

ORDINANCE 2024-06

AN ORDINANCE OF THE SOUTH WEBER CITY COUNCIL AMENDING THE MODERATE INCOME HOUSING PLAN—PART OF THE GENERAL PLAN

WHEREAS, a Moderate Income Housing Plan was adopted as part of the South Weber General Plan in 2019 and amended February, 07, 2023 to satisfy new state requirements; and

WHEREAS, the Department of Workforce Services reviewed the submitted plan and found the City was not in compliance with one of the chosen strategies; and

WHEREAS, City Council chose to replace the previous strategy “I” with strategy “F” and while implementing that change the population and income numbers were also updated to reflect the 2020 census; and

WHEREAS, the Planning Commission held an additional public hearing for input on April 11, 2024 and recommended the amended plan be adopted by the Council; and

WHEREAS, Council denied the recommendation and asked staff to prepare the plan with selection "L" reduce, waive, or eliminate impact fees related to moderate income housing.


NOW, THEREFORE, BE IT ORDAINED by the City Council of South Weber City, State of Utah:


Section 1. Amendment: The South Weber Moderate Income Housing Plan is hereby amended as attached hereto in **Exhibit 1**.

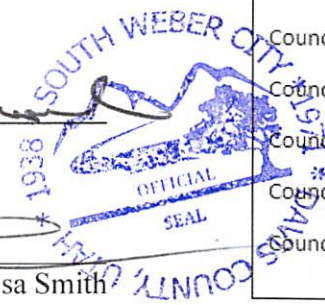
Section 2. General Repealer. Ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

Section 3. Effective Date. The City Council of South Weber City, State of Utah, has determined that the public health, safety, and welfare requires that this ordinance take effect immediately. Therefore, this ordinance shall become effective immediately upon passage and publication as required by law.

PASSED AND ADOPTED by the City Council of South Weber, Davis County, on the 9th day of July 2024.


MAYOR: Rod Westbroek


ATTEST: City Recorder, Lisa Smith

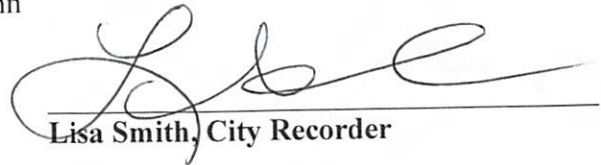


Roll call vote is as follows:		
Council Member Halverson	<input checked="" type="radio"/> FOR	AGAINST
Council Member Petty	<input checked="" type="radio"/> FOR	AGAINST
Council Member Dills	<input checked="" type="radio"/> FOR	AGAINST
Council Member Davis	<input checked="" type="radio"/> FOR	AGAINST
Council Member Winsor	<input checked="" type="radio"/> FOR	AGAINST

CERTIFICATE OF POSTING

I hereby certify that Ordinance 2024-06 was passed and adopted on the 9th day of July 2024 and that complete copies of the ordinance were posted in the following locations within the City this 10th day of July 2024.

1. South Weber City Building, 1600 E. South Weber Drive
2. City Website www.southwebercity.com
3. Utah Public Notice Website Utah.gov/pmn



Lisa Smith, City Recorder

EXHIBIT 1
MODERATE INCOME HOUSING PLAN

South Weber City Moderate Income Housing Plan 2019

A Part of the South Weber General Plan Amended July 2024

WHAT IS MODERATE INCOME HOUSING

In accordance with section 10-9a-403 Utah Code Annotated, South Weber is providing reasonable opportunities for a variety of housing including housing which would be considered 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.

Moderate income housing is defined in the Utah Code 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 this definition, any dwelling occupied by an individual or family with income equal to or less than 80% of the median income of the county would qualify as moderate income housing, regardless of the circumstances under which the dwelling is occupied. For instance, it could be that the house was inherited and though valued at something far more than a family of moderate income could afford to purchase; it is nevertheless, occupied by a family whose income is below 80% of the regional median. That house, therefore, is a moderate-income house by definition. The same could be said for homes that have been in the same ownership for a long time and for which the mortgage was established prior to many years of inflation and rising housing costs. The occupants might be able to afford what, if mortgaged today, would be far out of their financial reach.

This type of Moderate-Income Housing is the least quantifiable type. Without extensive surveys and analysis of household incomes and home values, we have no way of knowing what existing single-family housing units fall into this category. We can, however, deduce how many of these kinds of dwelling units there are. According to the U.S. Census Bureau 24% of South Weber Residents fall into the moderate-income category. We know that approximately 5% of existing housing is currently being rented

41 at a rate that would qualify it as moderate-income housing. This tells us that 79% of
42 the current moderate-income households are in dwellings of this type.

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45 **WHAT IS MODERATE-INCOME IN SOUTH WEBER:**

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47 According to the U.S. Census Bureau, the 2022 median household income for Davis
48 County is \$103,563 (\$130,769 for South Weber City). Eighty percent of that County
49 median income is then \$82,850. Information extrapolated from the Utah Affordable
50 Housing Manual indicates that a household with this income level could afford to
51 purchase a dwelling which has a maximum purchase price of 3.1 times the annual
52 income. In the case of South Weber that translates **to a maximum purchase price**
53 **of \$256,836**. The same manual indicates that 27% of the monthly income could be
54 spent on rent which would mean a **maximum monthly rent of \$1,864**.

55
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57 **PRESERVING AND ENCOURAGING MODERATE INCOME HOUSING:**

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59 There are many factors that affect the cost of housing. It is the duty and responsibility
60 of the City to take necessary steps to encourage moderate income housing.

61

62 Utah Code Annotated 10-9a-403 (2) (b) (iii) requires the City to choose at least three
63 from a list of 23 ways, A through W, in which it can and will pursue the encouragement
64 of moderate-income housing in the next five years. South Weber chooses the following:

65

66 (B) Demonstrate investment in the rehabilitation or expansion of infrastructure that
67 facilitates the construction of moderate income housing.

68 Implementation Plan:

69 First Quarter 2023 – Adoption of Transportation Master Plan

70 Second Quarter 2023 – Adoption of Water Capital Facilities Plan

71 Third Quarter 2023 – Adoption of Sewer Capital Facilities Plan

72 Third Quarter 2023 – Update Storm Water Capital Facilities Plan

73 First Quarter 2024 – Begin Process of updating City’s General Plan looking at
74 areas of moderate-income housing and the impact to the infrastructure
75 associated with those areas.

76 Fourth Quarter 2025 – Adopt Updated General Plan with infrastructure needs.

77

78 (E) Create or allow for, and reduce regulations to, internal or detached accessory
79 dwelling units in residential zones.

80 Implementation Plan:

81 Fall 2022 - Study options for allowing detached accessory dwelling units.

82 Winter 2023 - Discuss with City Council and Planning Commission the options
83 that are available to allow detached accessory dwelling units.

84 Spring 2023 - Begin crafting a draft ordinance for detached accessory dwelling
 85 units.
 86 Spring 2023 - Take the draft ordinance through the process.
 87 (L) reduce, waive, or eliminate impact fees related to moderate income housing.
 88 Implementation Plan:
 89 Beginning in September 2024 - Analyze the financial impacts of moderate density
 90 housing units and moderate income housing units to roads, utilities (water,
 91 sewer) police and fire services to South Weber City.
 92 January 2025 – city staff will prepare a recommendation to the city council for
 93 reducing impact fees related to moderate income housing based on the impact
 94 fee study.
 95 Starting in May 2025 the council will review city staff recommendations for
 96 reducing impact fees and consider the reductions for adoption.
 97 2025 to 2026 – The city will monitor the dwelling unit impacts and costs for all
 98 residential dwelling units and to determine if there is an increase in the number
 99 of moderate income housing units constructed in the city and if the impact fee
 100 reductions is having the desired effect.

101 **MODERATE-INCOME HOUSING NEEDS:**

102 An analysis of the existing housing and household incomes using available information
103 leads to some reasonable conclusions as to need.

104

105	Number of Dwelling Units 2020	2,415
106	2020 Population	7867
107	Persons Per Household 2020	3.54
108	2020 Median Davis County Annual Household Income	\$103,563
109	2020 Annual Household Moderate Income	\$82,850

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113 Once again by extrapolating from information contained in the Utah Affordable Housing
114 Manual, we find that a household with this income level could afford a mortgage of
115 approximately 3.1 times the annual income or could afford to spend 27% of their
116 monthly income on rent.

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118	Maximum Purchase Price	$\$82,850 \times 3.1 = \$256,836$
119	Maximum Monthly Rent	$\$82,850/12 = \$6,904 \times .27 = \$1,864$

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121 It appears that rental units are the most attainable type of new moderate-income
122 housing likely to be established in South Weber. There are currently 87 rental units in
123 the City, 60 being in one apartment complex and the rest are basement type
124 apartments. Rental units comprise 5% of the existing housing stock in the City.

125
126 As previously stated, 79% of current moderate-income households are residing in
127 existing single-family dwellings; 326 dwelling units. It is reasonable to expect that, as

128 existing residents age in-place (stay in their current homes as they move into higher
129 age categories), there will be a significant number of owner-occupied dwellings that
130 transition into moderate-income housing. The number of dwellings that will do this is
131 difficult to predict, but if the current percentages persist, there would be an additional
132 257 additional owner-occupied dwellings move into moderate-income status within the
133 next 20 years for a total of 583 such dwellings.

134
135 It is estimated there will be a total of 3,076 dwelling units in South Weber at build-out.
136 If 24% of them are moderate-income, there will be 738 such units. There are currently
137 87 rental units and 326 owner occupied moderate-income households; a total of 413
138 units. Of a total build-out need for 738 moderate-income units, 413 existing and an
139 expected 257 additional units will be owner occupied. This means there will be a need
140 for an additional 68 rental units at build-out in 20 years. That would be an additional 17
141 rental units needed in the next five years.

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144 **RECOMMENDATIONS:**

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146 If current trends continue, owner-occupied housing, both single-family and multi-family
147 dwellings, will be the primary type of moderate-income housing. Multi-family rental
148 units will play a smaller part in meeting future demand.

149

150 It is a given that South Weber will need to increase its stock of moderate-income
151 housing as the population grows. It seems likely that the bulk of the future demand will
152 be met by existing dwellings as the occupants age in-place. There will be a limited
153 demand for rental type dwellings. It is very realistic to believe the City will be able to
154 accommodate the estimated need of 68 additional rental units.

155

156 It is recommended that South Weber continue to support the existing moderate-income
157 housing by finding appropriate locations for the needed rental units.

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