

# MODERATE INCOME HOUSING



## PURPOSE

The Moderate Income Housing Element is intended to accomplish the following:

- Comply with Utah State Code;
- Summarize Alpine City's population, income levels, and housing values;
- Discuss constraints and opportunities for the provision of moderate income housing; and
- Identify goals and policies to address Alpine City housing needs.

## DEFINITION

Moderate income housing is defined by the state 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”* (Utah Code 10-9a Part 1).

For the purposes of this element, this definition is further refined to include the following income categories:

- A. Moderate Income: 51% – 80% of the county median income
- B. Low Income: 31% - 50% of the county median income
- C. Very Low: 30% or less of the county median income

## STATE LAW AND LOCAL PLANNING

Utah Municipal Code Chapter 10-9a-403-B-iii requires each city to: 1) provide an estimate of the need for the development of additional moderate income housing within the city, and 2) to provide 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.

State law requires each city to:

- Consider the Legislature's determination that cities shall facilitate a reasonable opportunity for a variety of housing, including moderate income housing;
- Meet the needs of people desiring to live there; and
- Allow persons with moderate incomes to benefit from and fully participate in all aspects of neighborhood and community life.

## CURRENT AND FUTURE PROJECTIONS

### POPULATION ESTIMATE

According to the U.S. Census Bureau, the population estimate for Alpine City in 2017 was 10,197 with a projected annual rate of growth of 117. Projected population for 2024 is 11,004.

	2009 American Community Survey	2017 American Community Survey	Annual Growth Rate (Slope)	2024 Projection	Difference between 2017 and 2024
Total Population: (ACS Table B01003)	9,651	10,197	117	11,004	807
Total Population in occupied housing units (ACS Table B25008)	9,651	10,197	117	11,004	807
Total Population in owner- occupied housing (ACS Table B25008)	8,695	8,780	63	9,014	234
Total Population in renter- occupied housing (ACS Table B25008)	956	1,417	54	1,990	573

Source 1: U.S. Census Bureau. Table B01003: Total population. American Community Survey.

Source 2: U.S. Census Bureau. Table B25008: Total population in occupied housing units by tenure. American Community Survey.

### TOTAL HOUSEHOLD UNITS

Over the next 5 years the U.S. Census Bureau projects the ratio of renter-occupied structures to owner occupied structures to increase at approximately 40 units per year:

	2009 American Community Survey	2017 American Community Survey	Annual Growth Rate (Slope)	2024 Projection	Difference between 2017 and 2024
TOTAL HOUSING UNITS (ACS Table B25001)	2,499	2,770	40	3,098	328

Source 1: U.S. Census Bureau. Table B25001: Total housing units. American Community Survey.

Source 2: U.S. Census Bureau. Table B25032: Tenure by units in structure. American Community Survey.

## EXISTING MODERATE INCOME HOUSING

Alpine City’s existing moderate income housing is a mix of twin homes, apartments, accessory apartments, duplexes, fourplexes, and cottages (senior housing). According to City records, as of November 2020, there are 270 moderate income housing units in Alpine.

## HOUSEHOLD SIZE

Household size, unlike population, is projected to drop in the next 5 years. A possible indicator of an aging population.

	2009 American Community Survey	2017 American Community Survey	2024 Projection
Average Household Size (ACS Table B25010)	4.3	3.87	3.54

Source 1: U.S. Census Bureau. Table B25010: Average household size of occupied housing units by tenure. American Community Survey

## ALPINE CITY MEDIAN HOUSHOLD INCOME

Median household income is projected to decrease over the next 5 years, which may be related to the projected decrease in household size.

	2009 American Community Survey	2017 American Community Survey	Annual Growth Rate (Slope)	2024 Projection	Difference between 2017 and 2024
Median household income (ACS Table B25119)	\$104,436	\$112,727	\$73	\$101,542	\$ (11,185)
Owner-occupied income (ACS Table B25119)	\$111,071	\$124,240	\$522	\$120,816	\$ (3,424)
Renter-occupied income (ACS Table B25119)	\$38,304	\$54,375	\$1,002	\$50,627	\$ (3,748)

Source 1: U.S. Census Bureau. Table B25119: Median household income that past 12 months by tenure. American Community Survey

## UTAH COUNTY AREA MEDIAN INCOME

According to the U.S. Census Bureau American Community Survey, the Utah County area median income is projected to increase significantly over the next 5 years from \$67,042 in 2017 to \$108,972 in 2024, a difference of over \$41,000. If this projection is accurate, it would indicate that the median income gap between Alpine City and Utah County will close over the next 5 years.

	2009 American Community Survey	2017 American Community Survey	Annual Growth Rate (Slope)	2024 Projection	Difference between 2017 and 2024
Median HOUSEHOLD income (ACS Table B19019)	\$0	\$67,042	\$4,950	\$108,972	\$ 41,930

Source 1: U.S. Census Bureau. Table B19019: Median household income that past 12 months by household size. American

## GOAL

Promote moderate income housing based on State guidelines.

## POLICIES AND IMPLEMENTATION

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

Goal: Allow accessory apartments within owner-occupied dwellings throughout the City.

Key tasks: Identify regulations related to accessory dwelling units (ADUs).

Implementation plan: The City will permit internal accessory dwelling unit in all zones of the City. Internal accessory dwelling units will be required to be registered with the City for tracking purposes. In 2023, the city will update their registry of accessory dwelling units for future study.

### 2 **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.**

Goal: Preserve existing moderate-income housing.

Key tasks: Reach out to property owners of MIH and establish relationships. Identify and draft a landlord incentive program.

Implementation plan: The City will register and track existing and new moderate-income housing. The City will provide specific incentives to landlords and track incentives over time. This landlord incentive program will be studied and detailed further, with expected completion by July 2023.

### 3 **Reduce, waive, or eliminate impact fees related to moderate income housing**

Goal: Reduce financial stressors/barriers related to moderate income housing units.

Key tasks: Identify impact fees that can be reduced or waived. Identify funds that can be used to reduce impact fees for moderate income housing.

Implementation plan: Starting in 2023 city staff will prepare a recommendation to the city council for reducing impact fees related to moderate-income housing. The council will review city staff recommendations for reducing impact fees and consider the reductions for adoption. The city will track, as a benchmark, the impact reduction in impact fees will have on helping to create moderate-income housing in Alpine.