

Bountiful Moderate Income Housing Plan **Element**

Introduction

The City of Bountiful has made efforts throughout its history to encourage the construction of moderately priced housing through zoning policy. From the early 1940's, when Bountiful adopted its first zoning ordinance, through the 1960's, most of Bountiful was zoned for smaller single-family lots and duplexes. While many dwellings can be considered moderately priced by today's standards, during the 1970s and 1980s rapid growth and a strong housing demand for higher end, luxurious housing combined to make land and construction costs very high in Bountiful. This had an effect on the used housing market by causing a rise in prices. Today, Bountiful City has no further land for expansion, making it more and more difficult to construct new subdivisions with adequate numbers of moderate-income housing units. The purpose of this housing plan is to help provide the means necessary for moderate-income families to live in the city where possible.

Purpose

This housing plan has been developed in accordance with Section 10-9-307 of Utah Code. It represents Bountiful City's plan for addressing the housing needs. It has been developed in accordance with local planning policies and will be integrated with other planning elements of the Comprehensive General Plan to ensure consistency.

This plan 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.

Bountiful Demographics

2021 American Community Survey (ACS):

Population by tenure	2021 ACS
Total Population*	45,496
Total Population in occupied housing units†	45,124
Total Population in owner-occupied housing†	34,979 (78%)
Total Population in renter-occupied housing†	10,145 (22%)

*Source: US Census Bureau. Table B01003: TOTAL POPULATION. American Community Survey.

†Source: US Census Bureau. Table B25008: TOTAL POPULATION IN OCCUPIED HOUSING UNITS BY TENURE. American Community Survey.

Supply of housing units by structure type	2021 ACS
Total Housing Units*	15,457
Total occupied units†	14,514
Owner-occupied units†	10,815
1 unit, detached	9,722
1 unit, attached	710
2 units	28
3 or more units	355
Renter-occupied units†	3,699
1 unit, detached	798
1 unit, attached	288
2 units	372
3 or more units	2,241

*Source: US Census Bureau. Table B25001: HOUSING UNITS. American Community Survey.

†Source: US Census Bureau. Table B25008: TENURE BY UNITS IN STRUCTURE. American Community Survey.

Housing occupancy	2021 ACS
Total households in occupied units*	14,514
Total households in owner occupied units*	10,815
With a Mortgage†	7,209
Without a Mortgage†	3,606
Total households in renter occupied units*	3,699

*Source: US Census Bureau. Table B25003: TENURE. American Community Survey.

†Source: US Census Bureau. Table B25081: MORTGAGE STATUS. American Community Survey.

Housing vacancy	2021 ACS
Total vacant units	973
For rent	226
Rented, not occupied	58
For sale only	23
Sold, not occupied	31
For seasonal, recreational, or occasional use	49
For migrant workers	0
Other vacant	556

Source: US Census Bureau. Table B25004: VACANCY STATUS. American Community Survey.

Average household size	2021 ACS
Average household size	3.11
Average owner household size	3.23
Average renter household size	2.74

Source: US Census Bureau. Table B25010: AVERAGE HOUSEHOLD SIZE OF OCCUPIED HOUSING UNITS BY TENURE. American Community Survey.

Monthly housing costs	2021 ACS
Total owner-occupied housing unit costs*	\$1,197
Housing units with a mortgage*	\$1,697
Housing units without a mortgage (dollars)*	\$538
Median gross rent†	\$1,221

*Source: US Census Bureau. Table B25088: MEDIAN SELECTED MONTHLY OWNER COSTS (DOLLARS) BY MORTGAGE STATUS. American Community Survey.

†Source: US Census Bureau. Table B25064: MEDIAN GROSS RENT (DOLLARS). American Community Survey.

Comprehensive Housing Affordability Strategy ("CHAS") data (2015-2019 ACS) compiled and analyzed by US Department of Housing and Urban Development (HUD).

HAMFI is the HUD Area Median Family Income, which is the median family income calculated by HUD for each jurisdiction, in order to determine Fair Market Rents (FMRs) and income limits for HUD programs.

Income Distribution Overview	Owner	Renter	Total
Household Income <= 30% HAMFI	485	620	1,105
Household Income >30% to <=50% HAMFI	790	580	1,370
Household Income >50% to <=80% HAMFI	1,820	1,080	2,900
Household Income >80% to <=100% HAMFI	1,575	555	2,130
Household Income >100% HAMFI	6,135	740	6,875
Total	10,805	3,575	14,380

Housing Problems Overview 1	Owner	Renter	Total
Household has at least 1 of 4 Housing Problems	1,765	1,515	3,280
Household has none of 4 Housing Problems OR cost burden not available no other problems	9,040	2,060	11,100
Total	10,805	3,575	14,380

Severe Housing Problems Overview 2	Owner	Renter	Total
Household has at least 1 of 4 Severe Housing Problems	680	820	1,500
Household has none of 4 Severe Housing Problems OR cost burden not available no other problems	10,125	2,760	12,885
Total	10,805	3,575	14,380

Housing Cost Burden Overview 3	Owner	Renter	Total
Cost Burden <=30%	9,100	2,135	11,235
Cost Burden >30% to <=50%	1,110	790	1,900
Cost Burden >50%	560	555	1,115
Cost Burden not available	30	90	120
Total	10,805	3,575	14,380

Income by Housing Problems (Owners and Renters)	Household has at least 1 of 4 Housing Problems	Household has none of 4 Housing Problems OR cost burden not available no other problems	Total
Household Income <= 30% HAMFI	855	260	1,105
Household Income >30% to <=50% HAMFI	885	480	1,370
Household Income >50% to <=80% HAMFI	910	1,990	2,900
Household Income >80% to <=100% HAMFI	310	1,815	2,130
Household Income >100% HAMFI	320	6,555	6,875
Total	3,280	11,100	14,380

Income by Housing Problems (Renters only)	Household has at least 1 of 4 Housing Problems	Household has none of 4 Housing Problems OR cost burden not available no other problems	Total
Household Income <= 30% HAMFI	460	165	620
Household Income >30% to <=50% HAMFI	500	80	580
Household Income >50% to <=80% HAMFI	410	670	1,080
Household Income >80% to <=100% HAMFI	105	445	555
Household Income >100% HAMFI	40	700	740
Total	1,515	2,060	3,575

Income by Housing Problems (Owners only)	Household has at least 1 of 4 Housing Problems	Household has none of 4 Housing Problems OR cost burden not available no other problems	Total
Household Income <= 30% HAMFI	395	95	485
Household Income >30% to <=50% HAMFI	385	400	790
Household Income >50% to <=80% HAMFI	500	1,320	1,820
Household Income >80% to <=100% HAMFI	205	1,370	1,575
Household Income >100% HAMFI	280	5,855	6,135
Total	1,765	9,040	10,805

Income by Cost Burden (Owners and Renters)	Cost burden > 30%	Cost burden > 50%	Total
Household Income <= 30% HAMFI	850	700	1,105
Household Income >30% to <=50% HAMFI	870	235	1,370
Household Income >50% to <=80% HAMFI	770	140	2,900
Household Income >80% to <=100% HAMFI	260	30	2,130
Household Income >100% HAMFI	265	10	6,875
Total	3,015	1,115	14,380

Income by Cost Burden (Renters only)	Cost burden > 30%	Cost burden > 50%	Total
Household Income <= 30% HAMFI	455	400	620
Household Income >30% to <=50% HAMFI	495	80	580
Household Income >50% to <=80% HAMFI	295	55	1,080
Household Income >80% to <=100% HAMFI	70	20	555
Household Income >100% HAMFI	30	0	740
Total	1,345	555	3,575

Income by Cost Burden (Owners only)	Cost burden > 30%	Cost burden > 50%	Total
Household Income <= 30% HAMFI	395	300	485
Household Income >30% to <=50% HAMFI	375	155	790
Household Income >50% to <=80% HAMFI	475	85	1,820
Household Income >80% to <=100% HAMFI	190	10	1,575
Household Income >100% HAMFI	235	10	6,135
Total	1,670	560	10,805

1. The four housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30%.
2. The four severe housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 50%.
3. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes.

Existing Conditions

The Area Median Income (AMI) for Bountiful based on the 2017-2021 U.S. Census estimate is \$89,365. 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 \$92,765; therefore, the 80% moderate income threshold is \$74,212 for Bountiful.

Owner-occupied units are estimated at 10,815 (74.5% of total occupied units) with average mortgage payments of \$1,697. Renter-occupied units are estimated at 3,699 (25.4% of total occupied units) with average mortgage payments of \$1,221. The number of owner and renter occupied units has remained steady based on past projections; however, the average mortgage payment has increased by \$117 and average rents by \$262 based on census data using the 2017 ACS.

With data available from 2005 to 2012, the table below shows a peak in residential construction in 2007 followed by a rapid decline due to the Great Recession. Construction of new dwellings in Bountiful has since trended upward, with a distinct trend toward multi-family units.

<i>Year</i>	<i>Single-Family Units</i>	<i>Duplex Dwellings</i>	<i>Multi-Family Units</i>	<i>Total Constructed Units</i>
2021	35	2	42	79
2020	19	4	26	49
2019	11	0	0	11
2018	18	0	79	97
2017	20	2	25	47
2016	32	2	0	34
2015	31	2	53	86
2014	41	0	24	65
2013	48	0	49	97
2012	33	0	9	42
2011	13	0	84	97
2010	12	4	14	30
2009	4	0	19	23
2008	27	0	12	39
2007	46	0	217	263
2006	67	0	34	101
2005	95	2	42	139
TOTAL	552	18	729	1,299

Affordability Analysis

1. Household Income

The average household size in Bountiful is 3.11 persons in 2021 which shows a significant increase from years past from 2.99 in 2013, increasing gradually to 3.07 in 2020. Average income is \$89,365 (\$65,050 in 2013 increasing gradually to \$83,660 in 2020) but the actual affordable housing emphasis is for persons and families with incomes less than \$74,212 (80% of Davis County AMI).

2. Housing Affordability

The median value of an owner-occupied housing unit in Bountiful, based on the 2017-2021 US Census (ACS) is \$375,100 and in Davis County is \$351,400.

Online real estate sources for Bountiful report housing prices in November 2022 at \$562,823 with a 1-year value change of +4.8%). 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.

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 prior years. The available affordable housing comes mainly in the form of smaller single-family dwelling units, multi-family units, and accessory dwelling units. It is important for Bountiful to consider a variety of housing types in the future to be able to meet the needs of a variety of residents, often referred to as life cycle housing.

Goals

The following are the goals of this housing plan:

1. Meet the needs of as many people as possible who desire to live in Bountiful.
2. Allow all residents to benefit from and to fully participate in all aspects of neighborhood and community life.
3. Preserve areas/neighborhoods where affordable housing already exists in order to provide for moderate-income housing to meet existing and anticipated future needs.
4. Encourage a full range of housing choices, conveniently located in a suitable living environment, for all incomes, ages and family sizes.
5. Encourage and maintain a positive neighborhood identity and image.
6. Encourage neighborhood conservation by giving preference to the renovation and rehabilitation of existing dwelling units, particularly single-family units, over the infill construction of new buildings.
7. Encourage the development of vacant lots and the redevelopment of non-contributing buildings with structures of compatible design and character.
8. Encourage the replacement of or adaptive reuse of vacant structures in multiple-family and mixed-use zones.
9. Determine how the jurisdiction will provide realistic opportunity to meet the need for additional moderate income housing within the next five years.
10. Receive consideration for funding of projects based on compliance with the moderate income housing requirement.

During the last several years, the Utah State Legislature has worked with municipalities and counties to address housing needs through required strategies intended to provide more affordable housing within communities. A Moderate Income Housing Plan (MIHP) is required by the State as part of UCA 10-9a-403. The most recent changes outline twenty-four (24) strategies that can help to address the current housing crisis. Of those strategies, Bountiful is required to select at least three (3) and devise an implementation timeline to accomplish each strategy. The strategies are intended to help provide moderate income housing for those persons/families making less than 80% of the AMI, based on average incomes in the County.

Moderate Income Housing Strategies

Strategy 1: create or allow for, and reduce regulations related to, internal or detached accessory dwelling units in residential zones

- Implementation:

In 2018, Bountiful City removed a restriction that ADUs could only be rented to family members. The ordinance effectively allowed ADUs in all single-family zones in Bountiful. In 2019, an ordinance was passed removing a size limitation for internal ADUs. In 2021, the code was amended to make internal ADUs an allowed use (consistent with State Code).

Bountiful will continue to promote the establishment of accessory dwelling units, such as basement apartments and detached accessory structures to increase the supply of affordable rental units and assist cost burdened by homeowners. This can be accomplished by creating and maintaining an ADU webpage and placing an article on the City's printed newsletter every March and September.

- Timing:

- By March 2023 dedicate an ADU webpage with policies, codes, links, etc.
- ADU education article printed on the City's newsletter twice a year, every March and September.

Strategy 2: zone or rezone for higher density or moderate income residential development in commercial or mixed-use zones near major transit investment corridors, commercial centers, or employment centers

- Implementation:

In 2018 Bountiful's Downtown Zone was amended to allow increased densities by adopting increased building heights, decreasing the minimum lot sizes, and removing the density maximum, allowing for development of higher-density multi-family housing on properties where that previously would have not been possible. Several mixed use and multifamily developments have occurred in the area since the adoption of the zone.

By the end of 2023 the City will have an updated Future Land Use Map in conjunction with the Comprehensive General Plan Update currently taking place where the City will implement this strategy. Once the General Plan Update is adopted with its corresponding Future Land Use Map the City will analyze the Zoning Map on an annual basis.

- Timing:

- Update the City's Future Land Use Map by end of 2023.
- Once the Future Land Use (Comprehensive General Plan Update) is adopted, establish an annual schedule to review the Zoning Map for compliance with the General Plan strategies.

Strategy 3: amend land use regulations to allow for higher density or new moderate income residential development in commercial or mixed-use zones near major transit investment corridors

- **Implementation:**
Promote the establishment of moderate income housing within Main Street Plat A, Renaissance Towne Center (RTC), Hospital District, and any other applicable districts, by creating a development inventory. Analyze existing uses, current densities, development parameters, etc. in these districts to identify trends to further enhance codes and policies to create moderate income housing opportunities. The districts may include Main Street Plat A, Hospital District, and Renaissance Towne Center.
- **Timing:**
 - By the end of each calendar year, complete a district inventory:
 - Starting in 2025, evaluate findings, challenges, opportunities identified within a district inventory compared to possible land use regulation amendments annually.
- The City continues to plan for multi-family residential along transit corridors including the South Davis Bus Rapid Transit corridor. Zone changes along this corridor have been approved allowing high density residential development and projects incorporating high density housing have recently received approval in these areas. The City has provided low interest loans to developers in order to support these projects.

Additional Strategy: Preserve existing Moderate Income Housing.

Bountiful City ordinances allow flexibility in remodeling and upgrading dwellings built prior to 1965 that did not meet current setback requirements and/or that did not have an attached two (2) car garage. Over 65% of single-family dwellings in Bountiful were constructed before 1980. The goal of this strategy is for the primary preservation of these existing, affordable housing dwellings. The City also in 2017/2018 recently adopted changes to parking and driveway standards in order to help these older affordable units to respond to changes in automobile ownership in the past decades. The City also allows for legal non-conforming duplexes in single family zones as a permitted use, thus allowing the preservation, upgrading, and refinancing of these units.

The City does not currently have any municipally sponsored programs subsidizing affordable housing, but there are a number of state and federally subsidized units in Bountiful City. The City currently has a total of seventeen (17) units subsidized by the Olene Walker Housing Loan Fund and an additional 167 units subsidized by the Low Income Housing Tax Credit program. In 2018 the City reported 87 units which received Section 8 vouchers. The Bountiful City Redevelopment Area (RDA) does not include a housing set-aside because the RDA was approved prior to this requirement being adopted into State law. The City has provided assistance in the form of low interest loans to mixed use developments containing multi-family residential units within the RDA boundaries.

Note: This additional strategy is not intended to comply with Utah Code Annotated 10-9a-403(2)(b).

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.

- Home Investment Partnerships Program
 - The HOME Investment Partnerships Program (HOME) provides formula grants to states and localities that communities use - often in partnership with local nonprofit groups - to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people.
 - https://www.hud.gov/program_offices/comm_planning/home
- Title 1 Property Improvements Loans
 - HUD insures private lenders against loss on property improvement loans they make. The applicant must have the ability to repay the loan in regular monthly payments. Both large and small improvements can be financed. HUD does not lend money for property improvements. Property Improvement loans may be used to finance alterations, repairs and improvements for a home, including a manufactured home, which has been occupied at least 90 days, a nonresidential purpose, or to finance the construction of a new exclusively nonresidential structure.
 - https://www.hud.gov/program_offices/housing/sfh/title/ti_about
- HUD's Section 203(K) Loan Program
 - This program allows people to finance the purchase of a house—or refinance their current mortgage—and include the cost of its repairs through a single mortgage. The Section 203(k) loan program is HUD's primary program for the rehabilitation and repair of single-family properties. Section 203(k) loans are provided through HUD-approved mortgage lenders nationwide and insured by the Federal Housing Administration (FHA), which is part of HUD. "Section 203(k)" refers to the law, part of the National Housing Act, which allows FHA to make this mortgage insurance available. The loans are beneficial for low- and moderate-income individuals or families since the loan down payment can be as little as 3 percent. While individuals, local governments, and non-profit organizations may participate as borrowers in the program, the property must be used as a principal residence by an individual or family.
 - <https://www.hud.gov/sites/documents/2005-09FHA.PDF>

- Utah Assistive Technology Foundation (UTAF)
 - 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.
 - <https://www.usu.edu/uatp/index>

- Section 2 Supportive Housing for the Elderly Program
 - HUD provides capital advances to finance the construction, rehabilitation, or acquisition with or without rehabilitation of structures that will serve as supportive housing for very low-income elderly persons, including the frail elderly, and provides rent subsidies for the projects to help make them affordable.
 - https://www.hud.gov/program_offices/housing/mfh/progdsc/eld202

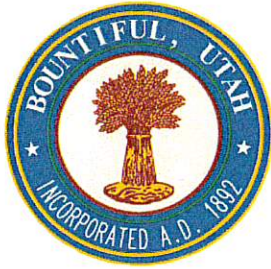
- Community Development Corporation of Utah (CDCU)
 - The organization has built or rehabilitated over 400 homes throughout Utah. By forging a unique partnership with the HUD, they have become one of only five organizations in the nation to administer the Asset Control Area (ACA) program. Through ACA, they purchase all HUD-foreclosed homes that fall in critical revitalization areas in Salt Lake and parts of Davis County. They then rehabilitate the homes and resell them at or below market value to income-eligible families. To date, they have rehabilitated more than 100 of these homes, and they have helped more than 4,000 families in over 125 Utah communities become homeowners.
 - <https://cdcutah.org/>

- 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.
 - <https://www.habitat.org/>

- Utah Housing Corporation
 - Created in 1975 by Utah legislation to serve a public purpose in creating an adequate supply of money with which mortgage loans at reasonable interest rates could be made to help provide affordable housing for low and moderate income persons.
 - <https://utahhousingcorp.org/>

- Low Income Housing Tax Credits (LIHTC)
 - Created by the Tax Reform Act of 1986, the LIHTC program gives State and local LIHTC-allocating agencies the equivalent of approximately \$8 billion in annual budget authority to issue tax credits for the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households.
 - HUD collects LIHTC data at the property level and the tenant level. HUD's property database includes information on the size, unit mix, and location of individual projects. HUD's collects of tenant information includes demographic and economic characteristics of households residing in LIHTC properties from state housing finance agencies that administer the LIHTC program.
 - <https://www.huduser.gov/portal/datasets/lihtc.html>

- Olene Walker Housing Loan Fund (OWHLF)
 - The OWHLF supports quality affordable housing options that meet the needs of Utah's individuals and families. They develop housing that is affordable for very low-income, low-income and moderate-income persons as defined by the HUD. HUD updates program rent and income limits annually.
 - <https://jobs.utah.gov/housing/affordable/owhlf/index.html>



BOUNTIFUL

BOUNTIFUL CITY, UTAH RESOLUTION NO. 2023-01

MAYOR
Kendalyn Harris

CITY COUNCIL
Millie Segura Bahr
Jesse Bell
Kate Bradshaw
Richard Higginson
Cecilee Price-Huish

CITY MANAGER
Gary R. Hill

A RESOLUTION AMENDING THE MODERATE INCOME HOUSING PLAN OF THE CITY'S COMPREHENSIVE GENERAL PLAN, BY ADOPTING THE "MODERATE INCOME HOUSING PLAN ELEMENT 2023" AS PART OF THE COMPREHENSIVE GENERAL PLAN OF BOUNTIFUL CITY FULLY REPLACING THE 2000 MODERATE INCOME HOUSING PLAN.

WHEREAS, the Municipal Land Use, Development, and Management Act (Utah Code 10-9a-101 et seq.) (the "Act") requires each specified municipality in the State of Utah to include a Moderate Income Housing Element in its General Plan; and,

WHEREAS, the City on September 6, 2000, adopted the "Bountiful City General Plan 2000," including a moderate income housing plan; and,

WHEREAS, the City initiated a review of the Moderate Income Housing Element of its General Plan as part of an amendment to the General Plan; and,

WHEREAS, the Planning Commission addressed the proposed comprehensive amendment to the General Plan during its regularly scheduled meeting held on January 17, 2023; and,

WHEREAS, the Planning Commission posted notice of a public hearing regarding the proposed amendment to be held on January 17, 2023, and held that public hearing regarding the proposed amendment on January 17, 2023; and,

WHEREAS, the Planning Commission upon receiving and carefully reviewing the input, documents, and testimony from the public did prepare its final recommendation regarding the proposed amendment to the City General Plan; and,

WHEREAS, the City Council has received and carefully reviewed the final recommendation from the Planning Commission regarding the proposed amendment, the minutes from the Planning Commission meetings and public hearing regarding the proposed amendment to the City General Plan; and,

WHEREAS, the City Council finds the proposed amendment to the City General Plan contains all elements mandated by the Utah Code and has been updated to meet current and future moderate income housing needs of the City; and

WHEREAS, The City Council finds the proposed amendment to the General Plan is in the best interest of the health, safety, and welfare of the residents of the City, considering all factors;

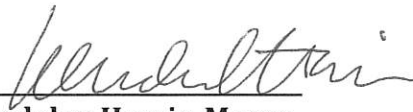
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BOUNTIFUL CITY, STATE OF UTAH AS FOLLOWS:

Section 1. Adoption of the updated Moderate Income Housing Plan Element, part of the City's Comprehensive General Plan. The City Council hereby adopts the Moderate Income Housing Plan Element.

Section 2. Severability Clause. If any section, part, or provision of this Resolution is held invalid or unenforceable, such invalidity or unenforceability shall not affect any other portion of this resolution, and all sections, parts and provisions of this resolution shall be severable.

Section 3. Effective Date. This Resolution shall become effective immediately upon its passage.

PASSED AND ADOPTED BY THE CITY COUNCIL OF BOUNTIFUL CITY, STATE OF UTAH, ON THE 24th DAY OF JANUARY 2023.


Kendalyn Harris, Mayor

ATTEST:


Shawna Andrus, City Recorder

