

# MEMO



To: Mayor Olson and City Council

From: Jason Bond, Assistant City Manager

Date: June 15, 2023

RE: **Planned Unit Development (PUD) Amendment (Implementation to Comply with State Moderate Income Housing Requirement)**

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It is proposed that section 10.20.170.E of the Santaquin City Code be amended to create an option for developers to receive a density bonus in a Planned Unit Development (PUD) if moderate income housing is incorporated in the development and a deed restriction is recorded with the Utah County Recorder's office on a subdivision plat or other appropriate deed restriction means. This proposal was created to address one of five strategies the City chose in order to meet the State moderate income housing requirements. The applicable strategy and implementation plan is as follows:

**Strategy 5**      Implement zoning incentives for moderate income units in new developments.

**Implementation Plan** – Santaquin City will consider modifying zoning regulations to include moderate income housing as a way to earn a density bonus in a Planned Unit Development (PUD).

**Benchmarks and Timeline** – A legislative process will be initiated by July 1, 2023. Possible action will be implemented by October 1, 2023.

When reviewing this proposal, there are a few points to remember. First, a PUD is only applied to a development if the developer and City enter into a development agreement. This is a discretionary action and is similar to a rezone. Second, this code amendment gives a developer the choice to incorporate moderate income housing in their development and if they do, they could receive a density bonus. This would not guarantee that moderate income housing will be present in every PUD in the future. Third, a residential unit type (single-family detached, condominium, apartment, etc.) is not implied when considering moderate income housing. In other words, as long as units are reserved for occupancy by households with a gross household income equal to or less than eighty percent (80%) of the median gross income for households of the same size in Utah County, the 6% density bonus may be applied regardless of the unit type.

An amendment to the code is a legislative action and required the Planning Commission to hold a public hearing and provide a recommendation to the City Council for their consideration. There was no public comment on this proposal. A draft ordinance was provided to the Planning Commission for their review and they provided the following recommendation:

Commissioner Romero made a motion to recommend approval to the City Council of the proposed amendment to section 10.20.170E of Santaquin City Code which provides a density bonus for the implementation of moderate-income housing in a Planned Unit Development, and which helps implement one of the approved strategies to comply with the State moderate

income housing requirements. Commissioner Wood seconded the motion.

Commissioner Wood, Yes; Commissioner Lance, Yes; Commissioner Moak, Yes; Commissioner Nixon, No; Commissioner Romero, Yes; Commissioner Weight, No; Commissioner Hoffman, Yes. The motion passed.

**Recommended Motion:** “Motion to adopt Ordinance No. 06-01-2023 which amends section 10.20.170.E of Santaquin City Code which implements one of the approved strategies to comply with the state moderate income housing requirements.”