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# Legislative Policy Committee October 21, 2024





### **AGENDA:**

- Homelessness
- Interim meeting updates
  - Business Licensing
  - Utility Liens
  - Justice Courts
- Revenue: tourism & related taxes & transportation utility fee
- Water
- Short-term Rentals
- Land Use Task Force
- Housing/CHA



- information

Alcohol licensing proximity/redevelopment LPC follow up survey

### **UPCOMING MEETINGS:**

 LPC - November 18 Legislative Interim Meeting -November 19-20 Local Officials Day - January 22

# **Quick 2024 Session Overview: ULCT themes**

Record year 1) 2) "Partnership not preemption" "The state doesn't have a surplus and neither do cities" 3) "Affordable home ownership and sustainable infrastructure" 4) Data matters 5) Year-round session

# **Homeless Policy Updates**

- 1. Updates on Winter Response and Code Blue
  - Winter Response
  - Code Blue
- 2. Updates on the Utah Homeless Services Board
  - Central Campus Model
  - Administrative Rule
  - Utah's Guiding Principles to Overcome Homelessness
- **3. Ongoing Policy Discussions** 
  - Mitigation Rule
  - Code Red



# Winter 2024/2025

- There are over 1,100 beds coming online statewide for winter response and code blue this season with more to be added
- This has been accomplished through countless hours of work and dedication
  - Municipalities
  - Counties
  - State of Utah
  - Service providers
  - Philanthropic community
  - Those with lived experience
  - & more





# Winter Response Plans

- Winter Response Plans were enacted on October 15th in counties of the 1st and 2nd class. They will remain in effect until April 30th
  - Note: Winter Response is time bound and only applies to counties of the 1st and 2nd class
- Winter Response Plans are required for winter 2024/25 and winter 2025/26 unless a county of the 2nd class elects to pursue a permanent solution



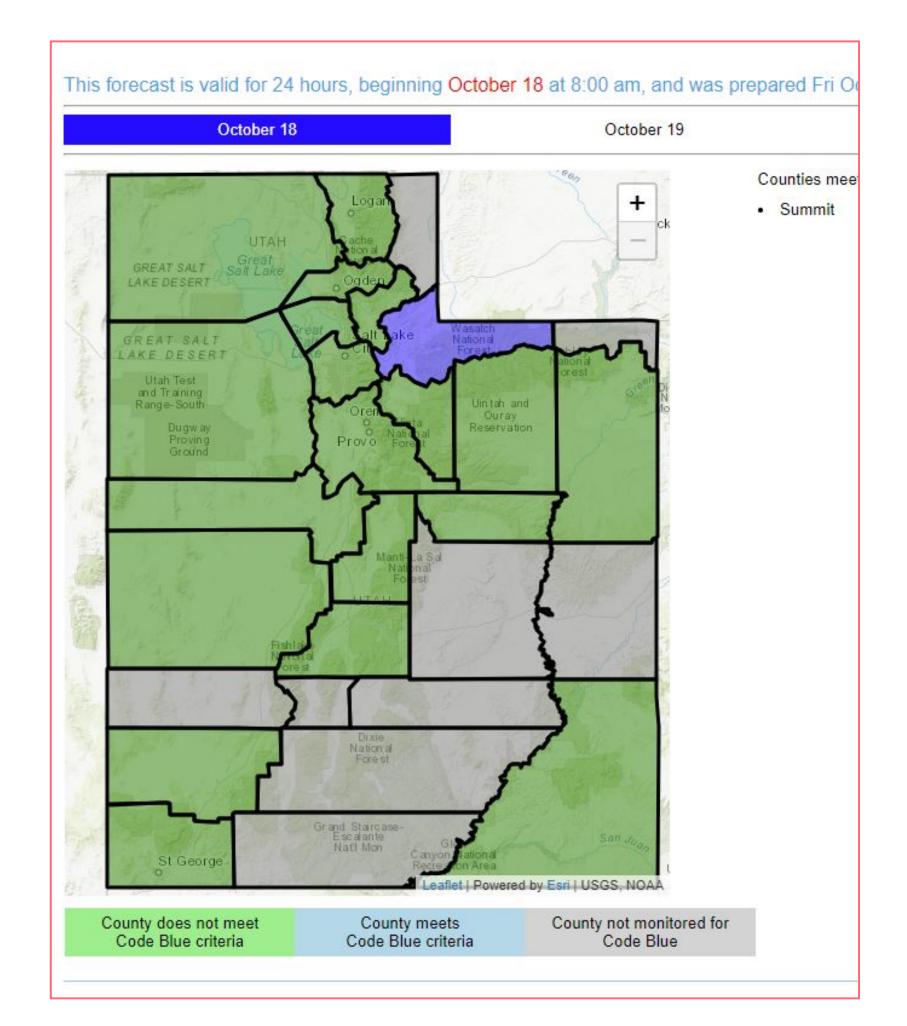
### **Code Blue**

- Code blue is condition driven (temperature) applies to counties of the 1st, 2nd, 3rd, and 4th class and does not have an end date.
- Code blue alerts are issued by county when temperatures are expected to
  - reach 18° F (including windchill) for 2 or more hours during a 24 hour period
- Provisions as defined in UCA 35A-16-703 take effect



### Code Blue Communications

- State Website: <u>https://dhhs.utah.gov/code-blue-utah/</u>
- Sign Up For Alerts: Utah Notification and Information System <u>https://unis.utah.go</u>v
  - Join your county listed under the Code Blue Alert organization
  - Alerts issued for <u>affected</u> counties everyday at 8:00am
- Office of Homeless Services <u>Daily</u>
   <u>Bed Availability dashboard.</u>



# Code Blue Provisions 35A-16-702

•A homeless shelter may **expand the homeless shelter's capacity limit by up to 35%** to provide temporary shelter to any number of individuals experiencing homelessness, so long as the homeless shelter is in compliance with the applicable building code and fire code;

•A homeless shelter, in coordination with the applicable local homeless council, shall **implement expedited intake procedures** for individuals experiencing homelessness who request access to the homeless shelter;

•A homeless shelter **may not deny temporary shelter to any individual experiencing homelessness who requests access to the homeless shelter for temporary shelter unless the homeless shelter is at the capacity** limit described in Subsection (1) or if a reasonable individual would conclude that the individual presents a danger to public safety;

•Any indoor facility owned by a private organization, nonprofit organization, state government entity, or local government entity may be used to provide temporary shelter to individuals experiencing homelessness and is exempt from the licensure requirements of Title 26B, Chapter 2, Licensing and Certifications, for the duration of the code blue alert and seven days following the day on which the code blue alert ends, so long as the facility is in compliance with the applicable building code and fire code and the governing body of the organization or the legislative body of the government entity that owns the facility approves the use;

•Homeless shelters, state and local government entities, and other organizations that provide services to individuals experiencing homelessness shall coordinate street outreach efforts to distribute to individuals experiencing homelessness any available resources for survival in cold weather, including clothing items and blankets;

•A state or local government entity, including a municipality, law enforcement agency, and local health department, may enforce a camping ordinance but may not seize from individuals experiencing homelessness any personal items for survival in cold weather, including clothing, blankets, tents, and sleeping bags; and

 A municipality or other local government entity may not enforce any ordinance or policy that limits or restricts the ability for the provisions described in Subsections (1) through (5) to take effect, including local zoning ordinances.

### **Updated Code Blue Provisions** 35A-16-703

- **REMOVED** (6) if no beds or other accommodations are available at any homeless shelters located within the affected county, a municipality may not enforce an ordinance that prohibits or abates camping for the duration of the code blue alert and the two days following the day on which the code blue alert ends;
- (7) renumbered and modified to (6) a state or local government entity, including a municipality, law enforcement agency, and local health department, may enforce a camping ordinance but may not seize from individuals experiencing homelessness any personal items for survival in cold weather, including clothing, blankets, tents, and sleeping bags;



# **Utah Homeless Services Board (UHSB)**

October 9, 2024

- Adopted central campus model
  - Directed the Office of Homeless Services (OHS) to identify 3 viable locations with 30+ contiguous acres to develop a central campus
    - need to report 3 locations to the USHB by December, 15th 2024
  - OHS to present master plan for the campus by January 15, 2024
  - 1,200 low barrier beds to be located on the campus by October 15, 2025
  - OHS to outlined role of Homeless Resource Centers (Salt Lake County)
  - OHS to facilitate public input from stakeholders

\*Molly visited Haven for Hope, in San Antonio, Texas with OHS and other key stakeholders



### **Utah Homeless Services Board (UHSB)** October 9, 2024

- Adopted Administrative Rule for Homeless Mitigation **Funding Qualifications** 
  - Adopted rule suggested by the Shelter City Advisory Board
  - Looking at how to adopt additional provisions and requirements in contracts and applications
  - ULCT & shelter cities exploring how to hold cities accountable for their role in the system without holding them accountable for system outcomes.



### **Utah Homeless Services Board (UHSB)** October 9, 2024

- Adopted Utah's Guiding Principles to Overcome Homelessness to complement the state strategic plan
  - Draft document
  - "....define and set of unifying principles, foundational requirements, and ecosystem necessary to deliver healing for our most vulnerable members of society, and will be adapted to fit the needs of specific subpopulations and geographic regions"
  - Identifies need for "reliable, unsanctioned camping [and loitering] enforcement" in all municipalities.



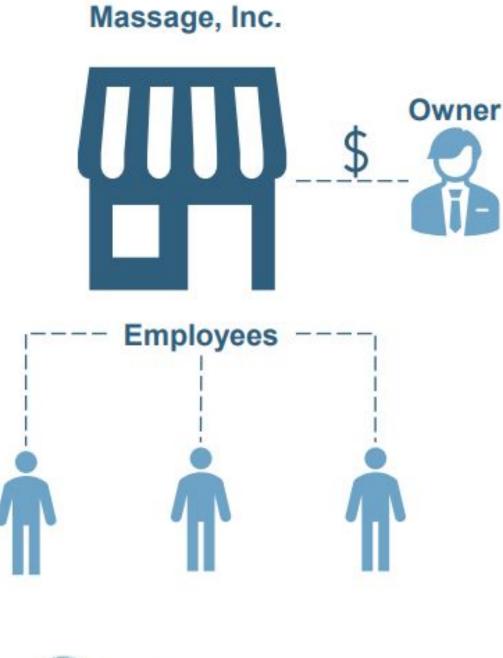
# **Ongoing Policy Conversations**

- Code Blue and Winter Response
- Mitigation Fund
- Policy implications of a campus model
- Code Red





# **Business Licensing Update - Massage Therapy Amendments Recommendation 2: Enact massage establishment** regulation to hold owners accountable for illegal acts





### Create massage establishment registry:

- Owners/employers must:
  - 1) Submit fingerprints, background check,
  - 2) Sign attestation re: illegal activities (e.g., no human trafficking, sex advertising, unlicensed practice), 3) Follow appropriate practice standards (e.g., display license)
- Revoke business registration for non-compliance & notify landlord, local government, and law enforcement
- Exemption for solo practice (w/ no employees or storefront) Rationale:
- Maintain low-barrier assistant license for legitimate practitioners
- Differentiates legitimate from illegitimate massage businesses
- Holds owner of record accountable (not employees) where appropriate
- Encourages supervision of employees and physical setting; disincentives sexual misconduct, illegal activities
- ~20 states have a similar massage establishment license

### **Utility Liens**

Special Service Districts can impose liens for delinquent utility bills, municipalities cannot.

 How can municipalities collect delinquent payment if they cannot disable service?

Presented in Political Subdivisions Interim Committee, bill file opened



### **Revenue: tourism & related taxes; transportation** utility fee (TUF)

### **Tourism status quo:**

- State TRT: .32%
- county TRT: up to 4.25%
- county TRCC: up to 1% on restaurants, 4% on rental cars, 7% on OHVs/RVs
- municipal TRT: 1%

Serious consideration at capitol about changes to the taxes, uses of funds

**Today's ask:** volunteers for work group to prepare for session

**TUF status quo:** Last year's HB 367: codified a "difficult but" doable" process, did not affect municipal legal authority to impose TUF

Potential 2025 bill: could reduce our legal authority to either a) impose the fee or b) levy the fee on all users

**Today's ask:** be ready to talk to legislators about a) difference between taxes for general purposes and fees for specific uses



Water Issues

### Water Usage Amendments - Rep. Doug Owens

After January 1, 2026 overhead spray irrigation cannot be used for:

commercial, industrial, mixed use, or multifamily development or redevelopment



### Water Usage Amendments - Rep. Doug Owens

(2)(a) A municipality shall:

- (i) require an owner of specified land to comply as a condition of:
- (A) approval of a land use application; or
- (B) issuance of a land use permit; and

(ii) include a notice on or with a land use approval or land use permit for specified land stating, "Utah law prohibits the use of overhead spray irrigation for your project except in outdoor activity areas."



### Water Usage Amendments - Rep. Doug Owens

(b) A municipality is encouraged to:

(i) review and either approve or disapprove plans for outdoor activity areas proposed for specified land for which the municipality approves a land use application or issues a land use permit;

(ii) inspect specified land for compliance with this section upon completion of new development or redevelopment; and (iii) address noncompliance with this section



# Stormwater Amendments - HB507 - Rep. Musselman

- Clarifying requirements and option for electronic inspections and when an onsite inspection can be conducted
- Clarifying timelines for review of prevention plan submissions
- Clarifying when fines can be levied and when worksite can be shut down

• \*Reminder - HB507 is law as of January 1, 2025. We are working to clarify the law, not work against a bill that has already passed

### Water Infrastructure Study Senate Bill 34 (2023)

### RECOMMENDATIONS

### STUDY RECOMMENDATIONS AND OBSERVATIONS

Recommendations / Observations			Perceived	
1.	Do not eliminate property taxes. If any changes were to be made (capping or reducing existing tax rates), it would require sufficient time, analysis and thoughtfulness to implement properly to avoid unintended consequences.			To n elim incre
			<b>U</b> B	Increased and
2.	Implement more aggressive tiered rates for tiers 3-4 to discourage excessive water use, similar to neighboring states		(B)	Tiere
				cons
			(RB)	Tiers
	a.	Or consider special surcharge as certain entities have implemented		

### UTAH DIVISION OF WATER RESOURCES WATER INFRASTRUCTURE SB 34 STUDY

### **Trade-Offs**

- maintain existing level of service, ninating property tax would rease costs of delivering water
- reased transparency of water bills tiered rates
- red rates have driven water servation
- rs 3 & 4 effect less people

### Water Fees/Infrastructure Funding

ULCT workgroup needed

Email Justin if interested - ilee@ulct.org







# Other Interim Topics

# **Justice Court Updates**

After consulting with my co-chair and others involved, we have made the decision to discontinue the task force's activities at this time.

# -Senator Kirk Cullimore



### **Short-term Rentals**

NEW Kem C. Gardner Policy Institute Study

- Avg monthly STR listings have increased by 39.6% between 2021 and 2023.
- Relationship with housing

   Impacts availability of housing in communities near tourism areas
- Study will be published today

### INFORMED DECISIONS™

Dejan Eskic Senior Research Fellow and Scholar

Molra Dillow Housing, Construction, and Real Estate Analyst

### The Evolving Landscape of Utah's Short-Term Rental Market

The rise of short-term rentals in Utah continues to disproportionately impact the state's tourism areas, affecting housing affordability in these communities.

October 2024



411 East South Temple Street Salt Lake City, Utah 84111 801-585-5618 gardner.utah.edu

Plan review and start of shot clock

### Status quo: Utah Code 10-6-160(3):

(a) A city shall complete a plan review of a construction project for a one to two family dwelling or townhome by no later than **14** business days after the day on which the applicant submits a complete building permit application to the city.

(b) A city shall complete a **plan review** of a construction project for a residential structure built under the International Building Code, not including a lodging establishment, by no later than **21** business days after the day on which the applicant submits a complete building permit application to the city.



"Complete Building Permit Application"

**Technically Allowed Under Current Code** 

**Review for Completeness** 

Indefinite

### **CONCERNS OF HOME BUILDERS**

- Cities are taking a long time to review plans 1)
- Cities are refusing to accept the application as complete until everything is perfect on 2) the plans
- 3) Cities are not notifying applicants that their application is incomplete until long past the time they knew it was incomplete
- 4) Cities are taking advantage of time before the 14 day shot clock begins

### Building **Plan Review**

14 days



"Complete Building Permit Application"

**Technically Allowed Under Current Code** 

**Review for Completeness** 

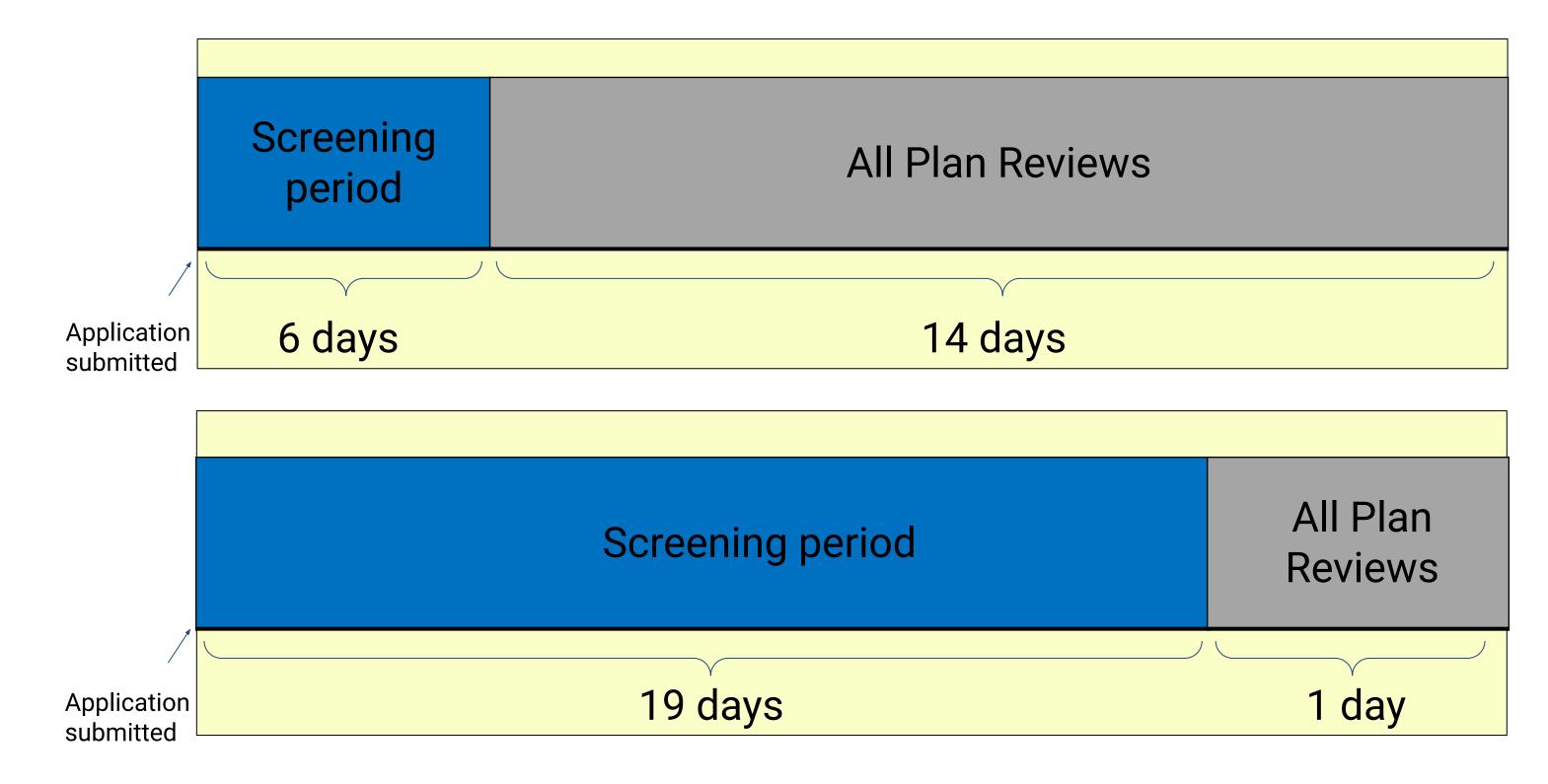
Indefinite

### **CONCERNS OF CITIES**

- 1) Cities are receiving very incomplete, poorly drafted applications
- 2) Cities only has 14 days to review and cannot require any resubmission unless substantial modifications are needed
- 3) Cities are already overworked with the volume of building permit applications requested

Building Plan Review

14 days



"Complete Building Permit Application"

### **KEY CHANGES TO SCREENING AND PLAN REVIEW TIMELINE**

- 1) 20 total days to review for completeness AND <u>all</u> other reviews
- 2) Any time taken by city to screen for completeness reduces the total number of days the city has to perform all other reviews
- 3) If city notifies applicant on Day 19, city will only have 1 day to complete the plan review

### **MAY REQUIRE RESUBMITTAL OF PLANS ONLY IF:**

- 1) Significant life safety concerns that would render dwelling uninhabitable 2) Land use regulations/building code requirements that would require substantial alterations to the proposed dwelling
- 3) Environmental, safety concerns associated with drinking water, sanitary sewer, or stormwater
- 4) Deficiencies addressed by third-party reviewer of geotech report

Bonding and Financial Assurances

### **STATUS OF NEGOTIATIONS**

- 1) No surety bonds <u>required</u> for improvement assurance or warranty periods
- 2) Uniform structure of release: 90% for each system category (streets, sewer, storm drain, water, etc.) completed and approved; 10% for warranty for each system category
  - a) Culinary water
  - b) Sanitary sewer
  - c) Stormwater
  - d) Transportation
  - e) Secondary/Irrigation water
  - f) Public landscaping
  - g) Other outstanding items (as builts drawings)
- 3) PRC currently reviewing bonding language with our changes, BUT....one outstanding item needing direction

## Land Use Task Force

**Bonding and Financial Assurances** 

(C) If a land use authority determines that the installation of required subdivision improvements or the performance of warranty work does not meet the municipality's adopted standards, the land use authority shall, within 15 days, comprehensively and with specificity list the reasons for the land use authority's determination.

<u>ALLEGED</u> Concern of Home Builders: Cities are slow or never send the comprehensive list of items that need to be fixed before the bond is released, even after multiple attempts to obtain the list.

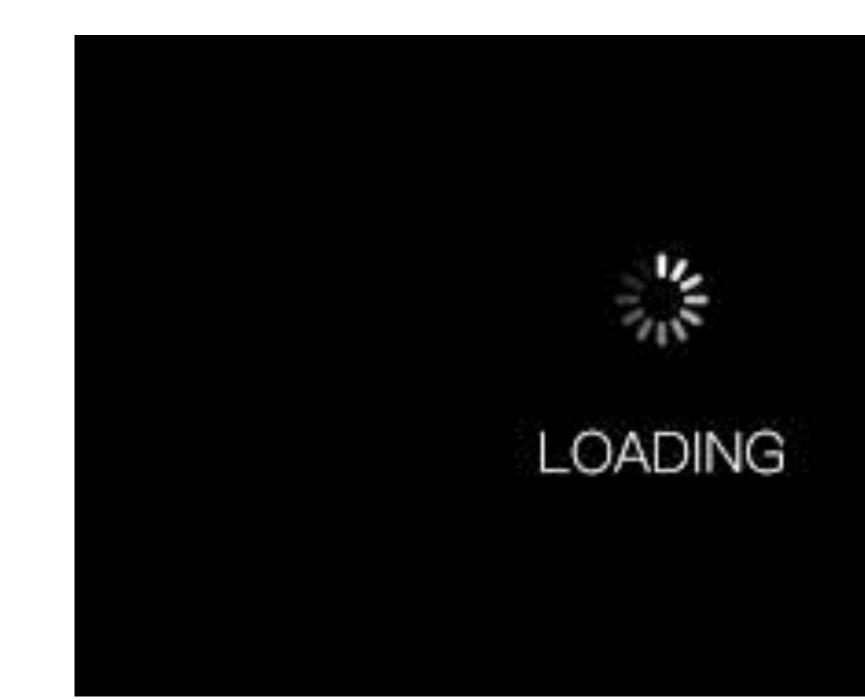
#### **Possible Consequence for Noncompliance:**

<u>1 month ago</u>: The full bond must be released after 15 days have expired with no list

<u>Now:</u> One time, 20% of the bond must be released after notification and cure period of 5 days. This likely will <u>**not**</u> affect you!

### Land Use Task Force

Impact Fees





## Land Use Task Force

Impact Fees

#### **Challenging an Impact Fee Amount:**

(c) The sole remedy for [challenging an impact fee amount] is a refund of the difference between what the person or entity paid as an impact fee and the amount the impact fee should have been if it had been correctly calculated . . .

"Plus annual simple interest at the [PTIF] rate made on that difference from the date that an impact fee was paid until the date that a refund is provided as a result of a successful challenge."



# Commission on Housing Affordability

## **Local Land Use in the National Spotlight**

#### Harris and Trump walk a supply-demand tightrope on housing

The practicalities of bringing down costs leave both campaigns navigating political minefields like zoning rules and property values - to sell voters on ways to ease the home shortage.



#### Is America's housing crisis determining how you vote this November? By Bryan Mena, CNN **CNN Business**

② 2 minute read · Published 4:16 PM EDT, Thu September 12, 2024

#### **Trump, Harris agree: Construction regulations** need work

by: Cora Neas Posted: Sep 11, 2024 / 04:59 PM CDT Updated: Sep 12, 2024 / 12:29 PM CDT



Crisis?

How local governments broke America's housing markets

By Jerusalem Demsas

The Atlantic



#### Who's Responsible for the Housing



# Plan Jan.

#### Other: Gov's Transition Team, UEOC/GOEO Vision 2034, SL Chamber's Utah Rising TBD

### **Envision Utah:**

Infrastructure and Housing Capacity Post-session

State Housing

#### CHA/Land Use Task Force Jan.

Legislators During Session

### **The Process**

	September 2024 – November 2024	November 2024 - February 2025	February 2025 - May 2025	May 2025 - August 2025	
Phase I: Potential Development StudyPhase II: Market Demand ForecastPhase III: Growth and Development ScenariosPhase IV: Recommendations and Final Report	Potential Development	Market Demand	Growth and	Recommendations and	

We are here



#### Envision Utah: Infrastructure and Housing Capacity



**Envision Utah:** Infrastructure and Housing Capacity







## Utah's Housing Approach

#### Partnership, not preemption

This pamphlet briefly outlines what we've done collectively the last few years to plan for growth and help you talk with legislators about how your city is planning for growth. For more information, contact ULCT staff or visit ulct.org.

September 2024



#### **Total Existing Residential Units**

Single-family **109,276** 

Multi-family

#### **Total Entitled, Unbuilt Residential Units**

Single-family

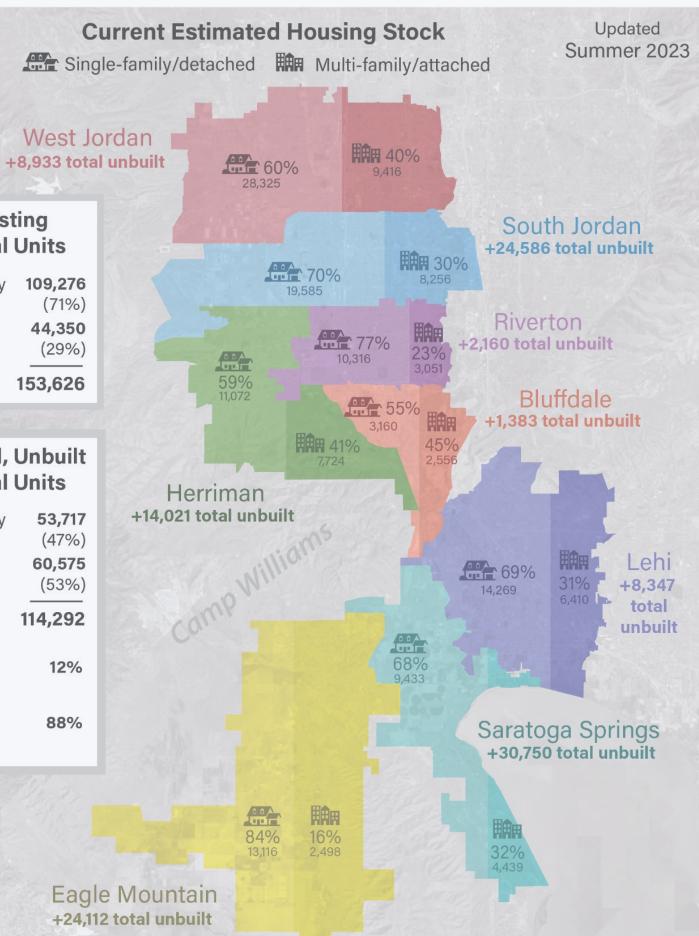
Multi-family

Units ready for building

Units needing infrastructure

#### **Vested Residential Units**

Southwestern Salt Lake County Northwestern Utah County

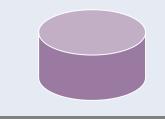


### **State Housing Plan framework:** Steve Waldrip

## **State Plan Principles**

- Collaboration over preemption
- Holistic and regional approach
- Collaboration across sectors
- **Center-oriented development**
- □ Focus on families/home ownership

preemption



#### State Housing Plan

**100+ potential policy tactics** some state, some local, some financial, some

## What does success look like?

## Increase housing supply

Small single-family detached units on small lots More condos in multi-family areas Development of centers (Wasatch Choice vision) More workforce housing in rural Utah More opportunities for aging-in-place housing





PUBLIC LANDS, PUBLIC PRIVATE PARTNERSHIPS, LEGACY CITY HOUSING	ZONING, DEVELOPMENT PROCESS, REGULATORY BARRIERS	SUPPLY
Statewide public property identification	Parking requirement continuity	Starter homes
and assessment		Deed restriction:
	Single family garage	
Research best practices for public private	requirements	Long Term Affordability Too
housing partnerships on	Housing density and	
public land	zoning	Preservation Incentives
Developing strategies to assist legacy cities with	Entitlement Process	
housing development	<b>Plan Review Process</b>	

Economic Development and Workforce Services Interim Committee October 16, 2024 Commission on Housing Affordability Update

DATA
What datasets do we have? What are we missing?
Assessing data gathering barriers.
Quantifying key topics such as first time single family home ownership opportunities. At what pace are they being developed, where and at what
price points?
Best practice research for data analysis and display.

Senator Lincoln Fillmore Representative Stephen Whyte

			CHA/Land Use Task Force
PUBLIC LANDS, PUBLIC PRIVATE PARTNERSHIPS, LEGACY CITY HOUSING	ZONING, DEVELOPMENT PROCESS, REGULATORY BARRIERS	SUPPLY	DATA
Statewide public property identification and assessment Research best practices for public private housing partnerships on public land Developing strategies to assist legacy cities with housing development	Parking requirement continuitySingle family garage requirementsHousing density and zoningEntitlement ProcessPlan Review Process	Starter homes Deed restrictions Long Term Affordability Tools Preservation Incentives	<ul> <li>What datasets do we have?</li> <li>What are we missing?</li> <li>Assessing data gathering barriers.</li> <li>Quantifying key topics such as first time single family home ownership opportunities. At what pace are they being developed, where and at what price points?</li> <li>Best practice research for data analysis and display.</li> </ul>

Economic Development and Workforce Services Interim Committee October 16, 2024 Commission on Housing Affordability Update





Senator Lincoln Fillmore Representative Stephen Whyte



State Housing Plan



## ULCT Board principles for our advocacy at CHA/UEOC

- A) How does the proposal preserve the quality of life of current and future residents?
- B) How does the proposal allocate the current and future costs and ensure the sustainability of infrastructure?
- C) Will the proposal result in more housing units that are more **directly affordable** to the buyer or renter?
- D) Will the proposal result in more home ownership?

# UTAH LEAGUE OF

## ULCT potential actions (Board mtg 11/4, CHA 11/5; plus past sessions)

### All Cities

- publicly owned real estate inventory with parameters
- parking reductions for deed-restricted, affordable units 0 statutory standard TBD
- MIHP: changes coming due to state housing plan; details TBD
- infrastructure tools and data
- $\circ$  fix/align terms/definitions in existing tools (e.g. FHIZ, retail incentives) enabling language about affordable, owner-occupied local overlays

## Legacy Cities

#### Rapid Growth

 $\circ$  condos

- technical assistance short-term rental data tourism tax changes?
- revolving loan fund to Ο renovate houses? (instead of down pay)

**Resort Communities** 

## parking: reduce in exchange for affordable ownership

- "owner-occupied, affordable housing:" deed-restricted for at least 5 yrs at 80% AMI
- City may not impose a garage/carport req't on a one- or two-family dwelling that is owner-occupied, affordable housing. City may still require on-site paved parking
- If city requires a garage/carport at all, then city shall count all of the fully structurally accessible spots in garage/carport for the city parking req't

- as:

  - x 22 feet
  - each tandem stall shall be fully
    - accessible
  - the dwelling does not include an IADU, STR, or fractional ownership

#### A city shall count tandem parking as two spots for a oneor two-family dwelling so long

• owner-occupied, affordable housing • each tandem stall should be at least 10

Would your city **be willing to adopt an overlay** in part of your city that gives more incentives (density bonuses, setback reductions, etc.) to builders in exchange for guaranteed affordable owner-occupied housing?



- Yes, my city already has one (or something similar)
- Yes, details matter, but my
- city is supportive of the

How do you feel about the concept of creating weighted MIHP menu items as described **below?** The weighted menu items concept would give greater weight (e.g., counting as multiple other strategies) to strategies that are focused on homeownership. These could possibly include: adopting or proposing an HTRZ, adopting or proposing a FHIZ, adopting or proposing a HOPZ, owner-occupied ADU or owner-occupied second unit on the lot, approving a project that receives HB 572 funding, creating multifamily condo incentives, or adopting a qualifying overlay.





## **Deliberation: weighted MIHP menu?**

### City shall do at least one city-initiated ownership-focused action:

- □ Adopt, propose, administer an HTRZ
- □ Adopt, propose, administer a FHIZ
- Approve a project that receives HB 572 funding
- □ Adopt, propose, administer a HOPZ
- □ Allow owner-occupied ADUs
- Locally imposed overlay for condos
- Locally imposed "ownership overlay"





## proposal: enabling language for ownership overlay

### Proposal 1: single-family detached

A city may **require a % of housing** units be deed restricted for

- A. affordability and/or
- B. owner-occupancy and/or
- C. limited in size or mass

so long as the base density of the zone is at least 6 to the acre

- Proposal 2: multi-family A city may have:
- multi-family rental units and (taller, mass, density, parking, etc.) for multi-family owner-occupied units
- A. one zoning standard for B. a different zoning standard

## **Rep. Ward proposals** Note: Political subs comm. more receptive on ADUs

## **ADUs**

- Permitted use in any residential zone of any city within a 1st or 2nd class county
- On a lot that contains an existing detached single-family dwelling

## "affordable house"

• House sold to a 1st owner at price less than the median price in the county

• Permitted use in ALL residential zones in any city within 1st or 2nd class county (automatic approval)

• Must be on lot of/with:

3,500 sq ft or more
2 off-street parking spaces
rear/front setbacks of up to 10 feet
side setbacks of up to 3 feet
no more than 2 stories tall

## Potential concepts around state action on ADUs

- IADUs = status quo (lots of 6k square ft, 1 parking spot, etc.)
- TBD: every lot with an IADU and other ADU?
- City shall allow a detached ADU in residential areas that meet this criteria:
  - lots of at least 10,000 square feet
  - the ADU shares a lot with a SF-D (could be subdivided later)
  - the ADU is smaller in height and mass than the initial SF-D
  - at least one of the two units is owner-occupied
  - sufficient setbacks
  - sufficient infrastructure

