

MODERATE INCOME HOUSING UPDATE
2022



NORTH OGDEN CITY

— SETTLED 1851 —

2022 MODERATE INCOME HOUSING UPDATE

As of December 2021, North Ogden City had just over 6,665 residential units, the majority of which are single family units. We have seen an increase in the number of single family home permits pulled in the past several years. The City currently also has 951 connected units in the City based on City and County records. Attached dwelling units are more affordable than single family units, though it is not always the case; this pattern, however, seems to be the general trend for the North Ogden Area based on the data provided by the Department of Workforce Services. The majority of these attached dwelling units are 4-plexes and duplexes, but some are townhomes or other similar types of dwelling units. Additionally, there are 558 apartments across two different projects, 365 townhomes, and 68 independent living units which have been approved and vested in North Ogden City, which are anticipated to be under construction in the next few years. In all, the City expects the number of total dwelling units to increase to over 7,250 residential units by 2025 with approximately 1,942 of those units being connected units. This means approximately 26.8% of North Ogden City’s housing stock will be some sort of attached family unit by 2025. The number of approved connected units continues to represent a higher percentage of total growth for the city compared to single-family units. This will ultimately assist in providing affordable housing options for residents.

The State Code outlines several required components of the Moderate Income Housing Plan. The following sections are intended to satisfy the requirements articulated in 10-9a-103. The Data provided comes from the Utah Department of Workforce Services.

Section 6: Monthly housing costs in North Ogden city

Table B25088 Table B25064	2009 American Community Survey	2017 American Community Survey	Annual Growth Rate (Slope)	2026 Projection	Difference between 2017 and 2026
Total owner-occupied housing unit costs (ACS Table B25088)	\$1,312	\$1,210	-\$18	\$1,054	\$ (156)
Units with a mortgage (ACS Table B25088)	\$1,465	\$1,418	-\$10	\$1,334	\$ (84)
Units without a mortgage (ACS Table B25088)	\$352	\$413	\$8	\$470	\$ 57
Median gross rent (ACS Table B25064)	\$831	\$1,026	\$30	\$1,272	\$ 246

*Source 1: U.S. Census Bureau. Table B25088: Median selected monthly owner costs (Dollars) by mortgage status. American Community Survey.

*Source 2: U.S. Census Bureau. Table B25064: Median gross rent (Dollars). American Community Survey.

Section 7: Median household income in North Ogden city

Table B25119	2009 American Community Survey	2017 American Community Survey	Annual Growth Rate (Slope)	2026 Projection	Difference between 2017 and 2026
Median household income (ACS Table B25119)	\$74,384	\$78,926	\$544	\$81,519	\$ 2,593
Owner-occupied income (ACS Table B25119)	\$76,799	\$83,138	\$659	\$86,068	\$ 2,930
Renter-occupied income (ACS Table B25119)	\$43,867	\$59,583	\$3,036	\$82,986	\$ 23,403

*Source 1: U.S. Census Bureau. Table B25119: Median household income that past 12 months by tenure. American Community Survey.

(a) an estimate of the existing supply of moderate income housing located within the municipality;

Calculate the municipality's housing gap for the current year by entering the number of moderate-income renter households, affordable and available rental units from TABLE 1 below:

2020 Shortage	Renter Households	Affordable Rental Units	Available Rental Units	Affordable Units - Renter Households	Available Units - Renter Households
≤ 80% HAMFI	370	810	370	440	0
≤ 50% HAMFI	165	285	105	120	-60
≤ 30% HAMFI	50	60	15	10	-35

Calculate the municipality's housing gap for the previous annual by entering the number of moderate-income renter households, affordable and available rental units from TABLE 2 below:

2016 Shortage	Renter Households	Affordable Rental Units	Available Rental Units	Affordable Units - Renter Households	Available Units - Renter Households
≤ 80% HAMFI	410	725	369	315	-41
≤ 50% HAMFI	165	225	119	60	-46
≤ 30% HAMFI	75	65	15	-10	-60

Subtract Table 2 from Table 1 to estimate progress in providing moderate-income housing

PROGRESS	Renter Households	Affordable Rental Units	Available Rental Units	Affordable Units - Renter Households	Available Units - Renter Households
≤ 80% HAMFI	-40	85	1	125	41
≤ 50% HAMFI	0	60	-14	60	-14
≤ 30% HAMFI	-25	-5	0	20	25

According to the information provided by Utah Department of Workforce Services, the City has increased the number of affordable housing units from 2016 to 2020 in all income categories, and only lags behind in the 50% Household Area Median Income (HAMI) category.

This data is based on Census and American Communities Survey information. The reality for the Wasatch Front is that household costs for ownership and rentals have increased dramatically in the past 12-18 months. The data is essentially lagging. In response to what the city is seeing on the ground with true prices, there is a continued push to increase the number of affordable options for residents in the city.

In the 2019 Moderate Income Housing Plan, it was estimated that there were at least 700 and possibly as many as 1051 households with less than 80% AMI who are currently paying over 30% of their income for their monthly housing costs. Since there were 2637 households in the 80% AMI or lower range, this is significant; this data indicates that roughly 27-40% of the existing households under the 80% AMI are paying over 30% of their monthly income towards housing expenses. The city expects this to still be the case today.

(b) an estimate of the need for moderate income housing in the municipality for the next five years;

Approximate Housing Cost Burden Ratio at HUD's 80%, 50%, and 30% Income Limits based on a 4-Person Family Household

Table B25088 Table B19019	2009 American Community Survey	2017 American Community Survey	2026 Projection
Ratio of median rent in the municipality to 100% of the median income of a family of 4 in the county	16.1%	15.6%	16.6%
Ratio of median rent in the municipality to 80% of the median income of a family of 4 in the county	20.1%	19.5%	20.8%
Ratio of median rent in the municipality to 50% of the median income of a family of 4 in the county	32.1%	31.2%	33.2%
Ratio of median rent in the municipality to 30% of the median income of a family of 4 in the county	53.5%	52.0%	55.4%

*Ratios greater than 30% indicate that the average 4-person family household in the county would be burdened by the typical housing costs in the municipality. Ratios greater than 50%

indicate that the average 4-person family household in the county would be severely burdened by the typical housing costs in the municipality.

The City is constrained by the ability of the Planning Department and Building Department to approve and develop property within the City. Over the past several years the City has seen a significant up-tick in the number of housing units permitted and constructed. Using this historical information with the number of units increasing dramatically in the past several years the City estimates to be permitting 200 residential units to 250 units per year for the next five years. The City's overall estimate is that 1250 housing units will be created in the next five years.

According to the data provided by the Utah Department of Workforce Services, the 2026 projection of cost burden ratios remain under 30% for the 100% HAMI and 80% HAMI. However, the city will need to provide additional units affordable for the 50% HAMI and the 30% HAMI levels. In order for the city to provide these units, some form of subsidized housing or an increase in accessory dwelling units will be necessary to meet housing needs for those income levels.

(c) a survey of total residential land use; (City Numbers) 6665+ total units, 951 connected units

According to the City's records, there are the following numbers of total housing units in the City:

- 6665 Total Housing Units
- 951 Connected Housing Units
- 5714 Single Family Residential Units
- There are an additional number of connected and single family units in various stages of construction as of November 1, 2021.

*Source City Building Permit Records / City Utility Connection Records

(d) an evaluation of how existing land uses and zones affect opportunities for moderate income housing; and

This topic is addressed, but not specifically identified in the City's Goals below for ways to promote, encourage, and maintain the current levels of Moderate Income Housing and to add additional units of Moderate Income Housing.

(e) a description of the municipality's program to encourage an adequate supply of moderate income housing.

This topic is addressed below in the City's Moderate Income Housing Goals

CITY’S MODERATE INCOME HOUSING GOALS

A. Rezone for densities necessary to facilitate the production of Moderate Income Housing.

The City is experiencing growth pressures and requests from the development community for increased densities and housing types. In response, the City has reviewed areas of the General Plan Future Land Use Map where increased density makes the most sense. The Future Land Use Map has been adopted, and the General Plan document and language is in process of being updated. The City has been responsive to requests for rezones in the areas approved in the General Plan Future Land Use Map and during the summer of 2022 rezoned two properties to R-4 (the most intense multi-family zone).

Implementation Measure	Time - Months
General Plan Future Land Use Map Adoption	Complete
General Plan Written Text and Document Update	12
Market driven rezone requests - Evaluate developer’s response to increased density areas to provide new moderate income housing options	24-36

E. Create or allow for, and reduce regulations related to, internal or detached accessory dwelling units in residential zones.

Interest in ADUs is growing, and the Planning Department regularly responds to residents looking for information about ADU regulations. Staff is hopeful that over the next 5 years the City could add 5 to 10 ADUs per year to help meet the goals of moderate income housing. Though no formal study has been completed, the hope is that because of reduced building and infrastructure requirements for ADUs that property owners will be able to participate in the ADU program at a much lower cost allowing more flexibility in rental rates to recoup their investment. The addition of ADUs in these neighborhoods, where streets and other utility main lines are already in place, is a primary tool hoped to leverage these existing resources to enable lower cost for construction of affordable housing, without overburdening the demand.

Implementation Measure	Time - Months
Ordinance passed allowing Internal ADU’s in all single-family residential zones	Complete
City encourage and communicate to homeowners the possibility to construct ADUs to provide affordable housing	12
Process building permits: 5-10 ADU’s per year is a realistic number of expected new ADUs in North Ogden annually	12

G. 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.

The North Ogden City General Plan adopted in 2015 has a focus on the concentration of medium density housing in close proximity to UTA bus routes along Washington Blvd. The majority of the City’s current higher density units are along the Washington Blvd. corridor and within ¼ mile of a UTA bus stop. Though these bus routes do not qualify as “transit investment corridors” they are the largest public transit investment by the state into our community and the City feels that access to bus routes is vital to the successful creation of MIH.

Implementation Measure	Time - Months
General Plan language to focus on medium density housing in close proximity to UTA routes	Complete
Process building permits: 600 entitled units expected to file for building permits in the next 12-36 months	12-36
Half of all new units to be located within ¼ mile of major bus routes and all within ½ mile of the bus line.	12-24

J. Implement zoning incentives for moderate income units in new developments

The City will explore regulations associated with zoning incentives for low to moderate income units to include:

- Deed restrictions for density incentives
- Density bonus programs
- Increasing density across all zones
- Adding small lot subdivisions
- Adding additional housing types
- Shortening development approval timeline for densities greater than 6 per acre
- Encouraging mixed use in commercial zones

Implementation Measure	Time - Months
Staff will develop Code language to permit zoning incentives for low to moderate income units – Including density trade off for open space preservation	6-12
Staff will develop Code language to permit shortened development approval timeline for densities greater than 6 units per acre	6-12

L. Reduce, waive, or eliminate impact fees related to moderate income housing

The City has limited ability to reduce impact fees without making up the lost revenue. There is more flexibility in reducing the standard building permit fees for those projects which have a beneficial impact on moderate income housing. The City needs to meet with the development community to discuss strategies for bringing subsidized units into future projects. These subsidies can be used to make up the reduction in revenue that impact fees bring in to cover essential services.

Implementation Measure	Time - Months
Review Consolidated Fee Schedule for standard building fees to look for potential reductions for MIH	12
Meet with development community to talk about options for subsidized housing in single and multi-family projects	6