



Appendix B

Moderate Income Housing Plan

Master Plan Directive

Planning housing opportunities for all people, regardless of income level, while maintaining the aesthetic qualities and public service levels Providence residents currently enjoy is an important part of the Master Plan. Current zoning districts allow for single-family lots as small as 7,500 sq. feet with minimum frontages of 30 feet and multi-family structures to allow development to maximize the return of infrastructure expense.

It is the goal of this directive to enforce and develop City Code requirements for property maintenance to ensure well maintained properties, regardless of housing value. Thus keeping with the zoning principles to protect and promote the health, safety, order, prosperity, and general welfare of the present and future inhabitants of the City.

It is required that the median income and percentage of dwelling units that qualify as moderate income housing be reviewed every two (2) years.

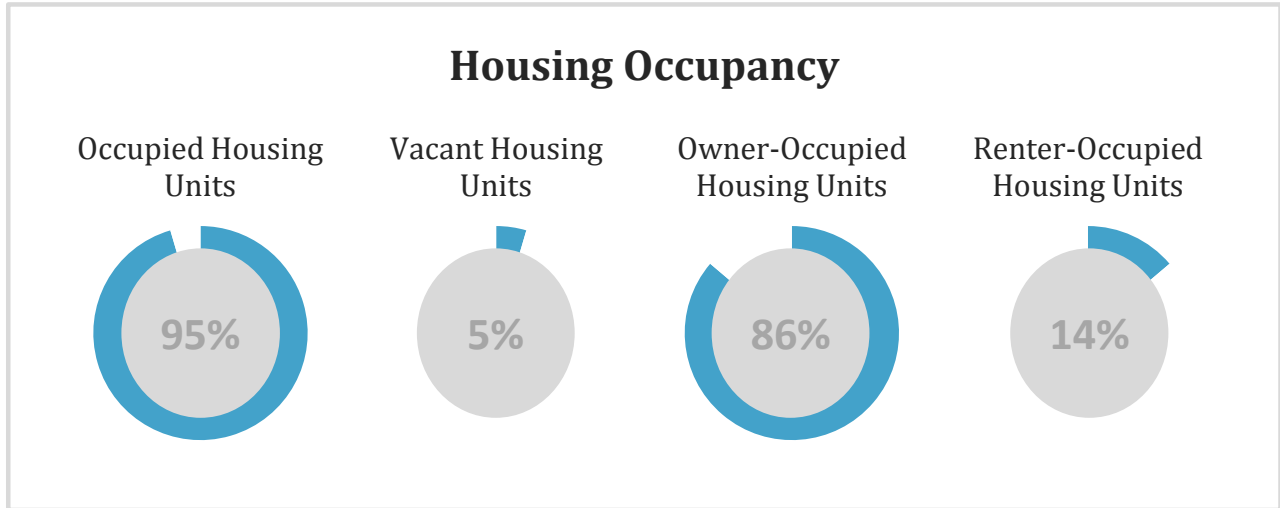
Principles

- Provide opportunities to develop moderate income housing by utilizing high density single-family, multi-family zones, and overlay zones.
- Provide and utilize density credits to allow for higher densities while maintaining open space.
- Consider higher density zoning districts in areas with existing infrastructure to minimize development costs.
- Consider mixed use (density) overlay zoning districts to encourage development in areas with existing infrastructure.

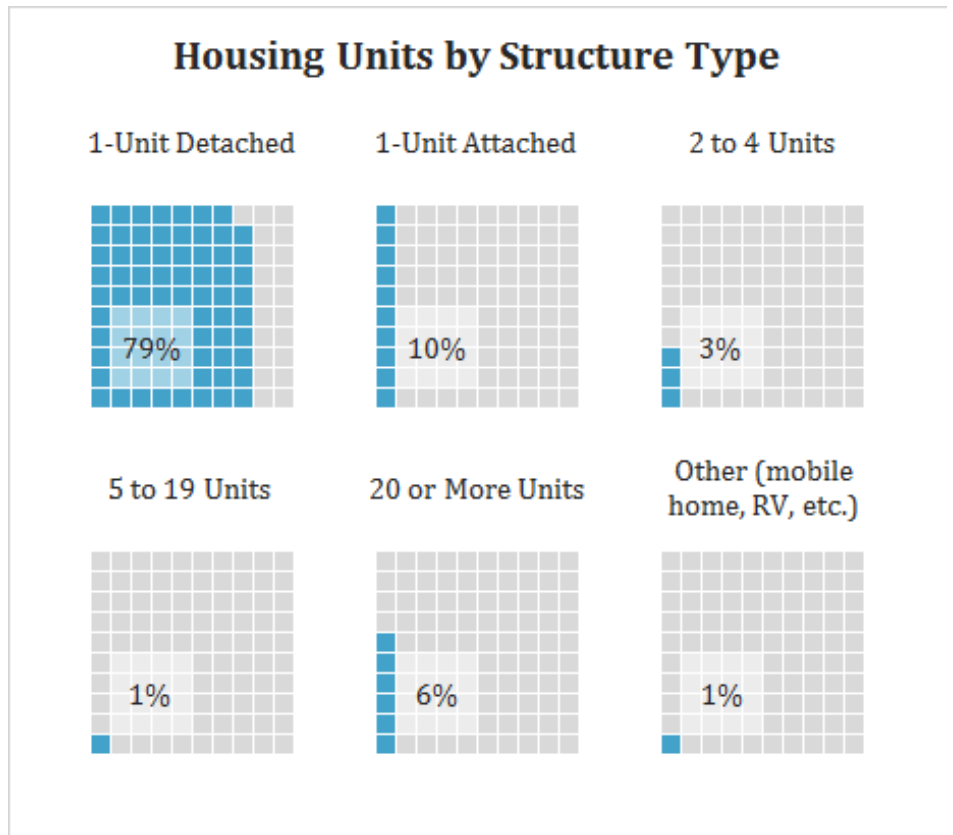
A. SMITHFIELD CITY AFFORDABLE HOUSING NEEDS ASSESSMENT

Housing Stock

As of the 2010 U.S. Census, there were 2971 housing units in Smithfield City. Of those units, 2836 (95.5 percent) are occupied and 135 (4.5 percent) are vacant. Owner-occupied units make up the majority (86.2 percent) of the city's housing stock, while renter-occupied units account for 13.8 percent of the city's housing stock.



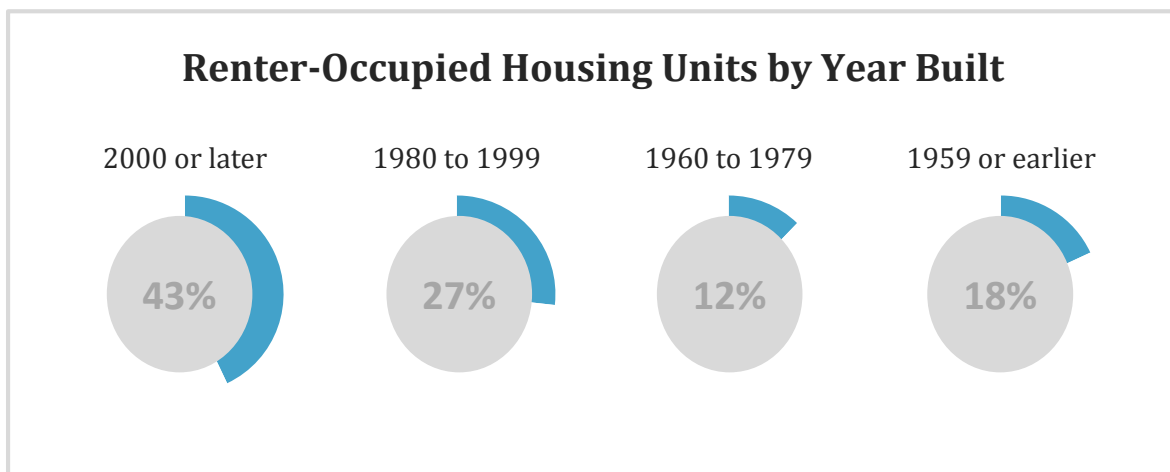
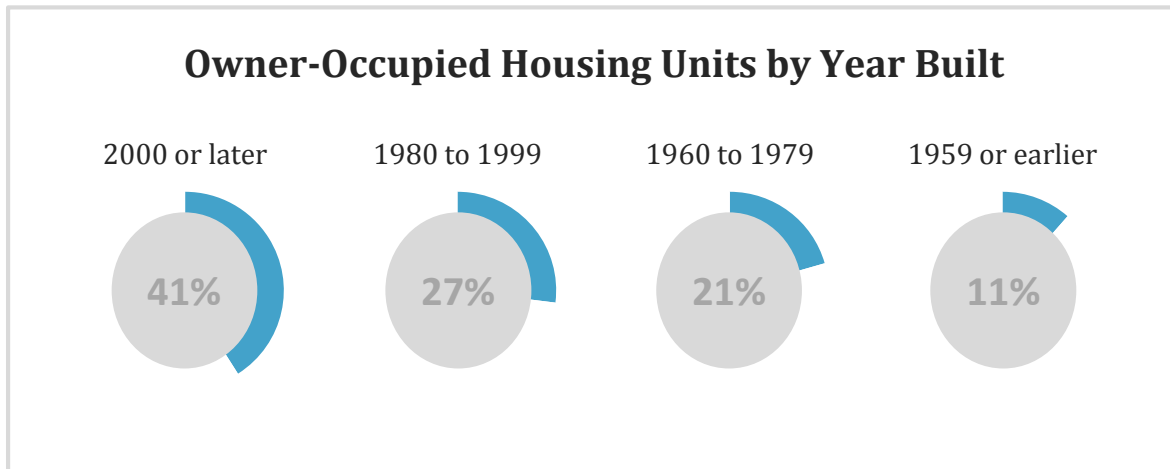
Smithfield City's housing stock consists of 1715 (79 percent) single-unit detached homes, 221 (10.2 percent) single-unit attached homes, 63 (2.9 percent) two- to four-unit structures, 20 (0.9 percent) five- to nineteen-unit structures, 126 (5.8 percent) structures with twenty or more units, and 26 (1.2 percent) other structure types, such as RVs and mobile homes. Given that 79 percent of the city's housing stock is made up of single-



unit detached homes, Smithfield City may want to consider whether a more diversified housing stock would benefit current and future residents.

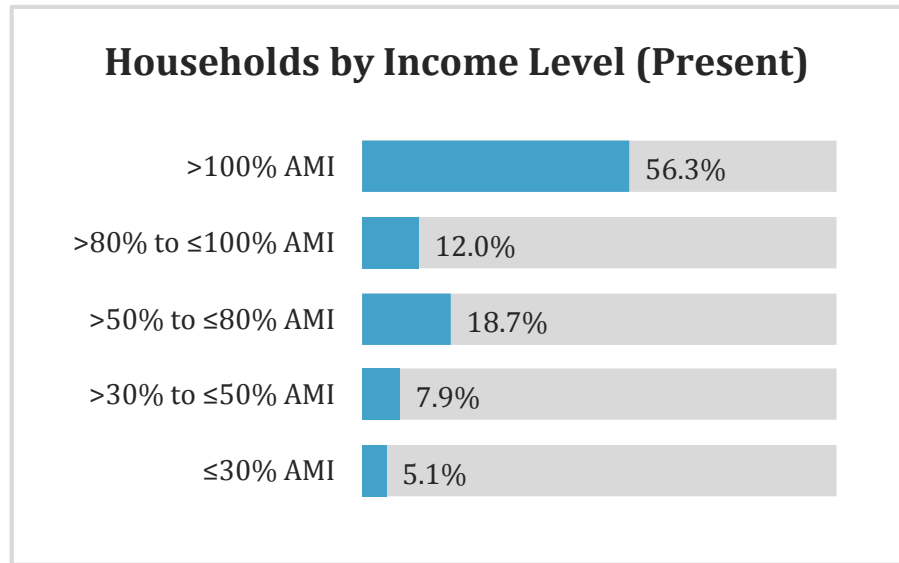
In terms of unit size, Smithfield City's housing stock consists of 0 units with no bedrooms, 14 units with one bedroom, 831 units with two or three bedrooms, and 1326 units with four or more bedrooms.

An assessment of structure age can, in some cases, reveal whether there is a need for housing rehabilitation. In Smithfield City, 12.8 percent of residential structures were built in 1959 or earlier, 18.9 percent were built between 1960 and 1979, 26.9 percent were built between 1980 and 1999, and 41.4 percent were built in the year 2000 or later. With 31.7 percent of the city's housing stock constructed before 1979, the city may want to determine its role in rehabilitation efforts and consider performing a windshield survey to evaluate housing conditions.



Household Income & Needs

The median household income in Smithfield City is \$64,561, which is \$6,261 above the area median income (AMI) for Cache County (\$58,300). Given these figures, 5.1 percent of the households in Smithfield City earn less than or equal to 30



percent of AMI, 7.9 percent earn between 30 and 50 percent of AMI, 18.7 percent earn between 51 and 80 percent of AMI, 12 percent earn between 81 and 100 percent of AMI, and 56.3 percent earn more than 100 percent of AMI. Households that earn a moderate income (80 percent of AMI) or less make up 31.7 percent of Smithfield City's population.

Summary of Affordability

| Household Income | Maximum Monthly Income for Housing Expenses | Maximum Mortgage Loan Amount |
|-----------------------------|---|------------------------------|
| <i>≤30% AMI</i> | \$394 | \$11,536 |
| <i>>30% to ≤50% AMI</i> | \$656 | \$43,895 |
| <i>>50% to ≤80% AMI</i> | \$1,049 | \$92,433 |
| <i>>80% to ≤100% AMI</i> | \$1,312 | \$124,792 |

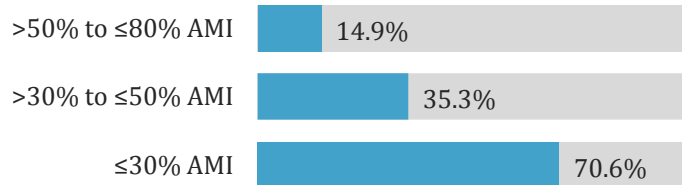
Housing is considered affordable when households—regardless of their income—spend no more than 30 percent of their monthly income on housing expenses. Therefore, cost-burdened households are those households whose housing expenses exceed 30 percent of their monthly income. Based on this definition, 50 percent of Smithfield City's renter households that earn a moderate income or less and 52.9 percent of the city's owner households that earn a moderate income or less are cost burdened, which indicates that Smithfield City's residents would benefit from additional affordable rental and ownership options.

Cost Burdened Owner Households

Households Spending 30% or More of Monthly Income on Housing (by Income Level)



Households Spending 50% or More of Monthly Income on Housing (by Income Level)

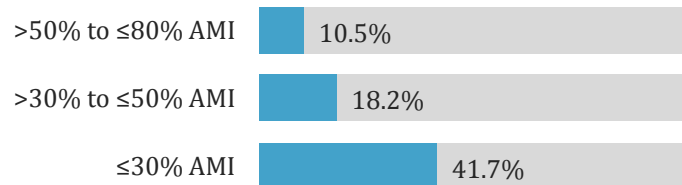


Cost Burdened Renter Households

Households Spending 30% or More of Monthly Income on Housing (by Income Level)

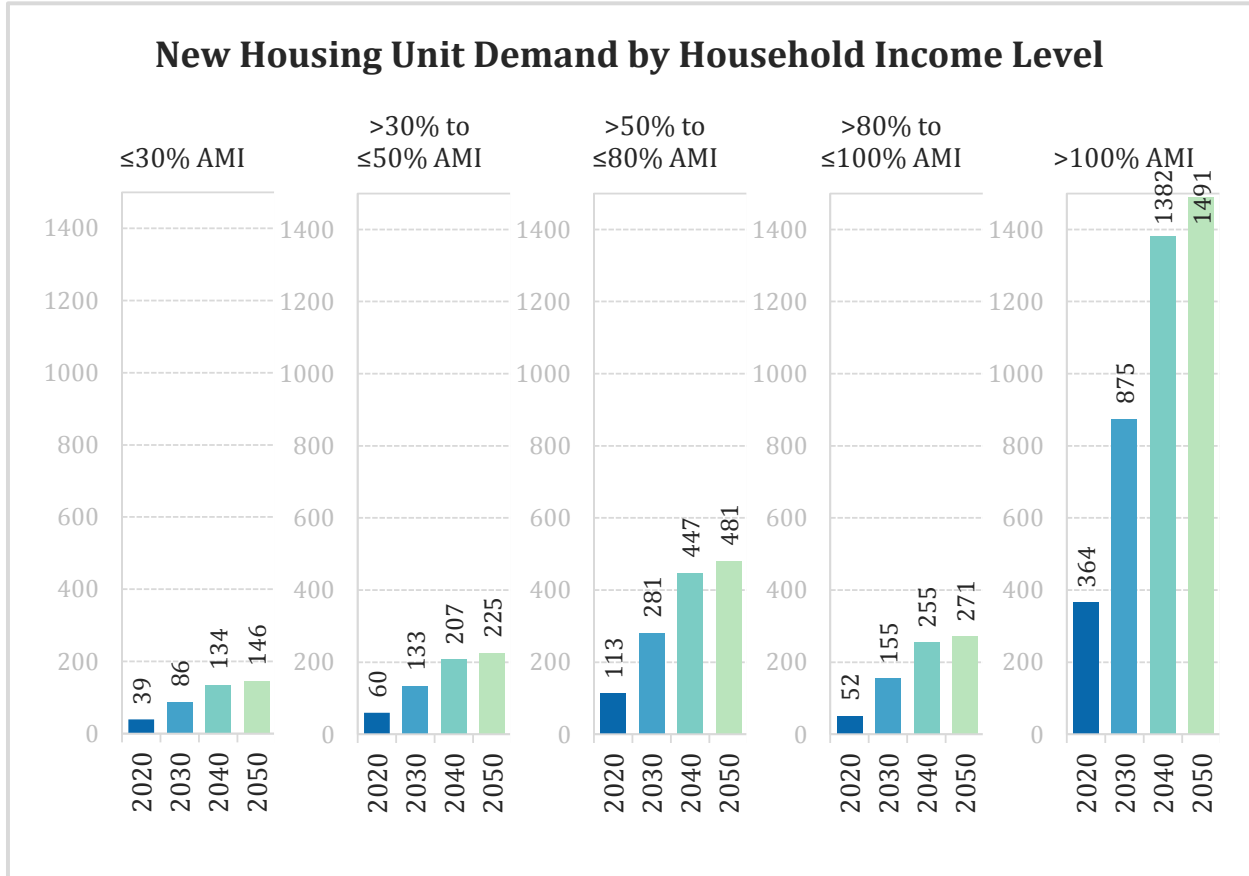


Households Spending 50% or More of Monthly Income on Housing (by Income Level)



Population Change and Affordable Housing Demand

The population of Smithfield City is expected to increase from 9,495 in 2010 to 12,051 by 2020 and 15,171 by 2030. These additional residents amount to an additional 763 households by 2020 and an additional 1694.3 households by 2030, based on the city's current average household size (3.35).



Based on population change, observed income levels, and existing vacancies, it is projected that Smithfield City will need an additional 628 housing units by 2020. Of those 628 units, 39 will need to be affordable to extremely low-income (≤30% AMI) households, 60 will need to be affordable to low-income (>30% to ≤50% AMI) households, and 113 will need to be affordable to moderate-income (>50% to ≤80% AMI) households.

By 2030, Smithfield City will need an additional 1530.3 housing units. Of those 1530.3 units, 86 will need to be affordable to extremely low-income (≤30% AMI) households, 133 will need to be affordable to low-income (>30% to ≤50% AMI) households, and 281 will need to be affordable to moderate-income (>50% to ≤80% AMI) households.

Special Needs Groups

Data from the 2012 American Community Survey indicates that 8.3 percent of all Americans under the age of 65 and 36.8 percent of all Americans 65 and older have some form of disability. Assuming that the percentage of Smithfield City residents with disabilities is comparable to national figures, approximately 715 Smithfield City residents under the age of 65 and 325 Smithfield City residents 65 and older suffer from a disability. Individuals with disabilities may require special housing accommodations.

About 9.3 percent of Smithfield City's population was 65 and older as of the 2010 U.S. Census. The share of the city's population that is 65 and older is expected to remain approximately the same from 2010 to 2030. Some elderly individuals may not be able to remain in their homes or may choose to relocate to a unit that better suits their preferences and needs. The legislative body of Smithfield City may wish to evaluate the housing options available to seniors wishing to remain in or move to the community.

According to the 2013 annualized point-in-time count, roughly 0.55 percent of Utah's population is homeless. Although regional differences may impact the rate of homelessness, this percentage can be used to estimate the number of homeless individuals in Smithfield City, which is approximately 52. Given this estimate, Smithfield City should consider developing or promoting programs designed to help these individuals become stably housed.

References

This assessment was produced using data from the 2010 Census, the 2014 American Community Survey, the U.S. Department of Housing and Urban Development, and the Cache County Recorder's Office.

Please contact Brian Carver at Bear River Association of Governments in Logan, Utah for more information. (435) 713-1420 or brianc@brag.utah.gov

B. AFFORDABLE HOUSING POLICY STATEMENT

The following statement is primarily based on the changes recommended by the implementation policies of the Land Use Element of the City's General Plan. It has been and will continue to be the intent of the City to not limit the development of residential housing within the incorporated areas of the City. The physical environment (geography, zoning, etc.) will place some restrictions on the type and density of any residential development in the City. To meet the current and future affordable housing needs, zoning codes need to be continually evaluated and, if necessary, changed to allow for more affordable housing choices.

Goals, Policies and Implementation Measures

Goal 1: Improve Access to Housing Opportunities for Low and Moderate Income Residents.

Policy: Support and Utilize Existing Affordable Housing Resources

- Continued support of Bear River Regional Housing Authority, which is administered by Bear River Association of Governments (BRAG) and offers the HUD Section 8 Rental Assistance Programs to eligible renters who reside in Providence.
- Support and promote First-time Homebuyer Program administered by BRAG.
- Support and promote housing repair and rehabilitation program administered by BRAG and USDAs Rural Development Agency.
- Investigate the merits of creating a Local Development Corporation either individually or in partnership with other communities and development agencies, to undertake affordable housing development on land acquired for such purposes.
- Work with Logan City and other neighboring communities to regularly assess affordable housing needs and the impact of new development on existing demand for such housing.

Goal 2: Improve Fair Housing Practices

Policy: Support Fair Housing Practices through Education and Awareness

- Promote a variety of affordable housing options in the City that are compatible with neighborhood character, including rental and ownership opportunities, and a

variety of housing types such as multi-family, duplex, and single-family detached units.

- Sponsor and support presentations and information dissemination by non-profit and government agencies.
- Commit to combat any negative perception of affordable housing (NIMBY: Not in My Back Yard) by helping residents become educated about and understand the economic value of having diversified housing choices in our community.
- Permit affordable housing in each neighborhood so long as the specific unit type and design is consistent with the character of the neighborhood.
- Acknowledge the economic and social consequences that large-scale or concentrated low-income housing developments place on neighboring households.

Goal 3: Encourage and Support the Provision of Affordable Housing Units

Policy: Modify Existing Regulatory Measures to Encourage the Development of Affordable Housing and Reduce Production Cost.

- Support non-profit and private affordable housing with affordable projects within the City limits.
- Encourage flexibility and innovation in the interpretation of local building codes to allow for the use of different building materials and new technologies.
- Increase flexibility in development standards allowing for reduction of site development costs, including allowances for zero lot line and clustering.
- Streamline the local administrative development review and permitting process to allow for cost reductions.
- Encourage and incentivize the development of affordable housing in small complexes and low concentrations of buildings, appropriately distributed and integrated into the whole community.

Policy: Provide Financial Incentives for Affordable Housing

- Provide for fee waivers and impact fee exemptions for projects, or portions of projects that provide new affordable housing units.
- Take advantage of Urban Development Area (UDA) tax incentive increment financing specifically for affordable housing.

- Support Local Community Housing Trusts that support new or existing financial assistance programs.
- Provide new density bonuses or other benefits to developers willing to incorporate a portion of affordable housing in a project.

Policy: Encourage the Provision of Adaptive Re-use and Mixed-Use

- Encourage adaptive re-use and mixed-use projects to stimulate affordable housing and economic development.

Policy: Adopt New Regulatory Measures to Encourage the Development of Affordable Housing

- Allow for the development of accessory dwelling units in single-family zones – not just caretaker accommodations.
- Have no more restrictions for manufactured housing than for regular housing.
- Consider adopting local rehabilitation codes to maintain existing housing stock to encourage neighborhood revitalization.
- Adopt quality design standards to help erase negative attitudes and increase acceptance of affordable housing.
- Utilize selective re-zoning of residential land to allow greater density for both single-family and multi-family housing.
- Consider adopting an inclusionary zoning ordinance requiring that a certain portion of new housing units be affordable.
- Promote continued use of the City’s subdivision and zoning ordinances that could include density bonuses for certain types of affordable housing units.
- Consider amending residential zoning ordinance to include single-family lots under ¼ acre, second and third floor housing options, and other similar techniques.
- Consider procedures that require certain affordable housing projects be held in perpetuity and monitoring all such deed restrictions.
- Consider adopting ordinances that discourage and disincentives large-scale or concentrated low-income housing.

Sample Housing Types to Consider that may Contribute to Community Livability and Affordability

Mixed-Use Housing Above Retail

Housing on the upper floors of retail shops or mixed apartments and shops on the same street.

Accessory Dwelling Units

Converting a basement or guesthouse into separate living quarters.

Garden Courts

A garden or park surrounded by higher density housing. Minimal lot sizes required by modern zoning codes make this type of housing difficult to develop.

Live Work Units

Zoned so occupants are able to work from home, with a separate entrance and discreet signage. This type of housing must be zoned to allow for office use by non-resident employees and customers.

"Big House" Apartments

Apartments that fit into neighborhoods, designed to look like a large home, but built to accommodate two, four, or even eight units.

Example ordinance elements:

Limit multi-unit housing to 4 or less in R1 residential zone as conditional use
Conditions include design standards and careful management of ingress/egress, lighting, property management, etc.

Limit multi-unit housing to 4 units per "block" or units cannot be closer than 660 feet

More than 4 units require PUD or higher-density zone such as Commercial or Planned Professional

Utah Code 10-9a-403 amended in 2012 states:

10-9a-403(2)(a) 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 the following plan elements:

(iii) for cities, 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.

(b) In drafting the moderate income housing element, the planning commission:

- (i) shall consider the Legislature's determination that cities shall facilitate a reasonable opportunity for a variety of housing, including moderate income housing:
 - (A) to meet the needs of people desiring to live there; and
 - (B) to allow persons with moderate incomes to benefit from and fully participate in all aspects of neighborhood and community life; and
- (ii) may include an analysis of why the recommended means, techniques, or combination of means and techniques provide a realistic opportunity for the development of moderate income housing within the planning horizon, which means or techniques may include a recommendation to:
 - (A) rezone for densities necessary to assure the production of moderate income housing;
 - (B) facilitate the rehabilitation or expansion of infrastructure that will encourage the construction of moderate income housing;
 - (C) encourage the rehabilitation of existing uninhabitable housing stock into moderate income housing;
 - (D) consider general fund subsidies to waive construction related fees that are otherwise generally imposed by the city;
 - (E) consider utilization of state or federal funds or tax incentives to promote the construction of moderate income housing;
 - (F) consider utilization of programs offered by the Utah Housing Corporation within that agency's funding capacity; and
 - (G) consider utilization of affordable housing programs administered by the Department of Workforce Services.