



LPC

February 13, 2023



- Approve Minutes
- Bill Tracker Preview – ulct.org/bills

KEY MESSAGE TO LEGISLATORS



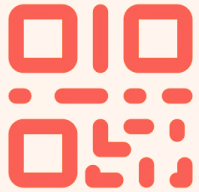
The State has a surplus but cities do not.



Partner with local government to plan for growth.



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Which city do you represent?

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What is your title?

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Have you talked to your legislator in the past two weeks

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ROADMAP

1. **Minutes and Bill Tracker**
2. **Gravel Pits** - Discussion & Feedback
3. **Transportation Funding**– Update & Discussion
4. **Land Use & Housing** –Update & Discussion
5. **General Government** – Discussion & Positions
6. **Various Updates**
7. **Ratify Bill Tracker Positions** – Action



SB 75: GRAVEL PITS

Key Provisions

- Redistributes sales tax funds from ready made concrete to gravel pit cities and towns
- Keeps sales tax funds in cities/towns with weigh stations instead of going to call centers

TRANSPORTATION FUNDING

Gas tax: HB 301 1st sub (Schultz)

(Initial version would have cut gas tax permanently)

Substitute:

- 1) Short-term decrease of the gas tax rate and max rack price, resulting in a 2 cent decrease; however, staggered increase of max rack price to recapture the 2 cent loss over time.
- 2) \$5 vehicle reg. fee increase
- 3) 12.5% tax on sale of electricity at EV charging station

Gas tax distribution: 70% to UDOT, 30% to cities & counties (50% pop., 50% weighted lane mile)

ULCT position: last week (original bill) - position pending; this week (substitute):
Support

TRANSPORTATION FUNDING

Rural Roads: SB 175 (Derrin Owens)

Original Bill: Created a \$5m sub-fund within the B&C for local rural roads

- ULCT precedent of sub-funds
- re-allocating existing \$ without new money
- County transportation taxes

Potential substitute:

- 1) Creates a sub-fund of the TIF (state \$) for local rural roads (i.e., the B&C stays whole)
- 2) Eligibility tied to imposing a county transp. tax (4th quarter or 5th 5th, has city portion)

LOCAL REVENUE

SB 185 (staff rec: support)

- 1) Active Transportation Investment Fund (ATIF)
- 2) State Infrastructure Bank
- 3) Local gov't participation in the road usage charge (RUC) once UDOT covers costs

Sales tax: several bills to remove state (not local) sales tax from food

- \$99 million impact on cities/towns

Sales tax: 5th 5th for transportation (bill to come) ... new \$ for cities!

- Status quo: county imposed .20 by 6/30/23 only for transit (only Summit has imposed)
- Potential changes:
 - Extend sunset to 2026 (SB 185)
 - UTA must get 50% (.10); remaining 50% split between counties (.05) & cities (.05)
 - In non-UTA, transit gets 25%; remaining split between counties (.075) & cities (.075)
 - Extend authorization to non-transit counties; 60% counties (.12), 40% cities (.08)
 - City portion based on HB 462/MIHP compliance



Does your city have sales tax bonds that would be negatively impacted by the removal of local sales tax on food?

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Growth

Goal 2.2

EXPAND HOUSING ACCESS

We want our children and grandchildren to be able to live in Utah communities. We must increase our housing supply while preserving the quality of life that makes our state a great place to call home.

STRATEGIES

PROJECTED END DATE

Address barriers to increasing the supply of housing types.

June 30, 2024

Maximize housing density along major transit investment corridors.

June 30, 2025

RECAP: Housing and land use

Housing and Land Use in the 2022 Interim and happenings in other states ... and what is NOT in SB 174/HB 364/HB 406 as of today

- 1) Binding general plans
- 2) Change zoning from legislative to administrative
- 3) Preemption of local zoning
- 4) Housing allowed in all residential zones (“by right housing”)
- 5) State mandated minimum density in cities
- 6) State mandated reduction of impact fees
- 7) Creation of state appeals board to review local land use regs or decisions
- 8) Withholding B&C funds
- 9) Authorizing collection of attorneys fees



Cities don't build housing, but cities plan for housing. 125k+ permits in last 3 years; 113k+ entitled units now; #1 in USA for housing growth

Cities have no control over market forces (labor, land, interest rates, supply chains, etc.).

UEOC/Comm. on Hous. Aff.: Whyte HB 364

1) Clarifications to MIHPs

- Thanks to everyone who met with Karson last week; ULCT submitted amendments

2) Appeal process about compliance/non-compliance

3) Increase low-income housing tax credit annual cap from \$1.1 mill to \$10 mill

4) Creation of Housing Support Grant Program and other approps

- Projects for affordable housing for households at 30% area median income or below as approved by homelessness council

UEOC/Comm. on Hous. Aff.: Fillmore SB 174

1) Subdivisions (ULCT Board & LPC proposal from Oct/Nov)

- Addresses administrative land use, NOT legislative land use authority
- Step 1: preliminary approval; Step 2: final approval (by staff)
- Note: are crosswalking with HB 406 on sub engineering standards

2) Station Area Plans: not in this bill but elsewhere

3) Internal ADU modifications

- Garage IADU = connected by common wall to primary dwelling
- City may not regulate “internal circulation” or external unless consistent with other SF units
- Parking: 1 add’l based on local ordinance; 4 maximum off-street units for entire house
- 75%/25%: still there, but excludes new units platted after Oct. 1, 2021 (HB 82 effective date)

4) Consequence for non-compliance with HB 462/MIHP

- \$250 per day fee to Olene Walker Housing Fund (per LPC survey results)
 - Sub bill: double the fee in year 2 of non-compliance
- Withholding of Class B&C revenue is no longer in the current bill

Land Use Task Force: HB 406

1. **Annexation**

- a. def. of rural real property; consider preference of owner; other changes likely for 2024

2. **Development agreements**

- a. can't require DA to access underlying zoning

3. **Development standards (see next slide)**

4. **Landscaping bond (language still to come)**

- a. When a local gov't can require a bond to complete privately owned landscaping that has a quasi-public use

5. **Moratorium**

- a. def. of how & when moratoriums may be used; overlap with temporary land use regs

Non-LUTF/CHA but housing related: LIDs (subgroup met last week, awaiting bill)

Results of Feb 9 negotiations on SB 174/HB 406

(red: areas without consensus yet)

Where we are:

- 1) *PRC wants a 25 foot standard; ULCT opposes a 25 foot standard*
- 2) Vesting in improvement standards at the time of a complete application
- 3) Appeal process for technical specs
- 4) Engineering review timelines -
 - Four Review Maximum - no new city requirements after four
 - Must specify reasons for redlines
 - 20 day shot clocks for local gov't review
 - Must have all redlines addressed to count toward a review
 - **This is a huge step toward improving land use applications & helping cities do our jobs**
 - *PRC wants "deemed approved" standard after four; ULCT opposes "deemed approved"*
- 5) Requirement to have checklist for all items necessary for complete application
- 6) Requirement for pre-application meeting within 15 business days (if requested by applicant)
- 7) *Implementation time frame for all cities, towns, and counties*



Should the state set a road width standard for low traffic residential road sections at 25 feet? (pavement width only)

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Does your city currently have a residential road width standard of 32 feet of pavement width or more?

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Does your city allow a pavement width standard for a residential road width of between 25-31 feet?

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How long will it take to modify your subdivision ordinances to comply with SB 174/HB 406 as staff has presented (and not just as currently drafted)?

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What do you think about having the subdivision/standard req'ts only apply to cities that have to do MIHPs (5,000+ residents)?

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How do you feel about final site plan approval within a station area plan being conducted by staff so long as the final site plan is consistent with the approved station area plan, zoning, and other local ordinances?

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Housing package as of today (no preemption of city legislative land use)

- 1) Financial:
 - Significant state investment in low-income & permanent supportive housing
 - State Infrastructure Bank
- 2) Administrative land use:
 - Subdivisions systemic change for *administrative* land use but NO changes to your *legislative land use authority* (e.g. planning and zoning)
 - # of hearings
 - Development engineering standards
 - shot clocks
 - Raise the bar for developers on their applications
- 3) Clarifications to past bills
 - IADU clarifications
 - SAP clarifications
- 4) MIHP consequences based on what we plan to do
 - Incentive (5th 5th)
 - Penalty (Olene Walker Fund, in addition to state TIF)
- 5) LUTF:
 - annexation
 - development agreements
 - landscaping bonds
 - moratoriums

LIDs: still TBD

SB 166 - Education Entity Amendments

- Current numbered bill only applies to counties
- Extends charter school permitted use status to homeschool cooperatives and small private schools
- Potential concerns
 - Clarifying that local governments may still require business licenses and address parking, hours of operation, noise, etc.
 - Building occupancy & code compliance (working with fire officials)



If community impact mitigation and fire/building occupancy safety measures are adequately addressed, how do you feel about SB 166

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HB 345 - Local District Property Tax Amendments

Waiting for sub

H.B. 294 Governmental Entity Budget Transparency

For each fund, the budget shall include:

- Total budget for current fiscal year
- Total proposed budget for upcoming fiscal year
- The percentage difference between the current and proposed budgets

Tentative budget shall also include

- Most recent population estimate from Census
- The population estimate from when previous budget was adopted
- The percentage difference

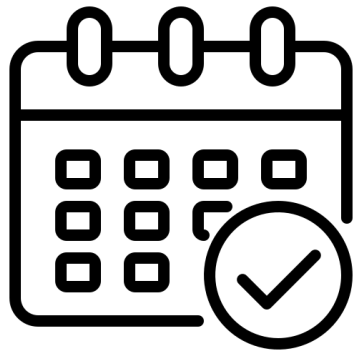
H.B. 294 Governmental Entity Budget Transparency

- ULCT is opposed to this legislation
- We don't think this bill will provide additional transparency but will muddy the waters with metrics that don't necessarily make sense and are not directly relevant to the budget.
- The bill requires additional work for cities and towns, without providing additional clarity to residents.

Bill Tracker – Ratify Positions

www.ULCT.org/bills

OTHER KEY DATES & INFORMATION



- **Upcoming LPCs**

- TUESDAY, February 21
- Monday, February 27

- **National League of Cities: March 26-28 in Washington, DC**

- **Midyear Conference: April 19-21 in St. George**