



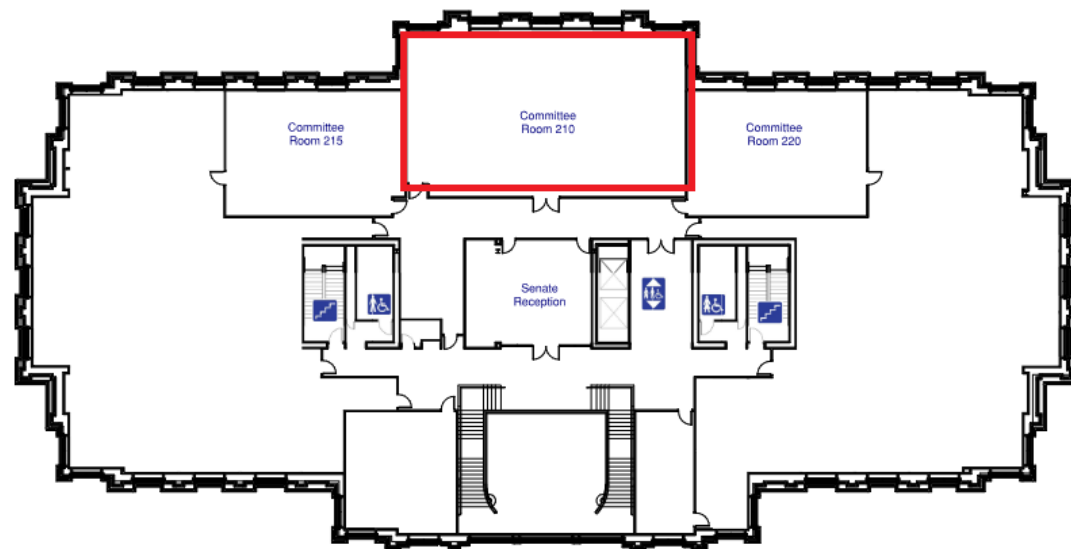
LPC

January 19, 2022

Session Logistics - LPC

LPC

- Every Monday at noon (except for the week of 2/21, when LPC will be held on that Tuesday)
- Room 210 of the Senate Building and Online (via Zoom webinar)
 - You can vote and participate online or in person
- Raising an issue
 - If you would like to request the LPC consider an issue, please notify staff at least one business day in advance of the next meeting.
- Updating your LPC roster
 - Please request changes at least 1 business day prior to LPC.
- Learn more: <https://www.ulct.org/LPC>



East Building - Level 2

Stair Elevator Restrooms



Session Logistics - Communication

Staying up to speed

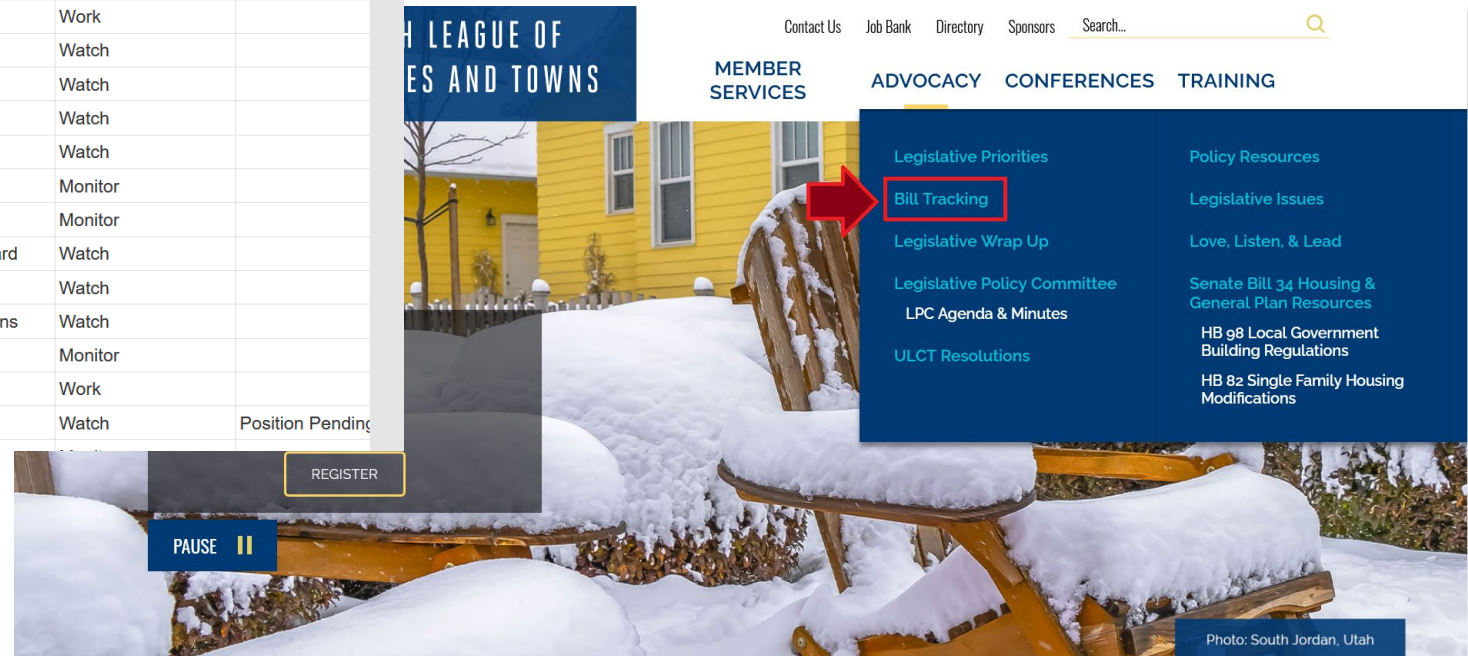
- Friday Facts
 - Who: all subscribers of Friday Facts (entire ULCT email list)
 - Content: highlights legislative priorities or the most significant events of the week, along with non-legislative information and the usual sports trivia
- Nightly email
 - Who: all subscribers of Friday Facts.
 - Content: highlights priority bills or significant events of the day
- Action Alerts (issue specific)
 - Who: LPC members or targeted outreach to cities with legislators on a given committee.
 - Content: talking points/concerns, relevant information about upcoming votes on a bill

Session Logistics – Bill Tracking

Click here to download this report in [PDF](#) or [Excel](#).

Number	Title	Sponsor	Tracking Level	Position
HB 0006	Executive Offices and Criminal Justice Base Budget	Cheryl Acton	Monitor	
HB 0012	Public Safety Retirement Amendments	Matthew Gwynn	Work	Position Pending
HB 0021	School and Child Care Center Water Testing Requirements	Stephen Handy	Monitor	
HB 0022	Open and Public Meetings Act Modifications	Doug Welton	Watch	
HB 0023	First Responder Mental Health Services Amendments	Ryan Wilcox	Work	
HB 0033	Instream Water Flow Amendments	Joel Ferry	Watch	
HB 0036	Commission on Housing Affordability Amendments	Steve Waldrip	Watch	
HB 0037	State Water Policy Amendments	Keven Stratton	Watch	
HB 0039	State Construction Code Amendments	Joel Ferry	Watch	
HB 0045	Justice Court Judge Elections Amendments	Jon Hawkins	Monitor	
HB 0046	Utah Energy Infrastructure Amendments	Carl Albrecht	Monitor	
HB 0057	Government Records Access Amendments	Andrew Stoddard	Watch	
HB 0061	Postretirement Reemployment Amendments	Kera Birkeland	Watch	
HB 0064	Drinking Water Amendments	Christine Watkins	Watch	
HB 0071	Utah Fair Housing Act Amendments	Clare Collard	Monitor	
HB 0085	Eminent Domain Amendments	Mike Petersen	Work	
HB 0093	Juror and Witness Fee Amendments	Mike Winder	Watch	Position Pending

<https://www.ulct.org/bills>



The strength of the League is YOU!!!

- HB 362 (2015), historic investment in local transportation infrastructure passed
 - 100s of emails/calls/texts to support the bill
- HB 175 (2018), dramatic oversight of local government bill failed
 - Social media videos, lots of personal contacts; overcame legislative leadership support
- SB 61 (2021), preemption of local land use authority over signage bill failed
 - Traditional media, social media, lots of personal contacts from action alerts
 - Small towns and big cities
 - *“Can you help me with my city?”*
- SB 204 (2021), one-size-fits-all preemption of local permitting bill failed
 - Bill flipped on the House floor in 2 hours; *“release the hounds”*

How can you engage? #citieswork

- 1) Sign up for Friday Facts/daily email/LPC
- 2) Build a relationship of trust with your legislator(s)
- 3) Be ready to contact your legislator(s) about the urgent bill AND hold them accountable
- 4) Engage your collective constituents on the urgent bill
 - social media outreach, town halls
 - **2022 = election year with new boundaries!**

LPC growth policies survey summary

Survey overview:

- 44 policy items total (land use, transportation, housing, taxation, etc.)
- 100+ responses from municipalities, ranging in size
- 4 options for each (forced Likert scale)
 - Very comfortable discussing (+2 numeric value assigned)
 - Somewhat comfortable discussing (+1)
 - Concerned about discussing (-1)
 - Very concerned about discussing (-2)

Scores averaged for each policy item, ranked and categorized accordingly

5 scoring categories

LPC Survey Summary (Cont'd)

Most comfortable items to consider

Organize a coordinated communications and public outreach effort around growth challenges and opportunities.

State resources to help small cities with technical planning expertise.

State funding for enhancements to multimodal transportation options that are coordinated with local land use (e.g., enhanced transit, active transportation, etc.).

Modify the Truth in Taxation process to allow an automatic inflationary adjustment for cities and towns.

Increase state investment in pedestrian and transit-friendly residential design.

Facilitate better short-term rental enforcement to mitigate the conversion of housing units to vacation rentals.

Create state incentives for municipalities who create affordable housing zoning overlays.

State incentives for municipalities to allow mixed use and/or increase residential density along transit corridors.

Expand Housing and Transit Reinvestment Zones (HTRZ) to additional transit hubs (e.g., fixed rail and BRT stations).

Create a state revolving loan fund to facilitate non-profit and community land trust acquisition of property for low- and moderate-income housing.

Most concerning items

State requirements for municipalities to allow mixed use and/or increase residential density along transit corridors.

Require all cities to have a certain number of low- and moderate-income housing units.

State requirements for municipalities to allow mixed use or increase residential density in commercial zones.

Withhold B&C road funds (local \$) from municipalities that don't fulfill the intent of SB 34.

State restricts city economic development incentives for exclusively retail projects.

Amend the Utah Constitution to exempt new developments that are entirely low- or moderate-income units from property taxes.

Phase out the point of sale component from the 50/50 local option 1% sales tax distribution formula.

State requirements for municipalities to allow duplexes, triplexes, and/or external ADUs in all single-family zones.

Require all municipalities accommodate a minimum number of new housing units annually.

State prohibits single-family zoning.

LPC Survey Summary (Cont'd)

Somewhat comfortable	Somewhat concerning
Increase state financial participation in HTRZs.	Institute a statewide tear-down replacement requirement or in-lieu fee for the demolition of existing low- and moderate-income housing.
Review water availability at a state level.	State authorizes city incentives for retail as long as the retail is accompanied by mixed use, housing, or job center development.
Require real estate transaction price disclosure.	Require each RDA/CRA to zero out their affordable housing set-aside accounts every 5 years.
Focus tax incentives to encourage job growth near transit access.	Authorize a linkage fee on commercial and industrial development to fund low- and moderate-income housing.
State authorizes new city user fees to fund infrastructure needs.	Require a city to have a low- or moderate-income housing component in an economic development project in order to receive state economic development resources.
State incentives for municipalities to allow or increase residential density in commercial zones.	Institute a statewide transfer tax on residential real estate transactions above a certain value.
Eliminate transit fares to encourage use of public transit.	Statewide mandatory reduction in parking requirements near transit stations to reduce the cost of building homes in those areas.
Increase referendum thresholds for certain land use decisions.	Allow rezones for completely low- and moderate-income housing projects to be non-referable administrative regulations.
Create a regional clearinghouses for water rights.	Change Transportation Investment Fund (state \$) eligibility criteria to a housing unit quota instead of moderate-income housing plan adoption and reporting compliance.

LPC Survey Summary (Cont'd)

The topics in the middle

Require governmental entities to perform an inventory of publicly-owned land and prepare a plan identifying the potential use of that land

State incentives for municipalities to allow duplexes, triplexes, and/or external ADUs in all single-family zones.

State modifies the property tax exemption for primary residential property.

Amend the Utah Constitution to exempt vacant land owned by non-profit housing agencies and land trusts from property tax.

Compel property taxing entities to participate in HTRZs if certain conditions are met.

Standardize the methodology for calculating development fees statewide.

Proactive ULCT Efforts

- Appropriations
 - ARPA local match
 - Engagement with public about growth
 - Housing (permanent supportive)
 - Technical assistance
 - Training
- Homeless
 - Improve mitigation fund, state \$

Proactive ULCT Efforts

- Housing
 - SB 34+/CHA
 - LUTF (i.e. notice to property owners when development standards change; annexation standing; LUDMA improvements)
- Public safety
 - Garrity and GRAMA
 - Medical cannabis & safety sensitive employees

Proactive ULCT Efforts

Transportation

- HTRZ expansion, other TOD tools

- Water

- Land use and water in general plans



Retail Incentives



Land Use Task Force

LUTF Background and Process

- Meeting 1-2x per month from May to December.
- Historically consists of property rights coalition (homebuilders, developers, realtors, etc.) and ULCT/UAC (attorneys, planners).
- This year included CHA co-chairs (Sen. Anderegg and Rep. Waldrip) and other CHA members to discuss housing policy items in addition to technical land use issues.
- ULCT and PRC both had 20+ item policy wish lists presented to the CHA in spring.

MIHP+/SB 34+ key concepts

LPC survey results (and caucus discussions at Annual):

State incentives for cities w/affordable housing zoning overlays: 1.25

State incentives for cities to allow/increase residential density in commercial zones: 1.02

State incentives for cities to allow duplexes/triplexes in single-family zones: .41

State req'ts for cities to allow/increase residential density in commercial zones: -.93

Withhold B&C road funds from cities that don't fulfill intent of SB 34: -1.18

State req'ts for cities to allow duplexes/triplexes in single-family zones: -1.43

MIHP+/SB 34+ key concepts (MIHP in law since 1997)

ULCT approach based on survey results and member input:

- 1) Tighten language in the SB 34 menu with focus on implementation
- 2) Deadline for annual funding (Dec 1)
- 3) **New state incentives/consequences:**
 - 1) ARPA local match part 2 (\$100 mill in Gov's budget)
 - 2) GOEO's economic development zones
 - 3) Status quo: TIF/TTIF \$ (state transport.)
- 4) State funding for technical assistance (in Gov's budget)
- 5) Improve annual report to show implementation & market response

Property Rights Coalition recommendations on consequences:

- 1) Withhold B&C funds
- 2) Allow property owner to sue a city for damages for not complying with MIHP
- 3) Prohibit cities from using CRAs unless compliant with MIHP

Water Issues

- Land and Water Planning
 - SB110 – Water as Part of General Plan - McKell
- Landscape – Turf
 - HB121 – Water Conservation Modifications – Spendlove
 - HB95 - Landscape Requirement Prohibition – Ward
 - More?

Upcoming Events

LPC During Legislative Session

- Monday, January 24th at the State Capitol - Noon
- Monday, January 31st at the State Capitol - Noon
- Monday, February 7th at the State Capitol - Noon
- Monday, February 14th at the State Capitol - Noon
- Tuesday, February 22nd at the State Capitol - Noon
- Monday, February 28th at the State Capitol – Noon

Session Ends – Friday, March 4

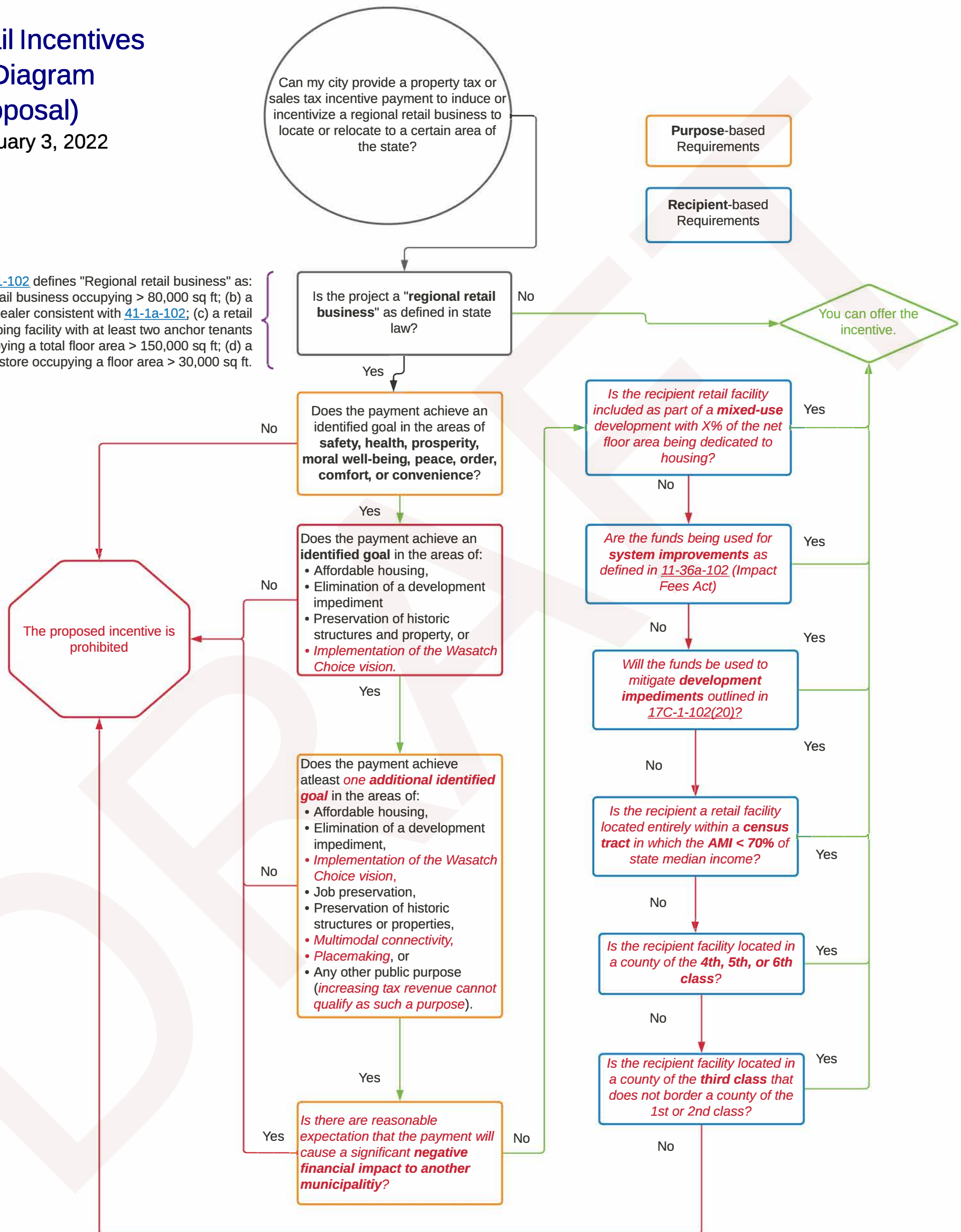
Retail Incentive Comparison

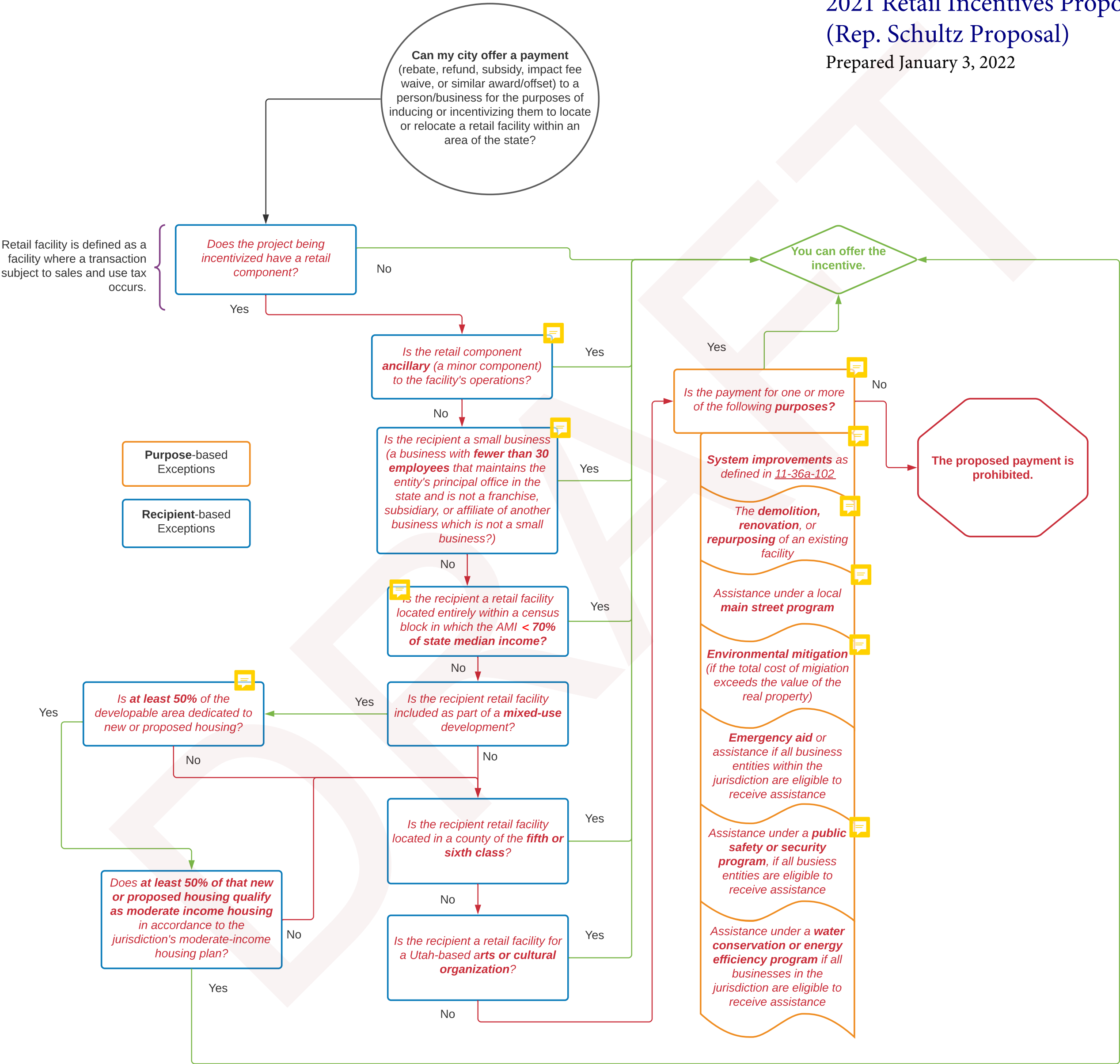
2:30 pm, January 4, 2022

ULCT Proposal	Rep. Schultz Proposal	Sen. Vickers Concept
<p>No tax incentive payments to a regional retail business unless the project meets two of the municipality's public purpose goals <u>and</u> one of the six project-based exception areas:</p> <ul style="list-style-type: none"> Mixed use with X% (housing) System improvements (infrastructure) Mitigate development impediments (redevelopment) Development in a $\leq 70\%$ AMI census <u>tract</u> (equity) Development in a 4th, 5th, or 6th class county or a county of the 3rd class not bordering a county of the 1st or 2nd class (rural) 	<p>No payments to a retail facility unless the project meets one of the exceptions:</p> <ul style="list-style-type: none"> Retail component is ancillary Recipient has < 30 employees (small business) Development in census <u>block</u> with AMI $\leq 70\%$ of state median wage (equity) Mixed-use with $\geq 50\%$ sq footage dedicated housing and $\geq 50\%$ of that new housing must be affordable (housing) Development in a 5th or 6th class county (rural) Recipient arts or cultural organization (RAP/ZAP) The payment is for one of the following purposes: <ul style="list-style-type: none"> Infrastructure improvement Redevelopment of an existing facility Main Street program assistance Environmental mitigation Emergency aid/public safety or security program Water or energy conservation program 	<p>No payments to a Big Box retail facility unless the project is part of mixed-use development where new housing represents 50% or more of total sq footage and 50% of that new housing is moderate income housing, in accordance with the entity's moderate income housing plan.</p>
<p>Regional retail facility is defined as (a) a retail business occupying > 80,000 sq ft; (b) a vehicle dealer consistent with 41-1a-102; (c) a retail shopping facility with at least two anchor tenants occupying a total floor area > 150,000 sq ft; (d) a grocery store occupying a floor area > 30,000 sq ft.</p>	<p>Retail facility is defined as a facility where a transaction subject to sales and use tax occurs.</p>	<p>Big Box retail facility is defined as (a) a retail business occupying > 15,000 sq ft; (b) a vehicle dealer consistent with 41-1a-102; (c) a retail shopping facility with at least two anchor tenants occupying a total floor area > 100,000 sq ft; (d) a grocery store occupying a floor area > 15,000 sq ft.</p>
<p>No specific penalty for violation</p>	<p>Penalty for violation: Civil action - if a court finds a violation of this section has occurred, they shall enjoin the violation; order the public entity to recover any amount of public funds lost to the state; and provide any other appropriate relief.</p>	<p>Penalty for violation: Civil action - if a court finds a violation of this section has occurred, they shall enjoin the violation; order the public entity to recover any amount of public</p>

		funds. lost to the state; and provide any other appropriate relief.
Tax incentive payments include a: <ul style="list-style-type: none">• Payment,• Rebate,• Refund,• Subsidy, or• Project improvement	Payment means a payment of public funds, including any money received by a public entity from: <ul style="list-style-type: none">• appropriations,• taxes,• fees,• interest, or• other returns on investment	Payment means a payment of public funds, including any money received by a public entity from: <ul style="list-style-type: none">• appropriations,• taxes,• fees,• interest, or• other returns on investment

Prepared January 3, 2022





UEOC 2022 Retail Incentives Proposal Diagram (Sen. Vickers Concept)

Prepared January 4, 2022

"Tax and Public Funds Payment" is defined as: a payment; a rebate; a subsidy; a waiver or adjustment to impact fees; or any other similar incentive, award, or offset.

Can my city provide **public funds** to a **retail business**?

*Defines "Big Box retail business" as: (a) a retail business occupying > **15,000** sq ft; (b) a vehicle dealer consistent with [41-1a-102](#); (c) a retail shopping facility with at least two anchor tenants occupying a total floor area > **100,000** sq ft; (d) a grocery store occupying a floor area > **15,000** sq ft.*

Is the project a "**Big Box retail business**" as defined in *the proposed law*?

No

You can offer the incentive.

Yes

*Is the payment made in connection with a retail facility included as part of a **mixed-use facility** where:*

- **50% of the total square footage** of the development is dedicated to new or proposed housing units; and
- **50% of those new or proposed housing units** qualify as **moderate income housing** in accordance with the public entity's Moderate Income Housing Plan (MIHP) ?

Yes

No

The proposed incentive is prohibited.

PENALTY

A person may bring civil action against a public entity to enjoin a violation of this section within 30 days of the alleged violation having occurred. If a court finds a violation of this section has occurred they shall enjoin the violation; order the public entity to recover any amount of public funds lost to the state; and provide any other appropriate relief.



Commission on Housing Affordability Concepts

(as of Dec. 13, 2021)

ADU Proposals

1. Prohibit impact fees for construction of Internal ADU.
 - *Staff recommendation:* **Oppose**, continue dialogue
2. Prohibit municipalities/counties from requiring business license from owner of ADU (internal Or external/detached unless owner operates four or more ADUs within owner's property).
 - *Staff recommendation:* **Oppose**
3. Prohibit municipalities/counties from establishing restrictions or requirements for Internal ADU constructed before May 5, 2021 (the date when HB 82 took effect) – in other words, exempting Internal ADUs created before HB 82 from regulation under Sections 10-9a-530 or 17-27a-526.
 - *Staff recommendation:* **Oppose**

[DWS] Housing and Community Development Division (HCDD)

1. Modify membership of Olene Walker Housing Loan Fund Board to add two members (total of 13).
 - *Staff recommendation:* **Neutral**
2. Establish “Rural Housing Fund” for projects in rural areas.
 - *Staff recommendation:* **Support**
3. Include one-time appropriation of \$100,000 for funding of MIHP tracking system with database of all affordable housing units in the state.
 - *Staff recommendation:* **Neutral in concept**, continue dialogue

Transit-Oriented Development (TOD)

1. Prohibit Public Transit District from participating/assisting in TOD unless a minimum of 20% of proposed housing units within TOD are dedicated to affordable housing, of which at least 10% of the total units dedicated to households at 50% AMI and at least 10% of the total units dedicated to households at 80% AMI.

- *Staff recommendation: To be determined (language pending), continue dialogue*

Point of the Mountain State Land Development

1. For development of Point of the Mountain State Land, require minimum of 20% of proposed housing units within the development be dedicated to affordable housing, of which at least 10% of the total units dedicated to households at 50% AMI and at least 10% of the total units dedicated to households at 80% AMI.

- *Staff recommendation:* **Support**

Moderate Income Housing Plan (MIHP)

MIHP Plan Requirements

1. Starting Dec. 31, 2022, require municipalities/counties to include comprehensive map of all land use categories/zones within boundaries, to be updated at least every 5 years.
 - *Staff recommendation:* *To be determined (language pending), continue dialogue*
2. Modify list of strategies for municipalities/counties to implement with respect to MIHP to give more force to implementation. Report on progress regarding implementation of strategies.
 - *Staff recommendation:* *Support*
3. Starting Dec. 31, 2022, require municipalities/counties to adopt Implementation Element for MIHP, with specific implementation measures reflective of local needs and clear implementation schedule for each strategy implemented.
 - *Staff recommendation:* *Support*

Moderate Income Housing Plan (MIHP) cont'd

MIHP Report Requirements

1. Clarify purpose of report.

- *Staff recommendation:* Support

2. Modify requirements for format/content of report to make report focused more on implementation actions/progress.

- *Staff recommendation:* Support

3. Require municipalities/counties to send report only to DWS. DWS then required to post the report on DWS's website and forward the report to GOPB, GOEO, DOT, and the local association of governments (no later than Dec. 31 of each year).

- *Staff recommendation:* Support

Moderate Income Housing Plan (MIHP) cont'd

MIHP Report Requirements (cont'd)

4. Require HCDD to review report to check for compliance.

- *Staff recommendation: To be determined (pending language), continue dialogue*

5. Add “penalty” stating that municipality/county is ineligible for funding from certain funds/programs if municipality/county fails to adopt MIHP or implement strategies/requirements of MIHP (as determined by HCDD review).

- *Staff recommendation: To be determined (pending language), continue dialogue*

6. Add “incentive” stating that municipality/county has priority for funding from Transportation Investment Fund, Transit Transportation Investment Fund, ARPA, and GOEO programs if municipality/county implements an additional two strategies in addition to the basic MIHP requirements.

- *Staff recommendation: Support in concept, continue dialogue*

Summary of Staff Recommendations

- ADU 1 – *Oppose*
- ADU 2 – *Oppose*
- ADU 3 – *Oppose*
- HCDD 1 – *Neutral*
- HCDD 2 – *Support*
- HCDD 3 – *Neutral in concept*
- TOD 1 – *TBD*
- PoTM 1 – *Support*
- MIHP Plan Req. 1 – *TBD*
- MIHP Plan Req. 2 – *Support*
- MIHP Plan Req. 3 – *Support*
- MIHP Report 1 – *Support*
- MIHP Report 2 – *Support*
- MIHP Report 3 – *Support*
- MIHP Report 4 – *TBD*
- MIHP Report 5 – *TBD*
- MIHP Report 6 – *Support in concept*