Cedar City: Affordable Housing Plan

Adopted by the Cedar City Council
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Executive Summary

The Purpose of this affordable housing plan is to ensure that Cedar City provides a reasonable opportunity for a variety of housing, including housing for low and moderate income households, to meet the needs of the population desiring to live in Cedar City.

The population of Cedar City is projected to increase substantially over the next 10 years. Approximately half of Cedar City households are earning a moderate income or less, and the demand for affordable home ownership and rental opportunities will likely increase.

There is a deficiency of housing for very low and extremely low income households in Cedar City. The City should be actively seeking sufficient housing to satisfy the rising population demands. Cedar City has an aging housing stock of which approximately 44% of the existing units are more than 30 years old. In order to maintain a healthy housing stock capable of providing safe, habitable, and affordable living conditions for residents, active maintenance and improvements to the current housing supply is necessary.

The Utah Affordable Housing Forecast Tool (UAHFT), provided by the Utah State Division of Housing and Community Development, indicates that a number of households, particularly those earning a very low income are expending a high percentage of their income on housing and a greater supply of affordable rental and owned housing is needed to meet the needs of affordable housing in Cedar City.

Even though moderate income earning households have sufficient affordable housing options, the UAHFT indicates that households earning less than a moderate income do not have sufficient opportunity to purchase or rent affordable homes. The City should review its zoning ordinance to ensure that there is adequate opportunity to develop a sufficient supply of various housing types to meet the need of the City’s diverse needs.

The following goals are recommended to maintain adequate affordable housing choices for all those who wish to reside in Cedar City:

- Add affordable housing options such as affordable single family or multi-family housing for very low income (50% AMI) and extremely low income (30% AMI) households. (1 unit per year over the next 5 years)
- Increase Affordable Rental Opportunities to Provide Housing for Very Low (50% AMI) and Extremely Low Income (30% AMI) Households (2 units per year for the next 5 years)
- Rehabilitate and Weatherize Existing Housing to Increase Rental Properties, Homeownership, and Reinvestment in Cedar City (16-20 Units over the next 5 years)

Introduction

In 1996 the Utah Legislature passed House Bill 295 requiring cities and counties to include an affordable housing element as part of the general plan. Housing is considered affordable when households of various incomes, spend no more than 30% of their gross monthly income on
housing expenses. In this plan, housing needs are considered for households earning a moderate income or less (80% AMI or less).

The intent of this affordable housing plan is to ensure that Cedar City provides a reasonable opportunity for a variety of housing, including low to moderate income housing, to meet the needs of the population desiring to live in Cedar City. Low to moderate income housing should be encouraged to allow persons earning less than 80% of the Area Median Income to fully participate in, and benefit from all aspects of neighborhood and community life.

**Demographics**

**Population and Growth**

Between 2000 and 2010 Cedar City’s population increased by 8,330 people bringing the total population to 28,857 in 2010. According to the Governor’s Office of Planning & Budget the annual growth rate averaged 3.7% between 2000 and 2010, but is expected to decrease to an annual average of 2.4% between 2010 and 2020. The 2016 ACS estimates that Cedars City’s population is 31,223. This puts the current population estimate below the projections by 1,719 people. If the projected growth rate is realized, Cedar City will gain 6,809 new residents between 2010 and 2020, and 37,278 new people between 2010 and 2050. The chart below displays population projections up to 2050.

![Cedar City Population Projections](chart.png)

*Source: Governor’s Office of Planning & Budget, 2012 Baseline Projections*

**Analysis of Population and Growth**

The projected population increase of 6,809 new residents between 2010 and 2020 is significant because 2,315 new households will need a place to live in Cedar City, and by 2050 it is estimated that 12,679 additional households will need a place to reside.
According to the 2010 US Census there are an estimated 1,152 non-seasonally vacant dwelling units in Cedar City. Seasonally vacant housing are units that are vacant during a specific season, and are for recreational or occasional use. Although it is likely that future residents will fill some of the vacant units, the vacant housing stock will not be sufficient to accommodate all of the estimated households over the next several years. In addition, the existing housing stock will have to be maintained and in some cases, rehabilitated, in order for the units to be safe, decent places to live.

**Population Pyramid**

Population Pyramids are snap shots of a given population during a given time. They can help indicate what kinds of needs a given population will have and whether the population will be expected increase or decrease.

Thirty six percent of Cedar City’s population is between the ages of 15-29 years old. This accounts for approximately 10,431 people. It is likely that a large portion of this population are students attending Southern Utah University (SUU), as 80% of SUU’s student body lives away from home, accounting for approximately 7,740 people, who are most likely between the ages of 18-29. There are currently approximately 600 beds of on-campus housing, which means that students are seeking housing throughout the community. The large number of students seeking off-campus housing puts additional pressure on the rental market.

Factoring out the university students, the general shape of the population pyramid indicates that Cedar City is a growing community, with 23.9% of the population under the age of 15. The community has grown significantly over the past decade and is projected to double in population by 2050. Assuming that the projections are correct, Cedar City will need to facilitate a variety of housing types suited for its diverse residents.

The population pyramid indicates that a wide variety of housing will need to be constructed over the next 30 years. The age groups between 35 and 59 are stable in population. It is likely that these people will either stay in their current homes or will be seeking to live in Active Living type developments as they age. Through a recent economic focus group, it has been stated that many young professionals are leaving Cedar City to find work, this could possibly be one reason why the 35-59 year old groups have a stable population. If this trend continues, the City will not likely need as high of a percent of single family homes as currently exists. If all of the people in this pyramid stay in Cedar City, the population will increase and have a large number of people in the working age groups, assuming that there will be a sufficient number of jobs for the number of the working age cohort. This will also increase the number of people in child rearing years, which could mean that more people will be looking for single family homes.
New Housing Demand

Households that earn a moderate income and less make up 53.4% of the population. Of the 2,315 households projected to move to Cedar City between 2010 and 2020, 1,236 will need affordable housing options. To meet this need on a yearly basis, 123 affordable housing units will be needed.

Based on the projected increase in population, observed income levels, and existing vacancies, the UAHFT Housing Model estimates that there will be a demand for 935 new housing units for low-moderate income households by 2020. The demand for new units in 2050 will be 6,277. The chart below summarizes the projected demand for new housing in Cedar City across various income groups.

Source: UAHFT tool, 2010 U.S. Census
Analyzing the income of Cedar City’s residents is critical to understanding the affordable housing need for the city. Housing affordability at the household level is a direct function of income.

Because the cost of living is relative to the area in which the residents live and to household size, the U.S. Department of Housing and Urban Development (HUD) has created a measure called the Area Median Income (AMI). The AMI for Cedar City is $52,900. The AMI is the standard to determine housing attainability of the population. The chart below categorizes household income levels by AMI, and illustrates the percent of Cedar City households whose total income falls within each income bracket.

### Percent of Households by Income Level

<table>
<thead>
<tr>
<th>Income Level</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>≤30% AMI</td>
<td>4.7%</td>
</tr>
<tr>
<td>&gt;30% to ≤50% AMI</td>
<td>22.3%</td>
</tr>
<tr>
<td>&gt;50% to ≤80% AMI</td>
<td>39.7%</td>
</tr>
<tr>
<td>&gt;80% to ≤100% AMI</td>
<td>20.0%</td>
</tr>
<tr>
<td>&gt;100% AMI (&gt;=$52,900)</td>
<td>34.3%</td>
</tr>
</tbody>
</table>

Source: UAHFT Tool, CHAS 2013
Analysis of Income

5,220 (53.4%) households in Cedar City earn a moderate income or less. A moderate income is 80% of the area median income, or $42,320 annually. Perhaps even more important, 1,830 (18.7%) households in Cedar City earn just 30% of the area median income, or $15,870 annually. The households that earn just 30% of the area median income find it very difficult to live within the affordable housing guidelines since they cannot afford average market rental rates. It is vital to the well-being of the community that households of all income levels have housing options.

Housing Stock Characteristics

The housing stock in Cedar City is primarily made of single-family homes, and less than half of the housing supply is multi-family housing and mobile homes. The 2015 American Community Survey estimates that of Cedar City’s 10,942 housing units, 6,892 are single-family homes, 3,502 are multi-family housing (2+ units), and 548 are mobile homes, RV, etc.

Housing Occupancy and Vacancy

According to the 2010 U.S. Census there are 10,860 housing units in Cedar City. 9,469 (87%) of the units were occupied while 1,391 (13%) were vacant. Of the 9,469 occupied housing units, 4,964 (52%) were owner occupied, and 4,505 (48%) of the units were rented.
Age of Housing Stock

Approximately 47% of the housing stock in the City was built prior to 1990, with approximately 9% built before 1950. Due to the age of the housing stock, rehabilitation efforts are likely necessary, and the existing properties will need to be maintained to adequately supply enough affordable housing in the future. The following chart displays the age of the existing housing stock.

Condition of Housing Stock

As discussed above, a large portion of housing (Approximately 40-47%) is more than 30 years old. Homes older than 30 years generally require more rehabilitation than newer homes. According to a housing condition survey conducted by the Five County Association of Governments in 2012,
there are 5 (0.05%) homes in Cedar City, which are in dilapidated condition and 40 (0.37%) homes in severely deteriorated condition. Severely deteriorated homes are those that are beyond acceptable limits, and need several major repairs; while dilapidated homes are uninhabitable, and need to be completely replaced. The remainder of homes 10,815 (99.58%) in Cedar City is categorized to be in excellent, fair, or moderate condition.

**Housing Affordability**

The affordability of the housing stock is determined based upon the Area Median Income and the amount that a household at each income level can afford. According to current State and Federal definitions, housing is considered affordable when a household spends no more than 30% of their annual income on housing expenses, including mortgage or rent and utilities. Those that spend more than 30% of their monthly income on housing expenses are considered “cost-burdened” and are referred to as such throughout this document.

In Cedar City, the 2017 area median income (AMI) was $52,900 annually or $4,408 monthly. Based upon this standard, mortgage or rent and utilities should not exceed $1,322 per month for a median income earning household in Cedar City.

The purpose of this plan is to ensure that housing is affordable for all income levels, not just those earning a median income or higher. The same affordability standards apply to households that earn less than the area median income. For example, a moderate income household in Cedar City earns 80% of the area median income, which is $42,320 annually or $3,526 monthly. Mortgage or rent and utilities should not exceed $1,058 per month for a moderate income household. The table below summarizes the maximum monthly affordable housing costs for various income levels in Cedar City.

<table>
<thead>
<tr>
<th>Household Income</th>
<th>Maximum Monthly Income for Housing Expenses</th>
<th>Maximum Mortgage Loan Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>≤30% AMI</td>
<td>$397</td>
<td>$39,229</td>
</tr>
<tr>
<td>&gt;30% to ≤50% AMI</td>
<td>$661</td>
<td>$85,709</td>
</tr>
<tr>
<td>&gt;50% to ≤80% AMI</td>
<td>$1,058</td>
<td>$155,430</td>
</tr>
<tr>
<td>&gt;80% to ≤100% AMI</td>
<td>$1,323</td>
<td>$201,910</td>
</tr>
</tbody>
</table>

Source: UAHFT Tool, HUD Income Limits
Available Housing Prices

Property research conducted on www.realtor.com indicates that there were 312 total properties for sale in Cedar City on June 2, 2017. The median asking price was $239,900. The chart below categorizes the prices of each housing unit affordable to each income level.

There were 46 units listed for rent on www.zillow.com. The median rental price at the time was $838. The chart below displays the number of housing units that were for sale and rent on June 2, 2017 that are affordable for each income level.

Value of Existing Housing Stock

The current market value of the housing stock is used to determine affordability of home ownership. The chart below shows the current market values of existing homes by income level in Cedar City. According to the Iron County Assessor, categorized by affordability at various income levels, 21.5% of the housing stock in Cedar City is affordable to a moderate income household, earning 80% AMI.
Affordability of Home Ownership

A monthly budget of $1,058 for housing and utility expenses would support a mortgage of approximately $155,430 based on a 30-year fixed rate loan at 4.25% interest, an average monthly utility bill of $150, and a 20% down payment. Homes valued at or below $155,430 are considered affordable for moderate income earning households in Cedar City.

Approximately 53.4% (5,220) of all households in Cedar City earn a moderate income or below. Although there were a limited number of units listed for sale, 14.4% (45 units) of those listed on www.realtor.com were affordable to moderate income households or less (80% AMI or less). Only one out of those 45 units were affordable to extremely low income (30% AMI or less) households.

In order to estimate the affordability of home ownership at various income levels, a comparison will be used. The chart below compares the total number of households for each income bracket to the total number of dwelling units that are affordable for that income bracket.
It may appear that there are more than enough affordable units for the households earning a moderate income or less (80% AMI or less), but this analysis needs to factor in how housing deficiencies in one income level affects another.

The bar graph above shows that there is a sufficient number of units in the 50%-80% AMI income group, and the 80%-100% AMI income group. However, because there is a deficiency of housing for the household the lowest and highest income groups, they need the excess housing units that are affordable to the 50%-100% AMI income levels. There is not enough affordable housing for the majority of the income levels, especially for those households earning 50% AMI or less.

There is not enough housing for lower income levels, forcing these households into housing units that are considered not affordable. With this factored in, the chart shows that 1,593 very low income households (less than 30% AMI), 766 low income households (30%-50% AMI), and 650 moderate income households (50%-80%) are paying more for housing than they can afford.
There are additional factors that can be calculated into the affordability of housing stock, such as rentals, and secondary homes. There are approximately 435 non-primary residential buildings in Cedar City, and approximately 4,505 occupied rental units. Even with the large number of rentals, available housing in Cedar City is very small, and shrinks further for the LMI population. Further, there are many households in occupied units that cannot afford the housing in which they live. The 2015 ACS estimates that 31.4% of housing units with a mortgage are cost-burdened while the UAHFT Housing Model estimates that 52.8% of the owner occupied households earning a moderate income (50-80% AMI) are cost-burdened, and 56.9% of the LMI population is cost burdened.

**Affordability of Rent**

According to the American Community Survey there are 4,091 occupied units paying rent in Cedar City. The median cost of rent in Cedar City is $615. According to zillow.com the median cost of rent for available units is $838. Households earning a moderate income (80% of AMI) may find it difficult to afford median rental rates, with a maximum monthly budget for housing expenses of $1,058. Households earning below moderate income levels find it more difficult to afford rent. 2013 CHAS estimates indicate that 62.2% of LMI rental households in Cedar City are cost burdened. The chart below generated from the UAHFT tool displays the percent of Cost Burdened Households, and extremely Cost Burdened Households by income level.

Demand for affordable housing stems partially from a high student population at Southern Utah University (SUU). As of 2016, 9,300 students were enrolled at the University, 80% of which were living away from home. There are currently 610 beds on campus, housing approximately 6% of the student population. Recently, a public/private partnership was initiated to add 320 beds to the University on-campus inventory. This new apartment-style facility, Founders Hall, will see completion during the 2017-2018 Spring Semester. The University has long term plans to boost the on-campus bed population to roughly 1,500 beds over the next decade.
Affordable Housing Options

There are several multi-family housing complexes that offer affordable housing through rental assistance programs and/or tax credit programs. The following chart lists affordable housing options available in Cedar City. All of the properties listed have units that are accessible to people with disabilities. The properties identified with an asterisk (*) are only available for seniors or people with disabilities.

<table>
<thead>
<tr>
<th>Apartment Name</th>
<th># of Units</th>
<th># Bedrooms/Unit</th>
<th>Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sunset Ridge</td>
<td>118</td>
<td>3</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
<td>--</td>
</tr>
<tr>
<td>Northfield Associates</td>
<td>69</td>
<td>1</td>
<td>$500</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>$550</td>
</tr>
<tr>
<td>Southgate</td>
<td>62</td>
<td>1</td>
<td>$450 - $475</td>
</tr>
<tr>
<td>Kensington Place</td>
<td>61</td>
<td>2</td>
<td>$492</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>$585</td>
</tr>
<tr>
<td>Kensington East</td>
<td>52</td>
<td>2</td>
<td>$492</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>$585</td>
</tr>
<tr>
<td>Southgate II</td>
<td>42</td>
<td>1</td>
<td>$425 - $475</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>$492 - $585</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>$525 - $600</td>
</tr>
<tr>
<td>Iron Wood</td>
<td>28</td>
<td>1 and 2</td>
<td>30% of income</td>
</tr>
<tr>
<td>Wedgewood</td>
<td>25</td>
<td>1 and 2</td>
<td>30% of income</td>
</tr>
<tr>
<td>Canyon Park</td>
<td>25</td>
<td>1 and 2</td>
<td>30% of income</td>
</tr>
<tr>
<td>San Jac*</td>
<td>24</td>
<td>1</td>
<td>30% of income</td>
</tr>
<tr>
<td>Cedar Garden Villa</td>
<td>22</td>
<td>2 and 3</td>
<td>30% of income</td>
</tr>
<tr>
<td>Kensington East II</td>
<td>20</td>
<td>2</td>
<td>30% of income</td>
</tr>
<tr>
<td>Cedar Park</td>
<td>19</td>
<td>2</td>
<td>30% of income</td>
</tr>
<tr>
<td>Mountain View Suites*</td>
<td>38</td>
<td>1</td>
<td>30% of income</td>
</tr>
<tr>
<td>Four-Plex</td>
<td>4</td>
<td>2</td>
<td>$450</td>
</tr>
<tr>
<td>Transitional Housing</td>
<td>4</td>
<td>2</td>
<td>30% of income</td>
</tr>
<tr>
<td>Duplex</td>
<td>2</td>
<td>2 and 3</td>
<td>$450 and $600</td>
</tr>
</tbody>
</table>

Source: Cedar City Housing Authority; Five County Association of Governments, July 2017

Utah Fair Housing Act Support

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

**Special Needs Housing**

It is important for Cedar City to address housing for those with special needs. People with special needs may include the seniors, people with disabilities, the homeless, or those otherwise in need of specialized or supportive housing.

**Seniors**

In 2010, there were an estimated 2,489 people who are aged 65 and over living in Cedar City, which constitutes 8.6% of the total populations. Many of the elderly who own their homes are living on fixed incomes, and their housing affordability is affected by property values, maintenance, and utility costs. For seniors that do not own their homes, obtaining affordable housing becomes even more difficult. Many elderly citizens can no longer remain in their own homes for a variety of reasons. As these citizens move out of their homes, demand for senior rental housing opportunities will increase.

Some options available to assist low income senior citizens are property tax deferred payment programs, tax and mortgage foreclosure prevention services, home rehabilitation and weatherization programs, and utility assistance programs.

**Disabled**

People with disabilities under the age of 65 comprise approximately 6.8% of the population in Cedar City or 2,189 individuals. Disability status is correlated to age, and the proportion of people with disabilities is expected to increase as the portion of the senior population rises. It is estimated that 36.6% of all Americans 65 or older have some form of disability. If Cedar City trends with the national average, there will be 1,062 people over the age of 65 with a disability. According to the UAHFT tool there are approximately 916 people over the age of 65 with a Disability. People with disabilities often face financial and social difficulties that make it difficult to obtain housing. Programs that are geared toward helping people with disabilities obtain housing include, low rent and public housing voucher programs, assistance through centers of independence, and employment and training resources.

**Homeless**

According to the 2016 annualized Point in Time count, roughly 0.1% of Utah’s population is homeless, or 2,852 people. Although regional differences may impact the rate of homelessness, this percentage can be used to estimate the number of homeless individuals in Cedar City, which is approximately 31. Given this estimate, Cedar City should continue to develop and promote programs designed to help these individuals become stably housed.

**Analysis of Special Needs Housing**

Although there is a significant population of seniors and people with disabilities, there is currently a deficiency of housing in Cedar City specifically designated for this segment of the population. As Cedar City continues to grow, the need for specialized housing will likely follow and the City should
assure that there are minimal regulatory barriers to constructing this type of housing, in order to meet this need.

### Racial Composition

The purpose of an Analysis of Impediments is to assess conditions and factors that affect fair housing choice. Impediments to fair housing choice include both actions taken because of race, color, religion, sex, disability, familial status, or national origin to restrict housing choices and actions which have the effect of restricting housing choices on the basis of race, color, religion, sex, disability, familial status, or national origin. Impediments to obtaining affordable housing can often have the effect of limiting housing options for the “protected classes” listed above. Therefore, the analysis focuses both on impediments to fair housing choice and to affordable housing.

#### Evaluation of Fair Housing Legal Status

Utah’s Fair Housing Act (Utah Code Annotated §57-21-1) prohibits discrimination on the basis of race, religion, color, sex, national origin, familial status, disability or source of income in the rental, purchase and sale of real property. According to The Utah Anti-discrimination and Labor Division, 10 out of 11 fair housing related complaints in Iron County between January 1, 2010 and Jan 1, 2017 were in Cedar City. Six of these complaints were related to a disability and four were related to retaliation. This compares to 47 complaints in Washington County during the same time period. Although there have been few fair housing complaints in Cedar City over the last several years, this is not sufficient evidence to suggest that discrimination is an impediment to fair housing choice.

Currently, the only formal mechanism for identifying discrimination cases, based upon the parameters of the Fair Housing Act, is the incident of fair housing complaints. There are several annual trainings throughout the area that are directed to train landlords on housing discrimination. However, in order to more comprehensively analyze the level of discrimination, it may be necessary to incorporate other methods, such as testing of landlords. However, these methods are not currently being utilized. Cedar City should remain diligent in its efforts to ensure that housing is provided in accordance with the Utah Fair Housing Act.

#### Ethnic and Racial Minority Populations

According to the 2010 US Census, 13.1% of the population of Cedar City reported a race other than “white. For a complete description of Cedar City’s Ethnic and Racial makeup see the table below.

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Number of Householders</th>
<th>Percentage</th>
<th>% of Race/Ethnicity that Rents</th>
</tr>
</thead>
<tbody>
<tr>
<td>White Alone</td>
<td>24,974</td>
<td>86.0%</td>
<td>45.1%</td>
</tr>
<tr>
<td>Black or African American Alone</td>
<td>178</td>
<td>0.6%</td>
<td>86.8%</td>
</tr>
<tr>
<td>American Indian and Alaska Native Alone</td>
<td>689</td>
<td>2.4%</td>
<td>85.6%</td>
</tr>
<tr>
<td>Asian Alone</td>
<td>258</td>
<td>0.9%</td>
<td>61.3%</td>
</tr>
<tr>
<td>Native Hawaiian and Other Pacific Islander Alone</td>
<td>91</td>
<td>0.3%</td>
<td>70.4%</td>
</tr>
<tr>
<td>Some other race Alone</td>
<td>26</td>
<td>0.1%</td>
<td>45.5%</td>
</tr>
</tbody>
</table>
Two or more races          |  538 | 1.9% | 71.9%
Hispanic or Latino        |  2,283 | 7.9% | 61.2%

Racial and ethnic minority status is correlated with poverty level. In Cedar City, 22.9% of the entire population is reported to be below the poverty level. Approximately 41.8% of the “Hispanic or Latino” population is below the poverty level, while 21.0% of the “white alone, not Hispanic or Latino” population is below poverty (ACS, 2011-2015 estimates). Because of this correlation, actions which limit the provision for low to moderate income housing disparately impact minority populations.

Similarly, racial minority populations are more likely to be renter households than owner households. According to the 2010 Census, 86% of all of the minority householders in Cedar City are renters. As the maps below display, the portion of total non-white renter households in many of the block groups are greater than the total population of non-white households. Therefore, actions which limit options for rental housing impact minority populations. The City should be cognizant about instituting policies and practices which may limit options for affordable housing for both renter and owner households.

Percent of Non-white Households

![Map showing percent of non-white households](image-url)
Summary of Impediments

This analysis of impediments to fair housing choice concludes that there is currently no specific discriminatory policies currently in place that limit fair housing opportunities. However, actions which have the effect of limiting affordable housing also have the effect of limiting fair housing opportunities. As described, racial and ethnic minority households in Cedar City are more likely to be renters and low income than non-minority populations. The City should pursue strategies which provide for a variety of housing types to meet the needs of all segments of the population.

Public Housing Survey

Five County AOG Staff consulted with the Director of the Cedar City Housing Authority and the City Manager to develop a survey that assesses personal and community-wide housing affordability needs. The survey was posted on the Cedar City home page and advertised on the City’s Facebook page as well as the Five County AOG Community Action’s Facebook page. Staff at organizations such as the Iron County Board of Realtors, the Iron County builders Association, and other organizations were encouraged to take the survey and share it with others. The survey yielded a total of 187 respondents. A summary of the responses is included below: (percent’s do not include blank responses)

1. Do you believe that employment in Cedar City provides income sufficient enough to cover the cost of reasonable or decent housing?
   a. Yes – 20.0%
b. No – 71.9%
c. Don’t know – 1.1%
d. Other – 7.0%

2. What effects does the economy have on housing? (i.e., Do you see a lot of vacancies? Rentals? Homes for sale? Foreclosures? Etc.)
   a. The majority of the respondents indicated that there are not enough rentals, current rental prices are high, and that they are seeing a lot of rental properties around Cedar City. A large number of respondents believe that SUU student contribute to high rental rates. Just a few respondents thought that rental prices are reasonable.
   b. A large portion of the respondents stated that there are many vacancies and available homes on the market, while a smaller portion felt that there are not enough houses available. Many other indicated that home prices are expensive or not affordable to middle to lower income households.
   c. Many of the respondents are still seeing foreclosures around town.
   d. Some people indicated that housing prices ebb and flow with the economy.

3. What type of housing do you feel is most needed in Cedar City? (Apartments, Single-Family Homes, Condos, Etc.)
   a. 25.3% of the comments indicated that there needs to be more condos in Cedar City.
   b. 29.3% of the comments indicated that there needs to be more Apartments in Cedar City.
   c. 71.3% of the comments indicated that there needs to be more single family homes in Cedar City. 30.8%
   d. 10.0% of the comments indicated that there needs to be more student housing.
   e. 2.0% of the comments indicated that there needs to be other types of housing.

4. Which social and income groups do you think are under housed? (e.g., elderly, disabled, etc.)
   a. 37.7% of the comments indicated that people earning a low and moderate income are under housed.
   b. 33.3% of the comments indicated that the elderly are under housed.
   c. 23.9% of the comments indicated that young families are under housed.
   d. 21.0% of the comments indicated that people with disabilities are under housed.
   e. 11.6% of the comments indicated that the working class is under housed.
   f. 11.6% of the comments indicated that single parents are under housed.
   g. 5.8% of the comments indicated that students are under housed.
   h. 4.3% of the comments indicated single people are under housed.
   i. 3.6% of the comments indicated that minorities are under housed.
   j. 2.2% of the comments indicated that Disabled Vets are under housed.
   k. 5.1% of the comments indicated that the mentally ill, homeless/chronically homeless, and people with felonies or coming out of prison are under housed.
   l. Eight other categories each where indicated in the comments by less than one percent?

5. Do you feel that the Cedar City should be an active partner in promoting affordable housing?
   a. Yes – 82.5%
      i. If so, what would you recommend?
ii. 31.1% of the comments suggested working with the Housing Authority, or another agencies or programs that help low income households.

iii. 29.1% of the comments suggested that the city should work with developers on this issue.

iv. 28.2% of the comments mentioned that appropriate land use, zoning, and permitting could help with affordable housing.

v. 11.7% of the comments mentioned that developers should also be building affordable units.

vi. Other notable comments were to work with land owners and landlords; work multiple public entities; there should be tax breaks, incentives, and reduced impact fees; develop smaller more affordable single-family homes or condos, and work with banks and credit unions to find creative financing solutions.

b. No – 17.5%

i. If not, why?

ii. 50% of the comments suggested that housing should not be a government role, and that the market should dictate the housing supply and demand.

iii. 18.2% of the comments suggested that the city should focus on higher wage jobs than housing.

iv. The remainder of the comments were all different but included topics such as socialism, affordable housing on the golf course, city planning, etc.

6. Would you support Cedar City in their efforts to promote housing affordability?

   a. Yes – 75.2%
   
   b. No – 9.0%
   
   c. Depends – 12.8%
   
   d. Probably – 1.5%
   
   e. Other – 1.5%

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**Analysis of Zoning Ordinances**

In order to evaluate the potential for the development of low to moderate income housing in the community, it is important to understand the regulatory environment for residential housing. Zoning regulations govern the use, lot size, and building size for new developments. These regulations have a direct impact upon the opportunity to provide affordable housing within the community.

Because ethnic and racial minority populations are composed of a much higher proportion of low-income earners, zoning regulations have an impact upon providing fair housing to minority populations. In some cases, zoning regulations can limit the opportunity to provide rental housing, and contain barriers toward providing housing targeted to individuals with disabilities. The following is a survey of residential zoning in Cedar City.
Cedar City zoning allows for the development of single-family, multi-family, and mobile home housing districts. Minimum lot size and building size provisions vary by zone. Below is a description of the districts in which residential dwellings are allowed in the City:

- **RE Residential Estate**: maximum of two lots per acre, single-family and guest houses permitted.
- **R-1 Residential**: minimum lot size- 10,000 sq. ft., minimum building size- 1,000 sq. ft., single-family and guest houses permitted.
- **R-2 Residential (single unit)**: minimum lot size- 7,000 sq. ft., minimum building size- 750 sq. ft., single-family, guest houses, residential facilities for persons with a disability permitted.
- **R-2 Residential (two unit)**: minimum lot size- 7,000 sq. ft., minimum building size- 750 sq. ft., single-family, guest houses, residential facilities for persons with a disability, twin homes, and two family dwellings permitted.
- **R-3 Residential (single unit)**: minimum lot size- 6,000 sq. ft., minimum building size- no minimum requirement, single-family, guest houses, residential facilities for persons with a disability permitted.
- **R-3 Residential (multiple unit)**: minimum lot size- 6,000 sq. ft. for one unit, 9,000 for two unit and an additional 1,500 sq. ft. for each additional unit, single-family, guest houses, residential facilities for persons with a disability, and multi-family dwellings permitted, mobile home parks conditional.
- **CC Central Commercial**: Apartment houses, dwelling units, residential facilities for persons with disabilities permitted on the second story with accompanying permitted commercial uses on the ground floor.
- **DC Downtown Commercial**: Apartment Houses, dwelling units, residential facilities for persons with a disability permitted.
- **HS Highway Service**: Apartment Houses permitted.
- **MU Mixed Use**: Apartment Houses, dwelling units, residential facilities for persons with a disability permitted.
- **I&M Industrial & Manufacturing**: Mobile home park permitted.

In addition to the zones listed above, the City has established Residential Development Overlays (RDOs) which provide for higher density development.

**Evaluation of Zoning Code’s Effect upon Fair and Affordable Housing**

In general, the Cedar City Zoning Code provides for an opportunity to develop a variety of housing types within the city, including, small and large lot single family, multi-family, and mobile homes. The Cedar City Proposed Land Use Map, which guides future development plans provides for this mix of housing types. In addition, the Zoning Code provides a reasonable opportunity to develop housing for specialized populations. Section 26-XV-2 provides that “a residential facility for persons with a disability shall be a permitted use in any zoning district where a dwelling is allowed.”

Although there is an opportunity to provide a variety of housing types within Cedar City, there remains to be a gap between the number of units that are affordable to very low and extremely low income earners. The City should be proactive in responding to the demand for housing which
is affordable to all income earners. A City should consider a number of strategies to provide a greater opportunity to provide housing for residents of various incomes, including:

- Reviewing the proposed land use map to provide greater opportunities for higher density housing.
- Review the parking ordinance for residential dwellings in Section 26-V-2. Currently, multi-family housing with 4 or more units requires 1.3 stalls per bedroom. This may be overly stringent, making it economically unfeasible to develop multi-family housing.
- Consider providing incentives to develop moderate-income housing in “residential development overlays.” This could be provided through a density bonus for new development.
- Consider allowing “guest houses” to be used as rental units. Currently, guest houses are limited to being used for “guests or servants, and not rented, leased, or sold separate.”

**Gaps and Needs in Affordable Housing**

**Gap 1** - Many of the very low and extremely low income earning households do not have sufficient opportunity to purchase affordable housing.

**Need** - 2,485 households in Cedar City that earn less than $26,450 per year need the ability to purchase housing they likely cannot afford under traditional lending standards.

**Gap 2** - Many of the very low and extremely low income earning households do not have sufficient opportunity to rent affordable housing.

**Need** - 2,165 households in Cedar City are renting housing that they cannot afford. Additional affordable single family and multifamily rental units are needed. 85% of those households are very low and extremely low income households.

**Gap 3** - Many homes are older than 30 years old, and several others are either deteriorated or dilapidated.

**Need** - 45 homes are severely deteriorated or dilapidated, and need rehabilitation. 4,849 homes are older than 30 years and require ongoing maintenance.

**Goals & Objectives**

**Goal 1: The City should work with public and private entities to add affordable housing ownership options such as affordable single family or multi-family housing for very low income (50% AMI) and extremely low income (30% AMI) households. (1 unit per year over the next 5 years)**

**Objective 1** - Work with Cedar City Housing Authority to identify methods and potential partnerships to promote affordable housing programs. Such methods and partnerships may include Rent-to-Own, USDA Rural Development Direct Loan or Guarantee Loans that would assist low-income households to purchase homes. Or, use the direct loan program to lower interest rates to increase the purchasing power of the homeowner.
Objective 2 - Initiate the methods and partnerships to promote programs to create affordable housing options.

Objective 3 - Contact lenders about financing options.

Objective 4 - Work with contractors and developers to build affordable single family units in new developments, or rehabilitate units in existing developments.

Objective 5 - Review and revise Zoning Ordinance and Future Land Use Map to ensure that there is sufficient opportunity to develop units affordable to very low income and extremely low income households.

Goal 2: *The City should work with public and private entities to increase Affordable Rental Opportunities to Provide Housing for Very Low (50% AMI) and Extremely Low Income (30% AMI) Households (2 units per year for the next 5 years)*

Objective 1 - Support and work with the Cedar City Housing Authority’s efforts to build and acquire affordable rental units in the City.

Objective 2 - facilitate adaptive reuse development by identifying and inventorying acceptable sites for developers and realtors.

Objective 3 - Review and revise Zoning Ordinance and Future Land Use Map to ensure that there is sufficient opportunity to develop affordable rental housing.

Goal 3: *The City should work with public and private entities to rehabilitate and Weatherize Existing Housing to Increase Rental Properties, Homeownership, and Reinvestment in Cedar City (16-20 Units over the next 5 years)*

Objective 1 - Obtain an inventory of dilapidated housing. Work with the housing authority and Five County AOG (Weatherization & Heat departments) to improve these properties.

Objective 2 - Work with the code enforcement and police department to identify homes that are in need of repair and/or demolition.

Objective 3 – Work with the Housing Authority and the AOG to work to purchase and/or repair homes. (1 per year for the next five years.)

Objective 4 - Encourage maintenance of existing housing stock by rehabilitating deteriorated homes.

**Strategy** - Promote the use of the Single Family Rehabilitation and Reconstruction Program and the USDA Rural Development Housing Program to extremely low to moderate income households. These programs offer low-interest loans and grants for maintaining and rehabilitating housing.
Objective 5 - Collaboration between with the City and the Housing Authority regarding transitional housing. The Housing Authority can build and maintain property but not manage due to a lack of training.

Benchmarks

The goals and objectives should be evaluated on an annual basis to determine if the housing goals are being met. If the city is not progressively moving toward the goals, the objectives should be restructured and/or amended to better meet the city’s housing goals. Increased adjustments for goals that are being achieved early.
CEDAR CITY RESOLUTION No. 17-1129

A RESOLUTION ADOPTING THE 2017 CEDAR CITY AFFORDABLE HOUSING PLAN

WHEREAS, Utah State Statute requires each City to adopt long range plans relating to meeting affordable and/or moderate income housing needs within the City; and

WHEREAS, long term projections for Cedar City include projected growth and increased need for moderate income housing; and

WHEREAS, the 2017 Cedar City affordable housing plan identifies gaps in the City's existing housing stock; things needed to fill the gaps; and goals, objectives, and strategies to provide affordable housing in Cedar City.

NOW THEREFORE, be it resolved by the City Council of Cedar City, Iron County, State of Utah that the 2017 Cedar City affordable housing plan, attached hereto and incorporated herein, is hereby adopted as the City's affordable housing plan.

Dated this 30th day of November, 2017.

[seal]

Attys:

Renon Savage
Recorder

Maile L. Wilson
Mayor