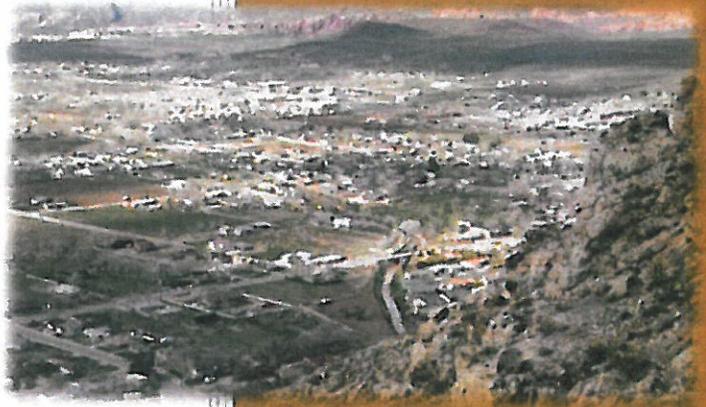


2014

Hurricane City: Affordable Housing Plan



Adopted by the Hurricane City Council

December 18, 2014



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Hurricane City: Affordable Housing Plan

Executive Summary

The purpose of this affordable housing plan is to ensure that Hurricane City provides a reasonable opportunity for a variety of housing, including moderate income housing, to meet the needs of the population desiring to live in Hurricane City.

The population of Hurricane City is growing and projected to increase substantially over the next 10 years. One-third of all Hurricane City households are earning a moderate income or less and the demand for affordable home ownership and rental opportunities for this segment of the population will likely increase.

A number of residents of Hurricane have expressed the need for additional affordable housing options and have expressed particular concern about a lack of affordable rental options and relatively high impact fees. The majority of residents express the need for a variety of housing types to meet the needs of a diverse population.

The *Utah Affordable Housing Forecast Tool*, provided by the Utah State Division of Housing and Community Development, indicates that a number of households, particularly those earning a low income are expend a high percentage of their income on housing and a greater supply of affordable rental and owned housing is needed to meet the need of affordable housing in Hurricane.

Hurricane City currently has provisions in its ordinances to provide for affordable housing at various income levels. However, there are actions that the City could take to increase the availability of affordable housing, particularly incorporating inclusionary zoning and allowing for accessory dwelling units to be used for rentals.

The following goals are recommended to maintain adequate affordable housing choice for current and future residents who wish to reside in Hurricane City:

- Increase Opportunities for Low to Moderate Income Households to Purchase Affordable Housing by promoting housing assistance programs, offering incentives to developers to provide affordable housing, consider re-zoning infill sites to allow for higher density development, and review the impact fee structure to lower impact fees for smaller units in established areas of the City.
- Increase Affordable Rental Opportunities for Low to Moderate Income Households by creating awareness about rental assistance programs and promoting the establishment of accessory dwelling units.
- Rehabilitate Existing Housing to Increase Rental Properties, Homeownership, and Reinvestment by promoting federal and state home rehabilitation and weatherization programs.

- Provide housing for those with Special Needs by ensuring that there are no regulatory barriers and working with non-profits to assess needs for specialized housing.

Introduction

In 1996 the Utah Legislature passed House Bill 295 requiring cities and counties to include an affordable housing element as part of the general plan. Housing is considered affordable when households of various incomes, spend no more than 30% of their gross monthly income on housing expenses. In this plan, housing needs are considered for moderate income or 50-80% of Area Median Income (AMI), low income (30-50% of AMI), and very low income (<30% of AMI) households.

The purpose of this affordable housing plan is to ensure that Hurricane City provides a reasonable opportunity for a variety of housing, including moderate income housing, to meet the needs of the population desiring to live in Hurricane City. Low to moderate income housing should be encouraged to allow persons with low to moderate incomes to fully participate in, and benefit from all aspects of neighborhood and community life.

Methods

To develop the affordable housing plan, The Five County Association of Governments Staff utilized public involvement methods and the *Utah Affordable Housing Forecast Tool (UAHFT)*, developed by the State of Utah Housing and Community Development Division to formulate the plan. Public involvement methods included stakeholder interviews and a housing survey. An explanation and findings of both public involvement methods and the UAHFT are explained below.

Stakeholder Interviews

The Five County Association of Governments Staff consulted with the City Manager of Hurricane City and the Hurricane City Planning Director to determine and identify key stakeholders in the community to provide input and inform this Plan. Community members with varying perspectives were targeted, including a real estate agent, a food pantry administrator, a local clergyman, and a local business owner. Staff interviewed these participants to determine the state of affordable housing and the needs for the community. Their input is summarized below:

- High impact fees often make it cost prohibitive to develop new affordable housing projects, although the City has been willing to defer impact fees for some projects.
- There is a shortage of housing for sale that is affordable to low and moderate income households.
- The rental housing market is very tight. As soon as rentals are listed, they are usually rented out.

- The employment base in the area does not support the housing prices prevalent in the City.
- Most of the growth in the City is currently occurring in Dixie Springs. Although the lots are relatively affordable, almost all the homes being developed are not affordable to moderate income households.

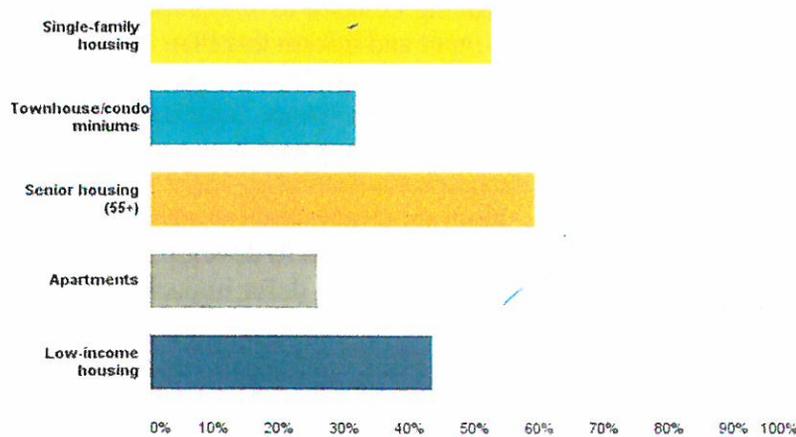
Community Survey

In order to solicit input from the entire community, Five County AOG Staff consulted with Hurricane City Administrators to develop a survey that assesses personal and community-wide housing affordability needs. The survey was distributed via utility bills notices and at community buildings, including the Library, the Senior Center and the local food pantry (Care-and-Share). It was also available online, with a link posted on the City website. The survey yielded a total of 868 responses from members of the community that was representative of the tenure and housing type mix in Hurricane. A summary of survey responses is included below:

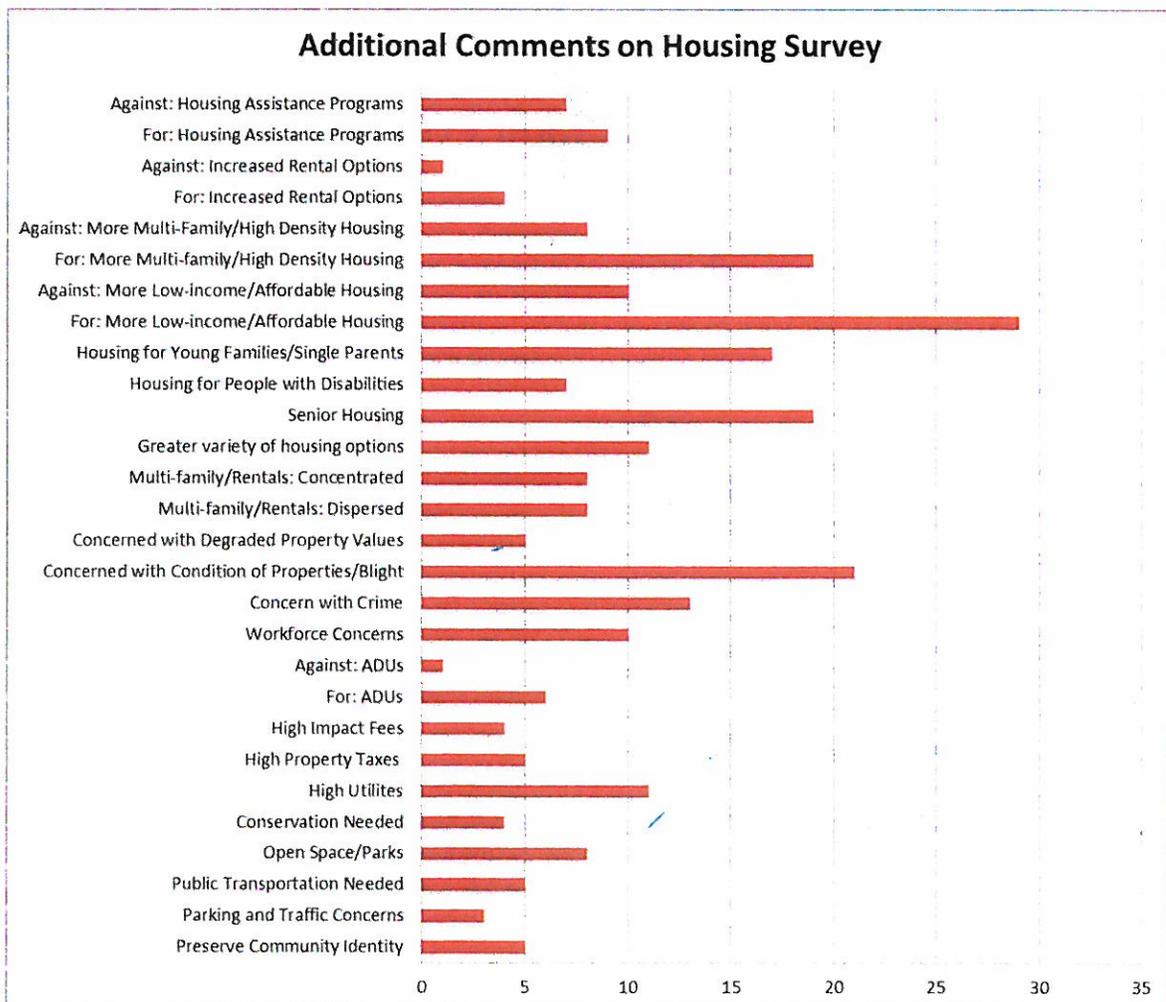
- The vast majority (88%) of respondents feel that the rent/mortgage of their home is fair based upon the size and condition of the home and feel that they can afford the living expenses.
- More than half of residents have resided in their current home less than 10 years. However, one-quarter of residents noted that they no longer pay mortgage or rent.
- Approximately 21% of respondents intend to move in the near future for a variety of reasons, including expensive rent/mortgage and utilities, size of home (large and small), job opportunities and family responsibilities.
- Respondents expressed the need for a variety of housing types in the next 10 years, with single-family homes, senior housing and low income housing receiving the greatest number of responses.

Q10 What type of additional housing do you believe is necessary in Hurricane in the next 5-10 years? (Check all that apply.)

Answered: 654 Skipped: 114



- Most respondents believe that multi-family housing should either be distributed throughout the City (48%) or restricted to several areas (34%). Fewer believe that multi-family housing should be restricted to one area (12%) or not allowed anywhere (6%).
- The majority of respondents are supportive of the City allowing accessory dwelling units to be used for rental housing within single family neighborhoods (61%), while some are not supportive (25%) or unsure (14%).
- A wide variety of concerns were expressed with regards to affordable housing in Hurricane City. While many are supportive of increased opportunities for low-income/affordable housing and a greater variety of housing options including multi-family housing and housing assistance programs, many are concerned that low-income housing can bring crime and blight to an area. Several residents expressed that housing options are needed for all segments of society, particularly seniors, young families and single parent households. Some residents expressed that utilities, impact fees, and property taxes are too high in the area. In conjunction with additional housing options, residents expressed the need to preserve community identity and to provide more parks and public transportation service. The following chart details the types of comments received in the survey.



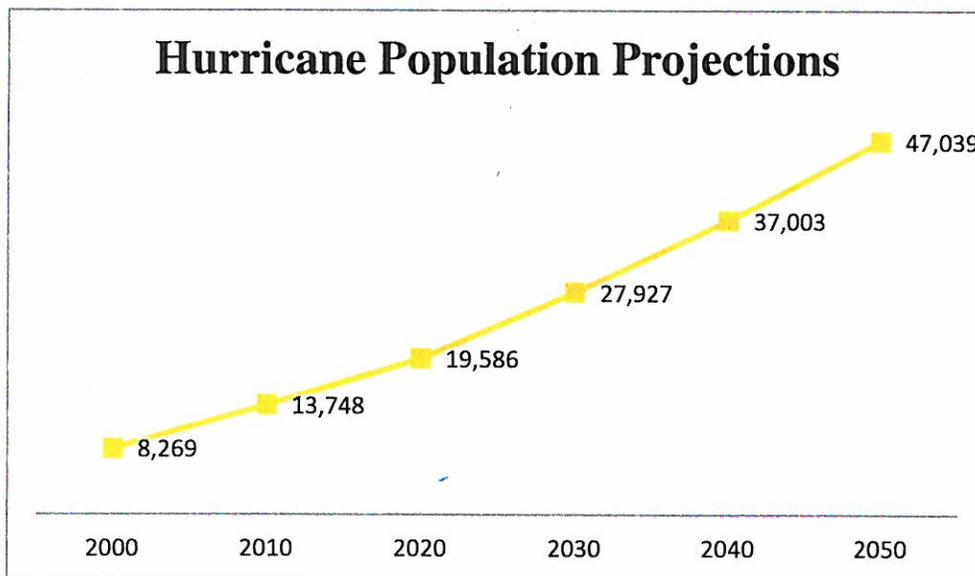
Utah Affordable Housing Forecast Tool

Five County AOG Staff utilized the *Utah Affordable Housing Forecast Tool* (UAHFT) to analyze housing needs in the community, based upon the affordability of the existing housing stock. The UAHFT is a housing needs model that projects housing needs based upon current trends of housing affordability and projected population increases. Data for the model is obtained through the US Census, the US Department of Housing and Urban Development, the Utah State Office of Management and Budget and other research. Findings from the model are summarized throughout this document.

Demographics

Population and Growth

Between 2000 and 2010 Hurricane City saw the population increase by 5,479 people to bring the total population to 13,748 in 2010. According to the Utah State Office of Management & Budget, Hurricane City is expected reach a total population of 19,586 by 2020 and 47,039 by 2050. The graph below displays the population projection for this time period.



Source: Utah State Office of Management & Budget

Analysis of Population and Growth

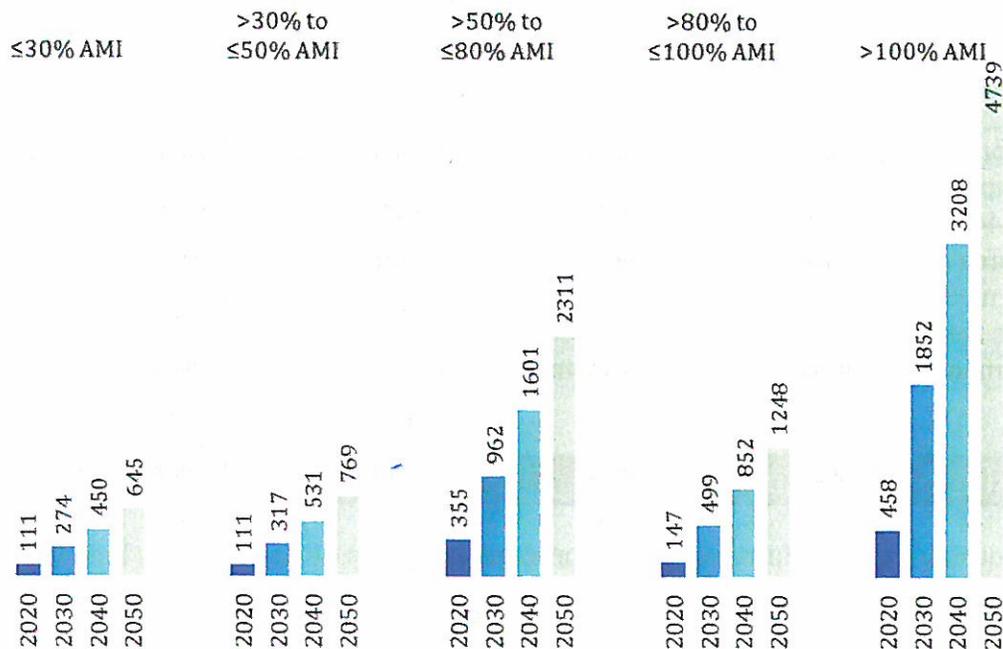
The projected population increase of 5,838 new residents between 2010 and 2020 is a significant increase of 42%. According to these estimates 1,959 new households will need a place to live in Hurricane City, many of which will be moderate income households (<80% AMI). If the current share of moderate-income households remains steady, there would be 676 (34%) new moderate-income households in need of affordable housing in addition to those currently lacking affordable housing options.

There are an estimated 448 non-seasonally vacant dwelling units in Hurricane City according to the 2010 US Census. Seasonally vacant housing is housing units that are vacant during a specific season, and are for recreational or occasional use. Although it is likely that many of the future residents will fill some of the vacant units, the vacant housing stock will not be sufficient to accommodate all of the estimated households over the next 10 years. In the community survey, several residents noted that there is a need for additional low-income housing to meet the needs of both current and future residents. In addition, the existing housing stock will have to be maintained and in some cases, rehabilitated, in order for the units to be safe, decent places to live.

New Housing Demand

To accommodate the projected increase in households, new housing will be needed. Based upon the projected increase in population, observed income levels, and existing vacancies, the UAHFT Housing Model estimates that there will be a demand for 577 new housing units for moderate income households (<80% AMI) by 2020 and 3,725 new units by 2050. The chart below summarizes the projected demand for new housing in Hurricane across various income groups.

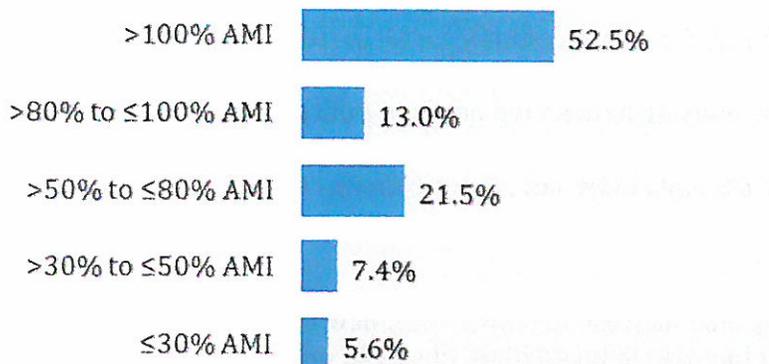
New Housing Unit Demand by Household Income Level



Income

Analyzing the income of Hurricane City’s residents is critical to understanding the affordable housing need for the city. Housing affordability at the household level is a direct function of income.

Households by Income Level (Present)



Source: US Department of Housing and Urban Development

Because the cost of living is relative to the area in which the residents live and to household size, the U.S. Department of Housing and Urban Development (HUD) uses a measure called the Area Median Income (AMI). The AMI for Washington County is \$56,800. The chart below categorizes household income levels by AMI, and illustrates the number of Hurricane City households whose total income falls within each income bracket.

According to HUD estimates, 1,565 (34.5%) households in Hurricane City earn a moderate income or less. A moderate income in Hurricane City is 80% of the area median income, or \$45,440 annually. An estimated 255 (5.6%) households in Hurricane City earn just 30% of the area median income, or \$17,040 annually. The households that earn just 30% of the area median income find it very difficult to live within the affordable housing guidelines since they cannot afford average market rental rates. It is vital to the well-being of the community that households of all income levels have affordable housing options.

Housing Stock Characteristics

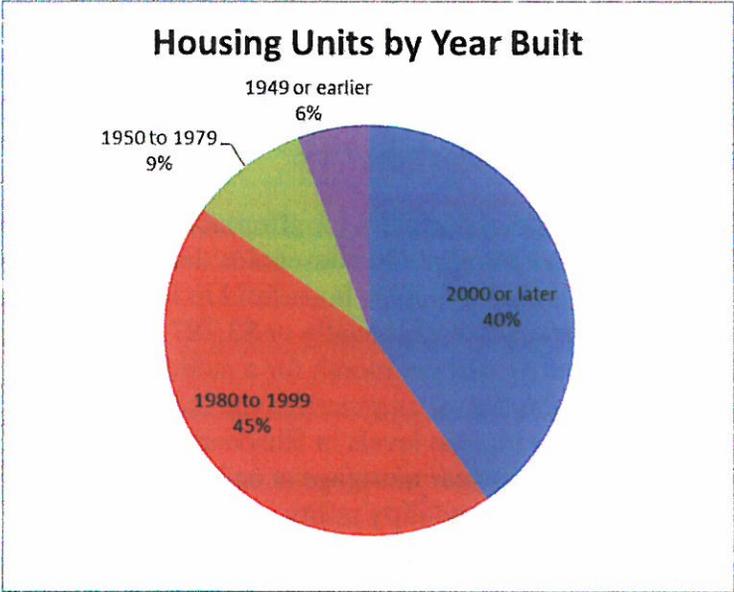
The housing stock in Hurricane City is primarily made up of single family homes, but also includes a significant supply of mobile homes and fewer multi-family units. The 2011 American Community Survey (ACS) estimates that of the 5,252 housing units, 3,720 (83%) are single-family homes, 742 (14%) are mobile homes and 103 (2%) are multi-family housing (2+ units).

Housing Occupancy and Vacancy

According to 2010 Census data, there are 5,461 housing units in Hurricane City. 4,609 (84%) of the units were occupied while 852 (16%) were vacant. Of the 4,609 occupied housing units, 3,301 (72%) were owner occupied, and 1,308 (28%) of the units were rented.

Age of Housing Stock

Because of accelerating growth rates in recent years, the vast majority (85%) of the housing stock in Hurricane is less than 30 years old. Approximately 15% of the housing stock was built prior to 1980, with 6% built before 1950. Ongoing maintenance of existing properties will help maintain an adequate supply of affordable housing in the City.



Source: US Census, American Community Survey

Condition of Housing Stock

As discussed above, the majority of housing (85%) is less than 30 years old. Homes older than 30 years generally require more rehabilitation than newer homes, but newer homes also need continual rehabilitation. According to a windshield housing condition survey conducted by the Five County Association of Governments in 2013, there were 9 homes in Hurricane City in dilapidated condition and 11 homes in severely deteriorated condition. Severely deteriorated homes are those that are beyond acceptable limits, and need several major repairs; while dilapidated homes are uninhabitable and should be replaced. Moderate condition homes require some repairs, but are in livable condition. The vast majority of homes (99.7%) in Hurricane City were categorized to be in excellent, fair, or moderate condition. Although there are few homes in dilapidated or severely deteriorated condition, there is likely a sizable amount of homes, particularly amongst those that are greater than 30 years old, in moderate condition which are in danger of becoming deteriorated, absent of needed repairs. Several respondents of the survey expressed concern about the condition of housing in Hurricane. In order to retain an adequate supply of affordable housing, Hurricane City should continue to be proactive about rehabilitation of the existing housing stock.

Housing Affordability

The affordability of the housing stock is determined based upon the Area Median Income (AMI) and the amount that a household at each income level can afford. According to current State and Federal definitions, housing is considered affordable when a household spends no more than 30% of their annual income on housing expenses, including mortgage or rent and utilities. Those that spend more than 30% of their monthly income on housing expenses are considered “cost-burdened” and are referred to as such throughout this document.

In Washington County, the 2013 AMI was \$56,800 annually or \$4,733 monthly. Based upon this standard, mortgage or rent and utilities should not exceed \$1,420 per month for a median income earning household in Hurricane City.

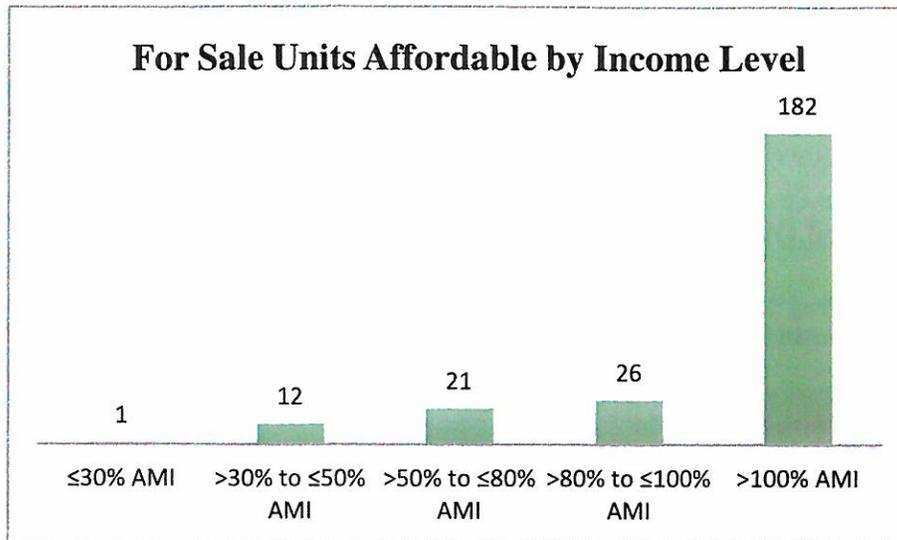
The purpose of this plan is to provide opportunity for affordable housing for all income levels. The same affordability standards apply to households that earn less than the area median income. For example, a moderate income household in Hurricane City earns 80% of the area median income, which is \$45,440 annually or \$3,787 monthly. Mortgage or rent and utilities should not exceed \$1,420 per month for a moderate income household in order to afford the housing. The table below summarizes the maximum monthly affordable housing costs for various income levels in Hurricane City. Maximum mortgage amounts are based upon a 30 year mortgage at an interest rate of 4.375%, a mortgage insurance rate of 1.75% and a monthly utility cost of \$175.

Summary of Affordability

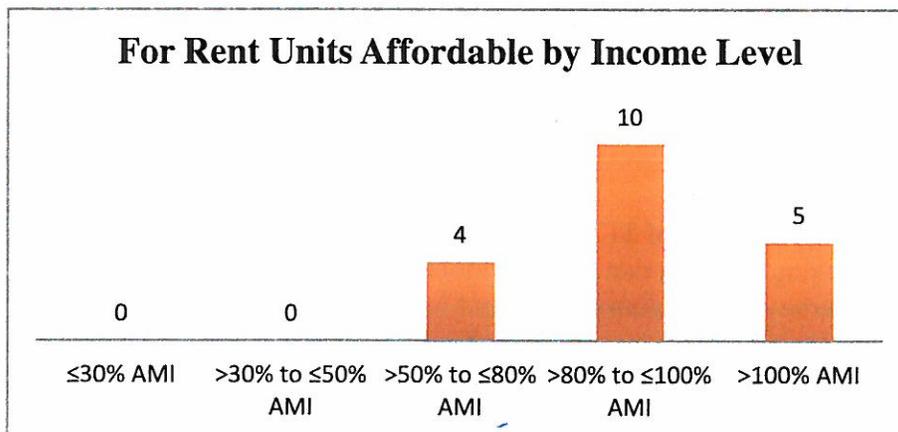
Household Income	Maximum Monthly Income for Housing Expenses	Maximum Mortgage Loan Amount
<i>≤30% AMI</i>	\$383	\$32,304
<i>>30% to ≤50% AMI</i>	\$639	\$71,925
<i>>50% to ≤80% AMI</i>	\$1,022	\$131,356
<i>>80% to ≤100% AMI</i>	\$1,278	\$170,976

Available Housing Prices

Property research conducted on the website www.realtor.com indicates that there were 241 total properties for sale in Hurricane City as of November 10, 2014. Only 14% of homes listed would be affordable to a household earning a moderate income or lower (<80% AMI). The chart below categorizes the affordability of the listed homes by income level.



To research the level of affordability for available rental units, Five County AOG Staff research listed units on the www.realtor.com, www.zillow.com and www.craigslist.com websites. Those units that were listed on multiple sites were only counted once. A total of 19 units were listed on these sites, as of November 10, 2014. Of those listed, 21% are considered affordable to households earning a moderate income or less. The chart below categorizes the affordability of available rental units across various income ranges.



Affordability of Home Ownership

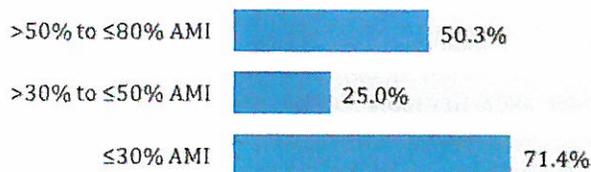
A moderate-income earning household, earning \$56,800 could expend up to \$1,022/month on housing without being cost-burdened. A budget of \$1,022 for housing and utility expenses would support a mortgage of approximately \$131,536 based on a 30-year fixed rate loan at 4.375% interest and an average monthly utility bill of \$175. Homes valued at or below \$131,536 are considered affordable for moderate income earning households in Hurricane City.

According to estimates of the US Department of Housing and Urban Development (HUD), approximately 50.3% of moderate income residents (50-80% AMI) owning a

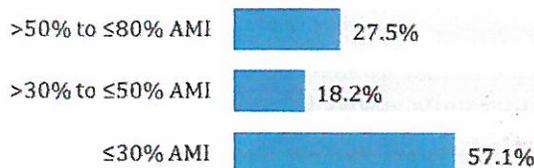
home in Hurricane City would be categorized as cost-burdened, spending more than 30% of their household income on housing expenses. Approximately 25.0% of low-income (30-50% AMI) and 71.4% of very low-income (<30% AMI) residents are cost-burdened (see chart below).

Cost Burdened Owner Households

Households Spending 30% or More of Monthly Income on Housing (by Income Level)



Households Spending 50% or More of Monthly Income on Housing (by Income Level)



Affordability of Rent

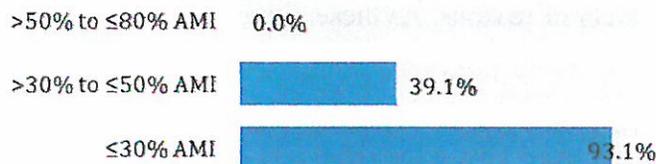
Assuming an average utility expense of \$175, a moderate-income household in Hurricane could afford to rent a housing unit at a rate of \$847/month. According to the 2011 American Community Survey, the median cost of rent in Hurricane City is \$847. Therefore, a household earning a moderate-income should be able to afford the average rental rates in the city. However, HUD data indicates that approximately 65.2% of moderate income (50-80% AMI) renter households are cost-burdened. Households earning below moderate income levels find it more difficult to find affordable rentals. It is estimated that 65.2% of low-income (30-50%) and 100% of very low-income (<30% AMI) households are cost-burdened (see below). Low and very low-income earning households typically find it very difficult to afford median rental rates. Assistance programs, such as subsidized rental housing and the Section 8 voucher program help a number of low income households in the City to afford living expenses.

Cost Burdened Renter Households

Households Spending 30% or More of Monthly Income on Housing (by Income Level)



Households Spending 50% or More of Monthly Income on Housing (by Income Level)



Location Affordability

There is more to housing affordability than how much rent or mortgage a household pays. Transportation costs are the second largest budget item and the location of a house has a direct impact on these costs. For example, living close to work and other common destinations can significantly lower the amount of mileage a household drives and reduces the need for additional vehicles.

The *Location Affordability Index* developed by HUD and the Department of Transportation estimates the housing and transportation costs for communities across the US. According to this measure, the average household in Hurricane spends 31% of their income on housing and 26% on transportation, totaling 57%. This can be compared to St George, which is estimated to cost its residents on average of 30% for housing and 22% for transportation with a lower total of 52%. In addition to the consideration to provide housing that is affordable, the City should consider the impact that housing location has upon transportation costs. The City should encourage affordable housing to occur in areas of the City where shopping and other services are within walking distance to help lower transportation costs for low to moderate income households. Some survey respondents commented that providing public transportation in Hurricane City would help lower income residents reach desired destinations. The City should encourage higher density housing along planned public transportation corridors, such as State Street (SR 9), to allow more residents the opportunity to lower transportation costs while still accessing critical destinations.

Special Needs Housing

It is important for Hurricane City to address housing for those with special needs. People with special needs may include the seniors, people with disabilities, the homeless, or those otherwise in need of specialized or supportive housing.

Seniors

In 2010, there were an estimated 2,389 people who are aged 65 and over living in Hurricane City, which constitutes 17.4% of the total population. This is significantly higher than the state rate of 9%. Many of the elderly who own their homes are living on fixed incomes, and their housing affordability is affected by property values, maintenance, and utility costs. For seniors that do not own their homes, obtaining affordable housing becomes even more difficult. Many elderly citizens can no longer remain in their own homes for a variety of reasons. As these citizens move out of their homes, demand for senior rental housing opportunities will increase.

Hurricane Apartments and Hurricane Hills Apartments collectively offer 74 units low income housing for seniors age 62 and over. Given the relatively high population of senior citizens in Hurricane City, it is likely that there is demand for more low-income senior housing options. Several survey respondents expressed that there was an unmet need for affordable senior housing in Hurricane City. Some other options available to assist low income senior citizens are property tax deferred payment programs, tax and mortgage foreclosure prevention services, home rehabilitation and weatherization programs, and utility assistance programs.

Disabled

People with disabilities comprise approximately 13.3% of the population of Hurricane or 1,835 individuals according to national averages. Disability status is correlated to age and the proportion of people with disabilities is expected to increase as the portion of the senior population rises. It is estimated that 36.6% of all Americans 65 or older have some form of disability. According to these averages, approximately 874 individuals aged 65 or older in Hurricane have a disability. People with disabilities often face financial and social difficulties that make it difficult to obtain housing. Programs that are geared toward helping people with disabilities obtain housing include low rent and public housing voucher programs, assistance through centers of independence, and employment and training resources. In addition, programs administered by the St George Housing Authority, which offers assistance throughout Washington County, prioritize applicants with a disability. For example, the majority of Section 8 housing vouchers are prioritized for people with disabilities. As of February 2014, there were 79 individuals on the Section 8 waiting list.

Homeless

According to the 2013 annualized point-in-time count, roughly 0.55 percent of Utah's population is homeless. Although regional differences may impact the rate of

homelessness, this percentage can be used to estimate the number of homeless individuals in Hurricane, which are approximately 76. Some survey respondents expressed the need to provide shelter for the homeless. Although the Care-and-Share in St George City provides a Homeless Shelter with plans to expand, Hurricane City should consider developing or promoting programs designed to help these individuals become stably housed in cooperation with the Care-and-Share and other non-profit organizations.

Analysis of Special Needs Housing

Currently, there are opportunities for seniors and people with disabilities to obtain specialized housing. However, the large waiting lists for housing programs indicate that there is latent demand for more specialized housing options. In addition, as the population ages the need for specialized housing will likely increase and the city should assure that there are minimal regulatory barriers to constructing this type of housing in order to meet this need. In addition, the needs of the homeless in the City need to be addressed to ensure that homeless individuals and families can become stably housed. While the majority of community survey respondents were unsure about the needs of seniors and people with disabilities, several expressed that there is an unmet need.

Analysis of Impediments to Fair Housing Choice

The purpose of an Analysis of Impediments is to assess conditions and factors that affect fair housing choice. Impediments to fair housing choice include both actions taken because of race, color, religion, sex, disability, familial status, or national origin to restrict housing choices and actions which have the effect of restricting housing choices on the basis of race, color, religion, sex, disability, familial status, or national origin. Impediments to obtaining affordable housing can often have the effect of limiting housing options for the “protected classes” listed above. Therefore, the analysis focuses both on impediments to fair housing choice and to affordable housing.

Evaluation of Fair Housing Legal Status

Utah’s Fair Housing Act (Utah Code Annotated §57-21-1) prohibits discrimination on the basis of race, religion, color, sex, national origin, familial status, disability or source of income in the rental, purchase and sale of real property. According to The Utah Anti-discrimination and Labor Division, there were 13 fair housing related complaints in all of Washington County between July 1, 2008 and March 1, 2014. It is estimated that only 2 of the complaints occurred in Hurricane City.

Currently, the only formal mechanism for identifying discrimination cases, based upon the parameters of the Fair Housing Act is the incident of fair housing complaints. In order to more comprehensively analyze the level of discrimination in the region, it may be necessary to incorporate other methods, such as testing of landlords. These methods are not currently being utilized, although the State Division of Housing and Community Development is currently formulating plans to incorporate other methods to more accurately gauge incidences of housing discrimination. Hurricane City should remain

diligent in its efforts to ensure that housing is provided in accordance with the Utah Fair Housing Act.

Ethnic and Racial Minority Populations

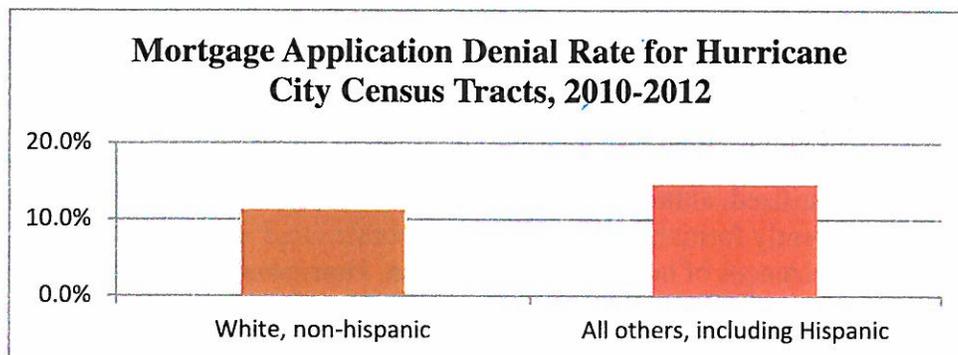
According to the 2010 US Census, 8.7% of the population of Hurricane City reported a race other than “white.” In addition, 7.2% of the population is of Hispanic or Latino Origin.

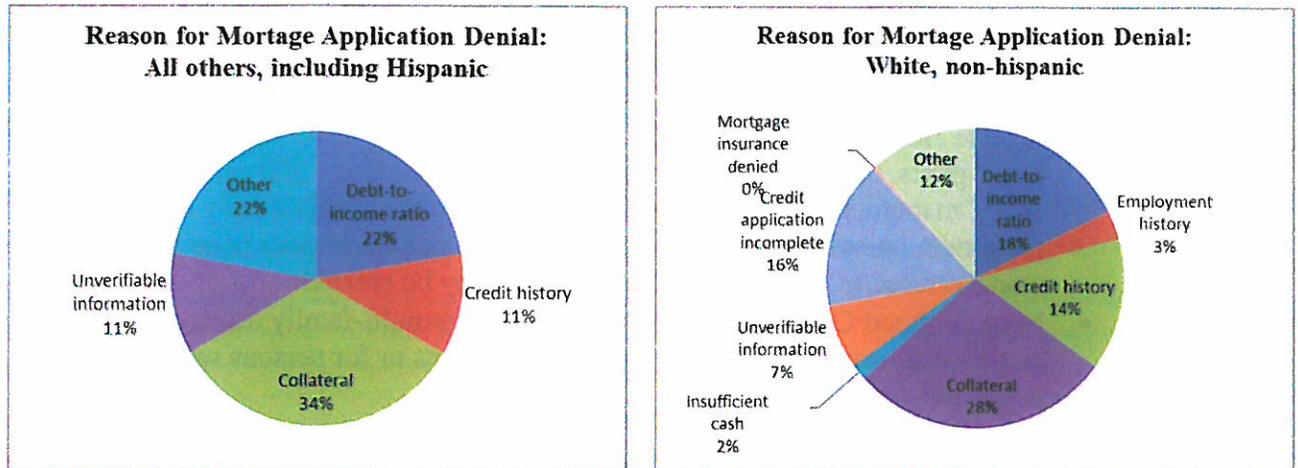
Racial minorities in Hurricane are more likely to be renter households than owner households. Approximately 56% of “non-white” householders in Hurricane City are renters, while 26.7% of white households are renters. Hurricane City should actively encourage the provision for both affordable rental and owner-occupied housing, so that racial minority populations are not disparately impacted.

Private Lending Practices

Private lending practices are indicative of potential impediments to home ownership. The Home Mortgage Disclosure Act (HMDA) requires mortgage lenders in metropolitan statistical areas (MSAs) broken down by census tract to record information about applicant sex, income, race and ethnicity.

To better understand possible disparities in lending practices for racial and ethnic minorities, Staff analyzed the denial rates of “white, non-hispanic” populations and “all others, including Hispanic” in census tracts 2709.01 and 2709.02, which encompass Hurricane City for years 2010-2012. During this time period, 11.4% of mortgages applied for by the “white, non-hispanic” population were denied while 14.6% of applications applied for by “all others, including Hispanic” were denied. Although there is a slight disparity in the mortgage loan application denial rate between minority and white populations, this is not sufficient evidence to suggest that this is due to racial or ethnic profiling. Mortgage loans are denied for a variety of reasons, including insufficient cash, credit history, debt-to-income ratio and incomplete applications among others. The chart below displays the portion of applications that were denied by each reason. The median income of “white, non-hispanic” applicants was \$58,000, while the median income of “all others, including Hispanic” applicants was \$42,000. While there is not sufficient evidence to suggest discrimination, based upon race and ethnicity for mortgage applications in Hurricane City, the City should encourage private lenders to continually abide by Fair Housing Laws so that minority populations have equal opportunities to purchase housing.





Analysis of Zoning Ordinances

In order to evaluate the potential for the development of low to moderate income housing in the community, it is important to understand the regulatory environment for residential housing. Zoning regulations govern the use and lot size and building size for new developments. These regulations have a direct impact upon the opportunity to provide affordable housing within the community. Because ethnic and racial minority populations are composed of a much higher proportion of low-income earners, zoning regulations have an impact upon providing fair housing to minority populations. In addition, zoning regulations sometimes contain barriers toward providing housing targeted to individuals with disabilities. The following is a survey of residential zoning in Hurricane and an analysis of the ordinances expected effect upon providing fair and affordable housing.

Survey of Residential Zoning

Hurricane City provides for a combination of single-family, multi-family, and mobile home housing in districts throughout the city as provided below:

- Agricultural (A-40, A-20, A-10, A-5): minimum 5, 10, 20 and 40 acre lot size, single family dwellings and accessory apartments permitted, residential facility for elderly persons or for persons with a disability permitted, intended to protect agricultural lands.
- Residential agricultural (RA-1, RA-.5): minimum ½ and 1 acre lot size, only single family/manufactured dwellings permitted,
- Single-family residential (R1-15, R1-10, R1-8, R1-6): minimum lot size range from 6,000 to 15,000 sq. ft., only single family/manufactured dwellings permitted, guesthouses permitted, accessory apartments, multi-family not permitted, residential facility for elderly persons or for persons with a disability permitted. Intended for medium to high density single-family development.
- Multiple-family residential (RM-1, RM-2, RM-3): 10,000 sq. ft. minimum lot size for RM-1, 1 acre for RM-2 and RM-3. Maximum number of units range from 6 to 15 units/lot, multi-family permitted, single-family/manufactured dwellings

conditional, residential facility for elderly persons or for persons with a disability permitted, intended for well-designed apartments, townhomes, twin homes and condominiums.

- Mobile Home/RV park (MH/RV): minimum lot size: 4,500 sq. ft. for mobile home parks, 6,000 sq. ft. for mobile home subdivisions, 1,200 sq. ft. for RV parks, manufactured/mobile homes/parks, RV parks, single-family dwellings permitted, intended to provide locations where neighborhoods consisting of manufactured/mobile homes and RV parks may be created.
- Neighborhood Commercial (NC): single-family/multi-family residential conditional, residential facility for elderly persons or for persons with a disability permitted.

Evaluation of Zoning Code's Effect upon Fair and Affordable Housing

Although Hurricane's Zoning Code does contain provisions for multi-family, single-family dwellings and mobile homes, there are provisions in the code which could be revised to allow for the development of more affordable housing within Hurricane City. Although specific zones have minimum lot size restrictions which would likely create difficulties for moderate income households to locate within certain districts in the city, there is a variety of housing types and lot sizes permitted, with a relatively low minimum lot size provided for compared to other cities in the region (6,000 sq. ft.). The Land Use General Plan Map provides for growth of higher density districts within currently developed areas for infill development and vacant areas for future greenfield development. The City should be proactive to permit development that provides a variety of housing types, including townhomes, condos, and apartments as demand for these types of housing arise.

With the exception of agricultural zones, accessory apartments are not permitted within Hurricane City. Accessory apartments or accessory dwelling units (ADUs), which include both basement apartments and rental casitas provide for low to moderate income housing options while preserving the character of existing single-family neighborhoods. The majority of survey respondents are supportive of the City allowing for ADUs. The American Association of Retired Persons (AARP) has provided a model ordinance which includes provisions which aim to preserve the character of single-family neighborhoods, while providing broader housing options. The ordinance can be found at the following web address: http://assets.aarp.org/rgcenter/consume/d17158_dwell.pdf.

The City provides for reasonable accommodation for persons with disabilities and the elderly within its zoning ordinance in accordance with Section 10-9a-516 of Utah Code and the Fair Housing Act. The ordinance allows for residential facilities for elderly persons and for persons with a disability in all zones where single-family dwellings are allowed for residential facilities for persons with disabilities.

Development Impact Fees

Impact fees are imposed so that new growth pays for the impact that it imposes upon the infrastructure it impacts, rather than causing the entire community to pay for the growth.

Impact fees have a direct impact upon the affordability of new construction, as they add to the price of developing property.

Impact fees come in a variety of forms to pay for different types of infrastructure and services. In Hurricane, impact fees are imposed upon new development for water, sewer, storm drainage, power, with an option for irrigation. According to the current Hurricane City Fee Schedule, The total impact fee for new residential construction within Hurricane City is \$19,306, not including taxes. This fee includes public safety, parks and recreation, water, power, sewer, clean up and roads. Currently, \$9,922 of this fee is paid to the City, while \$6,408 is paid to Washington County Water Conservancy District for water availability and \$2,976 is paid to Ash Creek Special Service District for a sewer connection. According to the 2011 *National Impact Fee Survey*, the average impact fee for a 2,000 sq. ft. single family home in the State of Utah was \$6,632 and 11,908 for the US.

Some interviewees and survey respondents noted that impact fees are high in Hurricane and the City should consider lowering them. Another strategy would be to establish a “sliding scale” impact fee structure, so that infill development and smaller units pay a lower impact fee rate than larger units on the edge of the City. Development that occurs where the infrastructure is already established has a lower impact than development that requires new infrastructure to be maintained. Larger units also have a greater overall impact upon infrastructure. This strategy would incentivize more affordable housing to be established in the City Center. The City is currently conducting an impact fee analysis to determine appropriate and legally justifiable fees for new development and should consider alternate strategies to more equitably distribute impact fees.

Summary of Analysis of Impediments

This analysis of impediments to fair housing choice concludes that there is currently no specific discriminatory policies currently in place that limit fair housing opportunities. However, actions which have the effect of limiting affordable housing also have the effect of limiting fair housing opportunities. As described, racial and ethnic minority households in Hurricane City are more likely to be renters than non-minority populations. The City should pursue strategies which provide for a variety of housing types to meet the needs of all segments of the population and provide for fair housing choice. The following measures are recommended to increase housing choice in Hurricane City.

- Consider the development of a sliding scale impact fee structure, which bases impact fees upon size of unit, size of lot, and location of property. More compact housing, in the established section of the City, which imposes a smaller impact would have a lower impact fee than large-lot sprawl development.
- Consider allowing accessory dwelling units to be used for rental housing. The majority of survey respondents expressed support for this allowance and this would allow for the development of more rental housing, while minimally impacting existing single family neighborhoods.
- There is currently no policy of inclusionary zoning, which encourages the development of affordable housing. The City should consider enacting a policy

which incentivizes the development of affordable housing. For example, the City could allow up to a 10% density bonus for the development of housing which is affordable to low and moderate income households.

Goals and Strategies

Goal 1: Increase Opportunities for Low to Moderate Income Households to Purchase Affordable Housing

Strategy 1 — Continue to administer and promote the Hurricane City Down Payment Assistance Program which provides \$2,000 down payment assistance to moderate income households for newly constructed dwellings.

Strategy 2 — Promote assistance programs the Mutual Self-help Program, administered by the Five County Association of Governments, which assists low-income households to purchase a home by building “sweat equity” toward the purchase of their new home.

Strategy 3 — Offer incentives to developers to provide housing which is affordable to low and moderate income households, provided for a minimum 10 years. This can be offered as a density bonus for planned developments.

Strategy 4 — Inventory infill sites to consider for re-zoning that may be appropriate to develop condominiums or other higher density housing that is harmonious with the surrounding neighborhood. Focus on dispersing higher density zoning throughout the city, while providing increased opportunities in the City Center.

Strategy 5 — Incentivize more affordable housing by establishing and promoting a “sliding scale” impact fee structure, based upon unit size, lot size and proximity of housing to existing infrastructure.

Strategy 6 – Encourage the development of well managed and planned manufactured home subdivisions.

Goal 2: Increase Affordable Rental Opportunities for Low to Moderate Income Households

Strategy 1 — Create awareness about the Section 8 Housing Voucher Program and other rental assistance programs to residents of Hurricane City.

Strategy 2 — Allow for and promote the establishment of “accessory dwelling units,” such as basement apartments to increase the supply of affordable rental units.

Strategy 3 — Consider impact fee reductions and deferments for low income housing projects.

Goal 3: Rehabilitate Existing Housing to Increase Rental Properties, Homeownership, and Reinvestment in Hurricane City

Strategy 1— Promote the use of rehabilitation assistance programs to low and moderate income households, including “A Brush with Kindness” Program, administered by Habitat for Humanity and the HOME Program, administered by Five County Association of Governments.

Strategy 2— Help locate moderate to extremely low income families that need weatherization assistance. Assist these households to contact the Five County Association of Governments Weatherization Program. The Weatherization program lowers monthly utility bills by making housing more energy efficient.

Goal 4: Provide housing for those with Special Needs

Strategy 1 — Ensure that there are no regulatory barriers, such as zoning ordinances, to provide specialized housing targeted for seniors, people with disabilities, and the homeless.

Strategy 2 — Work with area non-profit organizations to assess the needs for specialized housing.

Priorities and Timelines

The following table summarizes the affordable housing goals. It lists how many of each type of unit is needed, how the goal can be attained, and when the goal will be needed.

Type	# Units Needed	How Attained	When needed
Affordable housing for purchase	427	DPA, Mutual self-help program, infill, Re-zoning, impact fees	2020
Affordable housing for rent	151	Rental assistance, ADUs, impact fees	2020
Existing Housing Stock	N/A	Promote rehabilitation and weatherization programs	Now
Housing for those with special needs	N/A	Review possible regulatory barriers, work with non-profits	Now

This Plan was prepared for Hurricane City by the Five County Association of Governments Staff.

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