

# West Valley City

## 2019 Moderate Income Housing Plan



## INTRODUCTION

Affordable housing is a regional issue. As one of the most urbanized states in the nation with roughly three-quarters of the population living along the Wasatch Front, it is common for a person to live and work within two completely different municipalities. Persons searching for a home consider price, commute time, school performance and neighborhood amenities over municipal boundaries.

The Wasatch Front has experienced substantial population growth over the last 20 years. However, the type of growth in municipalities along the Wasatch Front has varied greatly. Some are largely bedroom communities with little housing diversity. Others are job centers with a mix of housing types.

A few communities cannot support the majority of the moderate income housing for a region without facing significant, well documented, negative effects such as poor school and student achievement. These negative effects are outlined in the 2014 Bureau of Economic and Business Research document entitled "*Regional Analysis of Impediments to Fair Housing Choice Salt Lake County*". Each municipality should accommodate housing opportunities for households at all income levels. But, as this document will demonstrate, some communities in Salt Lake County have very little housing diversity. As a result, the amount of affordable housing varies substantially from one community to another. For these reasons, this document compares West Valley's housing affordability with other municipalities within the County as well as the County overall.

During the 2019 general session, the Utah legislature passed SB 34 which modified the moderate income housing provisions associated with a municipality's general plan. This plan update is in response to the changes made in SB 34.

State code directs municipalities to adopt "a plan that provides a realistic opportunity to meet the need for additional moderate income housing (Utah Code 10-9a-403(2)(a)(iii))." The plan must consider "the Legislature's determination that municipalities shall facilitate a reasonable opportunity for a variety of housing including moderate income housing to meet the needs of people of various income levels living, working, or desiring to live or work in the community and to allow people with various incomes to benefit from and fully participate in all aspects of neighborhood and community life (Utah Code 10-9a-403(2)(b)(i))."

The West Valley City Council has taken the charge of providing moderate income housing seriously and the City prides itself on having a housing option for everyone.

As required by Utah Code 10-9a-103(43) and 10-9a-403(2)(b)(ii), this Plan includes:

- an estimate of the existing supply of moderate income housing located within the City;
- a survey of total residential land use;
- an evaluation of how existing land uses and zones affect opportunities for moderate income housing;
- an estimate of the need for moderate income housing in the City for the next five years;
- a description of the City's program to encourage an adequate supply of moderate income housing which addresses the strategies outlined in Utah Code 10-9a-403(2)(b)(iii) and
- an analysis of how the City will provide a realistic opportunity for the development of moderate income housing within the next five years.

While not required, an analysis of the existing supply of moderate income housing is provided to help explain in part why some municipalities have more moderate income housing than others.

## ESTIMATE OF EXISTING SUPPLY OF MODERATE INCOME HOUSING

Moderate income housing is defined in Utah Code 10-9a-103(36) as “housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income for households of the same size in the county in which the city is located.” According to the U.S. Department of Housing and Urban Development (HUD), the 2017 median family income in Salt Lake County was \$75,400. A low (80% of median) income household earned \$60,300. Therefore, for the purposes of this plan, moderate income housing in Salt Lake County during the year 2017 is defined as those housing units that were affordable to households that earn \$60,300 (80%) or less annually. Such households represent approximately 44% of all households in the County (ACS 2017 B19001).

According to HUD, “families who pay more than 30% of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation, and medical care.” Thus, the generally accepted definition of affordability is for a household to pay no more than 30 percent of its annual income on housing. This 30% figure should also include housing related expenses such as utilities, insurance, taxes, etc.

To estimate the supply of moderate income housing, the following targeted income groups were evaluated – low income (80%), very low income (50%) and extremely low income (30%). Table 1 below lists the annual household income, the monthly income available for housing and the affordable home price for each targeted income group. For example, a very low income household makes \$37,700 annually, can afford to spend \$943 monthly on housing and can afford a home priced up to \$117,000.

Table 1: 2017 Income Available for Housing for Targeted Income Groups

	Targeted Income Groups		
	Extremely Low Income (30%)*	Very Low Income (50%)	Low Income (80%)
Annual Household Income	\$24,600	\$37,700	\$60,300
Monthly Income Available for Housing (30%)	\$615	\$943	\$1,508
Affordable Home Price (includes Utilities)	\$62,000	\$117,000	\$212,000
*The FY 2014 Consolidated Appropriations Act changed the definition of extremely low-income to be the greater of 60 percent of the Section 8 very low-income limit or the poverty guideline as established by the Department of Health and Human Services, provided that this amount is not greater than the Section 8 50% very low-income limit.			

Source: HUD and staff calculations

A number of assumptions were made to determine how much money a family would need to afford housing. For rental properties, ACS Gross Rent numbers, which include utilities, were used. For owner-occupied housing utility expenses, \$250 per month was used based on local utility company estimates and averages. For the purposes of calculating mortgage payments, a 4.5% interest rate on a 30-year, fixed rate mortgage was assumed. An average Utah homeowner insurance amount is \$580, and this amount was divided by the Salt Lake County median home price to come up with a rate of 0.00184. West Valley City’s property tax rate was used for taxes.

Since affordable housing is a regional issue, this document considers not only the supply of affordable units in West Valley, but also in Salt Lake County overall as well as other municipalities within the County.

### Affordability of Renter-Occupied Units

To calculate the number of affordable units for each targeted income group, City staff utilized American Community Survey data for both renter-occupied and owner-occupied units. Tables 2 and 3 below summarize this information by showing what percentage of renter-occupied and owner-occupied units are affordable for each city and the County.

Table 2: 2017 Renter-Occupied Unit Affordability Based on Gross Rent (Includes Utilities)

Place	Units with Cash Rent	% Affordable to Extremely Low Income Households (\$615 Max Rent)	% Affordable to Very Low Income Households (\$943 Max Rent)	% Affordable to Low Income Households (\$1,508 Max Rent)
Bluffdale	440	3.5%	8.0%	79.0%
Cottonwood Heights	3,171	1.9%	15.7%	73.4%
Draper	2,723	0.6%	8.3%	65.8%
Herriman	1,639	0.0%	8.9%	71.0%
Holladay	2,393	4.4%	31.8%	77.9%
Midvale	7,126	7.3%	33.9%	87.6%
Millcreek	9,058	7.6%	35.4%	84.9%
Murray	6,615	4.6%	31.5%	89.2%
Riverton	1,056	0.0%	16.0%	44.7%
Salt Lake City	38,428	14.9%	50.9%	86.5%
Salt Lake County	117,428	8.7%	36.0%	81.6%
Sandy	6,832	6.9%	18.2%	67.2%
South Jordan	3,820	2.8%	7.2%	55.3%
South Salt Lake	5,048	13.7%	63.7%	94.0%
Taylorsville	5,790	3.7%	36.7%	88.5%
West Jordan	7,868	2.9%	20.0%	74.0%
West Valley City	11,232	7.2%	31.5%	82.8%

Source: ACS Table B25063 2013-2017 5-Year Estimates

Within the County overall, 81.6% of the renter-occupied housing is affordable to low income households. West Valley City exceeds this with 82.8% of its renter-occupied housing affordable to moderate income households. While some communities have relatively few renter-occupied units, those that do exist tend to be affordable at this price point.

For very low income households, West Valley City has a higher percentage of affordable rental units than eight other cities in the County. For extremely low income households, West Valley City has a higher percentage of affordable rental units than 11 other cities. Herriman and Riverton offer none at all.

## Affordability of Owner-Occupied Units

Table 3: 2017 Owner-Occupied Unit Affordability Based on Value

Place	Owner-Occupied Units	% Affordable to Extremely Low Income Households (\$62,000 Max Sales Price + Utilities)	% Affordable to Very Low Income Households (\$117,000 Max Sales Price + Utilities)	% Affordable to Low Income Households (\$212,000 Max Sales Price+ Utilities)
Bluffdale	2,254	0.0%	0.5%	5.2%
Cottonwood Heights	9,310	2.1%	4.6%	10.2%
Draper	10,523	2.6%	3.2%	9.3%
Herriman	6,541	3.3%	3.6%	11.3%
Holladay	8,759	1.0%	4.2%	10.7%
Midvale	5,181	3.0%	7.4%	40.8%
Millcreek	14,386	3.1%	7.5%	18.8%
Murray	12,222	4.6%	12.1%	30.2%
Riverton	10,048	2.6%	3.0%	9.9%
Salt Lake City	37,250	3.5%	10.0%	33.7%
Salt Lake County	241,328	4.1%	8.7%	30.1%
Sandy	23,319	3.3%	4.8%	13.3%
South Jordan	15,368	1.6%	1.8%	6.4%
South Salt Lake	3,659	4.7%	16.7%	59.3%
Taylorsville	13,905	7.2%	13.0%	46.4%
West Jordan	24,394	4.0%	6.3%	28.9%
West Valley City	25,338	9.1%	17.1%	59.8%

Source: ACS Table B25075 2013-2017 5-Year Estimates

West Valley City has the highest percentage (59.8%) of owner-occupied housing units that are affordable to low income households. In fact, West Valley's percentage at this price point is 5 to 6 times higher than other less affordable municipalities.

For very low income households, West Valley again has the highest percentage (17.1%) of affordable, owner-occupied housing units. At this price point, many communities are in the single digit percentages.

West Valley City also has the highest percentage (9.1%) of owner-occupied housing units that are affordable to extremely low income households. Several other communities have very little or no owner-occupied units that are affordable to this targeted income group.

## Affordability of All Occupied Units

The best measure for determining the supply of affordable housing at each targeted income group comes from evaluating all occupied housing units – those occupied by renters and owners. Table 4 combines the information in Tables 2 and 3 above to show the percentage of total occupied housing units within an area that are affordable to the three targeted income groups. When considering overall housing stock affordability, West Valley City not only exceeds the County averages for each targeted

income group, but also provides a greater percentage of it's housing in each income group than most of the cities in the County.

Table 4: 2017 Occupied Housing Unit Affordability

Place	Total Occupied Housing Units	% of Total Housing Available to Extremely Low Income Households	% of Total Housing Available to Very Low Income Households	% of Total Housing Available to Low Income Households
Bluffdale	2,716	0.6%	1.8%	17.7%
Cottonwood Heights	12,661	2.0%	7.5%	26.9%
Draper	13,278	2.2%	4.3%	21.0%
Herriman	8,180	2.6%	4.6%	23.3%
Holladay	11,297	1.8%	10.4%	25.8%
Midvale	12,474	5.5%	22.9%	68.1%
Millcreek	23,686	4.9%	18.5%	44.8%
Murray	19,002	4.6%	19.0%	51.2%
Riverton	11,212	2.3%	4.4%	13.5%
Salt Lake City	76,876	9.4%	31.1%	60.9%
Salt Lake County	363,058	5.7%	17.8%	47.3%
Sandy	30,382	4.1%	7.9%	25.8%
South Jordan	19,350	1.9%	2.9%	16.4%
South Salt Lake	8,844	10.0%	44.2%	79.7%
Taylorsville	19,959	6.1%	20.2%	59.2%
West Jordan	32,551	3.7%	9.7%	40.2%
West Valley City	37,051	8.5%	21.7%	67.0%

Source: ACS Tables B25063 and B25075 2013-2017 5-Year Estimates

For low income households, 67.0% of West Valley City's housing stock is considered affordable. This is significantly above the County rate of affordability of 47.3%, and only South Salt Lake City and Midvale offer more. When compared with communities in the south end of the valley, West Valley has 3 to 4 times more moderate income housing.

West Valley City also has a higher percentage of affordable housing for very low income households (21.7%) than Salt Lake County (17.8%). Midvale, Salt Lake City and South Salt Lake offer more than West Valley City to varying degrees. Eight cities offer less than the 10%.

For extremely low income households, West Valley City again has a higher percentage (8.5%) than the County (5.7%).

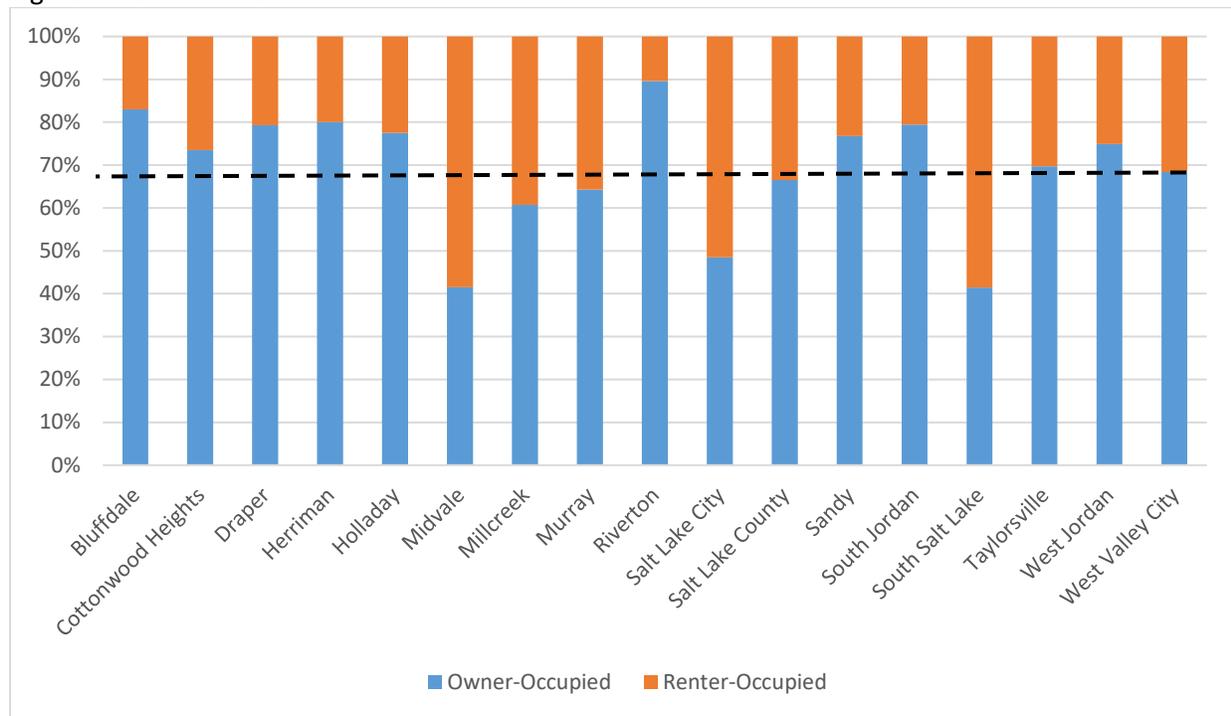
## ANALYSIS OF SUPPLY

The section above clearly demonstrates that West Valley has higher percentages of affordable housing for each targeted income group than the County as a whole and most other municipalities. This section provides information that helps explain why this is the case.

### Housing Tenure

Part of the reason West Valley is more affordable is the City’s relatively high amount of renter-occupied units. When comparing Tables 2 and 3 above its clear that renter-occupied units are generally more affordable than owner-occupied units. Figure 1 below illustrates that West Valley has a higher percentage of renter-occupied units than 10 of the other 15 municipalities in Salt Lake County.

Figure 1: 2017 Tenure



Source: ACS Table DP-04 2013-2017 5-Year Estimates

### Tax Credit Projects

Another reason for West Valley’s affordability is the amount of tax credit units within the City. Table 5 below lists the total number of tax credit units by community and shows what percentage these tax credit units represent from the amount of total occupied housing units in the community. West Valley has a higher percentage of tax credit units than 10 other cities and matches the County overall.

Table 5: Tax Credit Units by City/County

Place	2019 Tax Credit Units	2017 Total Occupied Housing Units	Tax Credit Units as % of Total Occupied Housing Units
Bluffdale	336	2,716	12.4%
Cottonwood Heights	0	12,661	0.0%
Draper	352	13,278	2.7%
Herriman	258	8,180	3.2%
Holladay	133	11,297	1.2%
Midvale	789	12,474	6.3%
Millcreek	145	23,686	0.6%
Murray	904	19,002	4.8%
Riverton	0	11,212	0.0%
Salt Lake City	7,005	76,876	9.1%
Salt Lake County	13,808	363,058	3.8%
Sandy	697	30,382	2.3%
South Jordan	56	19,350	0.3%
South Salt Lake	400	8,844	4.5%
Taylorsville	331	19,959	1.7%
West Jordan	813	32,551	2.5%
West Valley City	1,411	37,051	3.8%

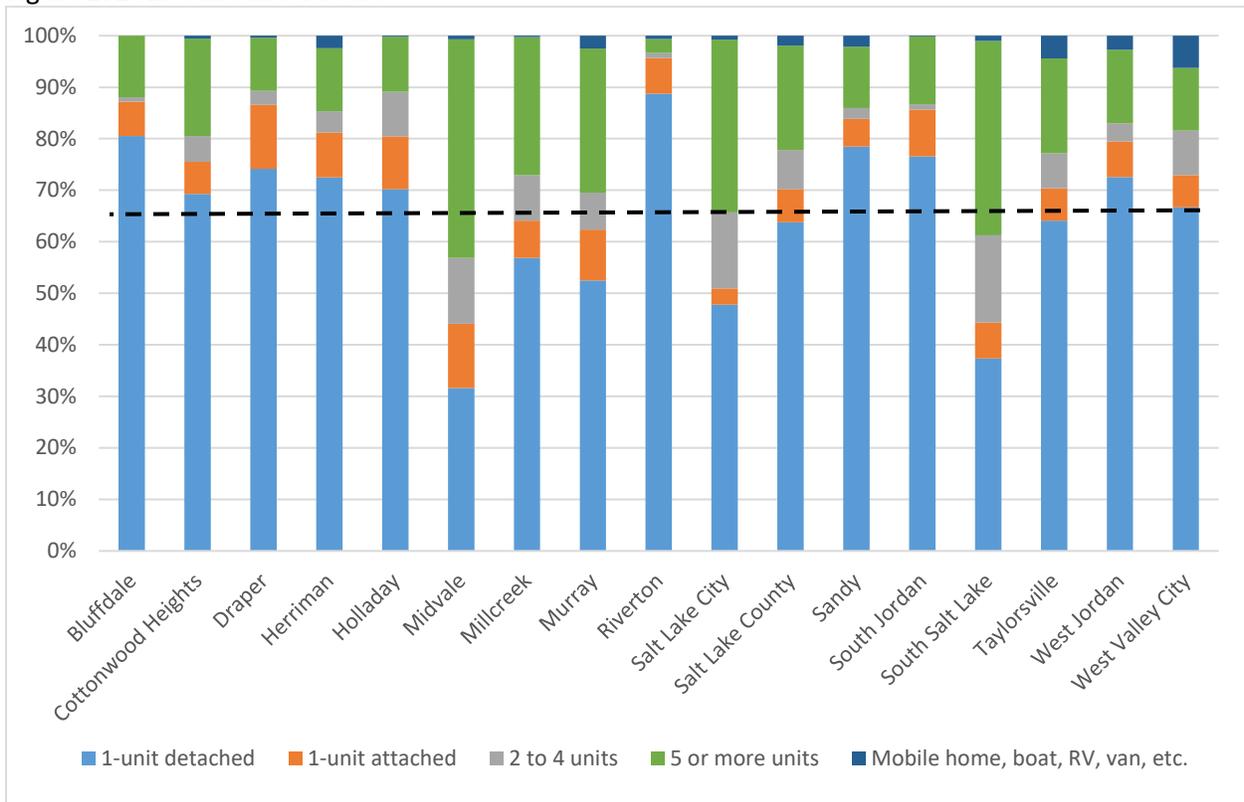
Source: Utah Housing Corporation and ACS Table DP-04 2013-2017 5-Year Estimates

## Housing Diversity

Another reason for West Valley’s affordability is found in the City’s diversity of housing types. One way to measure this diversity is to consider what percentage of a community’s total housing units are single family detached homes versus other types of housing. In other words, the higher the percentage of single family detached homes, the less diverse a community’s housing is.

Figure 2 below illustrates that West Valley has a higher amount of housing diversity than 9 other municipalities in the County. One noteworthy point from this information is that West Valley has a higher percentage (5.2%) of mobile homes than any other community – more than 3 times the overall County percentage (1.5%).

Figure 2: 2017 Units in Structure



Source: ACS Table B25024 2013-2017 5-Year Estimates

### Residential Land Use

West Valley’s housing diversity is reflected in its residential land use. Table 6 provides a breakdown of the amount of land devoted to different types of housing within the City.

Table 6: West Valley City Residential Land Use

Housing type	Acres	% of Total
Single Family Detached Homes	5,904	84.0%
Mobile Homes	327	4.7%
Duplexes	158	2.2%
Multi-Family Housing	640	9.1%
Total	7,029	

Source: West Valley City Planning & Zoning

### Residential Zoning

West Valley has achieved its level of housing diversity largely through offering a variety of flexible residential zones. Table 7 below details the available residential zones in West Valley as well as the number of acres of land within each zone as of 2019. One or more of these zones allow single family homes, mobile homes, duplexes, fourplexes, townhomes, condos and apartments. For single family homes, the City has a variety of lot sizes including smaller lots that help to offset the price of land.

Table 7: West Valley City Residential Zoning

Zone	Zone Description	Minimum Lot size	2019 Acreage	2019 % of Total
A	Agriculture	½ acre	1,621	16.2%
A-1	Agriculture	1 acre	375	3.8%
A-2	Agriculture	2 acres	280	2.8%
R-1-4	Single Family	4,000 SF	91	0.9%
R-1-6	Single Family	6,000 SF	719	7.2%
R-1-7	Single Family	7,000 SF	565	5.7%
R-1-8	Single Family	8,000 SF	4,226	42.3%
R-1-10	Single Family	10,000 SF	886	8.9%
R-1-12	Single Family	12,000 SF	39	0.4%
R-1-20	Single Family	20,000 SF	2	0.0%
RE	Residential Estate	15,000 SF	32	0.3%
R-2-6.5	Duplex	6,500 SF	44	0.4%
R-2-8	Duplex	8,000 SF	138	1.4%
R-4	Fourplex	9,000 SF	45	0.5%
RMH	Mobile Home	5 acres	338	3.4%
RM	Multi-Family	8,000 SF	583	5.8%
Total			9,984	100.0%

Source: West Valley City Planning & Zoning

West Valley City also allows planned unit developments (PUD's) in all residential zones as a conditional use. PUD's allow project density to be increased in exchange for project amenities such as open space. The City also has two zones, City Center (CC) with 53 acres and Mixed Use (MXD) with 15 acres, which allow for a combination of medium to high density residential, retail and office uses.

While there are certainly other factors, such as building age, that influence rents and values, the factors addressed in this document are the ones where cities can have the most influence.

### Housing for Special Needs Groups

A closer look at West Valley's housing stock also reveals units tailored to specific special needs groups. Table 8 below lists these developments.

Table 8: West Valley City Special Needs Housing

Project Name	Address	# of Units	Special Needs Group
Campbell Court	1596 W 3395 S	26	Victims of domestic violence
Compass Villa	1466 W 3500 S	55	Seniors
Gerald Wright	3375 W 3650 S	79	Seniors
Harmony Gardens	3125 S 3600 W	96	Seniors
Kelly Benson	3122 S 3600 W	59	Chronically homeless
Valley Horizons	3133 S 3600 W	20	Mental illness
Valley Crossroads	4850 W 4700 S	20	Mental illness
Valley Fair Village	3060 W 3650 S	100	Seniors and disabled
Victoria Woods	3510 W 3650 S	104	Seniors
Work Activity Center	Various	8	Disabled

## ESTIMATE OF THE NEED FOR MODERATE INCOME HOUSING

As a regional issue, an evaluation of the need for moderate income housing cannot be limited to a single municipality. A better approach is to consider the need at the County level by comparing the number of households in each targeted income group with the number of housing units that are affordable in each targeted income group.

There are limitations to this approach. Some units that are affordable to moderate income households are not occupied by moderate income households. Also, the value of an owner-occupied home can be higher now than when the mortgage to acquire the home was secured, resulting in lower actual costs from what would be incurred if the home were to be sold now. With these limitations in mind, the tables below help estimate the need for additional moderate income housing at the County level.

Table 9 shows the number of Salt Lake County households that fall within various income levels as well as the appropriate targeted income group.

Table 9: 2017 Salt Lake County Household Income

Household Income	Number of Households	% of Total Households	Targeted Income Group
Less than \$10,000	15,516	4.3%	Extremely Low Income
\$10,000 to \$14,999	11,481	3.2%	Extremely Low Income
\$15,000 to \$19,999	11,653	3.2%	Extremely Low Income
\$20,000 to \$24,999	14,216	3.9%	Extremely Low Income
\$25,000 to \$29,999	14,923	4.1%	Very Low Income
\$30,000 to \$34,999	14,582	4.0%	Very Low Income
\$35,000 to \$39,999	14,862	4.1%	Very Low Income
\$40,000 to \$44,999	15,813	4.4%	Low Income
\$45,000 to \$49,999	14,531	4.0%	Low Income
\$50,000 to \$59,999	31,121	8.6%	Low Income
\$60,000 to \$74,999	41,775	11.5%	Above 80% to AMI
\$75,000 to \$99,999	54,190	14.9%	Above AMI
\$100,000 to \$124,999	38,115	10.5%	Above AMI
\$125,000 to \$149,999	23,335	6.4%	Above AMI
\$150,000 to \$199,999	23,214	6.4%	Above AMI
\$200,000 or more	23,731	6.5%	Above AMI
Total:	363,058		

Source: ACS Table B19001 2013-2017 5-Year Estimates

In Salt Lake County, 52,866 households or 14.6% have incomes of 30% or less than the AMI. 44,367 households or 12.2% have incomes between 30% and 50% of the AMI. 61,465 households or 17.0% make between 50% and 80% of the AMI.

Table 10: Number of Housing Units Needed within Salt Lake County for Targeted Income Groups

Targeted Income Group	# of Occupied Housing Units Affordable at Targeted Income Group	# of Households within Targeted Income Group	Difference Between Affordable Units and Households
Low Income	171,829	158,698	13,131
Very Low Income	64,760	97,233	-32,473
Extremely Low Income	20,559	52,866	-32,307

As Table 10 illustrates, there is a need at the County level for more housing that is affordable to households earning 50% or less than the AMI.

Understanding the need at the County level allows us to now consider the need at the local level. Table 11 combines information from Tables 4 and 9 to show how well cities' housing stocks match the income levels of County households.

Table 11: 2017 Occupied Housing Unit Affordability Compared to County Household Income

Place	Total Occupied Housing Units	% of Total Housing Available to Extremely Low Income Households	% of Total Housing Available to Very Low Income Households	% of Total Housing Available to Low Income Households
Bluffdale	2,716	0.6%	1.8%	17.7%
Cottonwood Heights	12,661	2.0%	7.5%	26.9%
Draper	13,278	2.2%	4.3%	21.0%
Herriman	8,180	2.6%	4.6%	23.3%
Holladay	11,297	1.8%	10.4%	25.8%
Midvale	12,474	5.5%	22.9%	68.1%
Millcreek	23,686	4.9%	18.5%	44.8%
Murray	19,002	4.6%	19.0%	51.2%
Riverton	11,212	2.3%	4.4%	13.5%
Salt Lake City	76,876	9.4%	31.1%	60.9%
Salt Lake County	363,058	5.7%	17.8%	47.3%
Sandy	30,382	4.1%	7.9%	25.8%
South Jordan	19,350	1.9%	2.9%	16.4%
South Salt Lake	8,844	10.0%	44.2%	79.7%
Taylorsville	19,959	6.1%	20.2%	59.2%
West Jordan	32,551	3.7%	9.7%	40.2%
West Valley City	37,051	8.5%	21.7%	67.0%
Place	Total Households	% of Households Earning 30% of AMI or Less	% of Households Earning 50% of AMI or Less	% of Households Earning 80% of AMI or Less
Salt Lake County	363,058	12.2%	26.8%	43.7%

Source: ACS Tables B19001 and B19113 2013-2017 5-Year Estimates

For extremely low income households, only two other cities' percentages of affordable housing exceeds that of West Valley's. For very low income households, West Valley has a higher percentage of affordable units than 12 of the 15 other cities within the County. This is due in large part to the significant subsidies, like tax credits, that are needed to construct new housing affordable at these price points.

On the issue of need over the next five years, West Valley City poses this question – should West Valley City be expected to facilitate the construction of new housing that is affordable to extremely low and very low income households when we already have a greater percentage of affordable units at this price than the majority of other cities in the County? West Valley City's response to this question is no, we should not be expected to do this until other cities have stepped up to facilitate new tax credit projects and other subsidized residential developments so that the availability of housing at these price points in other communities increases to a level comparable to West Valley. The likelihood of other cities stepping up to this level in the next five years is very small; hence, West Valley should not be expected to facilitate more affordable housing at these price points over the next five years. The sustainability of our City and its neighborhoods is of paramount concern to us and it is clear that balance and a provision for housing for all comers is essential. We will continue to seek that optimal balance for our community.

For low income households, West Valley has a higher percentage of affordable units than 13 of the 15 other cities within the County. It is important to recognize that market rate rents for West Valley City apartments are affordable to low income households. Based on a rent survey of 20 apartment complexes within the City conducted near the end of 2018, all 2-bedroom or smaller units were priced below \$1,508, which is the maximum rent a moderate income household could afford in 2017. Most of the 3-bedroom units were still priced below \$1,508. Hence, as more market rate apartment buildings are built in West Valley, the number of affordable units for low income households increases.

While West Valley clearly has a substantial amount of affordable housing when compared with other cities within Salt Lake County, it lacks housing for higher income households. In fact, the *Regional Analysis of Impediments to Fair Housing Choice* referenced in the Introduction states: "West Valley City and Taylorsville both have a disproportionately small share of homes priced above \$250,000. A home priced at \$250,000 or more is affordable to those households with at least a median income level. West Valley City with 11 percent of households in the county has only 1.1 percent of the homes priced above \$250,000. Taylorsville with 6 percent of the households in the county has only 1.8 percent of the homes priced above \$250,000. West Valley City and Taylorsville need to continue to concentrate on improving housing opportunities for higher income households." In summary, what West Valley needs is housing for higher income households to provide balance to the ample supply of affordable housing within the City.

## **CITY'S PROGRAM TO ENCOURAGE MODERATE INCOME HOUSING**

Despite the fact that West Valley has clearly done more than most of the other cities in Salt Lake County to facilitate the construction of housing for extremely low, very low and low income households, the City continues to take steps to preserve existing affordable units at all income levels and to support, where appropriate, the creation of new units that are affordable to low income households.

Section 10-9a-403(2)(b)(iii) of Utah Code requires municipalities to include a recommendation to implement three or more of the strategies listed below. In addition to these three, municipalities that have a fixed guideway public transit station are also required to include a recommendation to implement strategy 7 or 8. For those strategies implemented by the City, a brief explanation as to how the City has implemented the strategy is also provided below. As this section will illustrate, the City has implemented and continues to implement many of the strategies identified in State Code.

Those strategies in italics are those that the City plans to continue using in the following three situations. First, to preserve and maintain existing affordable housing. Second, to redevelop blighted multi-family residential with higher density residential. Third, to build new multi-family residential near light rail transit stations.

## Strategies

- 1. Rezone for densities necessary to assure the production of moderate income housing.*

Over the last 20 years, the West Valley City Council has approved 18 rezones for greater densities that facilitated the construction of 1,300 apartments and nearly 1,200 townhomes or condos. This represents 28% of the approximately 8,800 units constructed during this time. The City Council has also recently approved 7 additional rezones for greater densities for projects that have yet to be constructed. Once completed, these projects will yield 720 apartments and 458 townhomes or condos.
- 2. Facilitate the rehabilitation or expansion of infrastructure that will encourage the construction of moderate income housing.*

Within Fairbourne Station, the City has invested \$4 million for a park and nearly \$6 million for roads that will service new apartment developments along with other nonresidential development.
- 3. Facilitate the rehabilitation of existing uninhabitable housing stock into moderate income housing.*

With the help of the Community Development Corporation of Utah, the City has acquired 6 homes with meth, mold, asbestos or significant disrepair problems; remodeled them and sold them to moderate income households.
4. Consider general fund subsidies or other sources of revenue to waive construction related fees that are otherwise generally imposed by the city.

To help support redevelopment, the City's redevelopment agency covered the building permit fees for the Residences at Fairbourne Station apartment development.
- 5. Create or allow for, and reduce regulations related to, accessory dwelling units in residential zones.*

West Valley City allows accessory dwelling units in three residential zones.
- 6. Allow for higher density or moderate income residential development in commercial and mixed-use zones, commercial centers, or employment centers.*

The City allows higher density residential development in the City Center (CC) and Mixed Use (MXD) zones which also allow commercial development. The City has allowed higher density residential development within the commercial/employment centers of

Fairbourne Station (3500 S 2700 W), Highbury (2700 S 5600 W) and Hunter Town Center (3500 S 5600 W).

7. *Encourage higher density or moderate income residential development near major transit investment corridors.*

The City has rezoned property for three apartment complexes with 730 total units near the 35M bus rapid transit route and/or the 704 TRAX Green Line.

8. *Eliminate or reduce parking requirements for residential development where a resident is less likely to rely on the resident's own vehicle, such as residential development near major transit investment corridors or senior living facilities.*

The City Center zone, which is serviced by the 704 TRAX Green Line, the 35M bus rapid transit route and 10 local bus routes at the West Valley Central Station, allows a 10% reduction from the City's minimum parking requirements. The City's code also allows for reductions to minimum parking requirements for developments with a mix of uses that have different peak parking demands where parking can be shared. In addition, the City's code allows further reductions through a use specific parking study that can demonstrate that the proposed use would have a parking demand less than the minimum requirements.

9. Allow for single room occupancy developments.

10. *Implement zoning incentives for low to moderate income units in new developments.*

Within the City Center zone, the City has no density limit. This incentive has in part attracted two apartment developments with the potential for additional housing.

11. *Utilize strategies that preserve subsidized low to moderate income units on a long-term basis.*

The West Valley City Housing Authority administers the Section 8 Housing Choice Voucher Program to provide long-term subsidized assistance to eligible tenants. Using HOME funds, the City offers home rehabilitation grants to preserve affordable, safe, sanitary and decent housing for low-income families and individuals. Utilizing CDBG funding, the City also provides grants for home maintenance and minor repair services to extremely low income homeowners within the City to correct emergency repairs on their home.

12. *Preserve existing moderate income housing.*

As described in strategy 11 above, the City and the City's Housing Authority administer programs that help preserve existing moderate income housing.

13. Reduce impact fees, as defined in Section 11-36a-102, related to low and moderate income housing.

14. Participate in a community land trust program for low or moderate income housing.

15. *Implement a mortgage assistance program for employees of the municipality or of an employer that provides contracted services to the municipality.*

The City has a residency incentive program in the Police Department that includes \$10,000 to purchase a home within West Valley.

16. *Apply for or partner with an entity that applies for state or federal funds or tax incentives to promote the construction of moderate income housing.*

The City partnered with Utah Non-Profit Housing to assemble land for and develop the Willow Park and Gearld Wright Villa Apartments. Both of these projects utilized the Olene Walker Housing Loan Fund and Willow Park utilized the federal low-income housing tax credit program.

17. *Apply for or partner with an entity that applies for programs offered by the Utah Housing Corporation within that agency's funding capacity.*

Back in 2014, West Valley City partnered with Housing Connect (formerly the Housing Authority of the County of Salt Lake) to facilitate the zoning and land assembly for an affordable housing development that would replace aging, single level public housing with higher density units. While significant effort was put into this project over a couple of years, Housing Connect was unfortunately unable to secure the needed financing for the project.

18. *Apply for or partner with an entity that applies for affordable housing programs administered by the Department of Workforce Services.*

19. *Apply for or partner with an entity that applies for programs administered by an association of governments established by an interlocal agreement under Title 11, Chapter 13, Interlocal Cooperation Act.*

Through an interlocal cooperation agreement with Salt Lake County and the four other entitlement cities, West Valley City participates in the HOME Investment Partnership Program. Through this partnership, West Valley receives HOME funds that are used to fund the programs described in strategies 11 and 23.

20. *Apply for or partner with an entity that applies for services provided by a public housing authority to preserve and create moderate income housing.*

West Valley City has its own housing authority. As described above the City's Housing Authority administers the Section 8 Housing Choice Voucher Program.

21. *Apply for or partner with an entity that applies for programs administered by a metropolitan planning organization or other transportation agency that provides technical planning assistance.*

West Valley City has applied and received funding for two grants from the Wasatch Front Regional Council through the Transportation and Land Use Connection Program. The first grant helped fund the creation of the Hunter Town Center Plan for the area surrounding the intersection of 3500 S 5600 W. The second grant is helping fund the creation of an active transportation implementation plan for the City.

22. *Utilize a moderate income housing set aside from a community reinvestment agency, redevelopment agency, or community development and renewal agency.*

The Redevelopment Agency of West Valley City has utilized the moderate-income housing set aside extensively and diversely since its inception. Projects include:

- Financial participation in new multi-family developments.
- Rehabilitation of existing moderate income single family detached homes.

- Subsidizing off-campus student housing for first generation college students through the University of Utah.

*23. Any other program or strategy implemented by the municipality to address the housing needs of residents of the municipality who earn less than 80% of the area median income.*

The City uses HOME funds to provide a \$7,500 down payment assistance grant to eligible households wishing to locate within the City.

## **ANALYSIS OF HOW THE CITY WILL PROVIDE A REALISTIC OPPORTUNITY FOR THE DEVELOPMENT OF MODERATE INCOME HOUSING WITHIN THE NEXT FIVE YEARS**

Over the last five years, the City has issued permits for an average of 300 dwelling units per year. City staff anticipates a lower amount of permits issued over the next five years for two reasons. First, many economists are projecting 2019 and 2020 to be slower years for the economy than 2018. Second, permits in 2014 and 2015 were higher than the succeeding years – meaning the City was already seeing a downward trend in residential permits toward the end of the last five years.

City staff anticipates an annual average number of permits at 250 dwelling units for the next five years. This would result in 1,250 new dwelling units. Based on approvals already made for apartment units in three different apartment projects, staff anticipates 720 new moderate income housing units will be constructed within the next five years. This number is over half the new units anticipated over the next five years and does not include other moderate income housing units which may be approved and constructed within the same timeframe.

The City facilitated these three apartment developments in the following ways:

- All three apartment developments required a zone change. One of the zone changes was initiated proactively by the City to accommodate new apartments in the City's downtown project known as Fairbourne Station. Another zone change was approved despite significant public opposition from City residents as well as residents from a neighboring municipality.
- To facilitate additional apartments within Fairbourne Station the City assembled property in part through tax increment and demolished blighted residential properties.