

Resolution 2018-004

(A) Preparing for the Future and Maintaining the Individual Character and Community of Utah's Cities and Towns

(B) We, the members of the Utah League of Cities and Towns, find that:

I. Preparing for the Future (population growth and local role)

Whereas, the population of Utah is set to grow from approximately 3 million to 5.8 million by 2065 (an average increase of 1.3 percent per year)¹ which if mismanaged would impact Utah's quality of life; and

Whereas, while population growth brings economic opportunity, it also brings infrastructure challenges (such as roads, sidewalks, traffic signals, streetlights, drinking water, wastewater, sewer, and more), housing, schooling, and employment needs, and environmental impacts; and

Whereas, the state's increasing urbanization has already resulted in more multifamily housing units built along the Wasatch Front than single family housing units between 2007 and 2017²; and

Whereas, the state's increasing urbanization will require more transportation investment, including for transit, and more coordination between cities, towns, counties, metropolitan planning organizations, the Utah Department of Transportation, and other transportation stakeholders; and

Whereas, ULCT actively endorsed SB 136 (2018), Transportation Governance Amendments, which will incorporate and coordinate local land use planning and economic development potential into state transportation planning and programming; and

Whereas, the residents of Utah's cities and towns elect mayors and council members to be stewards of their communities, exercise local control, and make decisions to both preserve their quality of life and prepare for the future; and

Whereas, according to recent survey data from Y2 Analytics, many residents of Utah's cities and towns are frustrated by the impact of population growth because of the accompanying congestion, traffic, loss of open space, and shifting expectations; and

Whereas, mayors and council members hold some (but not all) keys to prepare for population growth and, as local decisions affect cities and towns statewide, should think regionally as they act locally; and

Whereas, every city and town must do their part to prepare for population growth, encourage housing affordability, and address affordable housing in their communities.

II. The Housing Gap

Whereas, because of population growth, the 2008 recession and aftermath, Congressional action, lending policies, and the rising cost of housing development, housing supply has not kept pace with household formation since the recession; and

¹ Utah's Long-Demographic and Economic Projections Summary, Kem C. Gardner Policy Institute, July 2017. Available at <http://gardner.utah.edu/wp-content/uploads/Projections-Brief-Final.pdf>.

² According to Envision Utah data, as reported in the Salt Lake Tribune, July 20, 2018.

Whereas, per the May 2018 Gardner Business Review report titled “What Rapidly Rising Prices Mean for Housing Affordability” (the “Gardner report”), there was a surplus of housing units compared to households from 1971-2010 of 84,217. However, there has been a shortage of new housing units compared to households between 2011-2017 of 43,000, of which 54% occurred in 2011 and 2012; and

Whereas, the Gardner Institute published in July 2018 that the number of permits for new dwelling units is at the highest level since 2006 and the number of new residential units would match the number of new households in calendar year 2018.

III. Housing Affordability

Whereas, Utah is seeing rapidly increasing housing prices in urban areas because of strong economic growth coupled with population growth; and

Whereas, the Gardner report outlined multiple reasons for the escalating housing costs in Utah, including a severe labor shortage in the construction industry, lack of available land for development, increased material and construction costs, federal trade policy, and local government regulatory costs; and

Whereas, the Gardner report indicated that wages in Utah have not kept pace with housing costs; and

Whereas, the Gardner report did not examine zoning or NIMBYism (“not in my backyard” perspective from nearby residents), but acknowledged they play an unquantifiable role in the cost of housing.

IV. Affordable Housing

Whereas, the Gardner Institute reported in July 2018 that 100,000 Utah households are severely cost burdened by housing; and

Whereas, the Gardner report indicated a household with income below the median has a one in five chance of being severely cost burdened by housing (paying 50% of their income toward housing); and

Whereas, the Gardner report indicated that a household with income above the median only has a one in 130 chance of being severely cost burdened by housing; and

Whereas, the private sector has difficulty producing profitable affordable housing for residents below the area median income without incentives, subsidies, or other assistance.

V. Local Keys and Responsibilities

Whereas, Utah’s cities and towns hold some but not all the keys to help address this statewide issue; and

Whereas, local government regulation of housing means ensuring the health, safety, and welfare for current and future residents in the construction of new buildings, connectivity of new development with roads, water, sewer, and other infrastructure, and providing public safety services; and

Whereas, local government regulation of housing means covering the cost of infrastructure that is required to provide essential services to new residents, including water, wastewater, and stormwater systems, roads, municipal power systems, public safety facilities, and parks; and

Whereas, local government is responsible for finding the balance between the costs that current residents bear for infrastructure and services resulting from new growth and the costs that future residents will bear for the new infrastructure and services.

VI. Direct Democracy

Whereas, the Utah League of Cities and Towns believes that citizens, per Article VI Section 1 of the Utah State Constitution, hold legislative authority essential to the democratic separation of powers; and

Whereas, the current state law on the citizen direct democracy process should be modernized to ensure that it is consistent and clear for petitioners, elected officials, city staff, property owners, and the public; and

Whereas, such modernization should include an adjudication of whether the city action is administrative or legislative at the outset of the referendum process, before petitioners expend time and money gathering the required signatures; and

Whereas, such modernization should clarify that city leaders may explain the action that petitioners desire to be referred and answer questions from residents, among other improvements.

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

I. Population growth and the housing gap

1. Utah cities and towns will support state initiatives to facilitate the accommodation of population growth, and to enhance flexibility of other revenue tools.
2. Utah cities and towns support expanding the use of accessory dwelling units where appropriate.
3. Utah cities and towns are willing to review zoning ordinances, regulatory ordinances, and processes to facilitate additional housing units where the infrastructure can support them, particularly near current and future transportation corridors.
4. Utah cities and towns support efforts to inform residents about population growth and mitigate the impacts on their quality of life.

II. Housing affordability

1. Utah cities and towns will support federal policies that could ease material and labor costs that impact housing prices.
2. Utah cities and towns support other efforts to reduce costs of housing that are not tied to infrastructure.
3. Utah cities and towns will support state and local efforts to improve wage growth.

III. Affordable housing

1. Utah cities and towns commit to examining their current housing stock by complying with HB 259 (2018) Moderate Income Housing Amendments to incorporate moderate income housing into their general plans.

2. Utah cities and towns will support state financial support and other incentives such as inclusionary zoning in certain areas to preserve or create affordable housing.

IV. Direct democracy

1. Utah cities and towns support the modernization of the direct democracy process in a way that protects the legislative authority of cities and their residents and ensures clarity, consistency, transparency, and fairness for all.

(D) We, the members of the Utah League of Cities and Towns, further resolve that:

I. Legislative authority:

1. Utah cities and towns will oppose any state legislative effort to erode traditional local legislative authority over planning and zoning decisions, as previously established in ULCT Resolution 2007-1.

2. Utah cities and towns will oppose any state efforts to penalize municipal leaders for land use decisions.

3. Utah cities and towns will oppose any state legislative efforts to reduce the local legislative authority of city councils or of the people themselves per Article VI of the Utah State Constitution.

II. Revenues for infrastructure and services:

1. Utah cities and towns will oppose any state efforts to restrict the municipal ability or reduce existing municipal revenues to fund infrastructure needs and public services.

2. Utah cities and towns will oppose any state efforts to disproportionately shift the burden of paying for necessary infrastructure because of new development from future residents to current residents.

III. General:

1. ULCT will oppose state legislative efforts that violate principles of local authority, create an unfunded mandate, enforce a one-size-fits-all approach, or promote a “solution” in search of a problem.

Submitted by:

The ULCT Board of Directors

September 11, 2018