



Moderate Income Housing Element for a General Plan



WRITING GUIDE

Overview

Utah State Code (10-9a-403 and 17-27a-403) requires that specified municipalities and counties develop a **plan** that provides a realistic opportunity to meet the need for additional **moderate income housing**.

This document has been created to assist jurisdictions in creating or updating their moderate income housing element. It references state code as well as best practices throughout.

KEY TERMS as defined by Utah State Code (10-9a-103 and 17-27a-103), are important to note:

- **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 the county in which the housing/city is located.
- **Plan for moderate income housing** means a written document adopted by a county/municipality's legislative body that includes:
 - a. An estimate of the existing supply of moderate income housing located within the county/municipality;
 - b. An estimate of the need for moderate income housing in the county/municipality for the next five years;
 - 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 county's/municipality's program to encourage an adequate supply of moderate income housing.
- **Specified county** means a county of the first, second, or third class, which has a population of more than 5,000 in the county's unincorporated areas.
- **Specified municipality** means:
 - a. A city of the first, second, third, or fourth class;
 - b. A city of the fifth class with a population of 5,000 or more, if the city is located within a county of the first, second, or third class, or
 - c. A metro township with a population of 5,000 or more.



Utah City / County Classifications

CLASS	MUNICIPALITY	COUNTY
1st	> 100,000	> 700,000
2nd	65,000 - 100,000	125,000 - 700,000
3rd	30,000 - 65,000	31,000 - 125,000
4th	10,000 - 30,000	11,000 - 31,000
5th	1,000 - 10,000	4,000 - 11,000
Town / 6th	< 1,000	< 4,000

INTRODUCTION

Begin by stating the purpose of the moderate income housing section. Since state law requires a moderate income housing plan for many communities and counties, legal compliance is often cited as a primary purpose. All towns should consider including a housing section. Some towns under 5,000 embrace the benefits of understanding and planning for moderate income and workforce housing. You can also describe how the moderate income housing plan fits within the general plan's context and how these planning efforts fit within regional efforts.

If not previously addressed, it may be helpful to describe current community background information: growth patterns, community sentiments towards housing, local economic conditions, or other factors which may influence the supply or demand for moderate income housing.

Examine your current land use ordinances and regulations to determine how they impact the availability of affordable housing. Discuss any other potential barriers to moderate income housing.



EXAMPLE | Affordable Housing for Towns | Torrey

As a town with a population of less than 1,000, this particular section of the Utah Code does not technically apply to Torrey. However, in keeping with the spirit of the law, Torrey Town wants to serve all present and future residents and businesses by ensuring that an adequate supply of affordable homes and rental units exist within town and the annexation area.

CURRENT MODERATE INCOME POPULATION

In order to determine the current demand for moderate income housing, include current demographic data, how it has changed over time, and the number of households which fall into targeted income groups ($\leq 80\%$ area median income (AMI), $\leq 50\%$ AMI, and $\leq 30\%$ AMI). When combined with the current moderate income housing supply, this will be used later to calculate current and anticipated moderate income housing need.

This Section Should Answer:

- What's the current population of target income groups?
- How has it changed over time?

CURRENT HOUSING STOCK

In order to calculate the total supply of moderate income housing units, list the total number of housing units available, then break down the data by occupancy (renter-occupied or owner-occupied), size (number of bedrooms), and quality ("new," "dilapidated," etc.). This might be best accomplished by using a simple table (see below). This should include the number of Low Income Housing Tax Credit (LIHTC) units and the number of housing vouchers.

# AVAILABLE HOUSING UNITS	RENTER-OCCUPIED	OWNER-OCCUPIED	# BED-ROOMS	AGE	#	# LI-HTC	# VOUCHERS
19,879	5,622 (28.3%)	9,513 (47.9%)	Studio: 270 1 bd: 761 2 bd: 1616 3 bd: 2101 4 bd: 501 5 bd: 247	>2000: 1980- 1999: 1960- 1979: 1940- 1959: <1939:	1236 2020 1396 429 417	2125	1436

This Section Should Answer:

- What is the amount, availability, and condition of current moderate income housing stock?
- How many units have received LIHTC or Olene Walker Housing Loan Fund (OWHLF) money?
- How many households have a Section 8 voucher?

CURRENT AVAILABILITY AND NEED

After defining the number of housing units, you must determine the availability of existing housing for targeted income groups ($\leq 80\%$ AMI, $\leq 50\%$ AMI, and $\leq 30\%$ AMI). This can be done through searches on real estate listing websites like realtor.com or zillow.com.

Next, by using household growth estimates and current housing availability, determine the number of current moderate income units available and additional units needed, breaking it down by targeted income groups (homeless, disabled, veterans, elderly, youth aging out of foster care, victims of domestic violence, etc.), race and ethnicity, housing size, and special needs groups.

This Section Should Answer:

- What is the current demand for moderate income housing?
- What is the current supply of moderate income housing?
- How many additional units are necessary to meet current demand?



FORECAST OF MODERATE INCOME HOUSING NEED

Using the current statistics as a baseline, project low, medium, and high household growth for the next five and ten years. Then estimate the percentage of the population that will fall within targeted income levels and special needs groups over the next five and ten years.

Next, compare the projected growth of households and expected housing construction for the next five and ten years. Note that optimal housing is to have one household per housing unit. If the average household size is 3.15 people, you'd need one housing unit per 3.15 people. Housing production that significantly lags behind household formation is a key affordability indicator.

Estimate the number of housing units needed by residents within targeted income levels and special needs groups for the next five and ten years.

This Section Should Answer:

- What is the demand for moderate income housing in the near future?
- How many units are needed to meet future demand?

DEVELOPMENT PLAN TO MEET NEED

After reviewing and analyzing all the previous data, draft goals, objectives, and strategies to meet forecasted affordable housing needs, and to eliminate regulatory barriers to affordable housing. This should include the number of affordable housing units to be built, possible locations for new affordable housing units, and community resources that can be used to support development (RDA / EDA housing set-aside funds, fee waivers, local CDBG funds, donated land, etc.).

This Section Should Answer:

- How will your jurisdiction meet moderate income housing demand in the future?

PRESERVATION PLAN TO MEET NEED

Communities should not rely on new development to meet housing needs. Units exiting subsidy programs are the second biggest cause of affordable housing loss. Older housing stock is one of the primary sources for affordable housing. Communities should make efforts to keep current housing affordable.

FAIR HOUSING SECTION



This section is an explicit statement of the jurisdiction's fair housing policies and practices. It should expressly acknowledge support of the State's fair housing laws and U.S. fair housing laws. This section should include a base map of the jurisdiction with residential zoning layers (excluding other layers). The section should also include basic maps of the city broken into census block groups, if possible. Include the following:

- Minority-owner median income
- Median rental costs
- Minority-renter median income
- Median ownership costs

Jurisdictions that are too small to have more than one census block do not need these maps.

BEYOND AFFORDABILITY

Beyond addressing moderate income housing, this section can include discussions on treatment of subdivisions, encouragement or discouragement of certain housing types, and projected housing build out. This section should also address the coordination and collaboration efforts of local governments to ensure that no single community bears a disproportionate share of regional moderate income housing needs.

This Section Should Answer:

- What types of housing exist in our community? What types do we want to see?
- Are we aware of any threats to housing, such as floodplains or fault lines?
- Do we understand the housing needs of our residents?
- Can people of different financial means afford to live here?
- Are there areas where we should not allow housing?
- How does our housing element coordinate with our land use and transportation section?

STRATEGIES TOWARD MODERATE INCOME HOUSING

Throughout the plan, you'll identify various strategies to develop, maintain, and encourage moderate income housing. There are a number of strategies to choose from (23 for counties, 24 for municipalities) identified in the state code. A selection of a minimum number of strategies is necessary to meet the state requirement, while exceeding that set number will provide the jurisdiction with additional priority funding consideration. In addition to the required strategies, you're encouraged to also include creative strategies that are appropriate for your community.

JURISDICTION TYPE	# MINIMUM STATE STRATEGIES	# STATE STRATEGIES TO ATTEND PRIORITY CONSIDERATION
Municipality (w/o fixed guideway public transit station)	3	5
Municipality (w/ fixed guideway public transit station)	4	6
County	3	5

IMPLEMENTATION PLAN



With the adoption of new legislation during the 2022 General Session, moderate income housing elements must also include an implementation plan. An implementation plan sets out a clear course of achievable, measurable actions that can be taken within a given time period. While the implementation plan should set the guidance, it should also be flexible to allow the jurisdiction to modify timing or actions based on changes over time.

The implementation plan for the moderate income housing element can live as a section within the moderate income housing element or merged with the general plan's overall implementation plan. All strategies that are outlined in the moderate income housing element must be incorporated into the implementation plan.