Legislative Policy Committee: Supplemental Information

HB 359 Municipal Annexation Revisions

On July 27, 2020, the ULCT sent a letter to legislative leadership describing the League’s role in the discussions on HB 359 1st Substitute, our initial support for the original bill, and concern that the substitute did not receive adequate vetting or consensus. The letter is available here.

Land Use Task Force

The Land Use Task Force has held two meetings this year. At the first meeting, the task force decided on study items and created working groups on each. Some of the following have initial draft language while others are still in the discussion stages. If you are interested in additional information on any of the working groups, please contact Victoria Ashby at vashby@ulct.org.

a) Mandatory land use training
b) Standards of review for land use decisions
c) Impact fees
d) Water district/provider review of plats when subdividing, vacating
e) Public infrastructure districts
f) Annexation
   Cross-county boundary annexations
   Notice for annexation and incorporation (constructive, actual; opting out)
   Pausing annexations/incorporations while state code is revised
   Boundary protection for a proposed incorporation
   Peninsulas and islands
   Different rules for first class counties vs. everyone else
g) Low impact design/water
h) Requiring new architectural and material-related standards after vesting
i) CUP loopholes
j) Gravel pits

Commission on Housing Affordability

The Commission has created a working group to look at the intersection of land use policies and affordable housing. Commission member Chris Gamvroulas is leading the group and has identified several land use issues for discussion and reform. You can see his recommendations here. Upcoming meetings of the full Commission are noticed on the Utah Public Notice website.
Recent History of Housing Affordability and Transportation Legislation

Housing affordability and affordable housing are often used interchangeably, but they have distinct meanings. Housing affordability refers to the median price of housing. It can be broken down further into homeownership costs and rental costs. Affordable housing is housing specifically available to moderate-income households, typically referring to households who earn 30%, 50%, and 80% of the area median income.

Land use and infrastructure are necessarily intertwined. ULCT has historically supported legislation that enhances transportation infrastructure spending. The issues of housing affordability and affordable housing gained significant attention beginning in 2018. ULCT worked closely with various stakeholder groups to identify how local governments can improve housing and transportation planning.

HB 259 – Moderate Income Housing Amendments (2018 General Session)

- Required all cities of 10,000 or more statewide and 5,000 or more in counties of the 3rd-5th class to adopt a moderate-income housing plan by July 2019.
  - The report must analyze and publish data on the number of housing units that are at or below 80%, 50%, or 30% of the area median income and the number of units that are subsidized, or deed restricted.
  - The report must also include how a city is using the moderate-income housing CRA set aside.
  - Every two years, the legislative bodies of an affected municipality must:
    - Conduct a thorough review of the municipality’s moderate-income housing element and its implementation;
    - Revise 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.

HB 430 – Affordable Housing Amendments (2018 General Session)

- HB 430 created the Commission on Housing Affordability (CHA). The CHA was originally conceptualized with the purpose of examining affordable (below median income) housing strategies. As the bill moved through the process, its purpose shifted towards general housing production and affordability. SB 34 (2019) and SB 39 (2020) were both products of dialogue at the CHA.

SB 136 – Transportation Governance Amendments (2018 General Session)
• Among other substantial changes, SB 136 required UDOT to create strategic initiatives for state transportation funding that includes local land use and economic development potential. The objective was to facilitate efficient transportation and land use.

SB 34 – Affordable Housing Modifications (2019 General Session)

• SB 34 built on the foundation of the prior year’s HB 259 and SB 136. SB 34 incentivizes local governments to update and enhance the moderate-income housing requirements in their general plans. Specifically, the same municipalities identified in HB 259 were required to update the moderate-income housing elements of their general plans with three of the 24 pre-identified strategies in the bill. Municipalities with fixed rail infrastructure were required to adopt four of the strategies. The deadline for updating moderate-income housing plans was December 1st, 2019. Legislative bodies are required to review their moderate-income housing plans annually, instead of biennially. Finally, municipalities are required to annually submit reports on their moderate-income housing plans to the Department of Workforce Services.
• If municipalities fail to comply with these requirements, they will lose eligibility for projects funded through the state transportation investment fund.

SB 39 – Affordable Housing Amendments (2020 General Session)

• SB 39 addressed specific funding shortfalls for affordable housing. The bill provided $20 million in targeted resources to address specific moderate-income housing needs.
Utah League of Cities & Towns

Resources to assist Municipalities in the Housing Policy & Implementation Arena

Housing
- ULCT Housing Policy Overview
- ADU presentation including best practices
- Workforce Housing

Senate Bill 34
- General Plan Moderate Housing Income Element
- Reporting form DUE DATE DEC 1, 2020

Research Data on Market Construction Data
- Gardner COVID-19 and Economic Forecast Update
- Utah Foundation (2019)

Financing Resources for Housing Projects Financing and Planning
- WFRC
- Olene Walker Housing Loan Fund
- UDOT Grant

Housing Ordinances and City Links
- ADU ordinance from North Salt Lake
- Salt Lake City Housing website