

## **Bountiful City 2018 Biennial Moderate Income Housing Report**

Utah Code Section 10-9a-408 requires that the legislative body of each municipality prepare a report regarding the status and implementation of its adopted Moderate Income Housing Plan. This document has been created to fulfill this requirement.

The current moderate income housing plan was adopted in September of 2000 with minor updates occurring via the biennial review of the plan over the past 18 years. Bountiful City Planning and Economic Development Department anticipates an update of the General Plan, including the Moderate Income Housing Element of the plan within the next year.

State law requires that the Moderate Income Housing Report address the following items:

- (a) efforts made by the municipality to reduce, mitigate, or eliminate local regulatory barriers to moderate income housing;
- (b) actions taken by the municipality to encourage preservation of existing moderate income housing and development of new moderate income housing;
- (c) progress made within the municipality to provide moderate income housing, demonstrated by analyzing and publishing data on:
  - (i) the number of housing units in the municipality that are at or below:
    - (A) 80% of the adjusted median income for the municipality;
    - (B) 50% of the adjusted median income for the municipality; and
    - (C) 30% of the adjusted median income for the municipality;
  - (ii) the number of housing units in the municipality that are subsidized by the municipality, the state, or the federal government; and
  - (iii) the number of housing units in the municipality that are deed-restricted;
- (d) all efforts made by the city to coordinate moderate income housing plans and actions with neighboring municipalities or associations of governments established by an interlocal agreement under Title 11, Chapter 13, Interlocal Cooperation Act;
- (e) all efforts made by the municipality to utilize a moderate income housing set-aside from a redevelopment agency, a community development agency, or an

economic development agency;

- (f) money expended by the municipality to pay or waive construction-related fees required by the municipality; and
- (g) programs of the Utah Housing Corporation that were utilized by the municipality.

### **Regulatory Barriers**

Over the past two years the City has taken measures to increase allowed densities in the Downtown zone area by adopting increased building heights and decreased minimum lot sizes, which allows for development of high density multifamily 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. 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. The City recently lifted restrictions on accessory dwelling units allowing for additional opportunities for these affordable housing units throughout all single family zones in the City.

### **Preservation of Existing Moderate Income Housing**

Moderate income housing is defined in State Law as “housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80 percent of the median gross income for households of the same size in the county which the city is located.” The City recognizes that a large portion of the moderate income housing inventory in Bountiful consists of older homes built prior to current trends for larger homes. Over 65 percent of single family homes in Bountiful were constructed before 1980. Bountiful City ordinances allow flexibility in remodeling and upgrading homes built prior to 1965 that did not meet current setback requirements and/or that did not have an attached two car garage. The goal of these criteria was primarily the preservation of these existing, affordable housing areas. The City also 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.

### **Progress Made**

Bountiful continues to construct a high percentage of multifamily residential development relative to the total number of new units constructed. In 2017 and 2018 a total of 141 new residential units were permitted and under construction, including 43 single family residential units and 98 multi-family units. Multifamily units constituted almost 70 percent of the total units permitted and under construction in Bountiful in 2017 and 2018. In addition the City has approved 11 Accessory Dwelling Units (ADU's) in the

last year and expects the rate of approval of these units to increase in coming years based on recent changes to regulatory restrictions for ADU's.

The following summarizes the current population and households in the targeted income groups in Bountiful City.

Population

- Current Population 44,107 (2017 estimate)
- Population Change since 2000

2000	41,301
2010	42,552
2013	42,801
2014	42,947
2015	43,221
2016	43,428

- Households in Targeted Income Groups

14,289 Total Households  
 < 80% AMI – 4,774 Households  
 < 50% AMI – 3,031 Households  
 <30% AMI – 1,765 Households

Current Housing Stock

- Number of Housing Units 14,289
- Breakdown of Housing Units

	OCCUPIED UNITS 14,289	OWNER- OCCUPIED 10,417 72.9%	RENTER- OCCUPIED 3,872 27.10%
<b>BEDROOMS</b>			
1 Bed	4.9%	.9%	15.6%
2-3 Bed	41%	33%	62.5%
4+ Bed	53.4%	66.1%	19.1%
<b>YEAR BUILT</b>			
2014 or later	.1%	0%	.3%
2010 – 2013	2.1%	1.2%	4.6%
2000 – 2009	8.7%	7.2%	12.7%
1980 – 1999	24%	23.6%	25.1%
1960 – 1979	36.5%	37.2%	34.6%
1940 – 1959	25.3%	26.7%	21.4%
1939 or	3.4%	4.1%	1.5%

before

### 5-Year and 10-Year Population Projections

	Growth Rate	5-Year Population	10-Year Population
Low Projection	.018%	44,237	45,033
Medium Projection	.025%	44,524	45,637
High Projection	.040%	45,260	47,070

### Forecast of Affordable Housing Need\*

	Existing Stock	5-Year	Net Units Needed
< 30% AMI	1,765 Units	1,890 Units	125 Units
< 50% AMI	3,031 Units	3,102 Units	71 Units
< 80% AMI	4,774 Units	4,870 Units	96 Units
Total Units	14,289 Units	14,431 Units	142 Units

\*The growth rate used in calculating the forecast of units is based on historic residential unit construction rates for the City over the past 5 years and population growth projections for the next 5 years.

Source of Data: 2016 American Communities Survey and Annual Estimates of the Resident Population: April 1, 2010 to July 1, 2017 U.S. Census Bureau, Population Division

The City has also conducted an analysis using the tools provided by the Department of Work Force Services. This analysis shows that the City has made progress in the provision of moderate income housing over the past two years for targeted populations. It is expected that the recent changes to the Downtown standards, particularly those allowing for the development of smaller lot multifamily residential use will have a positive impact on provision of housing for this demographic.

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 17 units subsidized by the Olene Walker Housing Loan Fund and an additional 167 units subsidized by the Low Income Housing Tax Credit program. The City also currently has 87 units which receive Section 8 vouchers. Bountiful currently provides information to residents regarding the programs of the Utah Housing Corporation over the counter but could provide better links to this information on the City website. The Redevelopment Area of Bountiful City does not include a housing set-aside because it was approved prior to this requirement being adopted into State law. The City has not waived development fees for Moderate Income Housing in the past, but has provided assistance in the form of low interest loans to mixed use developments containing multifamily residential units.

### **Coordination with Neighboring Municipalities**

Bountiful City actively participates in the Utah League of Cities and Towns and meets regularly with surrounding communities to coordinate regional issues such as transportation and housing.

### **Conclusion**

With the recent construction of multifamily housing within the Historic Downtown area the adoption of standards loosening restrictions on accessory dwelling units, Bountiful has, within the last two years, administered policies that continue to support the provision of moderate income housing within the City. Based on the definition of Moderate Income Housing contained in State law, the City provides a high percentage of affordable housing options for moderate income persons residing in or desiring to reside within Bountiful City. Based on historic trends for construction of multifamily housing in Bountiful City the projected number of units to be constructed will meet the demand for further population growth among targeted populations in the City.