Legislative Development Agreement for Workforce Housing

Resolution 2026-18

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Workforce Housing

Considerations & Solutions

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Workforce Housing Considerations

- Legislative Development Agreement
- General Plan - Moderate Income Housing
- Midway Mobility Study

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Midway General Plan

- Create development code specific to facilitating the inclusion of Moderate Income and Service worker attainable housing components in development plans in designated higher-density areas.
- Apply the density bonus provisions in the Development Code for additional moderate-income housing units when they supply housing for clearly expressed community needs.
- Consider allowing moderate-income housing to use M&I water, leased by Midway, to lower development costs.
- Consider workforce housing to mitigate the impact of commercial developments upon the housing needs of the City.
- Negotiate with developers to create workforce housing for developments in the Resort Zone.
- Encourage increased moderate-income housing in central residential zones adjacent to commercial centers.
- Encourage discussions about moderate-income housing to explain and educate the community about the need for affordable housing in terms of providing housing for persons who work in Midway, but cannot afford to live here, and persons who live in Midway but cannot afford to purchase a home.
- Moderate income housing is an investment in a vital community and insurance of a locally-based work-force.

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Midway Mobility Study

- On an average day, approximately 928 employees commute into Midway from outside the city for work.
- Providing housing opportunities for these employees could reduce commuter traffic, improve housing and employment accessibility, and strengthen the connection between where people live and work.
- Many individuals employed in essential community services face long commutes to work in Midway. Expanding housing opportunities for these workers would improve their quality of life while enhancing the resiliency and overall well-being of the community.
- The study identified essential workers as including employees in the hospitality industry, seasonal workers, teachers, emergency medical personnel, firefighters, law enforcement officers, and others who provide critical services to the community.
- Historically, Midway home values have generally followed trends in surrounding communities. However, in 2023, Midway home values appreciated at a faster rate than the county average for the first time since 2009.
- Midway is experiencing a high and rapidly rising concentration of non-working families which indicates a high demand for vacation homes, second homes, and retirement estates.
- Consistent with statewide and national trends, housing affordability has become an increasing challenge for households across a broad range of income levels in Midway.
- In 2021, only 19.5 percent of employees at The Homestead resided in Midway.
- In 2021, only 15.9 percent of employees at Zermatt Utah Resort resided in Midway.

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MIDWAY MOBILITY BLUEPRINT

Household Demographics

Demographic Category	Midway	Heber City	Wasatch County	State of Utah
Median Age	41.2	28.1	34.5	31.3
Average Household Size	2.89	3.58	3.18	3.08
Median Household Income	$108,672	$86,365	$94,044	$79,133
Median Home Value	$609,900	$381,200	$490,500	$339,700
Median Monthly Housing Costs	$2,713	$1,874	$2,214	$1,682
Owner-Occupied Housing Unit Rate	81.3%	77.4%	76.7%	70.5%
Median Gross Rent	$2,788	$1,276	$1,487	$1,171
Persons in Poverty	2.5%	4.8%	4.9%	8.2%
Bachelor's Degree or Higher Rate (25 or older)	54.7%	38.1%	44.2%	35.4%

Workforce Housing Considerations

- Deed restriction
  - Long-term is generally considered 55 years
- Median household income of 60% or lower
  - Midway - $157,065
  - 80% - $125,652
  - 60% - $94,239
  - 40% - $62,826
  - 30% - $47,120
- HUD guidelines for household size to determine rent

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Workforce Housing Considerations

- Gross deduction for utility allowance to determine rent
- Owner should pay 100% compliance costs
- Potential Subsidies
  - Water
  - Impact fees
  - Density
- Open book pro forma and cap on profit

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Midway AMI 30% Rent

- 100% - $157,065 $3,926
- 80% - $125,652 $3,141
- 60% - $94,239 $2,355
- 40% - $62,826 $1,570
- 30% - $47,120 $1,178

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Workforce Housing Apartments

41 West Main Street

Workforce Housing Apartments

41 West Main Street

Estimated Market Rent Analysis (Based on Market Analysis of Midway)

Unit	Approx. Size	Estimated Monthly Rent
North 1/2	683 sq ft/699 sqft	$1,300 each
North 2 (Office)	831 sq ft	$1,400
North 3	510 sq ft	$1,300
North 4	857 sq ft	$1,300
North 5	660 sq ft	$1,400

Workforce Housing Apartments
41 West Main Street

- 20-year deed agreement
- Water lease from the City
- Waive property taxes
- Building permit fees

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Possible Findings

1. The proposed project advances the goals and policies of the Midway General Plan.

2. The project addresses a documented community need.

3. The proposed Legislative Development Agreement provides a lawful mechanism for achieving long-term workforce housing.

4. The requested development incentives are reasonably related to achieving the public purpose of workforce housing.

5. The project promotes the public health, safety, and general welfare by increasing housing opportunities for Midway's workforce.

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