

**CITY OF
LEHI, UTAH**



**GENERAL PLAN
MODERATE INCOME HOUSING
ELEMENT**

Prepared by:
Lehi City Planning Department and Mountainland Association of Governments

Adopted by Lehi City Council
May 11, 2004

Recommended to City Council
by Lehi City Planning Commission
April 8, 2004

MODERATE INCOME HOUSING ELEMENT

INTRODUCTION

The availability of moderate income housing has become a statewide concern. In 1996, the Utah State Legislature adopted '10-9-307 of the Utah Code dealing with “Plans for Moderate Income Housing”. This section of the State Code requires that every municipality adopt a plan for moderate income housing within the community. The plan must address the following five issues:

- 1) An estimate of the existing supply of moderate income housing located within the municipality;
- 2) An estimate of the need for moderate income housing in the municipality for the next five years as revised annually;
- 3) A survey of total residential zoning;
- 4) An evaluation of how existing zoning densities affect opportunities for moderate income housing; and
- 5) A description of the municipality’s program to encourage an adequate supply of moderate income housing. The purpose of the Moderate Income Housing Element of the Lehi City General Plan is to address these five issues and to establish the City’s goals and policies for moderate income housing.

Moderate income housing as defined by the Utah State Code ' 10-9-307 (2) (a) is: “...housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income of the metropolitan statistical area (MSA) for households of the same size”. The 2003 moderate income level for Utah County for a family of four is approximately \$44,900. The Utah County moderate income level is recommended by the State to be used by Lehi in determining whether or not housing is affordable.

ESTIMATE OF EXISTING SUPPLY

In order to assist municipalities in estimating the existing supply of affordable housing units within each city, the State has provided an Affordable Housing Model. Lehi City used this model to estimate their existing supply, which involved an extensive evaluation of the 2000 census data as well as residential building permits issued from 2000 to 2002, including the number single family and multi family permits issued and their valuation.

An analysis of residential building permits issued during the year of 2002 showed that the City issued the following number of residential permits for new housing:

2002 Residential Permits

Unit Type	Number of Units
Single Family	497

Condominium	12
Twin Home	14
Duplex	2
Total:	525

Using the State’s criteria for moderate-income housing and affordability, an analysis of the valuation of each permit was done. That analysis showed that of the 525 residential permits issued in 2002, approximately 270 units or 52% would be considered affordable.

According to the Utah State Affordable Housing Model, Lehi currently has a total surplus of 328 units for households making 80% of the Metropolitan Statistical Area Median Income (MSAMI). Also according to the model the City has a deficit of 187 units available to those making 50% of the MSAMI, and a deficit of 303 units for those making 30% of the MSAMI.

The State Affordable Housing Model projects that the percentage of households classified as having incomes above the median will increase while those making less than the median will decrease.

ESTIMATE OF THE NEED FOR MODERATE INCOME HOUSING IN THE MUNICIPALITY FOR THE NEXT FIVE YEARS

The majority of the need for moderate income housing within Lehi will be to serve the town’s own growth as well as provide housing for in-migrants/commuters working in Salt Lake County and the Provo/Orem MSA. The City’s goal should be to provide adequate housing for existing and incoming residents and more particularly their children as they grow up and move out of their parents’ home.

According to the Utah State Affordable Housing Model, population growth in Lehi between 2004 and 2008 will create a demand for 155 units available to moderate-income families (i.e. 80% MSAMI). The demand at the 50% MSAMI level will be 175 units, and 178 units will be needed for those making 30% of the MSAMI.

Currently Lehi has a surplus of affordable housing for moderate income families making 80% of the MSAMI. The net need, current supply plus future demand, for moderate income families is a negative 173 or a surplus of 35 units per year will be added for the next 5 years. The net need for those in the 50% category is 362 units or 72 units per year for the next 5 years. Those in the 30% group need a net unit total of 481 units or 96 units a year for the next 5 years.

SURVEY OF RESIDENTIAL ZONING

The City has twelve zones that allow for residential uses. They are: TH-5 (Transitional Holding 5 acre); A-5 (Agriculture 5 acre); A-1 (Agriculture 1 acre); RA-1 (Residential Agriculture 15,000 sq. ft.); R-1-20 (Residential 20,000 sq. ft.); R-1-15 (Residential 15,000 sq. ft.); R-1-12 (Residential 12,000 sq. ft.); R-1-8 (Residential 8,000 sq. ft.); R-2 (Residential-multi family); R-3 (Residential-

multi family), MU (Mixed Use Single Family Residential and Commercial) and PC (Planned Community).

The Residential Zones of Lehi City are formulated to provide a range of housing choices to meet the needs of Lehi City residents, to offer a balance of housing types and densities, and to preserve and maintain the City's residential areas as safe and convenient places to live. These zones are intended for well-designed residential areas free from any activity that may weaken the residential strength and integrity of these areas. Typical uses include single family dwellings, two-family dwellings, multi-family dwellings, condominiums and townhouses. Also allowed are parks, open space and conservation areas, pedestrian pathways, trails and walkways, utility facilities and public service uses required to meet the needs of the citizens of the City and residents of each of the City's neighborhoods.

The larger zones including the TH-5, A-5, A-1 and RA-1 Zones, are primarily for agricultural use, however residential uses are also included. The TH-5 Zone is designated primarily for the annexation of land where no water is dedicated upon annexation and where no city culinary water or pressurized irrigation water services will be provided. Characteristic of this Zone is a continuation of uses and services existing at the time of annexation. The A-5, A-1 and RA-1 Zones are designed to preserve lands suited for farming and ranching operations protected from the encroachment of incompatible uses. Additionally these zones are intended to allow viable agricultural uses to remain on lands potentially suited for the eventual development for other uses, pending proper timing and the provision of the required services including all public utilities, streets, parks, schools and other facilities, so that an orderly development pattern is encouraged.

The purpose of the Low Density Residential Zones (RA-1, R-1-20, R-1-15, R-1-12 and R-1-8) is to provide for single family residential areas and single family dwelling units on larger individual lots. The purpose of the Medium Density Residential Zone (R-2) is to identify and encourage the development of a variety of medium housing density types and styles, including single family dwellings, two-family and multiple family dwellings with a maximum of four dwelling units per structure. The purpose of the High Density Residential Zone (R-3) is to provide an environment and opportunities for higher density residential uses, including single family detached and attached residential units, apartments, condominiums and townhouses. The purpose of the Mixed Use (MU) Zone is to foster and provide an area of mixed, compatible residential, commercial and office uses in certain areas of the City.

The purpose of the Planned Community Zone is to create a cohesive mixture of land uses, including residential uses, which provide a range of housing types and densities, to accommodate a variety of age and income groups and residential preferences, so that the community's demographic diversity is maintained.

In addition to these residential zones, the City also allows clustered residential developments under its Planned Residential Design and Planned Unit Development ordinances. The PRD and PUD provisions function as overlay zones and allow design flexibility in the development of lands within the City. These clustering ordinances encourage the realization of several potential public benefits, one of them being to encourage the construction of affordable housing units within the City under

conditions and requirements that will insure development of residential environments of sustained desirability and stability.

EVALUATION OF ZONING'S AFFECT ON HOUSING OPPORTUNITIES

The Lehi City Planning Commission and City Council hold one of the most important keys to providing housing opportunities for persons of moderate income. The key the City holds is zoning. It appears from the data received from the model that Lehi's zoning has allowed for a surplus in housing for moderate income families. Families making 50% of the median income, who will typically be renters, may be affected by zoning, but may also be impacted by market conditions beyond the control of the City. Families making 30% of the median income will need federal or state government housing assistance and are beyond the scope of zoning influence.

LEHI'S PROGRAM TO ENCOURAGE MODERATE INCOME HOUSING

The Moderate Income Housing Element was originally adopted as part of the Lehi City General Plan in November of 1998. At the time the Element was adopted, the Utah State Affordable Housing Model showed a surplus of 1,131 units for households making 80% of the MSAMI and the deficit of units available to those making 50% of the MSAMI as only 8 new units per year for the next five years. An update to the Moderate Income Housing Element was completed in 1999 which showed the City continued to maintain a surplus for households making 80% of the MSAMI (1,324 units) and the deficit of units available to those making 50% of the MSAMI remained significantly low (12 new units per year for the next five years). An update to the Moderate Income Housing Element was completed in 2000, which showed the City continued to maintain a surplus for households making 80% of the MSAMI (1,536 units) and the deficit of units available to those making 50% of the MSAMI as 35 new units per year for the next five years.

Based on the updated findings of the Utah State Affordable Housing Model for the year 2003, it is evident that Lehi City's zoning, land use and development regulations are still adequately providing moderate income housing for those under its control who make 80% of the MSAMI. The current surplus of units for households making 80% of the MSAMI is 328 units. A surplus of 35 new units per year will exist for the next five years for those making between 51% and 80% of the median. The City anticipates that current zoning and land use regulations will continue to provide an adequate supply of moderate income housing in the future. No changes are proposed at this time to further encourage the construction of moderate income housing units, however the City will continue to monitor housing within the City and review this Element on an annual basis to be reviewed in January of each year, to assure that the City's needs are being met. If it is determined that there is a greater need for moderate income housing in the future, Lehi will take appropriate measures to update this plan and pursue the adoption of appropriate ordinances to implement the plan.

LEHI'S GOALS AND POLICIES FOR MODERATE INCOME HOUSING

Goal: To ensure an adequate supply of safe, accessible, sanitary, and aesthetically pleasing moderate income housing integrated throughout the City in various locations, and consistent with the needs of all segments of the population.

Policies:

1. Encourage a mix of lot sizes and housing types in new residential developments so that moderate income housing is properly integrated and not concentrated in one development or area.
2. Encourage requirements to keep moderate income housing consistent with other residential development within the City, such as landscaping, quality building materials, and varied architectural styles.
3. Consider the adoption of a rehabilitation code to address improvement of older residential buildings/units to encourage stability and revitalization of older residential areas.
4. Regularly update the Moderate Income Housing Element and Affordable Housing Model to determine the housing needs for all groups, to quantify specific housing needs, and to identify solutions to housing problems. This Element will be reviewed on a yearly basis.