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February 15, 2021

Mr. Dan Simmons  
c/o Friends of Heber Valley

RE: North Valley Overlay Zone Equivalent Residential Unit Analysis Report

Dear Mr. Simmons,

On behalf of the Friends of Heber Valley, please find the Equivalent Residential Unit ("ERU") Analysis Report for the North Valley Overlay Zone ("NVOZ"). The NVOZ is a complicated land use ordinance. The Report has considered the complexities of the NVOZ's ERU provisions. The ERU definitions provided by the NVOZ are unusual. The NVOZ is applying its ERU structure, unlike the existing and accepted practices of Heber City and public facilities engineering.

If the Friends of Heber Valley have any questions, please do not hesitate to contact me. The Report accompanying Report is now presented to the Friends of Heber Valley.

Respectfully,

*Bruce W. Parker*

Bruce W. Parker, AICP  
Principal

cc. File.

## MEMORANDUM

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To: Mr. Dan Simmons, Friends of Heber Valley  
From: Bruce Parker, AICP, Principal, Planning and Development Services, LLC  
Subject: North Valley Overlay Zone Equivalent Residential Unit Report  
Date: February 15, 2021

Please accept the following materials as the North Valley Overlay Zone Equivalent Residential Unit Analysis Report.

### **North Valley Overlay Zone Equivalent Residential Unit Analysis Report**

This North Valley Overlay Zone Equivalent Residential Unit Analysis Report (“Report”) provides information related to Heber City’s proposed North Valley Overlay Zone (“NVOZ”). The materials provided follow the review of several documents, including February 2, 2021, City Council Staff Report, Heber City Envision 2050, General Plan (adopted March 17, 2020), Heber City Master Plan 2018 to 2040 (Capital Improvements and Impact Fees), and the Utah Administrative Code 309-510-7.

### **Summary**

The NVOZ employs the Equivalent Residential Unit (“ERU”) concept to establish use intensity standards. The NVOZ defines and calculates ERUs very differently from the already established standards of Heber City. The NVOZ provides ERU values for various uses identical to the ERU values set by Wasatch County. However, significant differences exist because of how the NVOZ defines and classifies uses and the total exemption provided for commercial activities. The NVOZ will create a larger population and commercial square footages than allowed by the County’s plan. The NVOZ provides ERU standards that depart significantly from the standards established by Heber City and accepted engineering practice. This Report also argues that the development incentives offered by the NVOZ will negatively impact the City’s vision for its downtown. Additionally, if the properties on the western side of Highway 40 are not preserved, including the North-West and South-West corners of River Road and Highway 40, a development precedent is established. That precedent will ignite “southern end valley” type sprawl and undermine the Heber City Envision 2050, General Plan.

### **Introduction**

At the February 2, 2021 meeting, the Heber City Council continued their consideration and discussions of the possible adoption of the NVOZ. As the Friends of Heber Valley (“FOHV”) are aware, the NVOZ is generally located East of Highway 40 and running North on either side of Highway 32. Table 1 (February 2, 2021, Staff Report) identifies the NVOZ area as 546 acres.

Included in the February 2, 2021, Staff Report (as Exhibit B) is the January 5, 2021, Staff Report. That Report suggests the public comments received can be categorized into three (3) general themes. These are: “1) Equivalent residential units (ERUs) & project density; 2) Utilities (storm drainage, traffic, water rights & SSD), and 3) Open space preservation” (January 5, 2021, Staff Report, no page number). This Report provides materials and planning analysis of two (2) of these items. The materials that follow discuss Item 1 – Equivalent residential units (ERUs) & project density and Item 3 – Open space preservation (January 5, 2021, Staff Report).

### **Equivalent Residential Units (ERUs) and Project Density.**

The ERU concept plays a key role in the NVOZ. Therefore, it is essential to understand the concept. An ERU is a method that allows service demand comparisons of various uses, including residential and non-residential land uses. Widely accepted for culinary water system design, an ERU is the amount of culinary water used (or demanded) by a single-family residence.<sup>1</sup> The ERU concept provides a proportionate measure of culinary water service demand, for a specific use, against that required by a single-family dwelling. ERUs can be used to highlight the needs for other services, including sanitary sewer, stormwater, and recreational facilities.

The NVOZ provides ERU comparisons for various uses. The NVOZ also provides accompanying use definitions. Table 1 now presents that information for the NVOZ.

Table 1  
**NVOZ – Equivalent Residential Units**

USE	DEFINITION NOTES	EQUIVALENT RESIDENTIAL UNIT (ERU)
Studio Apartment & Student Housing	Attached unit not to exceed 500 square feet including bathroom areas, but not including corridors outside of room, and not to exceed 1 bathroom.	0.25
One Bedroom Apartment, condominium, townhouse	Attached unit not to exceed 800 square feet including bathroom areas but not corridors outside of rooms, and not more than 1 bathroom; any detached unit under 500 square feet and not more than 1 bathroom.	0.33
1-, 2-, or 3-bedroom apartment, 3 bedrooms (two baths), condo, townhouse, duplex (one side)	Attached unit not to exceed 1,000 square feet and not to exceed 2 bathrooms	0.50
Apartment/Condo, townhouse, or attached single-family product	Attached unit not to exceed 2,500 square feet and 2.5 bathrooms.	0.75
Single-Family Detached Home		1.00
All other uses, including Hotels and all commercial uses		0.00

<sup>1</sup> Single-family dwellings are common, with relatively stable culinary water use patterns.

At various places in Heber City’s documents, comparisons are made between the proposed NVOZ and Wasatch County’s ERUs and density determinations. Those comparisons are presented in Table 2.

Table 2  
**NVOZ and Wasatch County Equivalent Residential Unit (ERU) Comparisons**

USE	DEFINITION		SIZE		ERU		NOTES	
	NVOZ	Wasatch Co.	NVOZ	Wasatch Co.	NVOZ	Wasatch Co.	Use Changes	ERU Change <sup>1</sup>
<b>Hotel/Motel Room</b>	<u>Adds – RV Pad, Transient Housing, Small Studio or Student Housing Unit</u>		Not to exceed 500 sf	Not to exceed 500 sf	0.25	0.25	<b>NVOZ adds several different dwelling types</b>	No change
<b>Hotel Suite or One Bedroom Apartment</b>	<u>Adds – Condo (1 bedroom)</u>		Not to exceed 800 sf	Not to exceed 700 SF	0.33	0.33	<b>NVOZ adds condo</b>	<b>14.3% ERU benefit</b>
<b>One-Bedroom or Two-Bedroom Apartment</b>	<u>Adds – townhouse, cottage home, condo (1 or 2 bedrooms)</u>		Not to exceed 1,200 sf	Not to exceed 1,000 sf	0.50	0.50	<b>NVOZ adds several different dwelling types</b>	<b>20.0% ERU benefit</b>
<b>Apartment/Condo</b>	<u>Adds - townhome</u>		Not to exceed 1,600 sf	Not to exceed 1,500 sf	0.75	0.75	<b>NVOZ adds townhome</b>	<b>6.66% ERU benefit</b>
<b>All Other Residential Uses</b>			Over 1,600 sf	Over 1,500 sf	1.00	1.00		<b>6.66% ERU benefit</b>
<b>Commercial</b>	<u>Not Included</u>		<u>Not Included</u>	<u>For Each 2,000 sf Gross Floor Area or for each Part of a 2,000 sf Interval</u>	0.00	0.86	<b>NVOZ – no size standard</b>	<b>ERU exemption</b>

1. ERU benefit increase over Wasatch County’s standard.

Table 2 provides a comparative ERU analysis. Putting the various NVOZ dwelling unit changes aside, Table 2 is revealing. A comparison of ERU standards for NVOZ and Wasatch County appear identical. However, this is inaccurate. Significant differences exist. Due to various NVOZ square footage differences (either as an increase or as exemptions [bathroom exemptions and a total exemption of commercial buildings]) ERU benefits are achieved. NVOZ

“benefits” provide developers with either square footage advantages, a total square footage exemption, or both, that are not available from the County. The column “ERU Change” presents the magnitude of these benefits. For example, while the ERU standards for one-bedroom or two-bedroom apartments are identical, the 200 square foot increase allowed by the NVOZ (compared to Wasatch County) provides a twenty percent (20%) ERU benefit. For every ten (10) one-bedroom or two-bedroom apartments allowed by Wasatch County, an additional two (2) units, a total of twelve (12) units are permitted by the NVOZ. The significance of several other dwelling unit types are highlighted in Table 2. The NVOZ also provides a total ERU exemption for all commercial uses.

It is impossible to quantify the total cumulative benefits provided by the NVOZ accurately. However, one (1) thing is clear. Under any development scenario, and when other variables are constant, the population and commercial square footages achieved by the NVOZ will always be larger than allowed by Wasatch County.

Using the NVOZ’s ERU method, Table 3b (Staff Report, January 5, 2021, no page number) highlights that a “worst-case” scenario will result in 6,895 dwelling units and a population of 14,535 under the NVOZ.<sup>2</sup> Significant commercial activities, and accompanying square footages, are also anticipated. Considering the nature and extent of the dwelling unit type ERU changes, in addition to the proposed commercial exemptions, the “worst-case” scenario is likely the closest to reality.

The NVOZ defines and calculates ERUs substantively different from established standards. The American Public Works Association and the State of Utah determine ERUs by required water meter size. Calculating ERUs based on water meter size is also the standard used by Heber City. Independent and irrespective of residential unit type (studio apartment, townhouse, condominium, single-family dwelling, etc.), one (1) ERU in Heber City is a use requiring a ¾ inch water connection. This fact is evidenced by Heber City’s Master Plan 2018 to 2040 (Capital Improvements and Impact Fees). Table 1-3 of the Heber City Master Plan 2018 to 2040 follows.

Table 1-3  
**Summary of Previous and Recommended Impact Fees**

Facility		2017 Impact Fee	Recommended Impact Fee	Units
<b>Culinary Water</b>	Residential	\$2,812	\$2,265	0.75-inch
	Non-Residential	\$2,812	\$2,265	0.75-inch
		\$5,000	\$4,026	1.0-inch
		\$11,250	\$9,058	1.5-inch
		\$19,998	\$16,103	2.0-inch
		\$44,997	\$36,232	3.0-inch
		\$79,994	\$64,413	4.0-inch

<sup>2</sup> The American Community Survey (US Census Bureau) estimates the 2019 Heber City population of 17,082. The American Community Survey (US Census Bureau) also estimates a total of 4,619 housing units in 2019.

Table 1-3 shows that Heber City’s practice establishes ERUs based on water meter size. For example, Heber City estimates a 4-inch water meter will deliver over 28 times the water of a ¾ inch water meter (\$64,413/\$2,265). Therefore, a use requiring a 4.0-inch water meter is demanding culinary water equal to 28.4 ERUs. For other water meter sizes, ERUs are calculated by dividing the culinary water impact fee by \$2,265.00.<sup>3</sup> Apart from the NVOZ, no examples have been found that depart so dramatically from accepted standards, including exemptions for commercial uses. Such standards are unusual and have not been the practice of Heber City.

How the City considers NVOZ ERU calculations should also be considered with the City’s other areas in mind. The January 5, 2021, Staff Report states, “There are several reasons for having a different definition of ERU” (no page number). These reasons include promoting “economic development by not limiting commercial space by an ERU count” and “by not assessing hotel units an ERU count, additional hotel units will be promoted.” Not assessing an ERU determination in the NVOZ for all commercial, hotel, and other commercial activities provides a powerful development incentive. But incentives cannot, and should, not be considered in isolation.

Unlike many communities, Heber City has a functioning Main Street. The incentives provided by the NVOZ will have detrimental effects on Heber’s downtown. As the January 5, 2021, Staff Report states, “county zoning will promote increased congestion in the center of Heber City, as new North Village residents would be forced to do all of their shopping in the center of town” It is doubtful if downtown business owners would consider this a problem. Balance is needed. Heber City has adopted a vision for its downtown. “Enhance and strengthen downtown—the heart of our community” (Heber City Envision 2050, General Plan, p. 5). The NVOZ appears to overly incentivize commercial uses to the disadvantage of Heber City’s downtown.

### **Open space preservation.**

“Heber City intends to levy a preservation fee on every permit issued in the North Village area. “The proceeds (would be used) to conserve land via the purchase of development rights or property in the North Fields area” (January 5, 2021, Staff Report, no page number). All new development in the North Village will be required to pay a Preservation Fee of at least \$1,500 for each dwelling unit” (January 5, 2021, Staff Report, no page number).<sup>4</sup> It is recognized that Heber City may negotiate additional funds to secure the North Fields, including development agreements. However, this ability is enhanced if the NVOZ avoided all ERU exemptions.

Map 1 – Staff Recommended NVOZ Map (Staff Report, January 5, 2021, no page number) depicts the North West (“NW”) and South West (“SW”) corners of River Road and Highway 40 for “North Village” and “Neighborhoods” uses. This direction is in direct conflict with the North Fields Preservation Effort. Use and other approvals for properties on the NW and SW corners of River Road and Highway 40 will be precedent-setting. It will become

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<sup>3</sup> FOHV should be confident that Heber City has established culinary water impact fees in proportion to water meter capacities.

<sup>4</sup> Fund receipts will be contingent on development activity. The availability of required acquisition funds may be many years away.

increasingly difficult for the City to prohibit contiguous development. As Heber City Envision 2050 states, "this exponential growth pattern has continued through to today, as illustrated by the continual sprawl of commercial and residential development on the southern end of the valley" (p. 8). Discouraging NVOZ uses on the NW and SW corners of River Road and Highway 40 will avoid "southern end valley" type sprawl. A clear and bright preservation line should be established. Properties on the western side of Highway 40 deserve preservation. The transfer of development rights away from the NW and SW corner of River Road and Highway 40 to the east side of Highway 40 would advance the goals of the General Plan and NVOZ to create a vibrant, compact, and sustainable activity center.

BP.