Element of the General Plan
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Housing Affordability Calculations - Utah County						
% of Utah County Median Income:	Gross Annual Salary:	25% of Gross Monthly Salary (Mortgage Payment or Rent)	Mortgage Value (Assuming a 20% Downpayment & 30-Year Fixed Mortgage at 5.73% Interest Rate)	+ 20% Downpayment	= Home Value (Assuming a 20% Downpayment & 30-Year Fixed Mortgage at 5.73% Interest Rate)	
120%	\$79,462.13	\$1,655.46	\$284,295.48	\$71,073.87	\$355,369.36	
115%	\$76,151.21	\$1,586.48	\$272,449.84	\$68,112.46	\$340,562.30	
110%	\$72,840.28	\$1,517.51	\$260,604.19	\$65,151.05	\$325,755.24	- 2009 Median Family Income for Mapleton was \$72,229 (109% of the 2011 Utah County Median Family Income)
105%	\$69,529.36	\$1,448.53	\$248,758.55	\$62,189.64	\$310,948.19	
100%	\$66,218.44	\$1,379.55	\$236,912.90	\$59,228.23	\$296,141.13	
95%	\$62,907.52	\$1,310.57	\$225,067.26	\$56,266.81	\$281,334.07	
90%	\$59,596.60	\$1,241.60	\$213,221.61	\$53,305.40	\$266,527.02	
85%	\$56,285.67	\$1,172.62	\$201,375.97	\$50,343.99	\$251,719.96	
80%	\$52,974.75	\$1,103.64	\$189,530.32	\$47,382.58	\$236,912.90	- Utah State Code defines "moderate income" as 80% or less of the median family income for the county
75%	\$49,663.83	\$1,034.66	\$177,684.68	\$44,421.17	\$222,105.85	
70%	\$46,352.91	\$965.69	\$165,839.03	\$41,459.76	\$207,298.79	
65%	\$43,041.99	\$896.71	\$153,993.39	\$38,498.35	\$192,491.73	
60%	\$39,731.06	\$827.73	\$142,147.74	\$35,536.94	\$177,684.68	
55%	\$36,420.14	\$758.75	\$130,302.10	\$32,575.52	\$162,877.62	
50%	\$33,109.22	\$689.78	\$118,456.45	\$29,614.11	\$148,070.56	
45%	\$29,798.30	\$620.80	\$106,610.81	\$26,652.70	\$133,263.51	
40%	\$26,487.38	\$551.82	\$94,765.16	\$23,691.29	\$118,456.45	
35%	\$23,176.45	\$482.84	\$82,919.52	\$20,729.88	\$103,649.40	
30%	\$19,865.53	\$413.87	\$71,073.87	\$17,768.47	\$88,842.34	
25%	\$16,554.61	\$344.89	\$59,228.23	\$14,807.06	\$74,035.28	
20%	\$13,243.69	\$275.91	\$47,382.58	\$11,845.65	\$59,228.23	
15%	\$9,932.77	\$206.93	\$35,536.94	\$8,884.23	\$44,421.17	
10%	\$6,621.84	\$137.96	\$23,691.29	\$5,922.82	\$29,614.11	
5%	\$3,310.92	\$68.98	\$11,845.65	\$2,961.41	\$14,807.06	
Average 30-Year Fixed Mortgage Rates from 2005-2010 :						
Source: Freddie Mac						
Year	Rate	Points				
2005	5.87%	0.6				
2006	6.41%	0.5				
2007	6.34%	0.4				
2008	6.03%	0.6				
2009	5.04%	0.7				
2010	4.69%	0.7				
Average:	5.73%	0.58				

ATTACHMENT #1 – Utah State Code – Moderate Income Housing Plans

10-9a-103. Definitions.

(29) "Moderate income housing" means housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income for households of the same size in the county in which the city is located.

(35) "Plan for moderate income housing" means a written document adopted by a city legislative body that includes:

(a) an estimate of the existing supply of moderate income housing located within the city;

(b) an estimate of the need for moderate income housing in the city for the next five years as revised biennially;

(c) a survey of total residential land use;

(d) an evaluation of how existing land uses and zones affect opportunities for moderate income housing; and

(e) a description of the city's program to encourage an adequate supply of moderate income housing.

10-9a-403. Plan preparation.

(1) (a) The planning commission shall provide notice, as provided in Section [10-9a-203](#), of its intent to make a recommendation to the municipal legislative body for a general plan or a comprehensive general plan amendment when the planning commission initiates the process of preparing its recommendation.

(b) The planning commission shall make and recommend to the legislative body a proposed general plan for the area within the municipality.

(c) The plan may include areas outside the boundaries of the municipality if, in the planning commission's judgment, those areas are related to the planning of the municipality's territory.

(d) Except as otherwise provided by law or with respect to a municipality's power of eminent domain, when the plan of a municipality involves territory outside the boundaries of the municipality, the municipality may not take action affecting that territory without the concurrence of the county or other municipalities affected.

(2) (a) At a minimum, the proposed general plan, with the accompanying maps, charts, and descriptive and explanatory matter, shall include the planning commission's recommendations for the following plan elements:

(i) a land use element that:

(A) designates the long-term goals and the proposed extent, general distribution, and location of land for housing, business, industry, agriculture, recreation, education, public buildings and grounds, open space, and other categories of public and private uses of land as appropriate; and

(B) may include a statement of the projections for and standards of population density and building intensity recommended for the various land use categories covered by the plan;

(ii) a transportation and traffic circulation element consisting of the general location and extent of existing and proposed freeways, arterial and collector streets, mass transit, and any other modes of transportation that the planning commission considers appropriate, all correlated with the population projections and the proposed land use element of the general plan; and

(iii) for cities, an estimate of the need for the development of additional moderate income housing within the city, and a plan to provide a realistic opportunity to meet estimated needs for additional moderate income housing if long-term projections for land use and development occur.

(b) In drafting the moderate income housing element, the planning commission:

(i) shall consider the Legislature's determination that cities shall facilitate a reasonable opportunity for a variety of housing, including moderate income housing;

(A) to meet the needs of people desiring to live there; and

(B) to allow persons with moderate incomes to benefit from and fully participate in all aspects of neighborhood and community life; and

(ii) may include an analysis of why the recommended means, techniques, or combination of means and techniques provide a realistic opportunity for the development of moderate income housing within the planning horizon, which means or techniques may include a recommendation to:

(A) rezone for densities necessary to assure the production of moderate income housing;

(B) facilitate the rehabilitation or expansion of infrastructure that will encourage the construction of moderate income housing;

(C) encourage the rehabilitation of existing uninhabitable housing stock into moderate income housing;

(D) consider general fund subsidies to waive construction related fees that are otherwise generally imposed by the city;

(E) consider utilization of state or federal funds or tax incentives to promote the construction of moderate income housing;

(F) consider utilization of programs offered by the Utah Housing Corporation within that agency's funding capacity; and

(G) consider utilization of affordable housing programs administered by the Department of Community and Culture.

(c) In drafting the land use element, the planning commission shall:

(i) identify and consider each agriculture protection area within the municipality; and

(ii) avoid proposing a use of land within an agriculture protection area that is inconsistent with or detrimental to the use of the land for agriculture.

(3) The proposed general plan may include:

(a) an environmental element that addresses:

(i) the protection, conservation, development, and use of natural resources, including the quality of air, forests, soils, rivers and other waters, harbors, fisheries, wildlife, minerals, and other natural resources; and

(ii) the reclamation of land, flood control, prevention and control of the pollution of streams and other waters, regulation of the use of land on hillsides, stream channels and other environmentally sensitive areas, the prevention, control, and correction of the erosion of soils, protection of watersheds and wetlands, and the mapping of known geologic hazards;

(b) a public services and facilities element showing general plans for sewage, water, waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for them, police and fire protection, and other public services;

(c) a rehabilitation, redevelopment, and conservation element consisting of plans and programs for:

(i) historic preservation;

(ii) the diminution or elimination of blight; and

(iii) redevelopment of land, including housing sites, business and industrial sites, and public building sites;

(d) an economic element composed of appropriate studies and forecasts, as well as an economic development plan, which may include review of existing and projected municipal revenue and expenditures, revenue sources, identification of basic and secondary industry, primary and secondary market areas, employment, and retail sales activity;

(e) recommendations for implementing all or any portion of the general plan, including the use of land use ordinances, capital improvement plans, community development and promotion, and

any other appropriate action;

(f) provisions addressing any of the matters listed in Subsection [10-9a-401](#)(2); and

(g) any other element the municipality considers appropriate.

10-9a-404. Public hearing by planning commission on proposed general plan or amendment -- Notice -- Revisions to general plan or amendment -- Adoption or rejection by legislative body.

(1) (a) After completing its recommendation for a proposed general plan, or proposal to amend the general plan, the planning commission shall schedule and hold a public hearing on the proposed plan or amendment.

(b) The planning commission shall provide notice of the public hearing, as required by Section [10-9a-204](#).

(c) After the public hearing, the planning commission may modify the proposed general plan or amendment.

(2) The planning commission shall forward the proposed general plan or amendment to the legislative body.

(3) The legislative body may make any revisions to the proposed general plan or amendment that it considers appropriate.

(4) (a) The municipal legislative body may adopt or reject the proposed general plan or amendment either as proposed by the planning commission or after making any revision that the municipal legislative body considers appropriate.

(b) If the municipal legislative body rejects the proposed general plan or amendment, it may provide suggestions to the planning commission for its consideration.

(5) The legislative body shall adopt:

(a) a land use element as provided in Subsection [10-9a-403](#)(2)(a)(i);

(b) a transportation and traffic circulation element as provided in Subsection [10-9a-403](#)(2)(a)(ii);
and

(c) for all cities, after considering the factors included in Subsection [10-9a-403](#)(2)(b)(ii), a plan to provide a realistic opportunity to meet estimated needs for additional moderate income housing if long-term projections for land use and development occur.

10-9a-408. Biennial review of moderate income housing element of general plan.

(1) The legislative body of each city shall biennially:

(a) review the moderate income housing plan element of its general plan and its implementation; and

(b) prepare a report setting forth the findings of the review.

(2) Each report under Subsection (1) shall include a description of:

(a) efforts made by the city to reduce, mitigate, or eliminate local regulatory barriers to moderate income housing;

(b) actions taken by the city to encourage preservation of existing moderate income housing and development of new moderate income housing;

(c) progress made within the city to provide moderate income housing, as measured by permits issued for new units of moderate income housing; and

(d) efforts made by the city to coordinate moderate income housing plans and actions with neighboring municipalities.

(3) The legislative body of each city shall send a copy of the report under Subsection (1) to the Department of Community and Culture and the association of governments in which the city is located.

(4) In a civil action seeking enforcement or claiming a violation of this section or of Subsection [10-9a-404](#)(5)(c), a plaintiff may not recover damages but may be awarded only injunctive or other equitable relief.

ORDINANCE 98-47

AN ORDINANCE ADOPTING AN AFFORDABLE HOUSING ELEMENT INTO THE
MAPLETON CITY GENERAL PLAN

WHEREAS, the Utah State Code 10-9-307 requires each municipal legislative body to adopt, as part of it's General Plan, a plan for moderate income housing within that municipality before December 31, 1998, and;

WHEREAS, Mapleton City desires to comply with all state laws and regulations.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF MAPLETON CITY,
UTAH

PART I

The Mapleton City General Plan be modified to comply with the Utah State Code 10-9-307 and the incorporation of Exhibit "A".

PART II

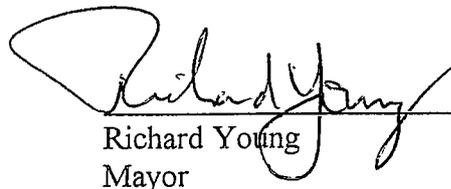
CONFLICTING PROVISIONS - Whenever the provisions of this ordinance conflict with the provisions of any other ordinance, resolution or part thereof, the provisions of this ordinance shall prevail.

PROVISIONS SEVERABLE - The ordinance and the various sections, clauses and paragraphs are hereby declared to be severable. If any part, sentence, clause or phrase is adjudged to be unconstitutional or invalid it is hereby declared that the remainder of the ordinance shall not be affected thereby.

AMENDMENT TO BE ADDED TO CITY CODE - The City Council hereby authorizes and directs that insert pages reflecting the provisions enacted hereby shall be made and placed in the Official copies of the Mapleton City Code in the office of the City Recorder.

EFFECTIVE DATE - This ordinance shall take effect upon its passage, publication and recording as required by law.

PASSED BY THE CITY COUNCIL OF MAPLETON CITY, UTAH, THIS 15th DAY
OF December 1998.


Richard Young
Mayor

ATTEST:


Donald F. Walker
Recorder

Plan for Moderate Income Housing

Estimate of Existing Supply of Moderate Income Housing

As of 1998 there are approximately 1,457 residences in the city of Mapleton. The majority of those residences are single family residential housing. To the city's knowledge, there are five multiple family dwelling units and forty-three accessory apartments within homes.

The Utah State Housing model has three affordability categories: 1) Those making 30% percent of the median income for the area; 2) Those making 50% of the median income for the area; and 3) Those who are making 80% of the median income for the area. This category generally encompasses those who are potential home buyers, while those in the first two categories are generally renters.

According to the 1998 Utah County tax rolls, there are approximately 205 homes valued below the current housing affordability price, as determined by the requirement that the home be affordable to someone making 80% of the median income for the nearest metropolitan area. The median income for the Provo/Orem area in 1996 was \$32,200 based on the Provo/Orem Standard Metropolitan Statistical Area (SMSA), which are the most recent numbers available.

Estimate of the Need for Moderate Income Housing in the Next Five Years

Using the calculations from the Utah State Affordable Housing Model, at the end of 1996, Mapleton was short 49 housing units for those in the 80% range. These figures however are of dubious value when calculating actual need, as they have no basis in actual research in Mapleton.

Mapleton has no business district and offers extremely limited opportunities for employment. Citizens must commute to neighboring cities for employment, for entertainment, to purchase groceries or other commodities, or to obtain any other service. Lack of a commercial base forces property taxes to be the primary means of financing services within the City. This in turn causes property taxes within the City to be relatively high, and the cost of living to potentially higher than it would be for other cities which contain business districts. This fact tends to decrease the cost of housing as a percentage of actual living expenses. Such higher costs of living tend to be as much or more of a deterrent to living in Mapleton than the cost of housing for someone making less than the median income.

Mountainland Association of Governments estimates Mapleton had 4,781 residents in 1996 and projects 5,497 in 2001. Based on these projections, the Utah State model projects that by 2001, Mapleton will need zero (0) homes in the 30% of median income range, zero (0) homes in the 50% of median income range, and an additional nine homes in the 80% of median income range. Again this projection is not based in actual research in Mapleton.

Survey of Total Residential Zoning

Mapleton has sixteen different zoning designations, ten of which allow some type of residential development. Three of the ten zones allow multiple family housing. Please refer to the Mapleton City zoning map and ordinance for more information.

Evaluation of Zoning Densities and Their Effect on Moderate Income Housing

Zoning densities within Mapleton have changed to meet needs within the City over the last 20 years. Initially minimum lot size was 5 acres. In the mid 1970's the minimum lot size was reduced to 2 ½ acres. Mapleton city did not have a sewer system until 1997. Because all homes within the City used septic tanks, the minimum lot size in Mapleton was 1/3 acre or 14,500 square feet. The current zoning ordinance retains this minimum.

Mapleton zoning ordinances include options for clustering, transferal of development rights, and other development incentives which can be used to modify zoning densities.

Mapleton also allows mobile home parks. Manufactured housing is allowed in all zones which allow single family dwellings. These ordinances provide flexibility in the provision of affordable housing.

Mapleton City recently passed an ordinance allowing 5% of the housing stock to be multifamily housing under a plan that will distribute the housing throughout the City.

The General Land Use Map was recently modified to reflect a broader area for commercial zoning. Because the city has planned for the expansion of commercial businesses, the possible increase in sales tax revenue when these businesses finally go in may possibly reduce the impact of property taxes, thus indirectly affecting housing and living costs.

Development of Affordable Housing

As was previously stated, the need for moderate income housing is perhaps less in Mapleton than it might be in neighboring metropolitan areas. Those moving to Mapleton do so to escape the "closed in" feelings of city life. Few youth remain in Mapleton after graduating from high school or college, as the changes for employment are extremely rare and the cost of commuting to a metropolitan area where employment exists is prohibitive for those on a starting salary.

The City of Mapleton will continue to respect the desires of its citizens as well as the State of Utah to promote and protect agricultural land and open spaces. To the extent that development is consistent with this desire, and to the extent that it will not compromise the ability of the City to provide services for its citizens, it will continue to be allowed. Mapleton will continue to allow moderate income housing through multi-family housing units, manufactured homes, accessory apartments, and other types of moderate income housing consistent with the character and nature of existing and future neighborhoods within Mapleton. City ordinances do not proscribe home size nor amenities which would influence the cost of a home. The cost of housing is thus very largely determined by the whims and fancy of citizens who build homes here and as such adequately fills the housing needs of the residents of the City.