MOAB AREA
HOUSING
TASK FORCE

2023 MOAB AREA AFFORDABLE HOUSING PLAN

Prepared by the Moab Area Housing Task Force

INTRODUCTION

Housing is the backbone of every community. Housing has direct and indirect links to all aspects of community and economic development and serves as the foundation for a high quality of life. The Moab Area needs an adequate and accessible supply of housing for residents and employees in order to sustain its reputation as a world-class destination and a great community in which individuals and families can live, work, and play. To that end, this housing plan shall guide future policy-making, budgeting, and programmatic development at various levels of local government.

Background

Housing affordability has become a primary challenge for communities across the country. Regardless of size, location, economic profile, or political character, demand for affordable housing has never exceeded supply by such a large degree, as supported by the data presented in this plan. The imbalance is exacerbated in gateway and natural amenities-rich communities throughout the American West. Although Moab is not alone in trying to overcome the housing challenge, it must find solutions appropriate to the local context.

Addressing the lack of affordable housing stock has been a visible priority for Grand County and Moab City for many years, and the continuously increasing demand and strain that this has put on the community is extremely apparent. The City and County created its first Affordable Housing Plan in 2009 and was updated in 2017 as local community and economic factors evolve. This Plan is often referenced by local entities seeking state and federal funds for affordable housing developments, and it serves as a guide to elected officials as they craft housing policies and projects to benefit the community.

The Moab Area Housing Task Force (MAHTF) was established in 2009 as a result of the original Plan and is a voluntary body of community members and local government representatives that lobbies for fair housing opportunities for every resident of the Moab area. The MAHTF targets policies and programs that address the decline of housing affordability and availability. The Task Force meets monthly, includes broad representation from the community, and serves as a driving force in the affordable housing arena, including publishing regular updates to the Moab Area Affordable Housing Plan.

2023 Housing Plan

Though the Moab Area Affordable Housing Plan was updated and adopted by both City and County officials in 2017, the Moab Area Housing Task Force and local government bodies identified a need in late 2021 to provide updated information regarding the current housing status to the community.

The Moab community has changed drastically once again since the 2017 plan. A multitude of economic and community factors have continued to amplify Moab's housing crisis, including, but not limited to, the economic effects of COVID-19, the continuing rise of second homeownership, inflating real estate prices, the rise of vehicle dwelling and other alternative, transient lifestyles, and increasing inflation.

There is no silver bullet to solve Moab's housing crisis, and various forms of action must be taken, as referenced in this plan, to rectify this collective issue. The updated information in this document is intended to inform the Moab area's policymakers, community leaders, developers, and residents of the current housing strains, and it provides a suite of actions and solutions recommended by the Moab Housing Task Force to address these challenges.

This 2023 update explores the current demographic and employment characteristics of the Moab area, as well as its housing stock, risks to housing, and future housing needs. The analysis of this information will instruct decisions and policies within the City and County for the next five years, with targeted housing goals spanning to the year 2030.

Community Involvement

Vocal activism for local housing efforts and policies have been present throughout Moab for many years. Just as local government officials and staff host interactive workshops, town halls, and public meetings to engage and inform the public about a new legislative housing policy, so has the MAHTF engaged elected officials, housing specialists, local developers, employers and their employees, and community residents in preparing this Plan.

The following are direct actions the MAHTF have employed to engage the community in developing this plan:

- Conducting a Moab employer housing survey at the 2022 Canyonlands Business Summit to gauge the impact of the current housing environment on local businesses and employers. See 'Workforce Housing - Housing Needs Analysis' section for qualitative results.
- Reviewing the Action Plan (p. 49) and designating Moab's affordable housing priorities through workshops with both City and County Planning Commissions.
- Soliciting public feedback on the Action Plan at the Moab Housing Fair, held in December 2022.

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HOUSING TERMINOLOGY

Affordable housing involves many federal, state, and local agencies, programs, budgets, and stakeholders, each with their own housing vernacular. The following is a list of common terms used in the affordable housing arena:

Accessory Dwelling Unit (ADU) -- A secondary and typically smaller dwelling unit built on a parcel with a primary dwelling unit. These are sometimes referred to as "mother-in-law" apartments. ADUs can be 'attached', 'detached', or 'interior' to the primary dwelling unit.

Adjusted Gross Income (AGI) -- Gross income minus adjustments to income.

Affordable Housing -- Federal and State policies consider housing to be affordable when housing costs consume no more than 30 percent of gross annual household income; this standard particularly applies to households earning less than 80 percent of Area Median Income. Rental housing costs include rent, water, gas, and electric payments. Ownership housing costs include mortgage, taxes, insurance, water, sewer, gas, electric payments and homeowner association fees. Some federal policies consider housing to be affordable when the gross household income remaining after all housing costs are paid is sufficient to cover other essential expenditures such as food, clothing, healthcare, transportation, and childcare. This alternative definition of affordable housing is referred to as residual income.

Affordability Gap -- A term that generally refers to the difference between the amount that a household could afford to pay for housing without spending more than thirty percent of its income and the actual average cost of housing expenses and. This figure is typically computed for households earning the Area Median Income.

Area Median Income (AMI) -- Also, Area Median Family Income (MFI) -- The income level of households in a community where half the households of the same size earn more than the AMI and half earn less than the AMI. Each year the federal government designates the AMI for a community for households of 1-8 people, using a family of four as the baseline. Many affordable housing programs use AMI to determine household eligibility. In 2022, the AMI for a household of four in Grand County is $70,600 per year (HUD). * The State of Utah deviates slightly from national income limit standards, classifying households with a gross median income of 80% AMI as "Moderate Income," rather than "Low Income," per national standards, which are depicted above.

Assured Housing -- Also, Inclusionary Zoning or Fair-Share Housing -- A set of policies that requires new development to include affordable housing. Private housing developers may be required to build deed-restricted affordable housing as a percentage of or in addition to market rate housing. A community may adopt assured housing policies to meet a variety of community goals including economic integration and targeted development. Often, development incentives are utilized to offset the reduced profit associated with construction of deed-restricted units. Private commercial or non-residential developers may be provided several compliance alternatives including on-site construction, off-site construction, land dedications, fee-in lieu, or others.

Attainable Housing -- A term with multiple meanings that generally refers to housing that is affordable to a household earning between 80 percent (80%) and 120 percent (120%) of AMI.

Chronic Homelessness -- Occurs when an unaccompanied homeless adult (18 years or older) with a physical or mental disability has either been continuously homeless for one year or more OR has had at least four separate occasions of homelessness in the past three years, where the combined occasions total a length of time of at least 12 months.

Community Land Trust (CLT) -- A non-profit organization recognized by the U.S. Department of Housing and Urban Development [HUD]. A CLT acquires land through purchase or donation, then allows housing units to be built on the land through ground leases. By removing the cost of land acquisition and restricting occupancy to income eligible households, the CLT reduces the overall cost of construction. This helps keep the housing units affordable.

Community Housing Development Organization (CHDO) -- A non-profit organization recognized by HUD. A CHDO develops and/or operates affordable housing projects. A CHDO can access a wider range of public and private financing than other non-profit organizations or government agencies.

Cost-burdened -- Households paying more than 30 percent (30%) of gross annual household income are considered cost-burdened.

CROWN Program -- An affordable home lease-to-purchase program funded by low income housing tax credits available through the Utah Housing Corporation to qualifying families earning up to 60 percent of AMI. After the expiration of the 15 year compliance period, the tenants occupying the home have the option of purchasing the home for an amount equal to the unpaid balance of the financing sources plus a portion of the original equity invested. Program includes training in personal finance, home maintenance, and repair.

Deed Restrictions -- Part of the deed to a property, restrictions can impose purchase or rental eligibility requirements, limit the price at which a property can be sold, or limit the rental rate an owner may charge. Deed restrictions help keep properties affordable over time.

Density Bonus -- Density bonuses allow developers to increase the number of housing units they may build on a parcel above what is normally allowed in the zone. In exchange, the developer deed-restricts a percentage of the units so they remain affordable to income-eligible households over time.

Development Code Barrier Reduction or Elimination -- Modification of local housing development codes to improve land use and reduce housing costs. Many communities are examining local zoning rules to ascertain if there are regulations (excessive setbacks, height limits, road widths, density restrictions, etc.) that make it difficult to build both market rate and affordable housing. Doubling Up -- More than one household living in the same housing unit. In some instances, more than two households may live in the same housing unit. In the context of this document, the authors refer to multiple households living together out of necessity more than choice.

Employer Assisted Housing Program -- In some communities, businesses or government agencies attract and retain key employees by helping them find and pay for housing. Sometimes the help comes in the form of low- or no-interest loans, forgivable loans, or down payment assistance. Employers can develop their own individual programs or join with other employers to pool their money into one fund.

Essential Housing -- Also, Workforce Housing -- A term used to describe housing available to a class of individuals often viewed as vital community service providers, such as police officers, firefighters, teachers, nurses, and others. In the Moab Area, service industry employees are also viewed as essential service providers.

Fair Market Rent (FMR) -- Rent level guidelines for the Housing Choice Voucher Program established by HUD for each county in the United States.

Fast-Track Development Process -- An expedited project approval process for developments with affordable housing units. Reducing review time can often reduce housing costs. May include "front of the line" policies for reviewing projects. Fee Deferrals or Waivers -- The fees charged to new construction adds to the cost of an affordable housing project. In some instances local government will allow developers to pay the fees at a later time (fee deferral) or, in some cases, pay the fees for the developer (fee waiver) in order to lower the cost of construction. In all cases, local government should acknowledge that impacts are still created, but the manner in which they are accounted for is adjusted.

Household Income -- The combined gross income of all residents in a household. Income includes wages and salaries, unemployment insurance, disability payments, and child support. Household residents do not have to be related to the householder for their earnings to be considered part of household income.

Housing Quality Standards -- Building safety standards units must meet to qualify for participation in the Housing Choice Voucher Program and other state rental assistance programs.

Housing Rehabilitation Programs -- Low interest loans or grants available to low-income property owners and tenants to repair, improve, or modernize their dwellings or to remove health and safety problems.

Housing Trust Fund -- A community may collect public and private funding that can be used to subsidize affordable housing projects in that community.

HUD -- United States Department of Housing and Urban Development.

Imminent Risk of Homelessness -- Meaning that homelessness is likely within 30 days.

Inclusionary Zoning -- See Assured Housing

Income Eligible Households -- Each affordable housing program defines the income range for households that are eligible to participate in that program.

Infill Development -- The process of developing vacant or underutilized parcels of land within existing urban areas that are already largely developed.

Land Banking -- A strategy for identifying and securing lots and undeveloped tracts of land to support future affordable housing development. When referring to private land holdings, land banking may refer to investment strategy where property owners choose not to develop housing, suppress supply, and achieve a higher return on investment later.

Literal Homelessness -- 1. Individuals and families who lack a fixed, regular, and adequate nighttime residence, including a subset for an individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or a place not meant for human habitation immediately before entering that institution 2. Individuals and families who will imminently lose their primary nighttime residence 3. Unaccompanied youth and families with children and youth who are defined as homeless under other federal statutes who do not otherwise qualify as homeless under this definition 4. Individuals and families who are fleeing, or are attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member.

Local Match -- A local contribution of actual or in-kind funds required to "match" or leverage Federal, State, and other funding. Local matches reflect local commitment to the creation of affordable housing units.

Low-income -- Household income between 30 percent and 50 percent of Area Median Income as defined by HUD.

Manufactured Home -- A factory-built, single family structure designed for long-term occupancy that meets the Federal Manufactured Home Construction and Safety Standards of 1976 42 U.S.C. Sec. 5401, commonly known as the HUD (U.S. Department of Housing and Urban Development) Code. Such houses are delivered on permanently attached axles and wheels and are frequently referred to as "modular" when constructed in more than one building section.

Mobile Home Conversion from Rental to Resident Ownership -- As land prices increase, there is often financial pressure on mobile home park owners to close the parks and convert the properties to more profitable uses. Residents of mobile home parks sometimes can, with help from government agencies and non-profit groups, purchase the mobile home parks they live in, thereby preserving the park for affordable housing use.

Mobile Home Park Loans -- The State of Utah and various non-profit affordable housing organizations provide low-interest loans to residents of mobile home parks to purchase the parks.

Moderate-income -- Household income between 50 percent and 80 percent of Area Median Income as defined by HUD.

Mobile Home -- A residential dwelling fabricated in an off-site manufacturing facility designed to be a permanent residence, and built prior to the enforcement of the Federal Manufactured Home Construction and Safety Standards beginning June 15, 1976.

Modular Home -- A structure intended for long-term residential use and manufactured in an offsite facility in accordance with the International Building Code (IBC), or the International Residential Code (IRC). This housing type is produced in one or more building sections and do not have permanent, attached axels and wheels.

Mutual Self Help Housing Program -- A federally funded rural "sweat-equity" home ownership program through the USDA for low-income families. A group of families collectively construct their homes supervised by a non-profit housing developer. Families contribute at least 65 percent (65%) of home construction labor to the overall project. They also obtain a low interest USDA-502 loan in tandem with participating in the Mutual Self Help program.

Overlay Zone -- A special zoning district that may encompass one or more underlying zones and imposes additional requirements beyond the regulations for development in the underlying zone(s). Overlay zones deal with special situations that are not necessarily appropriate for a specific zoning district or that apply to several districts. For example, a provision of an Affordable Housing Overlay Zone that covers one or more zones might require that tracts above a specified acreage that are proposed for higher density development would also include a percentage of affordable or low-income housing units.

Payroll Wage -- The gross pay an employee receives for a given amount of time worked, typically hourly, weekly, monthly, or yearly. Gross refers to the pay an employee would receive before withholdings are made for such things as taxes, contributions, and savings plans.

Public Private Partnerships -- Partnerships between local governments, non-profit housing organizations, and the private sector established to meet local affordable housing needs by bringing additional resources and skills to the process.

Real Estate Transfer Assessment (Voluntary) -- Fees assessed when real estate properties are sold. These fees are then used to subsidize affordable housing programs.

Severely Cost-burdened -- Households paying more than 50 percent (50%) of gross annual household income are considered severely cost-burdened.

Situational Homelessness -- individuals are referred to as "situationally" or "temporarily" homeless, which generally means that their state of being without a home is temporary and can be resolved as a specific situation in their life is addressed.

Subsidized Housing -- Housing sold or rented at below market values due to government or private contributions.

Tax Abatement on Residential Construction and Rehabilitation Improvements -- Incentive to construct affordable housing or improve existing residential properties through tax relief or elimination. The increase in property tax assessed value generated by residential construction or home improvements is not taxed for a number of years, or the taxable amount is reduced by a certain percentage. Taxes associated with the assessed value before the construction or improvements take place are still collected.

Tiny Home -- An umbrella term that describes housing units under 400 sq. ft. in size. While an approved primary residence or ADU may be classified as a tiny home based on square footage, the term often refers to housing units built for temporary occupancy and that do not meet the IBC, IRC, or HUD construction standards.

Transfer of Development Rights (TDR) -- The removal of the right to develop or build, expressed in dwelling units per acre or floor area, from property in one zoning district, and the transfer of that right to land in another district where the transfer is permitted. The transfer may be made by the sale or exchange of all or a part of the permitted density of one parcel to another.

USDA -- United States Department of Agriculture.

Vacancy Rate -- In this report, vacancy rate refers to the percentage of all housing units that are not currently inhabited by full-time occupants. A vacant unit may be one which is entirely occupied by persons who have a usual residence elsewhere. New units not yet occupied are classified as vacant housing units if construction has reached a point where all exterior windows and doors are installed and final usable floors are in place.

Very Low-income -- Household income below 30 percent of Area Median Income as defined by HUD.

KEY FINDINGS

- In 2022, the Grand County Area Median Income (AMI) for a family of four was $70,600.
- The average annual wage in 2021 for all employees in Grand County was $40,056.
- 57% of all jobs in Grand County are tourism-related.
- In 2021, 14.8% of the Grand County population, or approximately 1,419 people, were living in poverty.
- 59% of the total housing stock in Grand County consists of single-family units.
- In 2022, there were 582 housing units with occupancy restrictions, 289 of which are currently income-restricted rental units, 220 of which were income-restricted at the time of construction, and 73 of which are permanently deed-restricted based on primary residency and/or income.
- 82.8% of the total Grand County housing stock is occupied, while 17.2% (890 homes) remain vacant.
- In 2023, 67.8% of Grand County homes were primary residences, while 32.2% were secondary residences.
- Out of 90 surveyed Grand County employers, 76.7% reported having lost employees due to the housing shortage, and 88.9% have experienced some or considerable difficulty fully staffing their companies and growing their business due to the lack of affordable workforce housing.
- Land and housing prices are sharply increasing, reaching an average home value of $494,537 in 2021. This price has been rising at an average rate of 10.56% each year between 2015 and 2021. In 2022, the median sale price rose to $625,000.
- According to 2021 data, a household must make an annual income of $147,746 in order to afford to purchase a home in Grand County.
- In 2021, 36% of the County's total households are cost-burdened, meaning they spend more than 30% of their total income on housing expenses; of households that make less than $50,000 annually, 65% are cost-burdened, and 50% of all households that rent are also cost-burdened.
- In 2021, 19.3% of Grand County's total housing stock consisted of registered Short-Term Rentals.
- By 2030, 949 new housing units will be needed. By 2050, this demand will rise to 3,728 new units.
  - Of these new units, 74% must cater to households with an annual income of less than $75,000, with the highest demand being for households that make less than $25,000 annually (24%).
  - Demand for new rental units accounts for 27% of the total new units needed, while owner-occupied units account for 55%. The final 18% of new housing stock will likely remain vacant, consistent with current trends.

DEMOGRAPHIC OVERVIEW

Understanding the recent trends of Grand County's population, income and employment compilation is critical to provide context to Grand County's housing realities.

Key Takeaways

- In 2021, the population of Grand County was 9,630, within which Moab City's population contributed 5,329, or 55%, of this total. The county has grown at an average rate of 0.43% per year between 2016 and 2021.
- In 2022, the Grand County Area Median Income (AMI) for a family of four was $70,600.
- The average annual wage in 2021 for all employees in Grand County was $40,056.
- 57% of all jobs in Grand County are tourism-related.
- In 2021, 14.8% of the Grand County population, or approximately 1,419 people, were living in poverty. This is in comparison to 11.6% of the US population living in poverty.
- The seasonal workforce in Grand County contributed an average of 2,226 additional individuals to the population, for a portion of the year, between 2018-2021.
- In 2022, an average of 57 individuals reported homelessness each month, with an average of 28 individuals reported being literally homeless and 24 individuals being at risk of homelessness.
- The COVID-19 pandemic exacerbated the existing housing crisis as tourism halted momentarily and then spiked dramatically, corresponding to an increase in second-homeownership.

Population and Households

Population and household formation are two of the most important indicators of housing demand over time. In Grand County, the full-time population as indicated in census data may provide inaccurate information of housing demand. As a note, Moab City is the largest municipality and only County seat. Seasonal employment, transient residents, undocumented workers, and enormous spikes in temporary populations from tourism lead to consistent underestimates of the population and, subsequently, housing demand in the Moab area.

Grand County Age Structure, 2021

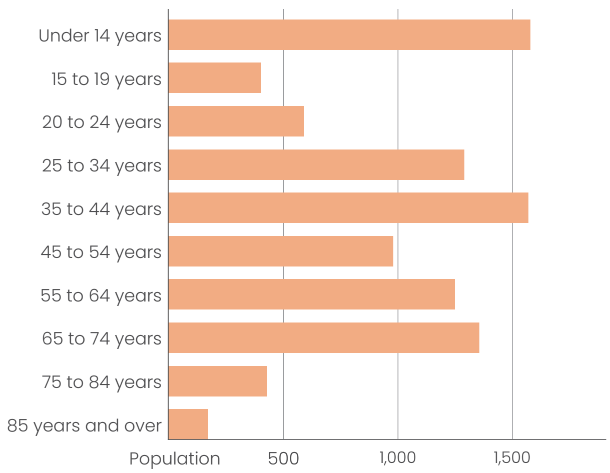


Chart 1. Grand County Age Structure, 2021
DATA SOURCE: US CENSUS ACS 5-YEAR ESTIMATES, 2021

In 2021:

- Grand County's full-time resident population grew at an average of 0.57% per year between 2015 and 2020, and then saw a decrease in population by 0.40% between 2020 and 2021. Decreasing population has not occurred in over 10 years in Grand County. Overall, the average growth rate is slowing down; the 2000s saw an average annual growth rate of 1.0% and the 1990s saw a 2.6% average annual growth rate.
- The City of Moab constitutes approximately 55.3% of the entire Grand County population.
- The average household size in Grand County has been sustained at an average of 2.20 persons per household.
- Assuming an average household size of 2.20 persons and a decrease in population between 2020 and 2021, Grand County lost an average of 17 households.
- The median age of Grand County residents is 40.8, slightly higher than the national median age of 38.5.
- The most predominant age demographics in Grand County are children (under age 14, 16.4%), young professionals (age 25-44, 29.7%), and retirees (age 55-74, 27.1%).

Sources: US Census Bureau; Grand County Building Department; Grand County Clerk/Auditor

Population and Household Estimates

Population and Households	2016		2017		2018		2019		2020		2021	
Moab City Population	5,196	55.1%	5,232	54.8%	5,259	54.7%	5,268	54.6%	5,366	55.5%	5,329	55.3%
Non-Moab County Population	4,232	44.9%	4,312	45.2%	4,357	45.3%	4,372	45.4%	4,303	44.5%	4,301	44.7%
Total Grand County Population	9,428		9,544		9,616		9,640		9,669		9,630	
Population Change		0.43%		1.23%		0.75%		0.25%		0.30%		-0.40%
Total Housing Units	5,063		5,224		5,329		5,440		5,554		5,161	
% Increase in Units		1.36%		3.18%		2.01%		2.08%		2.10%		-7.08%
Occupied Housing Units	3,820	75.4%	3,873	74.1%	4,006	75.2%	4,191	77.0%	4,442	80.0%	4,271	82.8%
Vacant Housing Units	1,243	24.6%	1,351	25.9%	1,323	24.8%	1,249	23.0%	1,112	20.0%	890	17.2%
Owner-Occupied Units	2,658	69.6%	2,710	70.0%	2,593	64.7%	2,730	65.1%	2,912	65.6%	2,770	64.9%
Renter-Occupied Units	1,162	30.4%	1,163	30.0%	1,413	35.3%	1,461	34.9%	1,530	34.4%	1,501	35.1%
Average Household Size	2.47		2.46		2.40		2.30		2.18		2.25	
Poverty Rate		17.0%		12.7%		8.40%		9.10%		14%		14.8%

Table 1. Full-Time Population and Household Estimates
DATA SOURCE: US DECENNIAL CENSUS DATA (2021)

Income, Wages, and Employment

The annual income of Grand County residents directly affects the affordability, accessibility, and stability of the local housing market. Like many rural western gateway communities, Grand County's employment sectors lean heavily on tourism-related and service-industry jobs, which are high in demand but are generally unable to provide sufficient incomes to keep up with the current housing prices; many of these jobs also tend to be part-time, seasonal, and lack benefits. Only a select few employment sectors provide wages sufficient to make housing affordable.

The discrepancy between wages offered by local employers and annual household income cause strains on the demand for affordable housing in Grand County. **A wage is the payment one receives for hours worked and is included as a portion of a household's annual income; income is all money collected by a household, including sources such as child support, Social Security Income (SSI), bonuses, investments, dividends, gifts, interest, and other non wage-based revenues.**

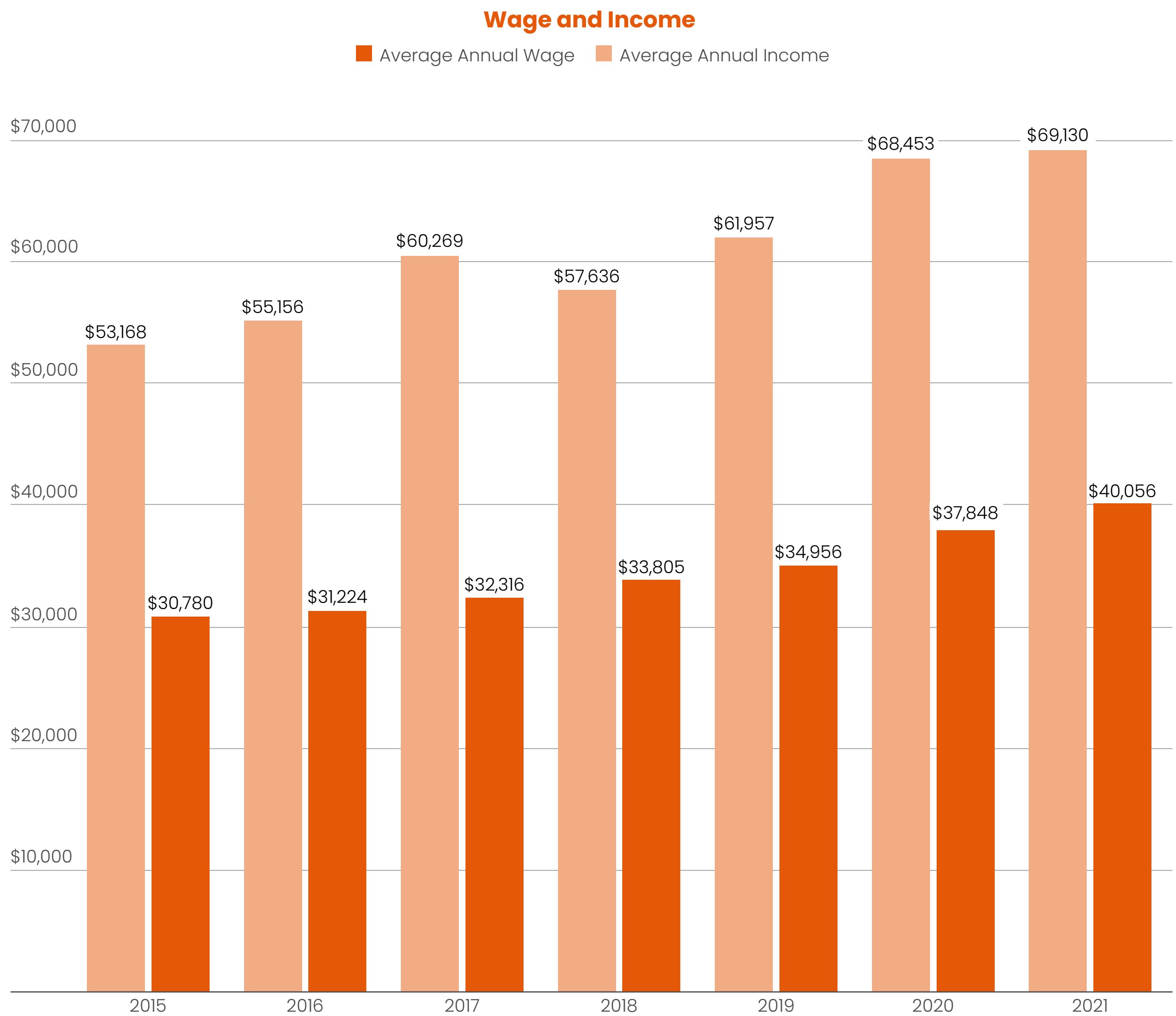


Chart 2. Difference between Average Annual Wage and Income in Grand County
DATA SOURCES: UTAH DEPARTMENT OF WORKFORCE SERVICES, US CENSUS ACS 5-YEAR ESTIMATES

Between 2015 and 2021, the average annual wage and the average annual household income both increased in Grand County by about 30%, though income has risen slightly faster than wages; average annual wages have risen by an average of 4.51% per year, while income increased by 4.60%.

Household Income

In 2022, the Area Median Income (AMI) for a household of four in Grand County was $70,600 per year, which is a significant increase from $56,700 in 2017. Many affordable housing programs use AMI to determine household eligibility, broken down into "low income," "very low income," and "extremely low income" categories. Household income suggests how accessible different housing options are to Grand County residents. See Table 2, below, for the 2022 Grand County AMI breakdown.

2022 Area Median Income

Number of people in Household	1	2	3	4	5	6	7	8
30% limit - extremely low income	$17,400	$19,900	$23,030	$27,750	$32,470	$37,190	$41,910	$46,630
50% limit - very low income	$29,050	$33,200	$37,350	$41,450	$44,800	$48,100	$51,400	$54,750
80% limit - low income	$46,450	$53,050	$59,700	$66,300	$71,650	$76,950	$82,250	$87,550
100% AMI	$70,600							

Table 2. Area Median Income, Grand County, UT, 2022
DATA SOURCE: US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (2022)

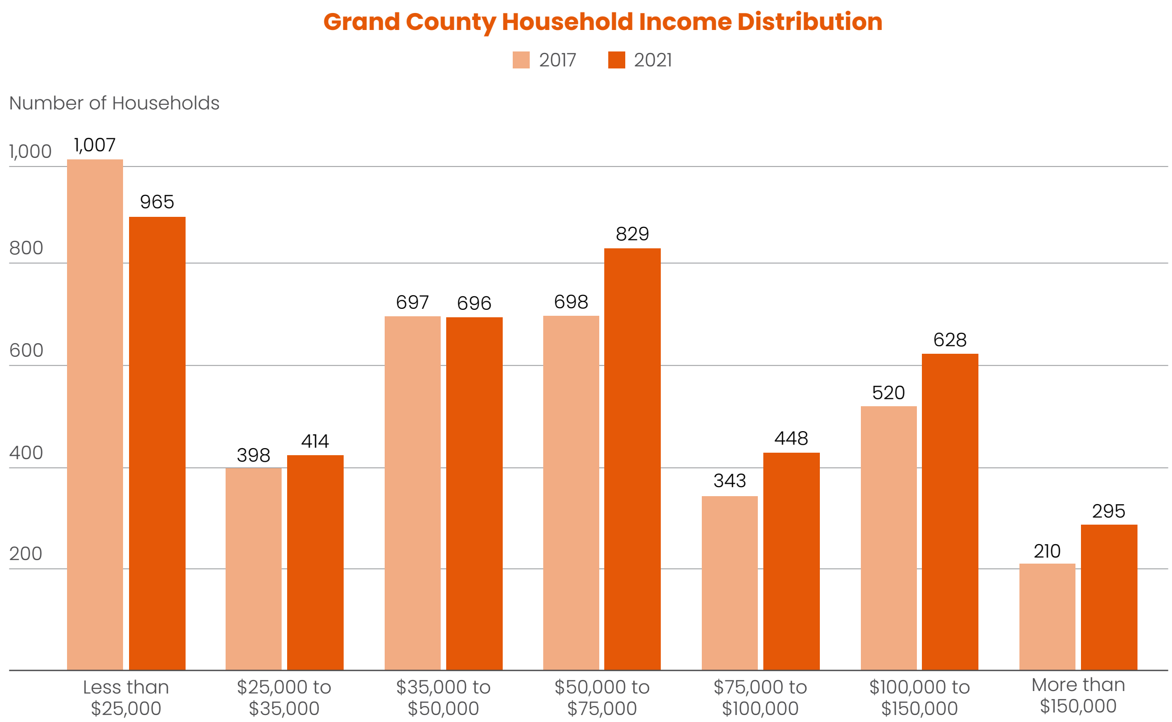


Chart 3. Grand County Household Income Distribution, 2017 and 2021
DATA SOURCE: US CENSUS

Throughout almost all income brackets, Grand County households are earning higher incomes in 2021 than in 2017. However, the number of households with incomes between $50,000-$150,000 have increased most significantly between 2017 and 2021, with a 19% increase in the number of households earning between $50,000 - $75,000, and a 31% increase in the number of households earning between $75,000 - $100,000. Most significantly is the increase of the number of households earning more than $150,000 annually. This income bracket saw an increase of 40%! This mirrors the overall trend that Grand County has seen of new household growth largely being made up of second homeowners and retirees who tend to bring higher annual incomes to the area.

Household Wages

According to the Utah Department of Workforce Services, there were an average of 6,403 employees in Grand County in 2021, and the average annual wage for all employees was $40,056. Highlighted in the table below, tourism-related industries account for 57% of all jobs in the county and average an annual wage of $32,719. Tourism-related industries include Retail Trade, Real Estate and Rental and Leasing, Arts, Entertainment, and Recreation, and Accommodation and Food Services.

Grand County Employment Information 2021

Industry	Average Employment	Number of employers	Payroll	Average Monthly Wage	Average Annual Wage	Hourly Rate	% of Labor Force
All Industries	**6403**	**648**	**$256,517,407**	**$3,338**	**$40,056**	**$19.26**	**100.0%**
Tourism-Related Industries*	**3649**	**277**	**$119,372,617**	**$2,727**	**$32,719**	**$15.73**	**57.0%**
Mining	77	7	$6,792,353	$7,375	$88,500	$42.55	1.2%
Utilities	36	6	$3,046,099	$7,100	$85,200	$40.96	0.6%
Construction	360	73	$15,782,483	$3,658	$43,896	$21.10	5.6%
Manufacturing	111	12	$5,838,727	$4,403	$52,836	$25.40	1.7%
Wholesale Trade	93	15	$4,388,674	$3,933	$47,196	$22.69	1.5%
Retail Trade	869	86	$28,355,796	$2,720	$32,640	$15.69	13.6%
Transportation and Warehousing	175	25	$6,883,002	$3,287	$39,444	$18.96	2.7%
Information	57	12	$2,023,321	$2,971	$35,652	$17.14	0.9%
Finance and Insurance	70	15	$3,986,764	$4,729	$56,748	$27.28	1.1%
Real Estate and Rental and Leasing	175	44	$6,133,950	$2,917	$35,004	$16.83	2.7%
Professional Scientific & Technical Svc	203	53	$11,171,428	$4,592	$55,104	$26.49	3.2%
Admin., Support, Waste Mgmt, Remediation	198	30	$6,411,303	$2,695	$32,340	$15.55	3.1%
Education Services	312	17	$12,418,963	$3,616	$43,392	$20.86	4.9%
Health Care and Social Assistance	484	38	$27,837,943	$4,793	$57,516	$27.65	7.6%
Arts, Entertainment, and Recreation	556	37	$18,798,474	$2,819	$33,828	$16.26	8.7%
Accommodation and Food Services	2049	110	$66,084,397	$2,688	$32,256	$15.51	32.0%
Other Services (except Public Admin.)	78	28	$3,056,441	$3,286	$39,432	$18.96	1.2%
Public Administration	495	39	$27,192,724	$4,576	$54,912	$26.40	7.7%

Table 3. Grand County Employment Information, 2021
DATA SOURCE: UTAH DEPARTMENT OF WORKFORCE SERVICES (2021)

Average Employment Over Time

	Grand County					State of Utah	
Year	Average Employment	Establishments	Payroll	Average Monthly Wage	Average Annual Wage	Average Monthly Wage	Average Annual Wage
2015	5,252	551	$161,636,535	$2,565	$30,780	$3,621	$43,452
2016	5,405	550	$168,764,075	$2,602	$31,224	$3,705	$44,460
2017	5,641	556	$182,256,504	$2,693	$32,316	$3,810	$45,720
2018	5,899	586	$199,423,391	$2,817	$33,804	$3,969	$47,628
2019	6,089	605	$212,804,919	$2,913	$34,956	$4,135	$49,620
2020	5,686	616	$215,196,546	$3,154	$37,848	$4,491	$53,892
2021	6,403	648	$256,517,407	$3,338	$40,056	$4,745	$56,940
% change 2015 - 2021	21.92%	17.60%	58.70%	30.14%		31.04%	

Table 4. Employment Trends (2015 - 2021)
DATA SOURCE: UTAH DEPARTMENT OF WORKFORCE SERVICES

Household Wages continued

Since 2012, both wages in Grand County and inflation (measured by Consumer Price Index for the Western United States region) have been rising. Chart 4 demonstrates how wages have been largely rising at a faster rate than inflation, indicating a net increase of wealth in Grand County. Wage data for 2022 is not yet available, but may indicate a shift in this trend as inflation in 2022 rose at a record rate of 8.01%—it is unclear if wages also rose at a similar rate.

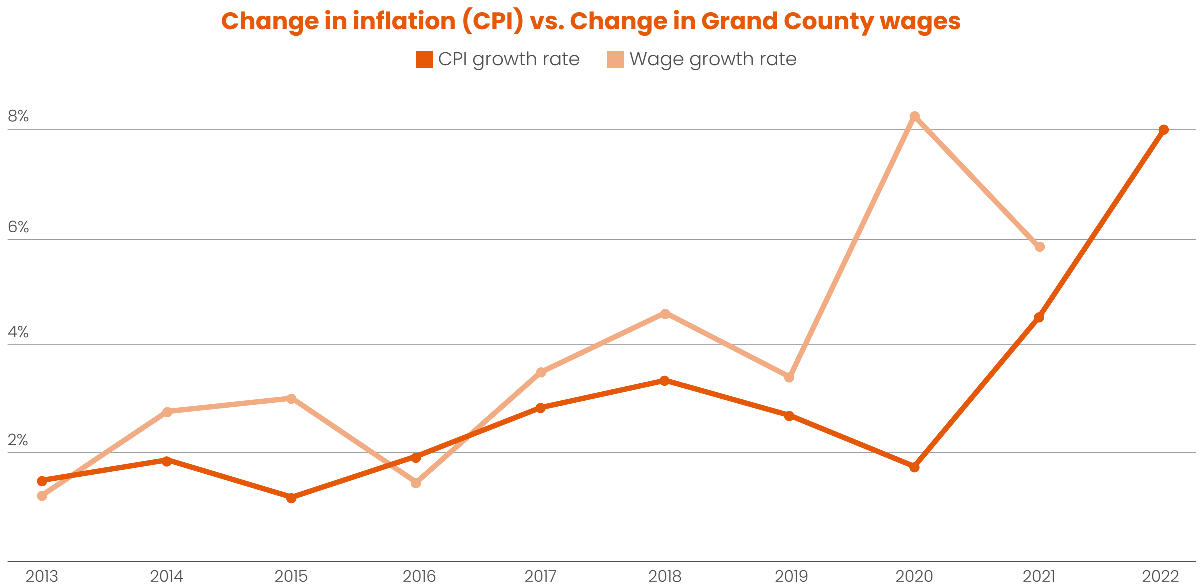


Chart 4. Change in Inflation in the Western US Compared with Change in Grand County Wages
DATA SOURCE: US BUREAU OF LABOR STATISTICS, UTAH DEPARTMENT OF WORKFORCE SERVICES

Data Analysis:

- The average number of nonagricultural jobs in Grand County increased by 21.9% between 2015 and 2021 as the economy continued to expand. Job growth was most concentrated in the following industries:
    - Manufacturing: 146.7%
    - Transportation and Warehousing: 82.3%
    - Professional, Scientific & Technical Services: 69.2%
    - Real Estate and Rental and Leasing: 62%
- Between 2015 and 2021, the average annual wage increased by 30.14% from $30,780 to $40,059.
- In 2021, Grand County's average monthly wage was $3,338, which is $1,407 less than the state average.
- In 2020, Grand County's median household income ranked the ninth lowest out of 29 counties in the state of Utah.
- In 2021, 14.8% of the Grand County population, or approximately 1,419 people, were living in poverty, and 22.6% of all households made less than $25,000 in yearly income, which was a decrease from 26% in 2017.

Seasonal Employment

While difficult to track, the number of seasonal workers in the Moab area can be estimated by comparing the highest and lowest monthly nonagricultural job counts from the Utah Department of Workforce Services. Between 2018 and 2021, but excluding the year 2020 due to COVID-19 pandemic-induced employment abnormalities, Grand County experienced the lowest number of nonagricultural jobs each January and the highest number of nonagricultural jobs each June. An average of these seasonal differences indicates that the seasonal workforce in Grand County has included approximately 2,226 jobs over the past several years.

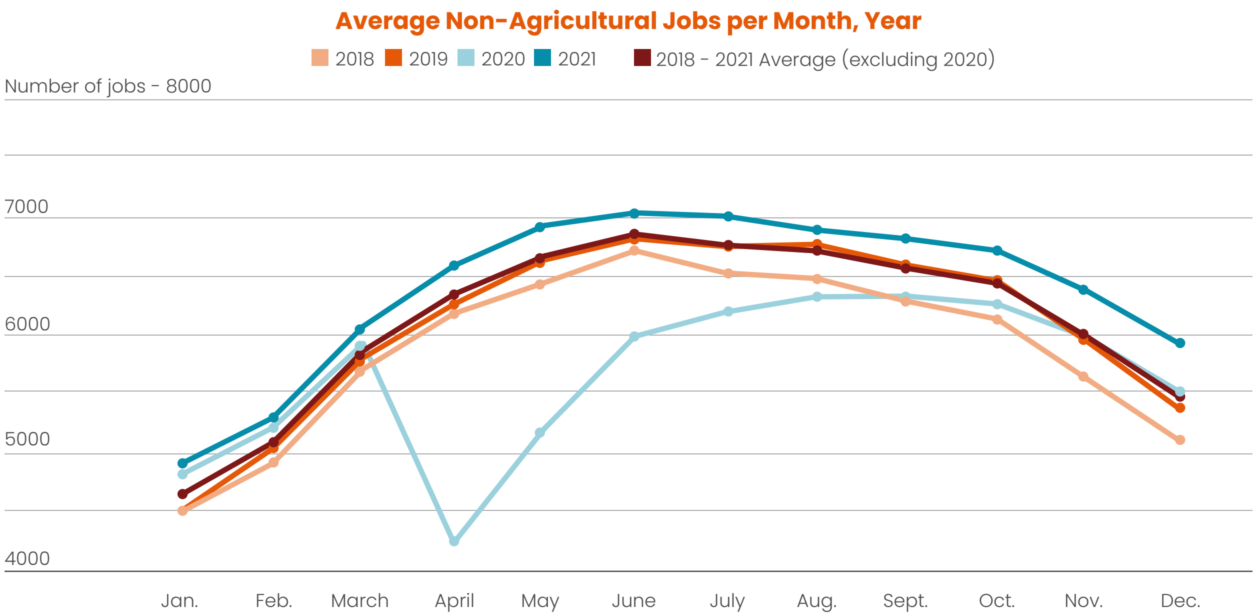


Chart 5. Number of Non Agricultural Jobs per Month Per Year
DATA SOURCE: UTAH DEPARTMENT OF WORKFORCE SERVICES (2018 - 2021)

At-Risk Populations

While a lack of affordable housing impacts all parts of the community, there are certain demographics who are at higher risk than others. These groups include: single-parent households—especially those with a single female householder—seniors and those living on fixed incomes, undocumented people, those without valid identification or social security numbers, those who suffer from substance use disorder or mental illness, experience domestic violence, and homelessness, and—specifically to Moab—those working in the tourism, hospitality, and service industry who are more likely to be housing insecure.

The Grand County Local Homeless Council defines homelessness according to the HEARTH Act and includes individuals and families who do not have a fixed, regular, and adequate nighttime residence, those who will imminently lose their primary nighttime residence within 30 days without intervention, and those who are fleeing or attempting to flee dangerous, violent or life-threatening conditions[1]. Homelessness is often broken up into "literal homelessness" and "imminent homelessness."

In 2022, an average of 57 individuals received homelessness or housing services each month from the Moab Valley Multicultural Center. Of these individuals, an average of 11 (20%) reported experiencing literal homelessness, 3 (5%) reported chronic homelessness, and 26 (46%) reported situational homelessness, while an average of 17 (30%) individuals reported being at imminent risk of homelessness each month.

Of these total individuals, a monthly average of 26% reported mental illness, 34% reported active substance use disorder, and 23% reported surviving domestic violence within the past 12 months. A monthly average of 21% were youth and 8% were classified as being chronically homeless—defined as 12 months of continual literal homelessness, or a cumulative 12 months of homelessness over three years.

Safe, attainable, and affordable housing fosters both individual and community health, increasing the opportunity for resiliency for all members of the community, especially the above at-risk populations.

COVID-19 Pandemic Impacts

The COVID-19 pandemic caused drastic economic turmoil in Grand County due to the abrupt halt of tourism during the spring months of 2020, followed by a sharp increase in tourism during the second half of 2020 and all of 2021. Strained businesses, particularly those in the accommodation and food services, retail, and entertainment and recreation industries, were forced to let go of many of their employees in March and rehire by June to keep pace with tourists returning to the community.

During the pandemic, domestic visitation increased due to international travel restrictions, causing an unprecedented increase in tourism locally; by September 2020, total employment in Grand County rebounded and far exceeded pre-pandemic employment levels. Despite the many pandemic-induced economic challenges, some industries—such as Professional, Scientific, and Technical Services; Administrative and Support Services; and Public Administration—saw an increase in jobs (though notably, Real Estate and Rental Leasing saw a decrease), and many industries experienced significant wage increases in Grand County due to increased demand for additional employees.

Additionally, the "Zoom Boom"—a phenomenon in which professionals work fully remotely for their business which allows them to relocate anywhere in the country—is causing disruption in the employment and real estate markets. Over the past several years, Moab has become a destination for many remote-working professionals because of the numerous recreational and environmental opportunities. The impacts of this remote-working professional influx are being unveiled as the average income of the Moab area is increasing disproportionately to the local economy and the demand for housing is increasingly outpacing the supply.

Sources: Grand County Local Homeless Council, Moab Valley Multicultural Center, Utah Department of Workforce Services

[1] See full HEARTH act definition of Homelessness in the Housing Terminology sections of this plan.

HOUSING STOCK OVERVIEW

Housing stock and occupancy trends play into the availability of housing availability for local Grand County residents.

Key Takeaways

- In 2021, there were 5,161 total housing units in Grand County.
- 59% of the total housing stock in Grand County consists of single-family units.
- In 2022, there were 582 housing units with occupancy restrictions, 289 of which are currently income-restricted rental units, 220 of which were income-restricted at the time of construction, and 73 of which are permanently deed-restricted based on primary residency and/or income.
- The age of housing stock is trending newer due to the increase of residential construction. Still, however, there is a large amount of the stock dated from the 1980s and earlier.
- In 2023, 67.8% of Grand County homes were primary residences, while 32.2% were secondary residences.
- Moab City and Grand County residential construction saw significant increases between 2015 and 2017 with over 150 new units constructed; since then, there have been over 100 newly constructed units on record every year.
- Many Grand County residents live in non-traditional housing, such as vehicles, recreational vehicles (RVs), mobile homes, tiny homes, yurts, or camping, either by choice or necessity.

Construction of Wingate Village townhomes in Spanish Valley, 2020.

Composition of the Housing Supply

Structure Type

Grand County's housing stock is generally homogenous, consisting primarily of single-family units that make up 59% of the residential market in 2021. This tends to limit housing availability because of its lower density on the land which results in fewer households per acre. There are minimal options for attached multi-family units or townhomes. As seen in the 'Housing Units by Type' chart, '1-Unit Attached' reflects attached ADUs, '2 to 4 Units' include duplexes, twinhomes or townhomes, '5 to 19 Units' include townhomes or multifamily dwellings, and '20 or More Units' are multifamily complexes.

Greater diversity of housing types has begun to be more heavily explored, as the community has shown demand for apartment buildings, townhomes, and manufactured homes. Additionally, a relatively high proportion of the housing stock consists of mobile and modular homes. This housing type is discussed at greater length in this section.

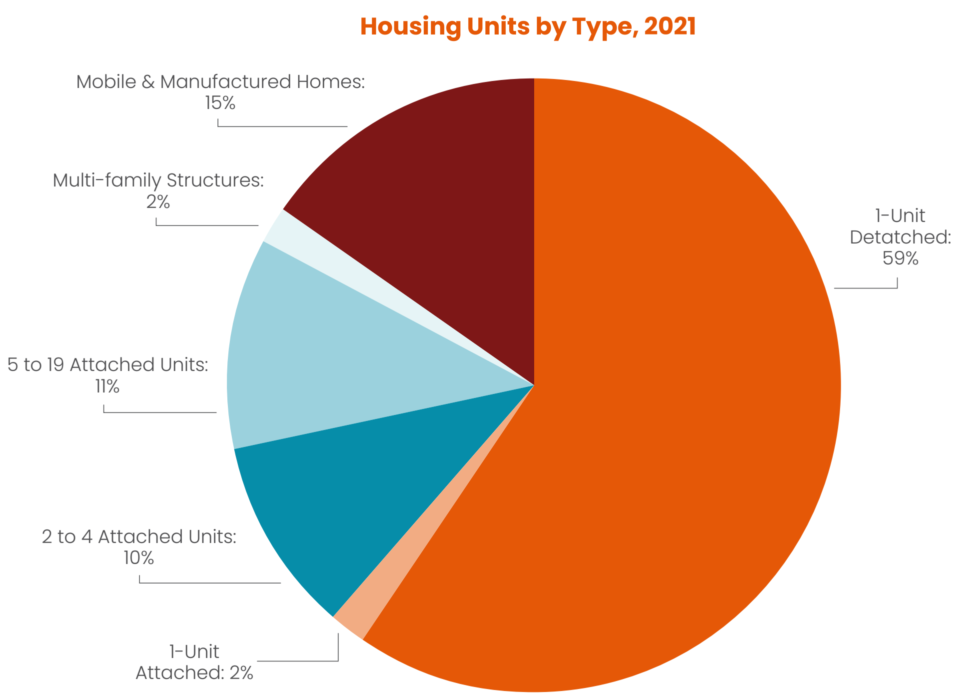


Chart 6. Housing Units by Type (2021)
DATA SOURCE: US CENSUS ACS 5-YEAR ESTIMATES (2021)

Age of Housing Inventory

The age of a housing unit may serve as an indicator of high maintenance costs, which increases total housing costs for owners and renters, and older properties are more depreciated in value than newer ones, causing a wider discrepancy in the housing market. It is an obvious marker of when the majority of housing construction in the area occurred. Further, aging units have worse energy efficiency which drives up monthly utility costs, and repairs or replacements are costly. Of all housing units in Grand County in 2021, 41% were constructed prior to 1980 – a decrease from 62% in 2015.

According to the US Census 2021 ACS 5-Year Estimates, 15% of all Grand County housing units were mobile or manufactured homes. Structures built before 1976 are referred to as mobile homes. Thesemobile homes were built to very poor construction standards and today would not be considered acceptable. Banks will not provide loans for mobile home units, which makes an entire class of housing units almost non-transferable. Mobile homes built before 1976 are considered a liability and are unable to receive loans for repairs.

It is difficult to estimate the number of pre-1976 mobile homes in Moab as the County and City do not have year-built data for units in which their owners are renting lots in mobile home parks. However, of the 160 manufactured homes surveyed on owned lots, 36.87% pre-dated 1976 (Community Rebuilds & Eleanor Grosse, 2021). There are likely many more dilapidated mobile homes on rented park lots, leaving a significant portion of owners unable to gain equity or improve their housing conditions.

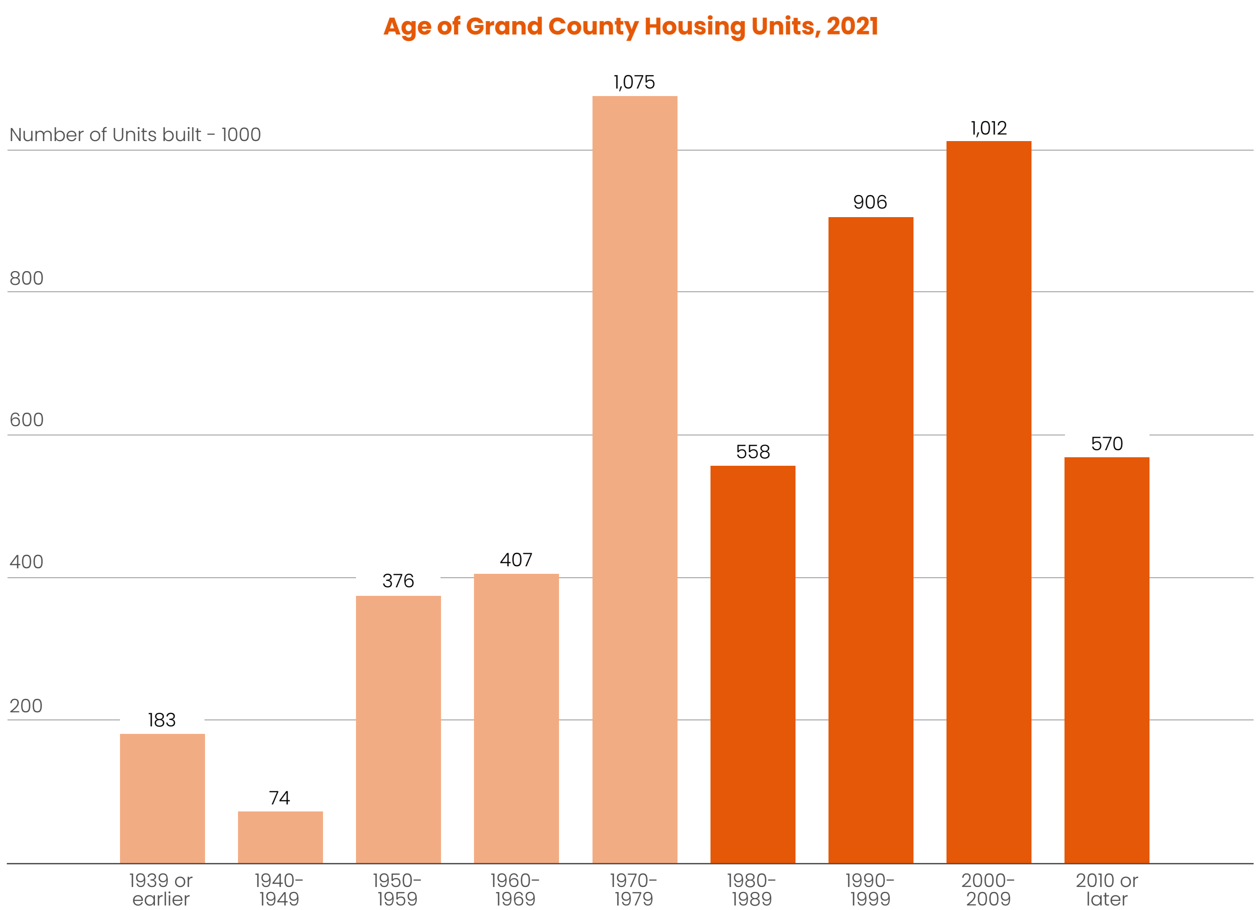


Chart 7. Age of Grand County Housing Units (2021)
DATA SOURCE: US CENSUS, 2021

Occupancy and Residency

One way to gauge who owns and/or lives in Moab area homes is to review the breakdown of primary and secondary residency rates in Grand County. According to Utah State Tax Commission regulations, for a home to be considered a primary residence, the owner(s) of the property must spend at least 183 consecutive days (of a calendar year) in the residence. Additionally, USTC requires that homeowners pay income taxes in Utah (using the local property address for state and federal income taxes), are registered to vote in the county that they are requesting the exemption in, have all vehicles registered in that county, and are employed in that county, in order to qualify for primary residential exemption. Homes that are not primary residences are considered secondary residences, unless they are used as long-term rental units and the owner can demonstrate that the unit is the primary residence of the tenant.

As primary and secondary residences are taxed at different rates—a primary residence is taxed at 55% of the home's value, as opposed to 100% for secondary residences—Grand County Master Tax Records for 2023 indicate that an estimated 67.8% of the area's residential housing stock are primary residences, while 32.2% are secondary residences[2].

Due to the nature of the Moab area's high tourism rates, it is likely that the secondary residences reported by the Assessor's office are used as short-term vacation rentals for visitors or second homes for inconsistent periods throughout the year and are otherwise vacant. Higher rates of secondary residency and vacancy cause a strain on the overall supply of housing units for local residents.

Another metric for understanding the occupancy of Grand County homes is the vacancy rate. In 2021, the US Census recorded a vacancy rate of 17.2%, meaning that approximately 890 homes do not have full-time residents or are inhabited by people who have primary residences elsewhere. This vacancy rate is higher than the state average vacancy rate (10%) but lower than other resort communities like Summit County, Utah (39%), of which Park City is the county seat. Of the remaining 4,271 occupied units in Grand County in 2021, 64.9% were occupied by homeowners, while the remaining 35.1% were occupied by renters.

Sources: Utah Realtors Association, Housing and Urban Development Fair Market Rent, US Census Bureau, Zillow Home Value Index, Grand County Assessor's Office Master Tax Records 2023.

Current Housing Occupancy

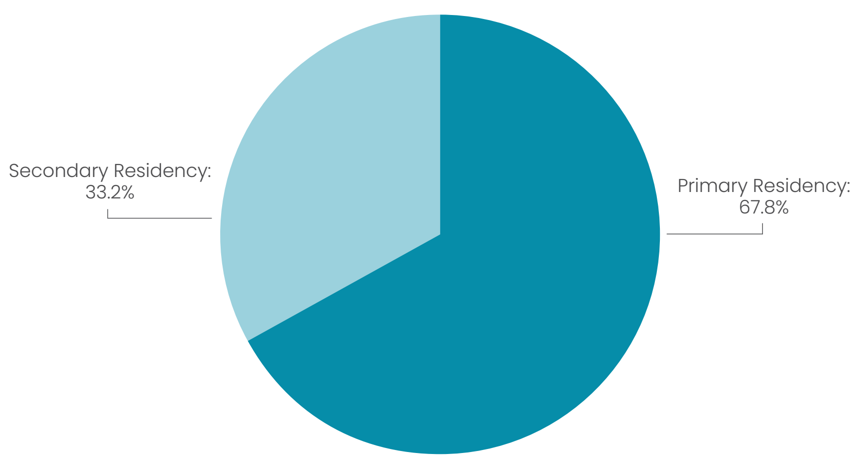


Chart 8. Current Housing Occupancy (2021)
DATA SOURCE: US CENSUS ACS 5-YEAR ESTIMATES (2021)

[2] Some small clerical errors may exist in this residency reporting - for example, a primary dwelling and an ADU may be counted only as one property in the tax records.

Income or Occupancy Restricted Properties in Moab

Other than the availability of private market rentals in which landlords choose to keep their monthly rents 'affordable', there are a number of public affordable housing options, both single family homes and multifamily developments. These are made permanently affordable in a number of ways, including deed restrictions, subsidies, and their development through low income housing tax credits. However, waitlists remain lengthy, with wait times as long as 2 to 3 years. The qualifications required to live in public affordable properties vary per unit and development, but are generally based on monthly income.

Some affordable housing units in the Moab area are permanently affordable throughout their lifespan, while others are only required to be affordable at the time of construction and through its first owner. Some development projects, such as the USDA Mutual Self Help Program[3] homes before 2017 did not have deed restrictions placed on them yet. Because the MSH program inherently serves low and very-low income individuals, we know that at the time of construction the unit was affordable. However, with no deed restriction in place, there was no mechanism to ensure that primary residency or affordability was carried on with the units in the event of ownership changes.

One way to ensure permanent affordability or primary residency in Moab homes is to implement deed restrictions, a legal mechanism that is placed on individual units, both rental units and owned, that remain with the property throughout time and ownership changes. The Moab area incorporates deed restrictions at all of the public affordable, income-based properties as well as some single family units for primary residency. Though there are not many, they exist for the targeted efforts by both Moab City and Grand County to ensure that the housing stock is protected for the local workforce. Examples of these types of deed restrictions include primary residency deed restrictions, in which the occupant must be actively employed in Grand County, and income based deed restrictions, where the occupant must fall below a specific annual income amount.

Moab has seen an increase in the number of affordable, income-restricted, and deed restricted rental properties in the last few years. In 2017, there were a total of 394 affordable housing units in Moab—meaning income restricted, or deed restricted for residency. As of December 2022, there were a total of 582 units with occupancy restrictions—a 48% increase from 2017. Of those 582 housing units, 289 are currently income-restricted rental units, 220 were income-restricted at the time of construction, and 73 are permanently deed-restricted based on primary residency and/or income.

Grand County Income and Occupancy Restricted Units

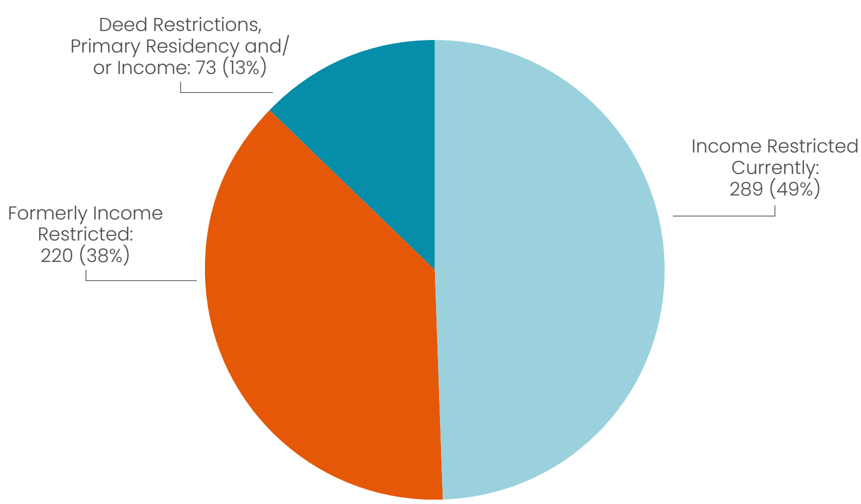


Chart 9: Grand County Income and Occupancy Restricted Units (2022)
DATA SOURCE: HOUSING AUTHORITY OF SOUTHEASTERN UTAH, GRAND COUNTY PLANNING DEPARTMENT

[3] See Housing Efforts to Date for more information on the Mutual Self Help program.

Income and Occupancy Restricted Units

Development	Developer /Owner	# of Units	Year Built	Occupancy Type	Type of Deed Restriction
Archway Village Apartments	Syringa Properties	19	1985 (fully remodeled in 2014)	Renter	Income limits
Arroyo Crossing[4]	Community Rebuilds, HASU, TLC	17[5]	Began 2021, Ongoing	Owner	Primary residency and Income Restricted Deed Restrictions
Aspen Cove	Interact	10	2015	Renter	Currently Income Restricted
Cinema Court	HASU/Sellers Group (Property Manager)	60	2012	Renter	Currently Income Restricted
CROWN at Desert Wind	HASU	5	2013	Renter	Income restriction ends in 2028
CROWN at Sage Valley	HASU	8	1998	Owner	Income restriction expired in 2013
CROWN at Rim Hill	HASU	8	2005	Owner	Income restriction expired in 2020
HDHO units	Various Owners and Developers	15	Began 2021, Ongoing	Owner	Primary Residency Deed Restriction
Huntridge Apartments	Syringa Properties	24	2004 remodel	Renter	Currently Income Restricted
Kane Creek Apartments	Syringa Properties	36	1993	Renter	Currently Income Restricted
MAPS	HASU/Sellers Group (Property Manager)	36	2020	Renter	Currently Income Restricted
Mutual Self-Help (MSH) without Deed Restrictions	HASU and Community Rebuilds	204	Was ongoing; completed 2019 and 2017, respectively	Owner	Formerly Income Restricted
Ridgeview Apartments	Four Corners Community Behavioral Health	6	1994	Renter	Currently Income Restricted
Rockridge Senior Housing	Community Housing Services, Inc.	35	1996	Renter	Currently Income Restricted
Single Family Straw bale	Community Rebuilds	30	Began 2017, Ongoing	Owner	Primary Residency Deed Restriction
The Virginian Apartments	HASU	28	1979	Renter	Currently Income Restricted
The Willows	Interact	8	2015	Renter	Currently Income Restricted
Wingate Village (MSH)	HASU	11	2020	Owner	Primary Residency Deed Restriction
Wingate Village (Townhomes)	HASU/Sellers Group (Property Manager)	22	2021	Renter	Currently Income Restricted

TOTAL: 582 (2022)
73 total deed-restricted homes (primary residence and/or income), 289 currently income-restricted units, 220 formerly income-restricted units

Table 5. Deed Restricted Rental Properties to Date (2022)
DATA SOURCES: HOUSING AUTHORITY OF SOUTHEASTERN UTAH, GRAND COUNTY PLANNING DEPARTMENT

[4] As of 2022, Arroyo Crossing is the only subdivision that allows privately-owned, income-restricted deed restrictions due to it being a County-recognized Planned Unit Development with affordability restrictions.
[5] Note that the total income-restricted units of Arroyo Crossing, as of 2022, have only been developed by HASU and Community Rebuilds - these number of units would be duplicated within other programs so they are not included in their respective developer's total.

Upcoming Deed Restricted Units

Development	Developer /Owner	# of Units	Estimated Year of Development	Occupancy Type	Type of Deed Restriction
HDHO Units	Various Owners and Developers	238	2023-2026	Owner & Renter	Primary Residency Deed Restriction
Arroyo Crossing	Various Owners and Developers	283	2023-2028	Owner & Renter	Primary residency and Income Restricted Deed Restrictions
Moab City Actively Employed Household H developments	Various Owners and Developers	222	2023-continuously; no sunset restrictions for this ordinance	Owner & Renter	Primary Residency Deed Restriction

TOTAL: 743
743 total primary residence deed-restricted units, 283 income-restricted units

Table 6. Upcoming Deed Restricted Rental Properties (2023)
DATA SOURCES: HOUSING AUTHORITY OF SOUTHEASTERN UTAH, GRAND COUNTY AND MOAB CITY PLANNING DEPARTMENTS

Housing and Land Prices

Tracking land and housing prices is central to understanding local housing markets. As prices fluctuate, opportunities and constraints also change. The prices for developable land and finished construction have increased steadily since 2000, with variability year-to-year. Key statistics provided below indicate the upward trend of Moab's housing market, which makes housing less and less affordable to lower and middle income households. The market for raw land has also increased markedly, which makes development more expensive and unit sales and rental prices increase as developers pass the costs onto end users. One snapshot of land prices in Grand County in May 2023 reported the average cost of land being $561,584 per acre[6].

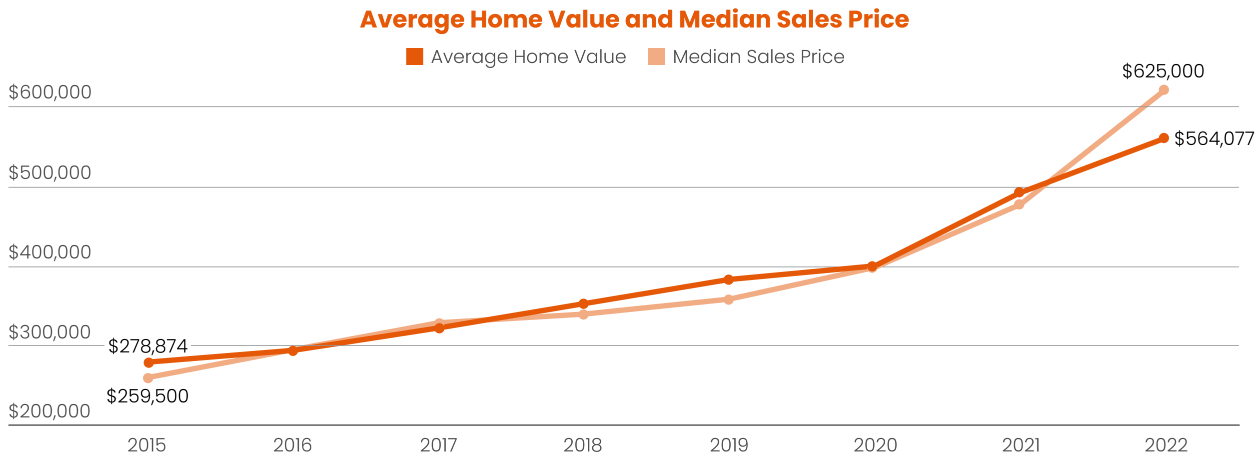


Chart 10. Average Home Value and Median Sales Prices, (2015 - 2022)
DATA SOURCE: UTAH REALTORS ASSOCIATION, ZILLOW HOME VALUE INDEX

Data Analysis:
In 2022,
- 121 home sales were closed.
- The median home sales price was $625,000, a 30% increase from the previous year, and $115,000 higher than the median home sales price in the state of Utah ($510,000).
- Between 2015 and 2022, the median home sales price increased a total of 162%, at an average rate of 18% each year. However, the years 2020-2022 saw the largest jump in percentage, with an average increase of 22%.
- The average home value in Grand County was $564,077, a 14% increase from the previous year, and $49,894 higher than average home value in the state of Utah ($514,183).
- Between 2015 and 2022, the average home value increased a total of 102%, at an average rate of 10.74% each year. The highest rate of home value increase occurred during the 2020-2022 period, in which home values increased by 35.4%.

2021 Housing Costs:
- The median monthly housing cost for homeowners with a mortgage was $1,367, while the median monthly cost for homeowners without a mortgage was $360.
- The median monthly gross rental price for occupied rental units in Grand County, not including monthly utilities, was $926, according to US Census estimates.

In 2022, the HUD 3 bedroom Fair Market Rental Rate, which is used as the national baseline rental value, was $1,182 for Grand County; however, realistic monthly rental prices in Grand County for a 3 bedroom home are generally being seen between $2,200-2,800.

Also seen nationally, the COVID-19 pandemic drastically halted the housing market in 2020, but then further accelerated prices and demand when the market saw dipping interest rates that were historically low. However, since early 2022, interest rates have risen significantly and the market has seen home purchases declining. In Moab, the stimulated market and increase of luxury properties continue to be contributing factors to this jump in home list prices.

Sources: Utah Realtors Association, Zillow Home Value Index, US Census Bureau

[6] Based on Grand County Planning & Zoning Department Housing Continuum May 25th 2023 Snapshot.

Housing Construction Trends

Housing construction is the primary indicator of changes in supply. Between 2014 and 2022, approximately 841 new residential housing units were constructed in Grand County, which includes the unincorporated County, City of Moab, and Town of Castle Valley[7]. The majority of residential construction continues to take place in the unincorporated area of Grand County. Most significantly, the years of 2017, 2018, and 2021 saw significant jumps in residential construction, with between 100 and 130 units built each year. Further, as seen from the declining number of aged housing units, larger quantities of new home construction are replacing dilapidated and older units on private land. Construction rates dropped in 2020, largely because of the COVID-19 pandemic and related supply-chain issues. Higher costs of construction also dictates that home prices and rents will likely be out of reach for most local workers. In total, the years 2014 - 2022 saw an average of 93 residential units constructed each year in all of Grand County, with an average of 33 units completed each year in Moab City, and an average of 60 units completed each year in the unincorporated County.

Increased construction activity in Grand County can largely be explained by benefiting from a combination of historically low interest rates, an expanding local economy with more visitors, interested second homeowners from out of town areas, and investors.

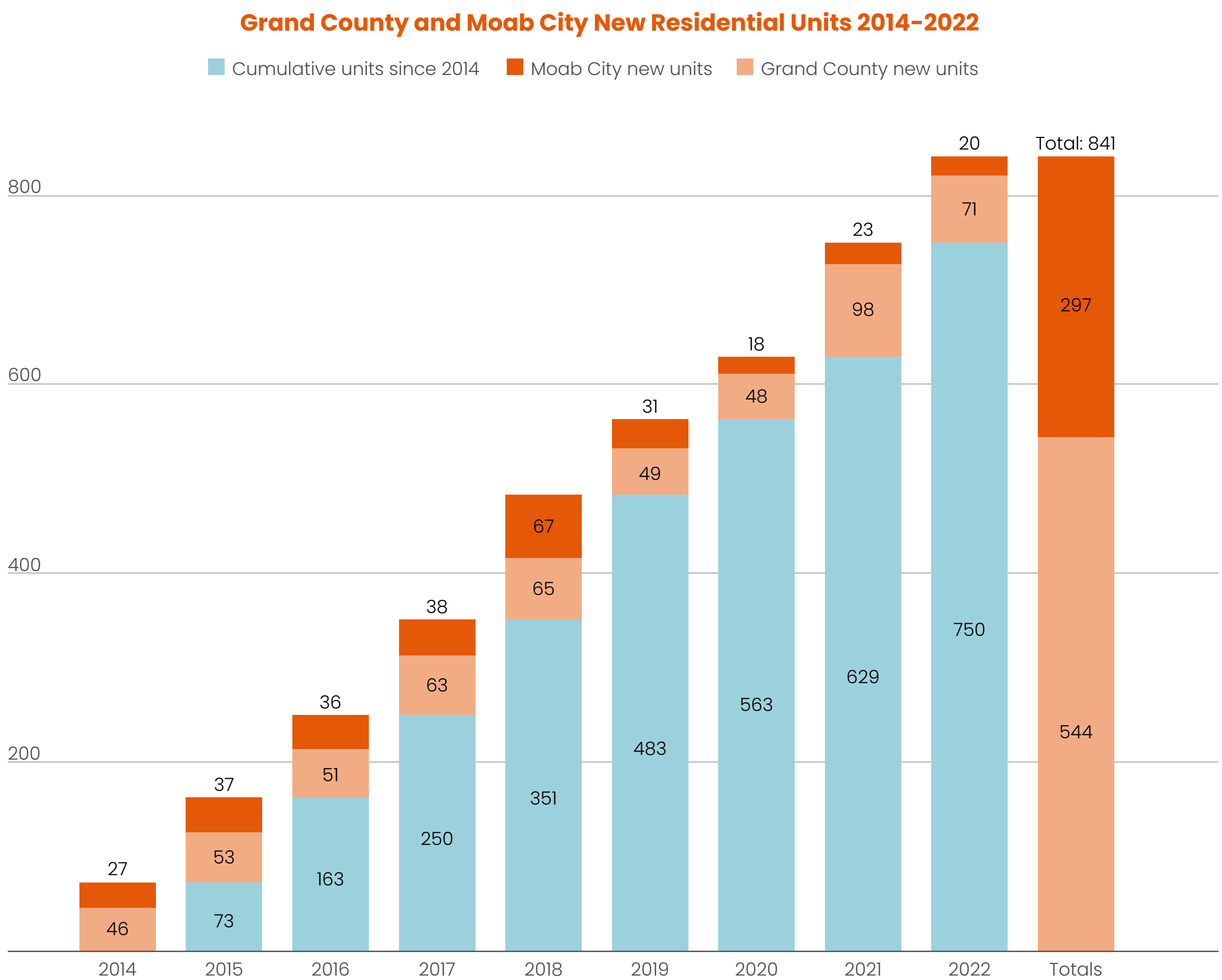


Chart 11. Cumulative Number of Units Built Since 2014 in Grand County & Moab City
DATA SOURCES: GRAND COUNTY BUILDING DEPARTMENT, MOAB CITY BUILDING DEPARTMENT

[7] Housing construction data was collected from the Grand County Building Department and Moab City Building Department, using Certificate of Occupancy letter date as the metric for housing unit completion.

Accessory Dwelling Units

A type of residential development growing in popularity both in Moab City and Grand County are Accessory Dwelling Units (ADUs), which are secondary and typically smaller homes built on the same lot as, or connected to, a primary home. Since 2015, 55 ADUs have been completed in Grand County; 20 in Moab City and 35 in unincorporated Grand County and Castle Valley.

ADUs are dwellings of less than 1,200 square feet and are one method of increasing housing stock by allowing increased density and residential infill on already existing residential lots. Due to their small size, ADUs are often more affordable to build, maintain, and rent.

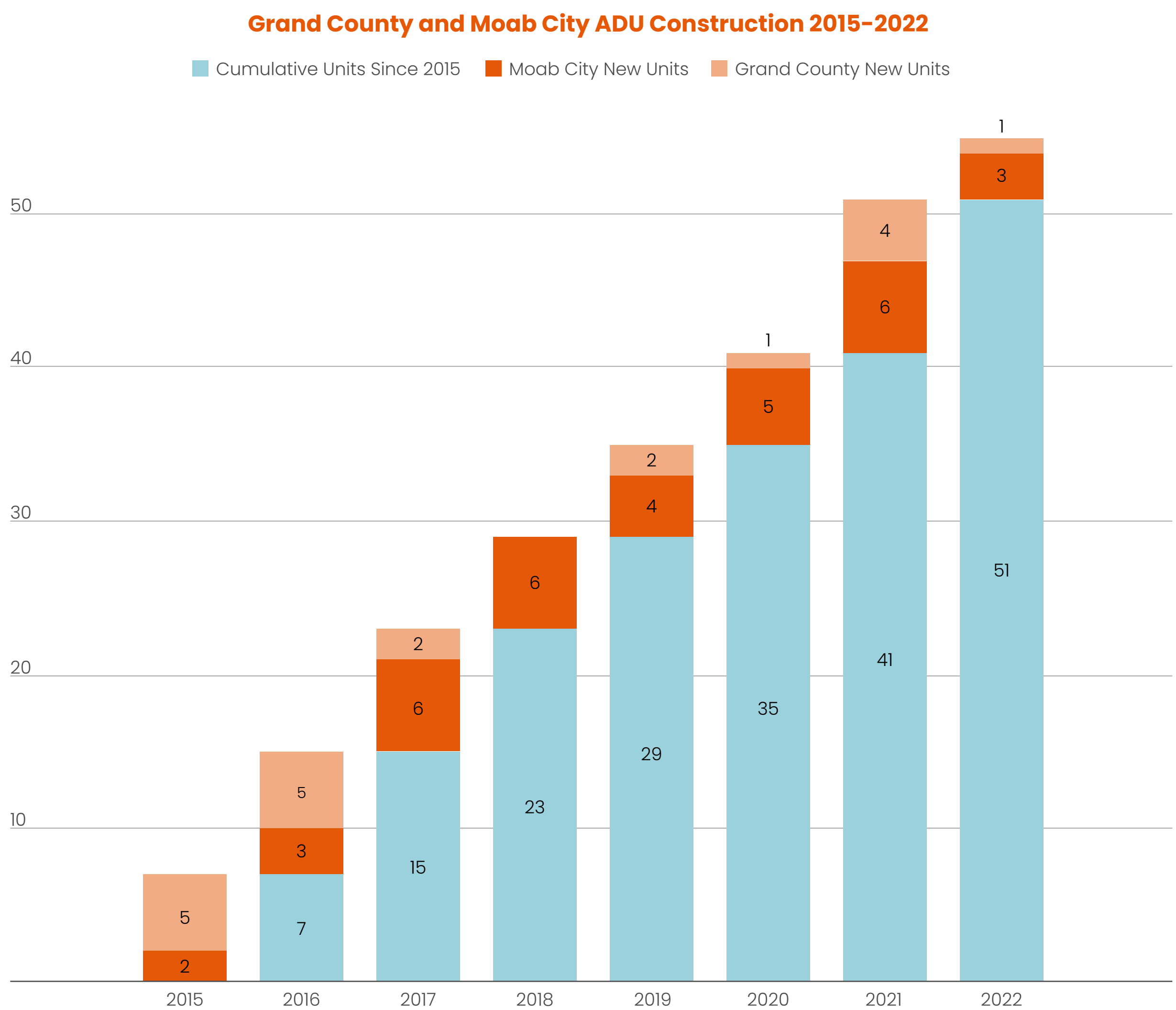


Chart 12. Grand County and Moab City ADU Construction 2015 - 2022
DATA SOURCES: US CENSUS BUREAU; GRAND COUNTY BUILDING DEPARTMENT; MOAB CITY BUILDING DEPARTMENT; MULTIPLE LISTING SERVICE

Non-Traditional Housing

Non-Traditional housing in Moab is not new—seasonal workers and recreational guides have been relying on alternative living situations such as RVs, vehicles, tiny homes, mobile homes, yurts, or tent camping for many years. However, due to the mounting difficulties of obtaining housing, non-traditional housing has become a reality for many local residents, whether they live here short-term or year-round. It is important to take these forms of housing into account as notable, real situations for a number of working residents—even though, by legal definition, an individual relying on non-traditional housing often means that they are technically homeless.

Non-traditional housing data

- According to the 2021 Census, mobile homes constitute 15% (781 units) of Grand County's total housing stock.
- In 2022, an average of 57 individuals received homelessness or housing services each month from the Moab Valley Multicultural Center.
- Of these individuals, an average of 11 (20%) reported experiencing literal homelessness, 3 (5%) reported chronic homelessness, and 26 (46%) reported situational homelessness, while an average of 17 (30%) individuals reported being at imminent risk of homelessness each month[8].

Mobile Home Park	# of Lots
Grand Oasis	337
Walnut Lane Mobile Home Lot	27
Pack Creek Mobile Home Estates	30
Williams Way Trailer Park	44
Nelson Mobile Home Park	13
Parkside Trailer Court	19
Contractor's Roost	22 long term RV sites
Total	**492**

Table 7. Grand County Mobile Home Parks and Lots
DATA SOURCES: GRAND COUNTY LOCAL HOMELESSNESS COUNCIL, MOAB VALLEY MULTICULTURAL CENTER

Further reasoning for living in non-traditional housing stems from the following:

- Seasonal workers living in Moab for part of the year working in tourism-based industries often struggle to find readily available, affordable, and seasonal housing, especially as tourism-based industries tend to pay lower wages than non-tourism-based industries as seen in Table 3.
- Non-traditional housing may not have any monthly rental costs, providing more long-term stability for low income individuals.
- Non-traditional housing provides a short-term housing option, especially for seasonal employees and/or guides who spend many days in the field, as well as year-round employees who move to the Moab area before securing housing.
- Non-traditional housing options are often easier to obtain quickly, especially when the supply of traditional housing options is so limited.

The current housing environment in Moab poses challenges to non-traditional housing due to the following:

- Camping and vehicle dwelling is illegal in much of Grand County. Both Grand County and the City of Moab have articles written in their codes that make camping or trailer-dwelling on any private property other than established campgrounds illegal.
- Due to these restrictions, many residents must resort to driving many miles out of the valley and onto public lands, where short-term dispersed camping is allowed.
- Safety and sanitation is a concern for these individuals living in mobile alternative dwellings - many may not have access to clean hygienic areas such as kitchens or restrooms, and a lack of dedicated space for this dwelling type increases illegal dumping, liter, and contamination of surrounding public lands
- There are several legal, established non-traditional housing rental options in town, but these places typically have little to no vacancy and often have very long waiting lists.
- Multiple mobile home parks were redeveloped and have expanded between 2008 and 2022. However, many have shut down after being sold to developers who plan to redevelop them into other kinds of developments. As of 2021, nine parks provided a total of approximately 540 available lots, most of which remained entirely occupied. Many of the area's mobile home parks have occupants who own their dwelling, and then pay a reasonable monthly rental price for the lot itself that the dwelling sits upon. Mobile home parks, while dwindling in numbers, provide an affordable source of housing for locals.

[8] The number captured is likely less than the accurate number of homeless individuals, especially including those relying on non-traditional housing. Homelessness also varies by time of year, with spring through fall having the most non-traditional housing users.

HOUSING EFFORTS TO DATE

Key Takeaways

- Grand County and The City of Moab have adopted additional policies and implemented housing initiatives to increase the supply of affordable housing since the last Housing Plan Update in 2017, such as the Alternative Dwelling and High Density Housing Overlay ordinances and the Actively Employed Household ordinance, respectively.
- Community organizations such as the Housing Authority of Southeastern Utah (HASU), Community Rebuilds, and the Moab Area Community Land Trust (MACLT) have developed 73 permanently deed-restricted affordable housing units as of 2022 and continue to increase their capacity to deliver a range of affordable housing types and units.
- Other efforts to provide emergency and transitional housing are led by various non-profit organizations, such as the Moab Valley Multicultural Center, which provides community support and resources for emergency housing or rental assistance, Seekhaven, which supports individuals experiencing domestic violence, Moab Solutions, which supports individuals experiencing homelessness, and the Grand County Local Homeless Council.

Local Government Affordable Housing Strategies

Moab City

The City of Moab has developed and adopted a series of new affordable housing policies over the last five years.

Actively Employed Household Ordinance — In summer 2022, Moab City passed the Active Employment Household Ordinance (AEH), which states that 33% of all new multi-unit (3+) developments in the R-3 and R-4 zones must be deed restricted for occupancy by Grand County residents with local employment.. R-3 and R-4 zones within Moab City are multi-family and manufactured housing zones where the permitted density is high relative to the current development. These zones are experiencing redevelopment of the current stock of mostly detached single family homes. Much of this redevelopment is multi-family which, with the set aside dictated by the AEH, will lead to an increased housing inventory for locals who are currently in need of housing stock options. Traditional low income housing is based on limiting occupancy to certain income levels and capping appreciation, and is often applied to a small percentage of new development. The AEH is innovative in that it is less market manipulative, as it only limits occupancy based on employment location, and has a relatively higher set aside fraction.

Assured Workforce Housing Ordinance – In 2018 the City, in partnership with Grand County, studied the nexus between new demand for affordable housing and new development. The City concluded that lodging development was causing demand for affordable housing units, and that there is a deficit of housing units available for occupancy by persons employed in tourism-related occupations. Based on the results of market data, the City adopted an ordinance requiring new lodging development to construct affordable housing units or pay a fee in lieu of construction for the purpose of offsetting the impacts from that type of development.

Planned Affordable Development – In 2019, after several years of work, the City adopted this new development type (PAD). The purpose was to provide a voluntary pathway for developers to include a significant fraction (70–80%) of deed restricted affordable housing in new development, by granting incentives in the form of additional density, and no minimum lot size. The density is unlimited, but still within the other constraints dictated by the City code (e.g. setbacks, height limits, etc). PAD is available for use in the higher density R-3 and R-4 zones, and most commercial zones.

Walnut Lane – In 2018, the City purchased a 37-unit trailer park, with the intention of providing existing residents with upgraded housing options and to add units to address the City's housing needs. This is the City's first foray into affordable housing development. Although the project has

Moab City (cont.)

run into a few substantial setbacks, the initiative demonstrates a clear effort on the part of the City to improve and expand affordable housing options within Moab. This project, called Walnut Lane, is currently being reexamined with the potential of a public/private development partnership. As of April 2023, the City Council motioned to approve to move forward with a pre-development contract with a private developer for the project. This partnership will continue to be explored. If completed, Walnut Lane would provide 80 multi-family units, most for affordable rent prices.

Accessory Dwelling Units – The City has allowed accessory dwelling units (ADUs) in most residential zones for many years. In 2021 it revised and expanded the ADU code, in part in response to State mandates, with the intention of facilitating the creation of ADUs, and increasing the likelihood that they would increase workforce housing. Owner occupancy on a lot with an ADU was added as a requirement of some ADU types. A deed restriction against short term renting (less than 30 days) of ADUs was added. A new category of internal ADU (iADU) was defined, created by separating a second living unit in an existing detached home. iADUs may not be rented for a period of less than three months. iADUs are further incentivised via an option to use modified building code standards for the separation of the units which reduce construction difficulty. Setbacks for detached ("external") ADUs not exceeding 20' in height were reduced.

City Employee Housing – The small inventory of affordable and market rate housing available at any given time has become an obstacle for City employee recruitment. While the City favors qualified local candidates, recruits for higher level and law enforcement positions are often relocating to Moab. New hires have struggled to find housing after being offered a job. The City has leased a house and purchased a duplex to provide transitional housing for new employees, increase the retention rate, and provide more consistent services through inevitable employee turnover.

Outside Entity Support – The City has provided consistent funding to local entities such as those listed in Emergency and Transitional Housing Efforts (below), which provide services to some of the most at-risk populations, which are, or at significant risk of, being un-housed.

Grand County

In 2022, the County Commission and the Planning Commission prioritized housing issues, developing a list of the top three housing-related initiatives to pursue, and began executing the work plan through policy changes and planning.

The Planning and Zoning office is currently working on updating the General Plan Land Use Element, which includes drafting a new Future Land Use Map (FLUM) to replace the 2012 FLUM. The updated FLUM emphasizes addressing the lack of housing opportunities across the entire housing affordability continuum, specifically with regard to multifamily, higher density housing. Five workshops were held in 2022 and 2023 to gather public input on future land use designations and preferences for where higher density or mixed use developments could be considered.

Alternative Dwelling Overlay – In late 2022, the County Commission adopted an ordinance approving the Alternative Dwelling Overlay (ADO) pilot program, a tool that aims to increase long-term rental opportunities for the local workforce who live in non-traditional housing situations, including residing in campervans, trailers, RVs or tiny homes—either out of choice or necessity. This style of residence is historically common in the Moab area, but has received little permanent designation. This overlay is an effective tool to provide stable, safe, and hygienic long-term rental options for the many local workers who already rely on nontraditional housing in Grand County while working and living here, especially seasonally. The first 150 units are being developed by various land owners with individual water and sewer hookups, and initial lots will be available for long-term local workers in the fall of 2023.

High Density Housing Overlay – Still in progress of unit development, the High Density Housing Overlay (HDHO) is a voluntary rezone that was offered by Grand County in certain designated zones that were vetted for potential higher density. This overlay serves as an incentive for developers, in which they receive higher density allowances in rural zones in exchange for 80% of their units to be owner-occupancy deed restricted for working Grand County residents, defined as Actively Employed Households. This is a twofold approach to achieving more workforce housing; the overlay allows for more units in generally rural zoning, as well as limiting the sale and occupancy of the units specifically for the local community. As of early 2023, the effectiveness of this overlay is yet to be determined; only about 40 of the anticipated 300 units are currently occupied. The ordinance has been met with litigation, necessitating change to the language, delays due to COVID, and staff turnover which all contribute to its slow start. Further, discussions have begun to redefine an Actively Employed Household, in order to optimize the use of this ordinance for the local community.

Affordable Housing Construction and Availability

Moab Area Community Land Trust (MACLT) – MACLT is a local non-profit community land trust that is developing permanently affordable housing for Moab residents. A community land trust such as MACLT is a shared equity housing model in which the non-profit retains permanent ownership over the land, signing 99-year renewable ground leases with each homeowner, and the homeowner owns the improvements on the land outright (but not the land itself). This model allows the nonprofit to utilize resale formulas and other restrictions to ensure permanent affordability for generations to come and retains public subsidy infused at the initial development or purchase of the unit.

In 2018, MACLT received a donation of 43 acres of raw land in Spanish Valley to develop its first project, the Arroyo Crossing subdivision. Once complete, Arroyo Crossing will host 300 units composed of single-family homes, apartments, duplexes, townhomes, cottages, and neighborhood commercial amenities. All units at the subdivision are deed restricted for households who live and work in the Moab area, do not own other real property, and earn at or below 120% of the Area Median Income; at least 50% of the units are restricted to households that earn under 80% of the Area Median Income.

Arroyo Crossing is a unique project in the Moab area because it leverages donated land, New Market Tax Credits, and grant funding from Grand County to provide deeply subsidized lots to developers such as Community Rebuilds and the Housing Authority of Southeastern Utah; in return, developers further leverage subsidy programs such as the USDA Mutual Self Help program, Low-Income Housing Tax Credits, or other sources to create truly affordable units for Moab residents. It is an inspirational example of a public-private partnership, efficient stacking of public subsidy to develop low-cost homes, permanent subsidy retention, and collaboration amongst many local and regional partners.

Community Rebuilds (CR) – This affordable housing non-profit organization utilizes 502-direct loans for homeowners and 523 grants for organization funding, both administered by the USDA to construct modest and affordable single-family homes with an emphasis on healthy, sustainable, and high-performance building techniques. The Mutual Self-Help program in which CR utilizes is funded through the USDA 523 grant, and homeowners are able to participate in this homeownership program using USDA 502-direct loans. The 502 loans enable eligible households to contribute "sweat equity" towards the construction of their homes in exchange for low-interest rates, loan repayment subsidies, and home equity. At the end of 2022, CR has constructed 48 affordable homes in Grand County since beginning building in 2010. Beginning in 2017, CR has created and implemented primary residency deed restrictions on newly constructed homes. Deed restrictions are critical for preserving long-term housing affordability.

Affordable Housing Construction and Availability (cont.)

Housing Authority of Southeastern Utah (HASU) – This organization oversees various affordable housing development programs such as Mutual Self Help (MSH) program and CROWN Rent to Own housing. HASU has developed three affordable housing complexes in Moab using Low Income Housing Tax Credits, totaling 108 units of townhomes and apartments; Cinema Court Apartments, Wingate Village Townhomes, and MAPS Senior Living Center. Additionally, Grand County was awarded a $300,000 grant in the spring of 2022 which has been put towards a new 32-unit affordable housing apartment complex that HASU is developing at Arroyo Crossing, also using LIHTC funds. HASU has produced the greatest number of housing units of affordable housing in Grand and San Juan Counties since its inception in 1994. As of January 2023, 160 homes have been constructed through HASU's Mutual Self Help program.

The Housing Authority of Southeastern Utah also administers Section 8 vouchers, which is a federal governmental assistance program that helps very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Applicant households must earn 50% or less than the county's Area Median Income and the voucher functions as a housing subsidy that is paid to the landlord directly on behalf of the participating family, while the family then only pays up to 30% of their monthly income in rent.

The HUD Fair Market Rent (FMR) Values (see table below) are used to establish the Section 8 rental vouchers; for example in 2022, the FMR for a one-bedroom home was $632, and for a three-bedroom home was $1,182. Very few units in Grand County are available for rent at rates that enable the usage of Section 8 vouchers, making it challenging for program participants to find and secure housing, even if they qualify for the vouchers.

Studio	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
$568	$632	$832	$1,182	$1,383

Table 8. HUD Fair Market Rents by Unit Bedrooms for Grand County, 2022
DATA SOURCE: DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, 2022

Emergency and Transitional Housing Efforts

In addition to the well-documented housing crisis and low inventory of affordable housing, there is also a lack of emergency shelter and transitional housing in Moab and the surrounding areas. This is exacerbated by rising social crises that intersect with housing instability, such as substance use disorder, domestic violence, and mental health disorders, among other factors.

Currently, Moab does not have a homeless shelter. **Seekhaven Family Crisis and Resource Center** has an eight-person emergency shelter available to female and adolescents who have experienced domestic violence and/or sexual assault within the past 30 days. Offsite shelter is available to males in emergency domestic violence situations. Individuals must be screened for eligibility before being approved for emergency shelter.

- In 2022, Seekhaven provided 109 emergency shelter stays between 90 people (42 of which were children).
    - Total of 3085 shelter nights
- In 2022, Seekhaven provided $106,733 in transition assistance.

Other short-term, emergency services in Moab include the **Moab Valley Multicultural Center (MVMC)**, which often has resources for emergency housing or rental assistance in the form of hotel/motel vouchers provided by the State Office of Homeless Services and the Wells Fargo Foundation. MVMC also provides drop-in services for people experiencing homelessness, including hygiene items, clothing vouchers, food, and case management.

Moab Solutions is a non-profit organization that provides services for individuals experiencing homelessness or at risk of homelessness while also promoting environmental stewardship and zero waste practices. They run an emergency needs fund, assist and mediate on calls with local law enforcement, work with MVMC and other area nonprofits to provide emergency housing and support when possible, and conduct street-level outreach to work with members of local encampments to keep their spaces clean and help them attain treatment, housing, or a greater sense of stability.

In order to take on the housing crisis and address homelessness in Moab, the **Grand County Local Homeless Council (LHC)** was created in 2005. In 2019, the LHC became better established within the community and better aligned with State goals and requirements. Its mission is to connect individuals to services to better address homelessness in our community. Its strategic goals are to: increase the inventory of emergency, short-term, and transitional housing; create a community-wide protocol for Coordinated Entry; and increase awareness, funding, and participation in solutions for homelessness in Grand County.

Composed of over 40 members of the community and growing, as of 2022, the LHC has:

- Approved homeless set-aside units at the planned HASU multi-family apartments coming 2024 at Arroyo Crossing.
- Conducted personal meetings with local lodging partners to establish MOUs for emergency shelter.
- Created and maintained an updated list of the nearest shelters in Colorado, Salt Lake City, and St. George areas.
- Initiated Project SOL (Safe Outdoor Living), a community stock of items crucial to living outdoors safely when housing and shelter are not available.
- Established a community-wide protocol for Coordinated Entry to increase and standardize data collection on the number of people who are experiencing or at-risk of homelessness. Five participating community organizations report their data on a monthly basis.
- Conduct annual Point-in-Time (PIT) counts on behalf of the federal government to better gauge the number of people experiencing homelessness at any one time.
- Worked with the Moab Area Housing Task Force to establish a housing resource website, www.moabhousing.com, to serve as a one stop shop for housing availability and resources for housing crises.
- Identified partnerships and liaisons with community-wide housing efforts including the Moab Area Community Land Trust (MACLT) and the Moab Area Housing Task Force (MAHTF).

HOUSING NEEDS ANALYSIS

The housing challenge in Grand County is a compound of multiple factors. On one axis, the relative affordability of housing for locals in Moab is shrinking due to Grand County's household income remaining low and stagnant, yet housing costs rising due to external market demands. On another axis, the condition and availability of the existing housing supply is limited and cannot keep pace with local needs for lower-cost housing options, nor outside market demands. The imbalances of these factors will continue to be exacerbated by climate change, and restrictive land use and zoning regulation will have drastic impacts on the availability and affordability of workforce housing. Even more challenging is securing stable housing for at-risk populations. This section outlines the ways in which these factors are contributing to the housing crisis, and concludes with estimates for future housing needs in the community generated by a model based on current population and development trends.

Key Takeaways

- Out of 90 surveyed Grand County employers, 76.7% reported having lost employees due to the housing shortage, and 88.9% have experienced some or considerable difficulty fully staffing their companies and growing their business due to the lack of affordable workforce housing.
- Land and housing prices are sharply increasing, reaching an average home value of $494,537 in 2021. This price has been rising at an average rate of 10.56% each year between 2015 and 2021. In 2022, the median sale price rose to $625,000.
- According to 2021 data, a household must make an annual income of $147,746 in order to afford to purchase a home in Grand County. The current average income of a Grand County individual is $40,056.
- In 2021, 36% of the County's total households were cost-burdened, meaning they spent more than 30% of their total income on housing expenses; of households that make less than $50,000 annually, 65% were cost-burdened, and 50% of all households that rent their home were cost-burdened.
- In 2021, 19.3% of Grand County's total housing stock consisted of registered Short-Term Rentals.
- Housing inventory and development in Grand County are impacted by environmental and climatic constraints, including water availability, flooding, extreme heat, and wildfires.
- According to the Housing Needs Projections model:
  - By 2030, 949 new housing units will be needed. By 2050, this demand will rise to 3,728 new units.
  - Of these new units, 74% must cater to households with an annual income of less than $75,000, with the highest demand being for households that make less than $25,000 annually (24%).
  - Demand for new rental units accounts for 27% of the total new units needed, while owner-occupied units account for 55%. The final 18% of new housing stock will likely remain vacant, consistent with current trends.

Workforce Housing

Hotels, commercial campgrounds, recreational outfitters, restaurants, and retail stores create the largest block of demand for seasonal workforce housing. Businesses in these tourism-related industries have experienced the greatest challenges in employee recruitment and retention due to the lack of affordable housing, and their employees are often at elevated risk of housing insecurity and homelessness. However, in recent years, employers outside of the tourism industry have also been facing the difficulty of employee retention, housing insecurity, and business growth due to lack of housing options.

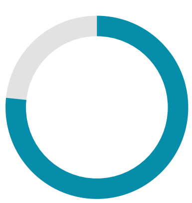
In 2022, the Moab Area Housing Task Force conducted a county-wide survey to gain insight into the top concerns and needs for area employers in terms of housing for the viability of their employees and businesses. Surveys were distributed through the Chamber of Commerce network in February and November of 2022, and in total received 90 responses. Respondents included hotels, recreation outfitters, non-profit organizations, retail, restaurants, healthcare, and others—all of which represent a broad range of full-time, part-time, seasonal, and year-round employees. The results of this survey reinforce the link between the necessity of workforce housing and economic development.

As a result of the stresses from the lack of employee housing, employers are beginning to invest in creating their own housing options for employees through a variety of avenues, including: renting out homes, building shared housing, or providing housing stipends to offset the expenses of the limited housing market. Clearly, there is an undeniable link between housing and economic development. The need for workforce housing is now impacting all Moab area employees—not just in the tourism-based industry—such as those working in the local government, first responders, teachers, public lands workers, scientists and more, limiting some of the potential for business and economic growth throughout the community.

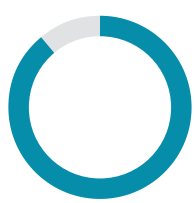
Sources: Moab Area Housing Task Force, Moab Chamber of Commerce

Data Analysis:

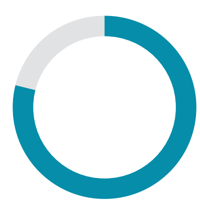
- 69 out of 90 surveyed employers (76.7%) reported having lost employees due to the housing shortage.
- 80 out of 90 surveyed employers (88.9%) have experienced some or considerable difficulty fully staffing their companies and growing their business due to the lack of affordable workforce housing.
- 71 out of 90 surveyed employers (78.9%) have faced some or considerable issues with the amount of time it takes for employees to secure housing.



76.7%
of employers lost employees due to the housing crisis



88.9%
of employers have experienced some or considerable difficulty fully staffing thier companies



78.9%
of employers have faced some or considerable issues with the amount of time it takes to secure housing

- Approximately one quarter of surveyed employers provide some form of housing for their employees, however only a select few house all of their employees.
- Respondents indicated that in the past, seasonal staff have lived primarily in shared housing with friends or family, tents or vehicle camping, or in RV parks.
- The majority of respondents indicated interest in developing or renting workforce housing units for their employees. The most popular forms of potential workforce housing units were apartments, tiny homes, and RV parks. Other ideas included dormitory-style housing, on-site housing, and bunkhouses.

Affordability Gap

An affordability gap is the difference between the average sales or rental price of a home in the area and the actual amount that a household can afford, without spending more than 30% of their monthly gross income on housing costs. The affordability gap is critical to examine when discussing the lack of attainable housing, being that the gap is especially pronounced in Grand County. This is in large part due to low wages which limit homeownership options or market rate rentals for many households. High market housing costs also continue to widen the affordability gap.

	2015	2019	2021
Average Annual Worker Wage	**$30,780**	**$34,956**	**$40,056**
Average Hourly Rate	$14.80	$16.81	$19.26
Median Home Value	**$278,874**	**$384,121**	**$494,537**
Affordable Hourly Wage	$36.54	$48.27	$71.03
# Workers Req. to be Affordable	2.47	2.87	3.69
% of income spent on housing based on average worker wage	74%	86%	111%
HUD Fair Market Rental Rate (3BR)[1]	**$1,115**	**$1,112**	**$1,159**
Affordable Hourly Wage (HUD)	$21.44	$21.38	$22.29
# Workers Req. to be Affordable (HUD)	1.45	1.27	1.16
% of income spent on housing based on average worker wage	43%	38%	35%
What's for Rent Wednesday[2] Average (3 BR) rental rate	**N/A**	**N/A**	**$2,125**
Affordable Hourly Wage (WFRW)			$40.85
# Workers Req. to be Affordable (WFRW)			2.12
% of income spent on housing based on average worker wage			64%

Table 9. Wages and Housing Costs for a Grand County Worker, 2015-2021
DATA SOURCES: US CENSUS BUREAU, UTAH DEPARTMENT OF WORKFORCE SERVICES, HOUSING AUTHORITY OF SOUTHEASTERN UTAH

[1] HUD Fair Market Rates "represent the cost to rent a moderately-priced dwelling unit in the local housing market," and are calculated by the federal entity using various statistics and models of similar-sized rural towns. However, due to the unique resort-nature of Moab, the fair market rate calculated by HUD is not reflective of Moab's situation.

[2] What's for Rent Wednesday is a public document maintained by the Housing Authority of Southeastern Utah, which compiles private rental listings available in the Moab area. Listings above a specific price point, which would be considered unsustainable for many community members and users of this document, are not included in the weekly posting. So, while it does not reflect all of the rental availability in Moab, it creates a gauge of general market rental rates.

Affordability Gap (cont.)

Affordable hourly wages are calculated based on the median home value of that year and assumes a 30-year mortgage with a 10% down payment, 2% PMI, and interest rate reflective of that year. Additionally, this calculation assumes $1,000 in annual property tax, $600 in property insurance, and $1,800 in annual utilities. For 2021, the annual affordable ownership wage was $147,746, based on a median home value of $494,537 and a 6% interest rate. Assuming that an individual works 40 hours a week and 52 weeks a year, they must make at least $71.03 per hour to single-handedly be able to afford to purchase a house and ensure that housing costs account for no more than 30% of their total income.

In addition to the steep but realistic monthly rental costs above, the supply of long-term units in Grand County is limited. Lack of supply leaves households with the burden of higher rental costs than they can reasonably afford for long periods of time. This is coupled with households' limited ability to find a rental unit that fits all needs and desires of a household for optimal safety, stability and comfort.

Data Analysis:

- Based on the 2021 average annual wage and median home values, a household would need more than three full-time workers (3.69) contributing to housing costs in order to make homeownership affordable.
- The median home price value has increased by $215,663 between 2015 and 2021; a 77% increase.
- More than one full-time worker (1.16) contributing to rental costs is needed in order to afford to rent a three-bedroom apartment at HUD Fair Market Rate—a rate which is generally less expensive than actual rental costs in the Moab area.
- Projections from the Housing Authority's What's For Rent Wednesday document identify that a household must make over $40 per hour in order to afford the average three bedroom rental property in Grand County.

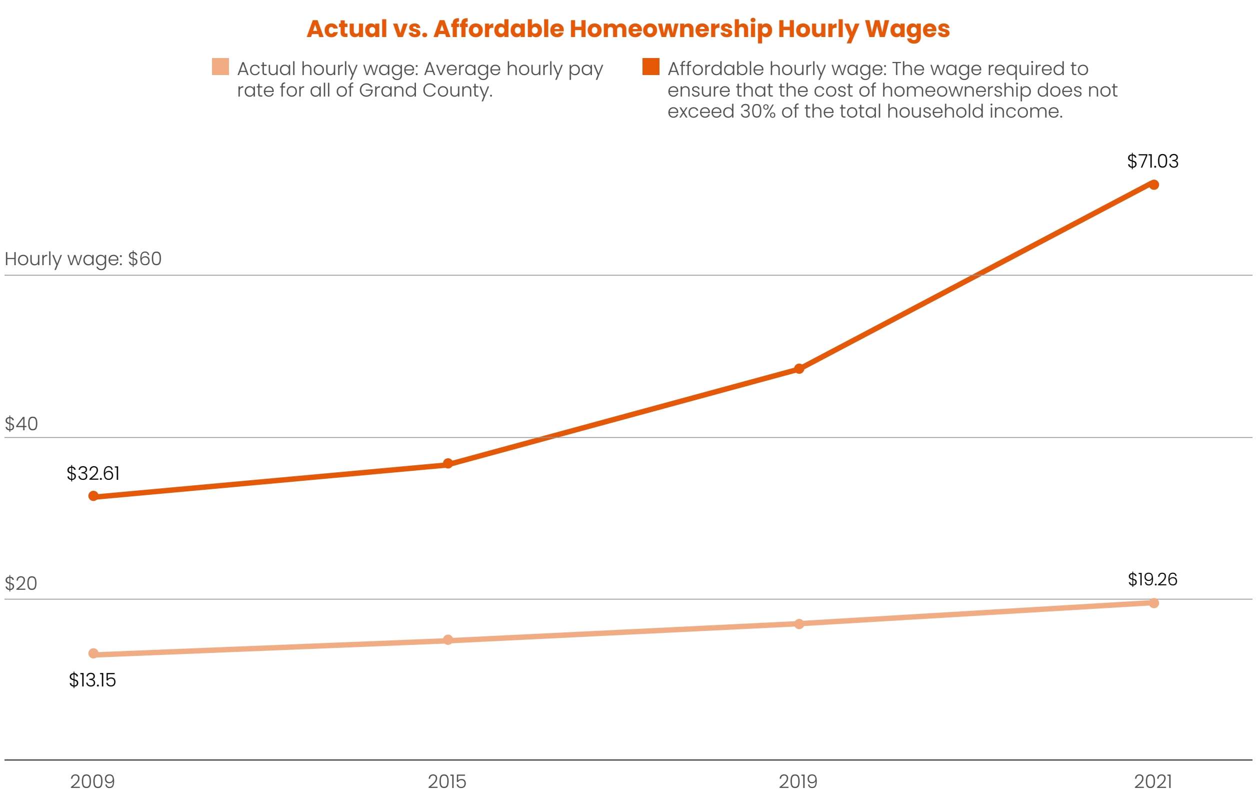


Chart 13. Actual and Affordable Homeownership Wages, 2009-2021
SOURCE: US CENSUS BUREAU, UTAH DEPARTMENT OF WORKFORCE SERVICES

Affordability Gap (cont.)

The average annual wage for all industries in 2021 was $40,056, more than three times lower than the annual household income needed to make homeownership affordable, at $147,746. Travel and tourism related employment accounted for 57% of all 2021 employment in Grand County. However, the average annual wage for these jobs was only $32,640.

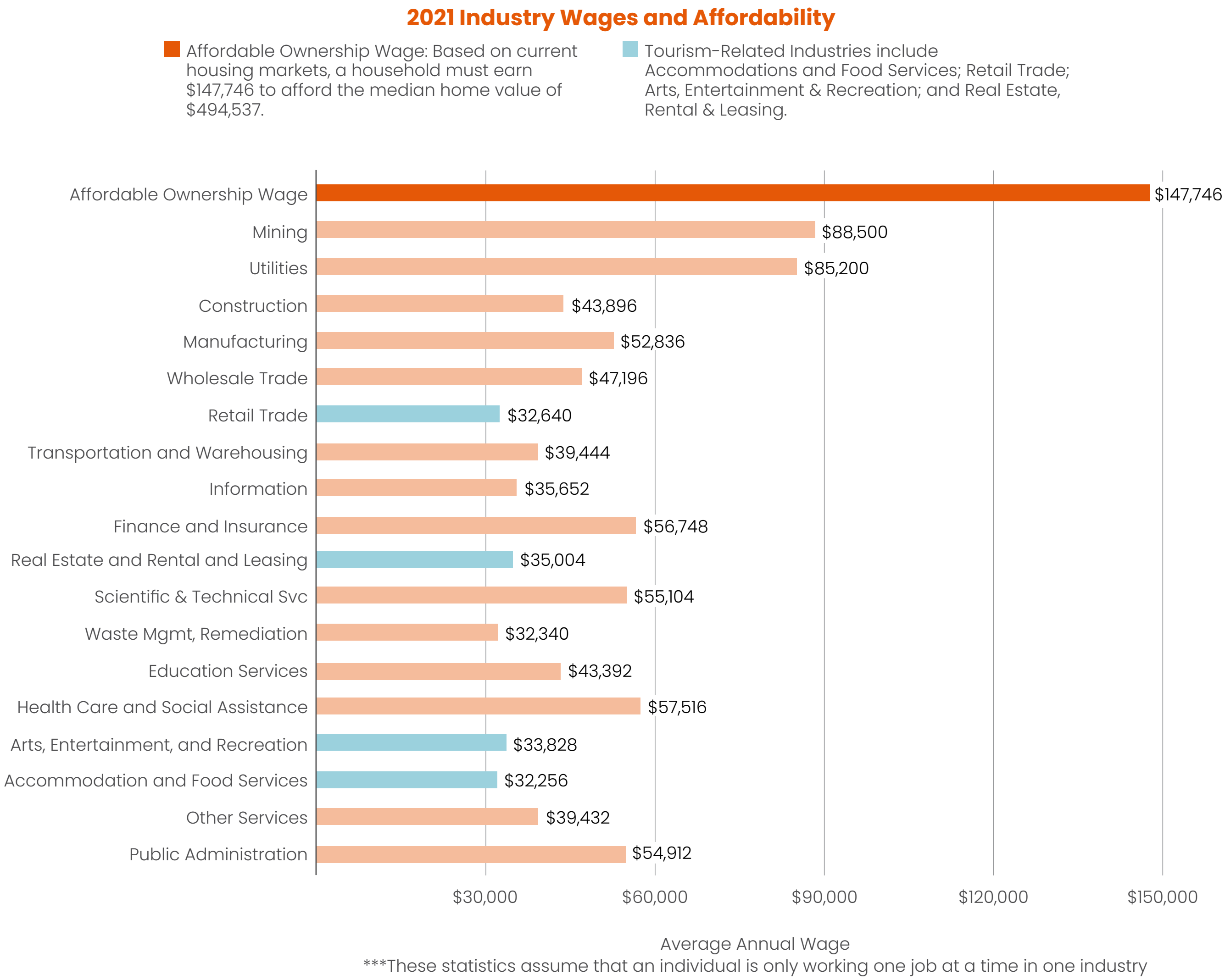


Chart 14. Industry Wages and Affordability, 2021
DATA SOURCE: UTAH DEPARTMENT OF WORKFORCE SERVICES (2021)

Affordability Gap (cont.)

As the average home value in Grand County was $494,537 in 2021, a household must make at least $147,746 annually in order to be able to afford to purchase a home under current mortgage interest rates (modeled at 6%). Chart 9 provides four household scenarios representing workers earning the average wage for their industry, and demonstrates the affordability gap between average wages and the wages required to purchase the average priced home in Grand County in 2021.

For example, a household made up of four food service and accommodations employees working full-time jobs would not make enough income to be able to afford to purchase a home. Likewise, a household with one member working in education and one member working in scientific and technical services would only make a combined income of $98,496—not nearly enough to afford to purchase a home.

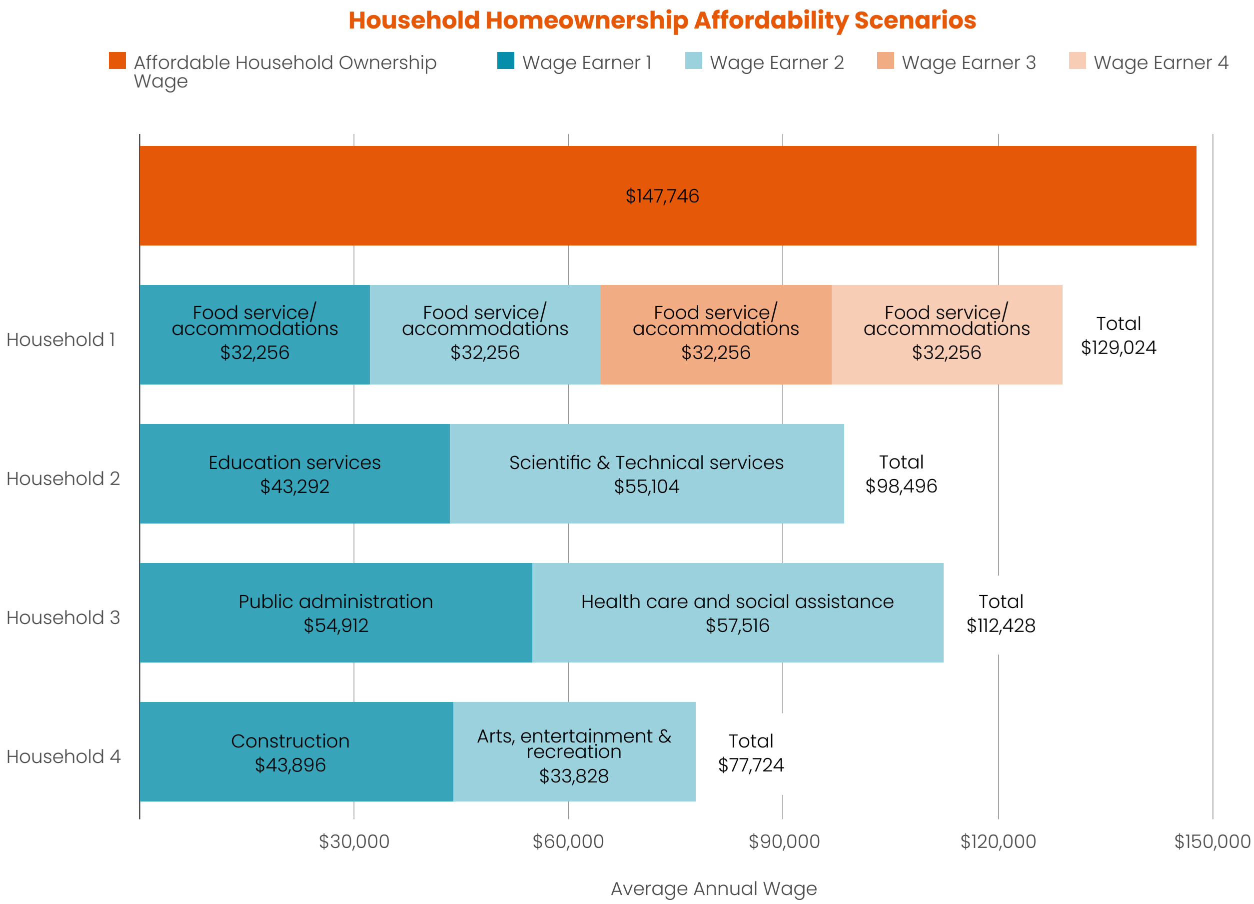


Chart 15. Household Homeownership Affordability Scenarios
DATA SOURCE: UTAH DEPARTMENT OF WORKFORCE SERVICES (2021)

Affordability Gap (cont.)

As previously mentioned, the standard rule of thumb for housing affordability is that total housing costs do not exceed 30% of a household's total income. If a household spends more than 30% of its income on housing costs, including mortgage or rent, taxes, insurance, utilities, and other relevant fees, it is considered "cost-burdened." Of the total 4,176 households included in the 2021 Census in Grand County, 36% were cost-burdened (1,503 households).

However, the proportion of households that are cost-burdened varies widely based on total annual household income[3]:

- 85.3% of households that make less than $20,000 are cost-burdened
- 64.7% of households that make $20,000 - $35,000 are cost-burdened
- 46.4% of households that make $35,000 - $50,000 are cost-burdened
- 14.7% of households that make $50,000 - $75,000 are cost burdened
- 4.2% of households that make more than $75,000 are cost burdened

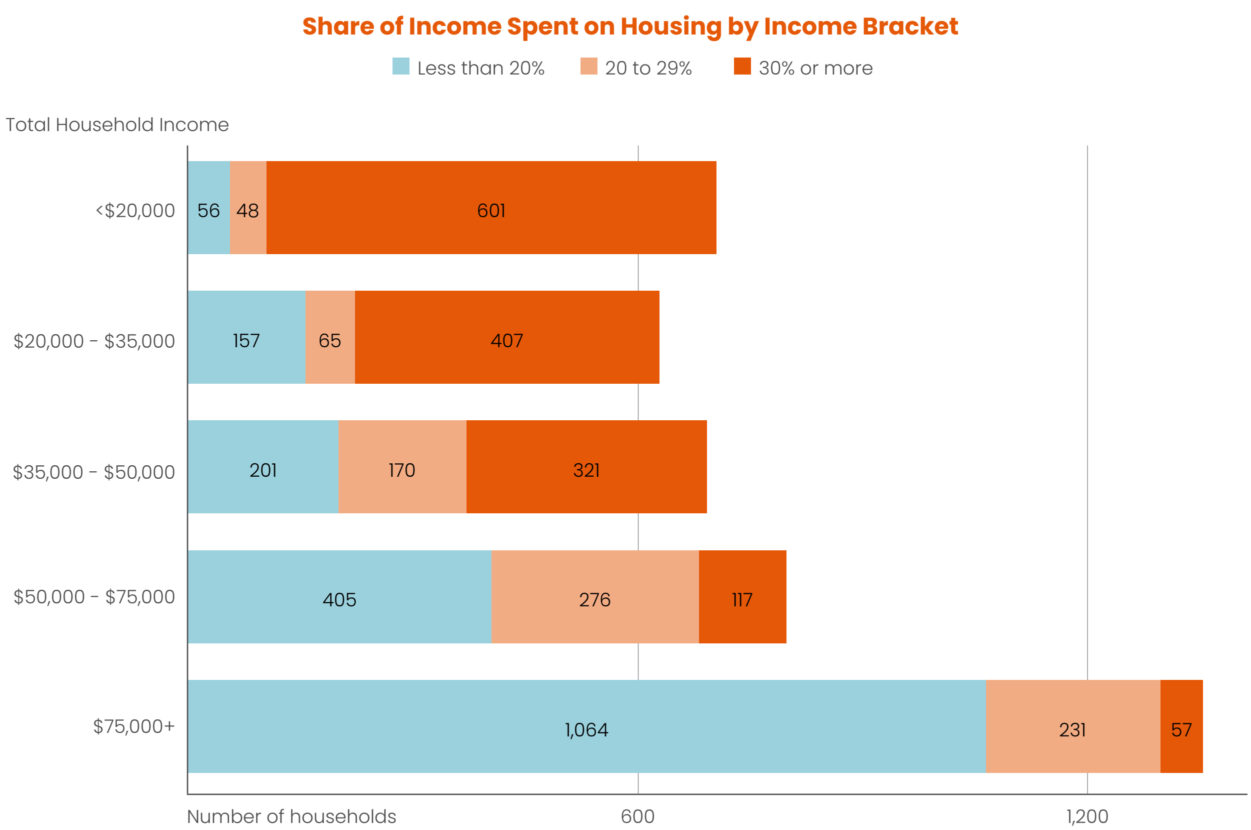


Chart 16. Cost-Burdened Households by Income Bracket
DATA SOURCE: US CENSUS, 2021

[3] 4,271 total households are included in the 2021 Census, yet 16 have zero or negative income, and 79 have no cash rent, and are thus excluded from the cost-burdened analysis.

Affordability Gap (cont.)

This breakdown of cost-burden based on income brackets indicates how high housing costs impact lower-income households, especially those that make less than $50,000 annually—65.6% of which are cost-burdened.

The breakdown of different types of housing occupants—renters, and homeowners with and without mortgages—and how much they spend on housing can also be analyzed to see the current, and long term correlation of housing costs, occupancy type, and income:

- 50% of renters spend more than 30% of their annual income on housing costs, while 19.5% spend less than 20% of their annual income on housing costs.
- 43.5% of homeowners with a current mortgage spend more than 30% of their annual income on housing costs, while 36% spend less than 20% of their annual income on housing costs.
- Only 12.4% of homeowners without a current mortgage spend more than 30% of their annual income on housing costs, while 83% spend less than 20% of their annual income on housing costs.

As the typical mortgage loan payment period is 30 years, those without a mortgage likely purchased their home before 2000 when housing prices in Moab were considerably lower, or they had enough capital to pursue a shorter mortgage period. While ongoing maintenance contributes to housing costs, the lack of a monthly mortgage payment means that only a small proportion of homeowners (12.4%) are cost-burdened.

Homeowners with a current mortgage are significantly more cost-burdened (43.5%), indicating how the housing market in Grand County has changed in the past several decades. Increased housing prices and mortgage interest rates lead many households to spend more than 30% of their total income on housing costs, even if they may make more than the Area Median Income.

Renters have fewer ongoing housing costs aside from their monthly rent payments, but typically have lower annual income, which drives up the percentage of those experiencing a cost burden from their rental payments. As the area is also experiencing higher-than-manageable rental rates and a limited stock of long term rental options, half of all households who rent their homes spend more than 30% of their annual income on housing costs.

One solution to remedying cost-burdened households is through the development of diverse housing types. This helps to provide different options at various prices that are fitting for a wide breadth of income levels. Single-family homes and luxury townhomes tend to be the most expensive to construct yet house the fewest number of people, which leads to higher-income individuals most able to obtain them. Lower cost options include condominiums, multi-family complexes, and compound homes such as 3- or 4-plexes. These also tend to be available as long-term rentals for those who do not want to or are unable to purchase a unit. Housing stock diversity that targets various income levels should be developed both by private developers as well as non-profits such as HASU and Community Rebuilds.

Sources: US Census 2021, Utah Department of Workforce Services 2021

Share of Income Spent on Housing by Occupancy Type

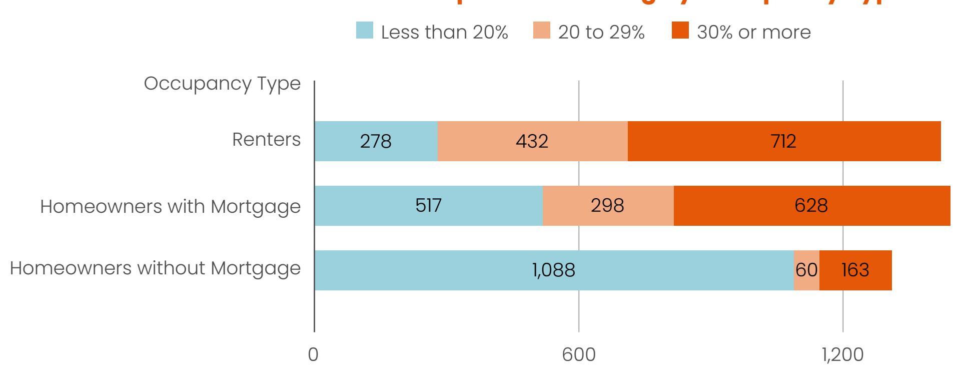
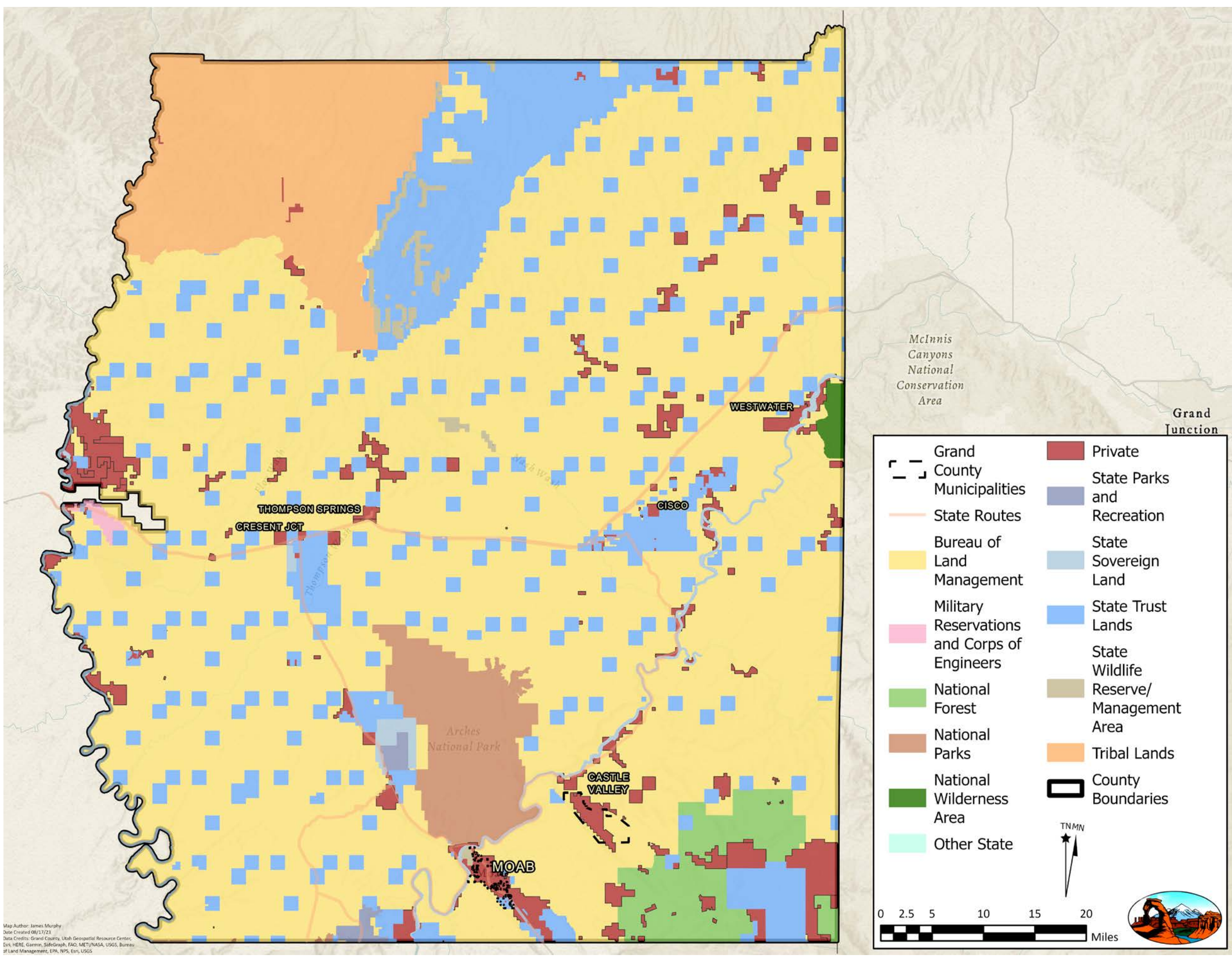


Chart 17: Cost-Burdened Homes by Occupancy Type
DATA SOURCE: US CENSUS 2021

External Market Demand

Demands from the external market continue to put stress on the capacity for supply in Grand County. However, the county is in a unique position due to its natural constraints of the geography that limits the amount of growth available. Private, developable land in Grand County continues to be scarce both in area and because of the lack of sustainable water sources.

Only 18% (670 sq. mi) of the County's total land is developable—either private land (4%, 161 sq. mi) or Utah School and Institutional Trust Lands Administration (SITLA) land (14%, 509 sq. mi). A large portion of the available land in the Moab area has already been developed, leaving little remaining to expand. Furthermore, the lack of water accessibility poses a tremendous challenge of how to strategically and sustainably keep up with development demands, both for the regular and affordable housing markets. This causes the cost of land to be very expensive, and is a major impediment to the construction of affordable housing.



Map 1. Land Ownership of Grand County: Federal, State, and Private
DATA SOURCE: GRAND COUNTY GIS DATA, 2023

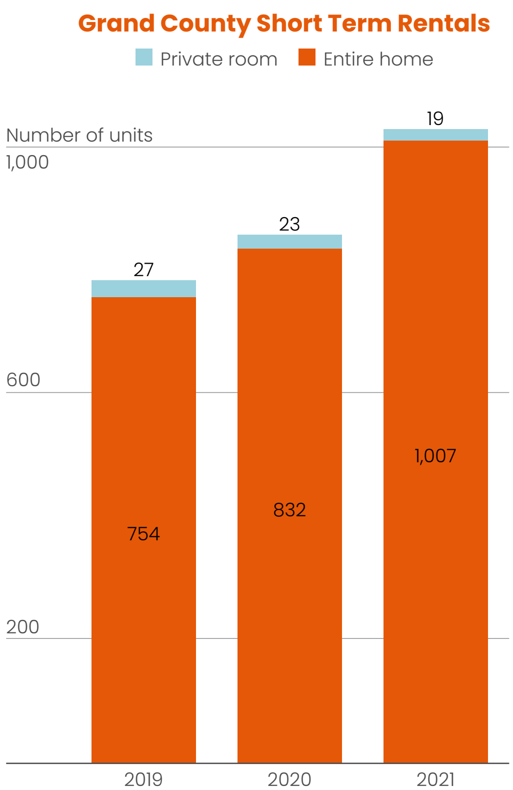
External Market Demand (cont.)

External market demand continues to increase housing prices and limit or reduce the inventory of affordable and workforce housing stock. Grand County is a desirable housing market for individuals and investment firms located around the world—a trend which has also been exacerbated by the COVID-19 pandemic and the shift to remote work and flexible living options.

Consequently, the local housing market has experienced increased external market demand for second/seasonal homes, short-term rentals, retirement homes, and general investment properties. External market real estate purchasers have the ability to and typically do bid at higher home purchase prices than those supported by prevailing wages in the local market. Each home sold at an increased price reduces the quantity of housing that otherwise could be sold to the local market at its particular need and price point, and increases the sales price of all housing in the inventory.

A Short-Term Rental (STR) is defined as a residential unit being used for less than 30 days as a rental. Conversely, an Overnight Accommodation (OA) is a unit in a commercial zoning area such as a hotel or motel room, also being inhabited by 30 days or less. Both Moab City and Grand County have restrictive measures in place to limit growth of both of these particular types of units. Moab Municipal Code prohibits residential short-term rentals in specific zoning areas, including: A-2, C-1, C-5, FW, I-1, O-1, R&D-1, R-1, R-2, R-3, R-4, RA-1. Grand County only allows STRs and Overnight Accommodations in the specified 'Overnight Accommodations Overlay' zone, which is a rezone that must be applied for by a developer and reviewed by the County Commission—making it an arduous and improbable feat to develop additional overnight units.

The STR data that is available within Grand County includes units that are recognized by an official City or County business license, which allows these units to be managed legally for the purpose of a short term rental on markets such as Airbnb or VRBO. It should be noted that the number of total STR units may be higher than the ones counted in this study, if they are operating without an official business license, or being advertised and booked in an alternative fashion that was not recognized in the following Kem C. Gardner report.



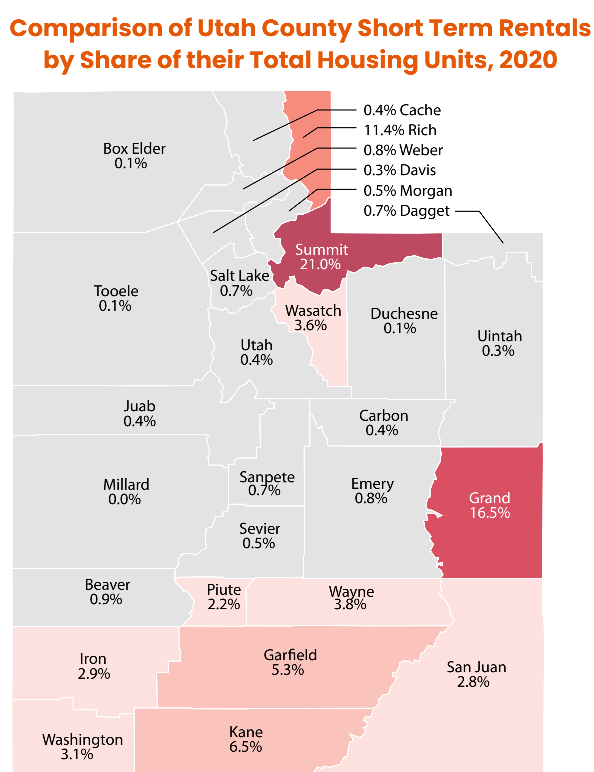


Chart 18: Number of Short Term Rentals in Grand County Over Time and STR Share of Total Housing Units in Utah, 2021
DATA SOURCE: KEM C. GARDNER POLICY INSTITUTE, 2022

External Market Demand (cont.)
In addition to the construction of new housing units to meet the external market demand, local housing professionals also report that:
- Condominiums and other long-term rental units are being purchased by market investors and converted to short-term rentals for VRBO and Airbnb markets, and
- Single family homes in need of major repairs are purchased, repaired or demolished, and resold at a much higher price.

One measurable indicator of the external market demand for housing in Grand County is the number of overnight or Short Term Rentals (STRs). According to a report by the Kem C. Gardner Policy Institute:
- In 2021, there were 1,026 total STR units in Grand County, 1,007 of which were entire homes, and 19 of which were private rooms.
- There has been a 34% increase in entire home STRs since 2019, while the number of private room STRs has been historically small and shrinking at a similar rate (30% reduction since 2019).
- The share of total housing units listed as STRs in Grand County increased from 16.5% in 2020 to 19.3% in 2021.
- Grand County has the second highest STR percentage of total housing units in the state, second to Summit County at 23.3%. Statewide, STRs account for only 1.6% of total housing units.

Condition of the Housing Supply

Although existing housing tends to be more affordable than new housing, older units in declining condition are less energy efficient and require more maintenance, which increases overall housing costs. Older homes are also more likely to fall short on important home health and safety measures, and are often characterized by insufficient ventilation, presence of asbestos in building materials, high radon levels, leaky roofs, outdated HVAC equipment, and insufficient insulation that can lead to thermal stress (extreme heat or cold) on residents, especially children and the elderly. Homeowners must choose to either expend additional money to improve energy efficiency and address health and safety concerns, or defer maintenance, which tends to increase costs and the likelihood of more expensive, compounding issues in later years.

Older, substandard housing can also increase rent burden Renters tend to experience increased rents over time as property owners account for maintenance costs by passing them onto renters. At the extreme, very old units, perhaps some built to substandard qualities, may result in condemnation and demolition, which decreases the total supply of housing.

Unfortunately, Grand County is also underserved by residential retrofit services. For example, there are no locally based insulation contractors, and homeowners often must seek retrofit services from Grand Junction or the Wasatch Front. Households earning below 150% of the federal poverty level and including at least one US citizen may be eligible for energy bill payment assistance through the Utah Home Energy Assistance Target (HEAT) program and for free weatherization and HVAC upgrades through the Southeastern Utah Association of Local Governments (SEUALG), Grand County's Weatherization Assistance Program (WAP) administrator. However, enrollment paperwork for these programs tends to be complicated and burdensome, and waitlists are typically long.

The income eligibility criteria also exclude moderate-income households, who lack the financial resources to self-fund home improvements. Rural communities across the country are known to be underserved by utility- and state-administered energy efficiency programs, and rural households face a 42% higher energy burden than the national median for all US households.

Of Grand County's 5,161 housing units, 89% were built prior to 2010 and would likely benefit from envelope improvements (for example, added insulation, air sealing, new windows) to increase their energy efficiency, improve residents' comfort, and reduce energy burdens. 41% of Grand County's housing units were built prior to 1980 and are likely to include the types of health and safety concerns described above.

Over 1,000 units, or nearly a fifth of our housing stock, were built during the residential construction boom of the 1970s when construction trends included uninsulated, single-pane windows; wall and attic insulation standards that were half of modern R-value standards; galvanized steel pipes for water and plumbing, which have only a 40-50 year lifespan before corrosion causes leaks and failures; and single-strand aluminum electrical wiring, which is a fire hazard. Manufactured homes account for 15% of the total housing stock, and are a crucial source of affordable housing. However, due to insufficient building standards, manufactured homes are extremely energy inefficient, with energy costs per square foot that are 70% more compared to site-built homes.

No new survey data exists about dilapidated housing, though the increase of new construction coupled with the fact that the percentage of housing stock built before 1980 has decreased from 62.7% in 2015 to 41% in 2021, would suggest that dilapidated housing stock is decreasing. The age of the current Grand County housing inventory is a sound indicator of how the housing stock will continue to shift to newer construction once maintenance and repair costs of existing structures begin to outweigh their worth, causing demolition and newer, more expensive housing to be constructed.

Due to the overall older, poorer condition of the housing supply:

- Many homes at time of sale do not meet loan qualification standards of safety, security and soundness. Wage earners that require a mortgage for home purchase are therefore often excluded from the ability to purchase.
- Aging housing units represent the majority of

[4] See "Age of Housing Inventory" section in Housing Stock Overview for more data on housing stock age.

affordable units in Grand County, but they also require the highest levels of maintenance and utility costs, and may pose serious health and safety concerns to residents.
- Homes in need of major repairs are appealing to an external market investor for cash purchase, remodel or demolition, and resale at a much higher price, removing existing affordable housing options from the housing supply.
- Housing Vouchers issued by the Housing Authority are not fully utilized because the condition of lower cost rental housing units is below HUD's Housing Quality Standards.
- All residents have difficulty accessing retrofit services due to the lack of local contractors. Low-income residents who qualify for free retrofit services face long waitlists for state programs, and moderate-income residents do not qualify for assistance but do not have the financial resources to pay out of pocket. This means that Grand County's older housing stock is not being upgraded at the rate that is needed to ensure healthy, affordable housing for all.

Source: US Census Bureau 2021 ACS 5-Year Estimates

Environmental and Climate Constraints

Housing development in the Moab area has been restricted by the unique desert valley environment and geography of the region. Steep slopes and water availability constrain the sites which can be economically developed. Floodplains and wildfire risk create less obvious but real long term risks in some of the developable areas. Climate change impacts such as decreased water availability, flooding, extreme heat, and wildfires all contribute to the challenges to increasing and maintaining the total and affordable housing stock in the Moab area, and must be taken into consideration when developing housing policy and strategies.

Water Availability

There is a limited amount of total water supply in the Moab area. According to a 2019 USGS study of the Spanish Valley aquifers, there is a total of approximately 15,000 acre-feet of groundwater available for use each year. Surface water is closed to new allocations and according to the Utah Department of Water Rights, less than 10% of groundwater supply is still available for acquisition. However, the available groundwater is of lesser quality than the current source of the domestic water supply and infrastructure to use it as a domestic water supply is not available. The water providers in Spanish Valley have formed a coalition to research means to better use current water sources and consider developing others.

Moab's arid conditions favor affordable development in areas currently served with water systems or with access to established wells, limiting available land area. Water conservation continues to be a concern with development; sustainability incentives such as xeriscape landscaping, low-impact development, and greywater systems should be encouraged for all future housing construction. As climate change and the current multi-decadal drought intensify, the amount of water left to be used in the Moab area has serious implications on the future of development.

Flooding

As climate change causes extreme shifts in weather and precipitation patterns, the Moab area is experiencing more frequent flooding events, putting homes within the floodplain at higher risk, thus making solutions to building in the floodplain more expensive. The Moab area saw a series of severe floods in 2022, including a 100-year flood in Mill Creek on August 20th. Over 100 homes and businesses self-reported impacts and damage from this flood, which caused millions of dollars in damage and destroyed several homes. Damaging floods are forecast to increase in frequency, putting more homes, businesses, properties, and people at risk if climate change and flood risk projections are not taken into consideration for both existing and new development.

Extreme heat

Grand County and the Moab area will likely see more days of extreme heat due to climate change. Based on 1961-1990 observed temperatures, Grand County experienced an average of 20 days with a maximum temperature above 95°F each year. By 2050, low-emissions climate models predict that there will be an average of 49 days with a maximum temperature above 95°F, and high-emissions models predict 58 days each year[7].

[7] The Climate Explorer sources historical data from NOAA's National Centers for Environmental Information, and climate projections from the Coupled Model Intercomparison Project Phase 5 (CMIP5). High-emissions projections represent scenario RCP 8.5 and low-emissions projections represent scenario RCP 4.5. https://crt-climate-explorer.nemac.org/about/.

Extreme heat (cont.)

Extreme heat of this level and over prolonged periods of time can be damaging to key infrastructure and building materials, lead to higher energy consumption, and can cause extremely dangerous health impacts—in fact, heat causes more deaths per year than any other natural risk. Often, older homes and non-traditional housing options are not built to withstand and protect people from such extreme heat. As such, housing must be constructed and maintained with increased extreme heat risks in mind.

Wildfires

Due to increased heat, drought, and changing precipitation patterns, the risk of wildfires in the Moab area will also increase. Several fires have impacted the region in recent years, including the Pack Creek Fire in August 2021, and the Murphy Fire in June 2022. Both fires damaged and destroyed homes—the Pack Creek Fire lasted for several weeks, destroying several houses and burning approximately 9,000 acres, and the Murphy Fire completely destroyed 6 homes and severely damaged 4 others. Homes and buildings located in the wildland-urban interface will face increased risk as wildfires become more frequent. Adequate planning should be made to protect people, property, and homes from these fires.

Climate change vulnerability and housing insecurity are intrinsically connected issues—increasing access to safe and affordable housing is a necessary step towards individual and community resilience to climate change, and ensuring climate change adaptation and preparedness will in turn protect the current housing stock and all who live in the area.

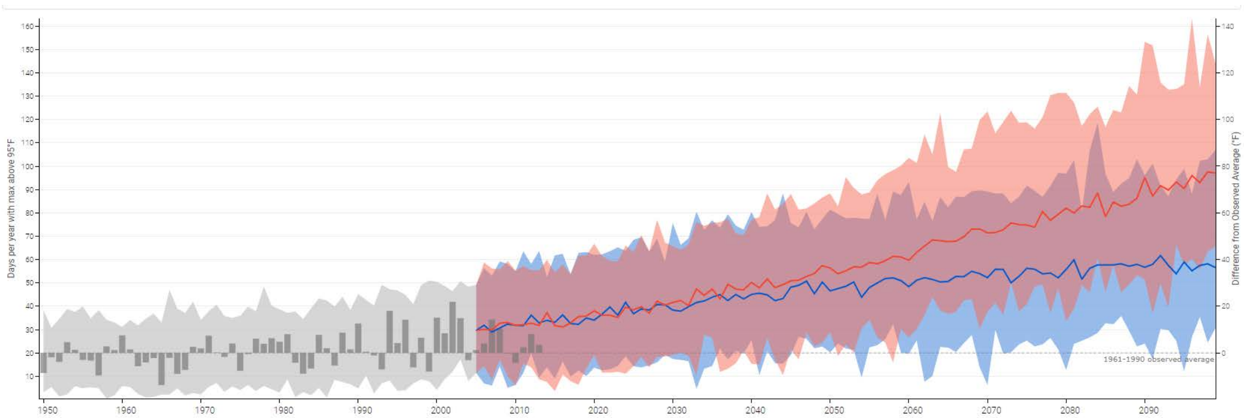


Chart 20. Days per Year with a Maximum Temperature above 95ºF in Grand County, UT
DATA SOURCE: U.S. CLIMATE RESILIENCE TOOLKIT'S CLIMATE EXPLORER

Affordable Housing Needs Projections

One fundamental tool of the Moab Area Affordable Housing Plan in both 2017 and 2023 has been the Housing Needs Projections, a method of projecting the baseline number of homes needed to sustain the growing population of Grand County, and how the projected development will need to be tailored to the area's socioeconomic trends.

Review of 2017 Plan Projections

The 2017 Housing Plan predicted the following housing needs by 2020, based on population, occupancy, housing construction, and income trends:

- Housing unit demand will increase by 316 in 2020 and 1024 by 2030.
- Of the 316,
  - 98 would be renter-occupied and 218 owner-occupied; this ratio would increase to 323 and 701 respectively by 2030
  - 177 for low-income (80% AMI and below); increase to 503 by 2030

Results of Housing Construction 2017 - 2020:

- Between 2017 and 2020, 379 total housing units were constructed in Grand County, surpassing the overall housing construction goal set forth by the 2017 Needs Projections.
- Only 105 of these newly constructed units had any form of deed or occupancy restriction, while the 2017 plan projected a need for 177 low-income (80% AMI and below) housing units.
- The number of entire-home short-term rentals in Grand County increased by 78 between 2019 and 2020 alone. Data is lacking on short-term rentals before 2019, but based on the impacts of tourism in Grand County, it can be inferred that the number of STRs also increased during the years of 2017-2019. STRs directly offset the number of homes available for rent or purchase to local households.
- Qualitative knowledge of several housing developments constructed during this time period indicates that many new homes built catered towards the luxury and second home market, rather than providing housing for low-income or local area households

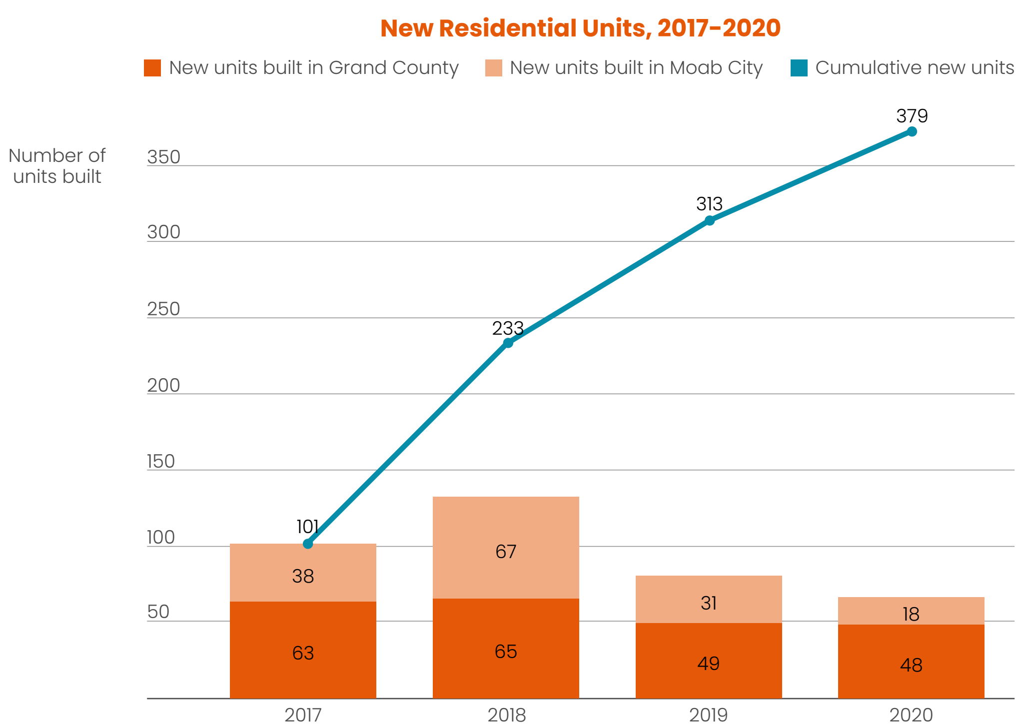


Chart 19. New Residential Units, 2017-2020
DATA SOURCE: 2017 MOAB AREA AFFORDABLE HOUSING PLAN, GRAND COUNTY BUILDING DEPARTMENT

[8] The See External Market Demand for more information on Short-Term Rentals.

2023 Plan Projections

The following charts present the results of a specified model used to project future residential, not external market, housing needs in Grand County. It should be noted that models used to forecast future housing demand are only as good as the data and assumptions used to create them. Grand County housing data is lacking in its scope; other than census data, consistent tracking of many data points has not occurred as thoroughly as it should. Therefore, the data influencing the model may not be entirely accurate.

Forecasts also become less reliable as the forecasting period increases. For instance, the model uses recent population trends to forecast future population trends. However, any given year may result in atypical population growth, either lower than estimated or higher than estimated. The model also assumes the share of owner occupied versus renter-occupied housing units remains the same over time. While this assumption has been included to simplify the modeling exercise, national and regional trends suggest the share of renter-occupied housing units is very likely to rise further in the coming decades.

The time period of 2015-2021 was selected to influence the plan projection model because it provides the best average indication of how Grand County's population and housing market have changed following the rise of tourism, which started to peak in 2014 due to the state-led campaigns, the rise in social media documentation of Moab, and increased popularity of short-term rentals. The following assumptions were used to create this housing needs projection model:

- The population will grow at 0.43% per year.
- The total housing stock will continue to grow at an average rate of 1.89% per year (approximately 98 units).
- Owner-occupied versus renter-occupied ratios remain constant overall and within each income bracket (66.9% owner-occupied, 33.1% renter-occupied)
- The share of households within each income bracket remains constant at the following rates. Note that these averages do not take into account the rapid rise in income due to inflation and other factors associated with the Covid-19 pandemic.
    - 24.0% under $25,000
    - 10.5% between $25,000 to $35,000
    - 17.8% between $35,000 to $50,000
    - 21.2% between $50,000 to $75,000
    - 10.9% between $75,000 to $100,000
    - 11.6% between $100,000 to $150,000
    - 4.3% over $150,000
- The 2021 vacancy rate (17.2%) is used in this model, rather than an average from recent years, due to the steady decline of the vacancy rate since 2017[10].
- Projections do not include households currently living in Grand County that are cost-burdened.
- Replacement of dilapidated or unacceptable housing units over time is not factored into projected housing demand.
- No consideration is given to housing typologies or variable development costs.

Each of these assumptions can be manipulated to reflect different expectations for Grand County's future. If Grand County continues to mirror the trajectories of similar tourism based economies in the American West, vacancy or second home rates may climb to 40, 50, or even 60 percent, if not higher. Models are inherently limited in predicting the future due to the necessity of making assumptions. In recent years, planning has shifted more towards scenario planning, where decision-makers select a set of policies based on a range of possible future states. Nevertheless, the model provides a useful exercise in understanding future housing demand. The forecasts should be used as a guide for policymaking, and not considered hard predictions.

[9] 2021 data was excluded from this average due to a significant decrease in housing stock between 2020 and 2021, likely due to Census data collection practices.

[10] See the Population and Household Estimates table in Demographic Overview.

2023 Plan Projections (cont.)

Using the aforementioned assumptions, the needs projection model indicates that approximately 100 new housing units must be constructed each year between 2021 and 2030 in order to support current population growth and housing market trends. Between 2021 and 2030, it is projected that 949 total new units must be constructed—by 2040, 2,208 total new units—and by 2050, 3,728 total new units.

Further, it is important to explore housing stock needs with regard to affordability at a variety of income brackets. Based on Grand County's current economic data, the following projections identify how many new housing units will be needed to support households in each income bracket. From these projections, the amount and type of housing units that will be needed for each income bracket can be inferred to ensure adequate housing availability for all households of various income levels.

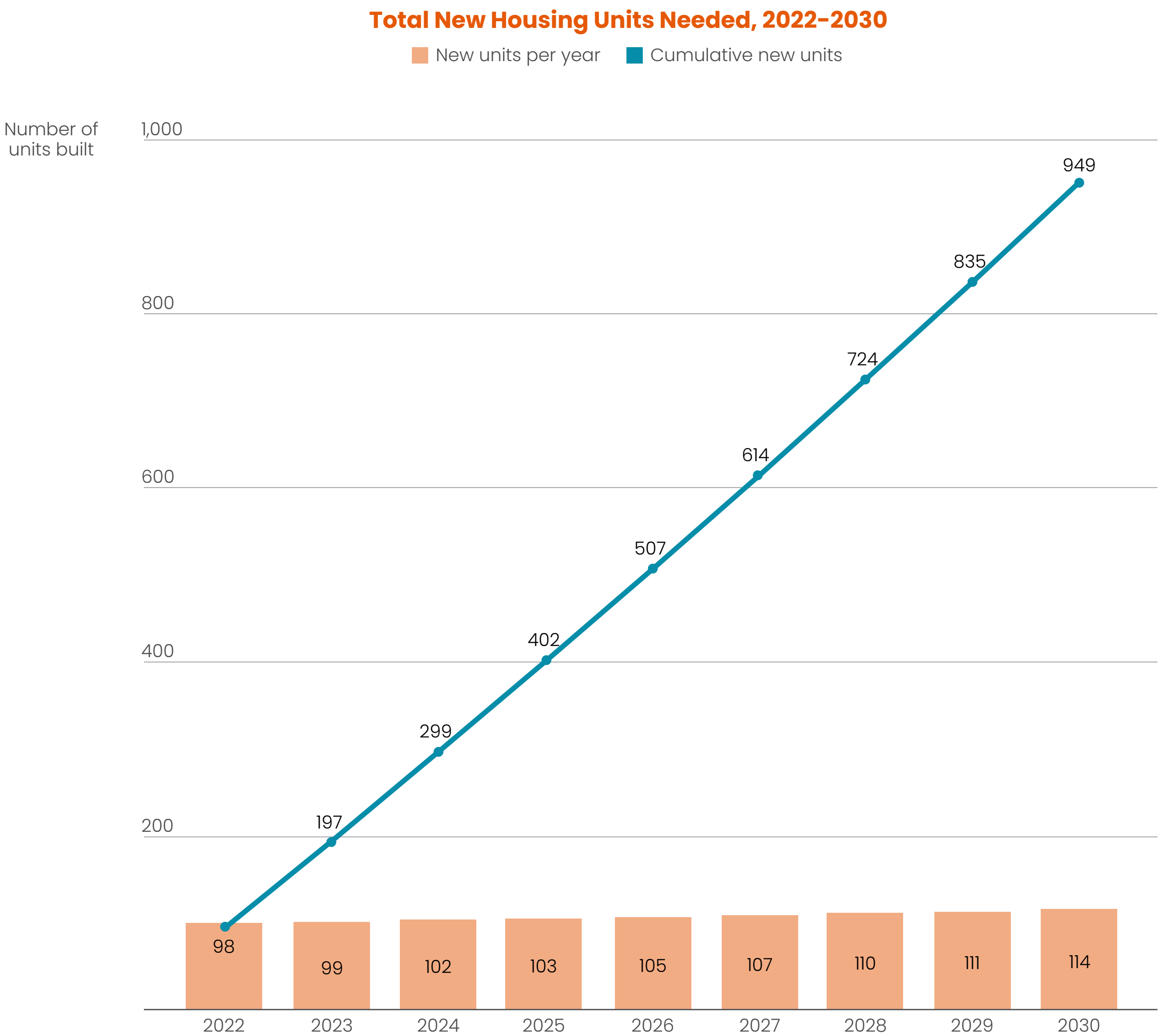


Chart 20. Total New Housing Units Needed Projections 2022-2030
DATA SOURCE: US CENSUS, 2021

2023 Plan Projections (cont.)

The income bracket with the greatest demand for new housing units is Grand County households with an annual income of less than $25,000. By 2030, 228 units will be needed and by 2050, that demand will grow to 896 new units. Housing types to support this income bracket are likely to be almost exclusively rental units in the form of multi-family developments and public affordable housing.

The second highest demand for new housing units is for the $50,000 - $75,000 household income bracket. By 2030, 201 new housing units will be needed, and by 2050, 790 units will be needed to support population growth in this segment of the population. Housing for this income bracket will likely be a mix of rentals and homeownership, and may include condos, townhomes, or single family homes.

The next highest new housing demand is for the $35,000 to $50,000 household income bracket. By 2030, 169 new units will be needed, and by 2050, that demand will grow to 666 new units.

Demand for new housing units needed in the $25,000 - $35,000, $75,000 - $100,000, and $100,000 - $150,000 household income brackets will all increase at relatively similar rates; by 2030, 100, 103, and 110 units respectively will be needed. By 2050, the demand will grow to 393, 406, and 433 units, respectively. New units for households in the $25,000 - $35,000 income bracket will likely be rentals, multi-family apartments, and public affordable housing. For those in the $75,000 - $100,000 and $100,000 - $150,000 income brackets, new housing demand will likely take the form of single-family home rentals, or condo, townhome, duplex, and single-family home ownership.

The lowest demand for new housing units is for households with an annual income of greater than $150,000 - largely encompassing the luxury housing market. Only 41 units will be needed by 2030, and by 2050, this demand will increase to 161. Based on these projections through 2050, 74%of all new housing units built will need to cater to households with an annual income of less than $75,000 - equating to 2,785 units total.

A wide variety of housing must be constructed over the coming decades in order to meet the demand of Grand County's growing population. Understanding which income brackets will need the most housing, and which types of housing is realistic to fit their needs is a critical component to equitably housing all residents of Grand County. Currently, the vast majority of Grand County's housing stock (60%) consists of detached single-family homes. Other housing types, such as multi-family apartments, condos, duplexes, and townhomes will provide necessary diversity to the county's housing stock, ensuring affordable options for households in all income brackets.

Chart 22 projects the number of housing units needed by occupancy type between 2021 and 2050 using average renter-occupancy, owner-occupancy, and vacancy rates coupled with population growth rates. Between 2015 and 2021, the average vacancy rate in Grand County was 23.7%, while 51.3% of the housing stock was owner-occupied and of the remaining 25% of units were renter-occupied[9]. Based on these rates, between 2021 and 2030, Grand County will need 525 new owner-occupied units, 260 new renter-occupied units, and 164 new units will remain vacant.

By 2050, this will increase to 2,063 new owner-occupied units, 1,022 new renter-occupied units, and 643 new units will remain vacant.

It is important to note that these projections simply provide benchmarks for a "business as usual" scenario that maintains the current percentage of vacant homes, renter-occupied homes, and owner-occupied homes. An increase in vacant homes, while not completely avoidable, is bad for housing affordability and the local long-term rental stock, as it decreases the total supply of homes.Specifically, vacancy rates in Grand County are inferred to be short-term rental units or secondary residential homes. In projecting the number of vacant units, this show that 643 units will be constructed but are otherwise not available for the residency of local community members. By highlighting projected vacant units, it may motivate local government entities and developers to strategize methods to curb the number of virtually unused units being constructed.

[9] These projections use average occupancy rates from 2015-2021 Census data. Housing Occupancy Rates for 2021 specifically are included in the Demographic Overview section under the Populations and Households table.

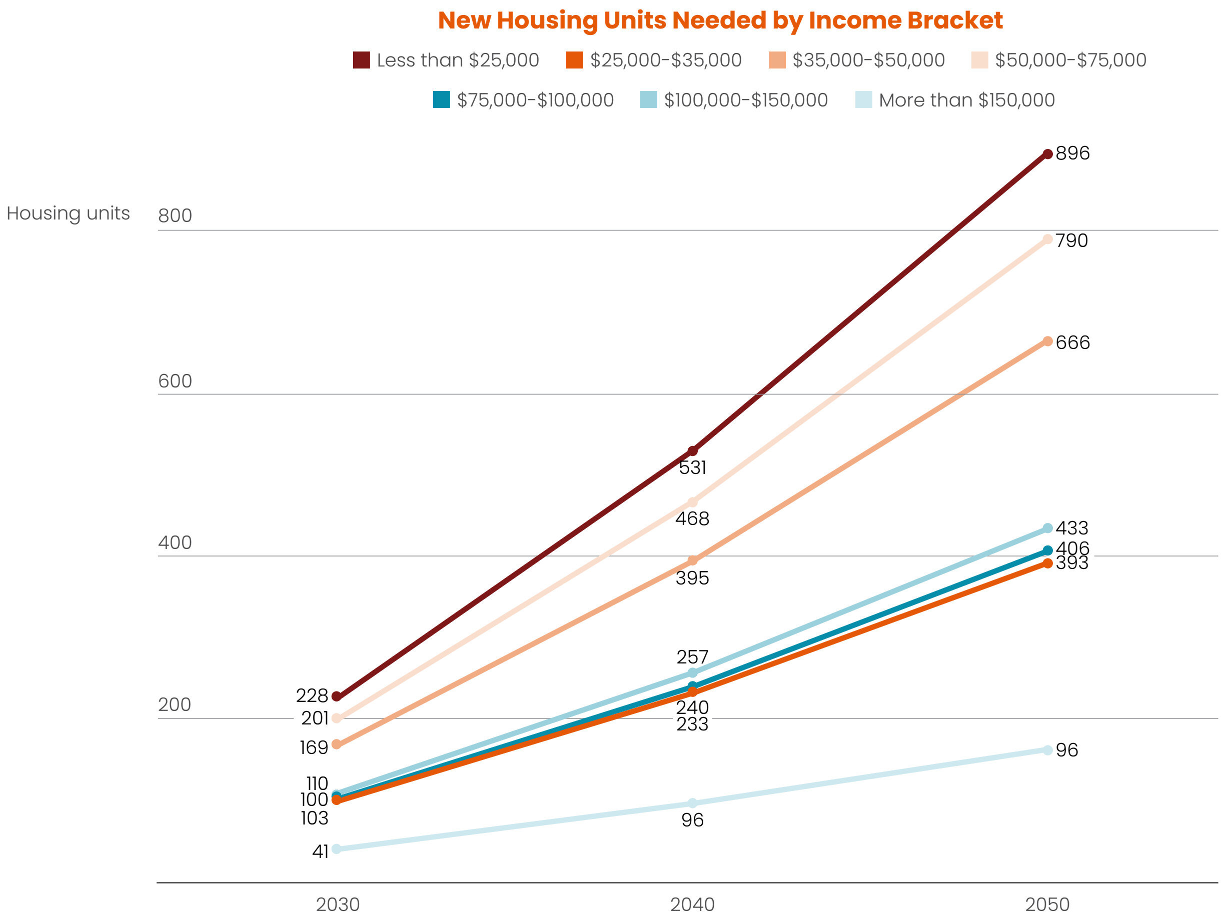


Chart 21. New Housing Units Needed by Income Bracket 2030-2050 Projections
DATA SOURCE: US CENSUS, 2021

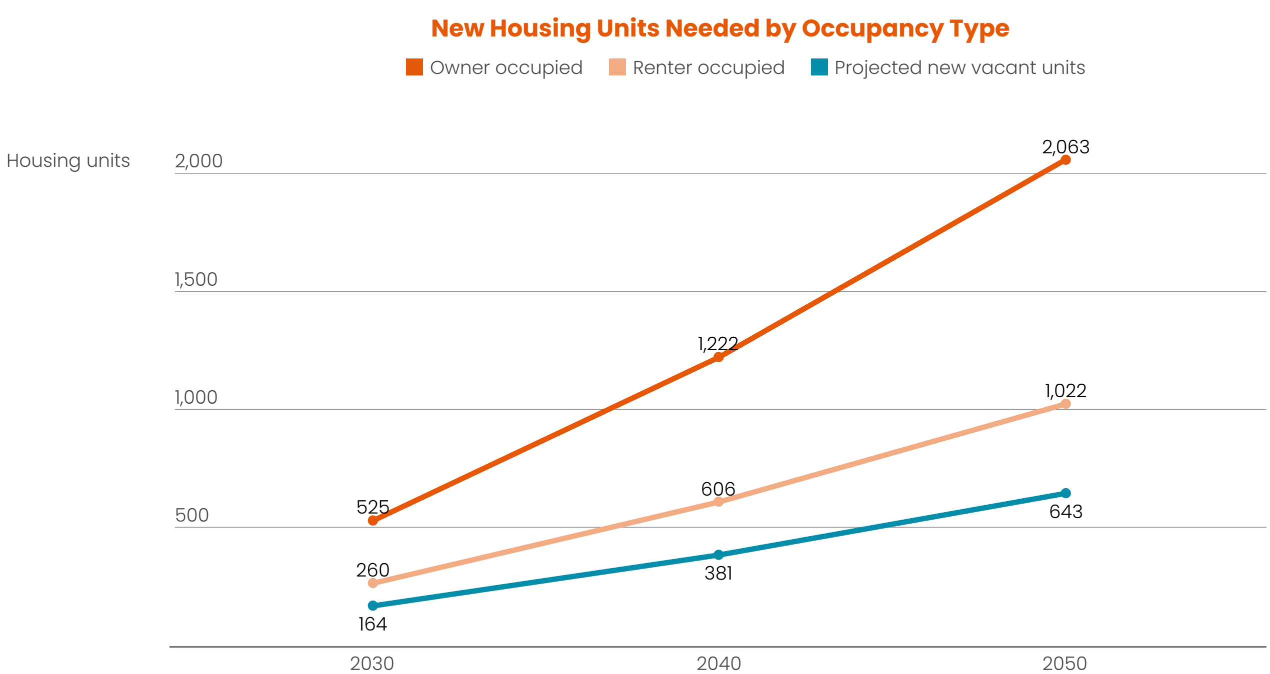


Chart 22. New Housing Units Needed by Occupancy Type 2030-2050 Projections
DATA SOURCE: US CENSUS, 2021

GOALS AND ACTION STEPS

Moab Affordable Housing Plan: Goals and Action Steps

The Action Plan is the final section in the Moab Area Affordable Housing Plan in which clear and specific steps to maintain, increase and improve affordable housing are outlined as tangible benchmarks for participating Grand County entities. This is a framework which will serve as guidance for housing construction, policy change, and housing advocacy The intent is that these steps are attainable and allow for maximum impact, specific to the City's and County's needs. Potential community partners include: Community Rebuilds, Housing Authority of Southeastern Utah, Moab Area Housing Task Force, various additional non-profit organizations and local business entities.

The Goals and Action Steps included in this plan have been identified through workshops with City and County planning staff and commissions, data analysis, and community input. They were further reviewed by the Housing Task Force. These steps will guide action on Housing Plan recommendations through 2030, until the plan is next reviewed and updated.

While it is necessary to continually derive realistic action steps to propel the Moab Area's Affordable Housing Plan, it is also important to acknowledge that since the 2017 update to the Affordable Housing Plan, many action steps that were called out in the plan are in progress or have been completed by a variety of Moab agencies and partners. For a comprehensive look at affordable housing advances, see the Housing Stock overview and Housing Efforts to Date sections of this plan; however, some of the notable successes are highlighted below.

Successes and improvements include, but are not limited to:

Increasing Affordable Housing Stock

- The Moab Area Community Land Trust has been developing Arroyo Crossing, a 300 unit subdivision that is capped for affordability and designated for local Grand County working residents. As of September 2023, 25 single family homes are occupied, with 16 additional single family homes, 12 twin homes, 24 cottages, and one multi-family complex currently in development.
- Walnut Lane is an affordable apartment building that is in the beginning stages of a public-private partnership through the City of Moab that, when completed, will rehouse individuals in dilapidated trailers at the site location. The complex will have approximately 80 units.

Updating Policy and Ordinances

- Since 2017, both the City and County have adopted ordinances that focus on certain zones of housing stock to be occupied by Grand County actively employed individuals. This includes the **Grand County High Density Housing Overlay (HDHO) and Moab City's Active Workforce Employment Ordinance**. Both deem certain zones to have a percentage of occupants (and owners in the case of the HDHO) to be working and living in Grand County. This was a positive step to ensure that a percentage of new construction is set aside for locally working households.
- Grand County's Alternative Dwelling Overlay
- City and County Assured Housing Ordinances
- County and City staff and officials have been updating their municipal codes after identifying existing barriers to housing. These include easing restrictions to constructing ADUs and increasing incentives such as parking and height requirements.
- Grand County is in process of creating their Future Land Use map, identifying areas of greater housing development opportunities through residential density increases and diversification of existing zoning.
- The Housing Task Force updated this Plan and sourced updated and thorough and replicable housing data.

SUPPLY

Goal #1: Meet the Housing Needs Projections included in the MAAHP.

Goal #2: Increase the diversity of the housing stock.

Goal #3: Increase ADU and infill development.

Action Steps	Proposed timeline
Continue to improve City and County zoning ordinances through the lens of maintaining and increasing a diverse housing stock to support affordable housing.	1-3 years
Seek out opportunities to develop housing or mixed use development on City, County or State owned parcels (cultivate public-private partnerships).	5-7 years
Use density increases—through zoning tools and density bonuses—for the benefit of strengthening workforce and affordable housing goals.	5-7 years
Continue promoting development of housing alternatives and transitional housing that match the needs of the seasonal workforce.	Ongoing
Identify priority areas for affordable, infill, and workforce housing development through long range updates.	5-7 years
Continue to strengthen and formalize other governmental incentives to develop affordable housing.	Ongoing
Continue to support and increase the capacity of limited profit developers and nonprofit housing organizations, such as the local housing authority and community land trust, to acquire and develop properties for affordable housing.	Ongoing

STABILITY

Goal #1: Preserve local housing options in perpetuity.

Goal #2: Increase the percentage of primary residency of the current housing stock by 10% by 2030.

Goal #3: Increase the number of income and occupancy restricted homes from 362 (2022) to 1,500 by 2030.

Goal #4: Decrease the number of cost-burdened households from 36% (2021), specifically with an effort to decrease the number of cost-burdened renters (50% in 2021) and households with annual incomes of less than $50,000 (65.6% in 2021).

Action Steps	**Proposed timeline**
Develop a community-wide deed restriction administration program for current and future deed restrictions.	ASAP
Make deed restrictions as long as possible, at least 50 years, and preferably 99 or greater.	Ongoing
Investigate incentivized, voluntary deed restriction programs for the Moab area that can be tailored for its unique housing positions and market.	1-3 years
Investigate implementing a ‘good landlord’ program to improve and preserve long-term rental units.	1-3 years
Explore ways to require new developments to provide housing mitigation plans when they propose the demolition of existing housing units.	5-7 years

FISCAL SUPPORT

Goal: Identify funding streams to encourage affordable housing development.

Action Steps	Proposed timeline
By 2026, Moab City and Grand County will allocate an ongoing amount of money into their affordable housing funds.	Ongoing
Explore financial policies and programs that source funding for affordable housing from the entities that perpetuate/contribute to the affordable housing crisis.	Ongoing
Public agencies will formally budget internal and external resources to execute the next Housing Plan update without undue impact on staff time.	Ongoing

SUSTAINABILITY

Goal #1: Ensure that policy decisions, programs, and projects aspire to support impacts to the environment, climate, and public health and well-being.

Goal #2: Support all residents', regardless of income level, opportunity to participate in climate change mitigation and adaptation tools, and the environmental and financial benefits of water and energy conserving buildings and sites.

Goal #3: Advance water conservation policies in both the City and the County.

Action Steps	Proposed timeline
Leverage zoning overlays and development agreements to require cost-effective efficiency measures or certain levels of sustainability including (EV readiness, water-efficient landscaping, net-zero and net-zero ready buildings, limited reliance on personal vehicles, passive survivability [tolerably comfortable without HVAC], etc.)	5-7 years
Prioritize water conservation policies, such as water-wise systems and greywater systems for sustained housing supply.	3-5 years
Encourage City and County to promote and implement utility and services cost reduction programs, such as the HEAT program, Utah Clean Energy Program, and encourage low interest loans and incentives for energy reduction improvements.	Ongoing
Accelerate planning and support for lower cost and impact transportation options, including complete street policy, and networks including safe routes for bikes and pedestrians.	5-7 years

DATA

Goal: Regularly update and maintain pertinent Moab area affordable housing data and statistics.

Action Steps	Proposed timeline
Create and maintain local affordable housing dashboard indicators.	6 months
Update Housing Plan every five years to reflect current data, housing inventory, and current economic conditions in the Moab area.	Begin update in 2028