

III. Moderate Income Housing Element

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MODERATE INCOME HOUSING ELEMENT

Of the

FARR WEST CITY GENERAL PLAN

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1. Statutory Requirement:

State law requires that in order to provide general guidelines for proposed future development of land within the city, each municipality shall prepare and adopt a comprehensive, long-range general plan. These requirements are found in Utah Code Annotated 10-9a-7401, et seq. The legislative body of the city adopts the plan or any comprehensive amendment to the plan upon recommendations made by the Planning Commission.

This plan, or a comprehensive general plan amendment, may provide for the protection and promotion of moderate-income housing. 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 a land use element that includes among other things, 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.

2. Definitions:

- (1) **"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 which the city is located.
- (2) **"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.

3. Estimate of the need for the development of additional Moderate Income Housing (MIH) within the city:

- a. Important demographics:
 - i. Population in 2011 was 5954
 - ii. Estimated Gross Income of households in Weber County in 2009 was \$53,058.00. The 80% level is \$42,446.00
 - iii. Estimated Median Gross Income of households in Farr West City in 2009 was \$67,149.00
 - iv. Estimated monthly income available for home purchase by a household with an annual gross income ie~ \$42,446.00 is \$1,096.00 (No more than 31 percent of gross monthly income should be spent on housing as recommended by FHA)
 - v. Estimated loan available based on a #1,096.00 payment, 30-year fixed rate mortgage, and the current interest rate of 3.8% is \$220,000.00
 - vi. The median price of all home sales in Farr West City for 2012 was less than \$180,000.00
 - vii. The median home value in 2012 was \$201,520
 - viii. In 2012 the existing supply of MIH within the city, that is homes valued at or below \$220,000.00 was well above 50%
- b. Estimate of the existing supply of MIH located within the city: Based upon the relatively large percentage (>50%) of homes within the city, which qualify as MIH, the supply of MIH within the city appears to be adequate.
- c. Estimate of the need for MIH in the city over the next 5 years:
 - i. There are numerous factors used to determine both the need and availability of MIH within Farr West City. However, many of the most important factors are beyond the control of the City. This makes estimating the need of MIH within the City, especially for any long-term (i.e. 5 years) forecasting or estimating very problematic. Significant factors beyond the control of the city which will affect the determination of what is considered MIH are:
 - a. Changes in household debt/income ratio
 - b. Changes in home values
 - c. Changes in interest rates
 - d. Changes in lending practices

- ii. In the short time while this plan has been in development (end of 2008 and beginning of 2009), economic conditions affecting MIH have changed dramatically. Since 2008, home prices have remained steady or declined. Conventional mortgage rates have decreased (depending on the term of the loan) to below 5%. As economic conditions tighten, the need for MIH will probably remain steady, and may actually increase.
 - d. A survey of the current total residential land use indicates the following:
 - i. Farr West City encompasses a land area of approximately 5.84 square miles. Populate density in 2012 is 1020 people per square mile
 - ii. The city has four separate land use zone that allow for residential structures, which together encompass 88.56% of the City (data obtained from City Engineer)
- 4. Plan to meet the estimated needs if long-term projections occur.
 - a. Existing land use restrictions in the city offer adequate opportunity for MIH. Currently, almost 89% of the total area of the city is zoned for some type of residential use. There are no minimum home value requirements for any residential zone within the City, although there are minimum building size requirements that are relatively modest (900 square feet for multilevel structures and 1,200 square feet for rambler type structures) and would not mandate homes in any residential zone in excess of MIH values. In 2012, the median home price in the city was less than \$220,000.00. During that same period, the median income of households in the city would qualify for a home with a price in excess of \$220,000.00. In sum, over half of the homes for sale during 2012 were valued less than the MIH level based on county and city median income levels.
 - b. Farr West City has no specific “program” to encourage an adequate supply of MIH. A combination of location, market conditions, practical zoning and other favorable factors have naturally contributed to an adequate supply of MIH. The City will review its MIH needs as required by the mandated plan review process to ensure that available zoning and other factors within the control of the City continue to foster the availability of MIH.
 - c. Farr West City has established a new mixed-use zone. This zone will allow a mix of commercial (fifty percent (50%) will be for commercial). With small lot residential housing (fifty percent (50%), 6 units per acre). Townhomes with four (4) units per building. This should foster additional MIH in the city.

5. Plan Review.

Every two (2) years, the City Council must review the MIH plan element of its general plan and its implementation and prepare a report setting forth the findings of the review. Each report must 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.

The City must also send a copy of the report to the Department of Community and Culture and the association of governments in which the city is located.

IV. Goals

Following are the general goals of Farr West City pertaining to housing. Each general goal is accompanied by several specific goals listed below it.

- Emphasize and encourage high quality housing.
 - Require high quality construction standards.
 - Encourage new housing development to incorporate zoning that assures quality, maintenance and a visually appealing community.
- Encourage orderly and beautiful residential areas throughout the City.
 - Recognize the beautification efforts of residential property owners.
 - Inform property owners of State programs to promote capital improvements to owner-occupied housing and encourage use of such programs.
 - Enforce residential zoning ordinance requirements.
 - Require proper road frontage of each building lot.
- Require access to good, safe and sanitary housing that is available and affordable according to the Farr West City Moderate Income Housing Plan.
 - Establish and maintain development standards that support housing development while protecting General Plan goals.
 - Employ regulations to ensure that housing will remain affordable to future residents of Farr West City.
 - Promote adequate accessibility to appropriate housing for physically disabled residents of the City.
 - Uphold freedom of choice of housing type and neighborhood for all regardless of race, color, age, gender, marital status, religion, ancestry, national origin or presence of any sensory, mental or physical disability.
- Safeguard the condition and promote the maintenance of the existing housing stock.
 - Promote the revitalization and rehabilitation of substandard residential structures.

- Ensure that rehabilitation of existing housing addresses the health and safety needs of the residents while respecting the character of the structure.
- Ensure that rehabilitation of existing units does not result in permanent displacement of existing residents.
- Maintain the rural character and open space of Farr West City.
 - Require new development to provide for open space and/or recreation facilities available to the community.
 - Limit flag lot density to one dwelling unit.
 - Require appropriate buffers between residential neighborhoods and non-compatible land uses.
 - Limit single-family home density to one per 15,000 square feet, but allow clustering to a density of one unit per 10,000 square feet with the remaining space to be common open space.
 - No additional manufactured-mobile housing.