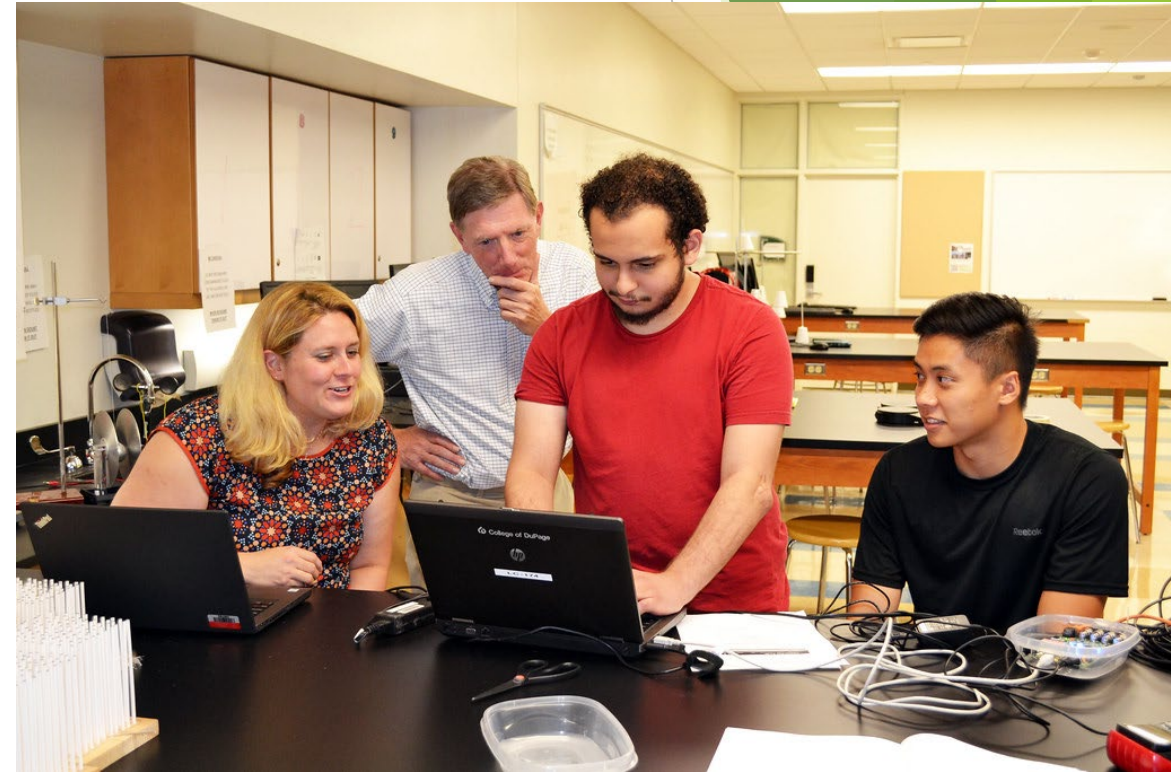


2024 Utah Legislative Session Housing/Land Use

Is This Really Gonna Work?

APA Utah Spring Conference

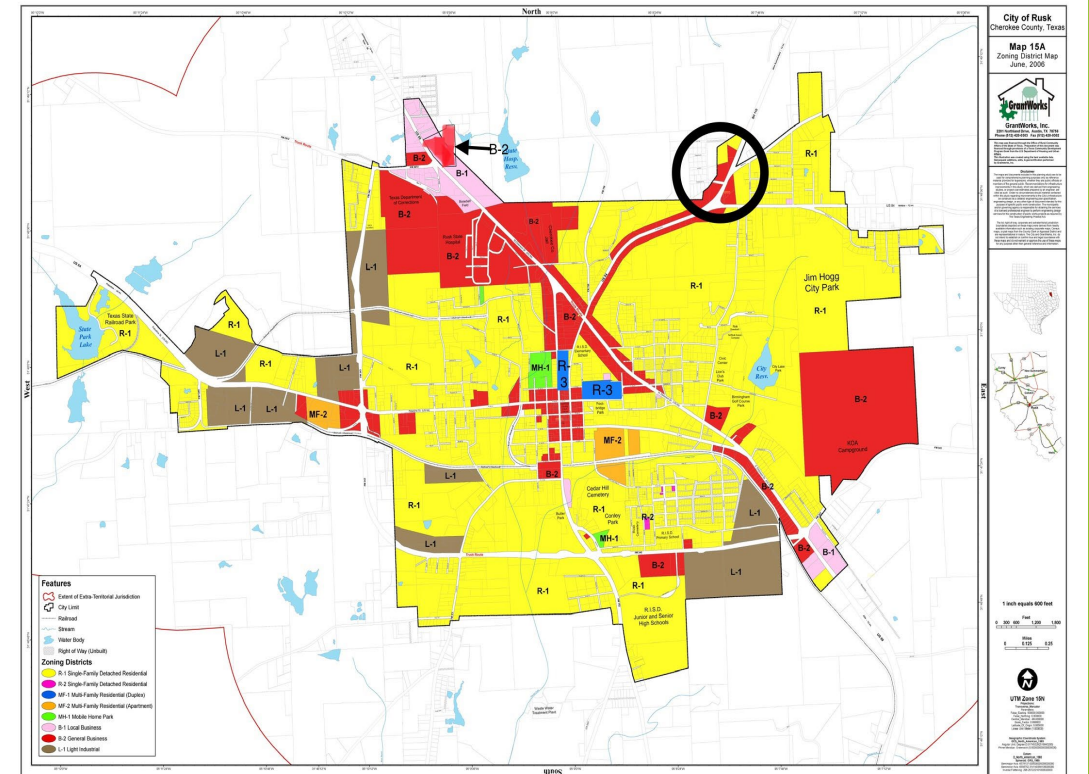
Wilf Sommerkorn, Scott Hess, Jason Boal



Housing Affordability



Zoning Reform



Housing Supply Accelerator



American Planning Association
Making Great Communities Happen



**NATIONAL
LEAGUE
OF CITIES**

Top-Down Mandates



HB306 - Residential Housing Amendments

- ▶ Failed - this time!
- ▶ Would have defined starter home, made permitted use in all residential zones
- ▶ Would have allowed lots as small as 5400 sf in all residential zones



Collaboration



Land Use Administration Changes



SB168 - Affordable Building Amendments

Defines the regulatory process for modular (pre-fabricated) building construction

Goal: Affordable home ownership through lower building costs and faster construction

- Built off-site
- Local building official performs plan review of onsite elements only
- Constructed and inspected offsite by manufacturer
- City inspects onsite elements (foundation, assembly of modular, etc.)



HB465 - Housing Affordability Revisions

Moderate Income Housing Plan Revisions

- No substantial changes to menu items or reporting timelines
- Reports will now include zoning maps (or links to them) and number of entitled units
- **Objective:** better understanding of 190k planned for and unbuilt housing inventory pipeline
- Take the data collection seriously



HB476 - Land Use Regulations Modifications

1. Subdivision process clean up
2. Land Use Application Processing/Phasing
3. Landscaping Requirements
4. Development Agreements
5. Landing/rear setbacks
6. Sidewalk phasing assurance bonds
7. Design exceptions for overpressure zones
8. Annexation Language

HB476 - Land Use Regulations Modifications

Subdivision process clean up

- Subdivision Improvement Plan submissions
- Preliminary vs. Final Engineering Plans
- Timing of reviews



HB476 - Land Use Regulations Modifications

- ▶ Landscaping Requirements
 - **Clarifies** that a certificate of occupancy may not be withheld because the homebuilder has not put landscaping in
 - **Allows** a municipality to require a seller of a new residence to inform the first buyer of the new residence of the city's ordinance requiring waterwise landscaping



HB476 - Land Use Regulations Modifications

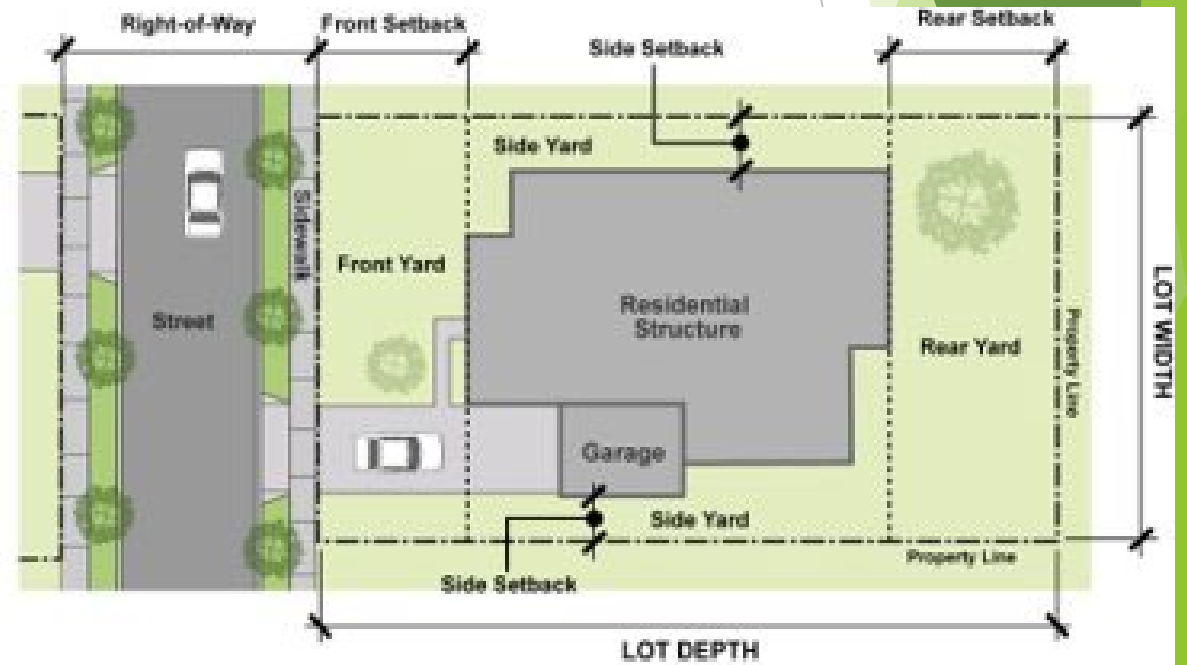


- ▶ **Development Agreements**
 - **Removes language** about disclosure of “clearly established state law”
 - **Clarifies** that development agreements may not be required by a municipality if the developer is not requesting anything outside of what is already permitted
 - **Limits** municipalities from recording certain documents that impose development requirements on land

HB476 - Land Use Regulations Modifications

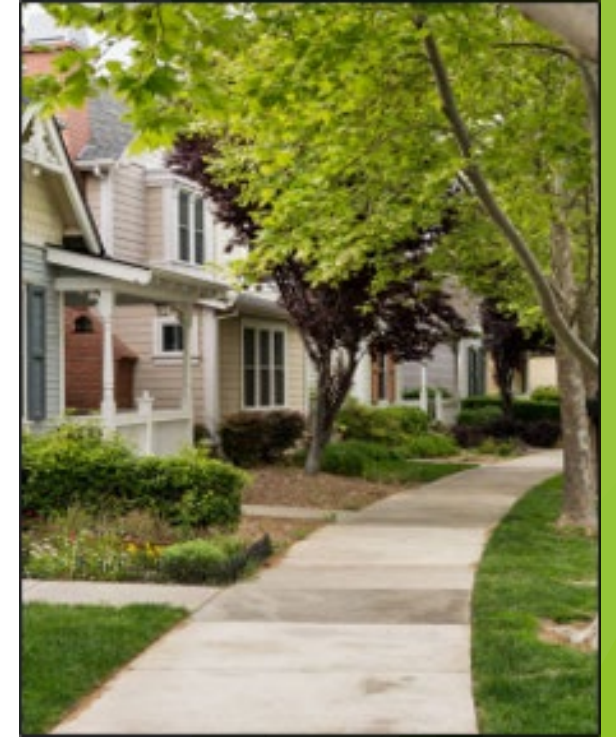
► Landing/rear setbacks

- Permits landings and walkout porches to be located within the rear setback if:
 - No larger than 32 square feet in size
 - Used for ingress and egress from the rear
 - Is uncovered, connected to the rear of the dwelling
- **Does not apply to historic districts**



HB476 - Land Use Regulations Modifications

- ▶ Sidewalk phasing assurance bonds
 - Prohibits requiring sidewalks to be completed prior to a building permit
 - Prohibits cities from redeeming sidewalk assurance bonds prior to 18 months after issued
 - Allows cities to require completion prior to the Certificate of Occupancy being issued
 - Sidewalk phasing can skip, but must be installed for each residence before it may be occupied
- ▶ **Only applies to single family homes and townhomes



HB476 - Land Use Regulations Modifications



Design exceptions for overpressure zones

- ▶ Allows municipalities to determine design standards IF the development is within a blast zone that would cause an explosion which could pose a risk of damage to a window, garage door, or carport of the facility

HB476 - Land Use Regulations Modifications

► Annexation

Zero

Zilch

Zip

Nada

HB289 - Property Rights Ombudsman



Goal: Compliance with Office of the Property Rights Ombudsman advisory opinions

Process:

- OPRO issues advisory opinion against you, AND
- District Court sides with advisory opinion

Then:

- ▶ Court **may** award the substantially prevailing party reasonable attorneys fees and court costs

AND

- ▶ If the Court finds that the city knowingly and intentionally violated the law it **may** award:
 - \$250 per day (remnant of past law)
 - Consequential damages

SB185 - Residential Building Inspections

- Cities required to have Third-Party Inspection List:
- **Can include other city/town building inspectors
- Builder notifies city/town on fourth day of what building inspector it will use
- Third party inspector is paid by city/town after receiving approval and report by inspector



HB518 - State Construction Code Modifications

- ▶ Must cite specific provisions not complied with, and describe how a project is non-compliant, when denying a project
- ▶ Cannot withhold or deny permit for a project where there is a noncompliant structure on the land that will not be affected or included in a project - provisions apply



HB188 - Modifications Relating to the Use of Land

- ▶ prohibits adding to/changing requirements on an issued building permit, except for building code compliance
- ▶ adds a section to LUDMA on tower cranes



SB13 - Education Entity Amendments



- ▶ creates educational entities identified as homebased microschools, and micro-educational entities
- ▶ applies the same rules to these new entities as for charter schools (permitted in all zones, overriding land use and inspection regulations apply)

HB256 - Military Compatible Land Use Amendments

- ▶ stipulates that for any land use application within 5,000 ft of military property, the local entity must first consider the adopted compatible use plan for that military facility
- ▶ requires submittal of all such applications to the State Department of Veteran and Military Affairs for comment
- ▶ These provisions are not required if the application is already vested.



Housing Affordability/Zoning Reform



HB206 - HTRZ Amendments

- Consideration for owner-occupied housing
- Increases % of required affordable units
- Addresses phasing of housing units
- Increases HTRZ committee members
- Enhances the "but for" test



SB268 - First Home Investment Zone Act (FHIZ)



FHIZ Center

51% of developable acreage within the center must be used for housing



Extra-territorial Areas

- Can count "extra-territorial" areas toward the housing requirements
- Extra-territorial housing units must meet density + affordable home ownership criteria
 - 6 units to acre
 - 100% owner-occupied
 - 20% affordable

Overall Project

- 30 units to the acre for overall project
- HTRZ committee approval, then up to 60% of tax increment for 25/45 years
- Parameters/caps in SL Co (11 FHIZs/HTRZs max; city can do FHIZ only if city's RDA does not have excessive unencumbered revenue in RDA)

SB168 - Affordable Building Amendments

- ▶ Home Ownership Promotion Zone (HOPZ)
 - Zone is **less than 10 contiguous acres**
 - Cities must zone for at least **6 units per acre**
 - **60% of the housing units must be at 80% of the county median sales price**
 - All housing units must be **owner-occupied for at least 5 years**
- ▶ Tax increment:
 - Other taxing entities are required to participate
 - 60% of increment for system or project infrastructure for up to 15 years

Makes technical changes to the First Time Homebuyer Assistance Program and real estate reinvestment covenants



HB572 - State Treasurer Investment Act



Authorizes State Treasurer to invest up to \$300 million of state funds (TIF) as deposits to lenders for “qualified projects”

- “Qualified project” = housing proposal with:
 - ▶ 60% sold at “first home” levels (\$450k)
 - ▶ owner-occupancy requirements for 5 years
 - ▶ Max of 75% of overall QP financing



HB13 - Infrastructure Financing Districts

Creates a type of special district to finance public infrastructure

- IFDs are created by petition with **consent of 100% of the surface property owners.**
- Governed by an appointed board.
- IFDs may issue bonds to pay for infrastructure on the public bond market to access lower interest rates.
- **Must** have land use approval
- Infrastructure must be **built to city standards**
- Assessments must be paid prior to C of O issuance
- Property tax may not be used to repay the bonds



HB465 - Housing Affordability Revisions

CRA/RDA Set-aside Changes

- Housing set aside flexibility - set aside funds may be spent in nearby communities (w/ interlocal agreement) and on owner occupied affordable (<120% AMI) product
- Set aside funds must be spent, encumbered, or otherwise planned for within six years of the set aside funds being deposited
- Year 1 set-aside funds must be planned for/encumbered/spent by year 6, year 2 funds by year 7, etc.
- Other technical changes to tax credit program, DWS housing grant pass through administration

Other Bills of Interest

- ▶ HB430 - Local Government Transportation Services Amendments
- ▶ HB502 - Critical Infrastructure and Mining
- ▶ SB28 - Scenic Byway Program Amendments
- ▶ SB258 - Municipal Incorporation Amendments
- ▶ SB264 - Inland Port Authority Amendments
- ▶ HB330 - Unincorporated Areas Amendments
- ▶ HB220 - Water Related Amendments

Salt Lake City Sport - Redevelopment Bills

- ▶ HB562 - Utah Fairpark Area Investment and Restoration District
- ▶ SB272 - Capital City Revitalization Zone



Failed Bills - this time!

- HB 180 Short Term Rental Amendments. Would have required standardized ordinances on short term rental, requirements for tax commission permit, other changes.
- HB 195 Land Use Planning. Would have required wildlife studies for development
- HB175 Impact Fees Amendments. Would have allowed impact fees for fire trucks
- HB 235 Eminent Domain. Would have allowed eminent domain for Bonneville Shoreline Trail
- HB 243 Riparian Amendments. Would have required cities/counties to include riparian element in general plans
- HB 258 Airport Land Use Amendments. Would have added to the requirement for developing near airports
- SB 230 Property Transaction Amendments. Would have made Utah a disclosure state relative to the price paid for commercial real estate.
- SB 252 Property Incorporation Amendments. Would have made it more difficult to incorporate cities based on costs evaluated in feasibility study.
- HB 169 Rental Property Disclosure Requirements. Would have required landlords to disclose defects to renters.

Big Issues for Next Session

- ▶ More zoning reform? What kind?
- ▶ Transportation fees
- ▶ Annexation and incorporation
- ▶ Gravel pits
- ▶ Storm water management
- ▶ Conditional uses