

Layton City Moderate-Income Housing Plan

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## **Executive Summary**

Layton City's Moderate Income Housing Plan is a guide to provide realistic opportunities to provide for a variety of housing, including moderate-income housing over the next five (5) years, in accordance with State law. Layton recognizes that this should be done in a manner that meets "the needs of people of various income levels living, working, or desiring to live or work in the community, to benefit from and fully participate in all aspects of neighborhood and community life." With an area median income (AMI) in Davis County of \$71,883, a moderate household income is considered to be equal to or less than \$57,506. This figure is based on a target of 80% AMI as defined in State Code 10-9a-403(2), or (\$71,833 x 80%), with additional consideration of lower income levels at 50% and 30% AMI.

The challenge and opportunity is to provide diverse housing choices, with nearby employment and services to support in reducing transportation costs for all of its residents, and to contribute to less regional travel demand, as outlined in the Layton Forward Land Use and Housing element of the City's General Plan. A balanced land use and housing strategy will support efforts to recruit and retain employers that rely on a diverse and skilled work force with nearby housing options. This strategy will also contribute to less vehicle travel and emissions, in an effort to maintain air quality as an important quality of life measure along the Wasatch Front. As Utah's younger generations complete job training and graduate from college, starting salaries are typically within 50% to 80% AMI in Davis County, which points a growing need for moderate income housing choices for our own children that are well-designed and integrated into the community fabric of Layton.

Layton's 5 year projection for new households at or below 80% AMI is 739, and 1,431 households over the next 10 years. The potential housing budget of these income levels is compared to the area median income in the table below, and categorized as either meeting the target maximum housing budget (or up to 30% of household income), cost-burdened (30 to 50% of household income) or severely cost-burdened (above 50% of household income).

	Target Maximum	Cost-Burdened			Severely Cost- Burdened
	30% of	36% of	42% of	48% of	54% of
_	Income	Income	Income	Income	Income
\$71,883 (100% AMI)	\$1,797	\$2,157	\$2,875	\$2,875	\$3,235
\$57,506 (80% AMI)	\$1,438	\$1,725	\$2,012	\$2,300	\$2,588
\$35,942 (50% AMI)	\$899	\$1,078	\$1,258	\$1,438	\$1,617
\$21,565 (30% AMI)	\$540	\$645	\$755	\$863	\$970

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New housing developments in Layton are providing options for moderate income housing, including for-sale town homes, for-rent townhomes and for-rent multi-family flats to meet the growing demand. These new housing options are being designed with shared amenities in areas where the City's land use vision supports moderate to high density residential. These include Urban Districts, Town Centers, Mixed Use Corridors and areas that transition from intensive uses or streets to single family residential areas. The housing costs below summarize the complete table on page 23, and represent an approximate snapshot in time for comparison to the current household incomes listed above (and on page 22).

	3 Story				
	Townhome (3 BR w flex space, 2 car garage)	3 Story Townhome (2 BR w 1 car garage)	2 Story Townhome (3 BR w 2 car garage)	Multi-family flats with elevator (1 BR)	3 Story Multi-family Flats (2 BR)
Total Home Lease Cost 1	N/A	\$2,150	\$2,215	\$1,275	\$1,430
Total Home Ownership Cost <sup>2</sup>	\$2,154	\$2,074	\$1,860	N/A	N/A

- 1. Total monthly cost includes lease and additional utility service costs
- 2. Total monthly cost includes mortgage and additional utility service, property tax and insurance costs

Layton's policy recommendations in support of moderate and workforce housing fit under five goal categories:

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

**Goal 2:** Increase Affordable Rental Opportunities for Low and Moderate Income Households.

**Goal 3:** Rehabilitate Existing Housing to Increase Rental Opportunities, Homeownership, Retention, and Reinvestment in Layton City.

Goal 4: Continue planning collaboration and engagement with regional transportation partners, including the WFRC Regional Metropolitan Planning Organization, UDOT and UTA.

Goal 5: Explore new strategies in support of low to moderate income housing.

Supporting strategies for each of these goals are summarized on pages 29 and 30.

#### Introduction

#### Purpose

Layton City's Moderate Income Housing Plan is a guide to preserve, provide and prepare for housing options that are safe and desirable for all citizens. State law requires each city to comply with the moderate-income housing plan (MIHP) by including the MIHP as a required element in the general plan. This element will provide realistic opportunities to meet the needs for moderate-income housing over the next five (5) years.

State Code 10-9a-403(2) states that municipalities will provide a realistic opportunity to meet needs for additional moderate-income housing. Municipalities shall facilitate a reasonable opportunity for a variety of housing, including moderate-income housing to meet the needs of people of various income levels living, working, or desiring to live or work in the community, and to allow people with various incomes to benefit from and fully participate in all aspects of neighborhood and community life.

#### Moderate-Income Housing

Moderate Income Housing is housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income for households of the same size in the county in which the city is located. Davis County's median income is \$71,883 (2013-2017 ACS Estimates), which establishes moderate income housing in Layton as households making equal to or less than \$57,506 (\$71,833 x 80%).

#### **Regional Planning Context**

A young population, a higher than average birthrate, and in-state migration due to a strong economy continues to spur rapid growth along the Wasatch Front. The state's population is expected to reach five million by 2050, with the Davis County population projected to increase from about 356,000 today to about 492,000 in 2050. Layton will likely absorb about 22% of this population increase, or 30,000 new residents added to the current population of 78,000. Utah Employment in Davis County is currently at about 190,000 employees, with an approximate projection of 289,000 employees in the County by 2050. This projection represents an employment increase of about 99,400 over three decades, or about 16,000 employees added every 5 years. Layton is reserving land near major transportation corridors for business centers, and is well-positioned to attract much of this employment growth in the future to provide more employment opportunities closer to residential areas.

As rapid growth occurs and demand for housing and jobs increases, homeownership becomes more difficult. Land is becoming more scarce, and construction costs continue to rise with the increasing costs of materials and labor. In this environment, each city within Utah must provide quality housing options for all citizens to prosper and thrive.

If this responsibility is not accepted by Layton and other communities, moderate to lower wage households will struggle to access employment, and seek housing farther from jobs and services to access lower cost housing. This dispersed growth pattern also increases transportation costs and commute time for Utah's workforce, and impacts quality of life for these households and the entire region. These issues are documented in the Layton Forward General Plan Land Use Element, Chapter 1. Land Use Principles and Policies, with specific reference to Appendix A - a Moderate Income Housing Proclamation adopted by the Layton City Council on November 1, 2018.

Wasatch Choice for 2050 is the region's plan for housing, transportation, jobs and open space. The plan was established through engagement of citizens and stakeholders of Layton and partner communities in Davis County, with specific reference to long range planning policies of each community. This effort is the result of cities along the Wasatch Front working together as a region to address household cost of living, planning for centers that provide a range of housing options and price points, and corresponding amenities, services and jobs close to home. The region also maintains a freeway system, commuter rail, light rail, bus systems, and trail networks that connect its citizens. Regional public transit and active transportation options can help bring overall household costs down, especially when cities plan housing and job centers adjacent to them. According to the Housing + Transportation Affordability Index, combined housing and transportation costs are considered to be affordable when less than 45% of household income. To reach this goal, cities in our region need to make both housing and transportation costs more affordable by providing housing choice, taking advantage of transit options and attracting jobs closer to home.

#### **Community Growth Patterns**

Layton City is in the heart of Davis County and the larger Wasatch Front, and both commuter rail and I-15 bisect the city, providing access to the region. This position in the region makes Layton a compelling and convenient place for people to live. The City shares a boundary with Hill Air Force Base, the largest employer in the state. Many of those employees choose to live in Layton City, as well as many others who work in Salt Lake City or in other regional job centers. Weber State's Davis County campus, also in Layton, makes supporting a population of students and young workers a necessity. Supplying our workforce with affordable housing options is critical to our economic well-being and quality of life. This includes students who will soon become workers or executives at major corporations. Some students are full-time, others work full-time while attending school part-time, sometimes while raising a family. At one time, when housing costs in Davis County were lower, a "drive 'til you qualify" (from Salt Lake County) fueled housing construction and made it possible for moderate income households to become home owners. Today, housing costs in Davis County are significant, as are transportation costs. Layton City's challenge and opportunity is to provide diverse housing choices, with nearby employment and services to support in reducing transportation costs for all of its residents.

Land use strategies aimed at providing a range of housing options and a land use balance with nonresidential uses are provided in the <u>Layton Forward</u> Land Use and Housing element of the City's General Plan.

#### Layton City and Moderate Income Housing

Providing affordable housing options for its residents has always been a priority for Layton City. With substantial population growth, a short supply of housing units, and rapidly increasing housing costs, Layton remains committed to housing for its workforce, including those who serve on Hill Air Force Base. As documented in the Layton Forward General Plan (Land Use and Housing element) the City is committed to supporting housing with nearby services, amenities and transportation options that support less driving and transportation costs, and encourage a high quality of life (see Chapter 1 Principles and Policies, and Chapter 4 – Town Centers).

The Future Land Use Map in the City's General Plan includes a variety of centers that encourage a wide variety of housing options for a range of income levels as well as corresponding services and jobs. In addition, nearby business centers provide family-sustaining jobs closer to where people live. The city is also committed to locating centers with mixed income housing adjacent to transportation hubs, thereby combining housing and transportation options that are affordable to a wider variety of households.

The Future Land Use Map provides land use policy guidance for identifying where various housing types are best suited to meet the needs of the community. The Public Works Department, which includes Engineering, has the primary responsibility for building and maintaining streets and infrastructure. Street connectivity is guided by the <u>Transportation Master Plan</u> element of Layton City's General Plan. By coordinating our efforts we can encourage moderate-income housing near major transportation corridors that provide alternatives to owning a car.

#### Background—Layton's Housing Growth

In 1920, when Layton incorporated as a City, it had a population of 500 residents, many of whom were farmers that chose to reside along the creeks that came down from the nearby canyons. Layton City's population grew substantially in 1940 when Hill Air Force Base began construction. Layton City had two more major growth spurts when it annexed Laytona in 1957 and then East Layton in 1980. With convenient access to Salt Lake City and the growth of Hill Air Force Base, Layton has increasingly become a desirable place to live. Retail and services, including Layton Hills Mall, followed population growth (See Layton Forward – Introduction).

Over time, Layton's single family residential housing areas became the city's dominant land use, making up about 72.7% of the city's housing stock. Other housing types include moderate density multi-family housing (10 to 24 units per acre) which comprise 12.7% of housing units, mobile homes (6%), Senior Housing (2.4%) and higher density housing (over 24 units per acre)

at about 6.2% of Layton's current housing stock. At this point, the city is actively preserving land for future jobs, and looking toward repurposing underused land for mixed income housing, jobs, and associated service and amenities. As remaining agricultural areas transition to new land uses, the city is encouraging housing developments with variety and amenities that include mixed housing options, recreational open space, and agricultural heritage sites for small agricultural operations (See Layton Forward – Chapter 6).

Layton City's recently developed land use vision involved thousands of the city's residents, who echoed the need for a variety of housing options and conveniently located services and jobs. Today's households increasingly value convenience, access, and neighborhood amenities as an alternative to a larger lot. A greater percentage of younger residents and seniors in particular are less interested in spending time on maintaining a home and yard, and desire to live in a more urban setting where they have access to public transit and shopping within walking distance.

## **Data Gathering and Analysis**

Layton City gathered and analyzed data from national, regional and local sources, including the following:

- Historic and the most recent US Census and American Community Surveys,
- Kem C. Gardner Policy Institute 2015-2065 State and County Projections,
- State-compiled estimates for Davis County and Layton City,
- Utah Department of Workforce Services-compiled data for federal and state deedrestricted housing,
- Layton City building permit data, and
- A 2018 RCLCO future real estate market demand study of Layton within the framework of regional growth projections.

Analysis of the data has included a focus on past growth trends in Layton, and the broader region to prepare a housing plan that addresses anticipated housing needs in Layton City.

## **Terminology**

This plan uses terms often used by state, federal, and nonprofit housing programs. The meaning of these terms tend to vary slightly from common usage and may differ somewhat between agencies.

**Affordable Housing**: Any housing unit in which the occupying household pays no more than 30 percent of its gross monthly income for gross housing costs is regarded as affordable.

**Cost-burdened Household:** Any household paying 30 to 50 percent of its gross monthly income on housing costs.

**Severely Cost-burdened Household**: Any household paying more than 50 percent of its gross monthly income on housing costs. (A.k.a. worst case needs household by HUD).

**Affordability**: The broadest measure of the extent to which enough housing units of different costs can provide each household with a unit it can afford. It addresses whether sufficient housing units would exist if allocated solely on the basis of cost. The affordable stock includes both vacant and occupied units.

**Availability**: A more restrictive measure of the extent to which sufficient housing units of varying costs can be provided to a particular income range. A unit is available at a given level of income if (1) it is affordable at that level and (2) it is occupied by a renter either at that income level or at a lower level or is vacant.

Area Median Income (AMI): Also known as HUD Adjusted Median Family Income (HAMFI). AMI, or i.e. HAMFI, is a statistic generated by the U.S. Department of Housing and Urban Development (HUD) for purposes of determining the eligibility of applicants for certain federal housing programs. AMI is not actually the true mathematical median income of a county or city. It is approximately equal to the median household income of a 4-person family household in a county. This plan uses HUD's 2018 Section 8 income limits and HAMFI figures in its analysis of Layton's housing needs.

**Moderate-Income Housing**: Housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income for households of the same size **in the county** in which the city is located.

**Subsidized Housing**: A generic term for housing units whose occupants receive a means-tested government voucher or certificate to help pay their housing costs, or multifamily housing units whose developer received a government subsidy to build and operate as low-income housing. HUD uses the following income limits to determine housing program:

**Eligible (for Subsidized Housing)**: includes the following income brackets: 1) Low-income [50-80% AMI], 2) Very low-income [30-50% AMI], and 3) Extremely low-income [≤ 30% AMI].

**Workforce Housing:** Housing that is intended for households with a gross household income between 60 percent and 120 percent of the area median income, and has at least one member of the household employed in the local labor pool. Workforce housing is typically subsidized by municipalities to retain people in vital occupations, but who may have below average incomes, such as teachers, police officers, firefighters, and nurses.

American Community Survey (ACS): The American Community Survey is an ongoing survey by the U.S. Census Bureau. It regularly gathers information previously contained only in the long form of the decennial census, such as ancestry, educational attainment, income, language proficiency, migration, disability, employment, and housing characteristics. Sent to approximately 295,000 addresses monthly, it is the largest household survey that the Census Bureau administers.

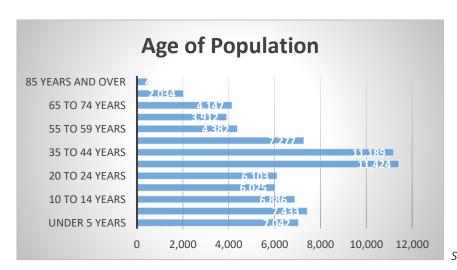
**Comprehensive Housing Affordability Strategy (CHAS)**: A data series derived from the American Community Survey that categorizes households and housing units according to household income and housing affordability within HUD's program eligibility framework.

## **Current Population**

According to July 2018 population estimates, Layton City's population is 78,247. Similar to Utah as a whole, Layton has a young population with an average age of 29.7 years old, eight years younger than the United States' average age of 37.7 years. Utahns are known for having large families, getting married in their early twenties and having children sooner, which attributes to its lower average age. Layton also has life-long residents that choose to age where they raised their families, and this population increasingly has healthcare and transportation needs that become a high priority for them and their caretakers. Over time, Layton's population, and Utah's in general, is expected to more closely match that of the rest of the country, with household sizes decreasing and the average age of the population rising.

#### Recent Population Change

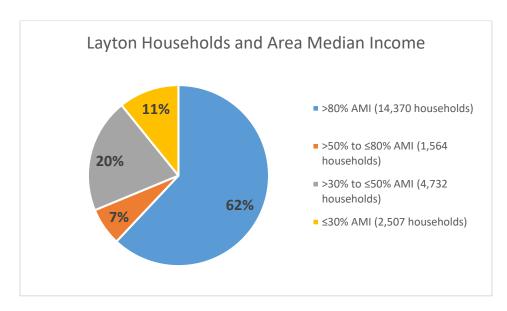
- Layton's population has increased from 67,311 in 2010 to about 72,500 in 2015.
- Household size: Layton's household size has been decreasing, and is expected to drop from 3.19 in 2000 to 2.64 by 2050.
- Aging population: The median age is increasing, rising from 26.8 years in 2000, 29.7 years in 2017.
- Senior population: The population aged 65 and over has gradually increased, rising from 5.7% of the population in 2000, to 7.1% in 2010, and 8.5% in 2017.
- Diversity: The majority white population has decreased from 90% in 2000, 87% in 2010, to 80% in 2017.
- Layton is affected by other regional and national demographic trends. People are
  choosing to have children later in life, possibly due to in part to financial pressures such
  as education and housing costs. Utah experiences net migration from other states due
  to its strong economy.



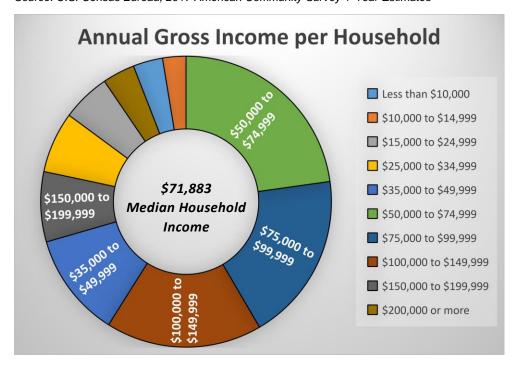
Source: US Census Bureau

#### Households within Targeted Income Groups

Layton's moderate income housing plan seeks to promote housing for all of Layton's residents. Of note are households for which housing can be more difficult to secure, including those that make less than 80% of AMI, or area median income for Davis County. Davis County's median income is \$71,883 (2013-2017 ACS Estimates). Thirty-eight percent of households in Layton make less than 80% AMI, or \$57,506, with numerous households making much less.



Source: U.S. Census Bureau, 2017 American Community Survey 1-Year Estimates

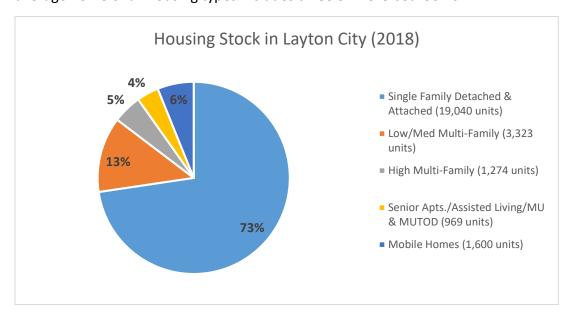


2013-2017 American Community Survey 5-Year Estimates

## **Current Housing Stock**

#### Number and Type of Housing Units

Layton City's total housing stock in August 2018 was 26,206 units (See Appendix A – Table of Housing Stock in Layton City). Nearly three quarters of the city's housing is single family detached and attached units, while 2 to 3 story apartments make up the next largest segment at 13%. The remainder of Layton's housing stock is mobile homes, higher density apartments, and senior apartments, assisted living, and units within transit-oriented developments. The average home of all housing types includes three or more bedrooms.



PHYSICAL HOUSING CHARACTERISTICS FOR OCCUPIED HOUSING UNITS 2013-2017 American Community Survey 5-Year Estimates

#### Public and Assisted Housing

Layton City does not currently provide public or assisted housing, other than through CDBG-funded down payment assistance for about 10 income-qualified, first-time homebuyers each year. The primary provider of public and assisted housing is the Davis Community Housing Authority (DCHA), which currently administers to 529 families across the county through voucher programs, with 204 (38%) of these residing in Layton.

According to the Davis County Housing Authority (DCHA) Public Housing 5-Year Plan (2015-2020) and its current Annual Plan, there are a total of 2,434 families in the Davis County community on the waiting list for Section 8 Tenant-based Assistance. A total of 471 (19%) of these families are from Layton City. There are 2,803 families in the Davis County community on the Public Housing waiting list, with 581 (21%) of these families from Layton. The majority of those on the waiting lists earn an income at or below 30% of the area median income. A large

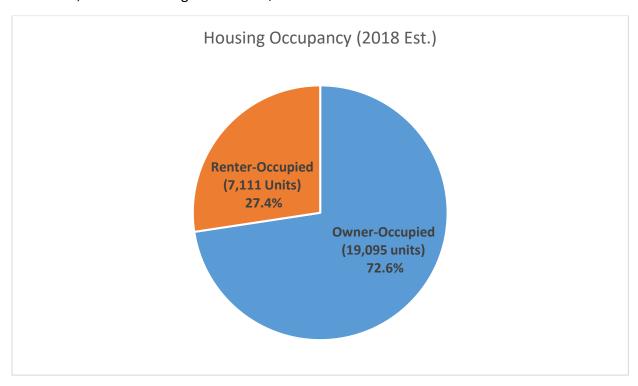
portion of those are families with children. The most immediate needs of residents of public housing is affordability and number of bedrooms.

#### Age and Condition of Housing Stock

Layton's housing inventory is influenced by both historic and recent growth. Nearly one quarter, or 23% of housing has been built in the last 15 years, but a significant proportion, or 47% is more than 30 years old. Aging housing stock requires ongoing maintenance to adequately meet the demand for affordable housing.

#### Occupancy

According to 2017 US Census estimates, nearly three quarters, or 72.6% of housing in Layton City is owner-occupied, with median gross values at \$223,300. Rental vacancy rates were less than 3.8%, with a median gross rent of \$926 between 2013 and 2017.



FINANCIAL CHARACTERISTICS 2013-2017 American Community Survey 5-Year Estimates

## **Current Affordable Housing Availability and Need**

#### Affordability of Existing Housing Stock

The affordability of the housing stock is determined based upon the Area Median Income (AMI) and the amount that a household at each income level can afford. According to State and Federal definitions, housing is considered affordable when a household spends no more than 30% of their annual income on housing expenses, including mortgage or rent and utilities. Those that spend more than 30% of their income are considered to be "cost-burdened." In addition to this basic definition, other factors influence housing cost, including property taxes, which homeowners pay directly and renters pay indirectly; ongoing maintenance and improvement costs; and insurance. For first-time buyers, interest rate can have a substantial impact on their buying power.

#### Affordability and Availability of Affordable Housing for Targeted Income Groups

Layton's Housing Stock Inventory (**Appendix A**), summarized in Number and Type of Housing Units, include several housing types that are typical for household incomes at or below 80% AMI. These include 1,600 mobile homes (within 13 mobile home parks), 3,323 multi-family apartment and condo units (between 10 and 24 units per acre), 1,274 multi-family units over 24 units per acre, 969 townhome, apartment and condo units (within areas zoned as Mixed Use and Mixed Use TOD). These attached or stacked housing units total 7,166 units. While some are higher-end condominiums or twin homes that bear higher ownership or lease costs, some of the existing older single-family housing stock has comparable costs to some of the single family attached townhomes or condominiums. The total number of these housing types are roughly equivalent to 8,803 households, or 38% of households in Layton with incomes below 80% AMI.

Layton City Household Income	% of Total Households In Layton	Total Households	Available Housing Types
Less than \$10,000	3.30%	765	Mobile Homes, Apartments
\$10,000 to \$14,999	2.60%	602	Mobile Homes, Apartments
\$15,000 to \$24,999	5.40%	1,251	Mobile Homes, Apartments
\$25,000 to \$34,999	6.80%	1,576	Apartments, Single Family Attached
\$35,000 to \$49,999	11.60%	2,688	Apartments, Single Family Detached and Attached
\$50,000 to \$60,769*	8.29%	1,921	Single Family Detached and Attached
Total	37.99%	8,803	

<sup>\*</sup> This income range represents 36% of the current 5,280 units within the income range of \$50,000 to \$74,999. Source: 2013 – 2017 American Community Survey 5-Year Estimates

Existing multi-family rental housing stock (between 5 and 50 years old) currently lease for \$1.00 to \$1.30 per square foot.

Unit Type	Studio	1 BR	2 BR	3 BR
Unit Size	600 s.f.	750 s.f.	1,000 s.f.	1,250 s.f.
Total Unit Rent Cost*	\$690	\$863	\$1,150	\$1,438

<sup>\*</sup>Based on \$1.15 per square foot lease rate, as researched by City Staff and verified with local builders.

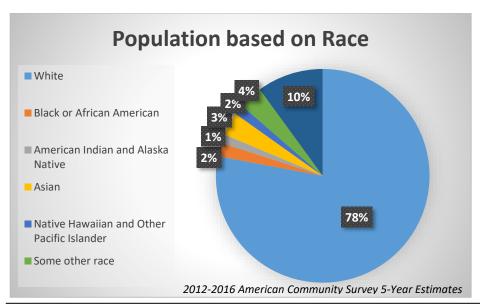
New multi-family projects that meet current building code requirements cost substantially more than older units due to increasing land, material and labor (construction) costs. New units with amenities are expected to rent for \$1.40 to \$1.55 per square foot, which equates to the following unit lease rates:

Unit Type	Studio	1 BR	2 BR	3 BR
Unit Size	600 s.f.	750 s.f.	1,000 s.f.	1,250 s.f.
Total Unit Rent Cost*	\$900	\$1,125	\$1,500	\$1,875

<sup>\*</sup>Based on \$1.50 per square foot lease rate, as researched by City Staff and verified with local builders.

## Affordability and Availability of Affordable Housing for Different Races and Ethnic Groups

According to 2017 American Community Survey estimates, 20% of Layton residents are a race other than "white." Racial minority status is correlated with poverty level. In Layton, according to US Census data, 7.4% of the total population income is at or below the poverty level. With the exception of those identifying as "Asian Alone," minority populations in Layton experience much higher rates of poverty (16%-31%) than the population as a whole.



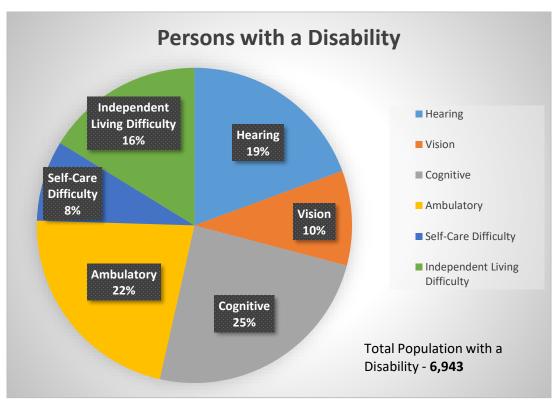
Because of the correlation between race and incidence of poverty, any future deficiencies in low to moderate income housing availability disproportionately impacts minority populations.

#### Availability of Affordable Housing for Special Needs Populations

People with special needs may include vulnerable populations such as senior citizens, people with disabilities, the homeless, or those otherwise in need of supportive housing. As of 2017 people with disabilities under the age of 65 comprise approximately 9.5% of the population, or 6,943 individuals. It is estimated that 36.6% of all Americans 65 or older have some form of disability. According to the American Community Survey, 34% of Layton residents over 65 have a disability.

People with disabilities often face financial and social difficulties that make it hard to obtain housing. Programs geared toward helping people with disabilities include: low rent and public housing voucher programs, assistance through centers of independence, and employment and training resources.

Housing affordability is a particular concern for people with disabilities in Layton. The median income of an individual with a disability was \$21,803 per year, which is 30% of Layton's area median income. At this rate, people with a disability earned an income of \$1,817 per month and can afford rent of \$545 per month. The 2017 median gross rent in Layton was \$926 per month, according to ACS estimates. This means that a single income household with a disability would pay 51% of their income on rent, which is 21% more than standards set by U.S. Dept. of Housing.

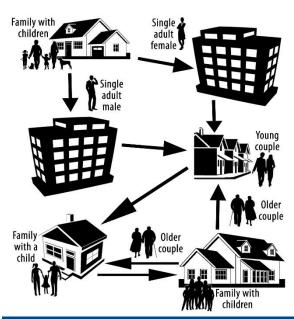


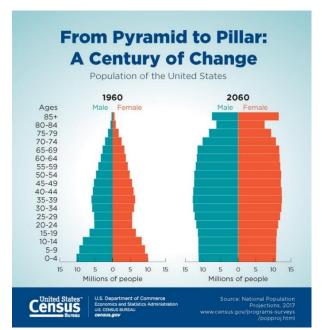
2013-2017 American Community Survey 5-Year Estimates

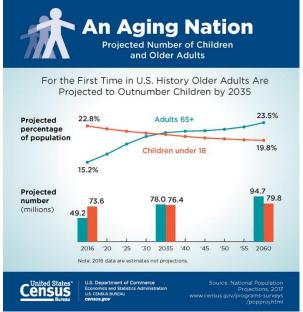
#### Seniors

About 8.5% of Layton's population, or 6,278 people, are 65 and older According to 2013-2017 ACS estimates. Some elderly individuals may not be able to remain in their homes or may choose to relocate to a dwelling type that better suits their preferences and needs. Layton recognizes the need to evaluate housing options available to seniors wishing to remain in or move to the community. Currently, the city's housing stock includes 619 senior housing and assisted living units.

Over time, life expectancy across the country is projected to increase, with older adults (over age 65) projected to outnumber children by 2035. Seniors living later in life will increase substantially as a percentage of the population. Layton and other municipalities will need to address housing and senior care facilities to accommodate this increase over time.







#### **Homeless Population**

According to A 2018 annualized Point-in-Time count, Davis County had 63 homeless individuals, or 35 households. Of those, 26 households or 54 individuals were sheltered. Homeless populations represented in Davis County include survivors of domestic violence, adults with substance abuse disorders, adults with mental illness, unaccompanied youth, youth parents (under age 24), and children of a youth parent. Homeless shelter and housing providers in Davis County include Davis County Housing Authority, Open Doors and Safe Harbor.

#### Veterans

According to 2013-2017 American Community Survey 5-Year Estimates, veterans account for 9.2% of Layton's population, or 4,591 people. Men make up 89.4% of those veterans and women 10.6%. There are 1,549, or 33.7% of Layton's veteran population who are 65 and older. Nineteen percent of veterans, or 872 people, report a disability. About 2.8% live below the poverty level, which is less than the population as a whole. The Utah veterans unemployment rate remains low at 2.9 percent, as one of twelve states in the nation to be below 3%.

#### Workforce Housing for a Sustained Economy

The term Workforce Housing refers to households with a gross household income between 60 percent and 120 percent of the area median income. As new businesses and jobs come to Layton, a variety of new housing types will be needed to support new residents in the community. Zoning determines the types of new housing that can be developed in Layton, and may change to be consistent with the Future Land Use Map and polices in Layton Forward and this Moderate Income Housing Plan. However, population growth is not the sole determinant of housing growth as housing is also dependent upon industry and market factors such as supply and demand, materials and labor costs and land costs.

#### **Analysis**

There is a sufficient percentage of units affordable to households earning greater than 30% AMI. However, there is a small number of affordable units available to households earning less than 30% of the AMI. This is evidenced by the number of 30% AMI households on the Davis Community Housing Authority waiting list. Although there is a significant population of seniors and people with disabilities there is currently an adequate supply of housing types and choices that support this segment of the population. As the city grows, the need for specialized housing will likely continue to increase. Further, as minority populations and others are adversely affected by housing availability and quality, the need for more affordable options grows. The city should evaluate and monitor current zoning regulations to assure that there are minimal regulatory barriers to constructing this type of housing.

## **Population Change and Future Affordable Housing Demand**

Layton's projected five year growth from 2018 (2023) and ten year growth (2028) is summarized as follows:

Layton City Five-Year and Ten-Year Population Projections				
2023 Population Projection	2028 Population Projection			
Low – 82,873 (851 persons/yr.)	Low – 87,128 (851 persons/yr.)			
Medium – 84,083 (1,093 persons/yr.)	Medium – 89,548 (1,093 persons/yr.)			
High – 85,288 (1,334 persons/yr.)	High – 91,958 (1,334 persons/yr.)			

Based on Layton's August 2018 population of 78,618, and average annual growth from 2012 to 2017

As housing costs continue to increase, additional need for housing below 80% AMI will also increase, and demand for limited supply will continue to push housing costs upward. Assuming a similar percentage of households within the targeted moderate and affordable income levels (including special needs groups), the table below provides an estimated housing forecast over the next five years, and ten years.

Layton City Household Income	Current % of Total Households In Layton	2019 to 2024	6-10 Year Future Need (3.0)
Less than \$10,000	3.30%	53	55
\$10,000 to \$14,999	2.60%	42	43
\$15,000 to \$24,999	5.40%	87	90
\$25,000 to \$34,999	6.80%	110	114
\$35,000 to \$49,999	11.60%	187	193
\$50,000 to \$60,769*	8.29%	133	137
Total	37.99%	612	632

<sup>\*</sup> This income range represents 36% of the current 5,280 units within the income range of \$50,000 to \$74,999. Source: 2013 – 2017 American Community Survey 5-Year Estimates

## **Forecast of Affordable Housing Need**

Over the next 3 decades, new residents in Layton will seek a range of housing choices that align with their stage of life (single, young-married, mature family, senior) and household income. Projected housing types include single family detached homes on a variety of lot sizes, for-sale single family attached (townhome) units, 3-story walk-up apartments and condos, and 4 to 5-story apartments and/or condos typically associated with mixed use or transit-oriented development areas.

Residential  Land Use	Net DU/Ac	Gross DU/Ac	Projected Units	Gross Acres	% Acres	% Units	Assumed Redev.	Assumed Redev. Acres
Single-family Large Lot	3.5	2.8	1,640	587	27%	12%		
Single-family Medium Lot	5.4	4.3	3,285	760	35%	24%		
Single-family Compact Lot	7.25	5.8	2,300	396	18%	17%		
Townhome / Single Family Attached	12	9.6	2,760	235	11%	20%	10%	24
3 Story Apartments	24	20	1,970	99	5%	14%	35%	34
4 to 5 story TOD Apartments	55	46	1,970	43	2%	14%	50%	22

13,925 2,120\*

\*2,041 acres when deducting assumed redevelopment acres

Just over 7,200 units, or 50 percent of single-family detached housing units are projected to be built on approximately 1,743 acres over the next 30 years. This area represents about 80% of estimated new housing development acreage.

As land and housing construction costs continue to increase, demand for townhomes (single family attached) will also increase substantially. Approximately 2,760 townhome units are projected, which represents 20% of future new housing units on about 11% of new housing development acreage. Townhomes are typically a for-sale housing product, although some are built as rental housing. Currently, for-sale townhomes are on the market between \$275,000 and \$315,000. Between 2017 and 2018, twelve projects with various types of single-family attached units were rezoned, with the potential for about 560 new units (including townhome,

mansion home and twin home units) to be built in Layton. This recent activity reflects increasing demand for single family attached housing along the Wasatch Front.

Three story apartments are projected at 1,970 units or 14% of future housing units, occupying about 5% of the future new housing acreage. These are typically walk-up apartments with common stairwells, no elevators, and no structured parking, which results in a lower housing cost in comparison to elevator-serviced buildings with structured parking. An apartment project was rezoned in 2018 as part of a mixed-use project near Church Street and Highway 193, with the potential for 112 units. Additional apartment projects are anticipated to meet the growing demand for additional rental housing in Layton.

#### 5 Year and 10 Year Housing Unit Projection

Layton's 5 year and 10 year population increase and projected households are listed in the table below. The estimated future household units below 80% AMI is based on Layton's current percentage of households (37.99%) within this income range (see page 20).

	2018-2023	2018-2028
Added Population	5,836	11,301
Total Future Housing Units	1,945	3,767
<80% AMI (37.99% of Units)	739	1,431

The purpose of this plan is to identify opportunities for future housing that are affordable at all income levels, not just those earning a median income or higher. A range of household budget figures for a variety of income ranges are displayed in the table below for comparative purposes. These include 100% AMI, 80% AMI, 50% AMI and 30% AMI. Each column shows a percentage of household income for housing, ranging from 30% to 54% of household income. Housing budgets above 30% and up to 50% are categorized as cost-burdened, and budgets over 50% as severely cost-burdened.

	Target Maximum	Cost-Burdened			Severely Cost- Burdened
	30% of	36% of	42% of	48% of	54% of
	Income	Income	Income	Income	Income
\$71,883 (100% AMI)	\$1,797	\$2,157	\$2,875	\$2,875	\$3,235
\$57,506 (80% AMI)	\$1,438	\$1,725	\$2,012	\$2,300	\$2,588
\$35,942 (50% AMI)	\$899	\$1,078	\$1,258	\$1,438	\$1,617
\$21,565 (30% AMI)	\$540	\$645	\$755	\$863	\$970

1. In assessing how much of a housing payment residents can reasonably afford, household size is a key factor as it relates to the cost of food, health care and other living expenses. Also important is the location of housing and the

availability of transit to potentially reduce the cost of transportation. Some of these cost of living factors may translate into consumer debt for obligations such as a car loan, or credit card debt. When looking at a potential mortgage for purchase of a home, lenders will typically consider a total borrower debt-to-income ratio of 36%. However, some lenders will consider a debt-to-income ratio as high as 45%, but usually with a higher interest rate. \$150 per month for utilities in a multi-family unit lease

- 2. Total monthly cost includes lease and additional lease costs
- 3. Total monthly cost includes mortgage and additional ownership costs

## Plans to Meet the Affordable Housing Need

## Layton Forward – Land Use and Housing Element of the City's General Plan

The data and findings contained in this Moderate Income Housing Plan reveal the need for Layton to continue supporting housing diversity and choice for all stages of life and income levels, through a comprehensive land use planning and zoning strategy. The Layton Forward Land Use and Housing element of the General Plan provides a vision of orderly growth to guide public and private investment for the positive evolution of our community. The Layton Forward Future Land Use Map designates areas for moderate and higher density housing (such as townhomes, mansion homes, and various types of multi-family housing), while considering appropriate land use transitions and principles of neighborhood integration. This approach is intended to avoid relegating these housing options into single-use districts, or limiting to only some general areas of the community, and to apply the guidance in State Code 10-9a-403 that these housing options "fully benefit from all aspects of neighborhood and community life."

Designated for moderate and higher density housing include Urban Districts, Town Centers, Transitional Residential, Condo/Townhouse, Condo/Apartment, Mixed Use, and Mixed Use Corridors. These land uses are consistent with a "Centers" and "Corridor" land use strategy to provide for housing diversity where nonresidential services are readily available with walking and biking options, and potential transit or other forms of alternative transportation. This strategy integrates with Layton's Transportation Master Plan and Parks and Recreation plan for trails and bike routes to achieve integration of land use and transportation General Plan elements, and to encourage less driving and vehicle emissions. As stated in the introduction, less driving to access jobs and services benefits Layton City and the surrounding region, while easing the cost of transportation for households of all income ranges in Layton.

## **Regulatory Environment**

#### Zoning Regulations in Support of the General Plan Land Use Vision

Layton's Zoning Ordinance is contained in Chapter 19 of the Layton Municipal Code, with development standards provided in Chapter 18 (Land Use Development). The following zoning districts provide for a broad range of housing options. In areas where the <u>current zoning map</u> does not match the land use vision and recommendations of the Future Land Use Map, legislative map amendments (rezoning) may be petitioned to change the zone map to a zoning district that is consistent with the long term Land Use Vision of the General Plan.

**Residential (A) Agriculture:** Areas for agricultural and related uses, along with very low density residential uses. This zone has a minimum lot size of one (1) acre.

**Residential (R-S) Residential Suburban:** Areas for very low density residential uses. This zone has a minimum lot size of 15,000 square feet or three (3) units per acre (Net). Lot averaging is also an option under the R-S zone, which allows for lot sizes as low as 10,000 square feet, if the subdivision averages 15,000 square feet per lot.

**Residential (R-1-10):** Areas for single-family attached and detached dwellings of a low density. This zone has a minimum lot size of 10,000 square feet or four (4) units per acre (Net).

**Residential (R-1-8):** Areas for single-family attached and detached dwellings of a low to medium density. This zone has a minimum lot size of 8,000 square feet or five (5) units per acre (Net).

**Residential (R-1-6):** Areas for single-family attached and detached dwellings of a medium density. This zone has a minimum lot size of 6,000 square feet or seven (7) units per acre (Net).

**R-2 Single and Two Family Residential:** Areas for low density single family detached and attached dwellings and two-family dwellings. This zone has a minimum lot size of 8,000 square feet with 2,500 square feet required for each additional unit or ten (10) units per acre (Net).

**R-MH Mobile Home Parks & Subdivisions:** Areas for mobile home parks and mobile home subdivisions to develop at a low density with a maximum density of eight (8) units per acre.

**R-M1 Low/Medium Density Residential:** Areas for multi-family attached dwellings at medium to high-medium densities. This zone has a minimum lot size of 10,000 square feet with 1,750 square feet required for each additional unit or fourteen (14) units per acre.

**R-M2 Medium Density Residential:** Areas for multi-family attached dwellings at medium to high-medium densities. This zone has a minimum lot size of 10,000 square feet with 1,750 square feet required for each additional unit or eighteen (18) units per acre.

**R-H High Density Residential:** Areas for high density, multi-family residential dwellings. This zone has a minimum lot size of 10,000 square feet with 1,400 square feet required for each additional unit or twenty-four (24) units per acre (Net).

**C-TH Condominium/Townhouse:** Areas for townhouses, row houses, courtyard/garden court residential, "Big House" condos, live-work units, patio homes, alley-fed townhomes and cottages, senior housing, or other common-wall residential buildings. The intent of this zoning district is to create residential projects and neighborhoods that provide a variety of housing opportunities and choices that include a range of housing types. This zone allows for between ten to sixteen (10-16) units per acre (Net).

**MU – Mixed Use:** Locations for developments that combine commercial, retail, and multiple-family residential uses. This zone has a minimum requirement of eight (8) units per acre and a maximum of twenty-five (25) units per acre.

**MU-TOD Mixed-Use – Transit Oriented Development**: Locations for developments near transit centers that allow concentrations of commercial, retail, and multiple-family residential uses that can take advantage of public transportation facilities. This zone has a minimum requirement of eight (8) units per acre and a maximum of twenty-five (62) units per acre with location and design bonus density.

**PRUD Planned Residential Unit Development Overlay:** Encourages imaginative and efficient utilization of land by providing greater flexibility in the location of buildings on the land, the consolidation of open spaces, and the clustering of dwelling units. PRUD Development may qualify for increased density based on design performance, which may increase the base density by up to forty (40%) percent.

#### City Reinvestment Areas

To provide additional housing choice, the City adopted the South Main/South Fort Lane RDA, which includes areas governed by the Mixed Use (MU) and MU-TOD zones. In 2011, the Layton City RDA entered into an agreement with Kays Crossing, LLC, to participate with RDA Affordable Housing funds to construct a 156 unit apartment complex in Historic Downtown Layton, which opened in 2014. Another investment opportunity in this location is the Layton City Opportunity Zone, which generally lies between the Union Pacific Railway and Fort Lane, and between Gordon Avenue and Phillips Street. The federal tax code encourages long-term, patient private capital to invest in Opportunity Zones near high capacity transit (see eig.org/opportunityzone). The City continues to explore best methods for application of unused affordable housing funds. Layton City annually allocates CDBG funds to assist in the development or purchase of homes for moderate-income households. The City has a large inventory of moderate-income housing stock, which is regularly reviewed and communicated back to the legislative body and planning commission. Similar efforts will continue in partnership with property owners and developers with interests in these areas.

#### Evaluation of Current Zoning and Regulatory Impacts upon Affordable Housing

Layton's General Plan and Zoning Code provide opportunities to locate moderate and higher density housing options, generally into areas where convenient access to services and alternative transportation options either exist, or could be established as demand grows over time. These include strategic areas for mixed use development (including apartments and condos), and townhomes. The City zoning code also provides for the option to add an Accessory Dwelling Unit (ADU) in Single Family Residential zones for extended family members.

Layton City recognizes that a large portion of the moderate income housing inventory in the community consists of older homes built prior to current trends for larger homes. Over 47 percent of housing in Layton was constructed before 1990. Layton City ordinances support reinvestment and upgrades to homes that did not meet current setback requirements and/or that were not constructed prior to the requirement of including at least a one car garage. The goal of these criteria was primarily the preservation of these existing, affordable housing areas. The City also allows for legal non-conforming duplexes in single family zones as a permitted use, thus allowing the preservation, upgrading, and refinancing of these units.

#### Efforts to Address Potential Barriers to Affordable Housing

- 1. To meet forecasted housing affordability, the City will continue to refine design standards that would support greater public acceptance of moderate income housing, in an effort to balance affordability with neighborhood/community aesthetics, longer term stability, and housing value.
- 2. For lower income households earning 30% AMI, additional State and Federal funding resources are needed to support the Davis County Housing Authority in providing for unmet public housing applications (see Public Housing, Page 13).

## **Utah Fair Housing Act Acknowledgement**

In accordance with state and federal laws, Layton City exercises the authority to plan, zone, and regulate land-use in promoting the community's health, safety, and welfare. The moderate-income housing element of this plan acknowledges and upholds the Utah Fair Housing Act by promoting the equal protection and equitable treatment of all people who lawfully seek to rent, lease, purchase, or develop real property within its jurisdiction. Its housing policies and plans strictly prohibit discrimination on the basis of color, disability, ethnicity, familial status, gender identity, national origin, race, religion, sex, sexual orientation, source of income, or any other suspect classification. It is the policy of Layton City to report housing discrimination to the Utah Antidiscrimination Labor Division immediately. It is the goal of Layton City to prevent, eliminate, and/or mitigate any unfair housing practices that may result from its plans, policies, regulations, and ordinances. It is also the goal of Layton City to affirmatively further fair and affordable housing by reviewing the housing needs of its moderate-income households and its vulnerable populations biennially, and by proactively planning to meet their needs.

## Goals and Policies to Meet the Affordable Housing Need

To fulfill the requirements of State Code 10-9a-403(2), Layton City will conduct a thorough annual review of the City's moderate-income housing element and its implementation plan. The review is to include a report to the Utah State Department of Workforce Services - Housing and Community Development Division, prepared with the findings of the review, which will include the following:

- A revised estimate of the need for moderate income housing in the next five years.
- A description of progress made to provide moderate income housing, with demonstrated analysis and presentation of data related to the number of housing units that are at or below 80%, 50%, and 30% of adjusted median income and the number of housing units that are subsidized or deed-restricted.
- Description of how the city is using the moderate income housing set-aside from reinvestment, redevelopment and/or renewal initiatives.
- Report the findings of the biennial review to the Housing and Community
   Development Division (HCDD) of the Utah Department of Workforce Services and the
   Association of Government in which the municipality is located; and
- Post the findings report on Layton City's website.
- Provide attractive housing options that are affordable to families that earn 80% or less than the median family income.
- Any plan updates to integrate Median income households into the fabric of the community by mixing into appropriately designated areas, including town centers and mixed-use areas/corridors.
- Description of how the city has implemented strategy recommendations related to moderate income housing as described in Utah State Code 10-9a-403(2)(b)(iii).

The following strategies in support of moderate and workforce housing in Layton fit under five goal categories, including 1) ownership opportunities, 2) rental opportunities, 3) rehabilitation and reinvestment of existing housing, 4) collaborative regional transportation planning, and 5) exploration of new strategies.

For the purposes of annual reporting, Layton City's priority implementation strategies will focus on six specific Strategies including 1.3, 2.3, 2.5, 2.6, 4.1 and 4.3. These are items the City is currently working on pursuant to Utah State Code 10-0a-403(2)(b)(iii), as specific targets for moderate income and workforce housing. However, other strategies listed below may be accomplished as need and opportunities arise through continued long range planning initiatives and current planning application reviews.

## Goals and Strategies

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

- **Strategy 1.1** Continue working with the Davis Community Housing Authority and support their affordable housing programs. Such programs may include the Family Self-Sufficiency Program and the Down Payment Assistance for First Time Home Buyers Program that would assist low-income households to purchase homes.
- **Strategy 1.2** Explore partnerships with entities that apply for state or federal funds or tax incentives to promote the construction of moderate income housing; including programs offered by the Utah Housing Corporation and the Department of Workforce Services;
- **Strategy 1.3** -Inventory sites for consideration of re-zoning, especially those within close proximity to public transit, which may be appropriate for more diverse owner-occupied housing options which are harmonious with the surrounding neighborhoods.
- **Strategy 1.4** Explore opportunities for rehabilitation of existing uninhabitable housing stock into moderate income housing.
- **Strategy 1.5** Explore the potential of waiving of permitting fees for moderate income housing that are otherwise generally imposed by the city.

#### Goal 2: Increase Affordable Rental Opportunities for Low and Moderate Income Households.

- **Strategy 2.1** Work with the Davis Community Housing Authority to address affordable housing needs in Layton City, including support for the Section 8 Housing Choice Voucher program.
- **Strategy 2.2** Continue zoning support for establishment of "accessory dwelling units" such as basement apartments or a unit above a garage to increase the supply of affordable rental units and assist cost-burdened homeowners. Further study the potential of broadening the definition of an accessory dwelling unit to apply to incorporate other types of accessory dwelling units.
- **Strategy 2.3** Inventory sites for consideration of re-zoning, especially those within close proximity to public transit, areas within designated Urban Districts and Town Centers, and areas along Mixed Use Corridors where quality for-rent housing is consistent with the General Plan Future Land Use Map.
- **Strategy 2.4** Promote the construction of housing units across all income categories to facilitate the natural attrition of existing housing stock to become available for low to moderate-income households.
- **Strategy 2.5** Continue promoting investments near transit, particularly into RDA and Opportunity Zone areas, with emphasis on Layton's Historic Downtown Urban District area.
- **Strategy 2.6** Explore and monitor parking demand trends, shared parking and alternative transportation strategies that could support potential parking reductions in support of new low and moderate income housing development.

# Goal 3: Rehabilitate Existing Housing to Increase Rental Opportunities, Homeownership, Retention, and Reinvestment in Layton City.

**Strategy 3.1** - Promote the use of a Home Repair Grant Program (supported by CDBG funds) to extremely low and moderate-income households. This program could offers grants for maintaining and rehabilitating housing.

**Strategy 3.2** – Identify low to moderate income families that need weatherization assistance. Assist these households in contacting the respective utility companies to participate in their weatherization programs. The Weatherization program lowers monthly utility bills by making housing more energy efficient.

# Goal 4: Continue planning collaboration and engagement with regional transportation partners, including the WFRC Regional Metropolitan Planning Organization, UDOT and UTA.

**Strategy 4.1** – Coordinate with WFRC by providing any updates to the General Plan, Moderate Income Housing Plan element, zoning map, Transportation and Parks and Trails Master Plans, while considering multi-jurisdictional land use and transportation strategies resulting from on-going regional collaboration and partnerships.

**Strategy 4.2** – Explore opportunities to apply or partner with entities technical planning assistance for housing variety related to public transportation and alternative transportation strategies administered by WFRC.

**Strategy 4.3** – Coordinate regularly with UDOT and UTA, by providing updates to land use and transportation plans and studies, while considering regional transportation facility planning and design associated with regional collaboration and partnerships.

**Strategy 4.4** – Explore opportunities to engage in public/private partnerships between private development, Layton City and regional partners, particularly where planned infrastructure improvements will support compact housing within mixed use and transit-oriented development areas.

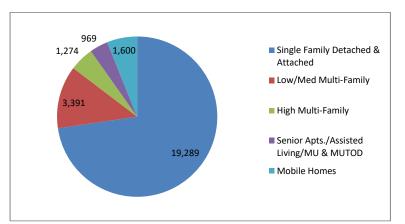
#### Goal 5: Explore new strategies in support of low to moderate income housing.

**Strategy 5.1** – Explore feasibility, appropriate locations, and implementation of various low to moderate income housing strategies, including those listed Under Utah Code 10-9a-403(2)(b)(iii) - (I) single room occupancy developments, zoning incentives for inclusion in new developments, funding strategies for long-term preservation, and community land trust program options.

## **May 2019 Housing Stock Analysis**

SINGLE FAMILY					
% of Total Housing Stock Goal	73% of Total				
% of SF Housing Stock		*not to exceed 25%			
General Housing Types	Single Family Detached	Single Family Attached			
Density	0-6 u/ac	6-12 u/ac			
Units 2019 (YTD)	17,073	1982 (11.6%)			
Combined Total	19,289 Units				
Combined Percentage	72.7%				

<sup>\*</sup>Single Family Attached shall be limited to 25% of Single Family Housing Stock (Data not available)



MULTI-FAMILY				
% of Total Housing Stock Goal	20% of Total			
% of MF Housing Stock	15%		**not to exceed 5%	
General Housing Types	Missing Middle	Multi-Family	Multi-Family	
Density	10-16 u/ac	16-24 u/ac	24+ u/ac	
Units 2019 (YTD)	3,391		1,274	
Percentage	12.8%		4.8%	
Combined Unit Total	4,665			
Combined Percentage	17.6%			

\*\*High Density Residential shall be limited to 5% of the total housing stock

OTHER			
% of Total Housing Stock Goal	7% of Total	Not Included	Not Included
General Housing Types	Mobile Homes	Senior Housing/ Assisted Living	MU & MU-TOD
Density	8 Units/ Acre		
Units 2019 (YTD)	1600 Units	969 Units	
		Exempt	
Percentage	6.0%	3.7%	

Total Housing Units Built- 26523