

Date:

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Prepared By:

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Attachments:

1. Updated Housing Element.
2. List of possible strategies from state code.

REQUEST

Consideration of an updated Moderate Income Housing Element of the General Plan.

BACKGROUND & DESCRIPTION

Utah Code Section 10-9a-401 requires that each municipality adopt a Moderate Income Housing Element of the General Plan. The City's current Housing Element was adopted in 2020. As housing affordability has become a more significant issue in Utah, the legislature has been revising the housing element requirements over the last several legislative sessions. HB 462 was adopted earlier this year and made the following primary changes that cities must address by October 31, 2022:

- City's are required to select at least three housing strategies. HB 462 expanded the list of possible strategies;
- City's must now adopt an implementation plan identifying how and when each strategy will be implemented; and
- Updated annual reporting requirements including an analysis of implementation progress.

The attached Moderate Income Housing Element has been updated to address the recent changes to Utah Code and identifies the following strategies and implementation measures:

- 1) Allow accessory dwellings in residential zones.** This strategy has been implemented and is ongoing. The City recently updated its accessory apartment standards and will continue to allow accessory apartments in residential zones. With land values in Mapleton as high as they are, accessory apartments will provide the City's primary opportunity for moderate income housing.
- 2) Eliminate impact fees for accessory dwelling units.** The City recently reduced its impact fees for accessory apartments. Staff proposes that the City consider eliminating the impact fees altogether. Again, if accessory apartments will be the City's primary opportunity for moderate income housing, eliminating impact fees will help reduce barriers to their construction. The plan indicates that by June of 2023 the City will consider a resolution to eliminate the impact fees.

3) Allow for higher densities in commercial or mixed use zones. This strategy has been implemented and is ongoing. The City allows for mixed-use developments with commercial on the ground floor and residential above in commercial zones without a limit on density. This allows for the creation of moderate income housing in areas of the City that are closer to future transit areas and commercial services.

4) Reduce, waive or eliminate impact fees related to moderate income housing. Staff proposes that the City Council consider a resolution by June of 2023 to eliminate or reduce impact fees for future projects that would provide deed restricted moderate income housing. While no current projects have been proposed, if a project is proposed in the future, this strategy would help facilitate it.

Utah Code requires that the Planning Commission hold a public hearing and make a recommendation to the City Council on the plan.

RECOMMENDATION

Recommend approval of the updated plan to the City Council.



MODERATE INCOME HOUSING ELEMENT



2022

Mapleton City General Plan

Moderate Income Housing Element

MAPLETON CITY GENERAL PLAN

PURPOSE

Housing availability and affordability has become an issue of statewide concern. The Utah legislature has determined that municipalities shall facilitate a reasonable opportunity for a variety of housing, including moderate income housing, within their communities. Utah Code section 10-9a-403 requires each city to adopt a moderate-income housing element of the general plan that includes an analysis of how the municipality will provide a realistic opportunity for the development of moderate income housing within the next five years, and also requires a plan to implement three or more specific housing strategies.

The purpose of the Mapleton City Moderate Income Housing Element is to comply with state code and to outline the City's plan to continue to provide opportunities for a variety of housing options within the City. While the City recognizes the need to provide a variety of housing options, it also believes that moderate income households are more likely to benefit from housing that is located near mass transit opportunities, shopping areas and job centers, all of which either do not exist or are limited in Mapleton.

GEOGRAPHY AND COMMUNITY CHARACTERISTICS

Mapleton City is located in Utah County at the southeastern corner of Utah Valley adjacent to Sierra Bonita mountain. The City is approximately 8,000 acres in size with the ability to add approximately 70 acres through future annexations. Neighboring cities include Springville to the north and Spanish Fork to the west. Mapleton is located approximately nine miles south of Provo and approximately 50 miles south of Salt Lake City. Mapleton does not have direct access to I-15, and Highway 89 is the only major transportation arterial in the City. The City does not currently have bus service or other mass transit options.

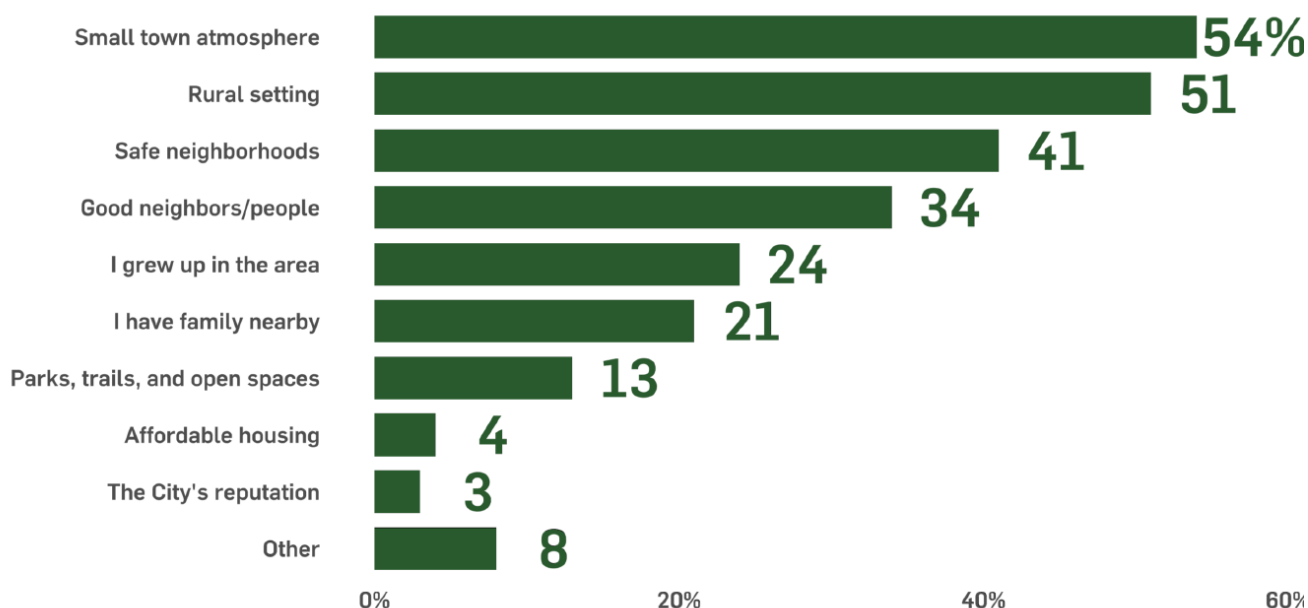
Mapleton has historically been a rural bedroom community. Most residents commute outside of the City to work and for most shopping needs. In a 2019 community survey, a majority of respondents

indicated that the small town atmosphere and rural setting were the primary reasons for choosing to live in Mapleton (see figure 1).

Figure 1



Which of the following reasons best describe why you choose to live in Mapleton? Select up to three.



(Source: Y2 Analytics. 2019. "General Plan Survey". <https://www.ourmapleton.org/survey.html>.)

Like most communities along the Wasatch Front, Mapleton is experiencing high levels of growth. The City has averaged 210 permits for new residential units per year over the last five years. Accommodating this growth while still maintaining the characteristics that make Mapleton unique is of utmost importance to the City and its residents.

DEMOGRAPHIC SUMMARY

Table 1 summarizes US Census data for Mapleton City and includes a comparison with the State of Utah and Utah County. The data indicates that Mapleton City has larger average family sizes, a more educated population, and has higher median income, home values and rental rates than state and county averages.

Table 1 – Census Data Summary			
Category	Utah	Utah County	Mapleton
Population	3,337,975	684,986	11,365
Housing Units	1,133,521	186,554	3,050
Household Size	3.09	3.52	3.78
Highschool Degree	93%	95.2%	97.5%
Bachelor's Degree	34.7%	41.1%	48.5%
Median Income	\$74,197	\$77,057	\$110,417
Poverty Rate	7.3%	7.8%	2.2%
Owner Occupied Housing	70.5%	67.9%	89.9%
Median Home Value	\$305,400	\$336,200	\$461,600
Median Rent	\$1,090	\$1,102	\$1,208
Source: US Census Bureau. 2022. "Quick Facts." https://www.census.gov/quickfacts/fact/table/mapletoncityutah,UT,utahcountyutah,US/PST045221			

MODERATE INCOME HOUSING

Moderate income housing is defined by Utah Code section 10-9a, Part 1 as:

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

80% of the median income for Utah County is **\$61,646**. Approximately 15% of Mapleton City households fall under the median income level. A household is generally considered overburdened if it is paying more than 30 percent of its income towards housing. Table 2 identifies the assumed maximum housing costs for the median income category.

Table 2 – Housing Cost Allowance by Category (30% of total income)			
Income Level	Annual Housing Cost	Monthly Housing Cost Rent/Mortgage	Mortgage Amount
80% AMI	\$18,494	\$1,541	\$300,000
*The mortgage amount assumes a 30-year mortgage with a 5% interest rate.			

FIVE YEAR HOUSING NEED PROJECTION

Mapleton's current population is approximately 11,365. Mountainland Association of Governments estimates Mapleton's population to reach 16,480 by 2030, or 640 residents per year. Assuming the percentage of households in the moderate category remains constant at 15%, and the average household size remains at 3.78, the City will need approximately 25 housing units per year, or 125 units in the next five years that are available to the median income category ($640 \times 15\% / 3.78 \times 5$).

MODERATE INCOME HOUSING STRATEGIES & IMPLEMENTATION

Utah Code section 10-9a-403 identifies a list of housing strategies that are intended to assist in the development of moderate income housing and requires each city to implement at least three of the strategies. In a 2019 community survey, the City asked its residents what strategies it would prefer. Figure 2 below includes the responses from the survey.

Figure 2



(Source: Y2 Analytics. 2019. “General Plan Survey”. <https://www.ourmapleton.org/survey.html>.)

Mapleton City is proposing to implement, or to continue to implement, the following strategies:

Strategy #1: Create or allow for, and reduce regulations related to, internal or detached accessory dwelling units in residential zones. This strategy provides opportunities for the provision of moderate income housing in at least two ways: 1) the accessory dwellings themselves allow for moderate income housing options as the median rental rates in Mapleton are at or below the maximum monthly housing allowance for median income families, and 2) the income generated from accessory

dwelling can supplement the housing cost of the primary dwellings they are associated with, making them more affordable.

Implementation: This strategy has been implemented and is ongoing. In 2021, the City amended its accessory dwelling unit ordinance to further reduce impediments. The ordinance was amended to allow accessory units on lots as small as 6,000 square feet.

Strategy #2: Eliminate impact fees for accessory dwelling units. This strategy further encourages accessory dwelling units and removes the incentive to build an accessory unit without proper permits to avoid paying the fees.

Implementation: In 2021, the City significantly reduced the impact fees for accessory dwellings. By June 30, 2023 the City will consider a resolution to eliminate impact fees completely for accessory dwellings.

Strategy #3: Zone or rezone for higher density or moderate income residential development in commercial or mixed-use zones. Commercial and mixed used zones are excellent locations to provide moderate income housing because they typically are located in areas that have, or will have mass transit options, jobs and shopping opportunities. This allows residents to be less dependent on automobiles.

Implementation. This strategy has been implemented. The City has approximately 179 acres of land currently zoned General Commercial (GC-1). This zone allows for mixed use development with commercial on the ground floor and residential uses on the upper floor(s) with no maximum density.

Strategy #4: Reduce, waive, or eliminate impact fees related to moderate income housing.

Development fees increase housing affordability as the fees are usually passed on from the builder to the home owner. Reducing fees in theory should help reduce overall housing costs.

Implementation: By June 30, 2023 the City will consider a resolution to eliminate or reduce impact fees for housing units that are deed restricted for moderate income.

GOALS AND POLICIES

The following goals and policies are designed to assist city leaders, planners, citizens and land developers in addressing the housing needs of the community.

Goal #1: Preserve the existing housing stock.

Policy A: Provide information to Mapleton City residents regarding housing rehabilitation and weatherization programs.

Policy B: Allow residents to request a home inspection from the City's Building Official for a nominal fee to assist in identifying potential safety hazards and code compliance issues.

Policy C: Enforce the building code, zoning code and nuisance code for violations that have the potential to impact the safety of residential units and their occupants.

Policy D: Educate the public regarding building permit and building inspection requirements for additions, alterations and new construction.

Goal #2: Provide opportunities for a wide range of housing options at all income levels while protecting the rural, country atmosphere of the City.

Policy A: Continue to allow accessory apartments as a permitted use in all residential zones.

Policy B: Periodically evaluate the accessory apartment permit fee to ensure that the fee is not a significant deterrent to the development of additional accessory apartments.

Policy C: Continue to allow mixed use developments in the GC-1 zone and other planned development zones.

Policy D: Periodically update the land use element of the general plan to ensure there are adequate opportunities for a variety of housing types within the City.

Goal #3: Ensure that transportation needs are properly addressed as residential growth occurs.

Policy A: Periodically update the transportation element of the general plan to ensure that future roadway and transportation improvements are implemented as growth occurs.

Policy B: Provide active transportation (bike lanes, paths, etc.) improvements when appropriate, which are particularly important for low-income residents.

Policy C: As the City's population grows, work with UTA and other agencies to provide mass-transit options for Mapleton City residents.

Goal #4: Make reasonable accommodations for residents with disabilities consistent with the Federal Fair Housing Amendments Act of 1988.

Policy A: Consider adopting a Reasonable Accommodations Policy that would outline the process for individuals with disabilities to apply for flexibility in the application of land use, zoning and building regulations when necessary to afford them equal opportunity and access to housing.

Policy B: Continue to allow residential facilities for elderly persons and persons with a disability in all residential zones.

Attachment “2”

State Code Moderate Income Housing Strategy Options

(Cities must choose at least 3)

Strategies

Municipalities and counties must include at least three strategies - municipalities with a “ fixed guideway transit station” (train or BRT station) must have at least four strategies. The menu of strategies includes the following:

- A. Rezone for densities necessary to facilitate the production of moderate income housing
- B. Demonstrate investment in the rehabilitation or expansion of infrastructure that facilitates the construction of moderate income housing
- C. Demonstrate investment in the rehabilitation of existing uninhabitable housing stock into moderate income housing
- D. Identify and utilize general fund subsidies or other sources of revenue to waive construction related fees that are otherwise generally imposed by the county/municipality for the construction or rehabilitation of moderate income housing
- E. Create or allow for, and reduce regulations related to, internal or detached accessory dwelling units in residential zones
- F. 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
- G. Amend land use regulations to allow for higher density or new moderate income residential development in commercial or mixed-use zones near major transit investment corridors
- H. Amend land use regulations to eliminate or reduce parking requirements for residential development where a resident is less likely to rely on the resident's own vehicle, such as residential development near major transit investment corridors or senior living facilities
- I. Amend land use regulations to allow for single room occupancy developments
- J. Implement zoning incentives for moderate income units in new developments
- K. Preserve existing and new moderate income housing and subsidized units by utilizing a landlord incentive program, providing for deed restricted units through a grant program, or establishing a housing loss mitigation fund
- L. Reduce, waive, or eliminate impact fees related to moderate income housing
- M. Demonstrate creation of, or participation in, a community land trust program for moderate income housing
- N. Implement a mortgage assistance program for employees of the county/municipality, an employer that provides contracted services for the county/to the municipality, or any other public employer that operates within the county/municipality
- O. Apply for or partner with an entity that applies for state or federal funds or tax incentives to promote the construction of moderate income housing, an entity that applies for programs offered by the Utah Housing Corporation within that agency's funding capacity, an entity that applies for affordable housing programs administered by the Department of Workforce Services, an entity that applies for affordable housing programs administered by an association of governments established by an interlocal agreement under Title 11, Chapter 13, Interlocal Cooperation Act, an entity that applies for services provided by a public housing authority to preserve and create moderate income housing, or any other entity that applies for programs or services that promote the construction or preservation of moderate income housing

- P. 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
- Q. Create a housing and transit reinvestment zone pursuant to Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act
- R. Eliminate impact fees for any accessory dwelling unit that is not an internal accessory dwelling unit as defined in Section 10-9a-530
- S. Create a program to transfer development rights for moderate income housing
- T. Ratify a joint acquisition agreement with another local political subdivision for the purpose of combining resources to acquire property for moderate income housing
- U. Develop a moderate income housing project for residents who are disabled or 55 years old or older
- V. Develop and adopt a station area plan in accordance with Section 10-9a-403.1
- W. Create or allow for, and reduce regulations related to, multifamily residential dwellings compatible in scale and form with detached single-family residential dwellings and located in walkable communities within residential or mixed-use zones
- X. Demonstrate implementation of any other program or strategy to address the housing needs of residents of the county/municipality who earn less than 80% of the area median income, including the dedication of a local funding source to moderate income housing or the adoption of a land use ordinance that requires 10% or more of new residential development in a residential zone be dedicated to moderate income housing

Notes:

- 1. Municipalities with a fixed guideway transit station must include strategy V in their moderate income housing element.
- 2. Strategy "O" above does not include the phrase "an entity that applies for affordable housing programs administered by an association of governments established by an interlocal agreement under Title 11, Chapter 13, Interlocal Cooperative Act," for counties.
- 3. Strategy "V" above does not apply to counties.