

# WEST BOUNTIFUL CITY

RESOLUTION #526-22

## A RESOLUTION UPDATING THE HOUSING ELEMENT OF THE WEST BOUNTIFUL GENERAL PLAN

**WHEREAS**, the West Bountiful City Council is empowered to adopt and amend the City's General Plan pursuant to UCA 10-9a-401; and

**WHEREAS**, in 2022, the legislature required that by October 1, 2022, the city amend its general plan to recognize the legislature's determination that municipalities facilitate a reasonable opportunity for a variety of housing, including moderate income housing; and

**WHEREAS**, the required amendments shall include an analysis of how the municipality will provide a realistic opportunity for the development of moderate income housing within the next five years; and

**WHEREAS**, the city is required to include a recommendation to implement a minimum of three moderate income housing strategies as described in UCA 10-9a-403(b) i; and

**WHEREAS**, the West Bountiful Planning Commission held a properly noticed public hearing on September 13, 2022, and unanimously voted to recommend the City Council adopt amendments to the General Plan that include the required elements listed above.

**NOW THEREFORE, BE IT RESOLVED** by the City Council of West Bountiful City that Section VI of the West Bountiful 2019-2039 General Plan be modified as reflected in attached Exhibit A.

This ordinance will become effective upon signing and posting.

Adopted this 20th day of September 2022.

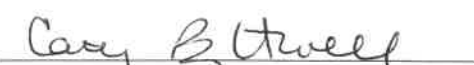
### VOTING:

James Ahlstrom	Yea <u>—</u>	Nay <u>Absent</u>
James Bruhn	Yea <u>X</u>	Nay <u>—</u>
Kelly Enquist	Yea <u>X</u>	Nay <u>—</u>
Mark Preece	Yea <u>X</u>	Nay <u>—</u>
Rod Wood	Yea <u>X</u>	Nay <u>—</u>



  
Kenneth Romney, Mayor

ATTEST:

  
Cathy Brightwell, City Recorder

## WEST BOUNTIFUL GENERAL PLAN

### VI HOUSING

#### 6.1 Background and Introduction

#### 6.2 Goals and Objectives

#### 6.3 Existing Conditions

#### 6.4 Tools and Implementation Strategies

#### 6.5 Housing Resources

### **6.1 Background and Introduction**

West Bountiful is a community made up of a mix of historic homes, middle class homes, new high-end developments, and a mobile home park. As of 2020, there are approximately 1814 occupied housing units for its 5917 residents located with easy access to I-15 and Legacy Parkway. Most residents commute to locations outside of the city for work and school, making West Bountiful largely a “bedroom community.” However, the city also has a strong retail component and is a regional retail destination for much of southern Davis County.

This section will address the current housing available in the city and evaluate compliance with affordable housing guidelines as set forth in Section 10-9a-403 of the Utah State Code.

#### **Vision**

Residents of West Bountiful City value the rural and residential lifestyle of their community and the opportunity to remain in the city as lifetime residents. The city therefore encourages community development that provides a range of life-cycle housing and housing types.

#### **Summary of Findings**

1. Housing prices have risen at a greater rate than income.
2. Opportunity for affordable housing comes mainly in the form of single-family dwelling units located throughout the city. Rental units are scarce, about 8% of total housing units. Due to the relatively small number of rental units, households that are unable to qualify for housing loans would have a more difficult time finding housing in West Bountiful.
3. Statistics from the most recent American Community Survey and current projections show that moderate-income housing options in West Bountiful are limited. Possible affordable housing options include the city's older houses, and available affordable rental units, including a mobile home park.
4. Recent ordinance updates would allow for construction of multi-family dwellings in commercial districts.

### **6.2 Goals and Objectives**

#### **GOAL 1: Maintain the pleasing and well-kept appearance of all neighborhoods.**

OBJECTIVE: Encourage well-maintained neighborhoods through community clean-up days, code enforcement, upkeep of vacant lots, and beautification awards and awareness.

**GOAL 2: Allow housing that meets the demands of all stages of the life cycle, including starter and senior housing, where appropriate.**

**OBJECTIVE:** Expand the range of existing housing available to accommodate the housing needs of a wider range of life stages which includes the development of starter and senior housing in appropriately zoned areas.

**POLICY 1:** An emphasis is placed on ensuring that multi-family housing and other higher-density projects occur at appropriate locations in the City, which is primarily along or near 500 South and 500 West along the shared borders with Bountiful and Woods Cross.

**POLICY 2:** Multi-family or townhome mixed-use development should be promoted in commercial districts along transportation corridors.

**POLICY 3:** Continue to allow accessory dwelling units as a way to provide senior and starter housing.

### **6.3 Existing Conditions**

The Area Median Income (AMI) for West Bountiful based on the 2016-2020 U.S. Census estimate is \$99,797. Moderate income is defined as 80% of the median County income. Using Census data for Davis County and the state law definitions, the actual AMI is \$87,570 and therefore the 80% moderate income threshold is \$70,056 for West Bountiful.

Owner-occupied households are estimated at 1487 (82% of total households) with average mortgage payments of \$1844. The number of owner-occupied households has decreased from previous housing studies and indicates more homes are being rented. The average rent charged in 2020 was \$1607.

The chart below shows that construction of new homes in West Bountiful was trending upward until the 2020 pandemic and has not returned to pre-pandemic levels. An increase in the number of home additions, remodels, and ADUs is likely a response to higher housing costs.

YEAR	NEW HOME UNITS	HOME ADDN/ REMODELS	ACCESSORY DWELLING UNITS
2017	31	8	3
2018	35	13	1
2019	47	10	1
2020	19	24	3
2021	22	25	2
2022 (through August)	10	15	5

### **Affordability Analysis**

#### **1. Household Income**

The average size of a household in West Bountiful is 3.16 persons in 2016, which shows a significant drop. Average income is \$99,797 but the actual affordable housing emphasis is for persons and families with incomes less than \$70,056.

## 2. Housing Affordability

The average price of a home in West Bountiful, based on the 2016-2020 U. S. Census, is \$342,600 and in the County, it is \$320,100.

Current real estate sources for West Bountiful report home prices increased 14-18% from 2021 to 2022 and estimate the average median sale price for July 2022 to be in the range of \$594,000 - \$650,000.

Housing is considered affordable when no more than thirty percent (30%) of the gross monthly income is used to pay for housing costs including utilities. For a household making \$70,056 annually, the monthly housing costs should not exceed about \$1800 for the housing to be considered affordable.

## **6.4 Tools and Implementation Strategies**

The above analysis demonstrates that there is reduced opportunity for moderate-income households to obtain quality housing in the city, as compared to other years. The available affordable housing comes mainly in the form of smaller single-family dwelling units, multi-family units, accessory dwelling units, and mobile homes.

It is important for West Bountiful to consider a variety of housing types in the future to be able to meet the needs of a variety of residents, including special needs populations, elderly housing, and entry-level housing.

During the last several years, the Utah State Legislature has attempted to address the current housing crisis through required strategies intended to reduce housing costs within communities. A Moderate Income Housing Plan (MIHP) is required by the State as part of UCA 10-9-307. This requirement was first introduced in 1996 and has since been updated nearly every year. The most recent changes outline 24 strategies that can help to address the current housing crisis. Of those 24 strategies, West Bountiful must select three and devise an implementation timeline to accomplish each goal/strategy. The strategies are intended to help provide housing for those persons/families making less than 80% of the AMI which is based on average incomes in the County.

### **PURPOSE AND OBJECTIVE:**

1. To meet the needs of people of various income levels living, working, or desiring to live or work in the community.
2. To allow people with various incomes to benefit from and fully participate in all aspects of neighborhood and community life.
3. Determine how the jurisdiction will provide realistic opportunity to meet the need for additional moderate income housing within the next five years.
4. Receive consideration for funding of projects based on compliance with the moderate income housing requirement.

### **STRATEGY 1 – Develop and Adopt a Station Area Plan in Accordance with UCA 10-9a-403.**

Although West Bountiful's city boundaries do not include a transit station, the nearest station in Woods Cross is within one-half mile. The one-half mile distance is considered a walkable length and therefore for specified areas along 500 South, a station area plan could be developed in a coordinated effort with Woods Cross City.

*Steps and Implementation Timeline (2023-2025):*

1. Coordinate with Woods Cross during the first six months of 2023. Consider a formal agreement.
2. After a coordination strategy is created, seek funding for such a plan within Wasatch Front Regional Council's resources during the last 6 months of 2023.
3. Create the plan during 2024.
4. Hold hearings and move the plan through to adoption toward the end of 2024 and likely complete that process during 2025.

**STRATEGY 2 – 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.**

The city's parking regulations have not been reviewed or updated for some time. A review of parking ratios, an allowance for parking studies, and shared parking could be included in an update of this zoning chapter.

*Steps and Implementation Timeline (2023):*

1. Review and update current parking regulations.
2. Create new draft.
3. Present draft to staff for comments.
4. Present updated draft to planning commission for comments. Schedule joint work session with city council if necessary.
5. Set a public hearing with the Planning Commission.
6. Present to City Council for adoption in 2023.

**STRATEGY 3 - Reduce or Waive Impact Fees for Moderate Income Housing**

The city currently waives impact fees for accessory dwellings units (ADUs). Waiving and reducing fees is a city council responsibility.

*Steps and Implementation Timeline (2023):*

1. The city council will discuss the pros and cons of reducing/waiving such fees during 2023.
2. If a decision is made to reduce or eliminate certain fees, the city council will adopt a revised fee schedule in 2023.

Other topics relating to housing have been discussed as follows:

**1. Special Needs**

Affordable housing is an issue for persons with special needs as well as for the population at large. The lack of affordable housing, and particularly of affordable housing targeted to those at or below 50 percent of AMI, is a major cause of homelessness. Affordable housing targeted at very low-income households will be rental housing as many families with incomes at 30 to 50 percent of AMI simply cannot qualify for mortgages. Numerous Accessory Dwelling Units have been constructed to specifically address the needs of extended family members with special needs.

## 2. Elderly Housing

Many seniors prefer to live in the same community when circumstances require that they move out of their homes. At the present time, there is one community in West Bountiful that targets senior citizens.

## 3. Accessory Dwelling Units (ADUs)

- a. West Bountiful has chosen to implement an accessory dwelling unit strategy over more traditional multifamily projects such as multistory apartment complexes.
- b. Accessory dwelling units (often termed “mother-in-law” apartments) have many benefits. In addition to providing affordable rental housing, they can allow first-time homeowners to gain access to homes that would otherwise be out of reach by renting out an additional unit. When homeowner’s income and/or need for more space increases, the accessory unit may no longer be needed as a rental. The homeowner can then expand into the space vacated by the former accessory unit.
- c. Impact fees have been waived for ADUs.

## **6.5 Housing Resources**

There are a variety of housing programs available to help maintain and increase the City’s affordability. These programs, listed below, are encouraged for use by residents.

### 1. Housing Resources and Programs

- a. HOME, *Investment Partnership Acts*

THE HOME, Investment Partnership Acts were established to develop and support affordable rental housing and homeownership mainly through the rehabilitation of existing units rather than new construction targeting low and very low-income households. This grant program is flexible in allowing participating jurisdictions to decide the most appropriate use of money in their communities. The program requires that at least 90 percent of the rental assistance be targeted to households with incomes no higher than 60 percent of the area median. Participating jurisdictions are required to match 25 percent the federal funds used. This program is typically administered in conjunction with other non-profits. More information can be found at [http://www.hud.gov/offices/cpd/affordable\\_housing/programs/home/index.cfm](http://www.hud.gov/offices/cpd/affordable_housing/programs/home/index.cfm)

- b. HUD’s *Title I program*

“Insures loans to finance the light or moderate rehabilitation of properties... This program may be used to insure such loans for up to 20 years on either single- or multi-family properties. The maximum loan amount is \$25,000 for improving a single-family home.” More information can be found at [http://www.hud.gov/offices/hsg/sfh/title/ti\\_home.cfm](http://www.hud.gov/offices/hsg/sfh/title/ti_home.cfm).

- c. HUD’s *203k Rehab program*

- i. The borrower can get just one mortgage loan, at a long-term fixed (or adjustable) rate, to finance both the acquisition and the rehabilitation of a property.

- ii. To provide funds for the rehabilitation, the mortgage amount is based on the projected value of the property with the work completed, taking into account the cost of the work.
- iii. To minimize the risk to the mortgage lender, the mortgage loan (the maximum allowable amount) is eligible for endorsement by HUD as soon as the mortgage proceeds are disbursed, and a rehabilitation escrow amount is established. At this point the lender has a fully insured mortgage loan. More information can be found at <http://www.hud.gov/offices/hsg/sfh/203k/203kabou.cfm>.

*d. Community Development Block Grant*

The Community Development Block Grant (CDBG) program is a federal entitlement grant program for urban communities seeking to revitalize neighborhoods, improved community facilities, prevent and eliminate slums, aid low- and moderate-income families, and promote economic development. West Bountiful City participates with Davis County's administration of their CDBG program.

## **2. Special Needs**

Utah Assistive Technology Foundation (UTAF) provides assistive devices and services, including home modifications to those who are disabled. The goal of UAFT is to assist those who are disabled in Utah to enhance their independence, education, employment, and quality of life. Zions Bank provides zero interest loans for all approved UATF projects. UATF can be reached at (800) 524-5152.

*a. Lifecare*

Lifecare was established to maximize the independence of older people and people with disabilities by providing lawn care, yard clean up, and snow shoveling for County residents over the age of 60. They also coordinate a number of home repair and maintenance projects through their Volunteer Ventures program. Lifecare can be reached at (801) 978-2452.

*b. Section 202 Loans for Housing the Elderly.*

The HUD Section 202 program offers capital advances to finance the construction and the rehabilitation of structures to serve as supportive housing for very low-income elderly persons. It also provides rent subsidies to help make the projects affordable. If the project serves very low-income elderly persons for 40 or more years, the capital advance does not need to be repaid.

*c. Davis County Aging Services*

Davis County Aging Services is committed to promoting the dignity, self-determination, well-being, and contribution of older persons-both as individuals and within the context of their families and communities. We value people and respect their right to a quality of life. Davis County Aging Services will provide reasonable accommodations for customers with disabilities upon request. These services are funded in part by the Davis County Board of Commissioners and the Utah Department of Human Services.  
[http://www.co.davis.ut.us/aging\\_services/default.cfm](http://www.co.davis.ut.us/aging_services/default.cfm).

*d. Community Development Corporation of Utah (CDC)*

- i. Community Development Corporation of Utah (CDC) provides neighborhood homeownership for those shut out of the housing market, and market rate buyers. The Affordability Project is an innovative initiative designed to reduce the cost of homes in all phases of development and construction to serve those families that are hardest to serve- those with very low incomes and/or those with special needs. Through the Neighborhood Home Ownership program, the CDC builds new homes and rehabilitates existing housing then works with interested low-income homebuyers to help them qualify to purchase these homes. The CDC also administers federally funded loan/grant down payment assistance programs in various areas. The goal of the program is to assist eligible homebuyers to purchase single-family homes with help of down payment and closing costs assistance.
- ii. The CDC also administers a home improvement program for income eligible homeowners, whose homes are in need of repairs and need help financially to get the work done. Homeowners must simply submit an application to access this program. CDC also maintains a materials and supplies warehouse to help low-income families. All materials are donated or purchased at cost and are available to any sponsored CDC client. CDC can be contacted at (801) 994-7222. The warehouse can be contacted at (801) 487-6275

e. *Habitat for Humanity*

Habitat for Humanity provides housing for people who are inadequately housed and who lack the resources to improve their situation through conventional means. Habitat does not charge interest on the loans, and the monthly mortgage payments are lower than standard mortgage loans. Habitat for Humanity can be contacted at (801) 463-0554.

f. *Utah Housing Corporation (“UHC”)*

Utah Housing Corporation (“UHC”) is a public corporation that assists in the creation of affordable housing opportunities for lower and moderate-income households across the state. UHC offers a number of loan programs for first-time and low or moderate –income homebuyers to consider when applying for a home loan. Utah Housing Corporation can be contacted at (801) 902-8200. UHC programs are as follows:

- i. FirstHome is a home ownership assistance program offered by the Utah Housing Corporation (UHC). First-time homeowner loans are available at below-market interest rates for qualifying applicants. The maximum purchase price may not exceed the price and income limits set by UHC.
- ii. FirstHome Plus is another homeownership assistance program offered by the Utah Housing Corporation. The CHAMP loan offers down payment and closing cost assistance in the form of a second mortgage.
- iii. CROWN is a lease-to-own program developed by the Utah Housing Corporation (UHC) to bring home ownership within reach of very low-income households that are willing to make a long term commitment to the community. Cities and counties cooperate with UTHC to make land available to construct homes. UHC then leases these homes to those households within the 50 to 55 percent of AMI range. CROWN creates permanent home ownership opportunities by utilizing Low Income Housing Tax Credits to construct new, affordable single-family detached or attached homes. Lease payments last until the fifteen-year tax credit period



expires. At this point, residents have the option of purchasing the home at a very attractive price through a low interest UHC mortgage loan. The qualified low-income residents who become homeowners through the CROWN program are also eligible to receive training in the areas of housekeeping, home maintenance, and basic budgeting.

- iv. The Utah Housing Corporation also sponsors other specialized programs including the REACH and ECHO programs, both of which construct new modest homes for low and moderate-income persons.

g. Other Resources for Affordable Housing Development

i. *Low Income Housing Tax Credits ("LIHTC")*

- 1) The federal government has developed a program to encourage the construction, rehabilitation and preservation of rental housing for very low, low and moderate-income households. This program makes approximately \$4.3 million available annually to the State of Utah. The LIHTC program is administered by the Utah Housing Corporation (UHC), which determines the amount of tax credit available to applicant projects and operations and on the percentage of the project that will be restricted to low income tenants. The program limits rents on the units and also limits the incomes of the tenants. The UHC establishes maximum rents in accordance with HUD standards. Projects receiving LIHTC must maintain the status as low-income project for a minimum of 15 years.
- 2) The LIHTC program provides a credit equal to nine percent of the construction cost for new construction or substantial rehabilitation for projects which do not use other federal assistance and a four percent credit for acquisition of existing projects and for those projects which use other federal subsidies (CDBG excluded). Credits are claimed annually for ten years. The credits may be used by the owner of the property or sold through syndication.

i. *Olene Walker Housing Loan Fund*

The Olene Walker Housing Loan Fund is comprised of state appropriations and federal funds to provide loans at below-market interest rates for the construction of affordable housing. The majority of projects built using this fund are multi-family. While the majority of the fund is used for loans, a small amount of the fund is available for grants.