

TREMONTON CITY HOUSING PLAN

DEMOGRAPHIC INFORMATION AND NEEDS ANALYSIS

DECEMBER 1, 1998

2006/2009

Updated
Tables

Housing

Introduction

The term housing is defined as a dwelling in which people live. In analyzing and projecting future housing needs for Tremonton City, we must not forget that every family or individual needs a place to live. In Tremonton housing is a very important concern because of low vacancy rates, rising housing costs, varying densities, and a growing population. All of these factors make it difficult to provide sufficient, affordable housing without two incomes.

The Number of housing units must increase with the population. This must also include multi-family housing units. Housing quality should be adequate to support the health, safety, and welfare of the public. Tremonton City's primary goal is to provide safe, adequate, and affordable housing for all residents.

Current Housing Stock

While the majority of land for housing is zoned single family residential and the majority of housing units in Tremonton are single family. Current land use, broken down by dwelling type, can be seen in Table 1. Single family dwellings currently make up the largest portion of the land used and zoned residential at 87.6%, followed by multi family units (low rise apartments) at 12.4%

One Family	1425
Apartment - Low Rise	190
Elderly	18
Two - Family	12
Manufactured Homes	94
Mobile Homes	25

Data from City data base and staff

Evaluation of Housing Needs

Housing costs in Tremonton City and the surrounding area are increasing in part due to population growth, economy, and land development costs. Housing costs in Tremonton will continue to increase. Current land use policies, regulations and Zoning will limit the population to between 5286 and 13,959 people. Without special provisions, many people may not be able to qualify for current housing costs in Tremonton. It is likely that in the future residents may be displaced because of their inability to afford housing.

Policies

The following two sections address policies to encourage neighborhood preservation and affordable housing. A special recommendation is made to meet the housing needs of the elderly. Policy sections are outlined in Table 2

TABLE 2 POLICY SECTION	
Neighborhood Preservation	Affordable Housing
1. Residential Buffers	1. Apartments/Multi-Family
2. Zoning	2. Manufactured Homes
	3. Cluster Development Patterns
	4. Special Housing - Elderly, Disabled, Etc.

Neighborhood Preservation

Neighborhood preservation can be implemented through two primary policies: Residential buffers and Zoning.

Residential Buffers

Residential Buffers help preserve neighborhoods and encourage diverse housing design to accommodate various housing needs. Residential buffers include churches, parks, roads, higher density uses, such as apartments, condominiums, and townhouses which could smooth the transition between non-residential areas and low density residential areas. Buffers in appropriate undeveloped areas would preserve the privacy of nearby low density residential areas. Since higher density dwellings are typically inhabited by single people or young families, buffers would also serve diverse housing needs. In addition, such developments would contribute to the affordable housing stock in the City.

Zoning

Current zoning permits moderate densities in neighborhoods and areas comprised mainly of single family residences. Up-zoning in some areas would allow for the creation of multiple-family housing units. Other zoning areas in the City allow residential housing by a Conditional use Permit, these areas are in the Commercial and Industrial zoning. Zoning should be continually evaluated to ensure uniformity through out the City and preservation of existing neighborhoods and developments.

Affordable Housing

Affordable housing could be encouraged by using apartments, manufactured homes, cluster developments, and the possibility of renovating old town blocks into housing for the elderly and other special needs. An affordable housing project is under construction for the spring of 1999. This development includes an 8 lot CROWN project, 9 affordable conventional lots and phase 2 to include an 18 to 24 multi-family apartment unit.

TABLE 3 HOUSING STOCK OCCUPANCY, 1990 and 1997		
Year	Owner	Renter*
1992	1245	176
1997	1425	209

Utility data - (discrepancy in 1990 censuses)

* Rentals may include single family dwellings and basements- which are considered single family dwellings. those numbers may not be listed.

Manufactured Homes

Manufactured homes are factory built, single family dwellings which are built on a permanent chassis for transportation to the building site. They are designed to be used as a dwelling with or without a permanent foundation (all manufactured homes set up outside a manufactured home park are to be put on a permanent foundation). Manufactured homes shall be connected to all required utilities. Tremonton City considers manufactured homes to be single family dwellings.

Since manufactured homes and even modular homes are less expensive than site-built single family homes, they could be encouraged as an affordable housing option in a park setting. They may also be placed on any lot within a zone where single family units are permitted. At present, manufactured home placement is subject to the approval of the building official insuring all code requirements are met. However, in some cases a manufactured home placed outside a park can cost close to that of a site-built home.

Cluster Development Patterns

To reduce the costs of single family homes, land needs to be developed economically. One way to develop land economically is through efficiency. Cluster housing on smaller lots with common driveways is one way to accomplish this. The linear feet of roads, asphalt, concrete, water lines, and sewer lines are reduced, thereby lowering development costs and the maintenance cost burden to the tax payer. These types of development patterns could create and maintain open/green space in a rural setting. Innovative patterns need to become the norm, not the exception. Ordinances regulating land development need to make such innovations as simple and low risk as possible. Land consumption patterns with high improvement costs must be made more difficult to approve.

Special Housing - Elderly Housing etc.

Elderly housing is considered to be housing units that can be afforded by older or retired persons living on fixed incomes or may need assisted living accommodations. The number of elderly housing units in Tremonton will not satisfy future demand. Rising housing costs cause the elderly's fixed income(s) to become more and more inadequate for their housing needs. Federally subsidized housing is in great demand. Tremonton City currently has 48 units, and those are not all available to the elderly. Those permitted to inhabit this type of housing must have an income below 50% of the median household income range, which would be far less than \$22,700.

Over the next 10 to 20 years the number of retired elderly people will have a great increase, and the demand for low cost housing will also increase. Steps should be taken to build and develop additional low cost housing units for the elderly. An alternative would be to establish a committee to create a non-profit organization that would accumulate funds for the construction of new low cost affordable housing developments. As more elderly housing becomes available and inhabited by qualifying elderly person(s), private housing units currently occupied by the elderly will be vacated, increasing the housing stock, and perhaps creating some additional affordable single family housing units.

Moderate Income Housing Plan

The Utah State Code requires each municipality to adopt a plan for moderate income housing as part of the general plan. the Moderate Income Housing Plan must contain the following:

1. An estimate of the existing supply of moderate income housing located within the municipality.
2. An estimate of the need for moderate income housing in the municipality for the next five years an revised annually.
3. A survey of total residential zoning.
4. An evaluation of how existing zoning densities affect opportunities for moderate income housing.
5. A description of the municipality's program to encourage and adequate supply of moderate income housing.

The following Moderate Income Housing Plan will contain a definition of "moderate income housing," evaluate the current need for moderate income housing, examine each of the five points above, and discuss policies and techniques designed to meet the estimated needs touched upon in the five points noted above.

Definition of Moderate Income Housing

As defined above in the Utah State Code, "moderate income housing," is "housing occupied or reserved for occupancy by households with a gross household income of less than 80% of the median gross income of the rural statistical area for households of the same size."

Existing Supply of Moderate Income Housing

There is a supply of housing within the city that will accommodate those incomes of 80% or greater of the median gross income. However, as defined above there is 20% or more of the population of the city who fall at or below 50% of the median gross income and cannot afford to purchase housing. Therefore, rental housing is the main alternative.

As the population increases, so will the demand for, and ultimately the cost of housing in Tremonton. In order to accommodate moderate income families and their housing needs, the amount of housing units in higher density zones of the city must be maintained, and built at or near capacity permitted by the Tremonton City Zoning Ordinance.

Table 4 gives a breakdown of current rental prices in Tremonton. A family not wanting to pay more than 30% of their monthly income for housing would need to have a combined monthly income of at least \$1420.00 after taxes to be able to rent a two-bedroom apartment in Tremonton or \$2000.00 a month to rent a home.

Type of Unit	Dollars per Month
Studio	400
Two Bedroom (apartment)	400-425
Two Bedroom (duplex)	425-450
Two Bedroom (condo)	450-500
Single Home	450-600
Single Home (luxury)	600-1000

Data from survey of Tremonton Realtors.

Over the past 5 years, considerable residential growth has occurred in Tremonton. This growth has occurred mainly in the medium to higher density single family dwelling zoning. The highest current zoning in Tremonton for single family dwellings is R-18 (eight units per acre), and RM-15 (fifteen units per acre) for multi-family units.

Table 5 shows the total acreage used in each density area for the years shown.

Year	R1-6/R1-8	R1-10	R1-20/RR-1	Multiple
1978	161	5	35	2
1996	359	191	277	81
2002	389	242	302	125

2002 data is from adding buildable acreage to current zoning (acreage still remains in most R-1 zoning areas)

The total acreage available for high density residential (R1-8) is 38 acres for beyond the year 2002. In contrast, 502 acres are currently zoned for lower density housing. There is no zoning available for multi-family units after 2002 in multiple dwelling areas. However, by Conditional Use permitting multi-family housing can be located in Commercial Zones.

Current Need for Moderate Income Housing

Two categories of need exist for moderate income families which merit discussion. The need of families who want to purchase housing and the need for families who want to rent housing. Following the sections describing the types of need, there will be a section projecting the quantity of housing which will be needed over the next 5 years.

Purchase Housing

Greater than 20% of Tremontons population cannot afford to purchase an averaged-priced home. Most earn less than the Median Gross Household Family Income of \$45,400 (Autumn 1997 Bear West Consultants). According to the Tremonton Area of Realtors, the average price of a home sold in Tremonton City in 1997 was \$122,500. To qualify for a mortgage on an average-priced home in Tremonton with 5% down at 7.5% interest a family (household) would need to make \$32,560 annually.

One may argue that not all families and individuals will live in an average home, some must live below the average. However, even the 1996 average cost of a condominium or townhouse price was \$85,900. Using the scenario of 5% down at 7.5% interest, a family would need a combined annual income of at least \$22,800.

Annual income requirements for either a single family dwelling, condominium, or townhouse purchase depend on a set of varying factors. These factors include: the current interest rate, current monthly dept (not including the home mortgage under consideration), initial down payment, bank fees, and other closing costs. To show how the needed minimum annual combined salary varies Table 6 summarizes the findings.

Type of Dwelling	Average Price of home sold during the 1997 - 1998 fiscal year	Monthly Payment based upon 7.5% interest rate with 5% down	Monthly dept and other living expenses cannot exceed	Monthly minimum combined income	Yearly minimum combined income
Condominium or Townhouse	\$85,900.00	\$570.00	\$1330.00	\$1900.00	\$22,800.00
Single Family Dwelling	\$122,500.00	\$814.00	\$1900.00	\$2713.00	\$32,560.00

Data Bear River Association of Governments and Staff.

Over 20% of Tremonton households have incomes of less than average, Therefore, financially they are unable to purchase an average condominium/townhouse or a single family dwelling.

Renting Housing

Since there is a number of residents in Tremonton who cannot afford to purchase housing, these residents have no choice but to rent.

Currently over 20% of the City population is below the 80% of the Median Family Income level making about \$22,700 or less annually. On the whole, moderate income individuals and families have their housing needs met as far as renting is concerned, but in terms of home ownership, the current home-buying market for an average home is not accessible to a fifth of Tremontons residents, this also will include some families in the moderate income level. If those families or individuals want to purchase a home, they would need to look elsewhere or take advantage of special housing placement programs.

Five Year Moderate Income Housing Need Projection

In order to project housing needs for the next five years, the anticipated population must be considered. The number of housing units necessary to accommodate the population are derived by dividing the population by 3.2 (the average number of occupants per housing unit). the results of these projections are shown in Table 7 below.

TABLE 7. MODERATE INCOME HOUSING NEEDS PROJECTION			
Year	Population	Current Housing Units	Additional Units New Construction
1998	5000	1562	62
1999	5214	1629	67
2000	5438	1699	70
2001	5662	1769	70
2002	5886	1839	70

Data from current market and staff projections.

The Current Housing supply inhabited by renters comprises approximately 12.4% (apartments & owner occupied - other rental homes are considered single family dwellings). For the year 2000 7.2% of the total housing units built in Tremonton will need to be dedicated to moderate income housing.

Survey of Total Zoning

Table 8 below lists Tremonton Cities current zones and the number of acres. The emphasis should be placed on the residential zones. However, there are a considerable number of nonconforming housing units in the nonresidential zoning.

TABLE 8. Tremonton Cities Total Zoning	
Zone	Acres
R1-6 - PD - R1-8	427
R1-10	534
R1-20	264
RR-1	247
CD- Commercial District	136
CH- Commercial Highway	285
CN- Commercial Neighborhood	5
CG- Commercial General	80
MG- Manufacturing	122
MD- Mfg./Distribution	215
RM-15	48
RM-7	77
Other- Parks, Public	206
Total	2646

Data Current Zoning Map

Program to Encourage Moderate Income Housing.

Due to the increased demand, and the rising costs for an average home. Tremonton City has been proactive in addressing the need's for affordable housing. As mentioned earlier Tremonton has partnered with the State of Utah and Bear River Association of Governments to provide an affordable housing project to meet some of the need's of those considerably less than that of 80% income of the median family income this project includes 8 *Crown Homes*, 9 conventional affordable building lots in phase 1. Phase 2 will consist of a 18 to 24 unit affordable apartment complex to be completed by the year 2000. Tremonton City has also been dedicated to build an Industrial Park and a business base and attract those industries with jobs that will provide a wage higher than the average wage in Box Elder County. Other programs that would maintain open space and green space yet provide affordable housing would be to provide overlay zoning that would allow Cluster Developments (smaller building lots with large open common spaces).

Added March 20, 2007

State of Utah requires Tremonton to have a Moderate income housing plan and to review the plan annually. Tremonton prepared and adopted a Moderate housing plan in August 2001. In meeting the goals of the plan Tremonton participated in the CROWN single family dwelling project on 400 West 300 North, including in 2006 the 24 unit Utah Housing multi-family housing. Tremonton has been progressive in attracting Industry and jobs that would provide a higher than average wage to those seeking home ownership.

In the time the housing plan has been adopted Tremonton has issued 260 building permits for single family dwellings and building permits for 110 multi-family units or 27 building.

From 1996 to and including 2001 there were 122 multi-family units built or 30 buildings and 311 permits for single family dwellings.

From 1985 thru today Tremonton has issued building permits for 767 single family dwellings and building permits for 232 multi-family units or 57 buildings.

Total single family dwellings as of 3/2007 is 1882

Total multi-family dwellings as of 3/2007 is 412

The percentage of single family dwellings to multi-family dwellings is 21.8%

In recent years the Dept. of Ag. spent several million dollars and renovated both Tremonton Village and Bear River Valley apartment complexes.

It appears we have met the goals of the current Moderate Housing plan and Tremonton City continues to provide areas for multi-family housing (however existing zoning as master planned is disappearing rapidly, which leaves only commercial zones or zoning changes) Tremonton City also provides a mix of existing and future subdivisions that will accommodate the intent of a moderate housing plan as the city continues with growth. It is estimated that greater than half of homes built fall within the moderate category.

Tremonton City - Current Housing & Development - Dec. 31, 2006

Single Family Dwellings - 1882

Multi-Family Units - 412 (22%) ratio of Single Family Dwellings

Estimated Population - 6652 - Dec. 31, 2006 (6286 State / 2005)

Recorded/Developed building lots residential - **163** (1/10/07)

Future - discussed/concept/preliminary residential lots - **311** (1/10/07)

Proposed multi-family - 144 units (1/10/07)

Proposed multi-family - 84 units (3/13/07)

Tremonton City Housing Units (permits issued)	
Year	New Housing Units Built (Single Family Dwellings)
1985	(13)
1986	(6)
1987	(14)
1988	(7)
1989	(5)
1990	(13)
1991	0
1992	(8)
1993	(18)
1994	(43)
1995	(68)
1996	91 (81)
1997	82 (61)
1998	(64)
1999	70 (35)
2000	90 (42)
2001	37 (29)
2002	52 (26)
2003	85 (45)
2004	(48)
2005	45 (41)
2006	114 (74)
2007	(26) 3/19/2007

21 Year period 1985 - 2006 = 973 dwelling units...

741 - SF Dwellings

232 - MF Units