

# Grand County and City of Moab HOUSING STUDY and AFFORDABLE HOUSING PLAN

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Prepared for:  
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# I. TABLE OF CONTENTS

<b>Section</b>	<b>Content</b>	<b>Page #</b>
I	Table of Contents	2
II	How Did We Get Here?	3
III	Key Findings	5
IV	Data Sources	7
V	Housing Terminology	8
VI	Demographic and Housing Overview	10
VII	Affordable Housing Efforts to Date	15
VIII	Housing Needs Analysis	16
VIV	Barriers / Impediments to Affordable Housing	26
X	Housing Cost Reduction Through Improved Land Use and Design	27
XI	Brief Housing Development Summary	29
XII	Affordable Housing Resources and Mechanisms	31
XIII	Recommendations	32
XIV	Affordable Housing 5-Year Goals and Objectives	35
XV	Affordable Housing 5-Year Action Plan	36

**Appendices:**

1. Development Code Barriers / Impediments To The Creation Of Affordable Housing
2. Affordable Housing Resources / Tools
3. New Rental Housing - Affordable Housing Resources / Tools
4. Existing Rental Units In Substandard Housing - Affordable Housing Resources / Tools
5. New Home Ownership Units - Affordable Housing Resources / Tools
6. Existing Ownership Units In Substandard Housing - Affordable Housing Resources / Tools
7. Land Use Code Barriers to Affordable Housing

## II. HOW DID WE GET HERE?

### Why do an Affordable Housing Plan?

The economic health of Moab and Grand County and the economic well-being of its citizens are directly linked. The affordability of housing directly affects every other aspect of household economics as well as the economics of the community as a whole. The need for this Housing Study and Affordable Housing Plan was primarily driven by a number of interrelated issues:

- Housing prices have increased at a faster rate than wages, decreasing the relative affordability of the housing market
- Employee-recruitment and employee-retention efforts are challenged by high housing costs
- Low and median income workers find themselves priced out of single family homes, and many are unable to find lower priced rental units in good condition
- In 1996, the Utah legislature passed a law that requires all communities to adopt an affordable housing plan that addresses the current need for affordable housing, as well as needs looking at least five years into the future. Given the changes in the community since the City of Moab and Grand County first adopted their plans, engaging in a process to adopt a new, community-wide plan became even more important.

### Creating the Plan: The Partners

In 2006, with the above issues in mind, Grand County, the City of Moab and the Housing Authority of Southeastern Utah decided that they would work together to create a community-wide affordable housing plan that would address the unique and challenging needs of the community. With the help of Rocky Mountain Power as facilitator, the City, the County and the Housing Authority set forth the terms and conditions of an agreement to jointly fund and pursue this project.

Funded by each of the agencies, as well as a \$10,000 Grant secured by the City of Moab from the Utah Quality Growth Commission, Grand County, the City of Moab and the Housing Authority of Southeastern Utah (HASU) entered into an Interlocal Agreement. The Agreement provided that the Housing Authority would contract with a housing consultant to produce a community wide housing study and plan. Authorized by the agreement, HASU contracted in **June 2007** with the Rural Community Assistance Corporation (RCAC) to:

- assess the current and projected need for affordable housing units;
- review the effectiveness of the community's past and present affordable housing efforts;
- identify local housing barriers/impediments/incentives;
- recommend potential strategies to meet the affordable housing need; and
- work with Grand County, the City of Moab, and HASU to develop an Affordable Housing Plan, including the development of a specific Action Plan.

## Creating the Plan: The Process

In conjunction with the Interlocal Housing Task Force, which is composed of representatives from the City, the County and the Housing Authority, RCAC engaged in a number of activities. In **August 2007**, RCAC coordinated and facilitated a series of public workshops with community employers, government officials, housing user groups, contractors, representatives from financial institutions, and interested community members. The purpose of the public workshops was to gather anecdotal information regarding the housing problem in the community and to begin to gauge the community's perceptions regarding appropriate solutions.

RCAC also contracted with James Woods, Director of the Bureau of Economic and Business Research, David Eccles School of Business, University of Utah to perform an initial housing market assessment, which was submitted to the Interlocal Housing Taskforce in **September, 2007**. In **December, 2007**, RCAC submitted a draft Housing Plan, with the market assessment, to the Interlocal Housing Task Force.

With the further research and analysis performed by the Interlocal Housing Task Force, the Interlocal Housing Task Force and RCAC were able to produce an Affordable Housing Needs Assessment in **February, 2008**. The Needs Assessment showed the affordable housing gap in different income and housing type categories.

From the public workshops, the Needs Assessment, and all of the other information gathered in the process, RCAC produced a Draft Affordable Housing Report in March, 2008. The draft plan included options for addressing the problems as identified in the draft plan. RCAC facilitated several public workshop sessions in which the draft plan was presented and public input was solicited. Participants had a chance to express their opinions on a variety of possible approaches to addressing the affordable housing problem, and filled out surveys about the different tools explained in the workshops. These workshops were held on **March 12, 2008**.

Using the public input, RCAC produced their final report, which included Recommendations. RCAC's final report was submitted to the Interlocal Housing Task Force on **March 17, 2008**. From this point, the Interlocal Housing Task Force set about to create a Five-Year Action Plan that implements the RCAC Recommendations that were viewed favorably by the public in the public workshops. The Five Year Action Plan includes specific Goals and Objectives to be achieved, along with a specific Action Plan detailing activities and timelines necessary to achieve those goals and objectives. With completion of the Action Plan, the Interlocal Housing Task Force submitted for public review the Draft Housing Study and Affordable Housing Plan on **November 12, 2008**.

### III. KEY FINDINGS

The housing study in this Affordable Housing Plan examines the housing market in Grand County and Moab and projects the housing need to 2012.

- An analysis of HUD and Census data indicated that in 2000 there was a sufficient supply of affordable housing in Grand County and Moab to provide a reasonable opportunity for moderate, low and very low income households to find affordable housing. The only housing gap in 2000 was 49 units for very low income households.
- Housing affordability, however, has declined significantly since 2003.
- The housing challenge in Grand County is a function of four primary factors: low household income, high housing costs, the influence of external market demand and the condition of the housing inventory.
- Low household income: 44.8% of Grand County households in 2005 had an Adjusted Gross Income of less than \$20,000 per year. 47.2% of all jobs are Tourism and Recreation industry related. The average 2006 Leisure and Hospitality sector wage was \$14,438 per year. The average payroll wage increased 34% from 2000 to 2006.
- High housing costs: The 2006-2007 average sales price of all types of homes was \$265,452. A “typical” 4 person household can afford a \$194,981 home, meaning we have an affordability gap of about \$70,471. Rental housing monthly rents increased 74% from 2000 to 2006.
- External market demand: The local housing market has experienced increased external market demand for second/seasonal homes, retirement homes, and general investment properties. External market real estate purchasers have the ability 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.
- Condition of the housing inventory: SEUALG’s 2005 Consolidated Plan reported that 1,507 or 35% of all Grand County housing units are either in Dilapidated or Unacceptable condition. As a consequence, many homes at time of sale do not meet loan qualification standards. Wage earners who require a mortgage for home purchase are therefore excluded from potential purchase. 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.
- A summary of the rental housing and home ownership housing need is reported in the tables below.

<b>Rental Housing Need Summary</b>		
<b>Year</b>		<b># Units</b>
2006 / 2007	Rental Housing Gap	105
2012	Projected Rental Housing Gap	135
2006 / 2007	Total Rental Housing Deficit (including units in dilapidated or unacceptable condition)	194
2012	Projected Total Rental Housing Deficit (including units in dilapidated or unacceptable condition)	224

<b>Home Ownership Housing Need Summary</b>		
<b>Year</b>		<b># Units</b>
2006 / 2007	Home Ownership Housing Gap	186
2012	Projected Home Ownership Housing Gap	261
2006 / 2007	Total Home Ownership Housing Deficit (including units in dilapidated or unacceptable condition)	313
2012	Projected Total Home Ownership Housing Deficit (including units in dilapidated or unacceptable condition)	388

## IV. DATA SOURCES

Housing market and demographic data for this report was collected from the following primary sources. Additional resources are referenced throughout the document.

- “August 2007 Housing Market Assessment, Grand County and Moab City” completed by James Woods, Director of the Bureau of Economic and Business Research, David Eccles School of Business, University of Utah
- Lance Christie’s “Grand County Affordable Housing Needs Analysis” (Updated 10 June 2007)
- August 2007 public focus group discussions with local housing professionals, major employers, housing consumers and representatives of local, state and federal government
- Current and Past Local Affordable Housing Efforts compiled by RCAC
- Plan to End Chronic Homelessness in Grand County by 2014
- Grand County Realtors’ Listings

## V. HOUSING TERMINOLOGY

The less-than-market-rate housing arena typically involves the unique terminology of government initiated or government-backed financing, the Department of Housing and Urban Development (HUD), Rural Development (RD), and other industry-specific language. The definitions of some common affordable housing terms include:

Adjusted Gross Income (AGI) - Income (including wages, interest, capital gains, income from retirement accounts, alimony received) adjusted downward by specific deductions (including contributions to deductible retirement accounts, alimony paid); but *not* including standard and itemized IRS deductions. AGI is the number you write at the bottom of page 1 of your 1040 form, and then copy again to the top of page 2.

Affordable housing - Federal and State policy consider housing to be affordable when *housing costs* consume no more than 30% of gross annual household income; this standard particularly applies to households earning less than 80% 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 home owner association fees.

Area Median Income (AMI) – Income for an area used to calculate eligibility for certain affordable housing programs; one half of the incomes in the area are above this amount and one half are below. AMI is calculated for each specific county within all states by HUD and is published each year.

Attainable Housing – 1. Housing affordable to a household earning more than 80% and up to 120% of Area Median Income. 2. That portion of the housing market that serves households with incomes above federal and state subsidy standards (80% AMI) and below the amount of income required to purchase a market-rate home.

Cost Burdened – Cost burden is the percent of household income paid for housing. The federal government has determined that no household should have to pay more than 30% of its income for housing including utilities and home owner association fees. Households paying more than 30% are considered cost-burdened.

Doubling up – More than one household living in the same housing unit.

Fair Market Rent (FMR) – Rental unit rent level guidelines for the Housing Choice Voucher Program by number of bedrooms in each unit. FMR is established by HUD for each county in the United States.

Household Income – The combined pre-tax income of all residents in a household over the age of 15 years. 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 a unit must meet to qualify for participation in the Housing Choice Voucher program and other state rental assistance programs that follow these standards. The property owner is required to perform maintenance work to bring the property to the minimum safety standards before anyone occupies the property.

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

Low Income – Household income between 30% and 50% of Area Median Income.

Moderate Income – Household income between 50% and 80% of Area Median Income.

Mobile Home – Housing units built in factories under a federal code set by HUD. These housing units are usually placed in one location, often a rented lot, and left there permanently. However, they do retain the ability to be moved; trailer frames, axles, wheels, and tow-hitches remain attached after installation at a home site. The factory construction of these units under national regulation makes them immune to the jurisdiction of local building authorities.

Modular Home – Modular homes are houses that are divided into one or more modules or sections manufactured in a remote facility and then delivered to their intended site of use. Typically, modular dwellings are built to local or state building code. Off-frame modular dwellings differ from mobile homes largely in their absence of axles or a frame, meaning that they are typically transported to their site by means of flat-bed trucks.

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

Very Low Income – Household income up to 30% of Area Median Income.

## VI. DEMOGRAPHIC AND HOUSING OVERVIEW

### Grand County Population and Households

	<u>1990</u>	<u>2000</u>	<u>2003</u>	<u>2005</u>	<u>2006</u>
Population <sup>1</sup>	6,591	8,537	8,464	8,826	9,024
Number of Households <sup>2</sup>	2,575	3,500			3,856
Owner Occupied Households <sup>3</sup>				72%	
Renter Occupied Households <sup>4</sup>				28%	
Average Household Size <sup>5</sup>		2.44	2.39	2.37	2.35

- Population growth has slowed to an annual rate of 1%<sup>6</sup>, well below the 1990s growth rate of 2.6%.
- Since 2000 the rate of net in-migration has decreased, resulting in lower levels of population and household growth
- Much of the population growth over the past six years has been in the unincorporated areas of the county.
- Population projections by age group indicate that between 2007 and 2012 the fastest growing groups will be ages 20 to 29 and ages 60 to 69.<sup>7</sup>

### Employment Trends

Tourism and recreation are important to the local economy. Jobs sustained by these industries include Leisure and Hospitality at 32.2% and Retail Trade at nearly 15%, for a total of 47.2% of all jobs. Since 2001 the number of jobs in the Leisure and Hospitality sector has been stable.

**47.2%** of all jobs are Tourism and Recreation industry related. The average 2006 Leisure and Hospitality sector wage was **\$14,438** per year.

	<u>1990</u>	<u>2000</u>	<u>2005</u>	<u>2006</u>
Number of County Non-Agricultural Jobs <sup>8</sup>	2,431	4,167	4,401	4,471
Number of Moab Non-Agricultural Jobs <sup>9</sup>	2,178	3,586	4,012	
Average payroll wage		\$18,308		\$24,516

<sup>1</sup> US Census Bureau

<sup>2</sup> Ibid

<sup>3</sup> James A. Wood, Bureau of Economic and Business Research, Utah Association of Realtors

<sup>4</sup> Ibid

<sup>5</sup> Governor's Office of Planning and Budget

<sup>6</sup> Ibid

<sup>7</sup> James A. Wood, Bureau of Economic and Business Research

<sup>8</sup> Utah Department of Workforce Services

<sup>9</sup> Ibid

The average payroll wage increased **34%** from 2000 to 2006.

- The average payroll wage increased 34% to \$ 24,516 between 2000 and 2006 and is now ranks 24<sup>th</sup> among all Utah counties
- The average Household Adjusted Gross Income in 2005 was \$40,918. The percent of households earning less than \$20,000 per year was 44.8; only Garfield County had a higher percentage at 45.1<sup>10</sup>.
- The number of non-agricultural jobs increased 7.3% from 2000 to 2006

## Housing Construction

- The level of new residential construction of all types has been relatively consistent over the past ten years at around 100 units per year.
- Since 2000 new residential construction has added 728 housing units to the Grand County inventory; nearly 50% have been mobile homes, 35% are single family homes, 3% are town/twin homes, less than 2% or 14 of these units are apartments. 65% of new residential construction is in the unincorporated areas of Grand County.<sup>11</sup>
- Of the total 1,135 mobile and manufactured homes in Grand County, 458 are located on rented mobile home park pads and 677 are on individually owned lots.<sup>12</sup>
- There are 17 mobile home parks with 533 pads in and around Moab.
- Since 1995 condominiums account for 17% of new housing units.

## Housing Prices

Home sales prices have steadily increased over the last several years and experienced a significant jump since 2003. Three sales price data sources are reported separately below.

Home sales prices from the Association of Realtors are typically the best indicator of housing prices but the Grand County statistics are reduced by the inclusion of sales prices in the lower cost San Juan County housing market. Nonetheless, sales price trends from the Association of Realtors are noteworthy:

- The average sales price in 1995 was \$97,665; the 1998 average increased to \$125,607.
- Sales prices remained relatively stable from 1998 through 2003 at approximately \$125,000. The 2003 average was \$124,603.
- Since 2003, the average Grand County / San Juan County sales price increased 50% from \$124,603 to \$186,617 in 2006.
- Condominium sales prices increased 71% since 2000; the 2000 average sales price of \$150,947 increased to \$258,378 in 2006.

The 2006-2007 average sales price of all types of homes was **\$265,452**. A "typical" 4 person household can afford a **\$194,981** home; the affordability gap is **\$70,471**.

<sup>10</sup> Utah State Tax Commission

<sup>11</sup> Bureau of Economic and Business Research, University of Utah

<sup>12</sup> Lance Christie

A second set of home sales data specific to Grand County was assembled during meetings with local Realtors and supplied by Moab City Economic Development. Over the 13 month period from October 2006 through October 2007, the average home sales price was \$265,452.

A third housing-cost data set was determined using building permit data supplied by the Grand County Building Inspector’s Office. The median price of new construction homes increased from \$131,266 in 2000 to \$291,940 in 2006, a 122% increase.<sup>13</sup> This estimate, however, does not include sales prices of existing homes.

Considering all data sources, the best estimate of Grand County’s 2006 average home sales prices is \$265,452, an increase of approximately 112% since 2000.

**Rental Housing Statistics and Trends**

There are approximately 1,000 rental units in Grand County; the average age of those units is 30 years and in declining condition. Only 14 new units have been added since 2000, and more new units are needed to replace the deteriorating inventory and to meet the housing demand.<sup>14</sup>

Average rent levels for all units have increased approximately 74% from 2000 to 2006.

Average rent levels increased 74% from 2000 to 2006		<u>1-bedroom</u>	<u>2-bedroom</u>	<u>3 bedroom</u>
	2000 <sup>15</sup>	\$ 375	\$ 434	\$ 650
	2006 <sup>16</sup>	\$ 625	\$ 860	\$ 1,025
	Increase	67%	98%	58%

166 units are subsidized to below-market-rate rents with HUD, Rural Development, or Low Income Housing Tax Credits.

The Housing Authority manages an additional housing subsidy in the form of Housing Choice Vouchers. Vouchers pay the difference between 30% of household income and Fair Market Rent levels established by HUD.

- A developing trend is that qualifying households are frequently unable to use the Voucher issued for their use because the condition of the rental unit is either below HUD’s (health and safety) Housing Quality Standards or because the unit’s rent level is above Fair Market Rent.
- 2006 HUD Fair Market Rents (FMR) were considerably less than Grand County average rent levels at \$486 for a one bedroom, \$539 for a 2 bedroom, and \$695 for a three bedroom unit; FMR is less than average Grand County rents by \$139, \$321, and \$330 respectively.

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<sup>13</sup> Bureau of Economic and Business Research, University of Utah  
<sup>14</sup> Ibid  
<sup>15</sup> Ibid  
<sup>16</sup> Southeastern Utah Association of Local Governments 2008 One Year Action Plan

## Housing Inventory Condition

Local housing analyst Lance Christie reports pertinent housing type and condition data from the Housing Development chapter of the 2005 Southeast Utah Association of Local Governments (SEUALG) Consolidated Plan. Statewide criteria are used to evaluate the condition of each housing structure as Acceptable, Deteriorated, Dilapidated, or Unacceptable (criteria are defined below). The Plan reports that 40.3% of all Grand County housing units are in Acceptable condition, 24.8% are Deteriorated, and 34.9% are Dilapidated or in Unacceptable condition. The condition of the housing inventory by housing type is reported in the table below.

**Grand County Total Housing Stock  
Percentage of Each Type of Housing in Each Condition Category**

	Total Units	Acceptable	Deteriorated	Dilapidated	Unacceptable
Single Family	2,600	1185 45.6%	572 22.0%	680 26.2%	163 6.3%
Duplex	96	42 43.8%	34 35.4%	20 20.8%	0
Four Plex	110	60 54.5%	39 35.5%	11 10.0%	0
Mobile/Manu	1,135	254 22.4%	348 30.7%	252 22.2%	281 24.8%
Multi-Family	279	186 66.7%	71 25.4%	22 7.9%	0
Other	83	0	5 6.0%	34 41.0%	44 53.0%
Special Need	12	12 100%	0	0	0
Total Units	4315	1739 40.3%	1069 24.8%	1019 23.6%	488 11.3%

*Countywide, multi-family and fourplex housing has the highest percentage of “acceptable” and not “unacceptable” units. Over four out of ten single-family and duplex houses are rated “acceptable” and very few are rated “unacceptable.” Mobile homes/manufactured housing and “other” have about two units in ten rated “acceptable,” and between them account for 68.6 percent of all housing units rated as “unacceptable” in Grand County.*

## **Legend:**

“Acceptable” indicates a well-maintained structure with no major repairs necessary; it has no cracked, broken, or missing windows, storm windows, or screens; doors are functional; electric and/or gas utilities are connected; exterior appearance average or better.

“Deteriorated” indicates an appearance worse than average, bordering on shabby, but no obvious signs of structural problems. Minor repairs are needed such as trim paint but no windows are missing or broken; soffit/facia may be mis-aligned or broken in a few places; window or door screens and storm doors may be missing; fencing may be broken.

“Dilapidated” indicates an aesthetically unattractive dwelling needing major repairs, but it is feasible to repair the structure into acceptable condition. Roof may need major repair; siding may need replacement; trim paint significantly chipped or cracked; a few windows may be broken, cracked, or missing; whole sections of fence and gates may be broken down or missing.

“Unacceptable” indicates an aesthetically unattractive dwelling which either needs such extensive repairs that the investment would apparently exceed the market value of the repaired structure, or suffers unrepairable structural faults. The structure has a roof that is sagging or missing sections such that complete roof replacement is necessary; walls may be sagging; the foundation may be crumbling; the dwelling may not have code-compliant utility connections; trim, fascia, and soffits are unfinished, deteriorated or missing. Also rated as “unacceptable” are structures which are in poor condition AND are pre-1976 mobile homes; recreational vehicles or other types of temporary housing being used as permanent housing; or are multiple units patchworked together, e.g., a pre-1976 mobile home attached to an accessory structure. In essence, unacceptable housing units do not meet any current building code requirements for a Certificate of Occupancy and no sensible investment could make them code-complaint and fit for human occupancy.

## **VII. Affordable Housing Efforts to Date**

The community, through the Housing Authority of Southeastern Utah, the City of Moab, Grand County, the federal government, and private developers, have risen to the challenge over the years to provide affordable housing within Grand County. The following projects have provided much needed affordable units in different affordability categories:

### **Apartments**

Archway Village Apartments – Senior Housing 20 Units  
Huntridge Plaza Apartments – 24 Units  
Kane Creek Apartments – 36 Units  
Ridgeview Apartments – 6 Units  
Rockridge Senior Housing – 35 Units  
The Virginian Apartments – 28 Units  
The Willows – 8 Units

### **Housing Projects Completed**

8 Sage Valley Estates, LLC – CROWN Rent to Own  
8 CROWN at Rim Hill, LLC – CROWN Rent to Own  
80 Mutual Self Help Housing Units completed as of 2008 – Home Ownership

## VIII. HOUSING NEEDS ANALYSIS

The housing problem in Grand County is a function of four primary factors: low household income, high housing costs, the influence of external market demand, and the condition of the housing inventory.

### 1. Low Household Income

*Low wages in Grand County limit or prevent home ownership and payment of market rate rent by many households.*

- The average 2006 payroll wage at \$24,516 ranked 24<sup>th</sup> of Utah's 30 counties.
- The percentage of 2005 households with Adjusted Gross Income below \$20,000 was 44.8%, second only to Garfield County's 45.1%. \$20,000 annual household income will support rental payments of no more than \$500 per month rent, however 2006 average rents were \$625 for a one bedroom, \$860 for a two-bedroom, and \$1,025 for a three bedroom unit.
- Based upon average wages in each Employment Sector, a household with one wage earner cannot afford the average Grand County home sold since October 2006. The combined income of multiple wage earners is required to purchase the average home costing \$265,452, for example. The purchase would require the combined incomes of 1.97 Government workers, 2.7 Trade Transportation and Utility workers, or 4.7 Leisure and Hospitality employees. See The County Employment Sector Wage and Housing Affordability table below.

**44.8%** of Grand County households in 2005 had an Adjusted Gross Income of less than **\$20,000** per year.

### Since 2000 in Grand County

*Home sales prices have increased **112%***

*Average rental housing rates have increased **74%***

*Wages have increased only **34%***

## 2. High Housing Costs

*The 2006 average single family home price in the county was \$265,452, an increase of approximately 112% over the 2000 average of \$125,000.*

In 2006 only 20.5% of all new homes were affordable to moderate income households and no homes were affordable to Low and Very Low income households.<sup>17</sup>

Since 2000, nearly 50% of all new residential units have been manufactured (mobile) homes.<sup>18</sup>

	Grand County
2000	\$ 125,000
2006	\$ 265,452
Increase	112%

Average Grand County rent levels increased 74% from 2000 to 2006.

## 3. External Market Demand

*External market demand is contributing to housing price increases and to a decline of the affordable housing inventory.*

Grand County's beautiful landscape and moderate climate make it very appealing to out-of-area investors. Consequently, the local housing market is experiencing increased external market demand for second/seasonal homes, retirement homes, and general investment properties. External market real estate purchasers have the ability 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.

Since 2003, external market demand has had increased influence on the Grand County housing market. 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 external market investors and converted to high-cost overnight rentals, and
- single family homes in need of major repairs are purchased, repaired or demolished, and resold at a much higher price.

Single family homes in need of major repairs are appealing to an external market investor for purchase, repair or demolition, and resale at a much higher price. The result is a reduction of affordable housing units and upward pressure on housing prices.

The result is a reduction of "affordable" housing units and upward pressure on housing prices.

<sup>17</sup> Grand County Building Inspector data

<sup>18</sup> August 2007 Grand County Housing Market Assessment by James A. Wood

#### 4. Condition of the Housing Inventory

*The declining condition of the housing inventory is leading to a reduction of the number of affordable housing units.*

New housing units are typically not affordable to Very Low, Low, and most Moderate income households unless development costs or rents are “subsidized” to reduce cost to the end-user. A community’s “affordable” housing inventory may consist of older, smaller units and units with trimmed down maintenance budgets. Over time, age and reduced maintenance results in a decline in the condition of the housing inventory. This is certainly the case in Grand County.

SEUALG’s 2005 Consolidated Plan reported that 1,507 or 35% of all Grand County housing units are either in Dilapidated or Unacceptable condition.

The average age of Grand County’s 1000 rental housing units is 30 years. In 2005, 62.1 percent of all residential dwellings were over 30 years old, and 19 percent were over 50 years old.

Mobile homes have historically provided affordably priced housing and currently total 26 percent of all Grand County homes. Low initial purchase price and portability make them an appealing housing choice, yet most were not built to last 30 years. In 2005, SEUALG’s Consolidated Plan reported that only 22.4 percent of mobile homes were in Acceptable condition and 49 percent of all mobile homes were either in Dilapidated or Unacceptable condition.

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

SEUALG’s 2005 Consolidated Plan reported that **1,507** or **35%** of all Grand County housing units are either in **Dilapidated** or **Unacceptable** condition.

- 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 (as described in Rental Housing Statistics and Trends above).

## Affordable Housing Gap

The size of the gap between the number of affordable housing units available and the number needed by the local population is a key component of a housing analysis. Income ranges for very low, low, and moderate income households are established for each County each year by HUD based upon local household incomes. The number of renter and owner households at each income level is compared to the supply of housing placed in income ranges based on the ability of the household to pay 30% of its income for mortgage or rent. The difference between demand and supply for housing in each income range determines the affordable housing gap.

The benchmark for housing studies is the Census because it contains the most comprehensive household data available to analysts. Recognizing that Grand County has experienced a considerable number of housing affordability changes since the 2000 Census, this report contains housing data from the 2000 Census, an estimate of the 2006 affordable housing need, and a projection of the affordable housing need five years from now.

## 2000 Rental Housing Need

The number of renter households at each income level in 2000 is estimated in the table titled “Year 2000 Home Ownership Housing Gap for Very Low to Moderate Income Residents” below. 2000 data indicates that:

- **The rental inventory deficit was 27 one bedroom apartments and 22 two bedroom apartments at the very low income level.**<sup>19</sup>
- Only 39.2% of the affordable very low income rental units were occupied by very low income renters; 60.8% of the units were rented by households earning higher income levels.
- There was an adequate supply of rental units affordable to low and moderate income households

Year 2000 Rental Housing Gap for Very Low to Moderate Income Residents						
Income Category	Household Size	Median Income	# Families in Income Category	Monthly Rental Affordability Range	# Units in Affordability Range available	Rental Housing Gap Deficit (-)
Very Low	1	\$ 8,610	130	\$ 0 to \$ 215	103	-27
	2	\$ 9,840	75	\$ 0 to \$ 246	53	-22
	3	\$ 11,070	<u>15</u>	\$ 0 to \$ 277	<u>95</u>	<u>80</u>
			202		251	31
Low	1	\$ 14,350	54	\$ 216 to \$ 359	83	29
	2	\$ 16,400	99	\$ 247 to \$ 410	179	80
	3	\$ 18,450	<u>31</u>	\$ 278 to \$ 461	<u>104</u>	<u>73</u>
			184		366	182
Moderate	1	\$ 22,960	60	\$ 360 to \$ 574	125	65
	2	\$ 26,240	99	\$ 411 to \$ 656	159	60
	3	\$ 29,520	<u>13</u>	\$ 462 to \$ 738	<u>133</u>	<u>120</u>
			172		417	245

<sup>19</sup> August 2007 Grand County Housing Market Assessment, James A. Wood

## **2006 / 2007 Rental Housing Deficit**

An estimate of the 2006 rental housing need was projected in the table below titled “Year 2006 Extrapolation, Rental Housing Gap for Very Low to Moderate Income Residents”. Two primary projections are included in the table.

The first primary projection is the rental housing gap or difference between the number of 2006 housing units in the inventory and the number of units needed by households at each income level.

That projection is based upon 2000 data adjusted for the following existent demographic data:

- 1% annual population growth each year since 2000
- 34% wage increase since 2000
- Rental housing affordability reduction to 72% of 2000 affordability level due gap between wage increase and rent level increase since 2000.

A second estimate projects the total rental housing deficit. The total rental housing deficit is calculated based upon the conditions included in the first primary projection *and* factors 30% of the rental housing stock in unacceptable or dilapidated condition.

Based upon these projections, for very low income units, the 2006 rental housing gap was 105 units. The total rental housing deficit, including units in unacceptable or dilapidated condition, is 194 units-- 139 very low income units, 30 low income units, and 25 moderate income units.

<b>Year 2006 Extrapolation Rental Housing Gap for Very Low to Moderate Income Residents</b>									
Income Category	# of Bedrooms	Median Income	# Families in Income Category	Monthly Rental Affordability Range	# Units in Affordability Range Available	Rental Housing Gap Deficit (-)	Units Available in Livable Condition	Total Rental Housing Deficit (-)	
Very Low	1	\$11,537	137.8	\$ 0 to \$288	74.16	-63.64	51.912	-85.888	
	2	\$13,186	79.5	0 to \$330	38.16	-41.34	26.712	-52.788	
	3	\$14,834	<u>15.9</u>	0 to \$371	<u>68.4</u>	52.5	47.88	31.98	
				233.2		180.72	-104.98	126.504	<b>-138.676</b>
Low	1	\$19,229	57.24	\$289 to \$480	59.76	2.52	41.832	-15.408	
	2	\$21,976	104.94	\$331 to \$549	128.88	23.94	90.216	-14.724	
	3	\$24,723	<u>32.86</u>	\$372 to \$618	<u>74.88</u>	42.02	52.416	19.556	
				195.04		263.52	68.48	184.464	<b>-30.132</b>
Moderate	1	\$30,766	63.6	\$481 to \$769	90	65	63	-0.6	
	2	\$35,162	104.94	\$550 to \$879	114.48	60	80.136	-24.804	
	3	\$39,557	<u>13.78</u>	\$619 to \$989	<u>61.18</u>	<u>120</u>	42.826	29.046	
				182.32		265.66	245	185.962	<b>-25.404</b>
<b>Total 2006 Rental Housing Deficit for Very Low to Moderate Income Households</b>								<b>-194.212</b>	

### Projected Rental Housing Deficit in 2012

The rental housing deficit is projected to grow an additional 30 units by 2012.<sup>20</sup> If no additional rental housing units are added to the inventory before 2012, the rental housing gap will grow to 135 units and the total rental housing deficit, including units in dilapidated or unacceptable condition, will grow to 224 units.

<b>Rental Housing Need Summary</b>		
Year		# Units
2006 / 2007	Rental Housing Gap	105
2012	Projected Rental Housing Gap	135
2006 / 2007	Total Rental Housing Deficit (including units in dilapidated or unacceptable condition)	194
2012	Projected Total Rental Housing Deficit (including units in dilapidated or unacceptable condition)	224

<sup>20</sup> August 2007 Grand County Housing Market Assessment, James A. Wood

## 2000 Ownership Housing Gap

The table titled “Year 2000 Home Ownership Housing Gap for Very Low to Moderate Income Residents” provides information about the owner-occupied housing picture in 2000 for Grand County. It shows that in 2000, there was no owner occupied housing gap in Grand County.

Year 2000 Home Ownership Housing Gap for Very Low to Moderate Income Residents						
Income Category	Household Size	Median Income	# Families in Income Category	Home Affordability Range	# Units in Affordability Range available	Ownership Housing Gap (-)
Very Low	1	\$ 8,610	117	\$ 34,052 to \$ 43,718	N/A	
	2	\$ 9,840				
	3	\$ 11,070				
Low	1	\$ 14,350	306	\$ 56,754 to \$ 72,970	545	239
	2	\$ 16,400				
	3	\$ 18,450				
Moderate	1	\$ 22,960	535	\$ 90,807 to \$ 116,752	618	83
	2	\$ 26,240				
	3	\$ 29,520				

Note: Affordability based on 10% down payment, 30% cost burden and 6.5% interest rate

## 2006 / 2007 Ownership Housing Deficit

An estimate of the 2006 ownership housing need was projected in the table below titled “Year 2006 Extrapolation, Home Ownership Housing Gap for Very Low to Moderate Income Residents”. Two primary projections are included in the table.

The first primary projection is the ownership housing gap or difference between the number of 2006 housing units in the inventory and the number of units needed by households at each income level. That projection is based upon 2000 data adjusted for the following demographic data:

- 1% annual population growth each year since 2000
- 34% wage increase since 2000
- Ownership housing affordability reduction to 55% of 2000 affordability level due gap between wage increase and home sales price increase since 2000
- The development of 75 new affordable homes by the Housing Authority of Southeastern Utah and an additional 96 through Rural Development.

A second, more refined estimate projects the total home ownership housing deficit. The total home ownership housing deficit is calculated based upon the conditions included in the first primary projection *and* factors in that 30% of the housing stock is in unacceptable or dilapidated condition.

It is important to note that the scope of work of this housing study did not include a household survey. As a consequence, data is not available to quantify the very low income Ownership Housing Gap or the number of renter households that would seek affordable home ownership if the opportunity was available.

**Based upon these projections, the 2006 home ownership housing gap was 186 homes. The total home ownership housing deficit, including units in unacceptable or dilapidated condition, is 313 units.**

<b>Year 2006</b>									
<b>Home Ownership Housing Gap for Very Low to Moderate Income Residents</b>									
Income Level	Household Size	Median Income	# Families in Income Category	Affordable Price Range	# Homes in Range available	Homes Added To Inventory Since 2000	Home Owner Housing Gap (-)	Units Available in Livable Condition	Total Owner Housing Deficit(-)
Very Low	1	\$11,537	124	\$44,915	N/A	41	Not Known	Not Known	Not Known
	2	\$13,186		to					
	3	\$14,834		\$58,668					
Low	1	\$19,229	324	\$76,050	299.75	89	65	209.825	<b>-25.175</b>
	2	\$21,976		to					
	3	\$24,723		\$97,779					
Moderate	1	\$30,766	567	\$103,219	339.9	41	-186	237.93	<b>-288.07</b>
	2	\$35,162		to					
	3	\$39,557		\$156,448					
<b>Total</b>							<b>-186</b>		<b>-313</b>

### **Projected Ownership Housing Deficit in 2012**

The ownership housing deficit is projected to grow an additional 15 homes per year or 75 units by 2012.<sup>21</sup> If no additional ownership housing units are added to the inventory before 2012, the ownership housing gap will grow to 261 homes. The total home ownership deficit, including homes in dilapidated or unacceptable condition, is projected to grow to 388 homes.

<b>Home Ownership Housing Need Summary</b>		
Year		# Units
2006 / 2007	Home Ownership Housing Gap	186
2012	Projected Home Ownership Housing Gap	261
2006 / 2007	Total Home Ownership Housing Deficit (including units in dilapidated or unacceptable condition)	313
2012	Projected Total Home Ownership Housing Deficit (including units in dilapidated or unacceptable condition)	388

<sup>21</sup> August 2007 Grand County Housing Market Assessment, James A. Wood

## 2006 / 2007 Housing Trends

### Multiple Families in One Residential Property

Doubling-up or overcrowding of multiple households into one property to reduce housing costs is evidence of a shortage of affordable housing. SEULAG's 2005 Housing report estimates that 8 percent of very low income families live at least part of each year "doubled up" with family and friends.<sup>22</sup>

The Moab Multicultural Center conducted a telephone survey of 50 of its client families in August 2007. Although each of the 50 families had searched for a single family residence they could afford:

- 14 responded that they have just one family in their home
- 24 responded that there are two families in one home
- 9 responded that there are 3 families in one home, and
- 4 responded that there are 4 families in one home. These families are adults or couples without children.

### Homeless Housing Shortage:

According to the Plan to End Chronic Homelessness in Grand County by 2014, there is a need for an additional 16 units of homeless housing.

### Fastest Growing Age Groups

Population projections over the next 5 years for Grand County indicate that the fastest growing age groups will be young adults and seniors. By 2012, "new" resident growth projections include 245 young adults aged 20-29 and 293 seniors aged 60-69, indicating a growing need for first-time homes and rental units for young families and seniors.

### Continued Housing Affordability Decline

Housing costs continue to increase faster than wages to the point that home ownership is beyond the ability of a large portion of the local workforce. As reflected in the table titled "County Employment Sector Wage and Housing Affordability 2006" below, without very large down payments a single wage earner cannot afford to purchase the average Grand County home sold since October 2006. Several wage earners would need to combine incomes to purchase the average home of \$265,452. For example, average home purchase would require the combined income of 1.97 Government workers, 2.7 Trade Transportation and Utility workers, or 4.7 Leisure and Hospitality employees.

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<sup>22</sup> Grand County Affordable Housing Needs Analysis by Lance Christie

<b>County Employment Sector Wage and Housing Affordability 2006</b>				
Employment Sector	Percent of all Employment (2005)	Average Annual Wage <sup>23</sup>	Single Worker Affordable Home	Single Worker Affordable Rent
Mining	2.2%	\$ 48,528	\$ 191,928	\$ 1,213
Construction	6.7%	\$ 29,532	\$ 116,799	\$ 738
Manufacturing	2.3%	\$ 24,072	\$ 95,204	\$ 602
Trade, Transportation, & Utilities	18.4%	\$ 24,744	\$ 97,863	\$ 619
Information	0.9%	\$ 27,996	\$ 110,724	\$ 700
Financial Activities	4.7%	\$ 24,828	\$ 98,195	\$ 621
Professional and Business Services	4.8%	\$ 27,684	\$ 109,490	\$ 692
Educational and Health Services	7.2%	\$ 30,384	\$ 120,169	\$ 760
Leisure and Hospitality	32.2%	\$ 14,328	\$ 56,667	\$ 358
Other Services	1.5%	\$ 21,048	\$ 83,245	\$ 526
Government	19.2%	\$ 33,888	\$ 134,027	\$ 847

Note: Single worker home affordability based on 10% down payment, 30% cost burden and 6.5% interest rate

### Erosion of Employee Recruitment and Employee Retention Efforts

Local employers report that due to the high cost of housing:

- job candidates considering a job offer within Grand County are increasingly unwilling to relocate to Grand County to accept local job offers, and
- current employees are leaving local employment to relocate to other communities with more affordable housing markets.

<sup>23</sup> Utah Department of Workforce Services

## **IX. BARRIERS & IMPEDIMENTS TO AFFORDABLE HOUSING**

A variety of housing market dynamics act as barriers to the construction and maintenance of an adequate supply of affordable housing. Low wages, high housing costs, external market demand, and condition of the rental housing inventory are some of the primary obstacles discussed in other sections of this report.

Neighbors sometimes display resistance to the construction of affordable housing in their own immediate neighborhood. Due to fear of the consequences of an over-concentration of affordable housing units, fear of the loss of privacy, lack of information and other reasons, neighbors may claim that it would be better to construct affordable units in other neighborhoods. Neighborhood NIMBY (“Not In My Backyard”) reactions to affordable housing development are most often resolved with public education about the personal and community benefits of affordable housing.

Government policy action also affects the cost of housing and can act as a barrier to the creation of housing affordable to local residents. As discussed in Section VIII below, a primary method to reduce the cost of housing is to use less high-cost land per housing unit. Grand County and Moab City land use regulations that require large lots, prevent more efficient land use, impede the development of smaller more efficient housing units, and lead to increased housing costs are listed in Appendix 1: “Development Code Barriers / Impediments To The Creation Of Affordable Housing” and Appendix 7: “Land Use Code Barriers to Affordable Housing”.

## X. HOUSING COST REDUCTION THROUGH IMPROVED LAND USE AND DESIGN

A primary method to reduce the cost of housing is to use less high-cost land per housing unit. Land use reduction can be accomplished through:

- Increased housing unit density per developed acre of land
- Reduction of lot size requirements for each home
- Construction of smaller, more efficient homes
- Utilization of duplex, four-plex, multifamily, and cluster homes
- Efficient subdivision design
- Reduction of the number and width of housing development roads
- Reduction of green-space requirements
- A combination of all of these methods

Effective architectural design combined with the use of high quality construction materials can create compact housing that offers visual appeal, privacy, quality amenities, pleasant living conditions, and reduced maintenance costs. Housing unit designs that could be utilized in the Moab / Grand County region include multifamily and duplex units. The two cottage designs provide examples of high quality low-cost housing that could replace aging mobile homes, be used for small infill projects throughout the region, or new subdivision development.

Example 1: Linden Pointe  
Grand Junction, Colorado  
92 unit mansion style multifamily affordable housing development consisting of one, two, and three bedroom units. Eight units per building.  
See development budget below



Example 2: Duplex  
Boulder, Colorado



Example 3: Multifamily housing  
Boulder, Colorado



Example 4: Quinn Cottages Development  
Sacramento, California  
60 site built 400-600 square foot units  
with Community Building



Example 5: Katrina Cottages  
New Orleans, Louisiana  
Modular 400 to 1000 square foot units



## XI. BRIEF HOUSING DEVELOPMENT SUMMARY

To illustrate the housing development process, a brief summary of a multifamily rental development in Colorado is provided.

### Need for Project:

The September 2002 Housing Needs Assessment reported that the less-than-market rate housing inventory was less than demand by approximately 1,100 rental units.

### Site and Development Description:

The Housing Authority met a portion of this housing need with the new construction of 92 multifamily rental housing units in May 2005. The Development was built on 7.5 acres of land near schools and shopping, and is located on a public transportation route next to a City park. The Development consists of 12 two-story mansion-style residential buildings, one leasing office/ clubhouse, and two playgrounds. 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. Five of the units are fully accessible.

### 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 @ 30% AMI	Units @ 40% AMI	Units @ 50% AMI	Units @ 60% AMI	Employee Unit at 80% AMI	Unit Total
1 bedroom, 1-bath	797	2	4	12	2		20
2 bedroom, 2 bath	987	2	11	25	9	1	48
3 bedroom, 2 bath	1220	1	3	12	8		24
<b>Totals</b>		<b>5</b>	<b>18</b>	<b>49</b>	<b>19</b>	<b>1</b>	<b>92</b>

### Development Budget:

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

Development Budget	
Land	\$ 272,565
Construction	\$ 9,261,331
Professional Fees	\$ 520,137
Interim Costs	\$ 537,900
Permanent Financing	\$ 142,380
Soft Costs	\$ 93,138
Syndication Costs	\$ 24,000
Developer Fees	\$ 474,000
Project Reserves	\$ 151,000
<b>Total Cost</b>	<b>\$ 11,476,451</b>

Income Sources:

Six different income sources were combined to pay the total development cost. Note:

- Due to low rent levels, project cash flow supports a permanent loan of only \$2,600,000.
- Local match, grant funds, and investor equity in the form of Low Income Housing Tax Credits were used to “fill the gap” between the \$2.6 million dollar permanent loan and the total \$11,476,451 development cost.

Sources and Uses Budget		
<b>Public Sector Grants</b>	Amount	Uses
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	\$ 7,088,000	General Construction, Fees, Reserves, Marketing
First Mortgage	\$ 2,600,000	Permanent Loan
<b>Development Cost Total</b>	<b>\$ 11,476,451</b>	

Development Timeline:

- Predevelopment activity began in November 2003 and ended with the successful completion of all financial arrangements in May 2004
- Construction began May 2004 and ended in May 2005

## **XII. AFFORDABLE HOUSING RESOURCES AND MECHANISMS**

Successful affordable housing plans utilize various types of resources to address the community housing need. Resources available to support the creation and maintenance of affordable housing units in Grand County are listed below and attached to this document.

1. Appendix 2 “Affordable Housing Resources / Tools”
2. Appendix 3 “New Rental Housing - Affordable Housing Resources / Tools”
3. Appendix 4 “Existing Rental Units In Substandard Housing - Affordable Housing Resources / Tools”
4. Appendix 5 “New Home Ownership Units - Affordable Housing Resources / Tools”
5. Appendix 6 “Existing Ownership Units In Substandard Housing - Affordable Housing Resources / Tools”

## **XIII. RCAC RECOMMENDATIONS**

A number of methods are recommended to address the housing challenges of Moab and Grand County:

### **1. Acquire and maintain policy maker commitment to Housing Plan implementation**

This Housing Study and Affordable Housing Plan have been developed through the cooperative efforts of the staff of Grand County, the City of Moab, and the Housing Authority of Southeastern Utah, as well as through a significant public input process. We respectfully suggest that local County Council Members and City Council Members accept the recommendation of the Interlocal Affordable Housing Task Force and adopt and work to implement all facets of the Plan.

### **2. Appoint Housing Task Force**

Resolution of the housing challenge will require a sustained cooperative effort from the County, City, Housing Authority, and other community leaders. It is recommended that a formal Housing Task Force be appointed by policy makers to address the housing challenge, that the Housing Task Force is assigned specific objectives and completion timelines, and that regular implementation progress-reports be provided policy makers.

### **3. Improve land use**

Encourage the efficient use of the limited amount of private land available by taking the following actions:

- (a) Eliminate barriers to affordable housing development in local land use regulations listed in Appendix 1 "Development Code Barriers / Impediments To The Creation of Affordable Housing"
- (b) Adopt an inclusionary zoning ordinance
- (c) Obtain and "land bank" land for future affordable housing development
- (d) Develop a distributed-campus, tax exempt Community Land Trust
- (e) Utilize infill development to revitalize and bring new activity to older or dilapidated neighborhoods.
- (f) Utilize mixed use residential and commercial development to allow a balanced mix of office, commercial, and residential uses in close proximity to each other

### **4. Increase available housing resources**

Methods to increase available resources include:

- (a) Create a local Affordable Housing Trust Fund to receive and administer housing resources.
- (b) Establish local down payment assistance and low interest loan programs to improve and preserve existing housing and create new housing units.
- (c) Adopt appropriate taxes and fees listed in the "Local Financial Tools" section

below.

- (d) Support the creation and/or expansion of HASU's "sister" nonprofit organization to increase and diversify the availability of housing development resources. Support its application to become a Community Housing Development Organization (CHDO) to increase HASU's operating and development funds.
- (e) Support HASU's efforts to initiate a Housing Counseling program to educate home buyers regarding home ownership.
- (f) Implement an Employer Assisted Housing Program.
- (g) Implement an inclusionary zoning ordinance.
- (h) Encourage the use of voluntary real estate transfer assessments to augment housing funds.
- (i) Establish a Grand County housing fund to collect and administer real estate transfer assessments and other funds collected by Grand County.

#### **5. Develop new housing units**

- (a) Develop well designed, high-density, energy efficient ownership and rental housing units
- (b) Encourage multifamily units, twin homes, cluster homes, accessory dwelling units, and cottages
- (c) Target affordable and attainable households
- (d) Continue to support HASU's use of Rural Development's Mutual Self Help Housing Program and the Crown home program
- (e) Utilize the following affordable housing resource lists:
  - Appendix 2 "Affordable Housing Resources / Tools"
  - Appendix 3 "New Rental Housing - Affordable Housing Resources / Tools"
  - Appendix 5 "New Home Ownership Units - Affordable Housing Resources / Tools"
- (f) Evaluate the gap between the need and the supply of housing affordable to target populations on an ongoing basis in order to target new housing development efforts
- (g) Encourage construction of multi-family units, twin homes, cluster homes and cottages

#### **6. Preserve and maintain the existing affordable housing inventory**

Methods to preserve and maintain existing units include:

- a) Identify all existing subsidized housing units and the dates existing financing expires; monitor those housing units to acquire and preserve them as affordable units
- b) Implement a housing rehabilitation program to provide homeowners an incentive to improve the condition of their homes and make them more energy efficient.
- c) Design and implement a program to replace Unacceptable and Dilapidated housing units with new units. Use the following resource lists:

Appendix 4 "Existing Rental Units In Substandard Housing - Affordable Housing Resources / Tools"

Appendix 6 "Existing Ownership Units In Substandard Housing - Affordable Housing Resources / Tools"

7. **Institute deed restriction programs to keep new moderate income housing units created through construction or rehabilitation available to moderate, low or very low income target populations.**
8. **Conduct a public education campaign about the benefits of affordable housing and its contribution to the community.**

## XIV. AFFORDABLE HOUSING 5-YEAR GOALS AND OBJECTIVES

### Goals:

1. To achieve secure, affordable, decent housing opportunities for Moab/Grand County residents.
2. To achieve adequate owned and rental housing opportunities to allow the community to recruit and retain a workforce with the skills and credentials needed by community employers.
3. To achieve creation and retention of housing stock affordable to very low, low, moderate, and moderate to 120 percent of Area Median Income (AMI) households.
4. To assess on a continuing basis the gaps among housing stock, housing needs, and what households can afford on a continuing basis in order to revise the objectives of the Moderate Income Housing Plan.
5. To establish and participate in programs and efforts to reduce household operating, rehabilitation and construction costs across the economic spectrum.

### Objectives:

1. Through public and private partnerships, provide **8** units of transitional housing for Moab's homeless, within the next five years, of the total **16** needed within the next 10 years.
2. Through public and private partnerships, provide **55** units of new or rehabilitated rental housing affordable to very low income households, within the next five years, of the total **139** currently needed.
3. Through public and private partnerships, provide **22** units of new or rehabilitated housing affordable to low income households; **10** for purchase and **12** for rental, within the next five years, of the total **55** currently needed.
4. Through public and private partnerships, provide **124** units of new or rehabilitated housing affordable to moderate income households; **114** for purchase and **10** for rental, within the next five years, of the total **313** units currently needed.
5. Promote and establish energy efficiency and other programs, policies and regulations to lower the cost of constructing, rehabilitating and maintaining homes affordable to all households earning 120 percent of AMI or less.
6. Analyze the housing needs of moderate to 120 percent income households and develop an objective to address the needs of this income group.
7. Coordinate with and involve multiple community and outside agencies in developing affordable housing solutions.

## XV. AFFORDABLE HOUSING 5-YEAR ACTION PLAN

ACTION STEPS	LEAD AGENCY	IMPLEMENTATION PARTNERS	POSSIBLE FUNDING SOURCES	TARGET DATE	STATUS
<b>1. 501c(3) COMMUNITY LAND TRUST</b>					
a. Create / finalize land trust	Housing Task Force, HASU	ATL	N/A	Year 0-1	In progress
b. Create land trust board	HASU, ATL	Housing Task Force	N/A	Year 0-1	
c. Develop board policies	Land Trust Board	Housing Task Force	N/A	Year 0-1	
d. Solicit resources	Land Trust Board	HASU, ATL	CDBG Olene Walker	Year 1-5	
e. Develop partnerships with local governments, private landowners, and businesses	Land Trust Board	HASU, ATL, City, County, Private Land Owners, etc.	USDA funds	Year 1-5	
<b>2. 501 c(3) COM. HOUSING DEV. ORGANIZATION (CHDO)</b>					
a. Finalize CHDO	HASU, Housing Task Force	RCAC	N/A	Year 0-1	In progress
b. Create CHDO board	HASU, Housing Task Force	Community	N/A	Year 0-1	
c. Develop board policies	CHDO Board	Community	N/A	Year 0-1	
d. Solicit resources	HASU, CHDO Board	Workforce Housing Initiative	CDBG Olene Walker	Year 1-5	
e. Develop partnerships with local governments	HASU, CHDO Board	City, County	Foundations, Donations	Year 1-5	
f. Coordinate with other CHDOs	HASU, CHDO Board	Workforce Housing Initiative	USDA funds	Year 0-5	In progress
<b>3. DEED RESTRICTION GUIDELINES</b>					
a. Coordinate guidelines between the City and County	City, County	Housing Task Force	N/A	Year 0-1	
b. Determine target population(s)	Housing Task Force	City, County	N/A	Year 0-1	
c. Create mechanism for administering deed restrictions	City, County	HASU, Housing Task Force	N/A	Year 0-1	
<b>4. AFFORDABLE HOUSING STOCK PRESERVATION</b>					
a. Promote mobile home rental to ownership program	HASU, Land Trust	Housing Task Force, Community Rebuilds	TBD	Year 2-5	

ACTION STEPS	LEAD AGENCY	IMPLEMENTATION PARTNERS	POSSIBLE FUNDING SOURCES	TARGET DATE	STATUS
b. Replace dilapidated units	HASU, Private	Private, Chamber of Commerce, Employers, Community Rebuilds	TBD	Year 2-5	
c. Investigate temporary trailer park	Housing Task Force	Private, City, County, HASU, Workforce Housing Initiative	TBD	Year 0-2	In progress
d. Investigate incentives to rehabilitate deteriorated units	Housing Task Force, SEUALG, Community Rebuilds	Rural Development	USDA, HUD, State	Year 0-1	
e. Provide tax abatement on residential rehabilitation	County	County Assessor, Clerk and Treasurer	County	Year 0-1	
<b>5. LAND USE CODE CHANGES TO ENCOURAGE AFFORDABLE HOUSING</b>					
a. Develop mixed-use ordinance	City, County	City and County Planning, Builders' Alliance, Community Input	N/A	Year 1-2	
b. Allow for transfer of development rights	City, County	City and County Planning, Community Input	N/A	Year 1-2	
c. Develop affordable housing overlay zone	City, County	City and County Planning, Builders' Alliance, Community Input	N/A	Year 0-2	
d. Allow for additional incentives	City, County	City and County Planning, Community Input	N/A	Year 1-2	
e. Develop acceptable guidelines and locations for increased density and decreased requirements for affordable housing projects	City, County	City and County Planning, Housing Authority, CHDO, Community Input	N/A	Year 0-1	
f. Allow for infill development	City, County	City and County Planning, Community Input	N/A	Year 0-1	
<b>6. BUILDING CONSTRUCTION &amp; DESIGN PRACTICES</b>					
a. Encourage walkability for new housing and community projects	City, County, HASU	City and County Planning, Builders Alliance, Trail Mix, RETA fund	RETA	Year 0-1	
b. Implement green building standards and incentives	City, County, HASU	City and County Planning, Builders Alliance	State, Federal, Utilities	Year 2-3	
<b>7. AFFORDABLE HOUSING COMPONENT INCLUDED IN NEW DEVELOPMENT</b>					
a. Investigate linkage fees	City, County	Builders Alliance, Chamber of Commerce	N/A	Year 1-2	
b. Develop affordable housing overlay zone	City, County	City and County Planning, Community Input	N/A	Year 0-2	
c. Investigate new commercial and residential development provision of affordable housing (inclusionary zoning)	City, County	Chamber of Commerce, County and City Planning, Builders' Alliance	Private	Year 1-2	

ACTION STEPS	LEAD AGENCY	IMPLEMENTATION PARTNERS	POSSIBLE FUNDING SOURCES	TARGET DATE	STATUS
<b>8. DEVELOPMENT COSTS REDUCTION</b>					
a. Implement guidelines for impact fee deferrals and/or subsidies	City, County, Special Service Districts	County Building Department, Special Service Districts, Builders' Alliance	RETA, Other	Year 0-2	
b. Offer affordable housing development subsidies	City, County	Workforce Housing Initiative, CHDOs, Land Trust	RETA, Other	Year 2-5	
<b>9. EMPLOYER ASSISTED HOUSING PROGRAM</b>					
a. Establish down payment funds	City, County	Public and Private Employers, Chamber of Commerce	RETA, SEUALG	Year 1-2	
b. Develop employer requirements for provision of affordable housing	City, County	Employers, Builders' Alliance, Chamber of Commerce		Year 1-2	
<b>10. LOCAL AFFORDABLE HOUSING RESOURCES</b>					
a. Implement mechanism for voluntary real estate transfer assessment agreements	City, County	N/A	N/A	Year 0-1	City - Complete
b. Establish affordable housing fund	City, County	HASU	N/A	Year 0-1	
<b>11. LAND RESOURCES</b>					
a. Develop land bank	City, County, HASU	Housing Task Force, Land Trust, ATL	City, County, HASU, Private donations, etc.	Year 0-2	
b. Purchase properties for affordable housing	City, County, HASU	Housing Task Force	City, County, HASU, Private donations, etc.	Year 0-5	
c. Pursue land donations	City, County, HASU	Housing Task Force	City, County, HASU, Private, etc.	Year 0-5	
d. Identify City and County underutilized land	City, County	Community Input, Private Property Owners	N/A	Year 0-1	
<b>12. DEVELOPMENT PROCESS STREAMLINING FOR AFFORDABLE HOUSING</b>					
a. Develop priority process for building permits for affordable housing projects	City, County, developers	City and County Planning, County Building Department, Developers, Builders' Alliance, Chamber of Commerce	N/A	Year 1-2	
b. Review other jurisdictions' planning processes and implement appropriate changes	City, County	Housing Task Force	N/A	Year 0-1	

<b>ACTION STEPS</b>	<b>LEAD AGENCY</b>	<b>IMPLEMENTATION PARTNERS</b>	<b>POSSIBLE FUNDING SOURCES</b>	<b>TARGET DATE</b>	<b>STATUS</b>
c. Designate planning process facilitator and liaison	City, County	City and County Planning	N/A	Year 1-2	
<b>13. HOUSING TASK FORCE</b>					
a. Create Housing Task Force	HASU	City, County	N/A	Year 0-1	In progress
b. Perform annual review of affordable housing supply and demand and revise gaps	Housing Task Force	City, County, Public	N/A	Year 1-5	
c. Develop needs assessment for >80% AMI and develop strategies to assist the income category	Housing Task Force	RCAC, Workforce Housing Initiative	N/A	Year 1-2	
d. Provide ongoing progress report on activities to public and decision makers	Housing Task Force	City, County		Year 0-5	
<b>14. HOUSING COUNSELING</b>					
a. Promote and facilitate housing / financial counseling programs offered by different entities	Housing Task Force	HASU, financial institutions	Private, Grand San Juan Board of Realtors	Year 1-2	
b. Provide housing counseling	HASU	HASU, New Home Buyers, Realtors, Building Department	HASU, Grand San Juan Board of Realtors	Year 0-5	Ongoing
<b>15. PUBLIC EDUCATION CAMPAIGN</b>					
a. Identify target audiences and tailor programs to meet particular needs	Housing Task Force	Homeless Coordinating Committee, City, County, Media	N/A	Year 0-5	
b. Provide workshops / brochures for builders and developers	Housing Task Force	Chamber of Commerce, Builders' Alliance	Financial Institutions, Neighborhood Reinvestment	Year 1-3	
c. Provide additional information to the public about policy changes	City, County	Housing Task Force, Media, Homeless Coordinating Committee	N/A	Year 0-5	Ongoing
d. Provide interactive workshops and feedback opportunities	City, County	Housing Task Force, Homeless Coordinating Committee, Chamber of Commerce, Workforce Housing Initiative	SEUALG, Neighborhood Reinvestment	Year 0-5	Ongoing

ACTION STEPS	LEAD AGENCY	IMPLEMENTATION PARTNERS	POSSIBLE FUNDING SOURCES	TARGET DATE	STATUS
<b>16. PUBLIC / PRIVATE PARTNERSHIPS</b>					
a. Identify possible partners	Housing Task Force	TBD	N/A	Year 0-1	
b. Promote energy efficiency programs with private and public energy and resource providers	City, County, utility providers	Questar, Rocky Mountain Power, RCAC, Enterprise Groups, etc.	Questar, Rocky Mountain Power, RCAC, Enterprise Groups, etc.	Year 0-2	Ongoing
c. Promote real-estate transfer assessment agreements with developers	City, County	Private Land Owners, Developers	N/A	Year 0-5	Ongoing
d. Promote low-interest loan programs for energy efficiency upgrades	City, County, HASU, utility providers, financial institutions	SEUALG	SEUALG	Year 1-5	
e. Utilize RETA funds to assist with private affordable housing developments	City, County	HASU, CHDOs, Workforce Housing Initiative	RETA	Year 0-5	
f. Work with non-profit agencies and private developers to do mixed income developments	City, County, HASU	HASU, CHDOs, Workforce Housing Initiative, Chamber of Commerce	Federal, State, Local	Year 0-5	
<b>17. HOUSEHOLD MAINTENANCE</b>					
a. Promote energy efficiency programs	City, County, HASU, utility providers	Questar, Rocky Mountain Power, RCAC, Enterprise Groups, etc.	Questar, Rocky Mountain Power, RCAC, Enterprise Groups, etc.	Year 0-5	Ongoing
b. Implement water conservation rate structure	City, GWSSA	N/A	N/A	Year 1-2	
c. Provide public information about how to reduce household costs	Housing Task Force	City, County, Utility Providers	Questar, Rocky Mountain Power, RCAC, Enterprise Groups, etc.	Year 2-3	
d. Promote low-interest loans and incentives for improvements	Housing Task Force	HASU, City, County, Utility Providers	TBD	Year 2-3	

HASU- Housing Authority of SE Utah  
ATL - Association for the Tree of Life Community Land Trust  
GWSSA - Grand Water and Sewer Service Agency  
CHDO - Community Housing Development Organization  
RETA - Real Estate Transfer Assessment  
TBD - To Be Determined  
SEUALG - South East Utah Association of Local Governments  
RCAC - Rural Community Assistance Corporation  
N/A - Not Applicable  
USDA - United State Department of Agriculture  
CDBG - Community Development Block Grant  
HUD - Housing and Urban Development (Department of)