

ORDINANCE NO. 12-07-2022-B

AN ORDINANCE AMENDING THE PAYSON CITY GENERAL PLAN BY ADOPTING THE MODERATE INCOME HOUSING ELEMENT OF THE PAYSON CITY GENERAL PLAN.

WHEREAS, the Payson City Council has adopted a General Plan to guide the future development of the community; and,

WHEREAS, the General Plan consists of several elements or chapters that identify present and future needs of the community; and,

WHEREAS, Staff has been updating the Moderate Income Housing element of the Payson city General Plan to comply with State law; and

WHEREAS, the Moderate Income Housing Plan addresses the current issues with providing enough Moderate Income Housing for the residents of Payson; and

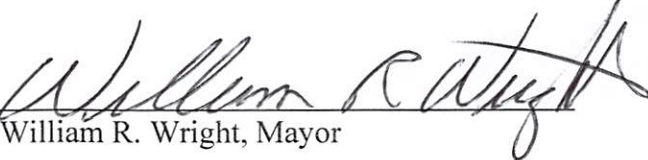
WHEREAS, a public hearing was held by the Payson Planning Commission on November 9, 2022, to receive public input on the proposed Moderate Income Housing Plan as an element of the Payson City General Plan; and,

WHEREAS, it is in the best interest of the citizens of Payson City to amend and update, from time to time, the Payson City General Plan by amending the Moderate Income Housing element to aid in the future housing needs within the City.


NOW, THEREFORE, THE PAYSON CITY COUNCIL HEREBY ORDAINS the revisions to the Payson City General Plan and the amendment of the Moderate Income Housing Plan as attached hereto with the remainder of the General Plan, Specific Plans and the various other master plans not attached to remain in effect as presently constituted.

This Ordinance shall take effect immediately upon passage by the Payson City Council and subsequent publication in a newspaper having general circulation in Payson City.

Passed and ordained this 7th day of December, 2022.


William R. Wright, Mayor

ATTEST:


Kim E. Holindrake, City Recorder



Payson City Supplement to Chapter 7 of the General Plan: Housing 2022

Adopted November 16, 2022

Executive Summary

The Payson City Housing Element of the General Plan (Chapter 7) was adopted as part of a major update in 2020. This report is provided as a supplement to the existing Chapter 7 on housing to update information with recent Census data and developments in the city. It provides a snap-shot into current demographic trends, and moderate-income housing strategies as set forth in Utah Code.

In 2019, the Utah Legislature passed Senate Bill 34 which set requirements for adopting moderate-income housing strategies. During the 2022 legislative session, the legislature passed HB 462 which updated the state moderate-income housing strategies. This plan outlines updated moderate income housing strategies with implementation policies.

The State of Utah defines Moderate-Income Housing as “housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income for households of the same size in the county in which the city is located.” The Federal Department of Housing and Urban Development defines affordable housing as “any housing unit whose costs are less than or equal to 30% of a prospective occupant’s household income.”

Payson City has a 2022 population estimate of approximately 22,142 residents and approximately 6,256 housing units. Mountainland Association of Governments estimates that by 2030 Payson City will have a population of slightly more than 41,000 residents.

Following the requirements of HB 462, Payson City has updated the moderate-income housing strategies and selected the following strategies in compliance with Utah Code:

- Demonstrate investment in the rehabilitation or expansion of infrastructure that facilitates the construction of moderate-income housing;
- Zone or rezone for higher density or moderate-income residential development in commercial or mixed-use zones near major transit investment corridors, commercial centers, or employment centers; and,
- Create or allow for, and reduce regulations related to, internal or detached accessory dwelling units in residential zones.

Section I

Introduction

Purpose of the Housing Plan

The purpose of the Payson City Moderate-Income Housing Plan is to comply with Utah State Code 10-9a-403 and to plan for moderate income housing growth within Payson City. This plan is adopted as a supplemental update to Chapter 7 of the Payson General Plan, relating to housing. The plan will examine the current Payson population, income, employment and housing trends and set forth strategies that the City will implement to support moderate-income housing. Utah Code 10-9a-103 requires that municipalities plan for moderate-income housing as a written document adopted by the municipalities legislative body that includes the following:

- an estimate of the existing supply of moderate-income housing located within the city;
- an estimate of the need for moderate-income housing in the city for the next five years as revised biennially;
- a survey of total residential land use;
- an evaluation of how existing land uses and zones affect opportunities for moderate-income housing; and
- a description of the city's program to encourage an adequate supply of moderate-income housing.

The terms moderate-income housing and affordable housing are frequently used interchangeably in Utah, but they do not mean the same thing. Affordable housing is defined by U.S. Department of Housing and Urban Development as “any housing unit whose costs are less than or equal to 30 percent of a prospective occupant’s household income.” Under Utah Law, moderate-income housing has a precise definition found in Title 10-9-103 which states:

“housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income for households of the same size in the county in which the city is located”

During the 2022 legislative session, the Utah legislature passed HB 462, which is an update to SB 34 from 2019, and requires communities to facilitate moderate-income housing by updating their general plan and moderate-income housing strategies. In drafting the moderate-income housing element, the City in its General Plan shall consider the Utah Legislature’s determination that municipalities shall facilitate a reasonable opportunity for a variety of housing, including moderate-income housing (Utah Code 10-9a-403):

- to meet the needs of people of various income levels living, working, or desiring to live or work in the community; and
- to allow people with various incomes to benefit from and fully participate in all aspects of neighborhood and community life

Municipalities are also required to include an analysis of how the municipality will provide a realistic opportunity for the development of moderate-income housing within the next five years as well as implementation strategies and benchmarks. Utah Code 10-91-403 outlines twenty-four housing strategies by which a municipality must make a recommendation to implement a minimum of three. Starting October 1, 2022, each municipality will be required to annually review the general plan moderate-income housing element and submit a report to the Utah Department of Workforce Services describing the progress made in implementing the city’s moderate-income housing strategies.

Vision

To encourage a range of quality housing types and opportunities for individuals and families through all stages of life and incomes while continuing to maintain the city's unique rural character.

Regional Planning

Over the past several years many regional planning and research groups have provided population forecasts to help the State and Utah County understand foreseeable population increases. Envision Utah, in their Valley Visioning Study, anticipates "by 2050, twice as many people will call Utah County home, with a million more people by 2065."¹ Payson City understands that it will continue to see the pressures of future population growth.

The Gardner Policy Institute has reported "Utahns have always been inclined toward homeownership. No other state has a history of homeownership comparable to Utah. Since 1900, Utah is the only state where the homeownership rate has never fallen below 60 percent of households. But over the following seven years ownership rates declined steadily dropping to 70 percent in 2015. The rate continued to decline even in years of very low interest rates, strong economic growth, and favorable affordability. Finally, in 2016, there was a slight uptick in the homeownership rate to 71 percent. But the persistent decline from 2009 to 2015 caused many observers to wonder if housing preferences were shifting from homeownership to renting. Most of the attention focused on the millennial generation, the 25-34 year age cohort, a prime home buying age group. Nationally the homeownership rate for the 25-34 year age group has dropped from 45.6 percent in 2000 to 37 percent in 2016. Every state has experienced a decline and for some states it is clearly a result of lack of affordability. In California, only one in four households in the 25-34 age group were homeowners. Utah has fared much better. The rate has dropped from 56.3 percent in 2000 to 50.4 percent. Half of the millennial households in Utah are homeowners. Only two states have higher rates of homeownership for millennials than Utah: Iowa (53.2 percent), and Minnesota (52.1percent). The comparatively high homeownership rate for Utah's millennial generation suggests that affordability hasn't been a serious impediment to ownership. Although for some households, the burden of student debt has prevented homeownership. This debt burden is likely responsible for some of the decline in homeownership for the group as well as a slight shift in preferences toward apartment living."²

In January 2022, Utah Transit Authority and the Utah Department of Transportation completed the South Valley Transit Study which evaluated options for providing high-quality transit service from Provo to Santaquin. The preferred alternative extends commuter rail from Provo to Payson and provides express bus service from Payson to Santaquin. Currently, a Station Area Plan is being prepared to evaluate the future land uses and needs associated with the future commuter rail stop. Although the construction of the FrontRunner station may be several years out, Payson City is excited about the possibilities this important transit connection will allow for local residents.

¹ Utah County Valley Visioning (<https://utahvalleyvisioning.org>)

² Wood, Eskic, and D.J. Benway. "Gardner Business Review." (2018): 26.

Payson City Background

The Payson area had long been settled by Native Americans of the Ute and Shoshone tribes and then underwent a dramatic shift with the arrival of Mormon pioneers in 1850.

Payson City consists of approximately 14.08 square miles or 9,014 acres. As of 2022, the area zoned for residential is 4112.24 acres which encompasses approximately 46% of the developable land area. Since incorporation, residential development has primarily been single-family homes with average lot sizes between 8,000 and 15,000 square feet. In the past few decades, rezones for smaller more affordable lots and multi-family housing has attracted a number of different housing types and price ranges. Payson has always felt like a small town and continues to promote the “home town” feel as it moves into the future. Recently, Payson has rebranded itself as the “home to adventure.” Allowing space for all housing types is an important part of that rebranding so that many future generations can call Payson “home.”

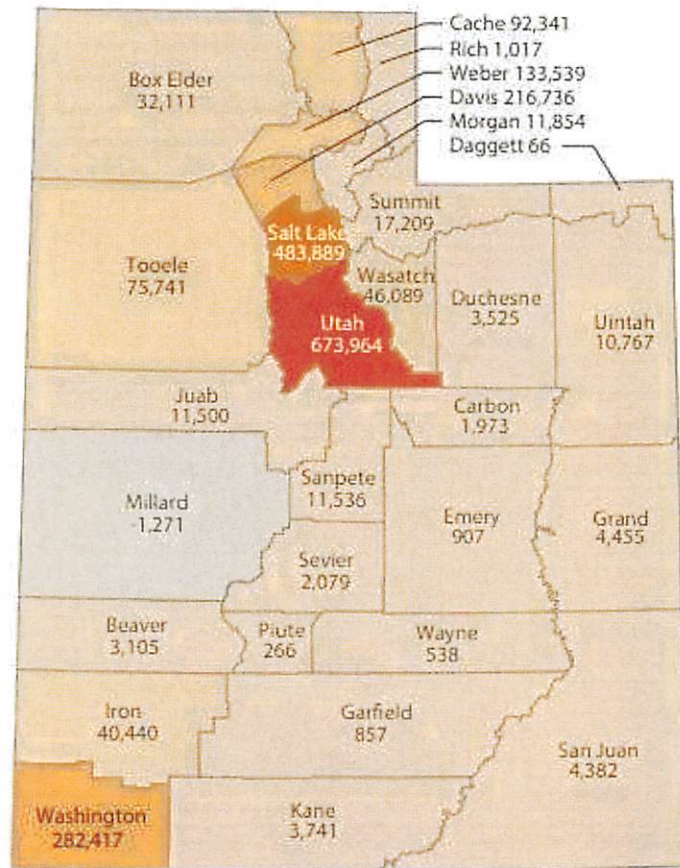
Growth Patterns

Similar to other communities along the Wasatch Front, Payson City has seen significant growth in residential, commercial, and industrial construction over the past 10 years. As of 2022, many large tracts of land in the commercial and residential area have been developed or are entitled for development. Much of the new residential development will occur in planned nodes near 800 South and 1700 West with the Red Bridge development and at Highway 198 and 1400 East with the South Haven Farms development. Both of these nodes have adequate transportation options and appropriate infrastructure. The city will continue to see residential development in all cardinal directions in the coming years. Some will likely require annexation; however, several hundred acres are already entitled for future residential development. The remaining commercial areas for development are located along the I-15 corridor and in the business park. The city expects this area to develop commercially as a gateway corridor to the community.

In January 2022, the Kem C. Gardner Policy Institute reported the following:

- Continued growth – Projected growth in Utah results in the population increasing from 3,284,823 in 2020 to 5,450,598 in 2060, a 66% increase. The anticipated timing for reaching 4 million residents is between 2032 and 2033 and 5 million between 2050 and 2051.
- Salt Lake County to remain the largest county – Salt Lake County’s projected 2060 population of 1,672,102 residents is the largest in Utah. Utah County is close behind at 1,338,222 residents.
- Utah County experiences the most population growth – Over 30% of statewide projected population growth comes from Utah’s second-largest county, gaining the most residents between 2020 and 2060.

Figure 1



Source: Ken C. Gardner Policy Institute, 2020–2060 Projections

Utah Long-Term Planning Projections: A Baseline Scenario of Population and Employment Change in Utah and its Counties

Local Economy

Payson City has a strong commercial, industrial and employment base within the community. The commercial and industrial sectors are located primarily along Highway 198, Main Street, the 800 South corridor, Utah Avenue, and the Payson Business Park and encompass approximately 1,531.27 acres or 17% of the city. According to Payson City business license records, as of 2022 Payson City has nearly 775 businesses within its boundaries.

Section II

Demographic Data and Analysis

Population History

Since the middle of the last century, Payson's population has steadily increased. By 2000, the population had reached 12,716 residents. The 2010 Census records show the population had increased to 18,294 residents in a decade. As of 2021, Census data marks the population of Payson at 22,142 residents. According to the Payson General Plan, the city will have an estimated population of 67,000 residents in 2060. The chart below represents the population growth of the city since 1960.

Chart 1

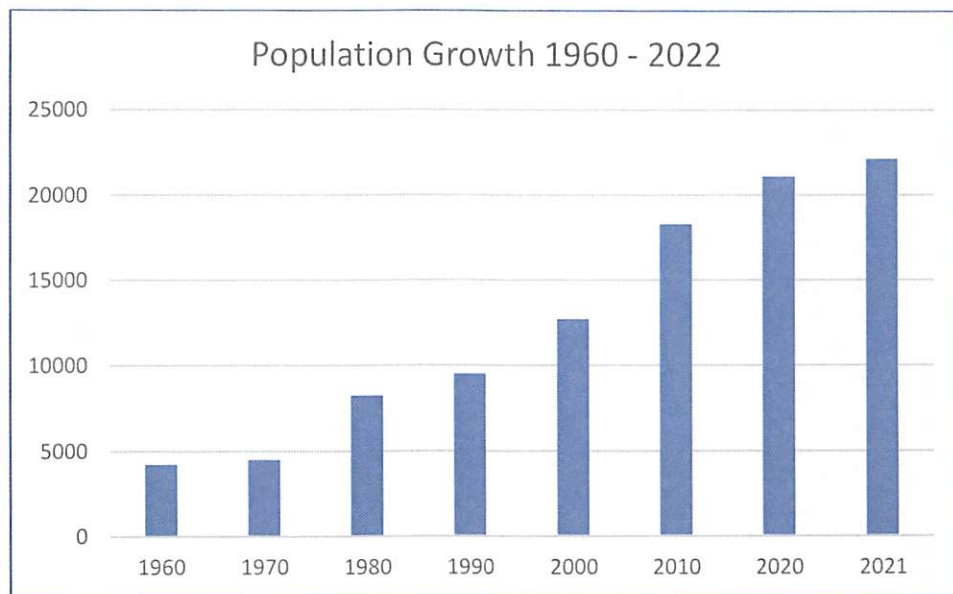
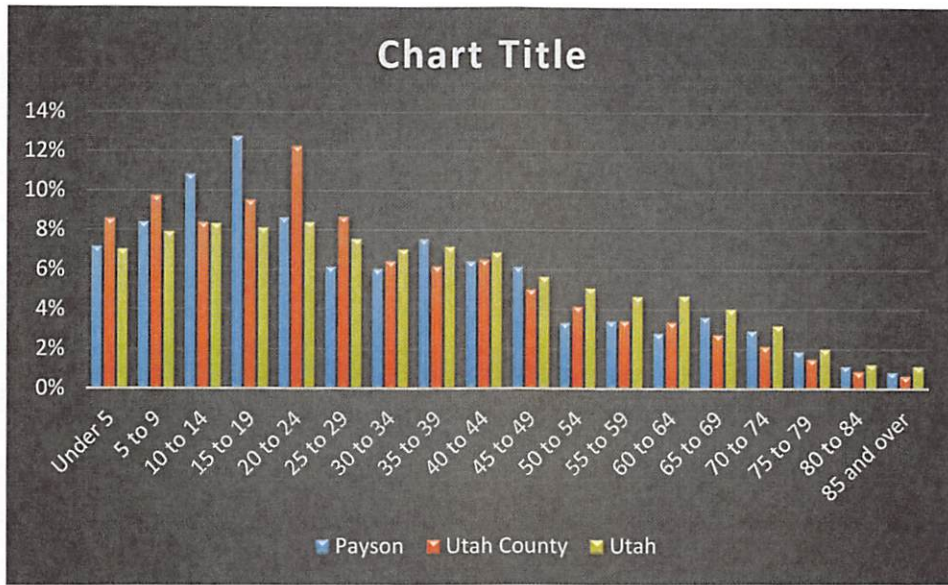


Chart 2



U.S. Census Bureau – Payson City 2020

The above chart compares population percentages by age from Payson City, Utah County, and the State of Utah. Interestingly, Payson City’s population exceeds the comparable averages in children 10 to 14 years old and teenagers from 15 to 19 years old. The numbers again show that, while lower than Utah County, Payson City has a comparable number of young adults from 25-44 years old compared to the State. Additionally, Payson has comparable numbers of adults from 30 to 49, but dips sharply in the ages of 50 to 54 and is generally lower in advancing age groups. This information clearly shows the Payson has a larger percentage of young people than in other areas of the County and State.

5 and 10 Year Population Projections

The Census Bureau calculates the 2021 population of Payson at 22,142. Mountainland Association of Governments (MAG) has provided population projects for cities in Utah, Summit and Wasatch Counties. MAG estimates the following population projections:

Table 1

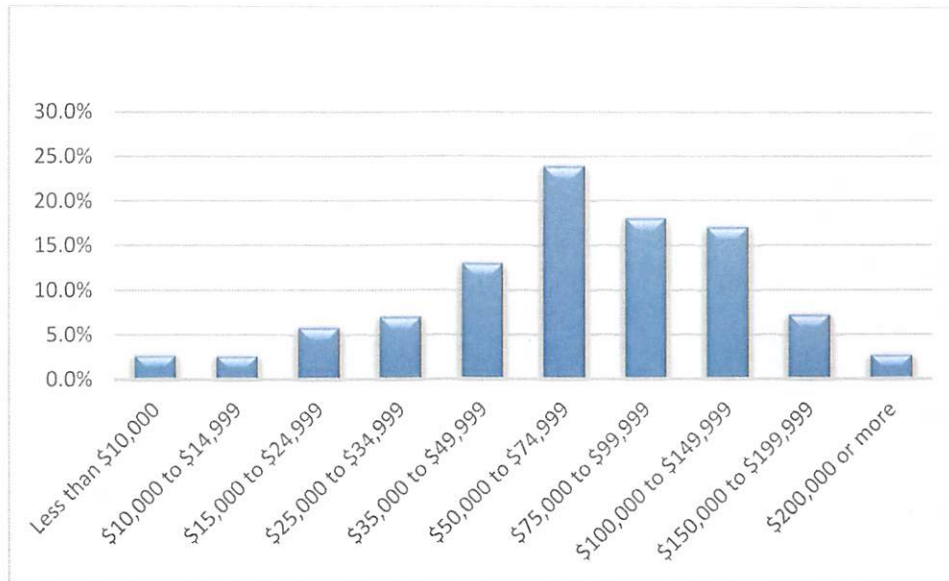
	2020	2030	2040	2050
Payson	22,832	41,144	49,496	58,500

Payson City is consistent with the trends projected by MAG and building permit data support continued growth. Payson still has large amounts of undeveloped land in its Annexation Policy Plan and it is anticipated that the rate of growth will continue to increase over the next several decades.

Income Trends

The Bureau of Labor Statistics' annual Consumer Expenditure Survey confirmed that housing was the single largest expense for the average American household.³ The following chart shows the 2020 estimated distribution of income for the 5,619 housing units in Payson City. The median household income for Payson is \$69,014. The chart below shows the distribution of income levels for the households in Payson. According to the Census Bureau, the Area Median Income for households in Utah County is \$77,057. In Payson, over 55% of households are below that level and household of four earning \$66,950 and below would be considered low-income, per HUD requirements.

Chart 3



According to the Census Bureau, income measurements are based off of the income received in the preceding calendar year for each person in the household that is fifteen years and older. The following table identifies the changes in median income and compares those to Utah County, the State of Utah and the United States.

Table 2

	2017	2020
Payson	\$62,587	\$69,014
Utah County	\$67,042	\$77,057
State of Utah	\$65,325	\$74,197
United States	\$57,652	\$64,994

U.S. Census Bureau *2010 income data not available

Moderate-Income Analysis

According to the U.S. Department of Housing and Urban Development: “families who pay more than 30% of their income for housing, including utilities, are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care.” Moderate-Income Housing is defined by the State of Utah as “housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income for households of the same size in the county in which the city is located.” This means that only housing units affordable at each interval between zero and 80 percent of the AMI are identified as moderate-income housing. The 2020 median Utah County household gross income, according to the United States Census and Utah Department of Workforce Services, is \$77,057. Below is a breakdown of the Utah County income levels related to household size.

Table 3

Household Size	Percent AMI – Utah County Income by Family Size - 2020			
	100%	80%	50%	30%
2	\$64,616	\$51,692	\$32,308	\$19,384
3	\$81,996	\$65,596	\$40,998	\$24,598
4	\$91,703	\$73,362	\$45,851	\$27,510

According to the Gardner Business Review from 2018, “Affordability of Rental Housing takes \$47,000 in income to rent the typical two-bedroom apartment unit in Salt Lake and Utah counties. This assumes 30 percent of the

³ U.S. Bureau of Labor Statistics. (2016, Aug. 30). News release: Consumer expenditures – 2015 [USDL-16-1768]. Washington, DC: Government Printing Office. Retrieved on 12/21/16 from <https://www.bls.gov/news.release/pdf/cesan.pdf>

household income goes to rent. In 2017, the median rent for the typical two-bedroom apartment was \$1,195 in Salt Lake County and \$1,183 in Utah County.”⁴

The Kem C. Gardner Policy Institute reported in their October 2021 report, “The State of the State’s Housing Market, that “more than half of Utah’s households unable to afford the median-priced home— By the end of 2020, the median price reached \$380,000, pricing out approximately 48.5% of Utah households. As prices accelerated in 2021, more than half of Utah households are unable to afford the median-priced home. For renters, the path to ownership narrowed further. In 2019, approximately 63.1% of renter households were priced out of the median home price. In 2020, the share of renters priced out increased to 72.8%.

The American Planning Association reports that “wages have not increased proportionally to housing costs. After adjusting for inflation, wages are only 10 percent higher in 2017 than they were in 1973 (with annual wage growth just below 2.0 percent). During that same period, the cost of housing increased almost 30 percent nationally.”⁵

Regarding residential construction costs, the American Planning Association reports “As the cost per square foot to build housing continues to increase, a greater number of units built by the private market have moved to higher rent or for-sale units while losing lower rent or for sale units. With the average cost per square foot for new construction in the \$150 to \$300 range (geography dependent), it is impossible to build a new 1,500-square-foot single-family house that is affordable to households earning the U.S. median income of \$57,652 (in 2017) without a public subsidy in the form of land, money, or both. Unfortunately, many of the state and federal programs are limited to assisting only those households at 60 percent area median income (AMI) or less. The reality is that housing is often unaffordable to households earning up to 120 percent AMI (and higher in many markets). A tiered approach to the provision of subsidies and economic incentives, especially at the local level, is necessary to ensure the construction and preservation of a wide range of affordable housing types in our nation’s communities. Scaling back the size of newly constructed housing offers some cost savings provided the minimum buildable lot size is reduced accordingly to realize a savings on land acquisition. Homes in the 900- to 1,200-square-foot range are becoming more commonplace, but the trend in America is still toward larger houses. According to the U.S. Census, the size of the average single-family house increased from 1,535 square feet in 1975 to 2,169 square feet in 2010— an increase of 41 percent.”⁶

Average Annual Change in Median Sales Price in Utah

The following charts from the Kem C. Gardner Policy Institute and UtahRealestate.com provide a snapshot into the accelerated change in housing sale prices and the difficulty to obtain moderate-income housing.

⁴ Wood, Eskic, and D.J. Benway. “Gardner Business Review.” (2018): 27.

⁵ American Planning Association. “Housing Policy Guide.” (2019): 4-5.

⁶ American Planning Association. “Housing Policy Guide.” (2019): 5.

Figure 2

	Long-Term 2000-2021	2011-2021	Year-Over 2nd Qtr. 2020-2021
--	------------------------	-----------	---------------------------------

Single-Family

Current Prices	5.7%	9.7%	29.0%
Constant Prices	3.4%	7.6%	22.4%

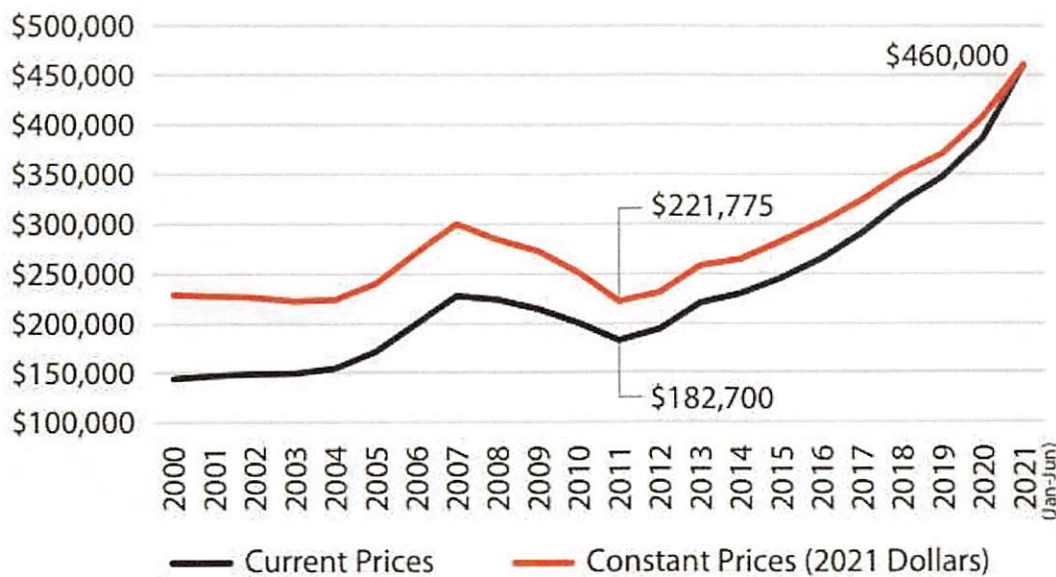
Multifamily (Condominium, Townhome, Twin Home)

Current Prices	5.5%	9.4%	30.2%
Constant Prices	3.2%	8.3%	23.3%

Source: UtahRealEstate.com

Figure 3

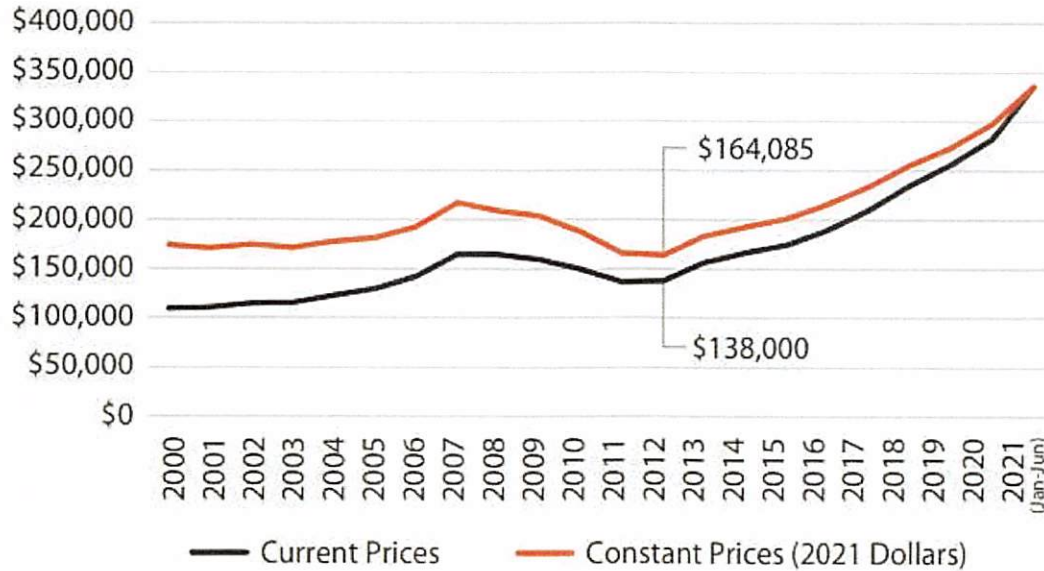
Median Sales Price of Single-Family Homes in Utah, 2000-2021



Source: UtahRealEstate.com

Figure 4

(condominiums, townhomes, twin homes)



Source: UtahRealEstate.com

According to Census data, the average 80% moderate household of four earns \$73,362. Taking the HUD recommendation of spending no more than 30% of income on housing costs (mortgage, utilities, insurance) the recommended monthly maximum mortgage or rent payment for a four-person household is \$1,834. Using the median Utah County Income, the below table breaks down the recommended maximum mortgage or rent payments for each AMI ratio.

Table 4

AMI Breakdown for a 4-Person Family Household – Utah County			
AMI Breakdown	AMI Median Utah County Household Income	30% Yearly Housing Cost	30% Monthly Mortgage/Rent (including utilities, insurance, etc)
100% AMI	\$91,703	\$27,510	\$2,292
80% AMI	\$73,362	\$22,008	\$1,834
50% AMI	\$45,851	\$13,755	\$1,146
30% AMI	\$27,510	\$8,253	\$687

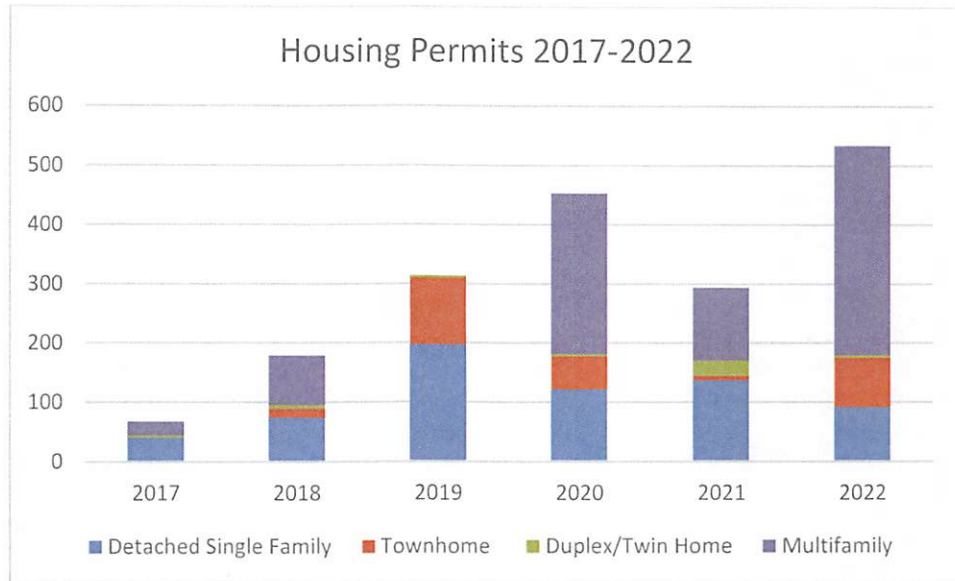
U.S. Census Bureau – Payson City 2020

Housing Needs Assessment

Current Housing Stock

The 2020 United State Census estimates that, Payson City has 6,256 housing units. The Census also reports in 2020 that the approximately 80% or 5,011 of the housing units were owner-occupied and approximately 20% or 1,245 were rental units. The total number of rental units is often difficult to determine since, at any one time, someone may rent their home, accessory dwelling unit, or condominium unit.

Chart 4



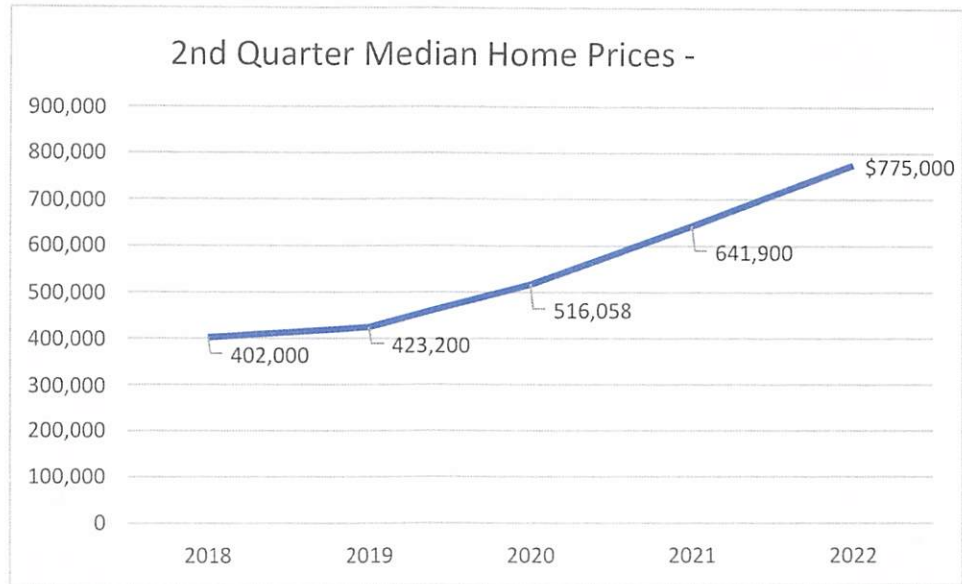
Constructionmonitor.com

The above chart shows the number of housing units given building permits in the last five years in Payson. There continues to be a strong number of single-family detached dwellings being constructed in the city and then an increase in multi-family dwellings as housing costs continue to rise.

Current Housing Sales and Pricing

The Salt Lake Tribune, using Wasatch Front Regional Multiple Listing Service data, has tracked 2nd quarter median home prices for Utah Communities from 2003 to 2022. Using this data, the following chart shows the accelerated rate of home prices in Payson but are also consistent with other communities.

Chart 5



Currently, Utahrealestate.com shows 78 homes for sale in Payson. The average listed is \$551,170 and the median listing price is \$480,000. Home prices range from \$295,000 to \$1.8 million.

Using KSL.com this report looks at the number of rental properties available. Below is a summary and rental price comparisons:

- KSL.com – 29 available rentals and prices range from \$1,050 - \$3,000 a month

The vacancy rate for rentals in Payson is slightly higher than surrounding communities. Using Payson City calculations of current and future/entitled multi-family developments of more than a single-family home, the city currently has 1,245 multi-family units and will more than double that with planned units entitled.

Moderate-Income Housing Analysis

Housing Cost Burdens

City staff used Census data to compile the monthly housing costs as a percentage of household income over a twelve-month period provided in the Table below. This table reveals that approximately 25% of Payson households use more than 30% of their monthly income on housing; however, it also shows that, in general, as household income increases the amount of income devoted to housing costs decreases.

Table 5

Monthly Housing Costs as a Percentage of Household Income in the Past 12 Months									
Less than \$20,000	Households	\$20,000 to \$34,999	Households	\$35,000 to \$49,999	Households	\$50,000 to \$74,999	Households	\$75,000 or more	Households
Less than 20%	0	Less than 20%	0	Less than 20%	25	Less than 20%	94	Less than 20%	1481
20% to 29%	0	20% to 29%	7	20% to 29%	28	20% to 29%	443	20% to 29%	343
30% or more	63	30% or more	191	30% or more	304	30% or more	166	30% or more	84

U.S. Census Bureau – Payson City 2020

What does Moderate-Income Housing Income Look Like?

Moderate-income housing is determined from the Utah County Median income which is \$77,057 per year. Moderate-income housing is defined as housing for individuals that earn 80% of the county area median income which would be \$61,645. Using the recommendation to not spend more than 30% of your annual salary on housing, an annual mortgage or rent payment would be \$18,493 or \$1,541 per month or less.

Housing Needs Assessment

In evaluating the existing housing sales, pricing, rental rates and moderate-income limits from the previous section, Payson City does not currently have sufficient affordable housing to meet current or future needs for individuals of various income levels wanting to live in the community. However, the anticipated number of additional rental units slated to be constructed in coming years will significantly help with that. Additionally, currently the city is aware of 23 legal accessory apartments; however, rental rate information is not readily available.

Section III

Compliance with Utah Code 10-9a-403 –HB462 (2022)

In 2019, the Utah Legislature passed House Bill 34 which required municipalities to update their moderate-income housing plans as well as select three housing affordability strategies to implement in their community. During the 2022 legislative session, the legislature passed House Bill 462 which requires cities to update their moderate-income housing strategies and adopt benchmarks and implementation plans as part of their housing strategies. Payson City has selected the following three strategies for implementing moderate-income housing in the community.

Strategy One: Demonstrate investment in the rehabilitation or expansion of infrastructure that facilitates the construction of moderate-income housing.

Payson City is committed to providing adequate infrastructure facilities to allow for the expansion and growth of the city in a systematic and stable way. Currently, Payson City is finalizing contracts and bonding to allow for over \$50 million in improvements to the sewer treatment plant. The improvements will allow the facility to comply with all state-mandated requirements, but, significantly allow for the future growth and expansion of moderate-income housing within the city. This investment is crucial in allowing the over 1,200 additional units proposed for the Red Bridge project, as well as several other significant developments in the city.

Implementation Plan:

- Payson City will finalize contract requirements in the coming months in order to begin construction in 2023.
- The city will manage contract obligations to ensure timeline milestones are met. Without this critical infrastructure improvement, additional development within the city will not be possible.

Strategy Two: Zone or rezone for higher density or moderate-income residential development in commercial or mixed-use zones near major transit investment corridors, commercial centers, or employment centers.

Payson City has been very receptive to rezone requests to allow higher residential density where specifically appropriate. In recent years, Payson City Council and staff have focused the efforts of rezoning to higher densities in a nodal pattern around major transportation corridors and intersections. The recently adopted Payson General Plan identifies specific areas where increased density should be encouraged.

Implementation Plan:

- The city is actively working with the Utah Department of Transportation (UDOT) to implement planned interchange improvements at the North Main Street interchange. City staff will continue to meet with UDOT staff at least quarterly for the next several years to monitor progress. The project timeline is anticipated to be phased over several years, with the first phase being funded within the next five years. City administration staff will work closely with the State Legislature in the 2023 session to hopefully receive funding and a more succinct project timeline. This is a critical improvement to allow access to additional areas already planned to include higher density housing.
- UTA, in conjunction with Payson City, has already begun the station area planning process for the future high-

speed rail stop for Payson. The timeline for completion of the plan is 9 to 12 months with an anticipated adoption in late 2023. City staff meets at least monthly with the consultant team to monitor progress. Part of the planning will include an assessment of plausible locations for additional high-density housing which will be supported by the future transit system.

- The city will continue to follow the guidance of the Future Land Use Map in the General Plan which identifies those areas to allow higher density residential uses and will work with property owners and potential developers to ensure these areas are strategically developed to address housing needs for a variety of income levels. The General Plan was adopted in 2020 and is generally updated every five years. Staff anticipates that revisions to the General Plan will start in early 2025 with an anticipated adoption in late Fall of 2025.

Strategy Three: Create or allow for, and reduce regulations related to, internal or detached accessory dwelling units in residential zones.

Payson City allowed for accessory dwelling units prior to the state-wide requirements to allow them in most residential areas. Currently there are 23 legally established accessory dwellings in the city. The city will be undertaking a major overall of the zoning and development code and, as part of that overall, will be identifying ways to reduce regulatory requirements for accessory dwelling units.

Implementation:

- A Request for Proposal will be posted in early 2023 seeking consulting services to rewrite the Payson City Code. The Code rewrite has already been included in the 2022-2023 budget. The rewrite is anticipated to require approximately 12 months, with an adoption date of early 2024. A critical component of the Code rewrite will include evaluation measures to specifically examine accessory dwelling unit regulations and incentives.
- Evaluate the requirements necessary to allow detached accessory dwelling units in residential zones. Payson does not currently allow for detached accessory dwellings; however, there doesn't seem to be a strong resistance to allowing them in detached structures. As part of the code rewrite, Payson will propose language in the ordinance to allow for detached accessory dwelling units. The anticipated timeline for adoption of these ordinance revisions is the beginning months of 2024.

Works Cited

- American Planning Association. "Housing Policy Guide." (2019): 4-5.
- Blackwell, Tim. "How Multifamily is Blending Retail with Residential." 14 June 2016, Property Management Insider. <https://www.propertymanagementinsider.com/how-multifamily-is-blending-retail-with-residential>
- Gardner Business Review. "What Rapidly Rising Prices Mean for Housing Affordability." (2018).
- Kem C. Gardner Policy Institute. "Utah's Long-Term Demographic and Economic Projections Summary." (2017): 2. Kem C. Gardner Policy Institute. "The State of the State's Housing Market." (2021): 4.
- Opticos Design, Inc. (<https://missingmiddlehousing.com>) 2019.
- Strafford Publishing 2014 (<http://media.straffordpub.com/products/mixed-use-developments-lessons-learned-from-recent-deals-2014-01-16/presentation.pdf>)
- The Salt Lake Tribune. <https://www.sltrib.com/homeprices/>.
- Urban Land Institute (<https://americas.uli.org/>)
- U.S. Bureau of Labor Statistics. (2016, Aug. 30). News release: Consumer expenditures – 2015 [USD16-1768]. Washington, DC: Government Printing Office. Retrieved on 12/21/16 from <https://www.bls.gov/news.release/pdf/cesan.pdf>
- Utah County Valley Visioning (<https://utahvalleyvisioning.org/project>)
- Utah Department of Workforce Services Housing and Community Development. Five Year Housing Projection Calculator. <https://jobs.utah.gov/housing/affordable/moderate/reporting/>
- The Kem C. Gardner Policy Institute reported in their October 2021 report, "The State of the State's Housing Market