

# 2022 KEARNS MODERATE INCOME HOUSING PLAN AMENDMENT

Prepared by: MSD Long Range Planning  
September 12<sup>th</sup>, 2022



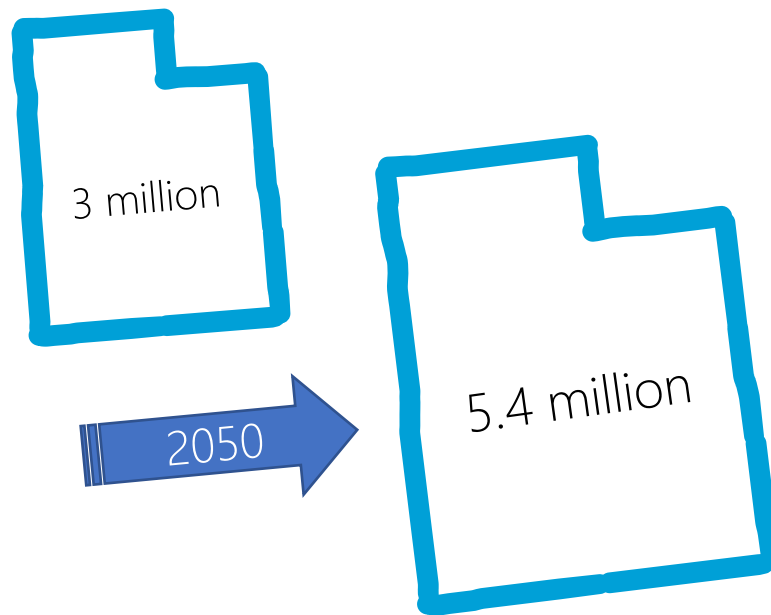
# Purpose

This evening's public hearing gives the public an opportunity to provide comment on the drafted Moderate Income Housing Plan Amendment for Kearns. **Following the public hearing, the Planning Commission may make a recommendation to the Kearns Council regarding this Plan Amendment.**

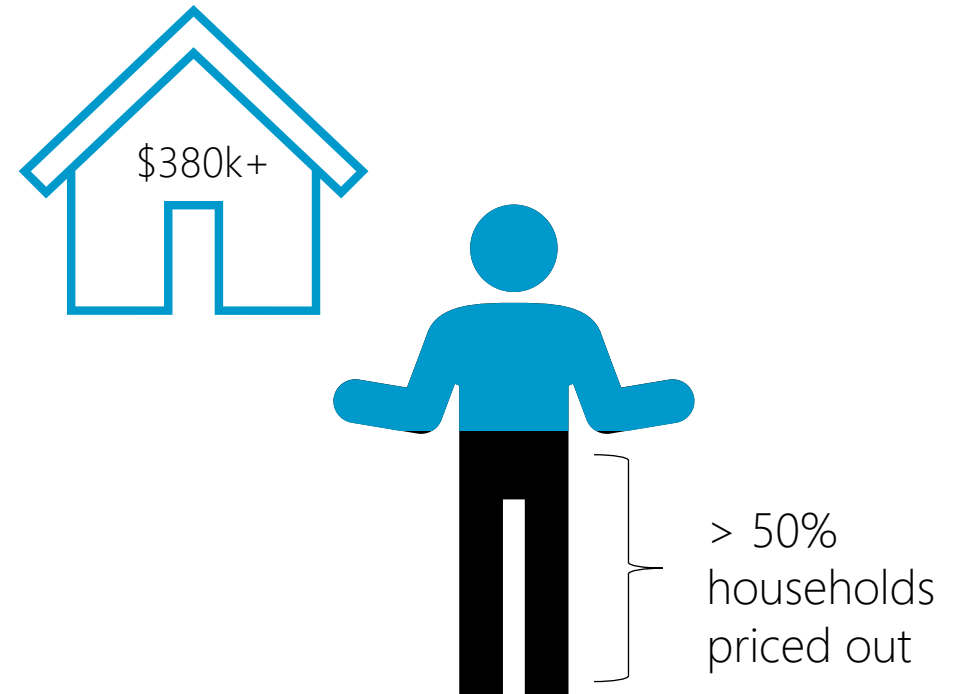
An updated Moderate Income Housing Plan is necessitated by State Code 10-9a-Part 4.

# Background: Utah's state of housing

In the next 30 years, Utah's population is expected to nearly double.



Over half of Utah households cannot currently afford a median-priced home in the state.



# Background: Enforcement

- ❖ **State Funding, including Transportation Investment (TIF), Transit Transportation Investment Fund (TTIF), and COVID matching grants are now tied to Moderate income Housing Requirements.**
- ❖ Kearns must select and report **on 3 strategies to be eligible for funding, and 5 strategies to receive priority consideration for funding.** Failure to comply with State requirements jeopardizes Kearns' eligibility for funding sources.
- ❖ The State Department of Workforce Services will notify an entity of non-compliance and provide an opportunity to address deficiencies prior to affecting funding eligibility.

# Background: 2022 Legislative Changes

2019

- ❖ **Applicability:** Municipalities over 5,000 in population; Counties over 40,000 – with at least 5,000 Unincorporated
- ❖ **Strategies:** Municipality required to choose at least three of the 22 State-Provided Moderate Income Housing Strategies
- ❖ **Implementation:** No implementation element required beyond annual reporting.
- ❖ **Reporting:** Annual reports due December 1st.

2022

- ❖ **Applicability:** NO CHANGE.
- ❖ **Strategies:** Strategies updated to be more actionable. A couple new strategies were added. Municipalities must now choose at least three strategies to comply, **but choose five to receive funding prioritization.**
- ❖ **Implementation:** Municipalities now **required to adopt an implementation plan and timeline.**
- ❖ **Reporting:** **Annual reports due October 1st.**



# Background: Defining moderate income housing

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 housing is located.”  
(State Code 17-27a-103)

Salt Lake County's median household income:

**\$77,128 (2020)**

In 2020, there were 4,146 out of 10,126 households (41%) in Kearns that earned 80% or less of the AML.



# Planning Process: Data collection

## United States Census Bureau

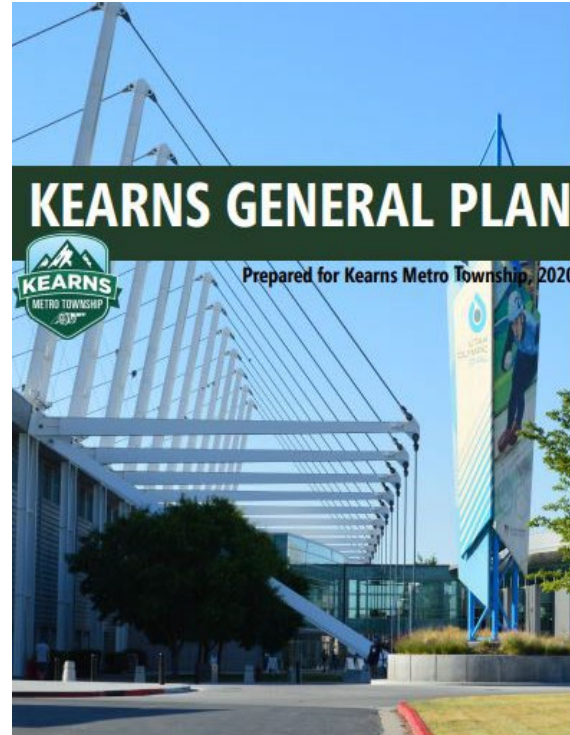
- ❖ American Community Survey (ACS) data for 2010-2020.

## Esri Community & Business Analyst

- ❖ Projections using Census Bureau data for 2027.



# Planning Process: Public input analysis



- ❖ Reviewed the recommendations from 2019 Kearns MIH Plan and analyzed public feedback and goals from the 2020 Kearns General Plan.



# Planning Process: Public input analysis



- ❖ Held two public workshops to present and discuss the Moderate Income Housing requirements and strategies.
  - June 29<sup>th</sup>: 2 Kearns participants
  - July 13<sup>th</sup> : 6 Kearns participants
- ❖ Conducted a small focus group with 3 Spanish-speaking Kearns residents.

Source: Wendy Gurr

# Planning Process: Public input analysis

## Moderate Income Housing Survey

Recent State Legislation requires that Kearns Metro Township, Magna Metro Township, and Unincorporated Salt Lake amend their Moderate Income Housing (MIH) Plans, which were previously adopted in 2019. Your response to this questionnaire helps the planning team ensure that the MIH amendments match the vision of your community. In addition to completing this survey, you can participate in two public workshops: June 29th and July 13th.

### 1. What community do you live in?\*

☐ Kearns

☐ Magna

☐ Unincorporated Salt Lake

### 2. Right now, what is your most significant housing challenge?\*

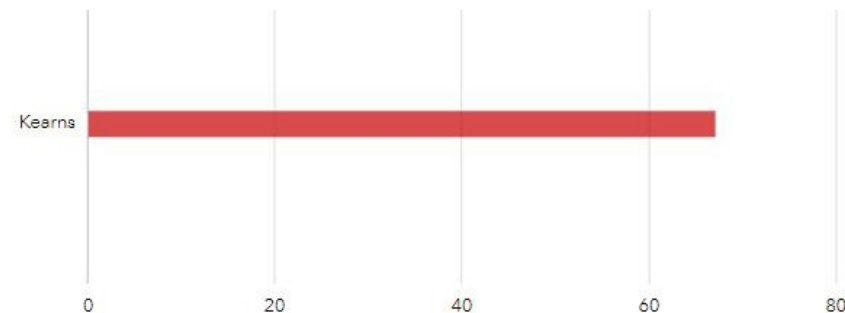
Please choose one answer:

☐ Finding housing that I can afford to buy

☐ Finding housing that I can afford to rent

☐ Finding housing that is accessible for myself or a

- ❖ Moderate Income Housing Survey shared online and in-person at the Kearns Library.
- ❖ Responses: **83** (67 English & 16 Spanish)
- ❖ Questions regarding housing challenges, support of different housing styles (ADUs, townhomes, mixed-use, etc.), housing features, reasonable actions to address housing conditions and options.

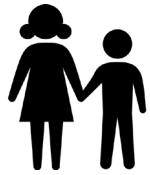


Source: Kearns MIH English Survey results

# Plan Content: Outline

1. **Executive Summary:** a one-page briefing on the plan purpose, selected strategies, and reporting requirements.
2. **Introduction to the Moderate-Income Housing Plan:** an overview of the State's Moderate Income Housing requirements, the scope of the Plan, and how to use the Plan document.
3. **Kearns Existing Housing Conditions:** an analysis of demographics, housing supply and demand, housing conditions, and land uses in Kearns. This section examines housing affordability and sets the foundation for understanding Kearns' Moderate Income Housing needs.
4. **Kearns – Community Engagement and Housing Vision:** summarizes community engagement results related to housing from Kearns' various plans, from MIH workshops, and from an online survey that was included in this planning process.
5. **Selected Strategies for Addressing Moderate Income Housing:** provides an analysis of why each of the five (5) strategies was selected.
6. **Moderate Income Housing Implementation Plan:** identifies how Kearns anticipates implementing each selected strategy and proposes a five-year timeline for doing so. This section includes detailed work programs for implementation.

# Plan Content: Data Findings



Large children (under 18) population - larger than SLCo.

Source: ACS DP01



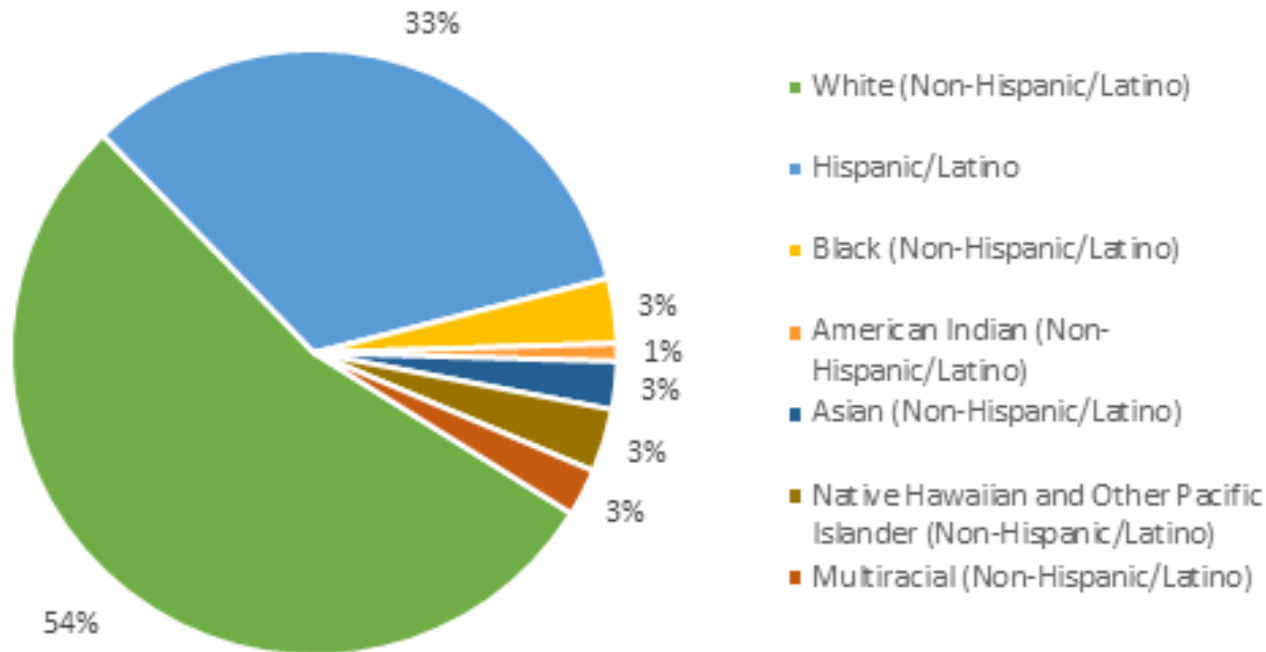
Steady growing elderly (65+) population.

Source: ACS DP01



Population with disabilities make up 11% of total population.

Source: ACS S1810



Source: ACS DP05

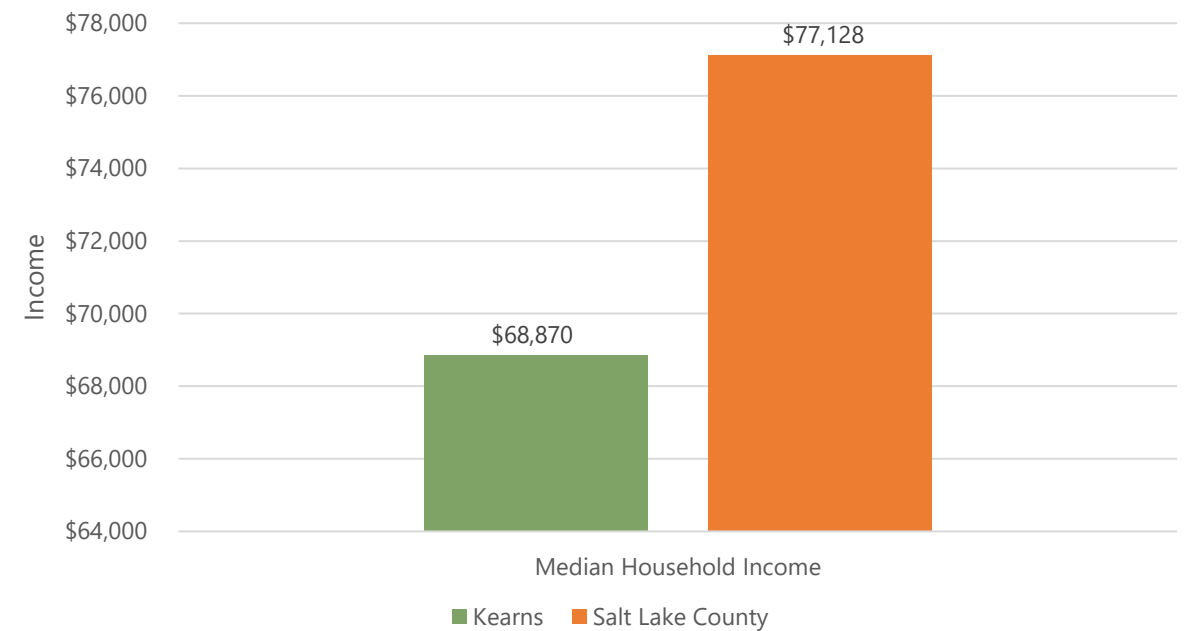
Racially and ethnically diverse population, 46% identified as an ethnicity or race other than white.

Our data findings present unique housing needs for family housing and accessible housing.

# Plan Content: Data Findings

❖ Six demographic categories in Kearns experience median incomes that fall significantly **below** the Salt Lake County AMHI:

- Renter household
- Black or African American household
- Single female household
- Female non-family household
- Elderly household



Source: ACS B25119 and S1903

# Plan Content: Data Findings

- ❖ Home value is not always the same as how much the home will sell for; in tight markets, units may sell for more than they are valued at
- ❖ In 2022, the typical home value of homes in Kearns is **\$449,977**.

Source: <https://www.zillow.com/kearns-ut/home-values/>

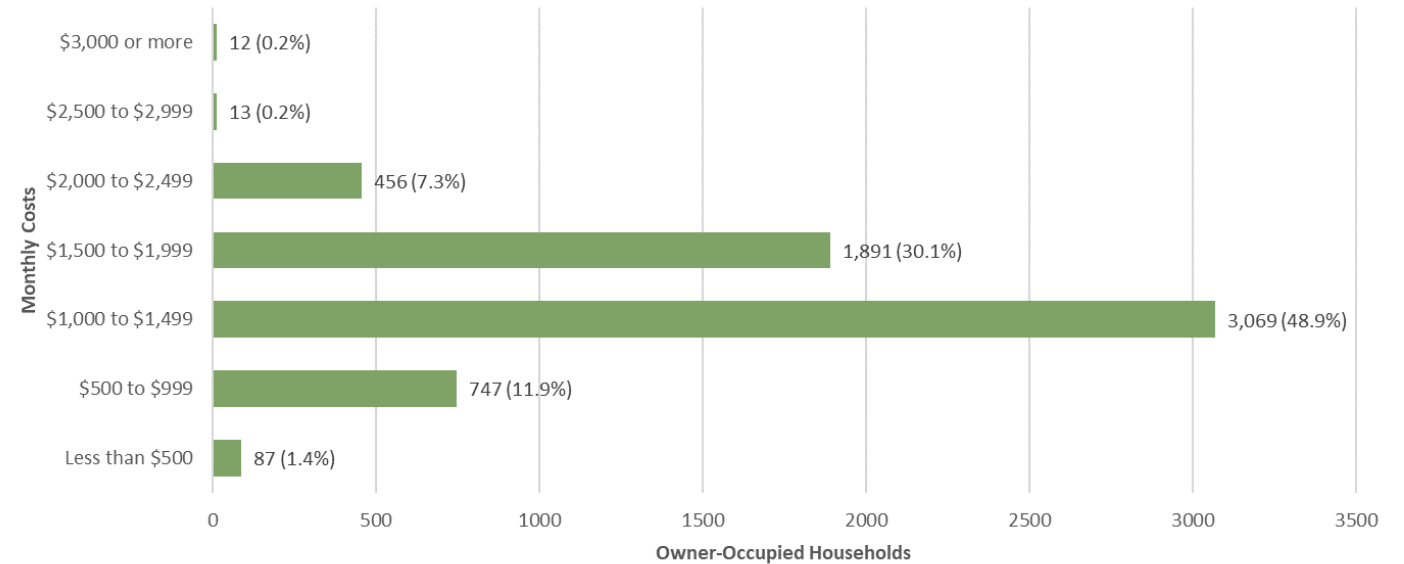


Source: ACS DP04 & Esri Community Analyst "Housing Profile"



# Plan Content: Data Findings

- ❖ Median housing cost for renter & owner households: **\$1,261 / month.**
- ❖ **59%** of homes are built **before 1980** – home repairs and maintenance was the biggest housing challenge for Kearns residents.



Source: ACS S2503

# Plan Content: Data Findings

	Total Cost-Burdened Households		Total Cost-Burdened Owner Households		Total Cost-Burdened Renter Households	
Income Range	Count	Percentage	Count	Percentage	Count	Percentage
Less than \$20,000	419	4.2%	209	2.5%	210	11.8%
\$20,000 to \$34,999	588	5.9%	291	3.5%	297	16.6%
\$35,000 to \$49,999	794	8.0%	576	6.9%	218	12.2%
\$50,000 to \$74,999	827	8.3%	687	8.2%	140	7.8%
\$75,000 or more	103	1.0%	103	1.2%	0	0.0%
<b>Total</b>	2,731	27.4%	1,866	22.3%	865	48.4%



Source: ACS S2503

- ❖ Majority of renter and owner households are spending **\$1,000 to \$1,999** on monthly housing costs.
- ❖ Almost 1/2 of renter households and nearly 1/5 of owner households are cost-burdened.

# Plan Content: Data Findings

Income Range	Maximum Affordable Monthly Housing Allowance	Maximum Affordable Monthly Housing Costs (Housing cost minus utilities)	# of Renter Households	# of Renter Units Available at that Price	Surplus/Deficit of Units Available
Less than 30% AMHI (<\$23,138)	\$578	\$310	404	136	-268
30%-50% AMHI (\$23,138-\$38,564)	\$964	\$696	292	119	-173
50%-80% AMHI (\$38,564-\$61,702)	\$1,543	\$1,275	397	505	108
80%-100% AMHI (\$61,702-\$77,128)	\$1,928	\$1,660	187	558	371
100%-125% AMHI (\$77,128-\$96,410)	\$2,410	\$2,142	196	430	234
>125% AMHI (>\$96,410)	>\$2,410	>\$2,142	309	36	-273



Deficit



Source: ACS B25119 and S1903

KEARNS MODERATE INCOME HOUSING PLAN

# Plan Content: Survey Results

- ❖ 43% of respondents' most significant housing challenge was, "Keeping up with home repairs / maintenance".
- ❖ Second most significant housing challenge was affordability including buying a home or making current payments (17%).

Response Theme	Representative Comment	Count
<b>POLICIES</b>		
Provisions related to ADUs	"Provision for ADUs"	1
Lower taxes	"Lower taxes"	2
Policy to prevent land speculation	"Outlaw corporate owned houses that raise prices and are often just rentals or Airbnb only homes."	3
Stop building until adequate infrastructure is in place	"Stop building until [the roads] are better or they reconfigure lights so neighborhoods aren't cut off."	2
Create an ordinance for mixed-use	"There's empty fields that can be used for the mixed housing off of 56th W near Holiday. Zone that long strip of land for mixed community use. Use it for affordable senior or disabled housing."	2
Put rent control in place	"Rent control"	2
Zone for housing diversity	"Change in zoning to allow more housing options such as multi-unit buildings, townhomes, multi-use/mixed-use buildings." (continued...)	2
<b>Comments Related to Policy: 14</b>		
<b>PROGRAMS</b>		
Funding and resources for rehabilitation of homes or home	"Fund and or support repairs and improvements to existing houses."	6
Funding, in general	"Funding opportunities"	8
Mortgage and downpayment assistance, including programs for lower interest rates	"Lower the interest rates on houses so that more people have the opportunity to get a house."	2
Funding specifically for the construction of ADUs	"Funding to add accessory house to my property."	1
<b>Comments Related to Programs: 17</b>		
<b>PROJECTS</b>		
Re-utilize existing vacant buildings	"Convert the warehouse on 47th and 56th into mixed used housing. Improves the housing and the availability of new stores."	4
Build new housing supply and subsidized / affordable units	"High capacity low income housing."	5
Increase code enforcement and make other improvements related to neighborhood quality of life	"Enforcing the laws regarding parking. Too many people park on the streets and it makes it difficult to even drive down the street."	16
Stop building luxury or other unaffordable units	"Stop building expensive [...] apartments no one can afford and driving up the price of rent!"	1
<b>Comments Related to Projects: 26</b>		

# Plan Content: Survey Results

- ❖ 60% of respondents support the addition of these housing types, although certain criteria were often included in responses. For example, some respondents would only support townhomes or only support mixed-use. Others still would support diverse housing types, but only if those units were made affordable and held affordable for the long-term.

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# Plan Content: Focus Group Results

- ❖ **Housing/Land Speculation:** Community members shared concerns about investors and developers buying and flipping homes/properties which makes it unaffordable for current community members, specifically renter households. This same concern was brought up by community members during the public workshops.
  - "Investors don't know what the community needs, like what is affordable or what we need." (2022 Focus Group Participant)
  - "My rent has doubled, I never know when my landlord will choose not to renew my lease so it feels unstable." (2022 Focus Group Participant)
- ❖ **Displacement:** Kearns residents have observed community members no longer being able to afford living in Kearns and having to move out of the community.
  - "I have two friends who had to move out because it got too expensive living here and they were renting." (2022 Focus Group Participant)



# Plan Content: Overall public input results

- ❖ Residents prefer that any new housing development occur near commercial centers, in underutilized spaces (such as vacant buildings), and in places where the infrastructure is already available to support development. Residents are particularly concerned about traffic impacts, crime, and displacement.
- ❖ Many Kearns residents already own their homes and need additional support in maintaining them or making needed energy or accessibility retrofits.
- ❖ Residents value safety and beautification in their residential neighborhoods and expect any new development to contribute its fair share to quality of life.
- ❖ Kearns residents recognize that their community is home to a racially and economically diverse population with different housing needs and support taking actions that would increase housing opportunities for residents, while enhancing quality of life.
- ❖ Residents are increasingly concerned about land speculation and are looking for ways to preserve moderate income housing and market rate affordable housing on a long-term basis.

## Kearns' 2019 Strategies

~~B. Facilitate the rehabilitation or expansion of infrastructure that will encourage the construction of MIH;~~

C. Facilitate the rehabilitation of existing uninhabitable housing stock into MIH;

E. Create or allow for, and reduce regulations related to, accessory dwelling units (ADUs) in residential zones;

F. Allow for higher density or moderate income residential development in commercial and mixed-use zones, commercial centers, or employment centers;

~~G. Encourage higher density or moderate income residential development near major transit investment corridors; and~~

L. Preserve existing MIH.

## Kearns' 2022 Strategies

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;

L. Reduce, waive, or eliminate impact fees related to moderate income housing;

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. . .; and

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

### **Notes:**

- Strategy B was eliminated because Kearns has few locations left where infrastructure investment could facilitate MIH construction. Most of those locations are in existing commercial centers, which are better represented by Strategy F.
- Strategies C and L are still community priorities, but have been integrated into Strategy O. Kearns relies on partnership and grant funding sources to help with preservation and rehabilitation of units.
- Strategy G was eliminated because it largely duplicates Strategy F. The community wishes to incorporate mixed-use into the Town Center, which is also located on a major transit investment corridor.
- Strategy L was added in recognition that the community has interest in pursuing impact fees in the future and could proactively choose to waive impact fees for moderate income housing.
- Strategy W was added because Kearns has interested in adopting a new mixed-use neighborhood zone, consistent with the 2020 adopted General Plan. Such a Zone would incorporate a variety of housing types as the single-family scale.

# Plan Content: Strategy B

E. Create or allow for, and reduce regulations related to, internal or detached accessory dwelling units in residential zones.

**Justification:** Kearns adopted an accessory dwelling unit (ADU) ordinance in 2021, which authorized both internal and external ADUs.

Example: Research barriers to ADU construction so that Kearns can better facilitate ADU development, where appropriate, in the community.

Example: Develop bilingual guides for residents to help them understand ADU regulations and the permitting process.

# Plan Content: Strategy F

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

**Justification:** Kearns' adopted General Plan proposes mixed-use development in the Kearns Town Center.

Example: Align the zoning for the Kearns Town Center (C-2 Zone) more thoroughly with the General Plan will help Kearns to make progress toward Strategy F.

Example: Consider programs or policies to prevent displacement so that new development does not negatively impact this area, its residents, or its business owners.

# Plan Content: Strategy L

L. Reduce, waive, or eliminate impact fees related to moderate income housing.

**Justification:** Kearns anticipates requiring impact fees in the future to help fund additional service and infrastructure needs caused by new development. The community can proactively choose not to charge impact fees on development that includes moderate income housing units set aside for the long-term.

Example: Work with the community and Kearns Council to make a formal commitment to not charging impact fees on future moderate income housing.

Example: Consider how impact fees may be used to mitigate effects of displacement caused by high-end or non-residential development.

# Plan Content: Strategy O

O. Apply for or partner with an entity that applies for state or federal funds or tax incentive to promote the construction of moderate income housing, [...] or any other entity that applies for programs or services that promote the construction or preservation of moderate income housing.

**Justification:** Forty-three percent (43%) of survey respondents identified their most significant housing challenge as keeping up with home repairs / maintenance. As a municipality within Salt Lake County, Kearns already benefits from programs like the Green and Healthy Homes Initiative.

Example: Advertise programs available through Salt Lake County Green and Healthy Homes; help more residents utilize programs.

Example: Work with Salt Lake County to expand offerings or target specific programs in Kearns. This could include providing necessary data, aiding funding applications, or participating in collaborations.



# Plan Content: Strategy W

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.

**Justification:** Kearns planned for Missing Middle Housing in two of its General Plan “character areas”. Implementing Strategy W would also aid in General Plan implementation.

Example: Update zoning in the designated Character Areas to encourage multifamily dwellings compatible in scale and form with detached single-family residential dwellings.

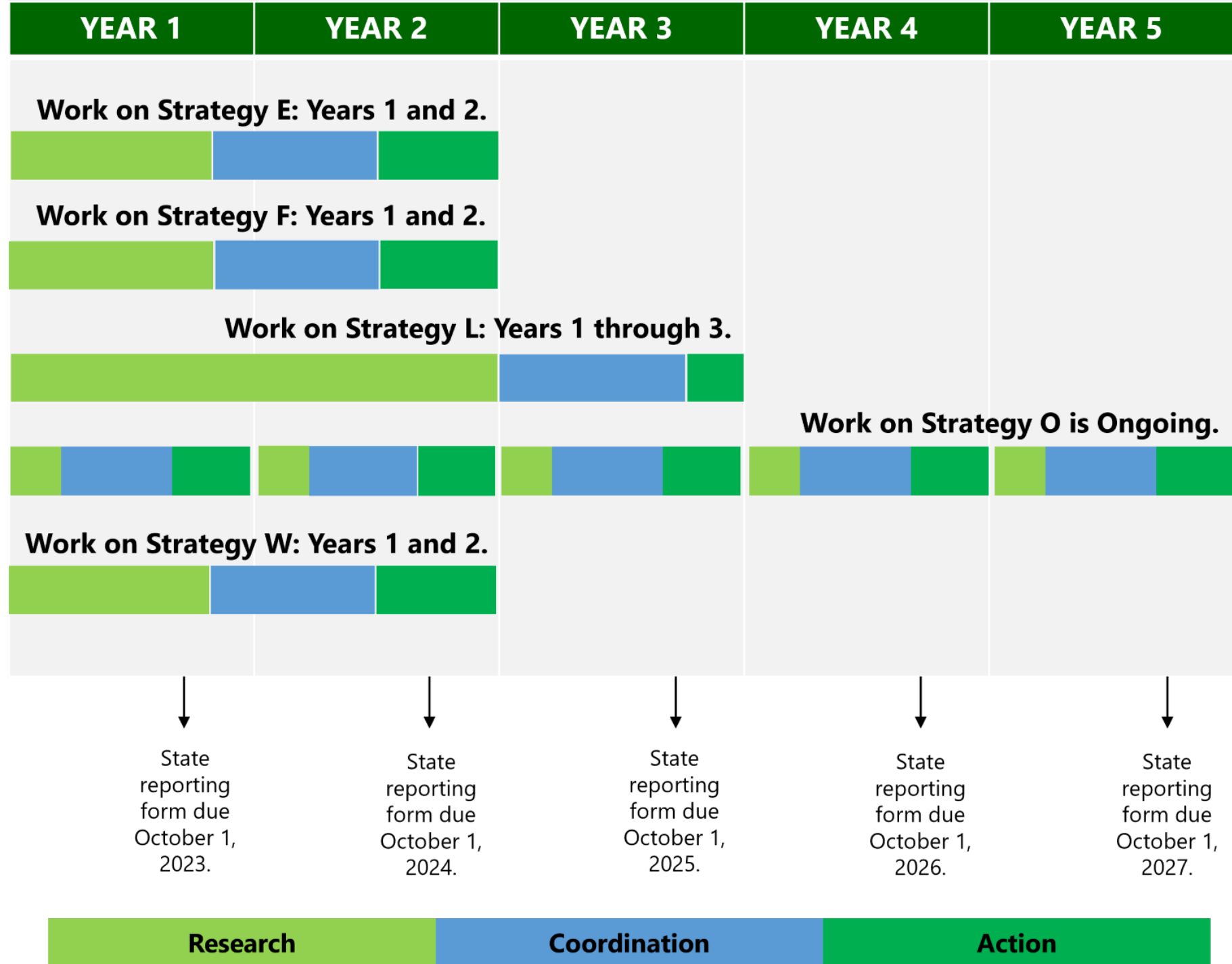
Example: Work with residents to identify design standards, site features, and other housing or neighborhood amenities to make these housing types more desirable.

## Plan Content: Alternative Strategies K & M

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, notwithstanding Section 10-9a-535, establishing a housing loss mitigation fund.

M: Demonstrate creation of, or participation in, a community land trust program for moderate income housing.

These alternatives had strong public support during the planning process. It is recommended that Kearns still pursues implementation of these strategies. However, staff is currently uncertain that implementation of these strategies is realistic within a five-year time frame.



# Plan Content: Worktables

## E. Create or allow for, and reduce regulations related to, internal or detached accessory dwelling units in residential zones.

<u>Actions</u>	<u>Potential Leads and Partners</u>	<u>Expected Funding Source</u>	<u>Metric for Measuring Success</u>	<u>Resources</u>
<b>E1.</b> Staff conducts research with residents to understand what barriers to ADU construction exist.	MSD PDS; Residents	Staff Time	Staff engages with residents and can identify the top barriers to ADU construction in Kearns.	<a href="#">Portland Study of ADU-Owners</a>
<b>E2.</b> Staff studies case studies related to top barriers identified in E1.	MSD PDS	Staff Time	Staff prepares a study of pertinent case studies and potential paths forward.	<a href="#">HUD Article on U.S. Efforts to Encourage ADU Production</a>
<b>E3.</b> Staff presents findings to the Kearns Planning Commission and Council and seeks direction on policies, programs, and projects to address barriers.	MSD PDS; Kearns PC; Kearns Council	Staff Time	Staff presents findings and receives direction from leadership regarding which strategies to pursue to facilitate ADU construction.	<a href="#">Salt Lake City ADU Report 2021</a>

Example Steps

Example Benchmarks

# What comes next?

After the public hearing, the Planning Commission may vote to:

- Recommend adoption;
- Recommend adoption with revisions; or
- Recommend the Council does not adopt.

Following a recommendation from the Planning Commission, a Council meeting will be scheduled at which the Council may make a motion to adopt, adopt with revisions, or not adopt the Plan.

Revisions to the Moderate Income Housing Plan must be made by October 1st in order for Kearns to comply with State standards.

# Staff Recommendation

Staff recommends that the Kearns Planning Commission make a **recommendation of adoption of the 2022 Moderate Income Housing Plan Amendment**, with or without revisions as applicable following the public hearing.

## Staff finds that the Plan Amendment:

- Includes all content required by State Code (10-9a-403);
- Places Kearns in a position that would allow the municipality to receive priority funding status in the future;
- Provides a realistic plan and timeline for implementation, given Kearns' available resources; and
- Incorporates public input to ensure the Plan Amendment adequately reflects residents' vision for housing and future land uses.



# THANK YOU

## QUESTIONS?

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