

# MOAB AREA AFFORDABLE HOUSING PLAN

Prepared for the residents, businesses, and public officials of:

Grand County  
City of Moab  
Town of Castle Valley

Written spring 2009 by:

The Interlocal Housing Task Force  
Rural Community Assistance Corporation

Updated fall 2016 by:

Zacharia Levine  
Interlocal Housing Task Force  
City of Moab  
Grand County

## I. TABLE OF CONTENTS

Section	Content	Page #
I	Table of Contents	2
II	Introduction & Background	3
III	Key Findings	4
IV	Data Sources	5
V	Demographic and Housing Overview	6
VI	Affordable Housing Efforts to Date	14
VII	Housing Needs Analysis	16
VIII	Barriers / Impediments to Affordable Housing	26
VIV	Development and Design Solutions to Expand Affordable Housing	27
X	Brief Housing Development Summary	37
XI	IHTF Recommendations	40
XII	Affordable Housing Goals and Objectives	41
XIII	Affordable Housing Action Plan	42
XIV	Housing Terminology	53

## II. INTRODUCTION

Housing is the backbone of every community. Housing has direct and indirect links to all aspects of community and economic development and serves as the foundation for a high quality of life. The Moab Area needs an adequate and accessible supply of housing for residents and employees in order to sustain its reputation as a world-class destination and a great community in which individuals and families can live, work, and play. To that end, this housing plan shall guide future policy-making, budgeting, and programmatic development at various levels of local government.

## BACKGROUND

Housing affordability has become a primary challenge for communities across the country. Regardless of size, location, economic profile, or political character, demand for affordable housing has never exceeded supply by such a large degree, as supported by the data presented in this plan. The imbalance is exacerbated in amenities-rich communities throughout the American West. Although Moab is not alone in trying to overcome the housing challenge, it must find solutions appropriate to the local context.

### [2009 Housing Study and Affordable Housing Plan](#)

In 2009, the City of Moab and Grand County jointly adopted their first Housing Study and Affordable Housing Plan. The plan was created through a collaborative, multi-year study and public planning process. Meeting facilitators included representatives from the City of Moab, Grand County, Housing Authority of Southeastern Utah (HASU), Rural Community Assistance Corporation (RCAC), and Bureau of Economic Business Research (BEBR) located within the University of Utah's David Eccles School of Business. Stakeholder participants represented a broad cross-section of the community, including employers, government officials, housing user groups, contractors, financiers, brokers, and concerned citizens. Details of the process followed to create the plan, key findings, housing needs projections, and an associated action plan can be found in the 2009 report.

### [2016 – 2025 Housing Plan](#)

The impetus for creating a new housing plan is multi-faceted. First, housing affordability has declined further since 2009. Second, the Interlocal Housing Task Force, which is a byproduct of the 2009 effort, has been revitalized under new leadership. The Task Force meets regularly and believes additional action would be of great benefit to the community. Third, this document is required by the State of Utah and is often referenced by local entities seeking state and federal funds for affordable housing development projects. For example, HASU requires updated market study information in order to remain competitive in receiving low income housing tax credits (LIHTC) critical to the financing and construction of affordable housing for very low- and low-income households. Fourth, Moab's community and economy continue to evolve rapidly and an updated plan is needed to reflect recent changes and possible future scenarios.

### III. KEY FINDINGS

- Housing affordability continues to decline. The imbalance between supply and demand in the housing market has resulted in very high housing costs.
- The imbalance between supply and demand for housing in Grand County results from the following factors: low household income, high housing costs, the influence of external market demand, the condition of existing housing supply, and restrictive land use regulations.
- Existing land use regulations favor low-density, single family detached dwellings with minimal mixed-use development, which leads to inefficient land use, high infrastructure construction and maintenance costs, and longer commutes for residents.
- Housing *is* economic development. The shortage of affordable housing currently hinders business development and employee retention.
- The Area Median Income in Grand County increased from \$55,300 per year in 2015 to \$64,300 per year in 2016, each for a family of four. The \$9,000 increase is likely attributable to increased incomes for the highest earners and increased income from non-labor activities such as dividends, interest, rent, and retirement related entitlements.
- Currently, more than half all households earning 80 percent (80%) or less of Area Median Income (AMI) in Grand County are cost-burdened, which means they spend more than 30 percent (30%) of household income on total housing costs including mortgage or rent, taxes, insurance, utilities, and HOA fees where applicable.
- Currently, more than one-quarter all households earning 80 percent (80%) or less of Area Median Income (AMI) in Grand County are severely cost-burdened, which means more they pay more than 50 percent (50%) of combined household income towards total housing costs.
- Assuming recent population trends continue but vacancy rates (e.g. second homes and residential units used as overnight accommodations) stabilize at 30 percent (30%), the number of new housing units needed across all price levels will increase by 316 in 2020, 1,024 in 2030, 1,826 in 2040, and 2,737 in 2050 (see Table 14).
- Assuming the share of renter-occupied and owner occupied housing remains constant, the 316 new units needed by 2020 will include 98 rental units and 218 owned units.
- Decision-making bodies need to exercise political will in the area of affordable housing and support the regulatory, budgetary, and programmatic action items contained within this document in order to meet increasing demand for affordable housing.

## IV. DATA SOURCES

The following data sources were used during the research, analysis, and writing of this report. Zacharia Levine, Grand County Community Development Director, conducted all quantitative analysis and modeling. Where tables from the 2009 plan were updated, equivalent methodology was employed.

- United States Census Bureau
- United States Department of Housing and Urban Development (HUD)
- United States Bureau of Economic Analysis
- United States Department of Commerce
- United States Department of Agriculture
- National Association of Realtors
- Utah Department of Workforce Services
- Utah State Tax Commission
- Utah Association of Realtors
- Multiple listing service (MLS) – Grand County
- Fall 2015 Employee Housing Survey (hotels, motels, and campgrounds) conducted by Zacharia Levine and Mary Hofhine of the Grand County Community Development Department
- Summer 2016 Employee Housing Survey (seasonal outfitters) conducted by Ruth Brown and the Interlocal Housing Task Force
- Building construction permit numbers, compiled by the Grand County building official
- Current and ongoing housing workshops conducted by Grand County and the City of Moab
- Past affordable housing studies and efforts compiled by the Interlocal Housing Task Force

## V. DEMOGRAPHIC AND HOUSING OVERVIEW

It is critical to understand housing in the context of recent trends in population, housing characteristics, employment, construction, and existing housing inventories.

### Grand County Population and Households

Population and household formation are arguably the most important indicators of housing demand over time. In Grand County, however, full-time population may provide misleading information about housing demand. Seasonal employment, transient residents, undocumented workers, small sample sizes for intercensal counts, and enormous spikes in temporary populations from tourism lead to underestimates of housing demand in the Moab Area. It is difficult to estimate the effects of such demand, so only full-time population and household counts are reported below.

Population and Households	2010		2011		2012		2013		2014		2015	
Moab City Population	5,046	54.7%	5,083	54.8%	5,172	55.4%	5,178	55.3%	5,211	55.1%	5,235	55.0%
Unincorporated County Population	4,179		4,195		4,163		4,184		4,240		4,281	
Grand County Total Population	9,225		9,278		9,335		9,362		9,451		9,516	
Total Housing Units	4,816		4,844		4,943		5,004		5,048		5,120	
Occupied Housing Units	3,889	80.8%					3,633	72.6%				
Vacant Housing Units	927	19.2%					1,371	27.4%				

Table 1. Population and Households

- Grand County’s full-time resident population has grown at an average of 0.6% per year since 2010, which is slower than the 1.0% average annual growth rate of the 2000s and 2.6% average annual growth rate of the 1990s.
- The average household size in Grand County remains relatively constant around 2.35 persons per household.
- Assuming the average household size of 2.35 persons per household, average annual household formation in Grand County is 31.4 new households per year.
- Although an average of 69 new residential units were constructed countywide each year between 2013 and 2015 (see Table 4), more than double average annual household formation, building permits and business licenses reveal the majority were unaffordable to the majority of Grand County households or immediately converted to short-term rentals, seasonal or vacation homes.

Sources: US Census Bureau; Grand County Building Department; Grand County Clerk/Auditor; Zacharia Levine

### Employment Trends

Like many rural gateway communities in the American West, Grand County’s employment profile leans heavily on service-industry jobs. Tourism related employment accounts for more than 55 percent (55%) of all jobs and remains the primary economic driver in Grand County. Because tourism related employment is more likely than other employment to be part-time, seasonal, low-paying, and without benefits, Grand County may benefit from economic diversification that leads to more varied employment opportunities and higher wages. However, economic diversification and higher wages alone will not suffice. The housing market needs a stable balance of year-round demand and supply that accounts for long-term occupancy and short-term occupancy. Higher wages will enable local workers to compete for market rate housing, but supply across all price levels is relatively constrained.

Grand County Employment and Income Trends	2010	2011	2012	2013	2014	2015
Average Annual Nonagricultural Employment (# of people)	4,496	4,616	4,824	4,890	5,073	5,232
Average Payroll Wage (\$/mo.)	\$2,293	\$2,340	\$2,394	\$2,423	\$2,490	\$2,566

Table 2: Employment Trends

- The number of nonagricultural jobs increased 16.8% between 2010 and 2015. Grand County's economy is expanding.
- The two industries with the largest percentage increases in employment between 2010 and 2015 were information and professional, scientific, and technical services. A continuation of this trend would benefit Grand County as wages in these industries tend to be higher than average.
- The average annual payroll wage increased 12% to \$30,792 between 2010 and 2015. Grand County ranks 22<sup>nd</sup> in the state of Utah for average payroll.
- The 2014 average household adjusted gross income in Grand County was \$53,332, the lowest of all counties in Utah.
- The percentage of households with adjusted gross incomes lower than \$20,000 in 2014 was 29.2%. Only three counties exhibited higher percentages in 2014.

Industry Sector	Percent of Total Employment (2015)	Number of Establishments	Average Monthly Wage	Average Annual Wage (2015)
Mining	1.70%	13	\$6,090	\$73,080
Utilities	0.71%	7	\$5,936	\$71,232
Construction	5.67%	57	\$3,295	\$39,540
Manufacturing (31-33)	0.86%	7	\$2,173	\$26,076
Wholesale Trade	1.32%	13	\$3,246	\$38,952
Retail Trade (44 & 45)	15.62%	82	\$2,221	\$26,652
Transportation and Warehousing (48 & 49)	1.83%	17	\$3,468	\$41,616
Information	0.99%	9	\$2,187	\$26,244
Finance and Insurance	1.26%	13	\$3,704	\$44,448
Real Estate and Rental and Leasing	2.06%	32	\$2,081	\$24,972
Professional Scientific & Technical Services	2.29%	33	\$3,741	\$44,892
Admin., Support, Waste Mgmt, Remediation	2.39%	25	\$2,458	\$29,496
Education Services	5.88%	18	\$2,388	\$28,656
Health Care and Social Assistance	7.52%	34	\$3,384	\$40,608
Arts, Entertainment, and Recreation	8.93%	36	\$2,186	\$26,232
Accommodation and Food Services	31.58%	95	\$1,762	\$21,144
Other Services (except Public Admin.)	1.76%	28	\$2,886	\$34,632
Public Administration	7.64%	33	\$4,041	\$48,492
All Industries	100.00%		\$2,566	\$30,792
*Tourism Related	58.2%		\$2,063	\$24,750

\*Tourism Related industries include: Retail Trade, Real Estate and Rental and Leasing, Arts, Entertainment, and Recreation, and Accommodation and Food Services. Real Estate and Rental and Leasing is included due to its strong relationship to the tourism economy.

Table 3: Grand County Employment by Industry. DWS 2015

Sources: Utah Department of Workforce Services; Utah Tax Commission; Zacharia Levine

### Housing Construction

Housing affordability, at its root, is a function of supply and demand. Housing construction is the primary indicator of changes in supply. Since 2000, roughly 1100 new residential housing units have been constructed in Grand County, which includes the unincorporated County, City of Moab, and Town of Castle Valley. The majority of residential construction continues to take place in the unincorporated area of Grand County. Construction rates have increased slightly in recent years as the nationwide real estate market continues to rebound from the 2007-'08 recession. Increased construction activity has also benefited from historically low interest rates, an expanding local economy, and increasing demand for new housing from residents and investors.



## NEW CONSTRUCTION IN GRAND COUNTY

<u>Unincorporated County</u>	<u>City of Moab</u>		<u>Castle Valley</u>		<u>County-wide</u>	
Commercial DUs 2013	0	Commercial DUs 2013	47	Commercial DUs 2013	0	47
Commercial DUs 2014	90	Commercial DUs 2014	94	Commercial DUs 2014	0	184
Commercial DUs 2015	0	Commercial DUs 2015	21	Commercial DUs 2015	0	21
<b>*Total Commercial Dus '13-'15</b>	<b>90</b>	<b>Total Commercial Dus '13-'15</b>	<b>162</b>	<b>Total Commercial Dus '13-'15</b>		<b>252</b>
Mixed Use DUs 2013	0	Mixed Use DUs 2013	0	Mixed Use DUs 2013	0	0
Mixed Use DUs 2014	0	Mixed Use DUs 2014	0	Mixed Use DUs 2014	0	0
Mixed Use DUs 2015	10	Mixed Use DUs 2015	0	Mixed Use DUs 2015	0	10
<b>**Total Mixed Use DUs '13-'15</b>	<b>10</b>	<b>Total Mixed Use DUs '13-'15</b>	<b>0</b>	<b>Total Mixed Use DUs '13-'15</b>		<b>10</b>
Residential DUs 2013	31	Residential DUs 2013	24	Residential DUs 2013	7	62
Residential DUs 2014	36	Residential DUs 2014	32	Residential DUs 2014	4	72
Residential DUs 2015	42	Residential DUs 2015	29	Residential DUs 2015	2	73
<b>***Total Res DUs '13-'15</b>	<b>109</b>	<b>Total Res DUs '13-'15</b>	<b>85</b>	<b>Total Res DUs '13-'15</b>	<b>13</b>	<b>207</b>
Avg. # Res DUs/yr ('13-'15)	36.3	Avg. # Res DUs/yr ('13-'15)	28.3	Avg. # Res DUs/yr ('13-'15)	4.3	69

\*Commercial DU = dwelling unit constructed through the commercial building code for commercial uses (e.g. hotel rooms)  
 \*\*Mixed Use DU = dwelling unit constructed within a development containing both residential and commercial uses  
 \*\*\*Residential DU = dwelling unit constructed through the residential building code for residential or commercial uses (e.g. short-term rental)

Table 4: Construction Trends in Grand County

- Residential construction has remained at lower levels than the pre-2008 recession period. In the years 2013-2015, an average of 69 residential units across all types were constructed each year. In the years leading up to 2008, an average of 100 residential units across all types were constructed each year.
- Building permit data suggest that an increasing share of new residential construction is actually intended for seasonal or vacation occupancy in the unincorporated areas of Grand County and the City of Moab, representing 38.5% and 34.1% of new residential construction, respectively. These types of end-uses tend to push sales prices higher than long-term owner- or renter-occupancy.
- Multiple mobile home parks were redeveloped between 2008 and 2015. As of 2015, 15 parks provided a total of 491 available lots and remained 80% occupied on average.

Sources: US Census Bureau; Grand County Building Department; Multiple Listing Service; Zacharia Levine

### Land and Housing Prices:

Tracking land and housing prices is central to understanding local housing markets. As prices change, opportunities and constraints also change. The prices for developable land and finished construction have increased steadily since 2000, with some variability year-to-year. In a growing economy and upward housing market, affordable housing becomes increasingly difficult to finance, construct, and preserve. Key statistics provided below indicate the upward trend of Moab's housing market, which makes housing less and less affordable to lower income households. The market for raw land has also increased markedly, which makes development more expensive and, as a result, sales and rental prices increase as developers pass the costs onto end users.

In May 2015,

- The median and average prices for recently sold and active residentially zoned parcels of developable land were \$200,301 per acre and \$248,936 per acre, respectively.
- The median and average prices for recently sold and active commercially zoned parcels of developable land were \$145,788 per acre and \$325,099 per acre, respectively.
  
- The median list price for all housing types was \$290,000. The average list price was \$351,700.
- The median rental price for all housing types was \$850; when including utilities, median rental costs were \$1,000. The HUD Fair Market Rent value, used to establish Section 8 rental vouchers, was \$757 for a two bedroom housing unit and \$1115 for a three bedroom unit. Very few, if any, rental units are available for rent at rates that enable usage of the Section 8 vouchers.
  
- The cost to rent a space inside an established mobile home park was between \$275 per month and \$400 per month.
- The cost to rent a mobile home inside an established mobile home park was between \$650 per month and \$1200 per month.

Utilizing a conventional loan, a family of four earning the 2015 HUD area median income (\$55,300 per year) could afford to purchase a home that cost \$193,258. That represents an affordability gap of almost \$100,000.

In 2015,

- There were 155 residential dwelling units of all types sold in Grand County – 4 were mobile homes without land, 17 were modular or manufactured homes, and at least 50 were very likely to be used as short-term rentals based on zoning designations.
- The median and average list prices of units that sold were \$269,000 and \$277,549, respectively.
- Of the houses for which sales prices can be computed, the median and average sales prices were \$263,942 and \$274,202.

In 2016, the average assessed value of all homes within Grand County was \$296,000.

[Sources:](#) US Census Bureau; Department of Workforce Services; Utah Association of Realtors; Grand County Assessor; Multiple Listing Service; Local Property Management Agencies; Zacharia Levine

### [Housing Inventory Condition](#)

While a standardized evaluation of existing housing units could not be completed prior to the writing of this plan, the US Census Bureau and local research efforts provide a cursory understanding of the quality of Grand County's housing inventory. The condition of existing housing units contributes to overall housing costs, neighborhood attachment, and public health. As housing conditions decrease over time, maintenance costs increase. Owners must choose to expend additional money or defer maintenance, which tends to increase costs in later years. Renters tend to experience increased rents over time as property owners account for maintenance costs by passing them onto renters. At the extreme, very old units, perhaps some built to substandard qualities, may result in condemnation and demolition, which decreases the supply of housing. Alternatively, residents may occupy otherwise uninhabitable housing units that lead to

mental and physical health issues. A healthy housing market depends on a balance of renovating older homes, rebuilding dilapidated structures, and new construction.

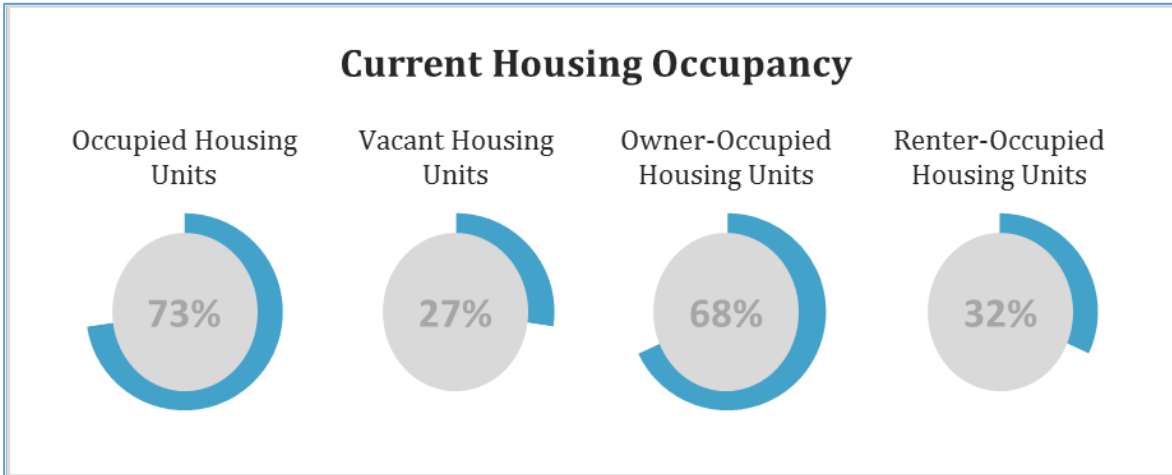


Table 5: Current Housing Occupancy

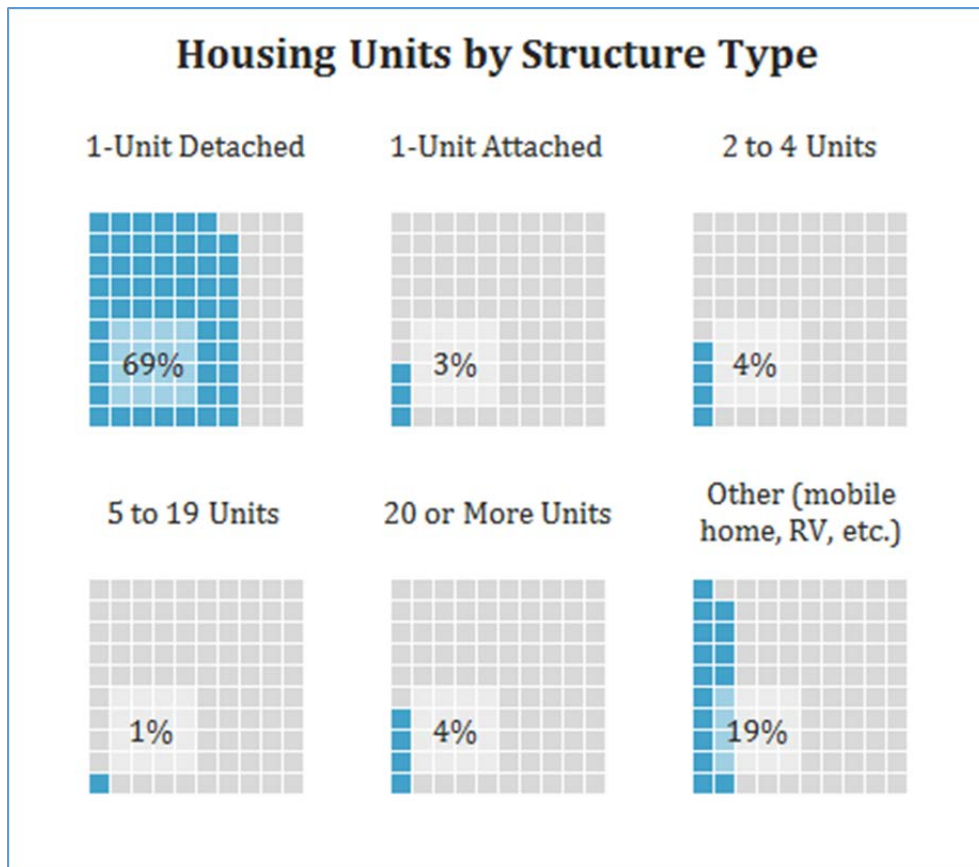


Table 6: Housing Units by Type

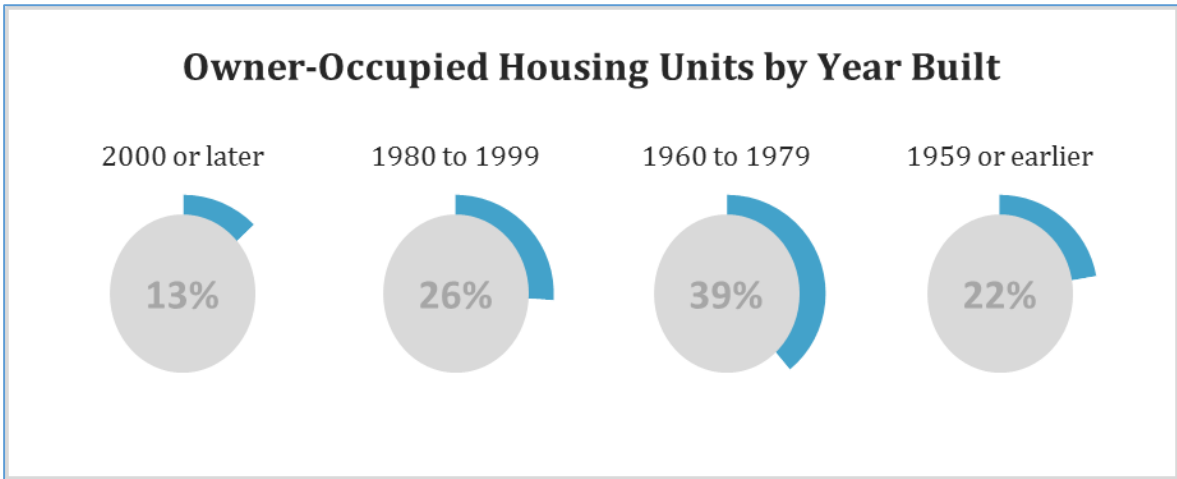


Table 7: Owner-Occupied Housing Units by Year Built

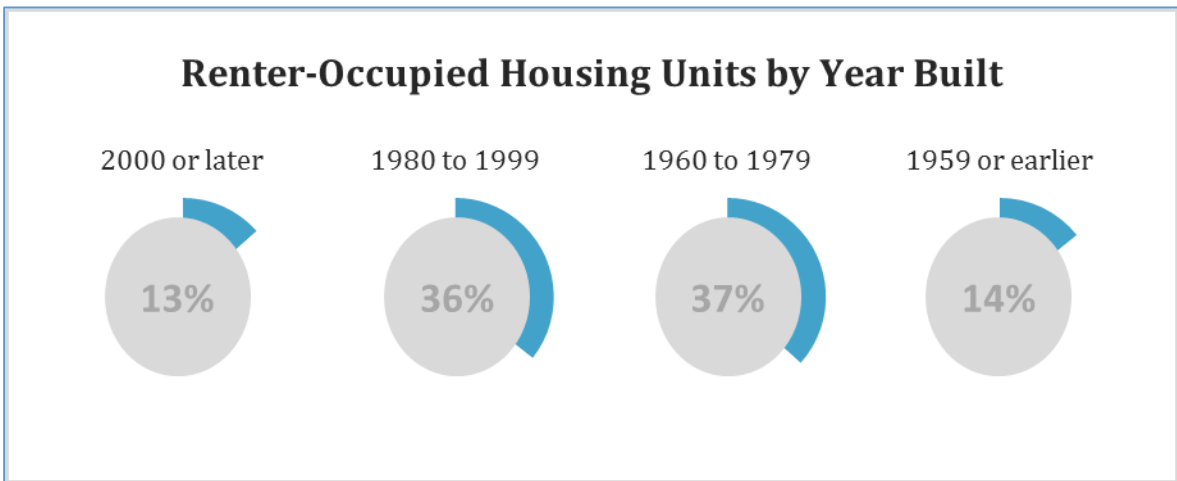


Table 8: Renter-Occupied Housing Units by Year Built

- The occupancy rate and owner-occupancy rate have declined in Grand County, although the owner-occupancy rate of 67 percent (67%) still exceeds the national average of 63 percent (63%).
- The vacancy rate continues to rise, and is now at 27 percent (27%), which reveals the degree of external demand for real estate in Moab.
- The overwhelming majority of existing housing in Grand County is a one-unit detached dwelling. One-unit detached dwellings tend to utilize the most land per housing unit.
- Mobile homes, RVs, and other housing types account for nearly 20 percent (20%) of all occupied housing in Grand County.
- Of all owner-occupied housing units, 61 percent (61%) were constructed prior to 1980. Of all renter-occupied housing units, 51 percent (51%) were constructed prior to 1980.
- The age of a housing unit may serve as an indicator of high maintenance costs, which increases total housing costs for owners and renters.
- The number of mobile home lots has decreased in Grand County due to closures in some mobile home communities. There are 491 mobile home lots in Grand County, of which roughly 80 percent (80%) are occupied.

- The use of RV lots for longer-term occupancy has increased in recent years. Of the 930 Recreational Vehicle (RV) spaces located inside permitted campgrounds, 106 are utilized for “extended stays” (i.e. longer-term occupancy) and 25 are identified as employee housing units. In 2016, 14 “employee housing” RV spaces were approved in the unincorporated county through the commercial campground ordinance.

Sources: US Census Bureau; Department of Housing and Urban Development; National Association of Realtors; Zacharia Levine

## VI. HOUSING EFFORTS TO DATE

Multiple partners have aided in the provisioning of affordable housing units in Grand County (See Table 9). These efforts should be lauded. Additionally, the Interlocal Housing Task Force recently reestablished itself as an active work group aggressively targeting policies and programs that may help to address the decline of housing affordability and availability. The task force meets monthly, includes broad representation from the community, and serves as a driving force behind work in the affordable housing arena. Because of its efforts, the City of Moab and Grand County have made the topic of affordable housing a standing agenda item on all joint meetings. Further, the City of Moab has included affordable housing as a top legislative priority. It recently allocated \$150,000 to affordable housing. Grand County has established regular workshops between the Council and Planning Commission, agreed to a work plan, and begun executing the work plan through policy changes and planning. It too has allocated funds towards affordable housing.

Of particular interest to affordable housing specialists is the period of affordability. Table 9 includes the occupancy type and deed restriction status for multiple housing developments. The Mutual Self-Help (MSH) program, administered by HASU, has produced the greatest number of housing units for low-income households. Utilizing USDA 502-direct loans, the MSH program enables eligible households to contribute “sweat equity” towards the construction of their homes in exchange for low-interest rates, loan repayment subsidies, and home equity. Community Rebuilds also utilizes 502-direct and 523-guaranteed loans administered by USDA. Both organizations are working with USDA to create and implement deed restrictions on newly constructed homes beginning in 2017. Deed restrictions are critical for preserving long-term housing affordability and may last between 15 and 99 years, or remain in perpetuity.

In May 2016, the Arroyo Crossing Subdivision was approved as the very first private development to include a voluntary 20 percent (20%) set-aside for affordable housing. The agreement followed months of negotiations with the property owner and developer, a successful rezone request, and master plan approval. Once fully constructed, 44 of the 220 proposed housing units will be deed-restricted for a minimum of 40 years. Eligible households cannot earn more than 80 percent (80%) of AMI and must have at least one adult who works full-time within the boundaries of the Grand County School District, be of retirement age (62 or older), or have a qualifying mental or physical disability. The development agreement that establishes this set-aside encumbrance of Arroyo Crossing subdivision represents the single largest development impact of a non-subsidized, privately constructed project to date. Indeed, it sets a historic precedent in Grand County.

Development	Developer /Owner	# of Units	Year Built	Occupancy Type	Affordability Status/Deed Restrictions
Single Family Straw bale	Community Rebuilds	17	4/yr	Owner	Implementing deed restrictions beginning 2017
Archway Village Apartments		20	1985	Renter	Age and income limits (no longer restricted)
Huntridge Plaza Apartments		24	2004 rehab	Renter	Income limits (no longer restricted)
Kane Creek Apartments		36	1993	Renter	Income limits
Ridgeview Apartments		6	1994	Renter	Income limits
Rockridge Senior Housing		35	1998	Renter	Age & Income limits
The Virginian Apartments	HASU	28		Renter	Income limits based on HUD Section 8 Vouchers; Ongoing
The Willows	Interact	8	2015	Renter	Mental health patients only; Ongoing
Cinema Court	HASU	60	2012	Renter	5: 1BR @25%AMI 10: 1BR @39%AMI 30: 2BR @45%AMI 6: 3BR @45%AMI 9: 3BR @50%AMI (99 year compliance period)
Aspen Cove	Interact	12	2015	Renter	30% of income; Ongoing
CROWN at Desert Wind	HASU	5	2013	Renter	15 yr. compliance period ends in 2028
CROWN at Sage Valley	HASU	8	1998	Owner	15 yr. compliance period completed (no longer restricted)
CROWN at Rim Hill	HASU	8	2005	Renter	15 yr. compliance period ends in 2020
Mutual Self-Help	HASU	127	On-going	Owner	Exploring primary residence deed restriction beginning 2017
<b>TOTAL:</b>		<b>394</b>			234 deed restricted in 2020

Table 9: Affordable Housing Developments to Date

Sources: Zacharia Levine

## VII. HOUSING NEEDS ANALYSIS

The housing challenge in Grand County is a function of multiple factors: low household income, high housing costs, the influence of external market demand, the condition of existing housing supply, and restrictive land use regulations.

### Low Household Income

The affordability gap in Grand County is in large part due to low wages, which limit or prevent homeownership and payment of market rate rent by many households. Most housing plans, policies, and programs focus on housing supply and housing prices, but it is equally important to evaluate and increase wages and income. Housing affordability depends on a balance between housing prices and income.

Grand County Employment and Income Trends	2010	2011	2012	2013	2014	2015
Average Annual Nonagricultural Employment (# of people)	4,496	4,616	4,824	4,890	5,073	5,232
Average Payroll Wage (\$/mo.)	\$2,293	\$2,340	\$2,394	\$2,423	\$2,490	\$2,566
Rank Among Utah Counties	22				22	
Grand County Average Household AGI	\$49,926				\$53,332	
Rank Among Utah Counties	26				29	
Grand County Median Household AGI	\$32,266				\$34,337	
% Earning <\$20,000	33.15%				29.20%	
Rank Among Utah Counties	28				26	
City of Moab (only)						
Average Household AGI	\$49,541				\$52,997	
Median Household AGI	\$32,170				\$34,295	

Table 10: Employment and Income Trends

- The average monthly payroll wage in 2015 was \$2,566, which is \$1,055 less than the statewide average (DWS). Grand County ranks 22<sup>nd</sup> among all 29 Utah counties in average monthly payroll wage.
- Travel and tourism related employment accounted for 58.2% of all 2015 employment in Grand County. However, the average monthly payroll wage for such jobs was only \$2,063.
- The 2014 average *adjusted gross income* (AGI) for households in Grand County was \$53,332, the lowest across all counties in Utah. The 2014 median AGI in Grand County was \$34,337, which means there are many extremely high earning households pushing the *average* significantly higher than the *median*.
- In 2014, 29.2% of all households in Grand County earned less than \$20,000 (26<sup>th</sup> across all counties in Utah). This represents a slight improvement from 2010 numbers (33% of all households and 28<sup>th</sup> ranked, respectively).
- Although not shown in Table 10, the Grand County Area Median Income for a family of four increased from \$55,300 per year in 2015 to \$64,300 per year in 2016. Because synchronous increases are not seen in average payroll wages, the \$9,000 increase is likely attributable to increased incomes for the highest earners and from non-labor activities such as dividends, interest, rent, and retirement related entitlements.

Sources: US Census Bureau; Department of Workforce Services; Zacharia Levine



## High Housing Costs

The affordability gap refers to the large and growing difference between wages and housing costs. Similar to other isolated, amenities-based, rural gateway communities surrounded by public lands, housing costs in Grand County have risen much faster than wages. Because demand continues to rise faster than supply, prices continue to increase.

In May 2015, the median list price for all housing types within Grand County was \$290,000 whereas the average list price was \$351,700. Several high-priced properties in the area push the average higher than the median. These numbers offer just a momentary snapshot of houses *listed* for sale.

When considering only houses that actually *sold* during the year 2015, the median list price was \$269,000 whereas the average list price was \$277,549. The significant differences are likely associated with sellers attempting to capture the highest equity possible and overshooting what the market will bear. Additionally, higher-end homes tend to list for longer time periods and not all property listings sell at their asking price.

In 2013, the most recent year in which standardized data exists, median rental costs (rent + utilities) were \$1,000 per month. In August 2016, a survey of local property management companies revealed only 19 rental units were available at prices that would be affordable to households earning less than 100% of AMI. However, fewer than five such units would accommodate households with more than two adults and a child. Current sales and rental prices place most market rate housing units out of reach for Grand County residents, and limits upward housing mobility.

	2003	2009	2015
Average Payroll Wage	\$1,699	\$2,280	\$2,566
Average Sales Price	\$135,129	\$282,985	\$277,549
# of Average Workers Required to be Affordable	1.93	2.70	2.35
Hourly Wage Required by 1 Worker to be Affordable	\$20.52	\$38.41	\$37.75

\*Monthly cost assumes a 30 year mortgage, 10% down, 4% APR, 2% PMI, 1% property tax (at 55% of assessed value), \$150/mo. utilities, \$600/yr home insurance, and no HOA fees.

Table 11: Wages and Housing Costs

**Sources:** US Census Bureau; Department of Workforce Services; Utah Association of Realtors; Multiple Listing Service; Grand County Rental Management Companies; Zacharia Levine

## External Market Demand

External market demand continues to increase housing prices and limit or reduce the inventory of affordable housing. Like many other rural gateway, tourism-based communities, Grand County is a desirable housing market for individuals and investment firms located around the world.

Grand County's beautiful landscape and moderate climate make it very appealing to out-of-area investors. Consequently, the local housing market has experienced increased external market demand for second/seasonal homes, short-term rentals, retirement homes, and general investment properties. External market real estate purchasers have the ability to and typically do bid at higher home purchase prices than those supported by prevailing wages in the local market. Each home sold at an increased price reduces the quantity of housing that otherwise could be sold to the local market at its particular need and price point, and increases the sales price of all housing in the inventory.

In addition to the construction of new housing units to meet the external market demand, local housing professionals report that:

- Condominiums and other long-term rental units are being purchased by market investors and converted to rentals, and
- Single family homes in need of major repairs are purchased, repaired or demolished, and resold at a much higher price.

The result is a reduction of “affordable” housing units and upward pressure on housing prices. While more recent (2008-2009) economic influences may ultimately contribute to a temporary decrease in external demand for housing, and ultimately housing prices, these external influences on the Grand County housing market are still very real. Almost all new housing built since 1998 would have to drop more than 50 percent in price to reach affordability for the median income Grand County household.

Sources: US Census Bureau; Utah Association of Realtors; Multiple Listing Service; Grand County Building Official; Zacharia Levine

### Condition of the Housing Inventory

Although existing housing tends to be more affordable than new housing, older units in declining condition require more maintenance, which increases overall housing costs, and may even be in dilapidated or unacceptable conditions. Neither the Southeastern Utah Association of Local Governments (SEU-ALG) nor Grand County has performed a housing inventory since 2005, when 1,507 or 35% of all housing units were considered to be in either dilapidated or unacceptable conditions.

According to the 2013 American Community Survey, 69% of all Grand County housing units were single family detached dwellings and 19% were mobile homes. Mobile homes were built to very poor construction standards and today would not be considered acceptable. Banks will not provide loans for mobile home units, which makes an entire class of housing units almost non-transferable. As a result the number of households living in “extended stay” spaces in commercial RV parks and campgrounds has increased. A Grand County survey of all commercial facilities suggested that 117 spaces are now used for periods of 30 or more days (Zacharia Levine, 2015).

In 2013, 61% of all owner-occupied housing units in Grand County were constructed prior to 1980. Of all renter-occupied housing units in Grand County, 51% were constructed prior to 1980. Aging housing units with higher maintenance costs represent the majority of affordable units in Grand County, but they also require the highest levels of maintenance.

Due to the condition of all types of homes in need of repair in the housing inventory:

- Many homes at time of sale do not meet loan qualification standards. Wage earners that require a mortgage for home purchase are therefore excluded from potential purchase.
- As noted above, homes in need of major repairs are appealing to an external market investor for cash purchase, remodel or demolition, and resale at a much higher price
- Housing Vouchers issued by the Housing Authority are not fully utilized because the condition of lower cost rental housing units is below HUD’s Housing Quality Standards.

Sources: US Census Bureau; Zacharia Levine

## [Employer-Provided Housing](#)

Hotels, commercial campgrounds, recreational outfitters, restaurants, and retail stores create the largest block of demand for seasonal workforce housing. Indeed, businesses in these industries have experienced the greatest challenges in employee recruitment and retention due to the lack of affordable housing. In summer 2016, the Interlocal Housing Task Force conducted a survey of hotels/motels, commercial campgrounds, and recreational outfitters to better understand employer-provided housing for seasonal employees. The survey also provided information regarding needs and opportunities for employer-provided housing and highlighted the link between workforce housing and economic development.

A total of 16 surveys were administered to commercial campgrounds and RV parks. Nine campgrounds provided a total of 15 employee housing units on-site to resident managers. Of the eleven hotels/motels responding to the survey and accounting for 285 employees, 77 employees received employer-provided housing. Information was not collected as to the number, type, or quality of the housing units.

A total of 35 surveys were administered to recreational outfitters across the following activities: cycling related, canyoneering/climbing related, water sports related, retail recreation, air sports related, and miscellaneous. Respondents represented outfitters that, in total, accounted for 548 employees. Part-time or seasonal employees accounted for 72 percent (72%), or 392 employees. Respondents reported approximately 225 part-time or seasonal employees needed housing. Seven outfitters provided on-site or nearby housing to such employees, eight reported a desire to provide on-site housing in the form of camper vans and RVs, and nine did not know if on-site housing was permitted in their zoning district. Employers identified four types of housing utilized by part-time and seasonal employees: shared rooms or dwelling units, camper vans, tents, and “couch-surfing” with friends. Five respondents supported the creation of managed housing for seasonal staff in the community, eight opposed, and ten were unsure of such a system.

The vast majority of responding recreational outfitters (19) cited the lack of housing as one of the most important and impactful challenges affecting their employee recruitment and retention. Fifteen suggested the lack of affordable housing limited their abilities to grow their businesses. Although many employers created unofficial policies to hire local residents only because, presumably, they would already have housing, the majority felt that local residents could not fill all the job openings across the community.

Clearly, there is an undeniable link between housing and economic development. In a tourism-based community, workforce housing becomes an integral input into business development. The gap between wages and housing costs and the shortage of housing supply have the potential to hinder economic expansion in Grand County.

[Sources: Interlocal Housing Task Force](#)

## [Affordable Housing Needs Projections](#)

Currently, at least 1,000 households earning less than 80 percent (80%) of AMI in Grand County are cost-burdened, which means they spend more than 30 percent (30%) of household income on total housing costs including mortgage or rent, taxes, insurance, utilities, and HOA fees where applicable. At least 400 households earning less than 80 percent (80%) of AMI are severely cost-burdened, which means they spend more than 50 percent (50%) of household income on total housing costs. Cost-burdened and severely cost-burdened households already have housing, but some may feel it is appropriate to consider 1,000 units the baseline need. However, this figure is not included in the future demand projections presented below.

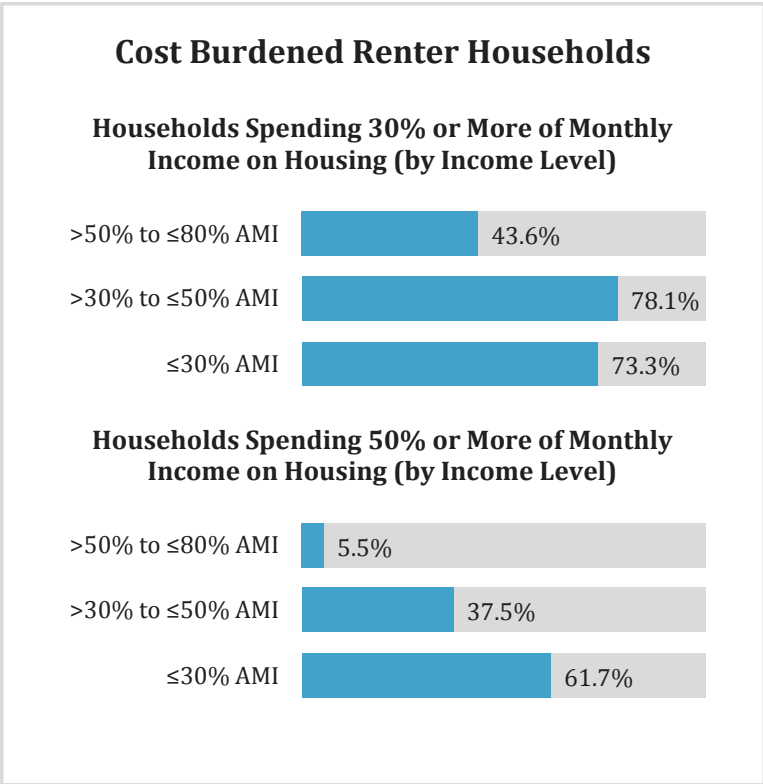


Table 12: Cost-burdened Renter Households

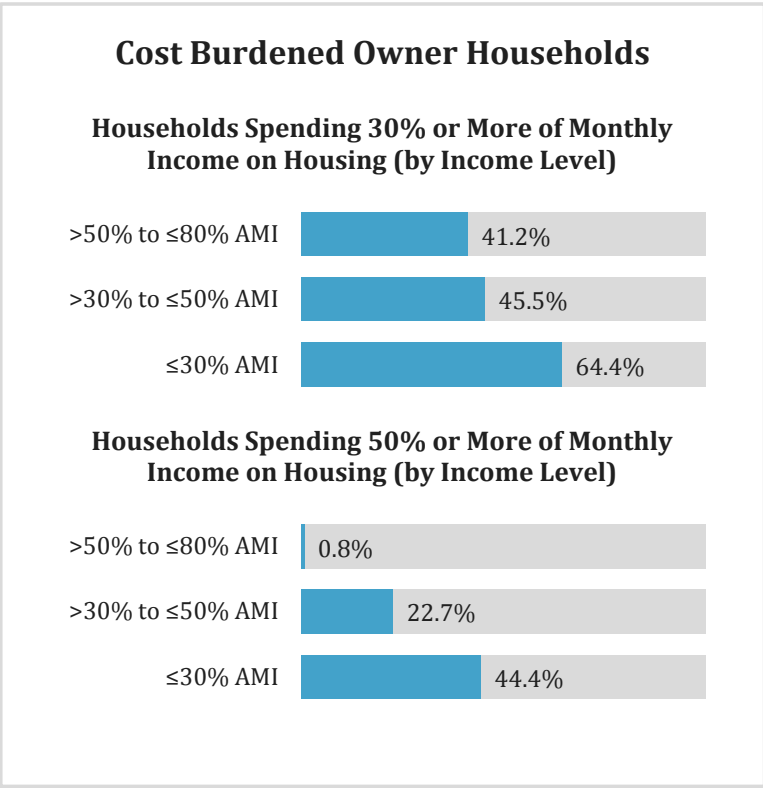


Table 13: Cost-burdened Owner Households

The following charts present the results of a specified model used to project future housing needs in Grand County. It should be noted that models used to forecast future housing demand are only as good as the data and assumptions used to create them. Forecasts also become less reliable as the forecasting period increases. For instance, the model uses recent population trends to forecast future population trends. However, any given year may result in atypical population growth, either lower than estimated or higher than estimated. The model also assumes the share of owner-occupied versus renter-occupied housing units remains the same over time. While this assumption has been included to simplify the modeling exercise, national and regional trends suggest the share of renter-occupied housing units is very likely to rise further in the coming decades.

Additional assumptions used to specify the model are noted below:

- Population increases at an exponential rate based on changes observed between 1990 and 2014.
- Population projections do not account for potential episodic increases associated with the construction of a four-year Utah State University campus, secondary and tertiary economic development associated with a local campus, or any other policy- or development-oriented changes.
- Average household size remains constant at 2.35 persons per household.
- Owner-occupied versus renter-occupied ratios remain constant overall and within each income bracket.
- The share of households within each income bracket remains constant.
- Housing affordability is based on the following parameters:
  - Households spend no more than 30 percent (30%) of income on total housing costs
  - Ownership costs
    - Mortgage (principal and interest)
      - 30 year fixed rate
      - 10% down payment
      - 4% annual percentage rate (“interest rate”)
      - 2% premium mortgage interest (PMI)
    - \$900 annual property tax
    - \$600 annual property insurance
    - \$150 monthly utility costs
    - No HOA fees
  - Renter costs
    - Rent
    - \$150 monthly utility costs
- The share of available housing affordable to households within each income bracket remains stable over time.
- Vacancy rates remain constant at 30 percent (30%).
- Projections do not include households currently living in Grand County that are cost-burdened.
- Replacement of dilapidated or unacceptable housing units over time is not factored into projected housing demand.
- No consideration is given to housing typologies or variable development costs.

Each of these assumptions can be manipulated to reflect different expectations for Grand County’s future. If Grand County continues to mirror the trajectories of similar tourism based economies in the American West, vacancy rates may climb to 40, 50, or even 60 percent, if not higher. Models are inherently limited in predicting the future due to the necessity of making assumptions. In recent years, planning has shifted more towards scenario planning, where decision-makers select a set of policies based on a range of possible future states. Nevertheless, the model provides a useful exercise in understanding future housing demand. The forecasts should be used as a guide for policymaking, and not considered hard predictions.

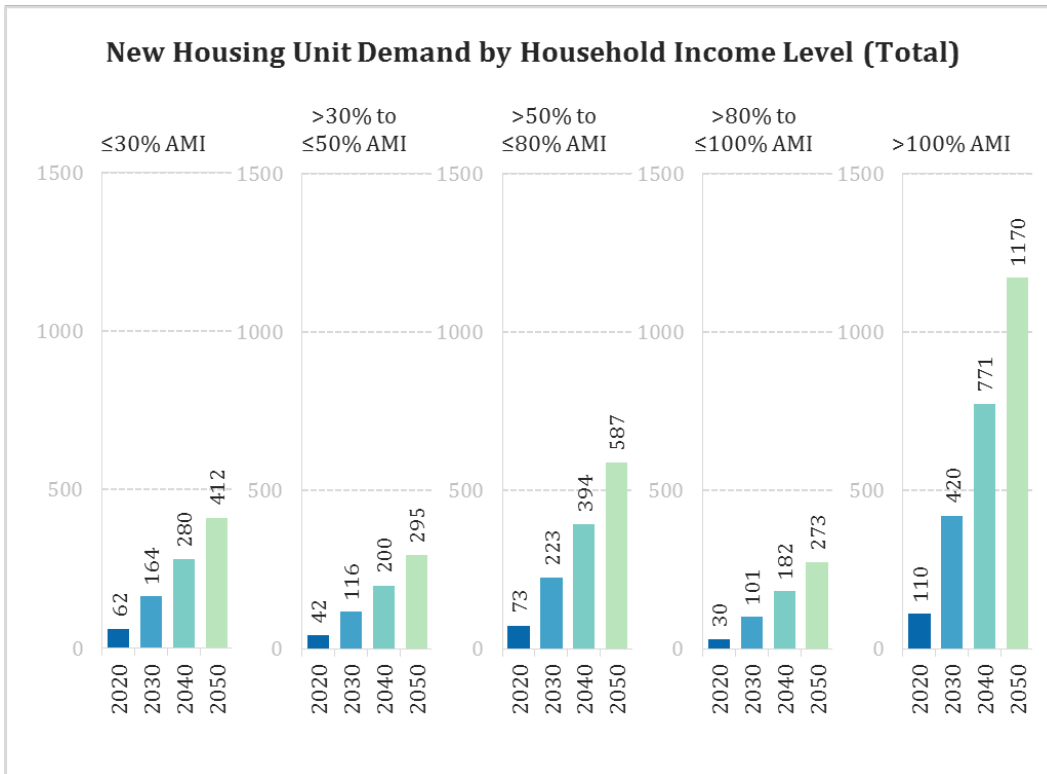


Table 14: Housing Demand Projections (Total)

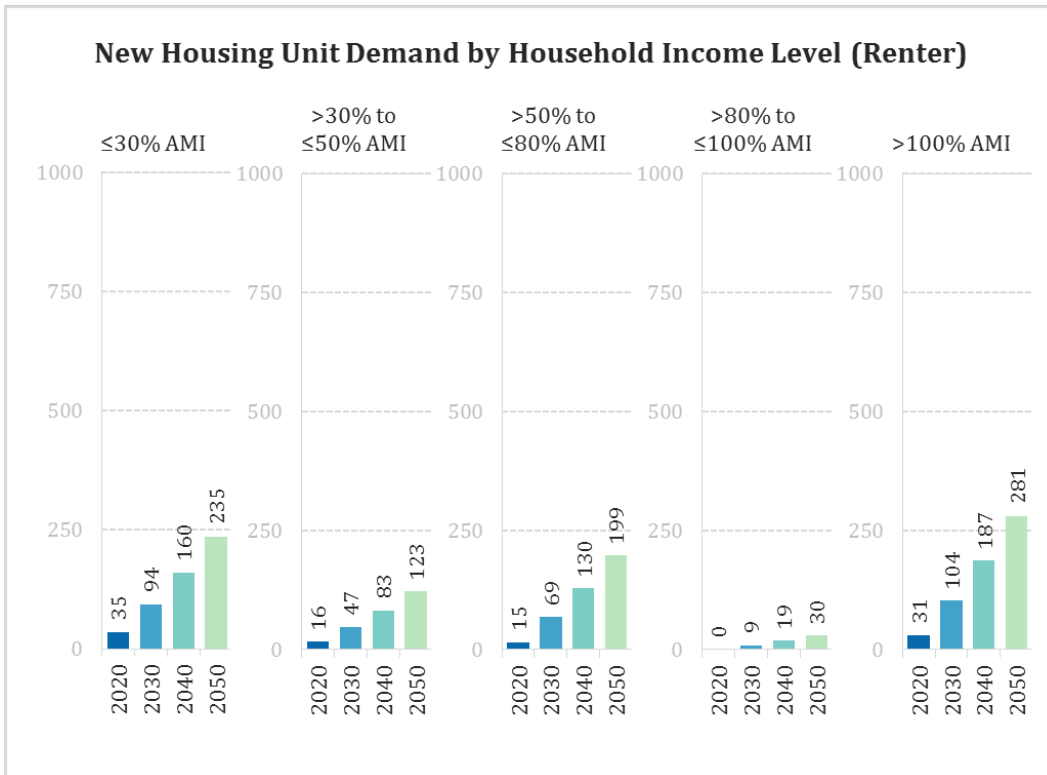


Table 15: Housing Demand Projections (Renter)

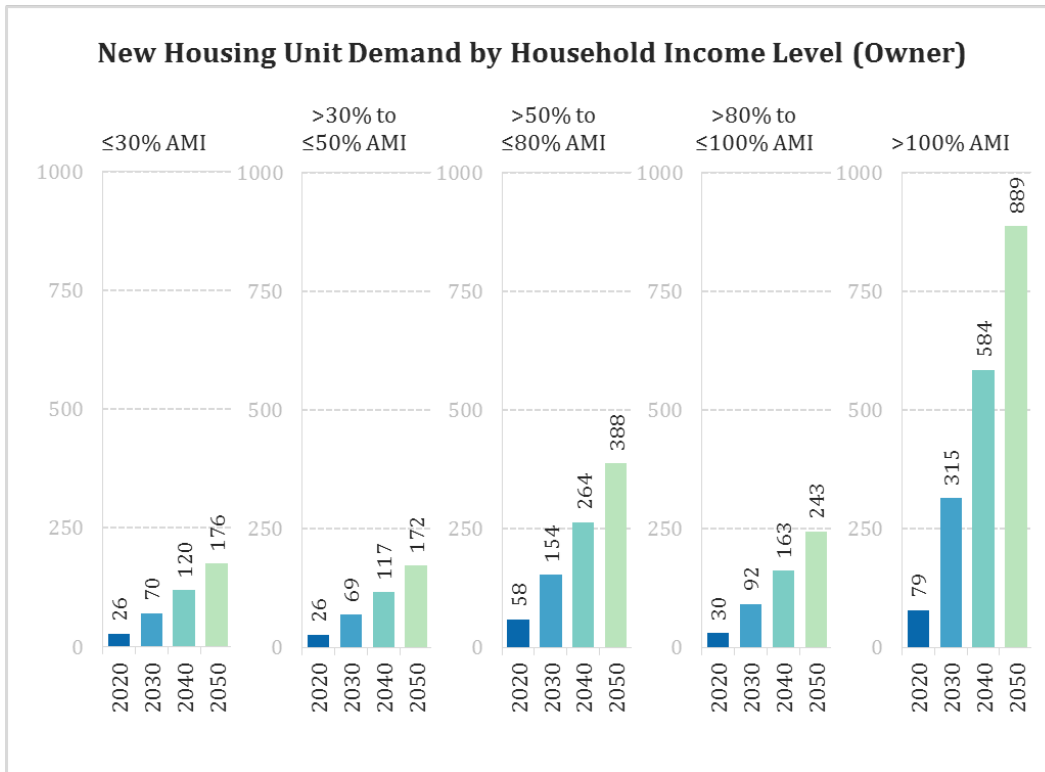


Table 16: Housing Demand Projections (Owner)

- With the abovementioned assumptions in mind, the housing model suggests,
- Per annum housing production affordable to households in each income level must increase in order to keep pace with future housing demand.
- Demand for new housing units will increase by 316 in 2020, 1,024 in 2030, 1,826 in 2040, and 2,737 in 2050.
- Of the 316 new units needed by 2020, 98 will be renter-occupied and 218 will be owner-occupied. In 2030, the numbers increase to 323 and 701, respectively.
- In 2020, 177 new units would be needed to meet the demands of households earning less than 80 percent (80%) of AMI. By 2030, that number increases to 503 new units.
- About two-thirds of all new rental construction will need to be offered at price levels affordable to households earning 80 percent (80%) of AMI or below.
- The share of owner-occupied housing demand by households earning 80 percent (80%) of AMI or below will decrease from 50% in 2020 to just 39% in 2050.

Sources: US Census Bureau; Utah Association of Realtors; Grand County Rental Management Companies; Zacharia Levine

### Wages & Housing Affordability

Housing costs and economic development are inextricably linked in all communities. In Grand County, housing *is* economic development. In recent years, employers across all industries have struggled to attract and retain qualified candidates to fill position vacancies. This trend is especially true for essential employment positions such as teachers, nurses, law enforcement officers, public officials, and others. Job candidates considering a job offer within Grand County are increasingly unwilling to relocate to Grand County to accept a local job offer. Candidates have articulated a strong

desire to live and work in the community, but cite the large gap between wages and housing costs as the primary impediment. Individuals currently employed within Grand County are also leaving the community to seek jobs in other communities. In order to sustain the positive economic growth Grand County has witnessed in recent years, the construction of housing units for long-term occupancy must keep pace with the growth in demand.

Increasing wages will also reduce the affordability gap for working households. In 2015, the ownership affordability gap for a single worker earning the average payroll wage across all industries was \$185,851. The renter affordability gap for a single worker earning the average payroll wage across all industries was \$380/mo. However, for a single worker employed in a tourism related industry, where the average annual wage was \$24,750, the ownership affordability gap was \$223,110 and the renter affordability gap was \$531/mo. Public officials and community leaders have stated that diversifying the local economy represents a primary goal. Supporting business expansion, retention, and recruitment in industries that pay higher than average wages will enable employees of such industries to better compete for available market rate housing.



Industry Sector	Percent of Total Employment (2015)	Average Annual Wage (2015)	30% of income monthly	Max Loan	Single Worker Affordable Purchase Price	Single Worker Ownership Affordability Gap	Single Worker Affordable Rent	Single Worker Renter Affordability Gap
Mining	1.70%	\$73,080	1827	\$258,861	\$287,623	-	\$1,677	-
Utilities	0.71%	\$71,232	1781	\$251,155	\$279,061	-	\$1,631	-
Construction	5.67%	\$39,540	989	\$119,006	\$132,229	\$145,320	\$839	\$162
Manufacturing (31-33)	0.86%	\$26,076	652	\$62,864	\$69,849	\$207,700	\$502	\$498
Wholesale Trade	1.32%	\$38,952	974	\$116,554	\$129,504	\$148,045	\$824	\$176
Retail Trade (44 & 45)	15.62%	\$26,652	666	\$65,266	\$72,517	\$205,032	\$516	\$484
Transportation and Warehousing (48 & 49)	1.83%	\$41,616	1040	\$127,662	\$141,847	\$135,702	\$890	\$110
Information	0.99%	\$26,244	656	\$63,564	\$70,627	\$206,922	\$506	\$494
Finance and Insurance	1.26%	\$44,448	1111	\$139,471	\$154,968	\$122,581	\$961	\$39
Real Estate and Rental and Leasing	2.06%	\$24,972	624	\$58,260	\$64,734	\$212,815	\$474	\$526
Professional Scientific & Technical Services	2.29%	\$44,892	1122	\$141,323	\$157,025	\$120,524	\$972	\$28
Admin., Support, Waste Mgmt, Remediation	2.39%	\$29,496	737	\$77,124	\$85,694	\$191,855	\$587	\$413
Education Services	5.88%	\$28,656	716	\$73,622	\$81,802	\$195,747	\$566	\$434
Health Care and Social Assistance	7.52%	\$40,608	1015	\$123,459	\$137,177	\$140,372	\$865	\$135
Arts, Entertainment, and Recreation	8.93%	\$26,232	656	\$63,514	\$70,571	\$206,978	\$506	\$494
Accommodation and Food Services	31.58%	\$21,144	529	\$42,298	\$46,998	\$230,551	\$379	\$621
Other Services (except Public Admin.)	1.76%	\$34,632	866	\$98,540	\$109,489	\$168,060	\$716	\$284
Public Administration	7.64%	\$48,492	1212	\$156,334	\$173,704	\$103,845	\$1,062	-
All Industries	100.00%	\$30,792	770	\$82,528	\$91,698	\$185,851	\$620	\$380
*Tourism Related	58.2%	\$24,750	619	\$48,995	\$54,439	\$223,110	\$469	\$531

\*Tourism Related industries include: Retail Trade, Real Estate and Rental and Leasing, Arts, Entertainment, and Recreation, and Accommodation and Food Services. Real Estate and Rental and Leasing is included due to its strong relationship to the tourism economy.

\*\*Monthly cost assumes a 30 year mortgage, 10% down, 4% APR, 2% PMI, \$75/mo. property tax, \$150/mo. utilities, \$600/yr home insurance, and no HOA fees, OR rent plus \$150/mo. utilities.

Table 17: Wages and Housing Affordability

## VIII. BARRIERS AND IMPEDIMENTS TO AFFORDABLE HOUSING

The most apparent barriers to expanding the affordable housing stock in the Moab area fall under the umbrellas of three main categories: land use regulations, site planning and architectural design, and funding issues. Many of the challenges developers face when attempting to build affordable housing fall under one or more of these categories. Each barrier has its own repercussions on Moab's housing market. While a cure-all remedy doesn't exist, local governments, developers, and realtors can take steps to address each impediment.

### Land Use Regulations

Local land use regulations either encourage or inhibit affordable housing construction. Density limits, lot sizes, setbacks, height restrictions, street widths, and parking requirements can all lead to low land use efficiencies and, ultimately, high land costs. The high cost of land is a major impediment to the construction of affordable housing. In recent months and years, the City of Moab and Grand County have taken steps to remove barriers to affordable housing in their respective land use codes. Examples include: streamlining the development review process, reducing buffer requirements between subdivisions, removing open space requirements, expanding accessory dwelling unit opportunities, decreasing minimum lot and building sizes, and improving code enforcement.

### Site Planning and Architectural Design

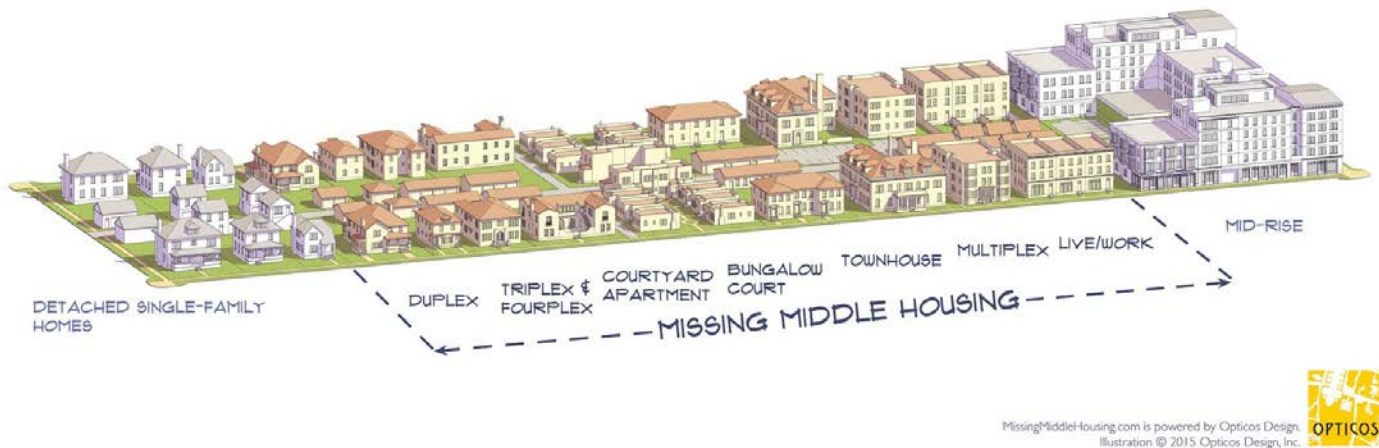
While land use regulations govern development at the community and site-specific scales, developers and architects retain a tremendous amount of discretion in how they utilize available land and establish building footprints. Like many other parts of the United States, the Moab Area is dominated by single family detached dwellings situated on large lots. The development community can effect positive change by shifting its focus from a sprawling development typology to one that is more compact, efficient, and affordable. Smaller lots, attached dwellings, and more modest living spaces are cheaper to build and maintain. Compact development also leads to reduced transportation costs for residents, and lower infrastructure costs for developers and local governments. The next chapter will focus exclusively on the benefits of improved land use and design.

### Funding Issues

Funding a project is often one of the most difficult aspects of affordable housing. Development teams work tirelessly to make projects "pencil out," and rely heavily on outside funding from grants, loans, direct and indirect subsidies, and private donors to get a development to the point of breaking ground. Grand County and the City of Moab provide incentives to developers in the form of density bonuses, impact fee waivers, and relaxed site controls, but lower returns on investment (ROIs) associated with below market rate housing remains a commonly cited impediment. Many affordable housing experts suggest that direct financial support from public funds needs to play a larger role in facilitating the development of new units. Indeed, in many instances, affordable housing will not be constructed without it.

## VIV. Development and Design Solutions to Expand Affordable Housing

As is said often about solving the affordable housing shortage, there is no silver bullet. It will take a myriad of different tools and design solutions to lower housing costs in the Moab area. Community Rebuilds, the Housing Authority of Southeast Utah, and many other organizations have built a substantial number of affordable units, but demand continues to exceed production. The need is too great for these entities to solve Moab's housing challenges alone. This section provides information on housing cost reduction through improved land use and design. It is intended for policymakers, developers, architects, builders, and, of course, interested citizens.



### Missing Middle Housing

Missing Middle Housing represents a range of multi-unit or clustered housing types compatible in scale with single-family homes that help meet the growing demand for walkable urban living ([www.MissingMiddleHousing.com](http://www.MissingMiddleHousing.com)). Compact development patterns often lead to the desired outcomes expressed in the general plans adopted by the City of Moab and Grand County.

Often, conversations about increasing land use densities quickly escalate from detached single-family homes to mid- and high-rise apartment complexes, painting the image of massive, towering apartment buildings looming next to small, single-family homes and quaint downtown streets. The Middle Housing concept illustrates that there is a wide range of housing typologies between such extremes. Urban designers and architects can integrate moderate and even higher density developments into existing neighborhoods by focusing on compatibility with a site's surroundings. Such care and consideration may diminish some local residents' concerns about high density housing leading to the loss of rural character.

Missing Middle Housing is not a new type of building or neighborhood design. Mixed density housing was a fundamental building method until the 1940s, and can be seen in historic districts across the country. A combination of Missing Middle Housing and detached dwellings makes for a moderately dense community that is more walkable, livable, and sustainable for all types of residents.

Though there are many development types, ranging from duplexes to courtyard apartment complexes, Middle Houses often share several characteristics. These include:

- Walkable contexts,
- Small building footprints,
- Lower perceived densities,
- Smaller, well-designed units,
- Fewer off street parking spaces,
- Cohesive communities, and

- Marketability

Several case studies are presented to demonstrate some possibilities of housing development in the Moab Area, and to support legislative changes to local land use regulations.

## Duplex

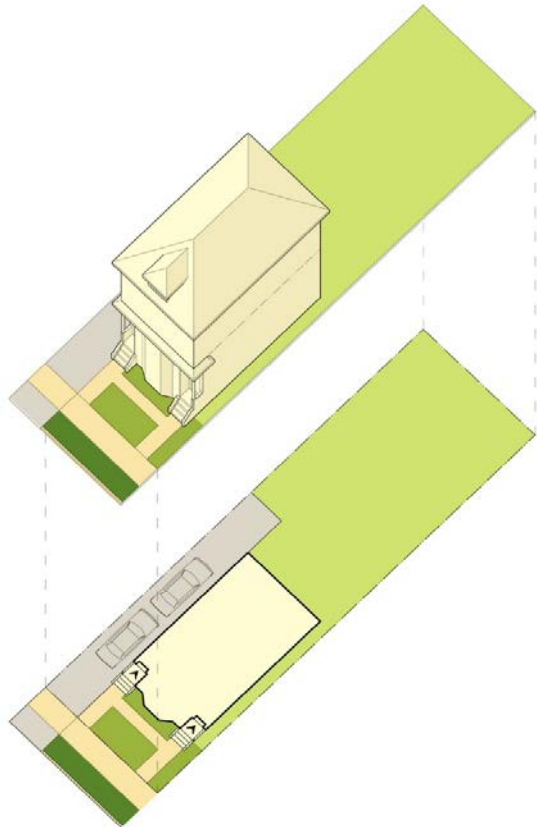
**Description:** A small- to medium-sized structure that consists of two dwelling units, either stacked between two levels or side-by-side, both of which face and are entered from the street.

**Units:** 2

**Typical Unit Size:** 600-2,400 SF

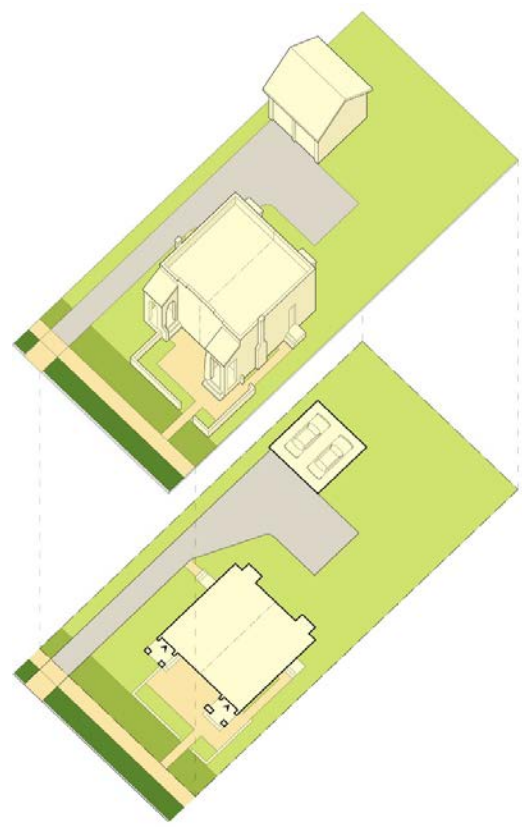
**Net Density:** 8-20 du/acre

Stacked



**PHOTO: STACKED DUPLEX DEVELOPMENT IN OMAHA, NE. DIAGRAM: TYPICAL DUPLEX DEVELOPMENT. PHOTO AND GRAPHIC CREDITS: MISSING MIDDLE HOUSING AND OPTICOS DESIGN**

Side-by-Side



**PHOTO: SIDE-BY-SIDE DUPLEX DEVELOPMENT IN PHOENIX, AZ. DIAGRAM: TYPICAL DUPLEX DEVELOPMENT. PHOTO AND GRAPHIC CREDITS: MISSING MIDDLE HOUSING AND OPTICOS DESIGN**

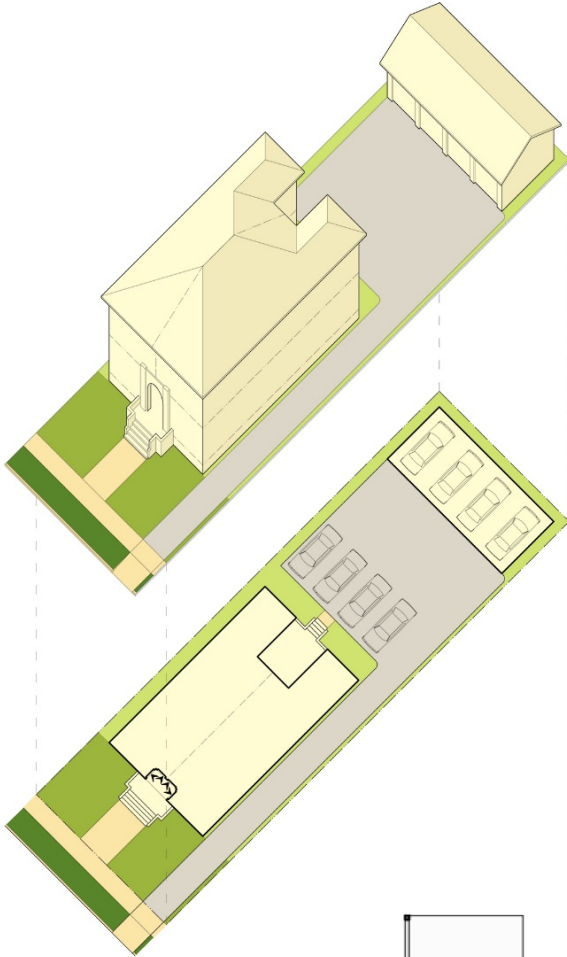
## Triplex and Fourplex

**Description:** A medium-sized structure that houses three or four units, respectively, with a mix of units stacked typically between two levels. Each unit is separate from the others and has its own entrance

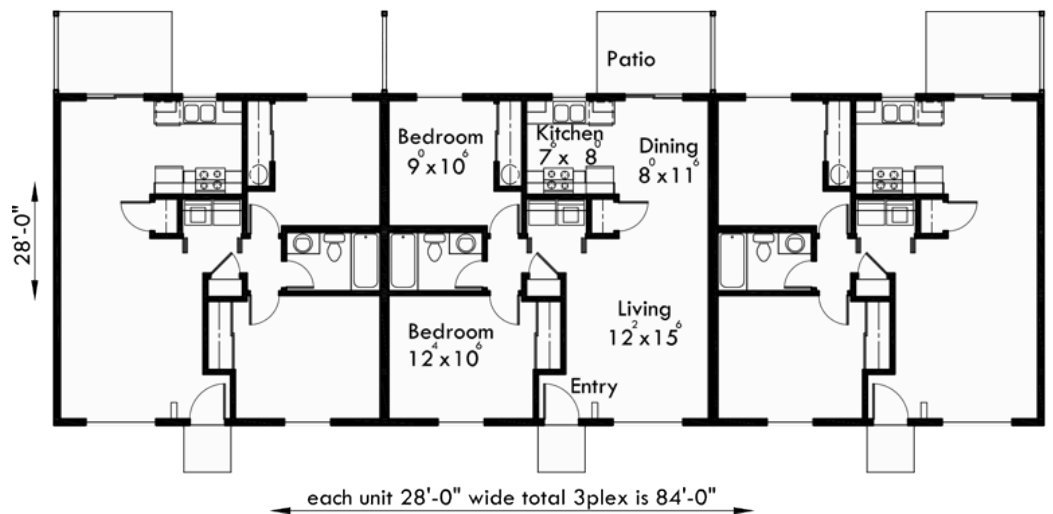
**Units:** 3 or 4

**Typical Unit Size:** 600-2,400 SF

**Net Density:** 15-25 du/acre



**ABOVE: FOURPLEX DEVELOPMENT IN BERKELEY, CA. LEFT: DIAGRAM OF TYPICAL FOURPLEX DEVELOPMENT. PHOTO AND GRAPHIC CREDITS: MISSING MIDDLE HOUSING AND OPTICOS DESIGN**



**EXAMPLE FLOOR PLAN ARRANGEMENT FOR A SINGLE STORY TRIPLEX DEVELOPMENT**

## Courtyard Apartments

**Description:** A medium- to large-sized complex of units accessed from a courtyard or shared space. Each unit may have its own entry or several units share a common entry.

**Units:** Various, ranging from 8-40

**Typical Unit Size:** 600-1,200 SF

**Net Density:** 25-35 du/acre



***CINEMA COURT APARTMENTS IN MOAB, UT ARE NINE CLUSTERED APARTMENT BUILDINGS POSITIONED AROUND A COURTYARD. SHOWN FROM STREET VIEW AND AERIAL VIEW.***

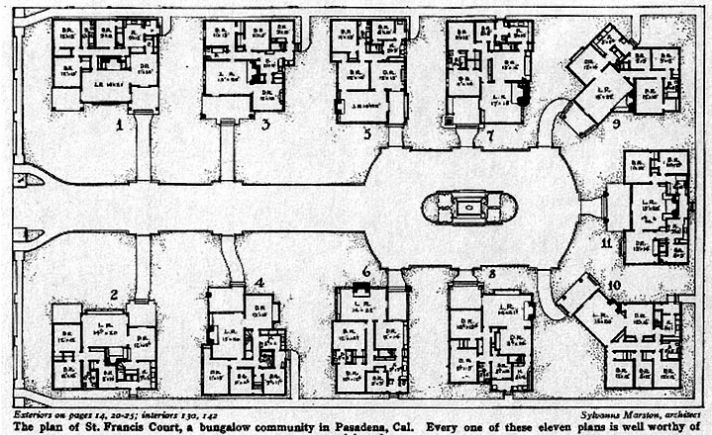
## Bungalow Court

**Description:** A “pocket neighborhood” of smaller single-family units positioned around a shared courtyard space. Bungalow Courts are an excellent balance between the privacy of a single-family home and the communal experience of a shared green space.

**Units:** 5-10

**Typical Unit Size:** 500-1,000 SF

**Net Density:** 20-35 du/acre



**BUNGALOW COURTS PRIMARILY ORIGINATED IN THE NEIGHBORHOODS OF PASADENA, CA FROM 1909-1940s. THE TOP AND BOTTOM LEFT PICTURES SHOW A FEW HISTORIC BUNGALOW COURTS IN PASADENA, AND BOTTOM RIGHT DEPICTS THE SITE PLAN FOR THE FIRST BUNGALOW COURT.**

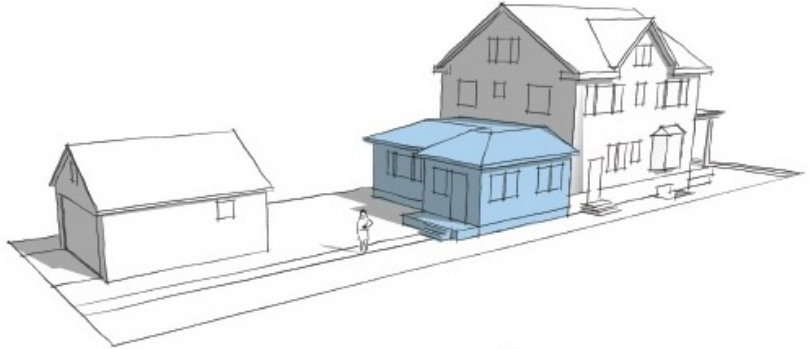


## Accessory Dwelling Units

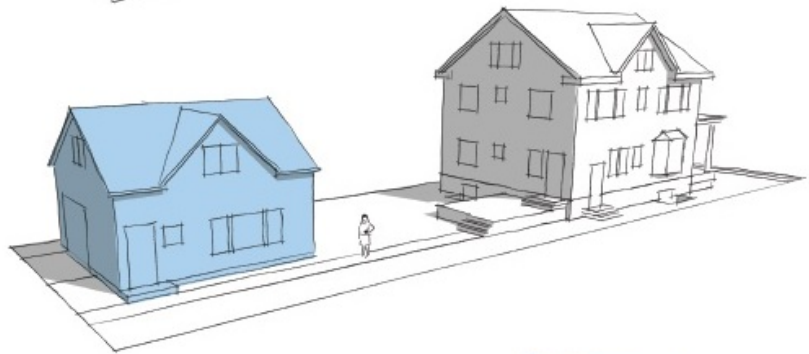
**Description:** Sometimes referred to as a mother-in-law suite or a secondary dwelling unit, accessory dwelling units (ADU) are single-family dwelling units that are built on the same lot or parcel as another single-family dwelling unit.

**Typical Unit Size:** 500-1,000 SF

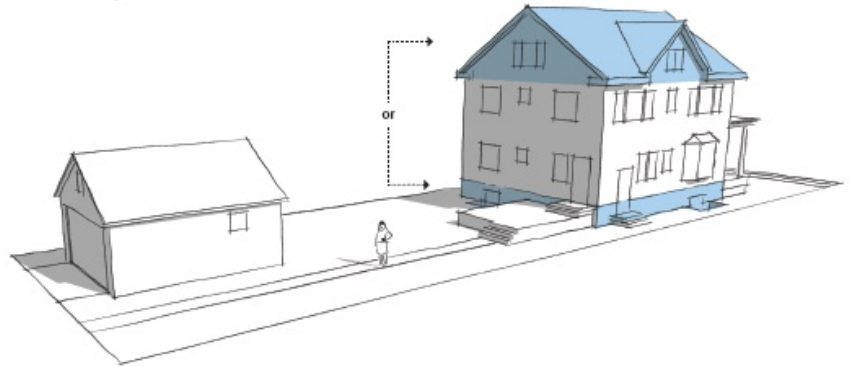
Attached ADU



Detached ADU



Interior ADU, typically accessible through separate door from main house



*PHOTO CREDITS, CITY OF MINNEAPOLIS*



## Cohousing Communities

Cohousing communities can take many forms. Often, they consist of a cluster of private single-family homes built around shared spaces, but they may also exist as non-uniformly patterned townhouses or even repurposed warehouse spaces. They typically have a common area with a large kitchen and dining area, recreational spaces, and a garden that is maintained by the residents and helps feed the community. Some communities choose to provide laundry facilities and guest rooms as well. The members of a cohousing community have full control over the balance between privacy and community engagement. They have independent lives but also share the responsibility for planning and managing communal property and events. Cohousing communities are formally run by an HOA or Board of Directors system and place sustainability, conversation, and community in high regard. This type of community is not very different from any other kind of HOA-managed neighborhood, but communities in which the stakeholders are also its residents tend to be better maintained because residents are more invested in the property.

In general, cohousing encourages developers and residents to view finite amounts of space in a different light. By shifting some resources and household responsibilities outside the private home, individual unit sizes and associated costs can be decreased. Sharing limited resources like land, water, energy, building materials, and appliances can enable greater overall efficiencies. Cohousing is an example of how communities are evolving the traditional development pattern of single family homes with private yards. Greater emphasis is placed on shared open space rather than privately maintained yards. Like other development typologies noted here, cohousing can reduce community-wide infrastructure costs and assist in the preservation of rural character.

Millennials and baby boomers are starting to seek out communal living models, making it easier to age in place, whether settling down to start a family or settling down after retirement.

The Wasatch Commons in Salt Lake City, built in 1998, is the first cohousing community formed in the state of Utah. The community is comprised of 26 townhouses, a community garden, common house, playgrounds, and other recreational facilities.



## Permanent Supportive Housing

Permanent supportive housing (PSH) is a model that provides both housing and services for people with serious mental illnesses or other disabilities who need additional, consistent support to maintain their housing and live stably within their communities. Services can include case management, substance abuse, counseling, employment and education services, advocacy, and more. A principle aspect of the PSH model is that services are voluntary, not mandatory, for tenants living in housing projects.

PSH relies on the "Housing First" concept, meaning that housing is given rapidly to those who need it with as few preexisting requirements as possible.

The Housing First model works on two levels:

- At the project level, PSH projects must have screening practices that promote acceptance of applicants regardless of their sobriety, level of completion of treatment, or history of mental health or homelessness.
- On a community level, Housing First means that the community's response to homelessness is oriented to helping people get permanent housing as soon as possible with as few obstacles as possible. It is supported by evidence that individuals make the best progress when living in stable housing environments.

Pathways Village Apartments is a new PSH facility in Grand Junction, Colorado. It is a 40-unit complex that serves the chronically homeless population in the Grand Junction area. It provides numerous services to its residents, creates new jobs, and generates an estimated \$11 million in economic impact for the area.



## Sustainable Design

Sustainability has become a buzzword in the built environment across all scales and development types. Sustainable design has influenced residential, commercial, and industrial projects, as well as small area plans and comprehensive general plans. Buildings consume almost half the energy produced in the United States today, and contribute an equal share of carbon dioxide emissions. Any savings associated with building energy efficiency improve the bottom-line of development, and improve local environments.

There are countless green building codes, theories, and action plans to try to reduce the major long term impacts buildings have on global warming, but the bottom line for sustainable building solutions comes down to a simple mission: people, planet, profit. In order for a project to be successful, it must be economically sound, environmentally conscious, and socially sensitive; a project will not be able to sustain itself if it does not satisfy each of these objectives. For example, a developer cannot create an eco-friendly, economically viable building that is not sensitive to the needs of its occupants, or create a project that is beautiful and heavily occupied that costs too much money to operate in the long-term.

Public health has also driven sustainable design practices. In the 21<sup>st</sup> century, most humans spend their days and nights predominantly indoors. Design for human health places a greater emphasis on indoor air quality, daylighting, physical movement, and views of surrounding open space. These factors have been shown to increase productivity, improve focus, foster contentment, and reduce anxiety and depression.

Many local builders and developers are championing sustainable design into their projects.

Most new homes are constructed with a variety of materials that ensure high insulation ratings. Solar panels, energy efficient appliances, and grey water recycling systems are also increasing in prevalence, which creates a significant cumulative impact for households and the Moab community. Some builders are incorporating passive solar design techniques and natural building methods to create homes that are cheaper to heat and sensitive to the landscape. Energy retrofits can help reduce utility costs for owners and renters in existing homes, so there is also ample opportunity to increase awareness of state and federal programs targeting such investments.

## [X. Brief Housing Development Summary: CINEMA COURT](#)

To illustrate the unique and often complex process of developing affordable housing, this section provides a brief summary of a multifamily rental development constructed in the City of Moab. Cinema Court, a 60-unit apartment complex, provides housing for very low- and low-income households. Readers should note that this summary is provided by way of example only, and may not characterize the barriers and other conditions facing another project in the Moab Area. Note the number of income sources required to facilitate the Development, and the substantial contribution of financing provided through the low income housing tax credit (LIHTC) awarded by the Utah Housing Corporation and funded by American Express, a global corporation with a charter in Utah. Without the LIHTC, Cinema Court would not have come to fruition. Since the 2012 project, the Moab Area has not seen another LIHTC development. It may take another LIHTC award to fund affordable housing developments as large as Cinema Court or a more complex financing structure that includes additional partners to make any proposal a reality in Grand County. Cooperation, compromise, and trust among partners is an essential ingredient for any project to succeed.

### [Need for Project](#)

The 2009 Grand County and City of Moab Housing Study and Affordable Housing Plan projected a 2012 total rental deficit of 224 units. While no specific data was analyzed in the year 2012 to determine the actual rental deficit at that time, the projected deficit was likely to be at least as high by the time Cinema Court was completed.

### [Site and Development Description](#)

HASU endeavored to meet a portion of the rental housing need with the construction of Cinema Court, a new development including 60 multifamily rental housing units built during the summer of 2012. Cinema Court was built on a five acre parcel of land near a variety of amenities including a creek, bike and pedestrian pathways, hiking trails, shopping, and entertainment. Because a significant percentage of the parcel was deemed unbuildable due to the presence of a floodplain, the property was acquired at a favorable price but limited building footprints. Comprised of nine two-story apartment-style residential buildings, one leasing office/clubhouse, and one playground, the Development caters to varying household sizes, from single-person households to families with more than four individuals. Unit amenities include dishwashers, garbage disposals, clothes washers and dryers in each unit, two bathrooms in the two and three bedroom units and comfortable floor-plans. Three of the units are fully accessible; five are set aside for transitional housing for the homeless or near homeless residents and five are designated for those with mental illness.

### [Unit size, Number, and Income Targeting](#)

The unit mix and target population was determined by a combination of the housing need and operating budget cash flow.

Unit Type	Unit Size (sq. ft.)	Units @ 25% AMI	Units @ 39% AMI	Units @ 45% AMI	Units @ 50% AMI	Unit Total
1 bedroom, 1 bath	736	5	10	0	0	15
2 bedroom, 1 bath	880	0	0	30	0	30
3 bedroom, 2 bath	1135	0	0	6	9	15
<b>Totals</b>		<b>5</b>	<b>10</b>	<b>36</b>	<b>9</b>	<b>60</b>

Table 18: Unit Mix of Cinema Court Apartments

### Development Budget

Through a competitive bidding process, the construction budget was created.

<b>Development Budget</b>	
<b>Expense</b>	<b>Cost</b>
Land	\$526,928
Construction	\$6,036,134
Professional Fees	\$398,904
Interim Costs	\$293,182
Permanent Financing	\$71,290
Soft Costs	\$92,176
Syndication Costs	\$5,900
Developer Fees/Profit/Overhead	\$1,130,279
Project Reserves	\$163,880
<b>Total Cost</b>	<b>\$8,718,673</b>

Table 19: Development Budget

### Income Sources

Five different income sources were combined to pay the total development cost. Note that due to low rent levels, project cash flow supported a permanent loan of only \$850,000. Local match, grant funds, and investor equity in the form of LIHTCs were used to “fill the gap” between the \$850,000 dollar permanent loan and the total \$8,718,673 development cost.

<b>Sources and Uses Budget</b>
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<b>Source</b>	<b>Amount</b>	<b>Uses</b>
<b>Public Sector</b>		
City Contribution (General and CDBG Funds)	\$509,000	Site, General Construction
County Contribution	\$90,000	General Construction
State Division of Housing	\$800,000	Site, Engineering
Housing Authority	\$389,451	Land, Developer's Fee
<b>Private Sector Equity / Loan</b>		
Tax Credit Equity	\$7,416,000	General Construction, Fees, Marketing
First Mortgage (OWHLF)	\$850,000	Permanent Loan
HASU CDBG Loan	\$250,000	Infrastructure/Gen Construction
Managing Member Equity	\$25,000	General Construction
Deferred Dev. Fee	\$177,673	Project Reserves
Development Cost Total	\$8,718,673	

Table 20: Income Sources Budget

### Development Timeline

Predevelopment activity began in 2009 and ended with the successful completion of all financial arrangements in fall 2010. Construction began spring 2011 and ended in July 2012.

Since its completion, Cinema Court has remained virtually 100% occupied. At times, there are short gaps between tenants due to the specific eligibility requirements associated with individual units. After a 15 year federal compliance period, American Express will transfer ownership to HASU for the remainder of the project lifetime. Cinema Court has, to date, epitomized a successful affordable housing development.

## **XI. IHTF Recommendations**

The mission of the Interlocal Housing Task Force is to support the creation of affordable and attainable housing through policy recommendations, public outreach, professional development, and project implementation. The Task Force

meets regularly to discuss and review current housing trends, evaluate proposed solutions, and create informational resources for the public. In support of this housing plan, the IHTF offers the following recommendations:

- Establish, promote, and utilize the Moab Area Community Land Trust.
- Increase funding for affordable housing within the City and County budgets.
- Expand the use of deed restrictions to protect existing and new affordable housing.
- Engage the State Institutional Trust Lands Administration (SITLA) and the Bureau of Land Management (BLM) in identifying development opportunities on state and federally owned land.
- Adopt an assured housing ordinance, which will require all new residential and commercial development above a given size to include a component of affordable housing.
- Increase zoning densities along major transportation corridors and within areas proximal to retail, restaurants, and entertainment.
- Support employer provided housing while providing best practices that protect employees.
- Provide for greater flexibility in the City and County land use codes to support residential and mixed-use developments.
- Establish regulations that enable the development of “tiny home” communities.
- Encourage the Utah legislature to allow greater flexibility in the expenditure of Transient Room Tax (TRT) revenue.



## XII. Affordable Housing: Vision, Goals, and Objectives

### Vision

A community that includes an affordable housing opportunity available to each resident of the Moab Area.

### Goals

1. Achieve the housing vision by 2050.
2. Create and protect enough affordable housing in the Moab Area so that it is not a limiting factor for the community's evolution.
3. Upgrade and improve existing low-quality housing.
4. Construct a wider range of housing and development types, especially attached dwellings and apartments.
5. Provide a mix of ownership, rental, and seasonal housing opportunities.
6. Become a model community in the way of implementing successful housing solutions.
7. Create senior housing and housing for individuals with special needs and mental or behavioral health issues.
8. Expand the housing stock through the development of compact, walkable neighborhoods served by reliable infrastructure.
9. Encourage the development of a public transportation system.
10. Promote housing that is energy efficient and minimizes environmental impact.

### Objectives

1. Analyze the housing needs of very low-, low-, and moderate-income households, and develop a mix of strategies to meet the needs of each income group.
2. Set annual affordable housing targets and report performance to the public.
3. Coordinate with and involve multiple community and outside agencies in developing affordable housing solutions.
4. Adopt or amend local land use regulations to provide more opportunities for affordable housing development.
5. Facilitate public-private partnerships that lead to affordable housing construction and economic development.

### XIII. Affordable Housing Action Plan

1. GENERAL					
ACTION STEPS	LEAD AGENCY	IMPLEMENTATION PARTNERS	POSSIBLE FUNDING SOURCES	TARGET DATE	STATUS
a. Consider hiring a staff person explicitly responsible for housing plan implementation	City, County	Interlocal Housing Task Force (IHTF)	Property Tax, Sales Tax, Transient Room Tax	2017	
b. Consider hiring a staff person explicitly responsible for economic development	City, County	Chamber of Commerce, USU Moab, Small Business Development Center	City, County	2017	
c. Collect data relative to the supply and demand for housing in the Moab Area	County	City, IHTF	United States Department of Agriculture (USDA), Community Development Block Grants (CDBG)	2016; Ongoing	2016 Housing Plan Update includes current data
d. Update housing plan as needed to reflect current data, market analysis, and economic conditions	City, County	IHTF		2017; Ongoing	
e. Evaluate policy scenarios and set intermediate (1, 2, 5, and 10 year) goals that lead to the achievement of the Vision.	City, County	IHTF		2018	
f. Provide annual updates on affordable housing plan implementation	City, County, IHTF	IHTF		2017; Ongoing	

## 2. 501(c)3 - MOAB AREA COMMUNITY LAND TRUST (MACLT)

ACTION STEPS	LEAD AGENCY	IMPLEMENTATION PARTNERS	POSSIBLE FUNDING SOURCES	TARGET DATE	STATUS
a. Create / finalize land trust	MACLT	MACLT		2016	Done
b. Create land trust board	MACLT	MACLT		2016	Done
c. Develop board policies	MACLT	MACLT		2016	Done
d. Create and approve strategy and action plans	MACLT	IHTF, City and County Staff	Rural Community Assistance Corporation (RCAC), Grounded Solutions Network	2017 - 2018	
d. Solicit resources	MACLT, IHTF	IHTF, City and County Staff	City, County, Low Income Housing Tax Credits (LIHTC), CDBG, Olene Walker Housing Loan Fund (OWHLF), Private Donors	2017; Ongoing	Will begin in 2017
e. Develop partnerships with local governments, private landowners, businesses, and housing developers	MACLT	IHTF, HASU, Community Rebuilds, Other Local Developers, City, County, Private Landowners, Local Businesses, etc.		2017; Ongoing	Will begin in 2017

### 3. INTERLOCAL HOUSING TASK FORCE (IHTF)

ACTION STEPS	LEAD AGENCY	IMPLEMENTATION PARTNERS	POSSIBLE FUNDING SOURCES	TARGET DATE	STATUS
a. Expand membership	IHTF	City and County Staff, Local Developers, Builders, Realtors, and Bankers, Chamber of Commerce, Citizens	City, County	2016; Ongoing	The IHTF has expanded significantly over the previous two years; Additional participation from the development community is needed
b. Increase public education through workshops, advertisements, and outreach campaigns	IHTF	City and County Staff	City, County	2017	Workshops offered periodically each year; Ongoing
d. Develop and publicize a housing and economic development website; Distribute the Housing Plan; Distribute resources and tools for affordable housing	IHTF, City, County	City and County Staff, Local Developers, Builders, Realtors, and Bankers, Citizens		2016; Ongoing	Website—Done Housing Plan Update—Done Distribution—In Progress
e. Increase local capacity by reviewing successful affordable housing developments, networking with organizations, visiting and hosting other communities, and attending conferences	IHTF, City, County	City and County Staff, Local Developers, Builders, Realtors, and Bankers, Citizens	City, County, Foundations, Utah Housing Coalition, Private Donors, Scholarships	2016; Ongoing	Ongoing

#### 4. LAND USE CODE CHANGES TO ENCOURAGE AFFORDABLE HOUSING

ACTION STEPS	LEAD AGENCY	IMPLEMENTATION PARTNERS	POSSIBLE FUNDING SOURCES	TARGET DATE	STATUS
a. Adopt an assured housing ordinance	City, County	IHTF, HASU, Community Rebuilds, Developers, Business Owners, Citizens		2017	City—In Progress County—Draft ordinance under review
b. Strategically increase zoning densities to facilitate compact development patterns	City, County	IHTF, HASU, Community Rebuilds, Developers, Business Owners, Citizens		2017	Will begin following adoption of assured housing ordinance.
c. Develop mixed-used ordinance	City, County	City and County Staff, Local Developers and Builders, Citizens		2017 - 2018	Incorporate into zoning density discussions; Downtown Plan Process; Southern US-191 Corridor Planning
d. Strengthen and formalize incentives for affordable housing developers	City, County	City and County Staff, Local Developers and Builders, Citizens		2017 - 2018	City – In Progress County – Existing incentives deemed ineffective

#### 4. LAND USE CODE CHANGES TO ENCOURAGE AFFORDABLE HOUSING (continued)

ACTION STEPS	LEAD AGENCY	IMPLEMENTATION PARTNERS	POSSIBLE FUNDING SOURCES	TARGET DATE	STATUS
e. Review City and County Land Use Codes to identify and document barriers to affordable housing and engage in public process to mitigate or remove those barriers.	City, County	City and County Staff, Local Developers and Builders, Citizens		2016; Ongoing	City – Development Code overhaul planned for 2017 County – Several amendments adopted in 2016; Ongoing
f. Create zoning regulations for “tiny houses” and “tiny house communities.”	City, County	City and County Staff, Local Developers and Builders, Citizens		2017	Several workshops provided to the Moab community; Preliminary research complete
g. Encourage land use efficiency by allowing Accessory Dwelling Units (ADUs)	City, County	City and County Staff, Local Developers and Builders, Citizens		2016; Ongoing	City – Done County – Done (regulations updated in 2016)
h. Expand infill development opportunities through use-specific design standards	City, County	IHTF, City and County Staff, Local Developers and Builders, Citizens		2017 - 2019	Will begin in 2017

## 5. AFFORDABLE HOUSING STOCK PRESERVATION

ACTION STEPS	LEAD AGENCY	IMPLEMENTATION PARTNERS	POSSIBLE FUNDING SOURCES	TARGET DATE	STATUS
a. Conduct Housing Inventory	IHTF, Southeastern Utah Association of Local Governments (SEU-ALG)	City, County		2018	Discussions with SEU-ALG ongoing
b. Identify dilapidated units and work with property owners to upgrade or replace with safe, adequate housing	Community Rebuilds, HASU	SEU-ALG, City, County	SEU-ALG Weatherization Program, CDBG, USDA, City, County	2018	
c. Investigate incentives to rehabilitate deteriorated units		Rural Development	USDA, HUD, State, SEUALG	Year 0-1	
d. Promote mobile home rental to ownership	HASU, MACLT	IHTF, USDA, OWHLF	Local banking institutions	2016; Ongoing	
e. Investigate temporary housing alternatives	IHTF, HASU, MACLT	City and County Staff		2017 - 2018	
f. Provide tax abatement on residential rehabilitation and replacement for low-income households	County	County Council, County Assessor, Clerk, and Treasurer	County	2017 – 2018	Will begin discussions in 2017
g. Inventory existing subsidized units and chart financing/flip cycle	HASU		USDA, CDBG, OWHLF	2018	
h. Require housing mitigation plans when land use applications propose demolition of existing housing units	County, City	IHTF		2017 - 2018	Will begin discussions in 2017

## 5. AFFORDABLE HOUSING STOCK PRESERVATION (continued)

ACTION STEPS	LEAD AGENCY	IMPLEMENTATION PARTNERS	POSSIBLE FUNDING SOURCES	TARGET DATE	STATUS
i. Promote energy efficiency programs	IHTF	HASU, City and County Staff, Utility Providers		2018; Ongoing	
j. Provide public information about utility cost reduction	IHTF	HASU, City and County Staff, Utility Providers		2018; Ongoing	
k. Promote low-interest loans and incentives for energy reducing improvements	IHTF	HASU, City and County Staff, Utility Providers		2018; Ongoing	

## 6. DEED RESTRICTIONS

ACTION STEPS	LEAD AGENCY	IMPLEMENTATION PARTNERS	POSSIBLE FUNDING SOURCES	TARGET DATE	STATUS
a. Require all new affordable housing to include deed restrictions	City, County			2016; Ongoing	City—In Progress



					County—Done
b. Establish minimum requirements for affordable housing deed restrictions to be used in the City and County	City, County	IHTF		2017 - 2018	City—In Progress County—In Progress
c. Create a library of deed restrictions with standardized language and make available to project developers	IHTF	City, County, Community Rebuilds	RCAC	2017	Community Rebuilds – In Progress
d. Work with USDA to establish deed restrictions for 502-direct and 523-guaranteed loan programs	HASU, Community Rebuilds	City, County		2016; Ongoing	In Progress
e. Establish agreements and funding mechanisms for deed restriction administration	City, County	IHTF, HASU, Community Rebuilds, MACLT		2017 - 2018	City—In Progress County—In Progress
f. Update property assessments to better delineate appreciation due to land versus buildings	County Assessor	IHTF, HASU, Community Rebuilds, Appraisers, Bankers		2017 – 2018	Will begin in 2017

7. BUILDING CONSTRUCTION & DESIGN PRACTICES					
ACTION STEPS	LEAD AGENCY	IMPLEMENTATION PARTNERS	POSSIBLE FUNDING SOURCES	TARGET DATE	STATUS
a. Provide educational resources to local development community	City, County, IHTF	City and County Staff, Local Developers and		2017; Ongoing	

		Builders, HASU, Community Rebuilds, American Planning Association (APA), American Institute of Architects (AIA), Smart Growth America			
b. Provide a library of pre-approved building plans for affordable housing to local developers	IHTF	MACLT, Local Architects, Developers, and Builders		2017; Ongoing	One design complete and nearly approved; Library host to be determined

## 8. DEVELOPMENT COSTS REDUCTION

ACTION STEPS	LEAD AGENCY	IMPLEMENTATION PARTNERS	POSSIBLE FUNDING SOURCES	TARGET DATE	STATUS
a. Establish housing funds within the City and County budgets to support the development of affordable housing	City, County, Special Service Districts (SSDs)	City and County Staff, Special Service District Staff, Local Developers and Builders, Public Finance Experts		2016; Ongoing	City—Done County—Done SSDs—In Progress
b. Evaluate opportunities to develop housing or mixed use developments on publicly owned parcels	City, County, SSDs, State and Federal Land Management Agencies	City and County Staff, Special Service District Staff, Local Developers and Builders, Public Finance Experts	City, County, Low Income Housing Tax Credits (LIHTC), CDBG, Olene Walker Housing Loan Fund (OWHLF), USDA, EDA, CDBG, Private Donors	2016; Ongoing	Map of publicly owned parcels provided to City and County Staff in 2016; Evaluation of development opportunities—Ongoing
c. Implement guidelines for fee waivers and deferrals (e.g. impact fees, development review fees, building permit fees, and others)	City, County, SSDs	City and County Staff, Special Service District Staff, Local Developers and Builders, Public Finance Experts		2016; Ongoing	City—In Progress County—Done SSDs—In Progress
d. Consider offering direct subsidies to eligible low-income households or developers of affordable housing	City, County	City and County Staff, Special Service District Staff, Local Developers and Builders, Public Finance Experts		2017; Ongoing	Depends on creation of housing funds with committed revenue source

## 9. HOMELESSNESS

ACTION STEPS	LEAD AGENCY	IMPLEMENTATION PARTNERS	POSSIBLE FUNDING SOURCES	TARGET DATE	STATUS
a. Work with Local Homeless Coordinating Committee to consider needs of the homeless	Homeless Coordinating Committee	IHTF	State of Utah	2017; Ongoing	IHTF members participated in a permanent supportive housing (PSH) toolkit in 2016; Homeless Coordinating Committee—Ongoing
b. Expand membership	Homeless Coordinating Committee	IHTF		2017; Ongoing	
c. Establish operational budget	Homeless Coordinating Committee	City, County	State of Utah, Veterans Affairs	2018; Ongoing	

## XIV. HOUSING TERMINOLOGY

Affordable housing involves many federal, state, and local agencies, programs, budgets, and stakeholders, each with their own housing vernacular. The following is a list of common terms used in the affordable housing arena:

**Accessory Dwelling Unit (ADU)** -- A secondary and typically smaller dwelling unit built on a parcel with a primary dwelling unit. These are sometimes referred to as “mother-in-law” apartments.

**Adjusted Gross Income (AGI)** -- Gross income minus adjustments to income.

**Affordable Housing** -- Federal and State policies consider housing to be affordable when housing costs consume no more than 30 percent of gross annual household income; this standard particularly applies to households earning less than 80 percent of Area Median Income. Rental housing costs include rent, water, gas, and electric payments. Ownership housing costs include mortgage, taxes, insurance, water, sewer, gas, electric payments and homeowner association fees. Some federal policies consider housing to be affordable when the gross household income remaining after all housing costs are paid is sufficient to cover other essential expenditures such as food, clothing, healthcare, transportation, and childcare. This alternative definition of affordable housing is referred to as residual income.

**Affordability Gap** -- A term that generally refers to the difference between the average sales price for a typical single family home and the amount that a household could afford to pay for that home without spending more than thirty percent of gross annual household income on total housing costs. This figure is typically computed for households earning the Area Median Income.

**Area Median Income (AMI)** -- Also, **Area Median Family Income (MFI)** -- The income level of households in a community where half the households of the same size earn more than the AMI and half earn less than the AMI. Each year the federal government designates the AMI for a community for households of 1-8 people. Many affordable housing programs use AMI to determine household eligibility. In 2016, the AMI for a household of four in Grand County was \$64,300 per year (HUD).

**Assured Housing** -- Also, **Inclusionary Zoning or Fair-Share Housing** -- A set of policies that requires new development to include affordable housing. Private housing developers may be required to build deed-restricted affordable housing as a percentage of or in addition to market rate housing. A community may adopt assured housing policies to meet a variety of community goals including economic integration and targeted development. Often, development incentives are utilized to offset the reduced profit associated with construction of deed-restricted units. Private commercial or non-residential developers may be provided several compliance alternatives including on-site construction, off-site construction, land dedications, fee-in lieu, or others.

**Attainable Housing** -- A term with multiple meanings that generally refers to housing that is affordable to a household earning between 80 percent (80%) and 120 percent (120%) of AMI.

**Community Land Trust (CLT)** -- A non-profit organization recognized by the U.S. Department of Housing and Urban Development [HUD]. A CLT acquires land through purchase or donation, then allows housing units to be built on the land through ground leases. By removing the cost of land acquisition and restricting occupancy to income eligible households, the CLT reduces the overall cost of construction. This helps keep the housing units affordable.

**Community Housing Development Organization (CHDO)** -- A non-profit organization recognized by HUD. A CHDO develops and/or operates affordable housing projects. A CHDO can access a wider range of public and private financing than other non-profit organizations or government agencies.

**Cost-burdened** -- Households paying more than 30 percent (30%) of gross annual household income are considered cost-burdened.

**CROWN Program** -- An affordable home lease-to-purchase program funded by low income housing tax credits available through the Utah Housing Corporation to qualifying families earning up to 60 percent of AMI. After the expiration of the 15 year compliance period, the tenants occupying the home have the option of purchasing the home for an amount equal to the unpaid balance of the financing sources plus a portion of the original equity invested. Program includes training in personal finance, home maintenance, and repair.

**Deed Restrictions** -- Part of the deed to a property, restrictions can impose purchase or rental eligibility requirements, limit the price at which a property can be sold, or limit the rental rate an owner may charge. Deed restrictions help keep properties affordable over time.

**Density Bonus** -- Density bonuses allow developers to increase the number of housing units they may build on a parcel above what is normally allowed in the zone. In exchange, the developer deed-restricts a percentage of the units so they remain affordable to income-eligible households over time.

**Development Code Barrier Reduction or Elimination** -- Modification of local housing development codes to improve land use and reduce housing costs. Many communities are examining local zoning rules to ascertain if there are regulations (excessive setbacks, height limits, road widths, density restrictions, etc.) that make it difficult to build both market rate and affordable housing.

**Doubling Up** -- More than one household living in the same housing unit. In some instances, more than two households may live in the same housing unit. In the context of this document, the authors refer to multiple households living together out of necessity more than choice.

**Employer Assisted Housing Program** -- In some communities, businesses or government agencies attract and retain key employees by helping them find and pay for housing. Sometimes the help comes in the form of low- or no-interest loans, forgivable loans, or down payment assistance. Employers can develop their own individual programs or join with other employers to pool their money into one fund.

**Essential Housing -- Also, Workforce Housing** -- A term used to describe housing available to a class of individuals often viewed as vital community service providers, such as police officers, firefighters, teachers, nurses, and others. In the Moab Area, service industry employees are also viewed as essential service providers.

**Fair Market Rent (FMR)** -- Rent level guidelines for the Housing Choice Voucher Program established by HUD for each county in the United States.

**Fast-Track Development Process** -- An expedited project approval process for developments with affordable housing units. Reducing review time can often reduce housing costs. May include “front of the line” policies for reviewing projects.

**Fee Deferrals or Waivers** -- The fees charged to new construction adds to the cost of an affordable housing project. In some instances local government will allow developers to pay the fees at a later time (fee deferral) or, in some cases, pay the fees for the developer (fee waiver) in order to lower the cost of construction. In all cases, local government should acknowledge that impacts are still created, but the manner in which they are accounted for is adjusted.

**Household Income** -- The combined gross income of all residents in a household. Income includes wages and salaries, unemployment insurance, disability payments, and child support. Household residents do not have to be related to the householder for their earnings to be considered part of household income.

**Housing Quality Standards** -- Building safety standards units must meet to qualify for participation in the Housing Choice Voucher Program and other state rental assistance programs.

**Housing Rehabilitation Programs** -- Low interest loans or grants available to low-income property owners and tenants to repair, improve, or modernize their dwellings or to remove health and safety problems.

**Housing Trust Fund** -- A community may collect public and private funding that can be used to subsidize affordable housing projects in that community.

**HUD** -- United States Department of Housing and Urban Development.

**Inclusionary Zoning** -- See Assured Housing

**Income Eligible Households** -- Each affordable housing program defines the income range for households that are eligible to participate in that program.

**Land Banking** -- A strategy for identifying and securing lots and undeveloped tracts of land to support future affordable housing development. When referring to private land holdings, land banking may refer to investment strategy where property owners choose not to develop housing, suppress supply, and achieve a higher return on investment later.

**Local Match** -- A local contribution of actual or in-kind funds required to “match” or leverage Federal, State, and other funding. Local matches reflect local commitment to the creation of affordable housing units.

**Low-income** -- Household income between 30 percent and 50 percent of Area Median Income as defined by HUD.

**Manufactured Home** -- A factory-built, single family structure designed for long-term occupancy that meets the Federal Manufactured Home Construction and Safety Standards of 1976 42 U.S.C. Sec. 5401, commonly known as the HUD (U.S. Department of Housing and Urban Development) Code. Such houses are delivered on permanently attached axels and wheels and are frequently referred to as “modular” when constructed in more than one building section.

**Mobile Home Conversion from Rental to Resident Ownership** -- As land prices increase, there is often financial pressure on mobile home park owners to close the parks and convert the properties to more profitable uses. Residents of mobile home parks sometimes can, with help from government agencies and non-profit groups, purchase the mobile home parks they live in, thereby preserving the park for affordable housing use.

**Mobile Home Park Loans** -- The State of Utah and various non-profit affordable housing organizations provide low-interest loans to residents of mobile home parks to purchase the parks.

**Moderate-income** -- Household income between 50 percent and 80 percent of Area Median Income as defined by HUD.

**Mobile Home** -- A residential dwelling fabricated in an off-site manufacturing facility designed to be a permanent residence, and built prior to the enforcement of the Federal Manufactured Home Construction and Safety Standards beginning June 15, 1976.

**Modular Home** -- A structure intended for long-term residential use and manufactured in an offsite facility in accordance with the International Building Code (IBC), or the International Residential Code (IRC). This housing type is produced in one or more building sections and do not have permanent, attached axels and wheels.

**Mutual Self Help Housing Program** -- A federally funded rural “sweat-equity” home ownership program for low-income families. A group of families collectively construct their homes supervised by a non-profit housing developer. Families contribute at least 65 percent (65%) of home construction labor.

**Overlay Zone** -- A special zoning district that may encompass one or more underlying zones and imposes additional requirements beyond the regulations for development in the underlying zone(s). Overlay zones deal with special situations that are not necessarily appropriate for a specific zoning district or that apply to several districts. For example, a provision of an Affordable Housing Overlay Zone that covers one or more zones might require that tracts above a specified acreage that are proposed for higher density development would also include a percentage of affordable or low-income housing units.

**Payroll Wage** -- The gross pay an employee receives for a given amount of time worked, typically hourly, weekly, monthly, or yearly. Gross refers to the pay an employee would receive before withholdings are made for such things as taxes, contributions, and savings plans.

**Public Private Partnerships** -- Partnerships between local governments, non-profit housing organizations, and the private sector established to meet local affordable housing needs by bringing additional resources and skills to the process.

**Real Estate Transfer Assessment (Voluntary)** -- Fees assessed when real estate properties are sold. These fees are then used to subsidize affordable housing programs.

**Severely Cost-burdened** -- Households paying more than 50 percent (50%) of gross annual household income are considered severely cost-burdened.

**Subsidized Housing** -- Housing sold or rented at below market values due to government or private contributions.

**Tax Abatement on Residential Construction and Rehabilitation Improvements** -- Incentive to construct affordable housing or improve existing residential properties through tax relief or elimination. The increase in property tax assessed value generated by residential construction or home improvements is not taxed for a number of years, or the taxable amount is reduced by a certain percentage. Taxes associated with the assessed value before the construction or improvements take place are still collected.

**Tiny Home** -- An umbrella term that describes housing units under 400 sq. ft. in size. While an approved primary residence or ADU may be classified as a tiny home based on square footage, the term often refers to housing units built for temporary occupancy and that do not meet the IBC, IRC, or HUD construction standards.

**Transfer of Development Rights (TDR)** -- The removal of the right to develop or build, expressed in dwelling units per acre or floor area, from property in one zoning district, and the transfer of that right to land in another district where the transfer is permitted. The transfer may be made by the sale or exchange of all or a part of the permitted density of one parcel to another.

**USDA** -- United States Department of Agriculture.



**Vacancy Rate** -- In this report, vacancy rate refers to the percentage of all housing units that are not currently inhabited by full-time occupants. A vacant unit may be one which is entirely occupied by persons who have a usual residence elsewhere. New units not yet occupied are classified as vacant housing units if construction has reached a point where all exterior windows and doors are installed and final usable floors are in place.

**Very Low-income** -- Household income below 30 percent of Area Median Income as defined by HUD.