

UTAH LEAGUE OF CITIES AND TOWNS

Legislative Policy Committee

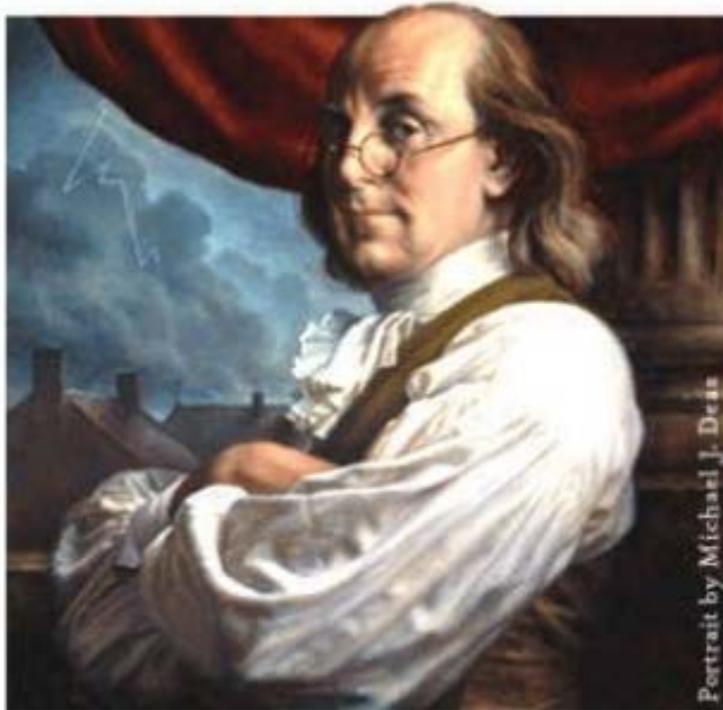
February 5, 2018



The power of ULCT: #leaguearmy

“We must all hang together, or assuredly we shall all hang separately.”

*- Benjamin Franklin,
at the signing of the
Declaration of
Independence*



**UNITED WE STAND,
DIVIDED WE FALL.**

- AESOP



Reminder: Transportation TF recommendation (9/6/17)

INCENTIVES

- A) Prioritization points during the programming of transportation projects
- B) Financial & technical assistance to local gov'ts through Transportation and Land Use Connection (TLC)
- C) Access to funding sources (infrastructure bank loans, value capture)

DISINCENTIVES/PENALTIES (local land use)

- A) Ability of state to take action when a local gov't refuses to participate in the creation and adoption of a C/AP
- B) Fees levied by the state when:
 - i) local gov't deviates from an agreed upon C/AP
 - ii) delay/not build all or part of project
 - iii) reopen C/AP process at cost to state



Transportation Task Force bill: SB 136

- 122 pages
- Transportation Investment Fund eligibility and criteria
 - Impact on local land use planning
- Utah Department of Transportation strategic initiatives
- Utah Transit Authority Board of Trustees
- Revenue tools (state and local)



UDOT, Transportation Investment Fund: flexibility

- TIF = 83% sales tax, 12% vehicle fees, 5% gas tax = **\$860 million in FY 18**
 - May use TIF for construction, reconstruction, renovation **to public transit facilities** prioritized by TC
 - Within TIF, there is a Public Transit Investment Fund
 - Public transit district or political subdivision responsible for 35% of matching funds needed for state transit capital development
- Local Highway and Transportation Corridor Preservation Fund can be used to preserve a highway or **public transit corridor** (“transit facility in 17B-2a-802”)

UDOT, Transportation Investment Fund: INCENTIVES ONLY

- **Prioritization process shall include:**
- How the UDOT strategic initiatives are advanced by prioritization process (current)
- Definition of type of projects (current)
- Specification of weighted criteria system (current)
- Specification of necessary data (current)
- *Consideration of economic development impacts including improved local access to employment, recreation, commerce, and residential areas (new)*
- *Consideration of local land use plans that support a statewide transportation system strategy (new)*
- *Consideration of the extent to which local land use plans relevant to a project support and accomplish the strategic initiatives (new)*
- Any other provisions that the commission considers appropriate (current law)



UDOT, statewide initiatives: INCENTIVES ONLY

- Executive Director shall develop statewide initiatives **in consultation with MPOs, counties, municipal governments, transit agencies, and stakeholders for planning across modes**
- ED shall consider RTPs, municipal and county transportation plans
- ED shall establish corridor goals and consider projected major centers of economic activity, population growth, job centers, freight, multi-modal
- Create an Economic Development Division at UDOT
- Create intermodal terminal facility, promote strategies to develop inland port



UDOT, strategic initiatives: INCENTIVES ONLY

Strategic initiatives shall consider:

- corridor preservation (current)
- development of new capacity projects (current)
- long-term maintenance of system (current)
- safety (current)
- incident management (current)
- homeland security (current)
- *congestion reduction (new)*
- *economic development and job creation (new)*
- *asset management (new)*
- *sustainability (new)*
- *optimization of ROI (new)*



Summary: Transportation Investment Fund and UDOT

- Objective: enhance the integration of state transportation infrastructure with local land use planning so as to facilitate economic development and prepare for population growth
- SB 136 is focused ONLY on incentives in the UDOT criteria
- **The draft bill does NOT have any specific “disincentives” or “penalties” for local land use planning**
- Thanks to the 3 city mayors on the Task Force: Salt Lake City Mayor Jackie Biskupski, Ogden Mayor Mike Caldwell, former Cedar Hills Mayor Gary Gygi



Utah Transit Authority governance

Status quo

- Currently 16 part-time members of the Board of Trustees
- 11 members locally appointed
 - Cities within Weber County
 - Cities within Davis County
 - Cities within SL County (4)
 - Salt Lake County metro townships
 - Salt Lake City
 - Utah County
 - Cities within Utah County
 - Partial counties (Box Elder/Tooele)

Proposal

- 3 full-time Trustees
 - SL Co., Utah Co. (intent), Davis/Weber Cos, w/input from Tooele/Box Elder
 - Gubernatorial appointed
 - Senate advise and consent
 - “consult w/each constituent municipality”
 - 3 year terms, serve at pleasure of Gov.
- 9 part-time Local Advisory Board



Utah Transit Authority governance

3 member Board of Trustees duties

- Technical and administrative experience and appropriate training
- Create/approve budget
- Approve contracts and interlocals
- Develop strategic plan
- Get approval from State Bonding Commission
- Report to legislative committees
- Fix rates
- Annual independent audit
- Develop performance targets
- Consult w/advisory board about investment

9 member Local Advisory Board duties

- SL County COG: 3
- SLC: 1
- Utah: 2
- Davis: 1
- Weber: 1
- Tooele/Box Elder: 1
- Meet quarterly to:
 - Discuss service and operations
 - Review and approve final service plans/project development plans
 - Engage w/safety and security team
 - Coordinate w/local gov't, constituent services



Revenue options: state specific

- Vehicle registration fees
 - Electric vehicles increase from \$44 to \$194; hybrid vehicles increase from \$44 to \$65
- State transient room tax (TRT) increase from .032% to 3%
- Road usage charge pilot program (2019 report)
 - Cost, privacy, jurisdiction, feasibility, complexity, acceptance, security, collection
- Motor vehicle rental fee increase from 2.5% to 5%
 - 50% to corridor preservation (current 2.5% is 100% CP)
 - 50% to Public Transportation Capital Investment Fund

Revenue: local (or state?)

- State assumes outstanding un-imposed county option sales tax in UTA counties in 2022 (note: HB 362/Prop 1 is 4th qtr, .10 to cities/.10 to UTA/.05 to counties)
 - **4 total quarters, 1.05 cents**
 - Box Elder: 1st quarter, 2nd quarter
 - Davis: 1st quarter, 2nd quarter, 4th quarter
 - Salt Lake: 1st quarter, 2nd quarter, 3rd quarter
 - Tooele: 1st quarter, 4th quarter
 - Utah: 1st quarter, 2nd quarter, 3rd quarter
 - **Weber: only UTA county to impose all 4 quarters**
 - **Voter approval unnecessary for outstanding 3rd and 4th quarters (2280, 2513)**
- Transportation Reinvestment Zone (2+ public agencies, property tax)
- Note: bill silent about Transportation Utility Fee, but see SB 120

Long and short of SB 136: staff recommends support

POSITIVES

- No land use preemption or penalties
- Incentive based UDOT criteria (strategic initiatives, rules)
- State commitment to fund transit
- State road user charge pilot
- Value capture tool for locals
- Voter approval unnecessary for remaining county transportation sales taxes (UTA counties)
- Advisory board retains some local input in UTA

NEGATIVES

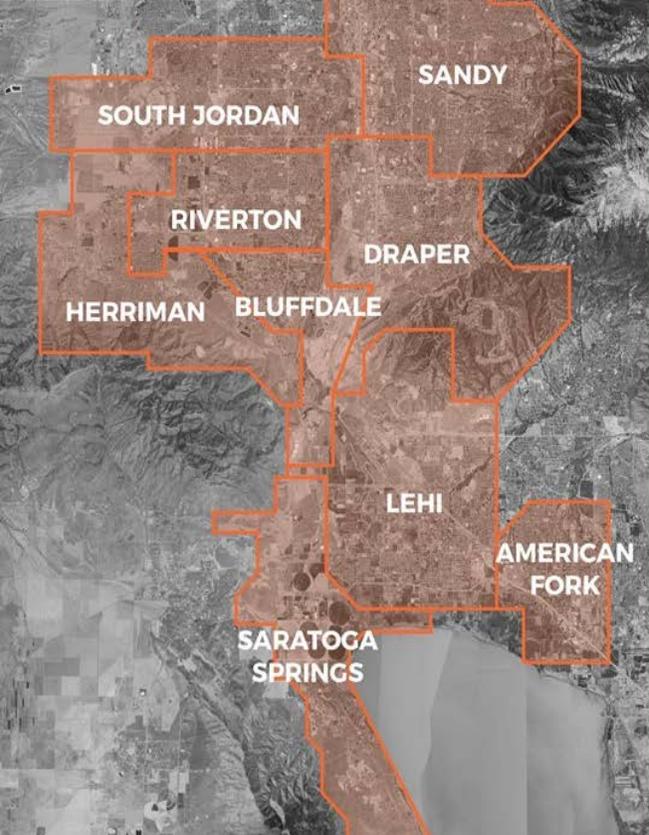
- State involvement in selection of entire UTA Board
- 3 member UTA Board of Trustees reduces the direct local authority
- State assumes county transportation sales taxes if county does not impose by 2022

MIXED

- Increased revenue for transportation (state TRT, vehicle reg., rental cars)



State priority: prison relocation, Point of the Mountain, Northwest Quadrant



Many Jurisdictions

- Bluffdale
- South Jordan
- Riverton
- Herriman
- Draper
- Lehi
- Saratoga Springs
- Eagle Mountain
- Sandy
- Salt Lake County
- Utah County
- State



MIDA: Military Installation Development Authority

- “Enhanced use leasing: lease underutilized federally owned lands for 50 years
 - Falcon Hill, 550 acre commercial development adjacent to Hill AFB
- Independent, nonprofit, political subdivision whose purpose is to facilitate the development of land within a project area
- MIDA board: 7 voting members; can have non-voting members
 - 5 appointed by governor, 3 of which have to be adjacent city officials
 - 1 appointed by Senate President, 1 appointed by Speaker of the House
 - Sen. Jerry Stevenson, Sen. Stuart Adams, Clearfield Mayor Mark Shepherd, Bluffdale Mayor Derk Timothy, former Roy Mayor Joe Ritchie, Director of Veterans and Military Affairs Gary Harter, GOED Deputy Director Ben Hart, Mike Ostermiller



MIDA: Military Installation Development Authority

- Exercise police power
- Enter into lease agreements
- Collect fees and taxes
 - Property tax
 - Municipal energy tax
 - Telecommunications tax
 - Transient room tax
 - Resort communities tax
- Borrow money
- Bond authority

- Project area is NOT subject to
 - LUDMA
 - Local business license, franchise, health, or land use ordinances
- Project area shall include military land and may include public/private land if adjacent city/county leg. body consents

Crossroads of the West Port Authority proposal

- “Want a jurisdiction that is the equivalent of a planning commission and council and structure to oversee the entire area and be a value add to all stakeholders”
- 9 members of authority
 - Utah Senate
 - Utah House of Representatives
 - Governor appointment
 - World Trade Center
 - Executive Director
 - Private sector
 - 7 county CIB or other county
 - Salt Lake County
 - *Salt Lake City*
- “This is a regional project and bigger than a city or county”
- “Want stability ... urgency ... vision ... do not want to be vulnerable to politics”
- Bring together manufacturing, freight, commercial rail and trucking, highways, air cargo integration



Resolution 2017-001A:

(C) Now, therefore, we the members of the Utah League of Cities and Towns, resolve that:

1. Cities and towns within the State of Utah commit that they are willing and ready to collaborate and partner with the State, the business community, and other stakeholders to pursue a broad range of future economic development opportunities, including those in proximity to State transportation infrastructure.
2. Cities and towns cannot support development proposals, task forces, commissions, districts, development authorities or other legislation that would deprive local municipalities of their traditional local land use authority on private property, or deprive them of control of tax increment generated within their jurisdiction without their consent.
3. League staff should seek appropriate opportunities to communicate the principles contained within this resolution with State legislative leaders.



HB 259, Rep. Logan Wilde

A municipality **may not deny** a land use application for moderate income housing unless:

- The applicant has not filed a complete land use application, including the payment of all application fees; or
- The municipality demonstrates that approval of the land use application is contrary to the health, safety, or welfare of the municipality



10-9a-408 Moderate income housing plan req't

- 1) Efforts made by the city to **reduce, mitigate, or eliminate local regulatory barriers** to moderate income housing
- 2) Actions taken by the city to **encourage preservation** of existing moderate income housing and development of new moderate income housing
- 3) Progress made within the city to provide moderate income housing as measured by **permits issued** for new units of moderate income housing
- 4) Efforts made by the city to **coordinate moderate income housing plans and actions with neighboring municipalities**

Legislative body shall biennially review the moderate income housing plan and its implementation, prepare a report, and send it to DWS

Plaintiff may not recover damages when seeking civil enforcement or claiming a violation but may be awarded injunctive or other equitable relief



10-9a-408 Moderate income housing plan req't

- As of August 2017, the number of cities in current compliance with the biannual report req't:
- Davis County: 6 of 15 cities
- Salt Lake County: 11 of 15 cities (Millcreek did not yet exist)
- Utah County: 8 of 20 cities
- Weber County: 5 of 14 cities
- Carbon, San Juan, and Wasatch Counties: 100%
- Statewide: 63 of 143 cities, 44% in current compliance

10-9a-408 Moderate income housing plan req't



- How can we as cities make the plans more meaningful?
 - Data about the housing stock in the city? (specifically “affordable housing”)
 - Data about the RDA/CDA/EDA set aside?
 - Data about how the city’s housing stock fits with cities within the same county/region?
- How can we improve compliance?
 - Transportation incentives?
- How can we improve collaboration among cities and stakeholders?
 - Public hearing?
 - Share reports among cities?

TOTAL HOUSEHOLDS			29,895	100%
OWNED UNITS			23,315	78%
RENTAL UNITS			6,580	22%
TOTAL RENTAL UNITS	SALT LAKE COUNTY		133,000	
% OF CITY UNITS IN	SALT LAKE COUNTY		4.9%	
SECTION 8 UNITS IN			84	
LIHTC UNITS IN			440	
RDA UNITS IN			0	
80% - 100% + UNITS PROVIDED			6,056	92%
50% - 80% (LOW) UNITS PROVIDED			198	3%
30% - 50% AMI (VLI) UNITS PROVIDED			154	2%
0% - 30% AMI (ELI) UNITS PROVIDED			172	3%
REGULATED UNITS IN			524	

Data provided by Rocky Mountain Community Reinvestment Corporation



Homelessness and “affordable housing”



Lawmakers may impose fees on Utah cities that lack affordable housing

Bill would encourage cities to build housing for extremely low-income residents, help fund homeless shelters.



General concept

- Operation Rio Grande: \$67 million of state investment
- State would assess a fee on cities and counties to raise revenue for the operation and maintenance of homeless resource centers
 - Amount of the fee still undefined
 - Collection agency still undefined
- State would calculate how much each city/county would be assessed
 - 2017 bill: population based
 - 2018 concept: formula considers amount of “affordable housing” in each city/county (30% AMI, 50% AMI, 80%)
- Cities that house a homeless resource center would not pay the fee

Key questions: what should our role as cities be?

- Should the state impose a fee/tax on local governments for homelessness?
 - The state pre-empted local gov't for HRCs but now expects local gov't to pay for the HRC O&M?
- Should local gov'ts w/o a homeless resource center contribute to the O&M?
 - Impact on private donations?
- Should local gov'ts w/o a homeless resource center help mitigate the impacts?
 - Is that already happening? ULCT research on impacts from Operations Rio Grande/Diversion
- Which homeless resource centers would qualify?
 - 2017 bill: overnight shelter of 200+ beds; what about others (VOA, Lantern House, etc.)?
 - How much revenue is necessary? \$3-\$10 million
- If there is a fee, what should the formula be?
 - Population based? Based on housing stock within a community? (“affordable housing”)
- If there is a fee, who collects, manages, and expends it and how long does it last?

State Homeless Coordinating Committee, 8/8/17

The Department Housing and Community Development (HCD) staff is recommending rolling-over \$110,000 of unspent funds from Midvale City's FY17 Homeless to Housing contract (9th Avenue Trax Project) into FY18, plus awarding the following:

- \$35,000 in FY18 Homeless to Housing Funds for a crime victim advocate
- \$375,560 in FY18 Homeless to Housing Funds for three peace officers and related start-up costs as described in the Midvale City Proposal



Legislative audit on homeless expenses, October 2017

Figure 2.1 Recent Federal, State, and Local Funding of Utah Homeless Programs and Services. Amounts are in millions of dollars.²

Fiscal Year*	Cost Category	Federal**	State	Salt Lake County	Salt Lake City	Total
2014	Direct	\$27.0	\$5.9	\$2.7	\$0.4	\$36.0
	Associated	6.9	4.1	10.0	6.7	27.6
	Total	33.9	10.0	12.7	7.1	63.6
2015	Direct	27.1	9.0	2.9	0.5	39.5
	Associated	8.6	4.9	9.8	8.7	31.9
	Total	35.7	13.9	12.7	9.2	71.5
2016	Direct	28.4	7.6	3.3	1.1	40.4
	Associated	13.5	7.2	8.9	11.2	40.8
	Total	41.9	14.8	12.2	12.3	81.2

SL Co. costs: behavioral health, criminal justice (indigent defense, jail); state & fed \$

SLC costs: police, fire; direct city \$





Homeless people scatter throughout Salt Lake Valley in wake of Operation Rio Grande

Downtown is safer after law enforcement action, but outlying neighborhoods are now bearing the brunt of illegal campers.

SLC's 'Operation Rio Grande' leads to Ogden drug raid, arrests

We still need your direct and indirect costs for Operation Rio Grande and homelessness mitigation



Facilities that serve those experiencing homelessness

- Large homeless shelters as of Feb 2018: Ogden, SLC, Midvale, St. George
- Large homeless shelters as of Aug 2019: Ogden, SLC (2), South Salt Lake, Midvale, St. George
- Other: VOA emergency shelter, domestic violence refuge, food bank, Odyssey House, YWCA, youth shelter, etc. (several communities)
- HB 126: “community correctional centers” ... total number of offenders housed within a county or county zone may not exceed the county or county zone’s cap by more than 5%
- https://le.utah.gov/audit/17_11rpt.pdf See Pg 71-73



H.B. 175 Oversight Committee Creation

The Salt Lake Tribune

Utah House Republicans aren't giving up their bid to create a powerful new committee to investigate state and local agencies



H.B. 175 Oversight Committee Creation

The claim: this is a “structural change,” not an expansion of legislative authority.

What is it? A committee made up of 6 members of the House (appointed by the Speaker) and 3 of the Senate (appointed by the President)

How does the committee get assignments? It can investigate or study issues brought by resolution, the Legislative Management Committee, the Speaker or the President, or by the committee’s own request if approved by the LMC.



Oversight Committee Powers

- Investigate waste, fraud, misconduct, or abuse
- Investigate the accounting, expenditure, and handling of funds
- Studying application, administration, or execution of a state law
- Investigating compliance with a state law or administrative rule
- Investigating creation and implementation of an administrative rule
- **Investigating “an action that a local government entity ... takes to determine whether the entity takes the action in accordance with best practices and the best interest of the citizens that the entity serves.”**

What can the Committee do?

- Perform an audit
- Perform an investigation or study
- Recommend that a person it studies take an action the committee specifies
- Issue subpoenas
- Compel attendance of witnesses, evidence, and testimony
- Refer a person to a county prosecutor
- Recommend a rule for repeal and refer the rule to the Governor
- Recommend to the LMC that it directs general counsel to litigate the rule
- Recommend legislation or propose reforms to state law/admin rules

H.B. 250 Building Permit and Impact Fees

Impact fee changes

- 11-36a-603 definitions:
 - definition of “claimant” amended to include “the person who paid an impact fee”
- 11-36a-702 time limitations:
 - If the fee has been spent or encumbered, a claimant can challenge up to one year after time specified in 11-36a-602(2) (6 years)
 - If the fee hasn’t been spent or encumbered, a claimant has two years after time specified.

Building permit changes

- 15A-1-209 building permit requirements – agency shall charge a 1% fee
 - 30% will go to building inspector training
 - 70% will go to the Office of Property Rights Ombudsman for dispute resolution, training

15A-1-209

(5) (a) A compliance agency shall:

- (i) charge a 1% surcharge on a building permit [it] the compliance agency issues; and
- (ii) transmit 80% of the amount collected to the division to be used by the division in accordance with Subsection (5)(c).

(b) The portion of the surcharge transmitted to the division shall be deposited as a dedicated credit.

(i) The division shall use 20% of the money received under [this] Subsection (5)(a)(ii) to provide education: (i) to building inspectors regarding the codes and code amendments [that] under Section [15A-1-204](#) that are adopted, approved, or being considered for adoption or approval[; and].

[(ii) to:]

[(A) building inspectors; and]

[(B) individuals engaged in construction-related trades or professions.]

(ii) The division shall transmit 80% of the money received under Subsection (5)(a)(ii) to the Office of the Property Rights Ombudsman created in Title 13, Chapter 43, Property Rights Ombudsman Act, to provide education and training regarding:

(A) land use laws and regulations; and

(B) land use dispute resolution.



Week 2 overview

- 1200+ bills so far
- 192 tracked by ULCT
- 32 days left, a/k/a:
 - 768 hours
 - 46,080 minutes
 - 2,764,800 seconds

Actively worked on:

- S.B. 136 Transportation Governance Amendments
- H.B. 175 Oversight Committee Creation
- H.B. 209 Mental Health for First Responders
- H.B. 250 Building permits and impact fees
- H.B. 259 Land use amendments
- H.B. 256 Moderate income housing
- S.B. 83 State Real Property Amendments
- H.B. 203 Nighttime Construction
- H.B. 242 Animal Control Regulation
- H.B. 181 Homemade Food Consumption
- H.B. 271 Government Enterprise
- S.B. 113 Postretirement Reemployment
- H.B. 103 Water Conservation
- S.B. 128 Transportation Revisions
- S.B. 102 Tinted Vehicle Window amendments
- H.B. 79 Private Attorney General

Contact us anytime (literally) during the next 33 days

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- Follow us on facebook and twitter
- Bill tracking on website with assigned staffers
- Daily operational call and emails (committees, daily update, action alert)

