



# 2020 HOUSING ASSESSMENT AND PLAN

The Moderate Income Housing Plan,  
an addendum to the 2014 Park City General Plan

Reviewed and recommended by the Planning Commission on October 16, 2019

Adopted by City Council on November 7, 2019, Resolution No. 22-2019

## A MESSAGE FROM THE MAYOR

The success of the Park City community is dependent on all of our residents having a place and voice. We have long been committed to providing housing choices to all those who have a stake in this community. One of Park City's Critical Priorities is Housing, which is defined as the facilitation of a range of affordable, quality housing opportunities that meet the life-cycle needs of our residents at all economic levels.

We strive to welcome a diversity of cultures, household types, and income levels. This is challenging in a resort market, where vacation homeowners and investors pressure the real estate market, raising costs to unaffordable levels. It requires strategic intervention to keep an inventory of affordable and attainable housing so that we are a complete community with housing options for all sectors.

Park City's Critical Priority of Housing aligns with our other three Critical Priorities: Transportation, Energy, and Equity. Each reinforces the other as we seek to provide energy-efficient homes located near transit that are available to a diverse section of our residents.

We are working on many fronts to achieve our complete community. We are examining our Land Management Code to reduce barriers to providing more affordable housing. We are utilizing local resources to build units ourselves, and we are working in partnership with both our housing non-profits and local developers. Over the past 20 years, the City has contributed to the affordable housing inventory in a number of ways: through regulation, partnerships, housing authority projects, and subsidies to reduce the price of homes.

We applaud the State's focus on the need for affordable housing. Our hope is that everyone will join the City in realizing the goals of this Plan. It will take the entire community to ensure success.



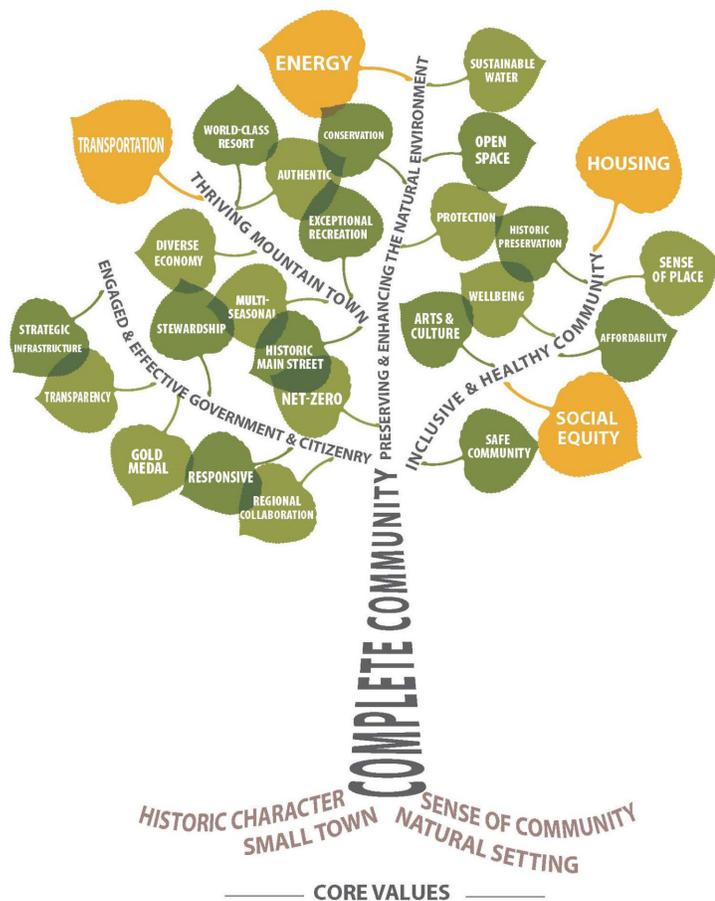
Park City Mayor, Andy Beerman

A handwritten signature in black ink that reads "Andy Beerman". The signature is written in a cursive, flowing style.

# OVERVIEW

Park City has long been and continues to be committed to housing that is affordable to all sectors of our world-class resort community. The City’s Long-Term Strategic Plan guides decision-making and provides structure for incremental, measurable steps to achieve the community’s vision. Council deemed Housing a critical priority and the City is working to facilitate a range of affordable, quality housing opportunities that meet the life-cycle needs of Park City households at all economic levels.

The overarching affordable housing goal that guides the City’s strategies over the next six years was adopted on November 17, 2016, when Council passed HA 01-2016, *A Resolution Establishing an Affordable Housing Production Goal for the Park City Housing Authority*. The Resolution states “[t]he Mayor and City Council do hereby proclaim an affordable housing goal of 800 units by 2026 with an interim goal of 220 units by 2020.”



In addition to the City’s Long-Term Strategic Plan, many of the City’s affordable housing goals and strategies are outlined in the 2014 Park City General Plan. The General Plan establishes two affordable housing goals to maintain Park City’s sense of community.

Goal 7 is to create a diversity of primary housing opportunities to address the changing needs of residents. “By creating a mix of housing stock at varying price ranges, size, and design, residents will have local options, whether they are seasonal workers, young professionals, families, empty nesters, or retirees. Having options on all rungs of the housing ladder ensures opportunities within the community throughout residents’ entire lives.” Goal 8 is to increase affordable housing opportunities and associated services for the workforce of Park City by providing housing available to a wide range of income levels.

The General Plan also contains a Housing Toolbox, which establishes land acquisition, planning and regulation, financing, and maintenance strategies to achieve the City’s affordable housing goals.

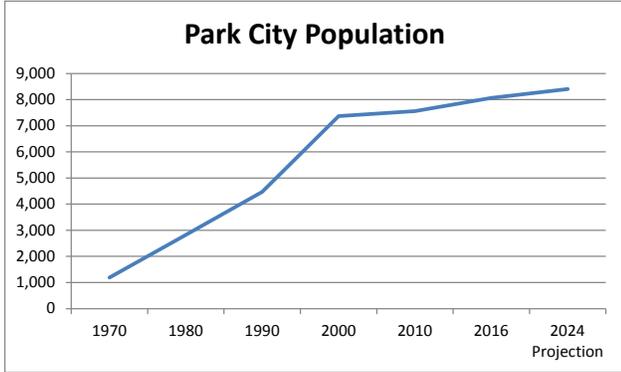
While the City’s Long-Term Strategic Plan and General Plan establish the overarching affordable housing policies and goals for the City, the City also maintains a Housing Assessment and Plan that outlines the City’s goals for a five-year horizon. The City completed the last Housing Assessment and Plan in 2017 and set forth affordable housing goals through 2022. However, in 2019, the Legislature enacted Senate Bill 34, Affordable Housing Modifications, and now requires that the City’s Housing Assessment and Plan be submitted in a certain format with strategies selected from a list of twenty-three options the Legislature set forth in statute. Additionally, the Legislature requires that the City Council review this Plan every year and submit an annual report to the Utah Department of Workforce Services and the Mountainland Association of Governments that outlines the City’s progress toward achieving its affordable housing goals.

This 2020 Housing Assessment and Plan (“Plan”) captures three of the City’s ongoing strategies and four of the City’s current affordable housing goals to achieve 800 affordable units for moderate income households by 2026 and serves as an addendum to the General Plan. This Plan was reviewed by the Planning Commission and adopted by the City Council on November 7, 2019. The Plan will be reviewed and adapted as needed on an annual basis.

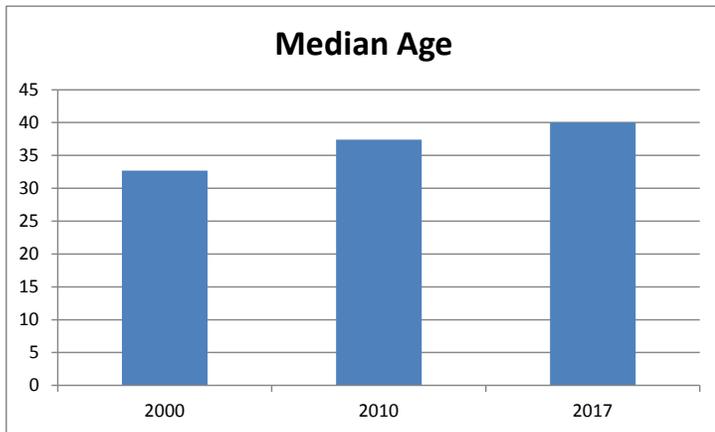


Silver Star is a mixed-use development with a ski-lift to Park City Mountain Resort. The development includes commercial use, mixed-income housing, and an outdoor gathering space at the base of the Park City trail system.

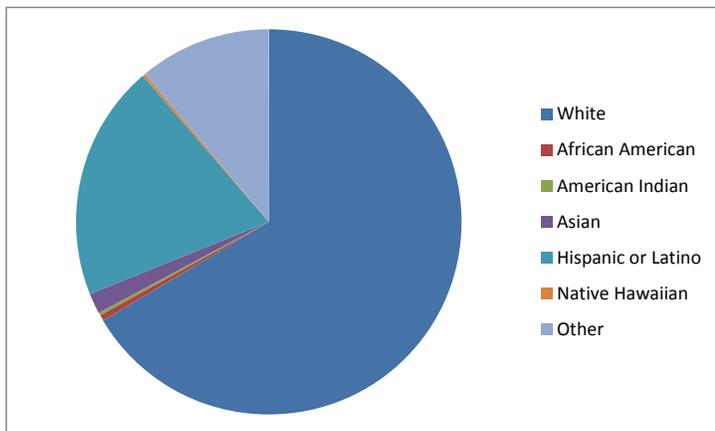
# COMMUNITY PROFILE



In the 2010 Census, the permanent, year-round population increased by 187 people for a total population of 7,558. The 2016 ACS estimate accounted for an additional 506 people. By 2024, the Park City population is projected to increase to 8,405.



There has been a considerable increase in the average age of the City's population. The total population of people aged 10 to 54 decreased by 800, but the number of people age 55 and older increased by over 1,300, or 30 percent. The median age for Park City was 32.7 in the 2000 Census, but rose to 37.4 in 2010. According to the 2017 ACE estimates, the median age increased to 40.4.

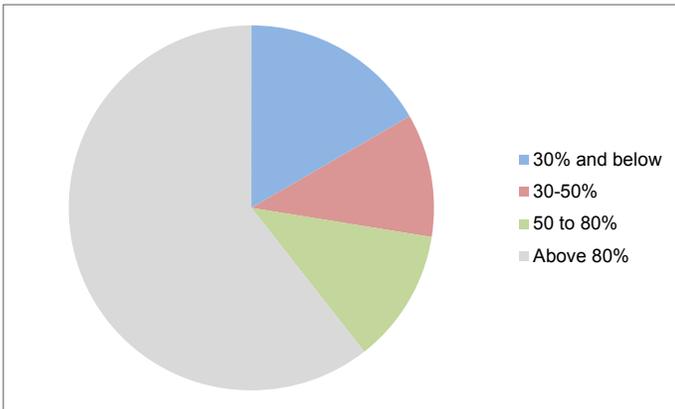


Park City's population continues to be primarily white and in most recent years the Hispanic or Latino population has been decreasing. According to 2017 ACS estimates, Hispanic/Latino persons make up 16 percent of the population, a decline from the 24 percent noted in the 2010 Census. Other population groups such as African American, Asian, or American Indian have changed little and continue to make up less than three percent of Park City's population.

# COMMUNITY WORKFORCE

Park City is a world-class resort community that offers world-class amenities, which require a large workforce. According to the Utah Department of Workforce Services *Research & Analysis* based on U.S. Bureau of Labor Statistics 2019 data, the Summit County economy is strong and leisure and hospitality is the primary employment. However, in general, the hospitality industry pays 20 percent less than other industries. According to the UDWS, the average monthly wage for leisure and hospitality workers in 2019 was \$2,583, or \$30,996 per year. An annual salary of \$30,996 is only 40 percent of the Summit County Area Median Income (AMI).

Nearly 1,350 Park City households fall at or below 80 percent AMI, as shown below:



404 households earn 50 to 80 percent AMI

372 households earn 30 to 50 percent AMI

567 households earn 30 percent AMI and below

City staff calculates a Workforce Wage (WFW) based on wage data provided by UDWS to more accurately reflect the financial reality of those in need of affordable housing. The WFW is more indicative of the financial constraints under which key community members must live. The data from 2019 reveals that the annual WFW for an average Park City household was \$51,328, 52 percent of AMI.

	100% AMI	100% WFW	WFW as % of AMI
2019	\$98,820	\$51,328	52%
2017	\$93,060	\$57,173	61%
2012	\$90,270	\$55,714	62%
2010	\$83,970	\$51,764	62%
2000	\$61,470	\$42,434	69%

## MARKET CONDITIONS

According to the Utah Association of Realtors August 2019 *Local Market Updates by County*, the median sales price for a home in Summit County was \$935,000, with a year-to-date average of \$815,000. A family of three must earn 156 percent AMI to afford a home at the median sales price in Summit County. The Park City Board of Realtors 2019 *2nd Quarter Statistics* found that the median sales price for a home in Park City was \$2.1 million. A family of three must earn 402 percent of AMI to afford to purchase a home at the median sales price in Park City. The Board of Realtors also determined that, while condo sales have declined, the price continues to rise and the median sales price for a condo in Park City is \$810,000. A family of three must earn 155 percent of AMI to afford to purchase a condo at the median sales price in Park City.

The U.S. Department of Housing and Urban Development (HUD) finds that families who pay more than 30 percent of their income for housing are considered cost burdened. For the nearly 1,350 Park City households at or below 80 percent AMI, affordable purchase prices are shown below, as well as attainable purchase prices for those who earn 80 to 120 percent AMI:

Housing Affordability for a Family of Three			
% of AMI	Annual Income	Monthly Rent/Mortgage	Purchase Price
30%	\$29,646	\$741	\$114,972
50%	\$49,410	\$1,235	\$191,620
60%	\$59,292	\$1,482	\$229,944
80%	\$79,056	\$1,976	\$306,592
100%	\$98,820	\$2,471	\$383,240
120%	\$118,584	\$2,965	\$459,888

Summit County, Utah

## AFFORDABLE HOUSING STOCK

An affordable home at 80 percent AMI would have a purchase price of \$305,592. With a median sales price of \$2.1 million, the affordable housing gap is significant. Affordable housing is vital to sustain the City's sense of community and to ensure that at least 15 percent of the workforce can afford to live where they work. Currently, there are 550 affordable units in Park City. The timeline below tracks the development of these units:

- Prior to 2000, 43 units were built by private developers and 326 units were built with the help of the U.S. Department of Agriculture Rural Development program. Additionally, Deer Valley Resort built units to fulfill affordable housing obligations.
- Between 2000 and 2012, 22 units were built by the Mountainlands Community Housing Trust with a bridge loan from the City, 122 of the 326 units built prior to 2000 were rehabilitated and upgraded using Federal Low-Income Housing Tax Credits and gap loans from the City, 59 units were built by private developers to fulfill affordable housing obligations, 13 were built by the City, and one was built by Habitat for Humanity.
- Between 2012-2017, 17 units were constructed to fulfill developer housing obligations, 13 units were built by the City with a Federal Transportation Administration grant, 14 units were constructed at Park City Heights, and Habitat for Humanity built another unit.
- Since 2018, an additional 21 units were completed at Park City Heights, one unit was completed as a result of a housing obligation, and the City completed 19 affordable units. The City plans to develop an additional 52 units by 2022.



Snow Creek Cottages, a community of thirteen two- and three-bedroom affordable homes.

The City's affordable units have been built – the earliest in 1978 – through a variety of resources, including Federal Low-Income Housing Tax Credits (LIHTC) and USDA Rural Development funds, the efforts of local nonprofits, including Mountainlands Community Housing Trust and Habitat for Humanity, City funding, and private developer fulfillment of housing obligations pursuant to the City's Housing Resolution, which outlines affordable housing requirements for land that is annexed into the City, as well as for residential and commercial Master Planned Developments. The City provides assistance to bring about the success of a majority of the existing projects through gap loans, land donations, and fee waivers.

The table below shows the funding sources for the existing affordable housing stock:

2019 Inventory of Affordable Units			
Sources	Rentals	Owned	TOTAL
Housing Resolution Obligations	190	103	293
LIHTC	196	0	196
City Developed/Sponsored	13	19	22
Local Nonprofits	0	29	29
TOTAL	399	151	550

The majority of the City’s 550 affordable housing units are 2- and 3-bedroom homes. However, the housing stock also consists of single-room occupancy, studios, and 1- and 4- bedroom units, as shown below:

Single-Room	Studio	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom	TOTAL
22	15	70	160	278	5	550
4%	3%	13%	29%	51%	1%	

Twenty-two of the 550 units include accessibility features. Nineteen are Type A units and are wheelchair accessible, and three are Type B units and include adaptable features. Of these 22 units, five are owner-occupied and 17 are rentals.

The City monitors 189 of the 550 affordable units that have deed restrictions recorded with the City as the beneficiary. Of these 189 units, 129 units are owner-occupied, and 60 units are long-term rentals.

The following is a profile of households occupying these City-monitored units:

Units located in the Empire Pass and Deer Valley areas are occupied by employees that work in the area and earn between 60 and 80 percent of AMI (\$59,292 to \$79,056)

Units in the Prospector and Old Town neighborhoods are home to resort, retail, and restaurant employees who earn between 40 and 60 percent of AMI (\$39,528 to \$59,292)

Owner-occupied units are scattered throughout the community and are home to employees of the Summit County Health Department, Park City-based nonprofits, property management firms, ski and snowboard industries, Park City Municipal Corporation, the Park City School District, the Park City Medical Campus, the ski resorts, and local retail and restaurants, who earn between 60 and 100 percent of AMI (\$59,292 to \$98,820)

The City's need for affordable housing units has shifted over time. In 2005, the City determined that the available low-cost rental housing was meeting the most critical needs of the target workforce. However, there was a greater need for affordable homeownership opportunities and the City shifted its efforts to affordable homeownership. In 2012, the City assessed its housing stock and determined that Park City was still providing an adequate amount of low-income rental units and the City continued to focus on affordable homeownership.

However, in 2016, the number of properties transferring from long-term rental to nightly rentals increased with the popularity of online rental sites like Airbnb and VRBO. In 2016, James Wood completed a *Park City Housing Needs Assessment*. Wood found that Park City's rental market is difficult to survey. There are "very few traditional apartment projects...[and] the rental market is divided into market segments: apartment units and condominiums for rent, reflecting the needs of the City's economic base: winter sports activities." The study noted that "many of the year-round rental units are within family homes: 35 percent of all rental units in the city are in detached single-family homes. Surveying these units regarding rental and vacancy rates is very difficult..."

While it is difficult to fully survey the City's rental market, occupancy rates in traditional multi-unit rentals that can be tracked hover around 97 percent, which is virtually a fully occupied rental market. The assessment also found that the "rental inventory in Park City is much older than the owner occupied inventory. The typical rental unit was built in 1979...and ten percent of all rental units were built before 1939." As a result, not only is the City focusing on increasing affordable long-term rental units, the City is also working to preserve and rehabilitate existing affordable rental units.

For example, in 2013, the City built 13 studios, known as the Ironhorse Transit Housing, with a grant from the Federal Transportation Administration to provide affordable long-term rentals for transit employees. Additionally, in 2018, the City purchased 23 units that were threatened with foreclosure, renovated the units, and will rent the units to transit employees.



Ironhorse Transit Housing

# ONGOING STRATEGIES

## **(1) STEWARDSHIP OF EXISTING AFFORDABLE HOUSING INVENTORY**

Over the past few years, staff has been and continues to establish a program for stewardship over the physical structures and the financial stability of deed-restricted properties. Staff is working to:

- Provide education and technical assistance to HOAs with deed-restricted units;
- Review annual HOA financials;
- Utilize the Building Department to inspect properties on an annual basis when the owner submits the required compliance affidavit;
- Meet annually with HOA boards;
- Establish a quarterly newsletter for owners of affordable units to provide education, announcements, and reminders that they are stewards of a valuable community asset.

## **(2) REVIEW AFFORDABLE HOUSING RESOLUTION 03-2017**

City Council passed the first Housing Resolution in 1991. To date, 293 deed-restricted affordable units have been developed in Park City as a result of the housing obligations required for annexed land and commercial and residential Master Planned Development units pursuant to the Housing Resolution. Staff is evaluating recommended amendments to the Housing Resolution that may provide more equitable distribution of developer housing obligations.

## **(3) UPDATE AFFORDABLE HOUSING DEED RESTRICTIONS**

Affordable housing deed restrictions are critical to carry out the City's affordable housing policy. These legal documents are recorded against affordable housing properties to protect the long-term affordability of the unit. Housing staff is working with the City Attorney's Office to update the template for these documents to impose rental restrictions on certain owner-occupied housing to ensure that affordable units are serving the local workforce. Also, the deed restrictions provide the City with the right of first refusal when a deed-restricted unit is sold so that the City can ensure the unit is sold to a qualified buyer.

## 2020 GOALS AND STRATEGIES | GOAL 1

The City's ultimate goal is to create 800 affordable housing units by 2026. The 800 affordable housing units will help 15% of the City's workforce live within City limits. The goals and strategies below outline the City's steps to achieve its goal.

### **GOAL 1: BUILD AFFORDABLE AND ATTAINABLE UNITS ON CITY-OWNED PROPERTY THROUGH PUBLIC-PRIVATE PARTNERSHIPS.**

City Council recognizes that private developers alone will never meet the affordable housing needs of the community. Land and construction costs are simply too high, making it difficult to provide affordable prices without subsidies. Current and future housing obligations associated with development agreements are projected to net around 400 units. To achieve the goal of 800 affordable units by 2026, the remaining units will be developed directly by the City, or in partnership with other entities. To that end, in 2016 the City Council committed approximately \$19 million in Lower Park Ave RDA bond funds and \$5 million in resort community tax revenue to launch a multi-year development pipeline. These funds subsidize land costs and up to 20% of construction costs for affordable units, and eighty percent revolves back to fund future affordable housing projects.



Photo Credit: Brooke Wilson (2019).

This year, the City completed Woodside Park, Phase I, shown on the left. This project features eight affordable owner-occupied units.

Woodside Park, Phase II is slated to add 50-60 more affordable units to the affordable housing stock in the next few years.

## AFFORDABLE HOUSING PIPELINE

The following affordable housing projects have been completed since the City's 2017 Housing Assessment and Plan or are in the works:

- Ivory Homes, under a sales agreement with the City, will build 79 affordable homes as part of their larger Park City Heights development in Quinn's Junction. To date, 35 are completed and 33 are in the pipeline for completion this year. The final 11 homes will be completed within the next few years.
- In 2018, the City purchased 11 units in the Central Park Condominiums that were slated for market-rate sale. The units are now deed restricted and occupied by qualified buyers.
- In 2018, the City finished construction of The Retreat at the Park, eight single-family homes. These units are owner-occupied by qualified households.
- In 2018, the City purchased 23 affordable units in the Prospector Condos, renovated the units, and will rent the units to the City's transit employees.
- In 2019, the City completed Woodside Park Phase I, eight owner-occupied units.
- The following City-sponsored projects are in progress:
  - 1875 Homestake Drive (50-60 units)
  - Woodside Park Phase II (50-60 units)
  - Arts & Culture District (number of units to be determined)
- A balance of 13.225 units will be built to fulfill the affordable housing obligations of private developers working in the Empire Pass area.
- Affordable housing units will be considered for all the City's future capital projects.

## 2020 GOALS AND STRATEGIES | GOAL 2

### **GOAL 2: DEVELOP A FINANCIAL STRATEGY TO USE HOUSING AUTHORITY BONDS TO BUILD HOUSING AUTHORITY-OWNED LOW AND MODERATE INCOME RENTALS.**

The most affordable rental units are those built or substantially rehabilitated using federal Low Income Housing Tax Credit (LIHTC) and those subsidized by HUD and USDA programs. HUD programs are in such high demand in more populated areas of Utah, there are limited subsidies for Summit County. LIHTC is no longer serving the lowest income households in the community. According to the 2016 *Park City Housing Needs Assessment* conducted by James Wood, “[o]nly fifty-nine of the tax credit units...are targeted for very low income households” at or below 50 percent of AMI (\$49,410 for a family of three). As a result, more rental units for tenants with a very low income are needed to ensure that people of all income levels are able to live and work in Park City.

The Budget Department is working on a strategy to finance affordable rental units for low and moderate income individuals. The Housing Authority will issue Housing Authority bonds to finance a portion of affordable housing construction on City-owned property with up to a 20% subsidy from City funds. The City subsidized construction value and property will be donated to the Housing Authority. The Housing Authority will own the affordable housing units to be used for low to moderate income rentals to ensure long-term affordability of the units. This strategy will be implemented for an upcoming project that includes affordable units and may be used to fund another City affordable housing project.

## 2020 GOALS AND STRATEGIES | GOAL 3

### **GOAL 3: IMPLEMENT ZONING INCENTIVES FOR AFFORDABLE UNITS IN NEW DEVELOPMENTS; REDUCE PARKING FOR CERTAIN AFFORDABLE HOUSING; AMEND THE LAND MANAGEMENT CODE TO INCENTIVIZE AFFORDABLE HOUSING DEVELOPMENT.**

In 2017, Planning staff began reviewing the Land Management Code to identify potential impediments to affordable housing development, such as:

- Density and relationship to open space;
- Unit size and relationship to open space;
- Usability of open space; and
- Reduction in parking relative to size of unit.

Staff brought proposed Land Management Code amendments to the Commission and Council in 2018. Upon direction of the Council, the City hired land use consultants Cascadia Partners to investigate the financial feasibility of proposed amendments to the City's Master Planned Affordable Housing Development. Cascadia is in the process of completing their findings report and Planning staff will bring forth recommended amendments to the Master Planned Development affordable housing provisions based on Cascadia's findings.

Also, Planning staff proposed amendments to the Land Management Code parking regulations for Accessory Apartments, the City's Accessory Dwelling Units. Planning staff will continue to work with the Commission and Council to investigate potential amendments to the Land Management Code that may incentivize the construction and rental of affordable Accessory Apartments with reduced parking requirements.

## 2020 GOALS AND STRATEGIES | GOAL 4

### **GOAL 4: ENCOURAGE AFFORDABLE HOUSING NEAR TRANSIT. LOCATE CITY HOUSING PROJECTS WITHIN 1/4-MILE OF A FIXED ROUTE TRANSIT STOP.**

The 2014 General Plan discusses the importance of planning and creating Transit-Oriented Developments through clustering dense housing and mixed-uses to support a high capacity and efficient mass transit system with access to employment centers, shopping, and government services. The Housing Toolbox recommends locating Affordable Housing in Transit-Oriented Development Zones. Goal 5 of the General Plan is to be a leader in energy efficiency and conservation of natural resources, reducing greenhouse gas emissions by at least fifteen percent (15%) below 2005 levels in 2020. To achieve this goal, Community Planning Strategy 5.2 encourages the identification of locations within existing neighborhoods in which increased density and/or mixed use are compatible, are located within 1/4-mile of public transit, and would decrease trip generation and associated vehicle miles traveled.

As the City advances the Critical Community Priority of Transportation, Planning staff will work with Transportation staff to evaluate and recommend potential Land Management Code revisions that support affordable housing units near transit that align with the Park City Long-Range Transportation Master Plan, scheduled for adoption in spring of 2020.



Rendering Credit: Method Studio, Inc. (2019).

Woodside Park Phase II, shown on the left, is slated for construction in the next few years and will provide 50-60 affordable units. The units are located in Old Town and are within walking distance to the City's free transit.

## IMPLEMENTATION TIMELINE

### **GOAL 1: BUILD AFFORDABLE AND ATTAINABLE UNITS ON CITY-OWNED PROPERTY THROUGH PUBLIC-PRIVATE PARTNERSHIPS.**

Complete 58 ownership units and 70 rental units by 2022.  
Oversight: Jason Glidden, Housing Development Manager

### **GOAL 2: DEVELOP A FINANCIAL STRATEGY TO USE HOUSING AUTHORITY BONDS TO BUILD HOUSING AUTHORITY-OWNED LOW AND MODERATE INCOME RENTALS.**

Finalize the financial strategy by end of 2020 and begin rental unit development.  
Oversight: Jason Glidden, Housing Development Manager  
Nate Rockwood, Director of Redevelopment & Capital Management

### **GOAL 3: IMPLEMENT ZONING INCENTIVES FOR AFFORDABLE UNITS IN NEW DEVELOPMENTS; REDUCE PARKING FOR CERTAIN AFFORDABLE HOUSING; AMEND THE LAND MANAGEMENT CODE TO INCENTIVIZE AFFORDABLE HOUSING DEVELOPMENT.**

Finalize Code review and revisions of the Land Management Code by the end of 2020.  
Oversight: Hannah Tyler, Senior Planner, AICP; Rebecca Ward, Land Use Policy Planner  
Jason Glidden, Housing Development Manager

### **GOAL 4: ENCOURAGE AFFORDABLE HOUSING NEAR TRANSIT. LOCATE CITY HOUSING PROJECTS WITHIN 1/4-MILE OF A FIXED ROUTE TRANSIT STOP.**

The Transportation Master Plan is scheduled for adoption in the spring of 2020. Review and revise the Land Management Code by the end of 2021.  
Oversight: Hannah Tyler, Senior Planner, AICP; Rebecca Ward, Land Use Policy Planner  
Jason Glidden, Housing Development Manager

## FAIR HOUSING

The City works with local organizations to distribute information on affordable housing opportunities and to solicit feedback. These organizations include PC Unidos, the Christian Center, Peace House, Planned Parenthood, Holy Cross Ministries, the National Ability Center, and the Park City School District Latino Program. The City translates its affordable housing information to meet the needs of local tourists and populations.

In accordance with state and federal laws, Park City exercises the authority to plan, zone, and regulate land use in promoting the community's health, safety, and welfare. 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 Park City. The City's housing policies, plans and Municipal Code strictly prohibit discrimination on the basis of race, color, religion, sex, national origin, familial status, source of income, disability, sexual orientation, or gender identity.