

CEDAR CITY ORDINANCE NO. 0125-23

**AN ORDINANCE OF THE CEDAR CITY COUNCIL ADOPTING AN UPDATE TO
THE CITY'S HOUSING ELEMENT OF THE GENERAL PLAN**

WHEREAS, Cedar City seeks to promote the health, safety, and welfare of its residents and business owners; and

WHEREAS, the Cedar City General Plan was developed in compliance with Utah State Statute found in 10-9a-4; and

WHEREAS, the City desires to adopt an update to the Housing Element of the General Plan with the applicable attachments provided herein.

NOW THEREFORE BE IT ORDAINED by the City Council of Cedar City, in the State of Utah, as follows:

SECTION 1: ADOPTION. The Housing Element of the Cedar City General Plan attached hereto as Exhibit "A" along with and including all Maps and other attached documents, is hereby adopted in its entirety as provided in Exhibit "A" and incorporated herein by this reference.

SECTION 2: REPEALER CLAUSE. All ordinances or resolutions or parts thereof, which are in conflict herewith prior to the date of this Ordinance, are hereby repealed, subsumed, and replaced with the exhibit adopted herein.

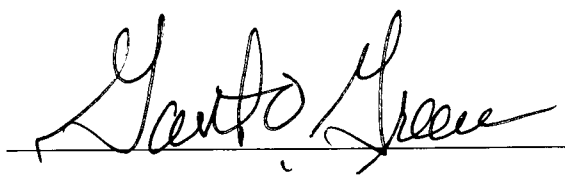
SECTION 3: SEVERABILITY DCLAUSE. Should any part or provision of this Ordinance be declared by the courts to be unconstitutional or invalid, such decision shall not affect the validity of the Ordinances as a whole or any part thereof other than the part so declared to be unconstitutional or invalid.

SECTION 4: EFFECTIVE DAY. This ordinance, Cedar City Ordinance No. 0125-23, shall become effective immediately upon passage by the City Council and published in accordance with State Law.

Council Vote:

Hartley - Aye
Isom - Absent
Phillips - Aye
Melling - Aye
Riddle - Aye

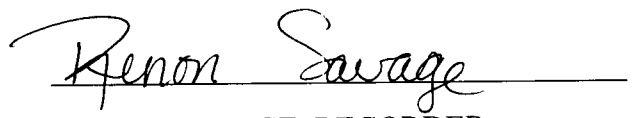
Dated this 26 day of January 2023.



GARTH O. GREEN, MAYOR

[SEAL]

ATTEST:



RENON SAVAGE, RECORDER

Exhibit A

Cedar City Ordinance 0125-23

- Cedar City's General Plan Housing Element Update -



Chapter 9:
HOUSING

High-quality and affordable housing is at the foundation of the quality of life of every community. The condition of neighborhoods has direct and indirect links to all aspects of the community, especially economic development. This chapter is meant to serve as a guide for the elements of the housing market that community leaders can influence in their area.

Current Conditions

The future vitality of the community is directly tied to the health and viability of its residential neighborhoods. In turn, neighborhood quality is dependent upon housing and environmental conditions, other physical amenities, community services, and social and economic factors.

A significant assumption of this section is the maintenance and enhancement of the residential environment. This can be achieved only when the objectives and implementation are aligned integrally with the major goals of the general plan.

Affordable housing is a need across the state and nation regardless of location, size, or economic environment. Cedar City as the economic hub for the region, and home to a major and growing University has an extra incentive to plan for affordable housing to meet the needs of current students and residents and continually improve economic trends in the community. Currently, there is a deficiency of housing opportunities for very low and extremely-low-income households in Cedar City.

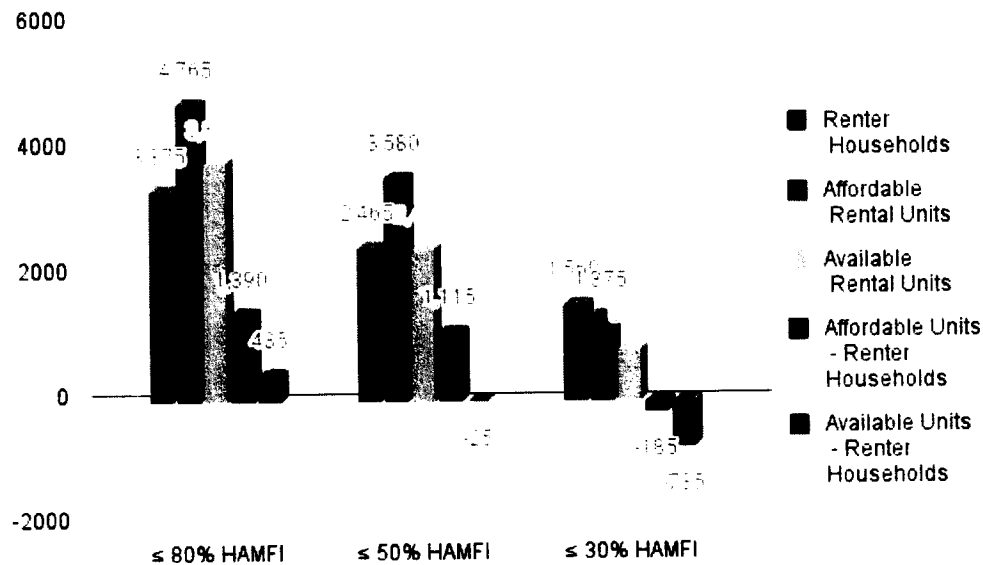
Housing OPPORTUNITIES	Housing CONSTRAINTS
<ul style="list-style-type: none"> • Cedar City has a highly-effective local housing authority that is focused on affordable housing strategies that involve the public and private sectors. • Cedar City’s student market might increase the feasibility of establishing a ‘tiny home’ development. • The downtown area should be able to accommodate more mixed-use housing and commercial development. • The City has long prioritized housing issues and has implemented solutions such as a student housing zone, updated regulations for mixed uses, and a new PUD ordinance. • The interchange areas can provide for mixed-use development that can accommodate attainable housing with the expected commercial build-out. 	<ul style="list-style-type: none"> • The city controls a limited number of elements involved in the larger housing market. • The tourism potential of the area increases the demand for short-term rentals. This reduces the housing supply for local residents. • Per the surveys, the community has responded negatively to the increase in the building of “high density” housing throughout the city. • The student population competes for affordable housing facilities. • Without a significant shift in the area’s employment opportunities, the gap between average wage rates and average home prices will continue to widen. • The Paiute Tribe’s efforts to help members with housing issues is constrained by the relative lack of tribal lands in the area.

Moderate Income Housing

Cedar City has continued to complete their yearly report to the State of Utah on moderate-income housing since 2017. An updated plan is included in this plan using data from the Department of Workforce Services five-year projection Calculator for Cedar City. The following is a summary of its findings.

- The housing profile of Cedar City's total population in 2018 was roughly 54% in owner-occupied units, and 46% in rental housing units of the total occupied units within the city.
- According to the state model, this ratio of citizens living in owner and rental dwelling units is expected to stay relatively the same through 2025.
- As expected with the new housing developments in Cedar City since 2010, the number of households that own their housing without a mortgage has declined and is expected to continue to do so. Approximately 30% of those who own their home are expected to have a mortgage by 2025.
- Median housing costs for owner-occupied housing with a mortgage in 2018 were \$1,237 and median gross rents are estimated to be \$682 per month.
- The median household income for City residents is estimated to be \$48,346. Those in owner-occupied units are reporting \$66,915, and those in rental units report \$24,456.
- Utah Statute requires cities to evaluate their housing opportunities for those earning 80% of the “area median income”. Iron County’s household AMI is approximately \$47,273 for households that are the average size for the city of 3 people, and 80% of this amount is \$37,818. Under the assumption that appropriate housing costs should not exceed 30% of a household budget, then the City should look for ways to support housing development that is as or more affordable than what is in the market currently.
- Future projections predict by the year 2025 those making below the average area median income (AMI) the percentages that will be cost-burdened meaning they will spend more than 30% of their monthly income on housing costs:
 - 16.7% of those making 80% of the Iron County AMI,
 - 26.7% making 50% of the Iron County AMI.
 - 44.4% making 30% of the Iron County AMI

Cedar City Moderate Income Housing Assessment (HUD)



Source: HAMFI (Housing Urban Development Area Median Family Income). [Click for original.](#)

Subsidized Housing Data:

- The Cedar City Housing Authority currently owns and subsidizes 79 residential units, including 38 – 1 bedroom units, 31- 2 bedroom units, and 3- 3 bedroom units. Since 2017, the waiting period for these units has increased dramatically from an average wait time for the three types of units provided of 10.3 months to 26 months. Currently the vacancy rate is zero percent.
- As of 2017 the Cedar City Housing Market has acquired 300 additional Low Income Tax Credit Funded Units.

Desired Future: Housing

The City is aware of its role in the housing market and deliberately employs a suite of solutions to meet the housing needs of all residents who call Cedar City home for the long and short term. A variety of housing options throughout the city at all densities is an asset to the community as a whole.

Anticipated Changes

- The population of Cedar City is projected to continue to increase substantially by the year 2030 however, it is not clear that the potential for income growth will increase at the same rate.
- Moderate income housing will continue to be an important issue for Cedar City as the population of the community increases. As was the case in past plans, a significant percentage of the population (over 36%) is between the ages of 15-29. This population is the most in need of moderately-priced housing, and demand is expected to grow as SUU continues to expand. The growth of SUU will be directly tied to their ability to provide housing for incoming students.

- A study that was done in 2017 showed the 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 will be necessary.
- Housing will continue to be a major factor in economic development as well as quality of life. As new businesses consider relocating or opening in Cedar City, having affordable housing options for employees will be a part of that decision.
- The Current Cedar City population is 37,306 and is expected to continue to grow in overall population during the duration of this plan. From 2010-2020 there was a 20.4% change in the overall population, an increase of roughly 5,907 people. From 2020 to 2021, Cedar City which is one of four micropolitan areas in Utah including Heber, Price, and Vernal grew the fastest at a rate of 5 percent.
- The rising popularity of cluster subdivisions this option might present an opportunity for Cedar to preserve some of the areas that are currently in agriculture.
- Southern Utah University is experiencing historic growth. leading the state with Southern Utah University had an enrollment increase of 12.1% in the fall of 2020 leading all public institutions of higher education in the state. Areas of the community near the university should be identified for potential higher-density housing to help with affordability.
- The average household size in Cedar City from 2009 to the 2025 projections is expected to stay around three people per household. This will create a need for the community to partner with private and public sector entities to attempt to meet the needs of those that fall into the category of making less than 80% of the Area Median Income.

Goals + Objectives: Housing

G9-1. Preserve and strengthen Cedar City's existing neighborhoods while allowing the formation of new neighborhood centers.

- O9-1.1 Through appropriate zoning and City ordinances, protect residential areas from inappropriate or detrimental, non-residential encroachment.
- O9-1.2 Where possible, limit conditional use permits and instead encourage the clear and precise application of the zoning ordinance as a means of ensuring neighborhood stability.
- O9-1.3 Establish neighborhood centers for each community area within the City. A neighborhood center should contain a mix of uses and the services necessary for a complete residential experience including commercial services, civic services, and recreational open space.
- O9-1.4 Partner with the Iron County School District incorporating school planning into the process of community planning and zoning. Besides school locations, this should also involve examining the joint use and after-hour use of any recreational facilities.
- 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. [as per Uca 10-9a 403(2)(b)(iii)(F).

G9-2. Protect the individual resident's investment in the Cedar City community that is represented by the existing housing stock and neighborhood environments.

- 09-2.1 Continue to enforce existing building codes and zoning ordinances to protect residential investments.09-2.2 Limit a widespread conversion of existing single-family homes that are categorized as moderate-income housing into a duplex or multiple unit rentals through appropriate ordinances and routine enforcement procedures to preserve Cedar’s existing single-family moderate-income housing.
- 09-2.3 Provide traffic planning resulting in safe, traffic-calmed residential streets and balancing transportation and fire safety with neighborhood values and pedestrian safety.
- 09-2.4 Continue monitoring streets and public infrastructure needs. Prepare long-term plans and budgets necessary to provide and ensure adequate levels of service.
- 09-2.5 Review and implement changes to the process of development proposal reviews where necessary to make the process more efficient for the applicant and city leaders.
- 09-2.6 Identify areas of the community to allow accessory dwelling units that meet the character and environment of the neighborhood and Utah State Code 10-9a-530 within residential zones of the City.
- 09-2.7 Create or allow for, and reduce regulations related to, internal or detached accessory dwelling units in residential zones [*as per UCA 10-9a-403(2)(b)(iii)(E)*].

G9-3. Facilitate a reasonable opportunity for a variety of housing, including moderate income housing to meet the needs of people desiring to live, benefit from, and fully participate in all aspects of neighborhood and community life.

- 09-3.1 Continue to monitor and review the moderate income housing needs within the City. In compliance with Utah Code, Cedar City has identified and detailed the City’s current moderate income housing needs. These include the construction of additional senior housing units, especially for those with disabilities, and using programs that directly address income needs through such means as down payment assistance and affordable mortgages, rather than necessarily building new housing units for the non-elderly population. Besides the construction of new senior housing units, a realistic opportunity to address the identified income needs may be found in the City’s adopted programs with the Cedar City Housing Authority, which include utilizing money from the Port 15 Economic Development Area to create a down payment assistance program, and allowances for the possibility of the waiver of impact fees.
- 09-3.2 Continue to address moderate-income housing needs in coordination and cooperation with the Cedar City Housing Authority and other such entities. In conjunction with the availability of the most current data from the U.S. Census and anticipated demographic information from the State of Utah, the City will update and expand the City’s Moderate Income Housing Element of the General Plan.
- 09-3.3 Expand the variety of housing opportunities, with a balance of housing styles and price points. This might be accomplished through an expansion of zoning categories, or through the zoning ordinance allowing for greater flexibility in design, including lot sizes and setbacks. Density incentives might also be considered when based on quality development patterns.
- 09-3.4 Utilize the City’s housing policy to support economic development activities, as well as the needs of community services such as education.
- 09-3.5 Review and modify as necessary, building codes and subdivision ordinances, and enforce those codes and ordinances to ensure a high quality of residential housing for all economic strata

of people.

- 09-3.6 Rezone for densities necessary to facilitate the production of moderate income housing. [as per UCA 10-9a-403(2)(b)(iii)(A)]
- 09-3.7 Utilize and identify strategies that preserve subsidized low to moderate-income units on a long-term basis.
- 09-3.8 Demonstrate utilization of a moderate income housing set aside from a community reinvestment agency, redevelopment agency, or community development and renewal agency to create or subsidize moderate income housing. [as per UCA 10-9a-403(2)(b)(iii)(P)].
- 09.3.9 Apply for or partner with an entity that applies for state or federal funds or tax incentives to promote the construction of moderate income housing, an entity that applies for programs offered by the Utah Housing Corporation within that agency's funding capacity, an entity that applies for affordable housing programs administered by the Department of Workforce Services, an entity that applies for affordable housing programs administered by an association of governments established by an interlocal agreement under Title 11, Chapter 13, Interlocal Cooperation Act, an entity that applies for services provided by a public housing authority to preserve and create moderate income housing, or any other entity that applies for programs or services that promote the construction or preservation of moderate income housing. [as per UCA 10-9a-403(2)(b)(iii)(O)].
- 09.3.10 Demonstrate investment in the rehabilitation or expansion of infrastructure that facilitates the construction of moderate income housing [as per UCA 10-9a-403(2)(b)(iii)(B)].
- 09.3.11 Implement zoning incentives for moderate income units housing in new developments [as per UCA 10-9a-403(2)(b)(iii)(J)].
- 09.3.12 Amend land use regulations to eliminate or reduce parking requirements for residential development where a resident is less likely to rely on the resident's own vehicle, ~~car~~ such as residential development near major transit investment corridors or senior living facilities [as per UCA 10-9a-403(2)(b)(iii)(H)].

G9-4. Identify potential areas of blight that may affect the community and establish goals and standards for improvement of these areas or structures.

- 09-4.1 Provide information for property owners regarding housing rehabilitation methods and safety inspections.
- 09-4.2 Establish appropriate areas for redevelopment and utilize the tools available through Utah State Codes to apply the necessary redevelopment goals and procedures.
- 09-4.3 Support housing developments that are constructed out of high-quality materials and are intended for owner occupancy, especially in the case of multi-family developments.

G9-5. Evaluate zoning applications and decisions from a perspective of preserving and improving the quality of life for residents of existing neighborhoods.

- 09-5.1 Implement programs to protect purely residential areas from commuter traffic including the effects of traffic generated by schools, hospitals, businesses, and government facilities.

Housing Opportunities

- **Short Term Opportunities (1-5 years)**
 - a. Explore the Community Facilities Grant program from the Rural Community Assistance Corporation (RCAC). Funds can be used to aid in the development of assisted living, transitional housing, etc.
 - b. Work with NGO and area stakeholders to incorporate the Community Development Block Grant Program (CDBG) from HUD into the City's moderate-income housing strategy.
 - c. Develop a grant strategy for USDA Rural Development's "Rural Community Development Initiative" (RCDI) with the goal of helping non-profit housing and community development organizations with their housing projects.
 - d. The City can promote programs such as first-time buyer programs available through local lending institutions, repair and rehabilitation programs administered by other government agencies, and the use of online HUD resources.
 - e. As resources are available, the city will develop and maintain an inventory of appropriate infill lots and encourage adaptive reuse to stimulate affordable housing development.
 - f. The City can actively partner with agencies such as Iron County Care and Share to develop and provide housing options for homeless high school students.
- **Long Term Opportunities (+5 years)**
 - a. Explore methods and programs that encourage homeownership counseling and mutual self-help housing (for example Neighborhood Nonprofit Housing Corporation in Logan).
 - b. Investigate the creation of incentives for the development of lower-cost housing, such as: density increases, height flexibility, partnerships, programmatic incentives such as grants, and contributing vacant City-owned land.

Regulatory Framework

The 2017 Cedar City Affordable Housing plan indicated that 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 following table illustrates Housing Strategies proposed in the 2017 plan regarding the Zoning Ordinance, progress the City has made, and future opportunities:

2017 Housing Strategies	Progress
<ul style="list-style-type: none"> • 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, multifamily 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 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.” • Consider providing incentives to develop moderate-income housing in “residential development overlays.” This could be provided through a density bonus for new development. • 	<ul style="list-style-type: none"> • The recent update to the Cedar City General Plan included approximately 348 acres of land changed to High Density. Since the beginning of 2022 the City has approved Zoning Map Amendments encompassing an additional 125 acres to a higher density. • The City recently completed a parking study approving a parking reduction from 1.3 parking spaces per bedroom to 1 space per bedroom for units with more than 2 bedrooms. It is anticipated that the data will be utilized to further reduce parking ratios where applicable. • The City allows for Internal Accessory Dwelling Units in compliance with State law. The City recently adopted an ordinance to allow for External Accessory Dwelling Units including the conversion of guest houses.

Future Direction

In 2022 the City formed a Housing Committee to look at the regulatory barriers related to housing. As result of this committee’s efforts the City amended the Zoning Ordinance to allow for External Accessory Dwelling Units. Future changes are anticipated to allow for more flexibility in lot sizes and lot configurations in residential zones.

Housing Implementation Plan

As noted in this element of the General Plan, housing for low- and moderate-income families will continue to be challenge for Cedar City and the State. As a result of these challenges the State of Utah is enlisting help from local governments and counties to address the issue.

Of the many objectives listed above, some are required by the State of Utah to be included in the Housing Element. Although many are important and desirable, Cedar City is required to choose a minimum of three state strategies and adopt an implementation plan [as per UCA 10-9a-403(2)(a)(iii)(c)]. In forthcoming years cedar city will be required to report on its progress in implementing the selected strategies. Cedar City provides the following three state mandated strategies as its implementation plan for 2023 and subsequent years as applicable:

Implementation Matrix

STRATEGY 1: _____

09.3.10 Apply for or partner with an entity that applies for state or federal funds or tax incentives to promote the construction of moderate income housing, an entity that applies for programs offered by the Utah Housing Corporation within that agency's funding capacity, an entity that applies for affordable housing programs administered by the Department of Workforce Services, an entity that applies for affordable housing programs administered by an association of governments established by an interlocal agreement under Title 11, Chapter 13, Interlocal Cooperation Act, an entity that applies for services provided by a public housing authority to preserve and create moderate income housing, or any other entity that applies for programs or services that promote the construction or preservation of moderate income housing [as per UCA 10-9a-403(2)(b)(iii)(O)].

Action Steps: _____

1. The City will continue to partner with the Cedar City Housing Authority which applies for CDBG grants per the referenced strategy by prioritizing the use of CDBG funds by the Cedar City Housing Authority.
2. The City will work with the Housing Authority to increase housing assistance payments.

Timeline _____

This strategy will be ongoing on a yearly basis. The Housing authority will submit Block Grant (CDBG) pre applications by January of 2023 with final application due by May of 2023.

Responsible Parties _____

Cedar City Housing Authority, and City Staff.

Goals: _____

1. The acquisition of at least one additional dwelling unit for the purpose of providing housing for low income families.
2. Secure match funding and maintain CDBG program compliance and meet deadlines in order to maintain a high ranking and award of CDBG funds.
3. Help enable low-income families to ascertain market rate units.

STRATEGY 2: _____

Rezone for densities to facilitate the production of moderate-income housing [as per UCA 10-9a-403(2)(b)(iii)(A)].

Action Steps: _____

1. The City will continue to consider appropriate amendments to the City's General Plan and Zoning Map.
2. The City will track the rezoning of properties for higher densities and the resulting addition of units.
3. The City will track the number of units considered to meet low and moderate income levels.

Timeline _____

This strategy will be ongoing as the city considers proposed zone changes. The city will aggregate the data referenced above by August 31st of each year.

Responsible Parties _____

Engineering and Building Department Staff, Planning Commission and City Council

Goals: _____

1. To rezone where appropriate for higher densities and allow for densities that facilitate more affordable housing units.

STRATEGY 3: _____

Demonstrate utilization of a moderate -income housing set aside from a community reinvestment agency, redevelopment agency, or community development and renewal agency to create or subsidize moderate income housing. [as per UCA10-9a-403(2)(b)(iii)(P)].

Action Steps: _____

1. The City will demonstrate utilization of a moderate income housing set aside from the Port 15 Redevelopment Project Area per the strategy above.
2. The City will track these funds by used by the Cedar City Housing Authority.

Timeline _____

This strategy will be ongoing. The housing authority expects that any funds generated will be received by May of each year, and will invest those funds into affordable housing by January of each year.

Responsible Parties _____

Cedar City Housing Authority and City Staff

Goals: _____

Utilization of funds in conjunction with CDBG funds to acquire new low- and moderate-income housing.

CERTIFICATION OF PASSAGE

STATE OF UTAH)
 :SS.
COUNTY OF IRON)

I do hereby certify that on the 25th day of January, 2023, a true and correct copy of the hereunto attached Ordinance No. Ordinance No. 0125-23, an ordinance of the Cedar City Council adopting an update to the City’s Housing Element of the General Plan was posted on the State of Utah Public Notice Website.

Said Ordinance became effective on the 26th day of January, 2023.

IN WITNESS WHEREOF, I hereunto set my hand and affix the seal of Cedar City Corporation, at Cedar City, County of Iron, State of Utah, this 26th day of January, 2023.

[Corporate Seal]



Renon Savage
Renon Savage
Cedar City Recorder