

HB 259 – Moderate Income Housing Amendments

BACKGROUND and INTENT: Housing affordability and affordable housing have been major topics at the local and state level for the past several years. ULCT worked with Rep. Logan Wilde before he introduced HB 259 in order to achieve a bill that helps cities be part of the solution to the housing crisis. The original version of the bill would have created an unworkable new land use standard of review for the development of moderate income housing within a community, which we worked with Rep. Wilde to remove. We recognized the political pressure on cities to take action on moderate income housing and felt that it was important to be proactive to show that cities are willing to help look more deeply at the current housing stock and plan for the future. Although many cities have been developing moderate income housing (MIH) plans and reports since the requirements were first put in code in the early 1990s, what the plans required and how cities complied was vague. Recognizing that small communities would be unnecessarily burdened by these requirements, ULCT and Rep. Wilde agreed to remove them from the bill. Thanks to Rep. Wilde for working with us to create an improved tool for communities to examine their role in the statewide housing crisis. ULCT expects more dialogue in the 2018 interim and 2019 legislature and ULCT will be heavily engaged on the issue.

WHAT IT DOES: HB 259 enhances the requirements and specifies what information cities must analyze and publish on the city's website.

- All cities above 10,000 statewide and above 5,000 people in counties of third class or larger (31,000) must, within their general plan, provide a realistic opportunity to meet the need for moderate income housing over the next five years.
- Municipalities that submitted a findings report of their biennial moderate-income housing review to the Housing and Community Development Division (HCDD) in 2017 will not be required to report until 2019. All other obligated municipalities are to submit a report to HCDD no later than December 31st, 2018.
- Every two years the legislative body of obligated municipal governments are to:
 - Conduct a thorough review of the municipality's moderate-income housing element and its implementation;
 - Show efforts made to reduce, mitigate, or eliminate local regulatory burdens to moderate income housing or to encourage preservation or development of moderate income housing;

- Analyze and publish data about the number of housing units that are at or below 80%, 50%, and 30% of adjusted median income and the number of housing units that are subsidized or deed-restricted;
 - Include how a city is using the moderate income housing set-aside, money the city expends to pay or waive construction-related fees, and any city usage of Utah Housing Corporation programming;
 - Revise its 5-year moderate-income housing needs estimates;
 - Report the findings of the biennial review to the Housing and Community Development Division (HCDD) of the Utah Department of Workforce Services and the Association of Government in which the municipality is located; and
 - Post the findings report on their website.
- The general plan must be updated by July 1, 2019 (*see* Utah Code 10-9a-401).

PRACTICE TIPS: Here's a review of what you need to submit. Remember this is a provision that has existed in statute since the early 1990s. You are simply now asked to post the findings on a web site and include the percentage breakdown for housing units as outlined above.

Biennial moderate-income housing review **reports** are due on December 31st of every other year. Update your **general plan** to include the MIH element by July 1, 2019.

Emailed submissions must include the following items as separate attachments:

- a. A findings report of the biennial moderate-income housing element review;
- b. The most current version of the moderate-income housing element of the municipality's general plan; and
- c. A link to the biennial report on the municipality's website.

Contact the HCCD staff at biennialreporting@utah.gov for more information.

Check www.ulct.org for a list of exempt areas based on the 2016 Lieutenant Governor's Office classification. Please check for the latest population estimates. We encourage all our municipalities to plan for housing needs in their communities and statewide.