



May 13, 2020

Item 9b

Worksession – Moderate Income Housing Plan

Moderate Income Housing Plan

INTRODUCTION

Purpose. The purpose of this moderate-income housing element of the general plan is to ensure that the City of West Jordan provides a reasonable opportunity for a variety of housing, including moderate income housing, to meet the needs of the population desiring to live in the City. West Jordan is the 4th most populous city in Utah. Nineteen U.S. Census Tracts correspond with West Jordan’s neighborhood precincts. Overall growth estimates project that the population of West Jordan will increase to 118,872 residents by 2020 and 135,254 by 2030. This population growth may strain the City’s supply of moderate income housing.

From 2012 to present, 4853 dwellings have been constructed or permitted in West Jordan. Many of the new single family homes are only affordable to households earning more than 100% of the area’s median family income of \$80,000.00. Over one third of all households in West Jordan earn 80% or less of the area median income of \$80,000.00 per year. The demand for moderate income rentals and home ownership opportunities are projected to increase. Analysis of data provided by the U.S. Census Bureau and the U.S. Department of Housing and Urban Development (HUD) indicate that a high percentage of households, particularly renters earning a moderate income, are expending more than 30 percent of their household income on housing costs.

CURRENT LAND USE ORDINANCES.

West Jordan City is divided into zoning districts segregating ten different types of land uses ranging from agriculture to industrial. West Jordan City has thirty residential zoning districts. Each of the residential zones are different and can generally be categorized by lot size and whether they are single family or multi-family.

Zone	Acres	Percent of Total Acres	Net Residential Density	Land Use Designation
RR-20 (Rural Residential-20,000 sq. ft.)	774.04	3.73%	1.75	Very Low, Low
RR-30 (Rural Residential-30,000 sq. ft.)	4.96	0.02%	1.16	Very Low, Low
RR-40 (Rural Residential-40,000 sq. ft.)	470.91	2.27%	0.87	Very Low, Low
RE-20 (Rural Estate-20,000 sq. ft.)	68.62	0.33%	1.75	Very Low, Low
RE-30 (Rural Estate-30,000 sq. ft.)	4.72	0.02%	1.16	Very Low, Low
RE-40 (Rural Estate-40,000 sq. ft.)	0	0.00%	0.87	Very Low, Low
*R-1-4 (Single Family 4000 sq. ft.)	137.82	0.66%	8.7	High * No longer available
R-1-5 (Single Family 5000 sq. ft.)	0	0.00%	6.9	High
R-1-6 (Single Family 6000 sq. ft.)	890.05	4.28%	5.8	High
R-1-8 (Single Family 8000 sq. ft.)	1617	7.78%	4.3	Medium
R-1-9 (Single Family 9000 sq. ft.)	11.4	0.05%	3.8	Medium
R-1-10 (Single Family 10,000 sq. ft.)	3405.65	16.41%	3.4	Medium
R-1-12 (Single Family 12,000 sq. ft.)	646.09	3.11%	2.9	Low
R-1-14 (Single Family 14,000 sq. ft.)	52.9	0.25%	2.4	Low

Zone	Acres	Percent of Total Acres	Net Residential Density	Land Use Designation
Multi-Family Zones				
RM (Mobile Home Residential)	132.85	0.64%	5.8	High Density
R-2 (Two-Family Residential)	171.31	0.83%	8.7	High Density
R-3 (Multiple-Family Residential) 7 Zones	359.42	1.73%	6 to 22	High, Very High
Planned Community Zones				
PRD (Planned Residential Development)	119.32	0.57%	1 to 24	Very Low to Very High
PC (Planned Community)	2034.85	9.80%	Established by CC	Very Low to Very High
West Side Planning Area Zones				
HFR (High Density, Multi-Family)	160.65	0.77%	Varies	High
LSFR (Low Density, Single-Family)	522.83	2.51%	Varies	Low
MFR (Medium Density, Multi-Family)	150.33	0.72%	Varies	Medium
MU (Mixed Use)	0	0%	Varies	High
VLSFR (Very Low Density, Single-Family)	143.63	0.69%	Varies	Very Low
Total City Acres 20,759.37				

Table 1 Residential Distribution

West Jordan is predominantly a low to medium density single family suburban community. Single family residential has been the vision of the city as it has transformed from a rural farming community over the last 50 years. Single family residential comprises 39% of the residentially zoned property in West Jordan. The R-1-10 zone (Single family 10,000 Square foot minimum lot size) comprises 16.4% of the 39% of the land area of single family zones, and is the most used single family zone in the city. The average density of all of the combined single family zones is 3.4 units per acre. When all of the currently zoned single family zones, which does not include Planned Community PC zones, are developed, using West Jordan’s average household size of 3.42, approximately 94,000 people could live in that type of housing density.

West Jordan has 1395 acres or 6.7% of the land area in Planned Community (PC) zones. Planned Community zoning allows a mixture of single family and multi-family residential, retail, office, schools and institutions with planned open space and other amenities. The average residential density of the PC zoning in West Jordan is 11 units per acre. When all of the current PC zones are developed, using West Jordan’s average household size of 3.42, approximately 33,000 people could live in planned community zoning.

Traditional multi-family residential zones in West Jordan City comprises 3.5% of the City’s zoning districts or 734 acres. This zoning consists of large apartment complexes and all other attached housing from duplexes on up. The average density of the traditional multi-family zoning is 12 units per acre. All of the traditional multi-family zoning in the city has been developed and it is estimated that 30,000 people live in this type of zoning in the City.

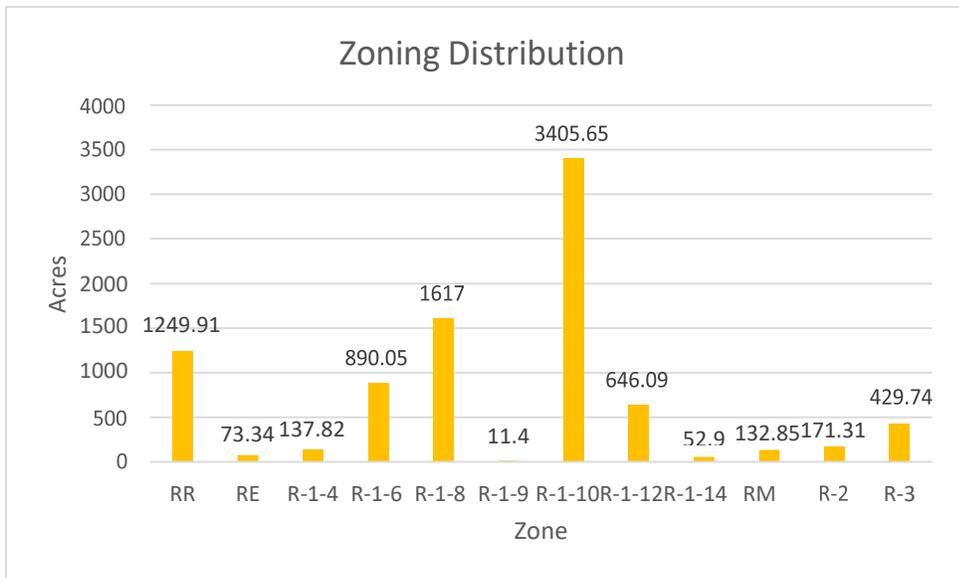


Chart 1 Distribution by Zone

Table 2 below shows the existing number of single family units vs. multi-family units in the city with 77% single family and 23% multi-family. Development in the city since 2013 has the percentage skewed toward multi-family development with a ratio of 80% multi-family to 20% single family. This changes the ratio of housing types to 72% single family and 28% multi-family.

Data Type	Existing	Future #'s (entitled projects)
Citywide Residential Density (dwelling units/developed residential land)	34,641/9754 acres = 3.55 Units per acre	3154 combined units/286 acres = 11.02 Units per acre
Ratio of Single-family vs. Multi-family dwellings	26,242 Single Family vs 8,046 Multi-Family	618 Single Family vs 2,536 Multi-Family
Combined existing plus future residential when built	26,860 Single Family 10,528 Multi-family	Residential density when all entitled constructed 3.76 units per acre
Persons per acre (3.42 household size)X 3.55	12.41 persons per residential acre	37.6 persons per residential acre
When all constructed persons per acre	13.3 persons per acre	Census density per square mile for entire city 3,524 persons

Table 2

The information demonstrates that West Jordan is a “cradle to grave community” meaning that every type of housing needed, from apartments to single family, from townhomes to senior care housing is available in the city.

POTENTIAL BARRIERS TO MODERATE INCOME HOUSING

The majority of West Jordan’s Zoning does not prohibit the development of housing for low to moderate income households. However, lot size, and house size requirements in zoning districts could make it difficult to develop moderate income single-family units. The City Council has stated in the Cap and Grade ordinance that multi-family dwellings should be planned in the most appropriate areas of the City. The appropriate areas to look at first are areas adjacent to mass transit where the housing densities are a minimum of 45 units per acre rather than the more restrictive density maximums as required in single family zones. The City should be more willing to entertain developments that provide a variety of housing types, including townhomes, condominiums, and apartments, in the appropriate areas. However, denser development should be carefully designed so it will integrate into and not impact lower density neighborhoods.

The zoning code prohibits accessory dwelling units (ADU) in single family zones but they are a conditional use in the VLSFR, R-E-40, R-R-40, A-20, A-5 and A-1 districts. Allowing for ADU’s in all single family residential zones could be a strategy to increase the supply of moderate income rental housing.

Impact fees are imposed so that new development pays for the impact that it imposes upon the City’s infrastructure. Impact fees have a direct impact upon the affordability of new construction, as they add to the price of developing property. Therefore, redevelopment areas could be prime areas for Moderate Income Housing because of existing road and utility infrastructure. Impact fees come in a variety of forms to pay for different types of infrastructure and services.

POPULATION

In 2017, the City of West Jordan had an estimated population of 113,905 residents according to the U.S. Census Bureau. Census and State of Utah estimates indicate a net increase of 10,193 residents between 2010 and 2017. Growth rate projections estimate the city’s 2018 population will be 115,522 residents. The Governor’s Office of Management & Budget projected that the city would reach 118,872 residents by 2020 and 135,254 by 2030. West Jordan has an average annual population growth rate of 0.009%. Chart 2 displays population projections through 2060.

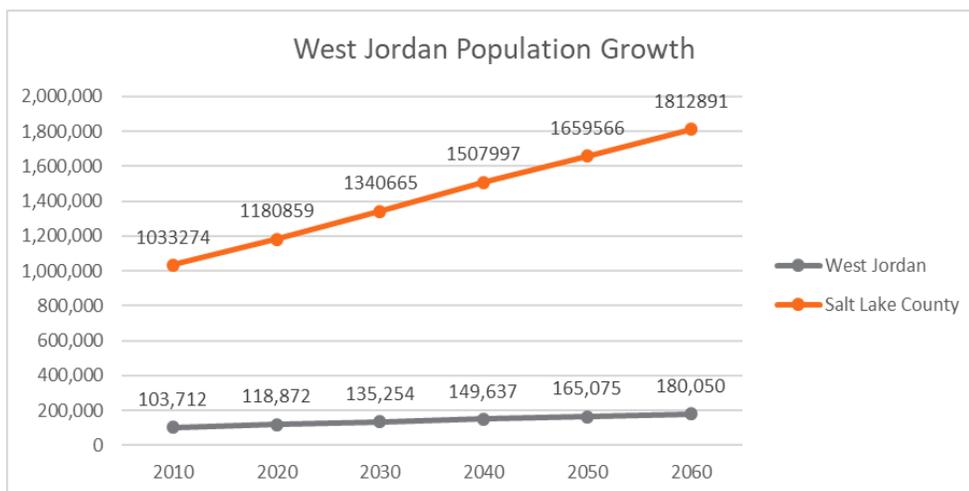


Chart 2 Source: Governor’s Office of Planning & Budget, 2012 Baseline Projections, U.S. Census Bureau

HOUSEHOLD INCOME

Income in West Jordan averages \$79,580.00 per year according to the U.S. Census. The median household income in West Jordan is \$69,503.00 per year. Two thirds of West Jordan households make \$50,000 or more per year, with the other one third making less than \$50,000 per year. Twenty-seven percent (27%) of the households of West Jordan make more than \$100,000 per year. Another study from Pam Perlich of the University of Utah as reported in the September 2017 Salt Lake Tribune shows West Jordan as one of the more prosperous cities in the state.

“Utah’s household income is higher than the national median of \$57,617, Perlich said, because its households are bigger here so more people combine incomes — including adult children. Utah’s per-capita income usually is among the nation’s lowest because of its high number of young children, who do not have incomes. “We’ve been relatively very strong compared to other places” economically, which is shown in part by increasing incomes, Perlich said. However, “Economic prosperity is unevenly distributed across places, counties and communities,” Perlich said. “Not all communities are faring as well as others.” For example, estimates show wide swings in median household income for residents of the state’s 10 largest cities. Four of those cities enjoyed median household incomes well above the statewide median — South Jordan (\$95,764), Sandy (\$94,025), West Jordan (\$71,517) and Layton (\$68,892). Meanwhile, the median household income in Ogden — \$44,381 — was less than half that of the more prosperous cities.”

The percentage of households living below the federal poverty level in West Jordan is 6.3%. The federal poverty level is one person making \$12,060 or less, 2 persons making \$16,240 or less, 4 persons making \$24,600 or less, 6 persons making \$32,960 or less.

INCOME AND BENEFITS (IN 2016 INFLATION-ADJUSTED DOLLARS)		
Total households	32,225	32,225
Less than \$10,000	723	2.2%
\$10,000 to \$14,999	605	1.9%
\$15,000 to \$24,999	1,828	5.7%
\$25,000 to \$34,999	2,641	8.2%
\$35,000 to \$49,999	4,292	13.3%
\$50,000 to \$74,999	7,391	22.9%
\$75,000 to \$99,999	5,914	18.4%
\$100,000 to \$149,999	6,417	19.9%
\$150,000 to \$199,999	1,633	5.1%
\$200,000 or more	781	2.4%
Median household income (dollars)	69,503	
Mean household income (dollars)	79,580	

Table 3 Source U.S. Census Bureau

Household Income and Benefits in 2016 Inflation-Adjusted Dollars

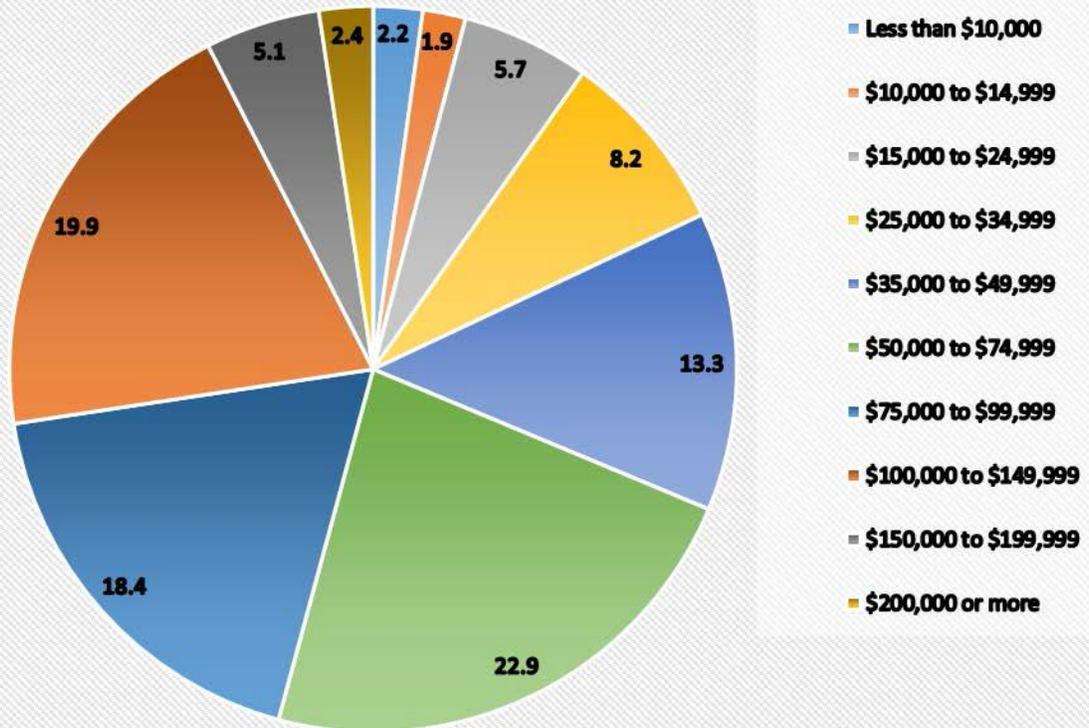


Chart 3 Source U.S. Census Bureau

Analyzing the household income of the West Jordan residents is critical to understanding the City's moderate income housing need. Moderate income housing is defined by statute as housing that is affordable to those households whose income is less than or equal to 80% of the Area Median Income (AMI) of Salt Lake County. Salt Lake County AMI is \$80,000 per family of four as determined by the Department of Housing and Urban Development (HUD). Of the families in West Jordan City 9840 (38%) earn a moderate income or less. In 2018 80% of AMI is a yearly salary of \$64,000. The Department of Housing and Urban Development (HUD) has further defined moderate income into 3 categories; less than 30% of AMI (Extremely Low Income); 30% to 50% of AMI (Very Low Income) and 50% to 80% of AMI (Low Income). In West Jordan 1930 (7.5%) of families earn less than 30% AMI; 3498 (13.5%) earn 30% to 50% AMI; 4412 (17.15%) 50% to 80% AMI.

The State of Utah requires that municipalities facilitate a reasonable opportunity for moderate income housing in the city. The households that earn just 30% of the AMI find it more difficult to find market rate housing at their income. It is important that households of all income levels have moderate income housing options.

Tables 4-6 are intended to help assess affordable housing needs within West Jordan City. The specific points in these tables can help to point out potential housing issues, such as affordability over time, for the median household by its classification. Housing affordability is a ratio of gross housing costs to gross monthly income especially for households earning less than 80%, 50%, or 30% of AMI. According to HUD a home is affordable only if its monthly costs are less than 30% of a household's gross monthly income. A household is said to be cost-burdened if it spends more than 30% of its income on housing costs and severely cost-burdened if it spends more than 50% of its income on housing costs. While housing affordability is not the aim of this plan it is good to analyze if housing is becoming less affordable for members of the community. If a community has a large amount of cost burdened households, the overall economic health of the community can be impacted.

Median Affordability: The Ratio of Gross Monthly Housing Costs to Gross Monthly Income in West Jordan City

Source: Municipal Housing Projection Calculator	2010 American Community Survey	2016 American Community Survey
Median HOUSEHOLD Cost Burden (ACS Tables B19119 & B25105)	23.7%	22.4%
Median Owner Cost Burden (ACS Tables B25088 & B25119)	23.3%	20.8%
Median Renter Cost Burden (ACS Tables B25064 & B25119)	26.7%	28.4%

Table 4 Source U.S. Census Bureau
 ACS means: American Community Survey;
<https://factfinder.census.gov>

Affordability of the median owner-occupied housing unit in West Jordan City for a 4-person family household at 100%, 80%, 50%, and 30% AMI.

Source: Municipal Housing Projection Calculator	2010 American Community Survey	2016 American Community Survey
100% AMI	23.1%	19.5%
80% AMI	28.9%	24.4%
50% AMI	46.2%	39.1%
30% AMI	77.1%	65.1%

Table 5 Source U.S. Census Bureau

Affordability of the median renter-occupied housing unit in West Jordan City for a 4-person family household at 100%, 80%, 50%, and 30% AMI.

Source: Municipal Housing Projection Calculator	2010 American Community Survey	2016 American Community Survey
100% AMI	15.3%	15.8%
80% AMI	19.1%	19.7%
50% AMI	30.5%	31.5%
30% AMI	50.9%	52.6%

Table 6 Source U.S. Census Bureau

As shown in Table 4 the household cost burden has decreased over the six-year period from 2010 to 2016 for home owners; where the number of renters who are cost burdened has increased over that same period of time. Conversely, Table 5 shows that housing has become less affordable across all income levels for owner occupied units. Table 6 demonstrates that housing affordability has improved across all income brackets for renters.

HOUSING STOCK

New Housing Demand

According to U.S. Census Bureau West Jordan added 3,878 housing units between 2010 and 2016. Based on those estimates, the City’s housing supply grew 2.19% or 650 units per year over that six-year time period. The estimated 2018 inventory of housing units is 33,488. At that rate of growth the total estimated dwelling units by 2023 will be 37,642 and 42,192 units by 2030.

Existing Housing Stock Value

The Table 7 shows the Census market values of existing homes in the City of West Jordan. Based on the house values shown in Table 7 seventy-three percent (73%) of the housing stock in the City would be affordable to a household making a moderate income, if it were available.

West Jordan City Housing Values 2016

VALUE			
Owner-occupied units	24,284	+/-650	24,284
Less than \$50,000	675	+/-207	4.0%
\$50,000 to \$99,999	336	+/-131	1.4%
\$100,000 to \$149,999	1,930	+/-230	7.9%
\$150,000 to \$199,999	5,292	+/-454	21.8%
\$200,000 to \$299,999	10,759	+/-535	44.3%
\$300,000 to \$499,999	4,599	+/-354	18.9%
\$500,000 to \$999,999	301	+/-100	1.2%
\$1,000,000 or more	100	+/-61	0.4%
Median (dollars)	228,600	+/-3,056	(X)

Table 7 U.S. Census Bureau

Existing housing stock consists of 5,954 multi-family rental units, 2,303 individually owned townhomes or condos, 881 mobile homes, and 24,350 single family dwellings. Sixty-five percent (65%) of the owner occupied housing in West Jordan is valued above \$200,000. The number of existing owner occupied moderate income houses in West Jordan shown in Table 8. Table 8 is different than Table 7 in that it separates the housing values to reflect the maximum value that people in the moderate income ranges could afford.

80% of the adjusted median income for the municipality maximum house cost \$270,000;
 50% of the adjusted median income for the municipality maximum house cost \$165,000;
 30% of the adjusted median income for the municipality maximum house cost \$95,000;

Values of West Jordan Owner-occupied units	Total 24,284 Units
Less than \$50,000	675 units
\$50,000 to \$95,999	336 units
\$96,000 to \$164,999	1,930 units
\$165,000 to \$199,999	5,292 units
\$200,000 to \$270,999	8,783 units
\$271,000 to \$499,999	6,667 units
\$500,000 to \$999,999	301 units
\$1,000,000 or more	100 units

Table 8 U.S. Census Bureau

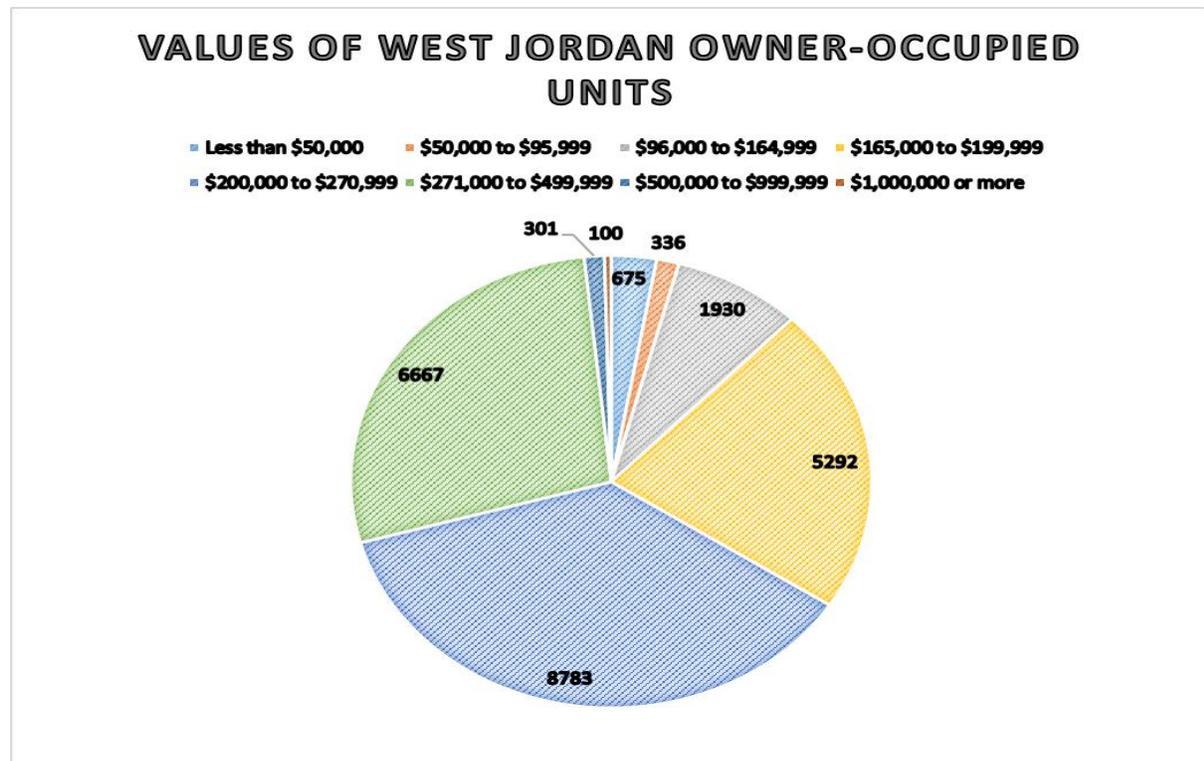


Chart 4 U.S. Census Bureau

Table 9 and 10 show the range of rents paid by West Jordan residents.

GROSS RENT			
Occupied units paying rent	7,697	+/-571	7,697
Less than \$500	264	+/-87	3.4%
\$500 to \$999	2,668	+/-385	34.7%
\$1,000 to \$1,499	3,385	+/-450	44.0%
\$1,500 to \$1,999	1,271	+/-293	16.5%
\$2,000 to \$2,499	101	+/-64	1.3%
\$2,500 to \$2,999	8	+/-11	0.1%
\$3,000 or more	0	+/-26	0.0%
Median (dollars)	1,109	+/-35	(X)
No rent paid	244	+/-104	(X)

Table 9 U.S. Census Bureau

80% of the adjusted median income maximum rent \$1600.00 a month;

50% of the adjusted median income maximum rent \$1000 a month;

30% of the adjusted median income maximum rent \$600 a month;

West Jordan renter-occupied units numbers paid by AMI category	7697 Units
Less than \$600	797
\$600 to \$1000	2,134
\$1001 to \$1599	3,641
\$1600 to \$1999	1,016
\$2000 and up	109

Table 10 U.S. Census Bureau

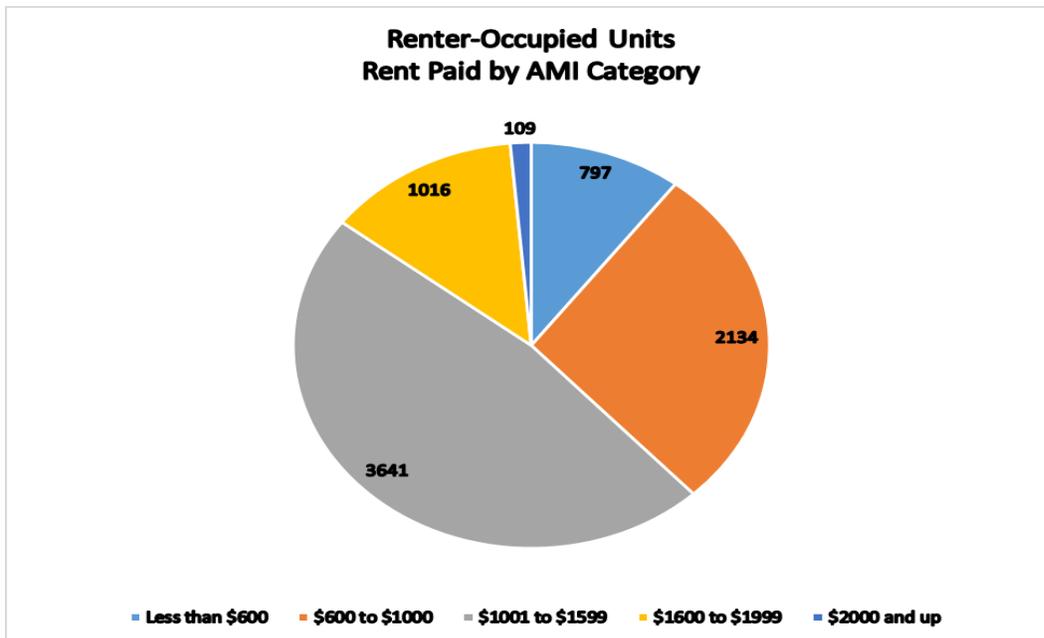


Chart 5 U.S. Census Bureau

When both owner-occupied and renter-occupied moderate income units are combined 23,591 or 73% of the housing units in West Jordan City are within the moderate income range of 80% or less of AMI.

FORECAST OF MODERATE INCOME HOUSING NEED

Based on estimated population growth it is projected that West Jordan will need all totaled an additional 2,872 new housing units by 2023. Of those 2,872 units, based upon the projected increase in population, income levels, and existing vacancies; the UAHFT Housing Model estimates that there will be a demand for 134 new units that will need to be affordable to extremely low-income ($\leq 30\%$ AMI) households, 245 new units will need to be affordable to very low-income ($>30\%$ to $\leq 50\%$ AMI) households, and 95 new units will need to be affordable to low-income ($>50\%$ to $\leq 80\%$ AMI) households by 2023.

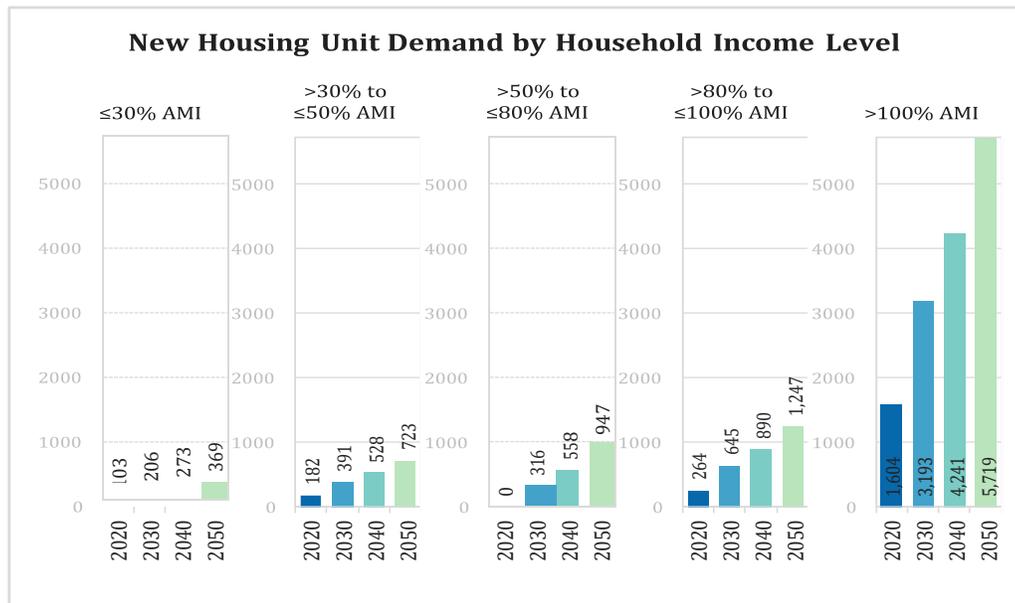


Chart 6 Source: UAHFT Housing Model

From 2016 to 2018 West Jordan has made progress providing moderate income housing as shown in Table 10. According to the State of Utah 5-year housing projection calculator West Jordan has provided 150 units in excess of the housing need in the less than 80% AMI; 475 units in the less than 50% category and 75 units in the less than 30% category. Housing availability over the same categories is a more telling estimate with a negative 55 units available to those in the less than 80% category; a plus 235 available units in the less than 50% category and a plus 55 available units in the less than 30% AMI category.

West Jordan estimated progress in providing moderate-income housing					
PROGRESS	Renter Households	Affordable Rental Units	Available Rental Units	Affordable Units - Renter Households	Available Units - Renter Households
$\leq 80\%$ HAMFI	505	655	450	150	-55
$\leq 50\%$ HAMFI	65	540	300	475	235
$\leq 30\%$ HAMFI	-60	15	-5	75	55

Table 11 Source: UAHFT Housing Model

GOALS and POLICIES

Vision: Take steps to preserve existing moderate income housing and support, where appropriate, the creation of new moderate income housing.

Goal 1: Preserve existing moderate income housing. Promote and continue to assist income qualified home owners with home rehabilitations, emergency repairs and down payment assistance using Community Development Block Grant (CDBG) and HOME funds.

Goal 1 Outcome: Assisting income qualified home owners with home rehabilitations and emergency home repairs will preserve moderate income housing that is safe and habitable.

Goal 1 Monitoring Outcome: All money that goes to these programs is tracked and accounted for.

Goal 1 Resources Allocated per year: \$175,000.00 for home repairs, \$40,000.00 revolving loan fund for home repairs, \$50,000.00 home down-payment assistance; up to \$7,500.00 per applicant, \$10,000.00 rental assistance.

Goal 1 Barriers Identified: Home Repair program; none. Down-payment assistance program: \$7500.00 is limiting in housing market; increase to \$10,000.00 per applicant. Rental Assistance: None.

Goal 2: Create or allow for, and reduce regulations related to accessory dwelling units in residential zones.

Goal 2 Outcome: Allowing accessory dwelling units in residential zones will provide a source of new moderate income housing by utilizing yard areas and basements for housing. Pass ordinance allowing ADU's in new developments in Planned Development zones. Determine if ADU's should be allowed in other residential zones.

Goal 2 Monitoring Outcome: Adopt ordinance that requires a zoning permit for accessory dwelling units.

Goal 2 Resources Allocated per year: Undetermined; staff time approving zoning and building permits.

Goal 2 Barriers Identified: Possible resistance to ordinance allowing ADU's.

Goal 3: Where appropriate create new moderate income units by requiring a percentage of new housing in planned developments to be moderate income housing.

Goal 3 Outcome: Requiring a percentage of new units in planned development zones will increase the availability of new moderate income housing.

Goal 3 Monitoring Outcome: All new moderate income units in new developments will be described in the development plan for the project and will require zoning approval indicating it is a moderate income unit at time of building permit issuance.

Goal 3 Resources Allocated per year: Undetermined; staff time approving zoning and building permits.

Goal 3 Barriers Identified: May meet developer resistance. To off-set resistance consider moderate income housing as a density bonus or a required amenity in appropriate zones; or expedite review timeframes for developments containing moderate income housing units.

Goal 4: Allow higher density multi-family housing in commercial zones and require a percentage of the units in new multi-family developments be in the moderate income range.

Goal 4 Outcome: Allowing high-density multi-family housing in commercial areas will provide a source of new moderate income housing. The entitlement of the housing will be implemented by an overlay zone. The new housing is intended to be in older commercial areas that have commercial uses established as well as needed infrastructure that will keep development costs lower.

Goal 4 Monitoring Outcome: All new moderate income units in new developments will be described in the development plan for the project and will require zoning approval indicating it is a moderate income unit at time of building permit issuance.

Goal 4 Resources Allocated per year: Undetermined; staff time approving zoning and building permits.

Goal 4 Barriers Identified: None

Goal 5: Reduce parking requirements for residential development in the transit station overlay districts because a resident is less likely to rely on a vehicle and can take advantage of mass transit.

Goal 5 Outcome: Reduce parking requirements in all transit overlay districts to one space per multi-family unit, regardless of the number of bedrooms. Require on-street parking in all transit oriented developments. The required on-street parking will provide a safer walking environment and will slow traffic speeds. Reducing off-street parking will lower development costs and should translate into lower per unit costs, which could result in more units in the moderate income range.

Goal 5 Monitoring Outcome: All new transit oriented developments will be required to meet reduced parking requirements and will be evaluated on parking maximums and not parking minimums. The parking requirements will be enforced with the site plan approval.

Goal 5 Resources Allocated per year: None.

Goal 5 Barriers Identified: Fear that reduced parking will lead to congestion and on-street parking issues.

Acknowledgement of the Utah Fair Housing Act

In accordance with the state and federal laws, the City of West Jordan exercises the authority to plan, zone, and regulate land-use in promoting the community's health, safety, and welfare. The moderate income housing element of this plan acknowledges and upholds the Utah Fair Housing Act by promoting the equal protection and equitable treatment of all people who lawfully seek to rent, lease, purchase, or develop real property within its jurisdiction. Its housing policies and plans strictly prohibit discrimination on the basis of color, disability, ethnicity, familial status, gender identity, national origin, race, religion, sex, sexual orientation, source of income, or any other suspect classification. It is the policy of the City of West Jordan to report housing discrimination to the Utah Antidiscrimination Labor Division immediately. It is the goal of the City of West Jordan to prevent, eliminate, and/or mitigate any unfair housing practices that may result from its plans, policies, regulations, and ordinances. It is also the goal the City of West Jordan to affirmatively further fair and affordable housing by reviewing the housing needs of its moderate income households and its vulnerable populations biennially, and by proactively planning to meet their needs.