What happened in 2016?
What will happen in 2017?
What do we all need to do?
ULCT mantra as your advocates

- **BRING PEOPLE ALONG**
  - FRIDAY FACTS
  - Conferences/trainings

- **PROBLEM SOLVERS**
  - Have a local issue with residents or other levels of government? Let us know

- **PARTNERS**
  - with legislators, county officials, members of Congress, & the Governor
Legislative Policy Committee

Body that gives ULCT staff legislative direction

- 273 members
  - Average attendance: 130+
  - 107 cities and towns
    - Every city/town entitled to 3 voting members
  - ULCT-USU partnership
    - 202 people, 53 cities & towns
    - Hatch to Vernal and Nibley to Ephraim

CHECK THE ROSTER on www.ulct.org
www.ulct.org (legislative advocacy)
Bill tracking: [www.ulct.org](http://www.ulct.org)

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<table>
<thead>
<tr>
<th>Bill</th>
<th>Watch/Status</th>
<th>Description</th>
<th>Last Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>HB 0017s01</td>
<td>Watch</td>
<td>Interlocal Act Amendments</td>
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<tr>
<td></td>
<td>3/29/2014</td>
<td>Governor Signed in LGOV</td>
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<tr>
<td></td>
<td>Amend</td>
<td>General Government ULCT</td>
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<tr>
<td>HB 0019</td>
<td>Monitor</td>
<td>Electric Vehicle Battery Charging Service Amendments</td>
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<tr>
<td></td>
<td>3/20/2014</td>
<td>Governor Signed in LGOV</td>
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<td></td>
<td>Support</td>
<td>ULCT Utilities</td>
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<tr>
<td>HB 0044s01</td>
<td>Monitor</td>
<td>Interstate Electric Transmission Lines</td>
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<tr>
<td></td>
<td>2/21/2014</td>
<td>House - House/ substituted in HSUB</td>
<td></td>
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<tr>
<td></td>
<td>Land Use</td>
<td>ULCT Utilities</td>
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<tr>
<td>HB 0049s01</td>
<td>Bill</td>
<td>Water Rights - Change Application Amendments</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3/3/2014</td>
<td>House - House/ substituted in HSUB</td>
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</tbody>
</table>
That’s a wrap!

ULCT daily legislative email:
2,918 recipients
• ULCT open rate is 50% higher than comparable orgs
• 30% of the legislature read it daily

Land use: Entrada BC, Thur, 1:30 pm (Jodi Hoffman)
• What happened in 2016/Land Use Task Force 2016-2017

What you must do post-session: Sunbrook AB, Thur, 2:40
(Cameron Diehl, Roger Tew, UMAA President Ryan Loose)
Big Picture at the 2016 Session

- **Utah budget: $15.1 billion**
  - No tax increases or shifts (2015: education, transportation)
  - Medicaid extension to 16,000 of poorest Utahns
  - $440 million in new public and higher education spending
  - State investment in homelessness facilities
  - Transfer of funds from transportation earmarks to general fund/water earmarks
  - Public lands, Oakland port, Rocky Mountain Power bill

- **Senate**: death penalty repeal, marijuana, hate crimes, online sales tax

- **Election year**: full House, half of Senate, and Governor; rules in flux (HB 54)
Bills that impact local gov’t

- ALL LOCAL BILLS
- % OF ALL BILLS AT CAP
2016 bills: 1258 filed, 824 considered (177 in final 3 weeks), 475 passed, 6 vetoed

ULCT tracked **261 (32%)**

**Proactively passed:**
- SB 122: Wildland fire
- HB 300: Body cams for police officers

**Amended:**
- HB 132: Home occupation business license
- SB 99/SB 164: Financial transparency

**Opposed:**
- HB 133: Form of government
- SB 100: Traffic fines
ULCT THEMES … NOT TRENDS

45-320-365

(I) Relationship between state and local government
   (a) Partnerships
   (b) Law enforcement
   (c) Friction on local authority, “death by a 1000 cuts”
      • Sometimes, we give them a reason
      • Libertarian streak

(II) Transparency/accountability/objectivity
(III) Disruptive innovation comes home
We’ve seen this before...

2004 presentation on friction between state/local:
Legislative perception that State heavily subsidizes local government

2006 presentation on local authority:
SB170 lesson: Important to implement SB 60

2008 presentation on friction & local credibility:
Is all change bad? Can we just say NO? Should we just say NO?

2009 presentation on transparency:
What it Means: This ship has sailed. Let’s guide the ship.
ULCT THEMES: (I)(a) partners with state
Offseason work pays off

- Indigent defense/judiciary
  - SB 155, Commission
    - State funding
    - Best practices, 6th Amendment
    - Public defender flat fee contracts
  - HB 160, Justice court judges
    - Counties of 1st/2nd class

- Wildland fire, SB 122
  - State covers fire suppression cost; locals responsible for prevention & mitigation
  - Locals may enter cooperative agreement w/state; effective Jan 1, 2017
  - SB 212, State funding for wildland fire suppression
ULCT THEMES: (I)(a) partners with state

- **Infrastructure**
  - HB 52, Active recreation $
  - HB 183, Local option sales tax
    - Cache, Duchesne, Iron, Summit, Uintah
    - County consults w/city & transit on .075
  - SB 80, water infrastructure
  - SB 177, Night time construction (UDOT)

- **Homelessness**
  - HB 328, Data analysis
  - HB 436, State funding for collective impact & dispersed sites
    - $9 million this year; $27 potential
  - SB 169, Olene Walker and Midvale
ULCT THEMES: (I)(a) partners with state

- Taxes
  - HB 25, New growth changes
  - HB 235/SB 182, Online sales tax (failed)
  - SB 151, RDA changes
  - SB 258, Alta, Brian Head, Garfield Co.

- Elections
  - HB 10, referendum & initiative
  - HB 21, report absentee ballot results
  - HB 83, municipal candidate disclosure
  - HB 198, Prop 1 lessons
  - SB 25, ballot amendments (ordering)
  - SB 26, election notice (online w/mail or news)
  - SB 27, absentee ballot date change
  - SB 114, non-binding opinion question
(I)(a) Partners with state luau.utah.gov

Training videos on land use and planning for council members, planning commissioners, & public

Meg Ryan: mryan@ulct.org
ULCT THEMES: (I)(b) Law enforcement

- Body-worn cameras, HB 300 (Rep. Dan McCay/Sen. Dan Thatcher)
  - If you have cameras, you must comply with minimum standards for:
    - Use/display (“clearly visible”)
    - Activation (“law enforcement encounter or as soon as practicable”)
    - Notice upon entering home (“reasonable/clearly visible”)
  - **GRAMA: BWC recordings presumed private within a home, except for commission of a crime, critical incident, or officer misconduct**
  - Retention TBD (archives)
ULCT THEMES: (I)(b) law enforcement

- **Postretirement**
  - HB 86, *would allow post-retired employee to return to work in 60 days instead of 1 year*
  - HB 47/50, *geographic flexibility*
  - *More salary, but not other benefits*
  - SB 208, employer must increase contribution rates to cover postretirement benefit enhancement cost

- **Marijuana**
  - SB 73/SB 89

- **Utah Communications Authority**
  - HB 380, creates advisory committees that consists of users and providers
  - UCA board expands (2); UCA chair serves Governor; director serves board
THEMES: (I)(c) State & local gov’t friction...
ULCT THEMES: (I)(c) “death by 1000 cuts” (most—italics—did not pass this year)

<table>
<thead>
<tr>
<th>PREEMPT LOCAL AUTHORITY</th>
<th>NO LAND USE TASK FORCE INPUT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HB 115 Beekeeping modifications</strong></td>
<td><strong>HB 10, Initiative/referendum</strong></td>
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<tr>
<td><strong>HB 132 Business licensing</strong></td>
<td><strong>HB 224, Impact fees</strong></td>
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<td><strong>HB 145, Municipal energy tax</strong></td>
<td><strong>HB 248, Municipal disconnection</strong></td>
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<td><strong>HB 223, Historic district amendments</strong></td>
<td><strong>HB 360, Land use notification amendments</strong></td>
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<td><strong>HB 409, Short term rental moratorium</strong></td>
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<td><strong>SB 73, Medical Cannabis Act</strong></td>
<td><strong>HB 414, Zoning amendments</strong></td>
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<td><strong>SB 92, Water conservation/landscaping restrictions</strong></td>
<td><strong>SB 44, Agricultural temporary bldgs</strong></td>
</tr>
<tr>
<td><strong>SB 100, Traffic fines (Mantua)</strong></td>
<td></td>
</tr>
</tbody>
</table>
What is the best approach to preserve autonomy & flexibility for local gov’t?

• What are the competing interests on the chess board?
  • Legislators
  • Other bills/appropriations
  • Other city priorities (bills/approps)
• Should we defend absolute discretion for cities under all circumstances?
  • Nike’s political slogan: “Just kill it!”
• Should we seek compromise so that ULCT/local gov’t maintain credibility?
• Zealous advocate? Political advisor? Legal advisor? Nice guy?
Sometimes we give them a reason

HB 132 Local Government Licensing Amendments

- "Business:" any enterprise for the purpose of gain or economic profit
- City may **license** for the purpose of regulation and revenue, any business within the limits of the municipality and may **regulate** that business
- City A: $40
- City B: $89
- City C: $200
- City D: $350
- Guess which cities became the targets?
Just because you can, does not mean you should

**HB 132 compromise (did not pass)**

- HB 132: no license req’t for home occupation business operated *occasionally* by a minor
- HB 132: license req’t for home occupation business, but city may require a fee ONLY if the *offsite business impact materially exceeds the residential use*
  - Local authority to define in italics
- HB 132: purpose of regulation is NOT revenue, but health/safety/welfare
- Rogue cities tried to amend HB 132 after ULCT negotiated compromise
- Passed House 57-17
- ULCT expects the bill again in 2017
Sometime we give them a reason

**SB 100 Traffic Fines Amendments**

- Would have restricted the ability of local governments to receive funds from traffic fines that exceed 25% of the total general fund revenues
- Any traffic fine revenue exceeding 25% would be remitted to the state
  - ULCT analysis: only one town with 25%+
  - Local facts + precedent of state dictating local budgets = ULCT victory
ULCT THEMES: II) Transparency
From auditor to activist, someone is watching

- HB 326, *city can audit district*
- SB 99, all local entities shall provide financial info to the Utah Public Finance Website
  - $100,000 or less must comply by 7/1/2017
- SB 164, state auditor compliance
- SB 235, *direct elections of district board*
• Town clerk shall prepare and present to the council:
  • Quarterly financial report; or
  • Upon request by the council, a more frequent financial report

• If there is a deficit fund at the close of the last fiscal year, the governing body shall include an item of appropriation for the deficit in the current fund budget equal to at least 5% of total revenue of fund or entire amount (if less than 5% of total fund revenue)
ULCT THEMES: II) Transparency
more data, more access, more accountability

2008: Utah Public Finance Website created (SB 38)
2009: UPFW extended to cities, with small entity exceptions (SB 18)
2016: Small entity exception ends; July 1, 2017 (SB 99)
"Come outside and breathe the fresh air of open government."
ULCT Commitments for the 2016 Interim

- **Disruptive**
  - Online sales tax
  - Short term rentals
  - Drone regulation

- **Accountability**
  - Auditor, financial compliance (coming to a town near you)
  - Districts (SB 235)
  - Fees (business licenses, impacts, road cuts, etc.)

- **Law Enforcement/Judiciary**
  - Body camera policies
  - Indigent defense contracts
  - Justice Reinvestment Initiative
  - Government immunity

- **Other**
  - Homelessness facilities/aff housing
  - Elections w/UAC
  - Wildland fire participation match
  - And much, much more…
Land Use Task Force 2016 ambitious agenda:

- Administrative/legislative
  - Standards of review
  - Judicial deference to local decision
- Impact fees/all fees
- Short term rentals (Jodi research)
- Conditional use permits
- Subdivision/LUDMA
- Water conservation/metering
ULCT THEMES: III) Disruptive Innovation

- Remote sales
- Sharing economy:
  - Lodging
  - Travel/cars
- Medical technology/telemedicine
- Alternative energy
- Delivery/drones
- Vote by mail
- Battery powered cars/driverless cars
- Phone apps/cameras (privacy)

Uber to ground chopper flights around Sundance Film Fest
Sales tax base eroding because of disruption

Fiscal Analyst: $80-300 million owed in online sales tax in UT

Utah cities: $17-63 million impact and growing

E-Commerce in US: 7.4% of all retail sales and growing
States lost $23.2 billion in 2012

2014: UT residents paid $200,000 in online sales tax
Your 2015 city budget… but what about 2030?

- **Utilities**: 8%
- **Fees**: 13%
- **Intergov’t**: 15%
- **Property**: 20%
- **Sales tax**: 27%

**Utilities**: new technology

**Fees**: impact fee, disprop. service, business licenses, roads

**Intergov’t**: motor fuel, feds

**Prop**: primary residential exemption

**Sales**: Internet sales, sharing economy
What do we have to consider to modernize?

- Bureaucracies/staff
- Community standards
- Local regulations/licensing
- Slow public process
- Transparency
- Policing/enforcement
- Objective/predictable
- Siloed revenue

- Existing businesses/uses
- Planning/zoning/referenda
- Outdated ordinances/code
- Density, amenities, “sense of place”
- Affordable/accessible housing
- Infrastructure demands
- Connectivity
- Air/water quality; public health
2016 interim: let’s get to work

• Wrap up book SOON!
• Land Use Academy of Utah
• Conferences/ULCT summer “Tour of Utah”
• Working groups/Land Use Task Force/ULCT interim commitments
• ULCT Legislative Policy Committee resumes in May or June (monthly)
• **AN ELECTION YEAR IS A TERRIBLE THING TO WASTE**
• **ENGAGE WITH LEGISLATORS/CANDIDATES ABOUT LOCAL ISSUES!!!**
ULCT Legislative Team

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Friday Facts (email) Facebook Twitter
City Cluster Update

• A statistical procedure that groups cities together based on demographic, financial, and economic characteristics

• First done in 2007 (2003 & 2005 Data)

• Cities and towns grouped into 11 clusters (w/ SLC as an outlier)

• Allows for useful comparison beyond simply looking to neighboring communities
The 11 variables used for clustering are:

• 2014 population
• Percent population change 2010-2014
• Household median income (2010 Census data)
• 2013 Primary residential land value
  • Per capita residential land value
• 2013 Commercial and industrial land value
  • Per capita commercial and industrial land value
• 2013 Property tax revenue
  • Per capita property tax revenue
• 2013 Sales tax revenue
  • Per capita sales tax revenue
URBAN
A) Major Cities
B) Commercial Centers
C) High Growth Communities
D) Residential Transitioning Communities
E) High Income Residential
F) Urban Edge Cities
L) Capital City

RURAL
G) Resort Communities
H) Natural Resource/Mining Based Communities,
I) Old Established Communities
J) Traditional Agriculture
K) Small Towns
<table>
<thead>
<tr>
<th>Cluster</th>
<th>Cluster Name</th>
<th>Description</th>
<th>No. of Cities</th>
<th>Example City</th>
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</thead>
<tbody>
<tr>
<td>A</td>
<td>Major Cities</td>
<td>Largest population base, minimal growth, established communities, large commercial centers</td>
<td>10</td>
<td>Provo, St. George</td>
</tr>
<tr>
<td>B</td>
<td>Commercial Centers</td>
<td>Larger population, significant commercial and industrial regional centers, growing communities,</td>
<td>22</td>
<td>Cedar City, Taylorsville</td>
</tr>
<tr>
<td>C</td>
<td>High Growth Communities</td>
<td>Communities with highest growth rates, high household income, low commercial</td>
<td>9</td>
<td>Saratoga Springs, Bluffdale</td>
</tr>
<tr>
<td>D</td>
<td>Residential Transitioning</td>
<td>Modest commercial property, increasing growth, many transitioning communities</td>
<td>31</td>
<td>Nibley, Santaquin</td>
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<tr>
<td>E</td>
<td>High Income Residential</td>
<td>Highest median household income, moderate growth, low commercial</td>
<td>18</td>
<td>Highland, Fruit Heights</td>
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<td>F</td>
<td>Urban Edge Cities</td>
<td>High per capita commercial and industrial property, moderate population size and population growth</td>
<td>15</td>
<td>North Logan, South Ogden</td>
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<td>G</td>
<td>Resort Communities</td>
<td>Low population, high commercial property, high per capita revenue</td>
<td>7</td>
<td>Park City, Alta</td>
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<td>H</td>
<td>NR/Mining Based</td>
<td>Older, low growth rural communities, small commercial property</td>
<td>23</td>
<td>Duchesne, Price</td>
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<tr>
<td>I</td>
<td>Old Established Communities</td>
<td>Older communities, low or declining population, some commercial component</td>
<td>19</td>
<td>Lewiston, Manti</td>
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<tr>
<td>J</td>
<td>Traditional Agricultural</td>
<td>Traditional agricultural communities, primarily residential with increasing population, some growing commercial element</td>
<td>30</td>
<td>Ephraim, Nephi</td>
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<tr>
<td>K</td>
<td>Small Towns</td>
<td>Smallest population, older established communities with low or declining growth, low commercial property</td>
<td>66</td>
<td>Hatch, Scofield</td>
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<tr>
<td>L</td>
<td>Capital City</td>
<td>Economic center of the state</td>
<td>1</td>
<td>Salt Lake City</td>
</tr>
</tbody>
</table>
• 37 communities moved
  • High growth and transitioning communities
• 7 new communities (-1 merger)
• Old clusters “pre-recession”
• State continues to grow
• Your cluster does not strictly define your community

www.ulct.org
Utah Benchmarking Project

- Partnership between ULCT, UCMA, U of U, BYU, and USU
- Supports cities in strategic planning, performance improvement, & service delivery efficiency
- An on-line system that member cities use to input data and to pull data to do their own analysis
- Cluster analysis
Utah Local Law Enforcement Survey

• Data in from 75 local law enforcement agencies
• Over 50% response rate
• 88 questions
• Working with Utah Chiefs of Police Association to put together the most pertinent data into an executive summary
• All responses maintained in ULCT database
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