

Moderate Income Housing

Moderate Income Housing Introduction

Smithfield Moderate Income Housing Plan

Smithfield City Moderate Income Housing Plan (MIHP) was updated as part of the General Plan Update with assistance from Bear River Association of Governments (BRAG). In accordance with state law (Utah Code, Sections 10-9-403), the plan includes the following (This plan can be found in Appendix B).

- » An estimate of the current supply of housing.
- » An estimate of the need for the development of additional moderate income housing within the city and a plan to review the need biennially.
- » Summary of affordability.
- » Population change and affordable housing demand.
- » Affordable housing policy statement.

The Moderate Income Housing Plan is intended to help encourage a variety of housing for those with low-to-moderate incomes in cities and towns. Moderate Income Housing can include a variety of housing types, including single family homes, town homes, and apartments. Contrary to some views, affordable housing residences can be well designed, look like they belong in the community, and provide essential living accommodations for people in various life stages.

For example, town homes and apartments, if well designed and properly managed, can provide excellent housing for older residents who are looking to down-size and no longer want the responsibility of caring for a large yard. Likewise, young families and individuals attending college are able to live in communities like Smithfield if affordable housing is available.

Smithfield's MIHP will help guide them in developing and updating their city codes as well as understanding the needs in the future for moderate and low income housing opportunities.

Smithfield has always worked in conjunction with low to moderate income housing groups to help create quality affordable housing opportunities that strengthen and enhance the community .

According to the 2022 calculations, the large majority of rentable units are affordable to families in the 70 to 80% of the AMI (area median income).



Smithfield city has approximately 80% of residents who are classified under home ownership and 20% of residents who currently rent.

6.6% of all homes sold in the city are owned by families that are located in the 80% AMI (area median income) income bracket. The predominant number of home owners (99.2%) are estimated to have an income about the 80% AMI range.

Moderate Income Housing

Moderate Income Strategies, Actions and Timing

Congruent with the Utah State code, section 10-9a-403 (2)(b), which reads;

- (b) In drafting the moderate income housing element, the planning commission:
- (i) shall consider the Legislature's determination that municipalities shall facilitate a reasonable opportunity for a variety of housing, including moderate income housing:
 - (A) to meet the needs of people of various income levels living, working, or desiring to live or work in the community; and
 - (B) to allow people with various incomes to benefit from and fully participate in all aspects of neighborhood and community life;
 - (ii) for a town, may include, and for a specified municipality as defined in Section 10-9a-408, shall include, an analysis of how the municipality will provide a realistic opportunity for the development of moderate income housing within the next five years;
 - (iii) for a town, may include, and for other municipalities, shall include, a recommendation to implement three or more of the following moderate income housing strategies:

Smithfield City has amended the general plan (appendix B and C), to implement the following strategies, in order to facilitate the development and opportunity for moderate income housing.

Strategy 'A'

STRATEGY

Objective: "Rezone for densities necessary to facilitate the production of moderate income housing."

ACTION

Action: Continued modification and implementation of the Master Plan Community (MPC) zone, which allows for increased density, additional housing types, increased circulation and expanded open space.

The objective of the master plan community, was to create a distinctive zone that allows for the design and integration of various housing types, including moderate housing, single family housing and multi-family structures. This has been used extensively throughout the city and is a standing zone which can be requested at any time.

TIMING

Timing: The Master Plan Community zone, has been implemented in several locations throughout Smithfield City. We routinely alter and modify the code to make improvements for future use. This strategy will be reviewed annually in June and as required for changes and revisions.

Moderate Income Housing

Strategy 'L'

STRATEGY

Objective: "Reduce, waive, or eliminate impact fees related to moderate income housing."

ACTION

Action: Reduce the amount of total impact fees placed on moderate income housing by 10%, defined as any dwelling establishment that is constructed for use by households that earn less than 80% of the 'Area Median Income' (AMI), for Cache Valley Utah.

TIMING

Timing: The 10% reduction in city impact fees, for new construction of approved moderate income housing, will begin in September of 2024 through August of 2025. The percentage of reduction will be reviewed and analyzed annually for incremental adjustments through August of 2029.

In order to qualify for the reduced impact fees, developers or owners must effectively demonstrate that the proposed structure will be used for moderate income housing and that the owners earn 80% or less of the 'Area Median Income' (AMI), for Cache Valley Utah. The AMI for Cache Valley will be determined annually, by the Bear River Association of Governments.

Strategy 'O'

STRATEGY

Objective: "Apply for or partner with an entity that applies for state or federal funds or tax incentives to promote the construction of moderate income housing, an entity that applies for programs offered by the Utah Housing Corporation within that agency's funding capacity, an entity that applies for affordable housing programs administered by the Department of Workforce Services, an entity that applies for affordable housing programs administered by an association of governments established by an interlocal agreement under Title 11, Chapter 13, Interlocal Cooperation Act, an entity that applies for services provided by a public housing authority to preserve and create moderate income housing, or any other entity that applies for programs or services that promote the construction or preservation of moderate income housing."

ACTION

Action: Partner with **Neighborhood Housing Solutions** to incorporate more moderate income housing in the city. The objective is to provide additional application assistance to reduce the current impact fee allowed through strategy L, found in Utah State Annotated Code. This would create an increase in the moderate income homes available on the market.

TIMING

Timing: Official partnership will occur for a period of five (5) years, in which time, each entity will provide extensive cooperation in creating moderate income housing that will comply with Utah Code §10-9a-403. An increase in moderate income housing will happen within one year of application.

A Partnership will be formed based on the mutual objective to provide quality and affordable housing for the City of Smithfield. Said partnership will occur from September of 2024 to August 2029 and be formed in order to coordinate documentation required for moderate income housing permits.

Moderate Income Housing

Strategy 'V'

STRATEGY

Objective: "Develop a moderate income housing project for residents who are disabled or 55 years old or older."

ACTION

Action: Collaborate with a developer to create a specific housing project for a 55-year-old or older community. This development will be located within an approved Master Plan Community and will be composed of different housing types. This community will be developed with the moderate-income housing strategies "L" and "O." This community will also have the ability to increase density and have different housing types.

TIMING

Timing: This will be a phase of the approved Master Plan Community and will be designed and approved by August of 2026. The construction and scheduling of said community will be left to the developer.