



**Memorandum**

**To:** Planning Commission  
**From:** Thomas Dansie, Director of Community Development  
**Date:** July 28, 2022  
**Re:** Workforce Housing Overlay Zone

---

The Planning Commission has reviewed a proposal to develop a workforce housing zone in the past several meetings. This zone would allow residential development at higher density than the FR and VR zones currently allow if the majority of the units in the development are occupied by households who are actively employed in the Town of Springdale or Zion National Park.

The Commission has reviewed a draft outline of the workforce housing zone as well as a proposed restrictive covenant that could be placed on properties in the zone. These documents have been researched and vetted through the Town's housing committee. In the last meeting the Commission expressed a number of concerns regarding the workforce housing zone proposal.

Recognizing that some of these concerns would be significant enough to prevent the workforce housing zone proposal from moving forward, the Commission took a straw poll whether or not to continue working on this issue. Based on these results of this straw poll a majority of the Commissioners voted to continue to explore the concept and to seek resolution of the Commission's concerns. Based on this direction from the Commission staff met with the Town's housing committee to begin addressing the concerns and to continue to work on refining the proposal.

This report provides an update on the housing committee's work and findings. The committee has not yet finalized an updated version of the workforce housing zone at this point. Therefore, there are no new policy recommendations for the Commission to consider. The purpose of this report is to give the Commission an update on the housing committee's actions.

***Impacts on Adjacent Residential Uses***

In the last Commission meeting Commissioners expressed concerns about the potential impacts of increased housing density on adjacent residential property. The Commission was concerned that increased density could lead to nuisance impacts, as well as loss of neighborhood character of an area.

The housing committee discussed ways to reduce potential nuisance impacts by including development standards in the ordinance. Some of these development standards could address the following:

- Increased setbacks and buffering.
- Prohibition on pools or other outdoor recreational amenities.
- Stricter standards for lighting, both exterior and interior.
- Regulations for access and parking lot design.
- Requirement for each unit in the development to have laundry and storage facilities.

The housing committee is continuing to discuss these concepts and will make recommendations to the Commission in a refined draft.

The housing committee also discussed the Commission's concern of changing neighborhood character if workforce housing is developed adjacent to single family residential property. The committee discussed concepts to mitigate this concern such as designing structures to have more of a single family appearance rather than an apartment building, perhaps by including a limit to single story structures. However, the committee also discussed the possibility that if nuisance issues (as discussed above) are mitigated, perhaps the impacts on neighborhood character will be reduced. Committee members discussed existing successful examples in the Town of mixing higher density housing in close proximity to single family development (Red Hawk, Moenave). In these examples the mix of single family with higher density housing has not detracted from the character of the single family neighborhoods.

### ***Need for Workforce Housing***

In the last Commission meeting there was discussion regarding the need for workforce housing. Commissioners questioned who would, or could, occupy the workforce housing units.

One concern along these lines is there are over 1,000 employees who commute to Springdale / Zion National Park, per the Town's housing study. It is not feasible to provide housing for all these workers, or even a significant portion of them. Thus, why go through the trouble of creating an ordinance that will not make an impact in the Town's workforce housing shortage?

Another concern expressed by Commissioners was that employees would either not desire, or fail to qualify to occupy the units. Commissioners thought that the requirements to qualify as "actively employed" in Springdale are crafted in such that very few people would qualify, and those who could would likely prefer to live in other communities closer to conveniences and amenities.

The housing committee discussed both of these concerns. The committee determined it is important to get more data about the potential demand for workforce housing to help respond to these concerns.

The committee referenced the existing available data:

- The waitlist for the Red Hawk apartments currently contains 67 households (mostly single person households). Some of those have been on the waitlist for quite a while. The Red Hawk property manager estimates the number of people on the list who are still seriously interested is around 40 households.
- The Town's 2020 Housing Study included a community survey asking about the community's housing preferences. Over 51% of respondents indicated employee housing is the Town's most important housing need, and nearly 60% responded that lack of affordable housing is a "significant concern."

- Local businesses and Zion National Park have reduced services based on lack of available workforce.

In addition to these data sources the housing committee expressed a desire to gather additional data regarding the actual need and probable demand for workforce housing. The committee will be conducting a community survey specifically targeted to workforce housing which will attempt to gain a better understanding of the demand for workforce housing in Springdale. The committee will provide an update to the Commission when data from this survey is available.

### ***Developer Feasibility***

In the last meeting the Commission discussed findings from the housing committee that indicated property developers would most likely not use the workforce housing zone – it will not be economically feasible to do so. The Commission questioned why put an ordinance together that will not be utilized.

The housing committee discussed this concern and concurred that for-profit developers will not use the workforce housing zone. However, the committee believes the zone would be used by either non-profit community housing development organizations (such an organization developed the Red Hawk subdivision) or local business owners. The housing committee has had discussions with community housing organizations who are interested in developing workforce housing in Springdale, but are unable to do so under current zoning standards. Staff has had conversations with multiple local business owners who indicated they are interested in developing workforce housing on residential property they own. These business owners understand the workforce housing zone cannot be used as “employee housing” as a benefit for their employees.

### ***Community Benefits***

During the last meeting the Commission focused on the benefits the workforce housing zone would bring to employees (less commute, ability to live in Springdale at a reduced rent, etc.) and to local businesses (larger available workforce). The housing committee discussed these benefits and agreed employees and employers would both benefit from the workforce housing zone.

However, the committee discussed the main motivation for creating a workforce housing zone should be to benefit the Springdale community, and not individual employees or businesses. Understanding it is not realistic to provide housing to all 1,000 employees who currently commute to Springdale (and stressing that is not the intent of the workforce housing zone), the committee discussed having more employees live in Springdale could have the following benefits:

- Employees of local businesses are more likely to be invested in the community if they live here. They are more likely to be concerned about the impacts of the business on the residential character of the community and are more likely to take steps to reduce the potential negative impacts of the business on their neighbors.

- Employees of local businesses are more likely to be involved in civic and volunteer activities in the community if they live here. This adds energy and vibrancy to the civic fabric of the community.
- Having a larger workforce available in the community will allow local businesses (especially restaurants) to provide more service (e.g. stay open longer) which will reduce congestion at local businesses and make it easier for residents to enjoy these services.

### ***Housing Committee Future Action***

As mentioned above, the housing committee has not yet completed a revision of the workforce housing zone and is not ready to make a revised recommendation to the Planning Commission. The committee is currently working on the following:

1. Conducting a community survey to determine the following:
  - What is the demand? How many workforce housing units should the Town be targeting?
  - What are the impacts of workforce housing on residential properties, and how can these be mitigated?
  - What are the Town's existing demographics?
2. Outreach to Zion National Park to determine what the Park's housing needs and shortages are.
3. Continued discussion with community housing development organizations to evaluate the feasibility of developing workforce housing in Springdale.

Based on this research the housing committee will prepare a revised draft of the workforce housing zone for the Commission to review.

### ***Planning Commission Action***

There is no required Planning Commission action at this time. However, the housing committee would appreciate feedback from the Commission regarding any of the findings discussed in this report. This will help the committee as they move forward with developing a revised draft of the ordinance.