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KANAB
— UTAH —

City Council

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Brent Chamberlain

KANAB CITY COUNCIL
April 9, 2013
76 NORTH MAIN, KANAB, UTAH

- 6:00 P.M. Approval of minutes of previous meeting and accounts payable vouchers;
- 6:05 P.M. Agenda review and staff report;
- 6:10 P.M. Public Comment Period – Members of the public are invited to address the Council. Participants are asked keep their comments to 3 minutes and follow rules of civility outlined in Kanab Ordinance 3-606;
- 6:20 P.M. General Plan Update: Utah Community Planners will facilitate visioning for the community in a work session of the City Council, to provide an opportunity for City leaders to give important, needed input into the City's future. An action plan for the General Plan updates and the format of the citizen survey will be prepared in this session;
- 7:30 P.M. Presentation and consideration for adoption of Affordable Housing Plan;
- 7:50 P.M. Consideration of Arbor Day Proclamation and presentation by the Beautification on the upcoming clean-up week;
- 7:55 P.M. Executive Session:
- Discussion of pending or reasonably imminent litigation
 - Discussion of an individual's character, professional competence, or physical or mental health;

Times listed for each item on the agenda may be accelerated as time permits. If you are planning to attend this public meeting and due to a disability need assistance in understanding or participating in the meeting, please notify the City eight or more hours in advance of the meeting, and we will try to provide whatever assistance may be required. Please contact RaeLene Johnson at the Kanab City offices.

— A Western Classic —

KANAB GENERAL PLAN UPDATE

PLAN OF ACTION

3/27/13



Utah Community Planners (UCP) will assist in updating the current Kanab City General Plan, using the format and information of the current plan as a basis. An emphasis will be placed on reviewing and updating the community goals, strategies and actions within each General Plan chapter, and amending the plan text in accordance. Any maps needing to be amended or created will also be included. The Plan of Action will include the following:

1. City Council Work Session

Date: Tue. April 9th 6:00 pm

UCP will facilitate visioning for the community in a work session of the City Council, to provide an opportunity for City leaders to give important, needed input into the City's future. An action plan for the General Plan updates and the format of the citizen survey will be prepared in this session.

2. Citizen Survey

Distribution and Return Dates: Mon. April 29th - Mon. May 20th

A citizen survey, in both mail-out and on-line formats, will be developed with the assistance of the City Council, seeking input, both specific and general, on the directions of the City's General Plan. UCP will assist with the preparation, compilation and analysis of the results of the survey. The online survey format prepared by UCP will be uploaded on the City website, and the City will mail the paper surveys with City utility billings or by other special mailing.

3. Community Visioning Workshop

Date: Wed. May 8th 7:00 pm

UCP will coordinate and oversee Community Visioning Workshops that will begin with a brief presentation on some of the opportunities and preliminary planning goals identified by the City. Attendees will participate in an interactive survey using hand help pin pads, as well as participate in group planning exercises in creating a vision and implementation strategies. Discussions will include what they like, dislike, and would like to change in the City.

4. Four (4) Planning Commission / Public Scoping Meetings

Dates: Sat. May 25th, Sat. June 8th, Sat. June 22nd, Sat. July 13th - all at 9:00 am

UCP will facilitate and work with the Planning Commission / public to review the needs for updating the General Plan. In reviewing two chapters with the Planning Commission /public in each scoping meeting, the participants will recommend amendments to the format and goals of the plan. A conflict resolution public involvement exercise may be employed if needed.

5. Planning Commission Reviews and Public Hearing

Draft Submittal Date: Mon. July 29th

Public Hearing Date: Tue. October 1st 6:00 pm

In four regular meetings, in August and September, the Planning Commission will review the proposed changes in the first draft of the updated General Plan. UCP will then present the proposed amendments to the General Plan at a public hearing.

6. Document updates review and preparation

Final Draft Submittal Date: Mon. October 14th

UCP will prepare all document revisions in word and pdf files in draft form, with print outs available for the Planning Commission review meetings and public hearing, as well as final version files and print outs available for the City Council public hearing.

7. City Council Presentation and Public Hearing

Date: Tue. October 22nd 6:00 pm

An electronic version of the final approved plan documents in word and pdf formats, as well as any requested printed and bound hard copies, will be provided to the City after approval. Both drafts will be developed using the current General Plan Word Documents as a basis for starting revisions. All text will be kept intact with striking-out text for removal of text and under-lining for added text.

COSTS

UCP offers other preparation assistance in updating the Kanab City General Plan document and mapping, based on the following rates:

1. \$7,200 for all work performed as described in the above Plan of Action
2. \$100 an hour for mapping updates by Gateway Mapping *
3. \$50 per 36 x 48 wall size print outs of General Plan maps
4. \$80 per printed, bound color copy of the complete updated plan document, including 11 x17 size maps

** Actual time and effort depends on the extent of map updates required. An overall cost estimate or budgetary cap on costs can be determined following a project scoping meeting with Ken.*

Ken R. Young, AICP
Principal Planner

2013

Kanab City: Affordable Housing Plan



DRAFT DOCUMENT

Adopted _____ by the
City Council of Kanab City.

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Kanab City: Affordable Housing Plan

Executive Summary

The intent of this affordable housing plan is to help to ensure that Kanab City provides a reasonable opportunity for a variety of housing, including moderate income housing, to meet the needs of the population desiring to live in Kanab City.

The population of Kanab City is expected to increase over the next 10 years. Nearly half of all current Kanab City households are earning a moderate income or less and the demand for affordable home ownership and rental opportunities will likely increase.

Presently, there is a surplus of housing in Kanab City that should be sufficient to satisfy many of the demands for moderate income housing, but almost one-fifth of the existing housing stock in the city is more than 30 years old. In order to maintain a healthy housing stock capable of providing safe, decent, and affordable living conditions for residents, active maintenance and improvements to the housing stock is necessary.

The *Housing Estimating Model/Software*, provided by the Utah State Division of Housing and Community Development and Lotus Community Development Institute, indicates that moderate income households, those at 80% of Area Median Income (AMI), in Kanab City have sufficient affordable rental and homeownership opportunities. The appropriate supply of affordable housing demonstrates that the current zoning, land use, and regulations are not inhibitive to affordable housing opportunities for this income bracket. However, for the high percentage of individuals in the community with very low incomes (50% of AMI), there are not sufficient opportunities to purchase or rent affordable homes.

The following goals are recommended to maintain adequate affordable housing choice for all those who wish to reside in Kanab City:

- Increase Opportunities to Purchase Affordable Housing to Provide Housing Choice for Very Low and Extremely Low Income Earning Households by promoting use of the USDA Rural Development loan and Mutual Self-help programs.
- Increase Affordable Rental Opportunities to Provide Housing Choice for All Income Ranges by encouraging accessory dwelling units and subsidized housing projects and allowing multi-family housing in and/or around downtown.
- Rehabilitate Existing Housing to Increase Rental Properties, Homeownership, and Reinvestment in Kanab City by promoting federal and state funded home rehabilitation and weatherization programs.

Introduction

In 1996 the Utah Legislature passed House Bill 295 requiring cities and counties to include an affordable housing element as part of the general plan. One of the Housing Goals, listed in Chapter 6 of the Kanab City General Plan is to “prepare and follow the objectives of a Kanab Moderate Income Housing Plan.” In accordance with these goals, this Plan acts as an appendix to the General Plan.

The intent of this affordable housing plan is to ensure that Kanab City provides a reasonable opportunity for a variety of housing, including moderate income housing, to meet the needs of the population desiring to live in Kanab City. Housing is considered affordable when moderate income households spend no more than 30% of their gross monthly income on housing expenses. Moderate income housing should be encouraged to allow persons with moderate incomes to fully participate in, and benefit from all aspects of neighborhood and community life.

Public Outreach

The Five County Association of Governments Staff consulted with the Mayor, City Manager, and Zoning Administrator of Kanab City to determine and identify key stakeholders in the community to provide input and inform this Plan. Community members with varying perspectives were targeted, including a local pastor, a member of the school board, business owners, a real estate agent and a property developer among others. Staff interviewed these participants to determine the state of affordable housing and the needs for the community. Their input is summarized below:

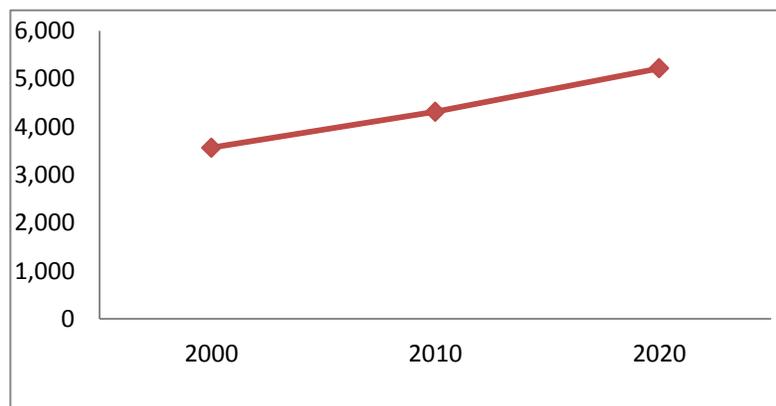
- The City’s primary employment base does not provide significant opportunities for housing choice. Low wages and seasonal employment jobs are difficult to self-sustain individuals and families.
- Although housing prices have declined, it is more difficult to qualify for a mortgage loan. Therefore, homeownership is still unattainable for many individuals.
- A number of people lost their homes to foreclosure during the recent economic downturn and are having difficulty re-entering the housing market.
- Although there are some affordable rentals available, average rental rates remain too high for many individuals in the community.
- There is a need for more short term rentals to accommodate individuals in a transitional state.
- Many individuals applying for affordable housing either earn too much or too little to qualify.
- The City should partner with other agencies and developers to promote affordable housing. Strategies might include: revising zoning ordinances and fees, securing housing vouchers and working with non-profit agencies to develop affordable housing projects.

Demographics

Population and Growth

Since 2000 Kanab City has seen the population increase by 748 people to bring the total population to 4,312 in 2010. According to the Governor’s Office of Planning & Budget (GOPB) the annual growth rate has averaged 2.1% over the last 10 years, but is expected to decrease to an annual average of 1.73% over the next 10 years. If the projected growth rate is realized, Kanab City will gain 904 new residents by 2020. The graph below shows the population projection until 2020 based upon 2008 projections. GOPB is in the process of revising population projections, after which these figures should be adjusted. However, at this point, the analysis will be based upon current projections.

Kanab City Population Projections



Source: Governor’s Office of Planning & Budget, 2008 Baseline Population Projection

Analysis of Population and Growth

The projected population increase of 904 new residents in the next 10 years is significant because 226 new households will need a place to live in Kanab City. By dividing the estimated population increase by Kanab City’s average household size (4.0) the total number of new households can be calculated ($904/4.0 = 226$).

There are an estimated 171 non-seasonally vacant dwelling units in Kanab City according to the 2010 US Census. Seasonally vacant housing is housing units that are vacant during a specific season, and are for recreational or occasional use. Although it is likely that many of the future residents will fill some of the vacant units, the vacant housing stock will not be sufficient to accommodate all of the estimated households over the next 10 years. In addition, the existing housing stock will have to be maintained and in some cases, rehabilitated, in order for the units to be safe, decent places to live.

Households that earn a moderate income and less make up 43% of the population. Using this portion as a baseline, of the 226 new households that move to Kanab City over the

next 10 years, 97 will need affordable housing options. To meet this need on a yearly basis, 10 affordable housing units will be needed.

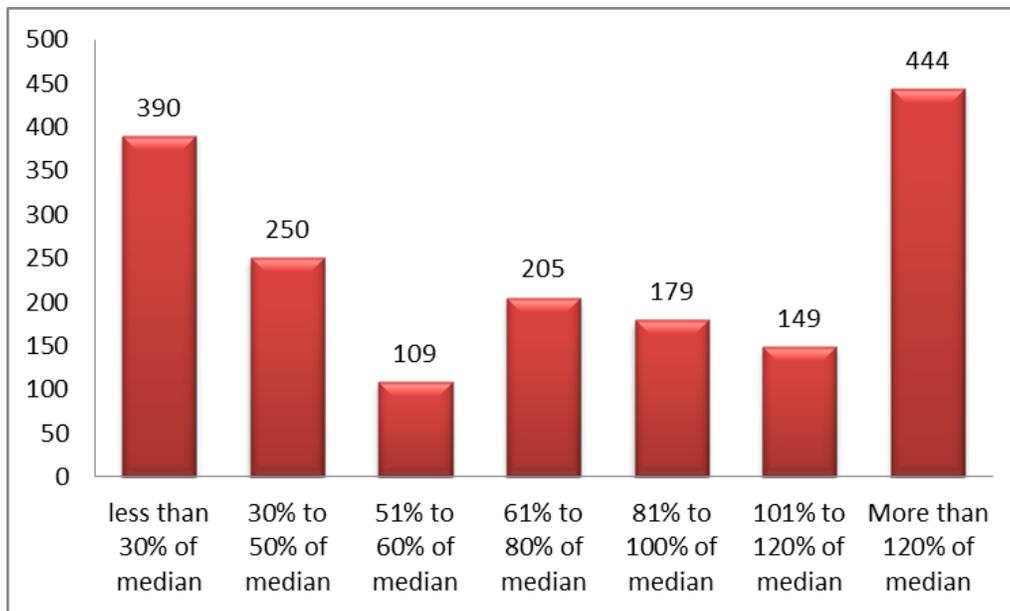
According to the Housing Estimating Software, Kanab City currently has a surplus of affordable housing units for households that purchase a home. However, it is important to provide adequate opportunities for low to moderate income households to rent as well. According to current estimates, each year 2 of the future households will need an affordable rental and the other 8 will likely purchase their home.

Income

Analyzing the income of Kanab City’s residents is critical to understanding the affordable housing need for the city. Household income is used to determine housing affordability. First, the standards used to identify when housing is affordable will be discussed. Next, the cost for housing in the city will be analyzed by using existing home values, homes for sale, and market rental rates. Finally, housing costs will be compared with household income levels to determine whether or not Kanab City’s housing is affordable to moderate income households.

Because the cost of living is relative to the area in which the residents live and to household size, the U.S. Department of Housing and Urban Development (HUD) has created a measure called the Area Median Income (AMI). The AMI is the standard to determine housing affordability. The chart below converts household income levels into AMI, and illustrates the number of Kanab City households whose total income falls within each income bracket.

Number of Households by Percent of AMI



Source: Census 2010; Housing Estimating Model/Software

Analysis of Income

749 (43%) households in Kanab City earn a moderate income or less. A moderate income in Kanab City is 80% of the area median income, or \$41,120 annually. 390 (22%) households in Kanab City earn just 30% of the area median income, or \$15,420 annually. The households that earn just 30% of the area median income find it very difficult to live within the affordable housing guidelines since they cannot afford average market rental rates. It is vital to the well-being of the community that households of all income levels have viable housing options.

Housing Stock

Housing Occupancy and Vacancy

According to the 2010 U.S. Census there are 1,999 housing units in Kanab City. 1,729 (86%) of the units were occupied while 270 (14%) were vacant. Of the 1,729 occupied housing units, 1,275 (74%) were owner occupied, and 454 (26%) of the units were rented.

Single-Family Housing

The 2005-09 American Community Survey estimates that Kanab City has 1,191 single-family detached units and 297 mobile home/manufactured units.

Multi-family Housing

The 2005-09 American Community Survey estimates that Kanab City has 60 townhome units; 288 duplex, tri-plex and four-plex units; and 30 apartments and condominium units. There are two multi-family housing complexes that offer affordable housing through rental assistance programs and/or tax credit programs. Montezuma Villa apartment complex has 16 two bedroom units, nine of which are subsidized. One unit is occupied by the on-site manager and the other six units rent is \$500.00 per month. There are currently two vacant units, but all of the subsidized units are full. Rental rates for the subsidized units are at 25% of income. The Lazy Days apartment complex is a Rural Development Section 515 project. There are a total of thirty apartments, twenty of which are one-bedroom units reserved for senior citizens. Eight two-bedroom apartments and two three-bedroom apartments make up the balance. All units are rent subsidized to qualified low-income individuals who are at 30% of income. All of the units are full.

The following chart lists the **subsidized housing** options available in Kanab City. Twenty one-bedroom units at Lazy Days are only available for senior citizens.

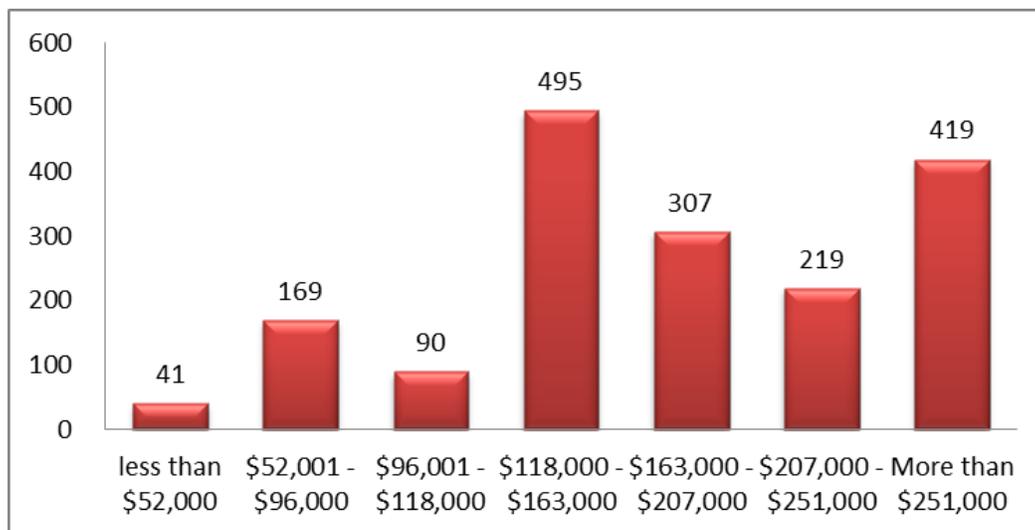
Apartment Name	Units	Vacant	# Bedrooms/Unit	Rent
Montezuma Villa	16	2	2	\$500.00 / 6 units of unsubsidized rent 25% of income – 9 units
Lazy Days	30	0	1, 2 and 3	30% of income

Source: Kanab City; Five County Association of Governments, September 2012

Value of Existing Housing Stock

The current market value of the housing stock is used to determine affordability of home ownership. The chart below shows the current market values of existing homes in Kanab City according to the Kane County Assessor.

Market Value of Existing Single-Family Properties



Source: Kane County Assessor, 2012

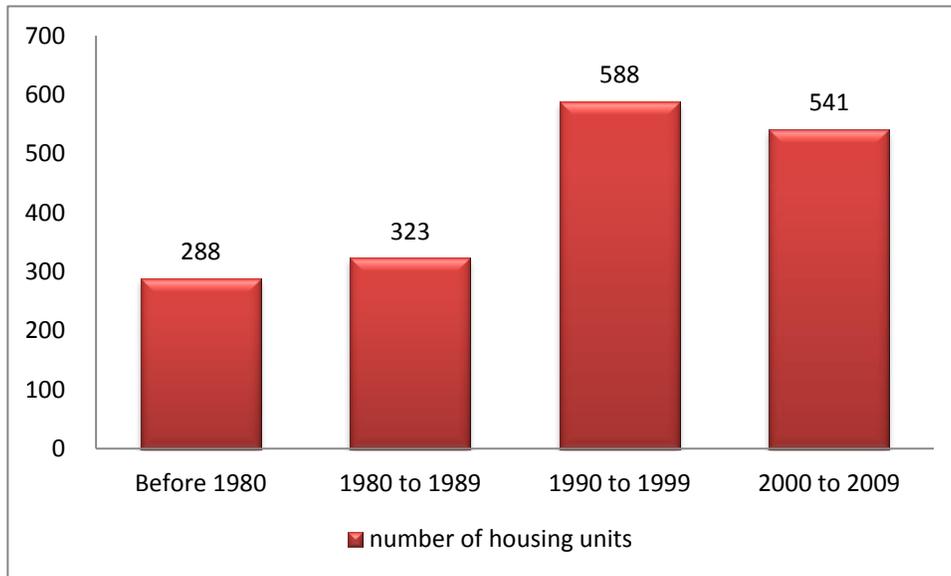
Kanab City Real Estate

Property research conducted on www.realtor.com indicates that there are 86 total properties for sale in Kanab City as of October 10, 2012. The median asking price is \$190,000. Of the 86 units for sale, 90% (77) are 2 bedrooms or more. 74% (64) of the units are classified as a single-family home, 24% as a manufactured/mobile home, and 1% (1) as a condo/townhome. 31% (27) of the homes for sale are listed below \$163,000, which is an affordable home to moderate income households; 9.3% (8) of the houses are below \$96,000, which is affordable for very low income households; and 2.3% (2) of the houses are affordable to extremely low income households.

Age of Housing Stock

17% of the housing units in the City are more than 30 years old, which is newer than average for Kane County (39%). Construction significantly increased between 1990 and 2010 and is reflected in the age of the housing stock. Nonetheless, rehabilitation efforts are likely necessary to maintain the current housing stock. The following chart shows the age of existing housing stock.

Age of Housing Stock



Source: 2005-2009 ACS 5-year estimates

Condition of Housing Stock

A moderate amount of housing (17%) is more than 30 years old. Homes older than 30 years generally require more rehabilitation than newer homes. According to a housing condition survey conducted by the Five County Association of Governments in 2009, 27 homes (1.4%) are either severely deteriorated or dilapidated, which is a slightly lower percentage than other communities in Kane County. Severely deteriorated homes are those that are beyond acceptable limits, and need several major repairs; while dilapidated homes are uninhabitable, and need to be completely replaced.

In order to maintain an affordable housing stock the deteriorating units must be identified and rehabilitated before they become severely deteriorated or dilapidated, and home replacement becomes necessary. Rehabilitating the deteriorating housing stock, earlier rather than later, is a cost effective measure to maintain the housing stock, preventing dilapidation and increasing affordability.

Housing Affordability

The Utah State Division of Housing and Community Development and Lotus Community Development Institute created the *Guidebook for the Development of Community-Based Housing* to assist communities to better understand how they can be a partner in actively promoting and developing additional housing opportunities. One of the initiatives which this consortium promotes is their *Housing Estimating Model/Software for Tracking Attainable Housing Needs*. The software is designed to help evaluate housing affordability, demand, and potential market opportunities for attainable lifecycle housing and other affordable housing.

The *Housing Estimating Model/Software* was used to determine moderate income housing needs for Kanab City. The *Housing Estimating Model/Software* uses many data inputs including: income, mortgage and shelter costs, jobs per worker, workers per household, housing costs, and rent rates to name a few. Based on the information provided, the housing estimating model illustrates gaps in housing affordability if any exist.

According to current State and Federal definitions, housing is considered affordable when a household spends no more than 30% of their annual income on housing expenses, including mortgage or rent and utilities. In Kane County, Utah, the 2012 area median income (AMI) was \$50,600 annually or \$4,217 monthly. Mortgage or rent and utilities should not exceed \$1,573 per month for a median income earning household in Kanab City.

The purpose of this plan is to ensure that housing is affordable for all income levels, not just those earning a median income or higher. The same affordability standards apply to households that earn less than the area median income. For example, a moderate income household in Kanab City earns 80% of the area median income — that is \$40,480 annually or \$3,373 monthly. Mortgage or rent and utilities should not exceed \$1,258 per month for a moderate income household. The table below summarizes the maximum monthly affordable housing costs for several income levels in Kanab City.

Maximum Housing Allocation (30% of Gross Income)

Income Level	Yearly Gross Income	Monthly Mortgage or Rent with Utilities	Maximum Home Purchase
30% of AMI (extremely low)	\$15,180	\$472	\$52,000
50% of AMI (very low)	\$25,300	\$786	\$96,000
80% of AMI (moderate)	\$40,480	\$1,258	\$163,000
100% of AMI (median)	\$50,600	\$1,573	\$207,000

Source: U.S. Department of Housing and Urban Development, 2012

In order to meet state and federal definitions of affordable housing affordability, housing should be affordable for households earning 80 percent of the area median income

(moderate income). \$1,258 is the maximum monthly payment for a mortgage or rent and utilities for a moderate income earning household that is still considered affordable.

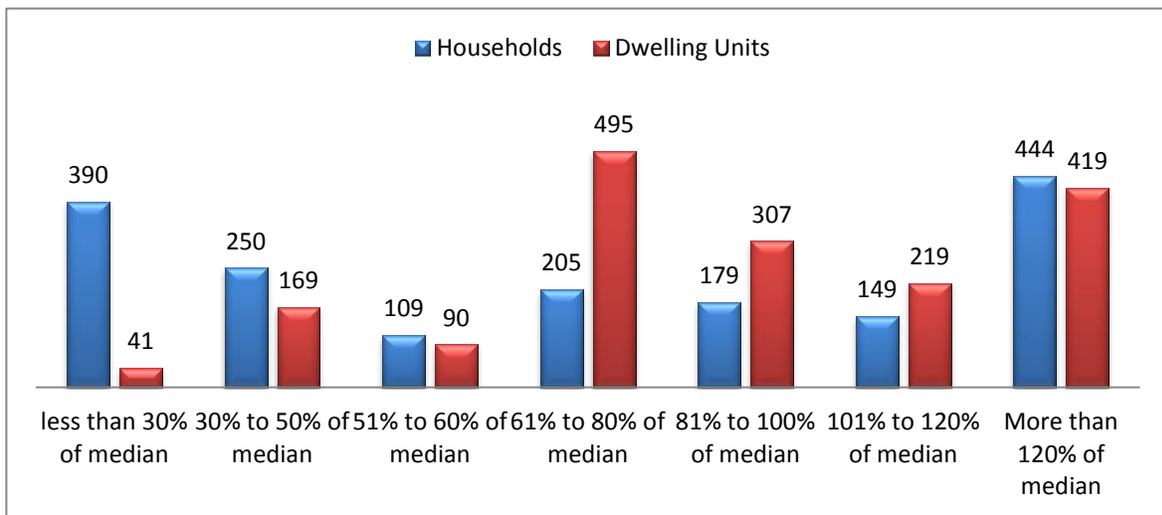
Affordability of home ownership and rental affordability are inherently different. Rental rates do not correlate directly with the market value of homes. Therefore, each will be analyzed individually.

Affordability of Home Ownership

A monthly payment of \$1,258 would support a mortgage of approximately \$163,000 based on a 30-year fixed rate loan at 4.8% interest with utilities.¹ Homes valued at or below \$163,000 are considered affordable for moderate income earning households in Kanab City.

In order to determine whether or not current housing stock is affordable for very low (50% AMI) and extremely low (30% AMI) income earning households a comparison will be used. The chart below compares the total number of households for each income bracket to the total number of dwelling units that are affordable for that income bracket.

Number of Households in Relation to Affordable Dwelling Units



Source: Kane County Assessor; Housing Estimating Model/Software

Analysis of Housing Affordability – Home Ownership

Forty three percent of all households in Kanab City are moderate income households or below. Currently there are significant affordable housing options for those earning a moderate income, which is between 61% and 80% of median income. 46% of the housing stock and 31% of homes for sale are affordable to moderate income households.

¹ Utility estimates are based upon reported HUD utility expenses for Kane County.

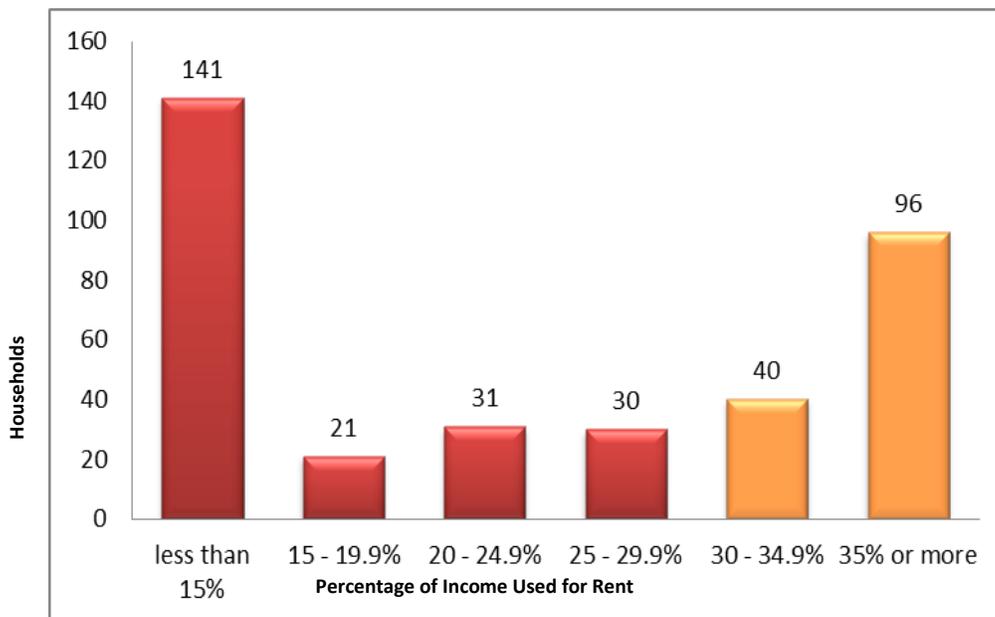
However, for very low (50% AMI) and extremely low income (30% AMI) households, comprising 37% of households in Kanab City, affordable housing for purchase is less available. Only 12% of the housing stock and 9.3% of homes for purchase are affordable to households earning just 50% of the AMI. 2.4% of the housing stock and 2.3% of homes for purchase are affordable to those earning just 30% of the AMI.

One method that the city has participated in to overcome the barrier of homeownership for low income households, is partnering with Color Country Community Housing for a USDA-funded mutual self-help program in which participants help each other build their own home. Sweat equity which acts as the down payment for the house and can reduce the price of the home by 25%. Several residents noted that partnering with agencies and developers for projects such as this will help improve affordable housing options for the community.

Affordability of Rent

According to the 2010 Census there are 454 households that rent in Kanab City. The median cost to rent a two bedroom apartment is \$584. Households earning a moderate income (80% of AMI) and those earning a very low (50% of AMI) are able to afford the rental rates in Kanab City. However, those households earning 30% of AMI and less cannot. According to an analysis performed using *Housing Estimating Model/Software* there is a \$112 affordability gap for renting households that earn 30% of the AMI. According to the 2010 American Community Survey, the majority of renters in Kanab can afford the price of rent as the chart below displays. 62% of renters are paying below 30% of their income on rent and utilities.

Affordability of Rent



Source: 2010 ACS

Analysis of Housing Affordability – Rent

Moderate and very low income households can afford the median cost of a 2-bedroom apartment in Kanab. Nevertheless, rental options for low income households are limited in Kanab City. It is likely that many of the 136 (38%) households that cannot afford rent are low income earners. According to 2009 ACS data, all households in Kanab City with an income below \$20,000 spend more than 30% of their income on rent and utilities. Although there are properties for low-income renters, the demand is much higher than the supply of low-income housing.

Special Needs Housing

It is important for Kanab City to address housing for those with special needs. People with special needs may include the elderly or disabled that live on a fixed income, the homeless, or those otherwise in need of specialized or supportive housing.

There are an estimated 864 people who are aged 65 and over living in Kanab City. This is an increase of 166 people (24% increase) since 2000. The senior population now constitutes 20% of the total population; up from 19.6% in 2000. This slight increase in the number of older adults can be attributed in part to a localized reflection of the national trend of an aging population.

Many of the elderly who own their homes are living on fixed incomes, and their housing affordability is affected by property values, maintenance, and utility costs. Some options available to assist low income senior citizens are property tax deferred payment programs, tax and mortgage foreclosure prevention services, home rehabilitation and weatherization programs, and utility assistance programs.

Many elderly citizens can no longer remain in their own homes for a variety of reasons. As these citizens move out of their homes, demand for senior rental housing opportunities will increase.

Analysis of Special Needs Housing

Lazy Days is the only complex with units that exclusively serve Kanab City senior citizens and/or people with disabilities. Lazy Days Apartments features 1, 2, and 3 bedroom units and rent is 30% of the occupant's income. Of the 30 units available, 20 one-bedroom units are reserved for seniors or people with disabilities. Currently, there are no vacancies for Lazy Days Apartments. The lack of vacancy indicates that the demand for the units is greater than the availability. Community stakeholders noted that although the majority of seniors have secure housing, there is still an unmet need for affordable senior housing.

Zoning Regulatory Environment

In order to evaluate the potential for moderate income housing in the community, it is important to understand the regulatory environment for residential housing. Zoning regulations govern the use and density for new developments. These regulations have a direct impact upon the opportunity to provide affordable housing within the community.

Survey of Residential Zoning

Within the City of Kanab, there are five classifications of residential zones. The table below includes each zone, minimum densities, permitted and conditional residential uses, and approximate acreage demarcated within the city for each zone.

Zone	Name	Minimum Density	Total acres	Permitted Res. Uses	Conditional Res. Uses
RA-2	Residential/ Agriculture	1 unit per 10 acres	3,300	Manufactured, Single family	
RA-5		1 unit per 5 acres	0		
RA-10		1 unit per 2 acres	0		
RR-1	Rural Residential	1 unit per acre	1,210		
R-1-20	Single Family Residential	1 unit per 20,000 ft. ₂	0	Single family	
R-1-15		1 unit per 15,000 ft. ₂	0		
R-1-10		1 unit per 10,000 ft. ₂	1,484		
R-1-8		1 unit per 8,000 ft. ₂			
RM-7	Multi Family Residential	7 units per acre	12	Single family, Two family	Multi-family
RM-9		9 units per acre	13		
RM-11		11 units per acre	0	Single family, Two family, Multi-family	
RM-13		13 units per acre	0		
RM-15		15 units per acre	27		
KCR- 720	Kanab Creek Ranchos	1 unit per 13,000 ft. ₂	161	Single family	

Source: Kanab Land Use Ordinance

As the table displays, the majority of residential zoning for Kanab City is low to medium density, with small pockets of multi-family residential. The land use of the city reflects this dynamic and is dominated by single family homes. The Kanab Creek Ranchos zone, which allows smaller structures than single family residential, primarily contains manufactured and modular homes.

In addition to residential zones, several residential uses are allowed within commercial zones, which include C-1 (Downtown), C-2 (Transitional Commercial) and C-3 (Entry Corridor Protection). For example, commercial/residential mix is permitted in all commercial zones, apartment(s) are permitted within the C-2 and C-3 zones, and Duplex/residential, single attached/detached dwelling unit, townhouse and transitional housing are listed as a conditional use within the C-2 and C-3 zones.

Evaluation of Zoning Code's Effect upon Affordable Housing

According to the *Housing Estimating Model/Software*, there are sufficient opportunities for moderate income households (80% AMI) to purchase or rent a home. Therefore, it is unlikely that Kanab City's Land Use policies are inhibiting the ability for residents within this income bracket to afford housing. However, there are currently not sufficient affordable housing opportunities for those earning less than a moderate income. Although the city includes areas in which high density housing and manufactured housing is permitted, the supply for affordable housing options, which often includes these types of housing options is currently not meeting the demand. Community participants indicated that many of the jobs in Kanab do not offer sufficiently high wages for conventional single family home dwelling and there are many inquiries for affordable apartment rentals.

In order to allow more affordable housing opportunities, the city should locate additional areas which permit high density housing. Although there are small areas designated for multi family dwelling, expanding these opportunities will allow the market to respond to the demand for low to moderate income housing. The Kanab City General Plan states "It is the City's desire to preserve existing areas of low-density housing, while at the same time allow for increased quality medium to high-density housing, in designated areas. The Downtown District and some areas adjacent to downtown, is where such housing opportunities will be most likely and encouraged." Allowing higher density housing within and/or near the downtown district will create more opportunities for low to moderate income households to obtain affordable housing while decreasing transportation costs associated with driving to goods and services.

Another way to increase affordable housing opportunities for low income households is by encouraging accessory dwelling units within single family neighborhoods. This type of housing is typically less than 800 square feet and could allow various income earners to locate within the same neighborhood, while preserving the character of the neighborhood. Kanab City currently allows "guesthouses" to be built within single family residential and rural residential zones. Promoting this type of development as possible income for property owners has the potential of increasing affordable housing options in the City.

Gaps and Needs in Affordable Housing

In order to identify appropriate goals, objectives, and strategies; gaps and needs must be identified. A gap is a term used to describe a missing component while a need describes what is required to fill the gap. For example, in the game of musical chairs there are never enough seats for everyone — that is the gap. To fill the gap more chairs are needed. This section identifies the present and future housing gaps and needs in Kanab City.

Gaps

Gap 1 — Many of the very low and extremely low income earning households do not have sufficient opportunity to purchase affordable housing.

Need — Approximately 154 households in Kanab City that earn less than \$20,000 per year need the ability to purchase housing they cannot afford under traditional lending standards.

Gap 2 — Many of the very low and extremely low income earning households do not have sufficient opportunity to rent affordable housing.

Need — Approximately 136 households in Kanab City are renting housing that they cannot afford. Additional affordable single family and multifamily rental units are needed.

Gap 3 — Many homes are older than 30 years old, and some are either deteriorated or dilapidated.

Need — 27 homes are severely deteriorated or dilapidated, and need rehabilitation. 288 homes are older than 30 years and require ongoing maintenance.

Goals, Objectives, Strategies

Goal 1: Increase Opportunities to Purchase Affordable Housing to Provide Housing Choice for Very Low and Extremely Low Income Earning Households

Objective — Actively encourage the provision of additional housing options such as affordable single family or multi-family housing for very low income (50% AMI) and extremely low income (30% AMI) households.

Strategy 1 — Promote programs such as the USDA Rural Development Direct Loan or Guarantee Loan and The Mutual Self-help Program that assist low-income households to purchase a home. The direct loan program lowers the interest rate, and effectively increases the purchasing power of the home owner. The Mutual Self-help Program allows individuals to build “sweat equity” toward the purchase of their new home.

Strategy 2 — Work with Private Developers to identify housing projects with affordable and subsidized units for purchase.

Goal 2: Increase Affordable Rental Opportunities to Provide Housing Choice for Very Low and Extremely Low Income Earning Households

Objective — Actively encourage the provision of affordable rental units for very low income (50% AMI) and extremely low income (30% AMI) households.

Strategy 1 — Work with Private Developers to identify housing projects with affordable and subsidized units for rent.

Strategy 2 — Promote and facilitate adaptive reuse development by identifying and inventorying acceptable sites for developers and realtors.

Strategy 3 – Actively encourage the construction of “accessory dwelling units” or “guesthouses” to integrate affordable housing options within low to medium-density single family neighborhoods

Strategy 4 – Consider revising the zoning code to allow multi-family housing within and/or near downtown to allow more low income households to locate in close proximity to goods and services.

Goal 3: Maintain, Rehabilitate and Weatherize Existing Housing to Increase Rental Properties, Homeownership, and Reinvestment in Kanab City

Objective 1 — Encourage maintaining the existing housing stock by rehabilitating severely deteriorated and dilapidated homes.

Strategy — Promote the use of the Single Family Rehabilitation and Reconstruction Program and the USDA Rural Development Housing Program to extremely low to moderate income households. These programs offer low-interest loans and grants for maintaining and rehabilitating housing.

Objective 2 — Weatherize existing housing in order to increase housing affordability by reducing monthly energy costs.

Strategy — Help locate moderate to extremely low income families that need weatherization assistance. Assist these households to contact the Five County Association of Governments Weatherization Program. The Weatherization program lowers monthly utility bills by making housing more energy efficient.

Benchmarks

The goals, objectives, and strategies should be evaluated on an annual basis to determine if the goals have been met. If the strategies are not achieving the listed goals, the strategies should be amended.

Priorities and Timelines

The following table summarizes the affordable housing goals. It lists how many of each type of unit is needed, how the goal can be attained, and when the goal will be needed.

Type	# Units Needed	How Attained	When needed
Affordable Single Family housing for purchase	280-300	Promote USDA Rural Development loan programs	2020
Affordable Single Family and Multi-Family Units for rent	80-100	ADUs, Affordable Housing Projects, Adaptive Reuse	2020
Existing Housing Stock	N/A	Promote federal and state funded rehabilitation and weatherization programs	Now

[End of Document]