

Legislative Policy Committee

January 27, 2025





ULCT Bill Tracker



LPC Sign-in

AGENDA:

1. Introductions & logistics
2. State Housing Plan
3. Water bills
4. Election bills
5. Short term rental bill
6. Homelessness bills
7. Public safety bills
8. Revenue and tax bills
9. Housing and land use bills
10. Other updates
11. Ratify bill tracker

REMINDERS:

- **Update LPC Roster Today**

UPCOMING MEETINGS:

- **LPC - Feb 3**
- **LPC - Feb 10**
- **LPC - Feb 18 (Tuesday)**
- **LPC - Feb 24**
- **LPC - Mar 3**



RE
SPECT

OUT
COMES

COOL
LAB
ORATION

ULCT key messages:

1. Partnership, not preemption

*Housing: affordable home ownership,
sustainable infrastructure, quality of life*

2. The state doesn't have a surplus and neither do cities



State Housing Plan

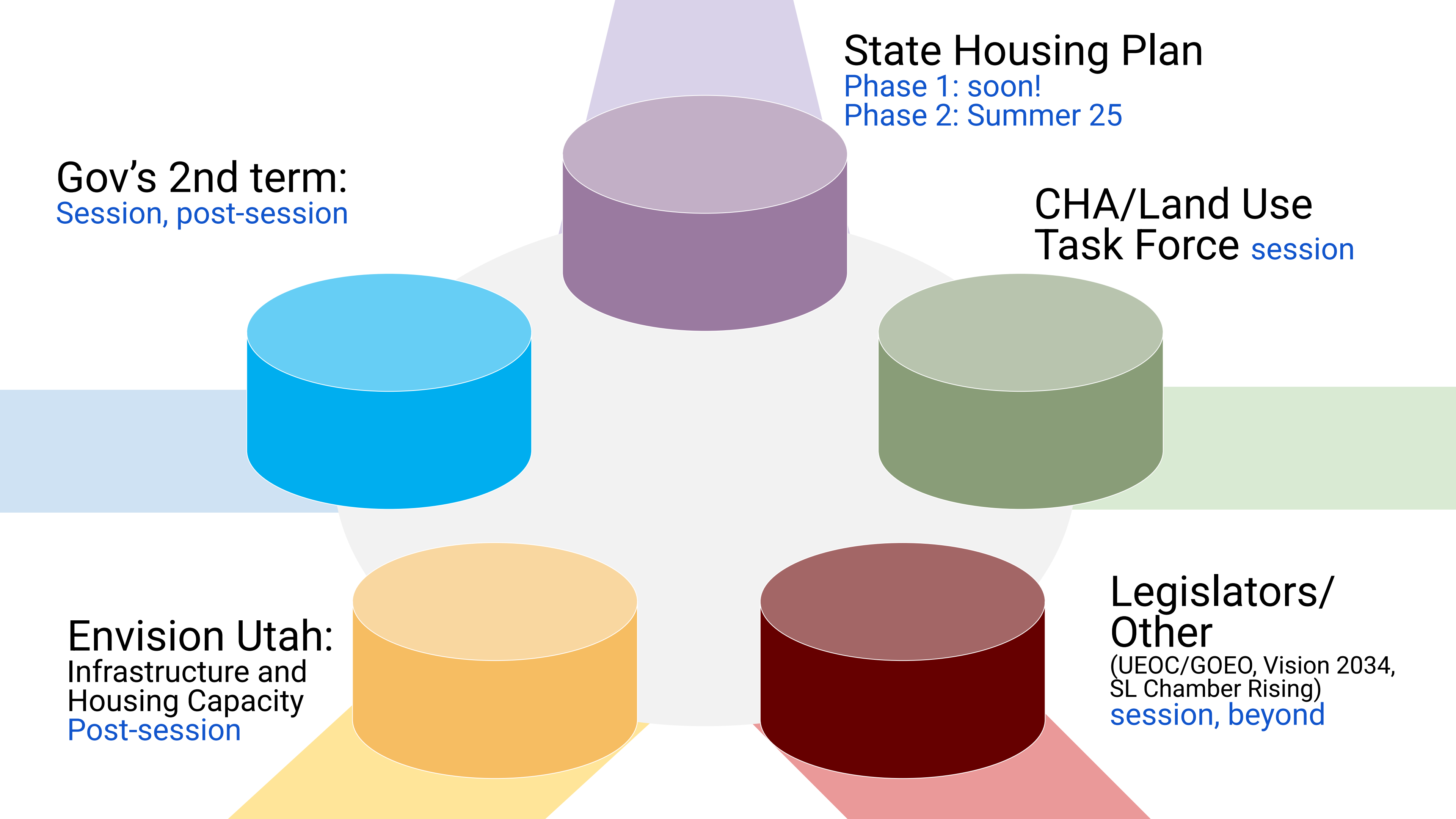
Phase 1: soon!
Phase 2: Summer 25

Gov's 2nd term:
Session, post-session

CHA/Land Use
Task Force session

Envision Utah:
Infrastructure and
Housing Capacity
Post-session

Legislators/
Other
(UEOC/GOEO, Vision 2034,
SL Chamber Rising)
session, beyond



What is 'missing middle' housing, and could it solve Utah's housing crisis?

A housing expert is encouraging public officials to think bigger while building smaller.

There's also the need for complete new neighborhoods that are walkable, that have a mix of missing middle, single-family, town houses, maybe bigger condos and apartments. **It's not a one-size-fits-all solution for every community.** Every community needs to understand what would be easiest. And there's some low hanging fruit in every community for what housing types fit where.

It has to end with thoughtful zoning changes. I'm going to learn a lot more about the state legislation here in Utah over the next couple of days, but I think there's a lot of validity to the state stepping in and helping because of the extent of the problems. It's always going to be a little bit of a blunt instrument coming from the state, but it's necessary in a lot of places.

Phase 1: coming soon!

- Identify goals, success metrics, and frame the conversation
- Diagnosing the problem we are trying to solve

Phase 2: 2025 Interim

- Identify tactics, timelines, and implementation
- How do we solve the problem?

Legislator/Stakeholder buy-in

State Housing Plan

Phase 2: 2025 Interim

- Identify tactics, timelines, and implementation
- How do we solve the problem?



Utah Housing Strategic Plan

INPUT: MARCH 19

<https://gopb.utah.gov/planning-collaborative-efforts/>



Water Bills

DRAFT LEGISLATION

HB 274 - Water Amendments
(C. Snider)



Staff Recommendation:
Position Pending

Requires consideration of water conservation when setting water rates (*lines 932, 938*)

By **July 1, 2027**, includes water conservation as an element in determining the rate charged for at least the highest usage block

The rate is intended to help increase conservation.

The additional fees could be used for conservation efforts, but not for for-profit dividends or salaries

DRAFT LEGISLATION

HB 285 - Water
Infrastructure Modifications
(C. Snider)



Staff Recommendation:
Position Pending

By **no later than July 1, 2028**, as a condition of receiving state or federal financing or grants, the governing body of a public water system that is not a water conservancy district **shall adopt a capital asset management plan**

The governing body of a public water system required to adopt a capital asset reserve funding plan under this section shall **update** the public water system's capital asset reserve funding plan **every five years**

Election Bills

DRAFT LEGISLATION

HB 291 - Mayoral Recall
Elections (N. Abbott)



Staff Recommendation:
Oppose

Allows voters to file a petition and gather signatures to put the questions of **recalling the mayor** on the ballot.

Petition application would include a description of the mayor's alleged conduct that constitutes a high crime, a misdemeanor, or malfeasance in office

Would need to collect signatures of registered voters who reside in the municipality **equal to 50%** of the number of registered voters who voted in the race for mayor at which the mayor was last elected.

DRAFT LEGISLATION

HB 213 - Voting Revisions
(R. Shipp)

HB 300 - Amendments to
Election Law (J. Burton)

Staff Recommendation:
Position Pending

HB 213

Voters must request by mail ballots in 2026 at the polls for future elections

HB 300

Ballots will be mailed to voters, but ballots must be returned in person with voter ID

- Voters using a drop box must also show ID
- Drop box would only be available during certain hours

Slido Questions on vote by mail

DRAFT LEGISLATION

SB 56 - Municipal
Governance Modifications
(K. Grover)



Staff Recommendation:
Oppose as drafted

Allows the council in a six-member council and five-member council forms of government to:

- Retain or employ a person to assist the council in complying with the requirements and duties described in Title 10
- If the council retains or employs a person to assist the council, the council shall establish by ordinance or contractual agreement:
 - (a) the term and nature of the person's employment;
 - (b) compensation; and
 - (c) how the person shall report to, and take direction from, the city council.

Short Term Rentals

DRAFT LEGISLATION

HB 256 - Municipal Zoning
Amendments (Rep. Walter)



Staff Recommendation:
Support

- **Clarifies “Knotwell Language” to reduce legal ambiguity**
 - *does NOT change underlying principle*
- **Allows municipalities that allow STRs in at least part of the municipality to:**
 - Require listing sites add a business license field for registration
 - Require listing sites to remove listings for illegally operating properties (with notice to listing site)
- **Allows site listing to be used for tax compliance**

Homelessness

Current Policy Landscape

The policy landscape is changing dramatically and will have repercussions for mitigation funding, public safety, and more.

- ULCT Board reaffirmed guiding principles when addressing homelessness
- New stakeholders are involved, limited coordination
- Central campus to come online which will have a significant impact on the system

Current Policy Landscape

Shelter cities continue to subsidize the cost of hosting a shelter in their jurisdictions.

FY 2024 Mitigation Fund:

- ~\$25m eligible shelter city expenses
- ~\$15m in mitigation contributions (local + state)
- ~-\$10m deficit for shelter cities

FY 2025 Mitigation Fund: ~\$17.5m

- ~\$17.5 in contributions
 - ~\$10m local contributions (2.55% of 50/50 population sales tax distribution, \$275k cap)
 - ~\$7.5m state contribution

Tooele, Sandy online as qualifying cities, family shelter coming in SSL, but expenses and deficits unknown from them

Provisions of Note from ULCT Board Principles when Addressing Homelessness

With released and anticipated legislation, **there are two provisions of the board principles that are in tension with one another:**

“Collaborate with OHS to provide incentives for jurisdictions to participate in long-term solutions. Could include increased financial contributions to the mitigation fund, qualifying mitigation offsets (like zoning for and permitting permanent supportive housing, domestic violence shelters, or other qualifying facilities)”

“Cities with homeless resource centers (or equivalents) should be reimbursed for most of their direct and indirect public safety costs, as identified by key metrics”

Staff Recommendations for the Mitigation Fund during the 2025 Legislative Session

Maintain the current mitigation fund contribution structure until we have a better idea how the wider homelessness support system may change with a campus.

- Oppose legislative provisions that increase municipal contributions to the mitigation fund **AND***
- Oppose legislative provisions that decrease municipal contributions to the mitigation fund*

Once we have a better idea of how the system will change, explore ways to

- better financially support shelter cities **AND**
- incentivize other municipalities involvement to participate in long term solutions.

DRAFT LEGISLATION

HB 118 S2 Homelessness
Revisions (Abbott)

Allows a municipality to **reduce mitigation contribution by 50% of the amount they spent to achieve a goal in 35A-14-402** [Shelter Cities Mitigation Account] during the previous fiscal year

- *If the calculation results in a negative number, they do not have to contribute.*

Unclear what a qualifying expense would be

*Example: Molly City has an annual mitigation contribution of \$100,000. If Molly City invested \$50,000 to a qualifying expense, it would receive 50% credit for the qualifying expense (\$25,000).
 $\$100,000 - \$25,000 = \$75,000$ mitigation contribution.*

*ULCT Staff recommends opposing any provisions that either increase or decrease mitigation contributions until we better understand how the system is changing.

Staff Recommendation:
Oppose

DRAFT LEGISLATION

HB 329 Homeless Services
Amendments (Clancy)

1 of 3 slides



Staff Recommendation:
Position Pending *with
ULCT staff follow up*

Largely focused on requirements for service providers

- Implementing “Know By Name” and increased regulations on service providers

Does not change contributions to the mitigation fund

Maintains the two municipal seats on the 11 member Utah Homeless Service Board

DRAFT LEGISLATION

HB 329 Homeless Services
Amendments (Clancy)

2 of 3 slides

Staff Recommendation:
Position Pending *with
ULCT staff follow up*

Mitigation Fund Policy Changes

- Includes year-round shelters with no minimum bed limit to the third-tier eligible municipality definition (1st: 80, 2nd: 25, 3rd: seasonal 50)
- Requires shelter cities to have and enforce no camping ordinance that aligns with state code
- Prioritizes funding on services directly related to supporting the goals or innovative practices identified by UHSB and requests that primarily use the funding for public safety expenses
- Allows the board to award mitigation grants in full or in part

DRAFT LEGISLATION

HB 329 Homeless Services
Amendments (Clancy)

3 of 3 slides

Winter Response Plans

- Has county winter response task forces report as recommendations to the UHSB
- Repeals provisions surrounding non-compliance, rules, plan requirements, and sunsets

ULCT staff would like to follow up with the bill sponsor to better understand the impact of these policies for municipalities before recommending a position.

Staff Recommendation:
Position Pending *with*
ULCT staff follow up

Public Safety

DRAFT LEGISLATION

HB 40 - School Safety
Amendments (R. Wilcox)



Staff Recommendation:
Position Pending

NEW LANGUAGE COMING

POSITION PENDING UNTIL WE SEE THE
UPDATES

Revenue

City imposed tax vs. Fee:

Do you know the difference? Do your legislators know the difference?

	<i>Tax</i>	<i>Fee</i>
<i>Who authorizes it?</i>	State	City
<i>Who administers it?</i>	State Tax Commission	City
<i>What is it for?</i>	Revenue for general government	service fee: specific charge in return for specific benefit regulatory fee: specific charge which defrays the gov't cost of regulation
<i>Who pays?</i>	Some property owners, but not all (e.g. property tax & exempt property, sales tax & various bases)	All users pay for service <i>“to be a legit fee for service, amount charged must bear a reasonable relationship to the services provided, benefits received, or need created”</i>

Revenue moving pieces

1) **Transportation Utility Fee**

- Rep. Peterson: HB 367 2.0 (all users pay)
- battle looming w/Church of Jesus Christ of Latter-Day Saints over who pays fee

2) **Broadband related fees**

- process and HB 367 limited fees to create municipal fiber network

3) **Public safety fees**

- Taxpayers Assoc. opposed; HB 367 limits scope of public safety fees & HB 367 2.0 will do more

4) **Retail incentives**

- Slight modifications to definitions

5) **Property**

6) **Sales tax**

7) **Tourism**

- Rep. Bolinder bill coming to potentially change state, county, & city tourism taxes
- LPC work group met last week; next mtg soon

Housing and Land Use

DRAFT LEGISLATION

SB 23 First Home Investment
Zone Amendments (Harper)

SB 26 Housing and Transit
Reinvestment Zone
Amendments

Staff Recommendation:
Support

SB 23 FHIZ

- Clarifies definition of “developable area”
- Clarifies definition of “affordable housing”
- Does not change the minimum density req’t (30 units/acre) but does clarify the calculation
- At least 50% of FHIZ homes must be owner-occupied

SB 26 HTRZ

- Clarifies definition of “affordable housing”

State agencies and cities do an inventory and create plan for surplus land

Potentially require public entities and cities to create an inventory of their land and review whether any surplus parcels could be used for affordable, owner-occupied housing.

Board of Directors Input from October meeting

- Open to required inventories with parameters
- For example, cities don't want to be required to develop a planned park into housing, but open to using surplus public lands for housing

Staff recommendation: support with parameters (see Meg's memo)

- 1) All public entities shall do an inventory of publicly owned land
- 2) State law would categorize various uses of publicly owned land to clearly identify what is surplus
- 3) **For state and other public land within cities, we need to figure out how the potential development of those parcels fits within city infrastructure plans and zoning**

Jan 13 update:

- prioritize "surplus" state land to develop affordable, owner-occupied housing
- State land is not subject to local zoning, but does need local infra
- Next steps: **see #3 above**

DRAFT LEGISLATION

HB 37 Utah Housing
Amendments (Dunnigan)



Staff recommendation:
Position Pending

Overlay for affordable home ownership

- enabling language
- density, variety of housing in exchange for affordable ownership
- **staff rec: workable, propose ownership submenu**

Additional Reporting Metrics

- Annual report on current zoning & lot sizes, amount of land zoned at densities, anticipated density of future development
- **staff rec: align metrics w/State Housing Plan, make sure metrics are workable**

Regional plans by Aug 2025

- define success, metrics, goals, needs
- TBD on # of regions & CHA decides
- **staff rec: coordinate w/State Housing Plan, TBD on CHA, focus on regional infrastructure**

DRAFT LEGISLATION

HB 88 Housing Policy
Amendments (Ward)



Staff Recommendation:
Oppose as drafted

- 1) Detached ADUs by-right in all cities within counties of 1st and 2nd class**
 - a) silent on infrastructure, lot size
 - b) silent on affordability or ownership
- 2) City can't prohibit modular unit**
 - a) seems unneeded (SB 168) but need to confirm
- 3) Cities only have to report on MIHP every 3 years**
 - a) MIHP will change in 2026 w/State Housing Plan so 2025 is a bridge year

DRAFT LEGISLATION

HB 90 Zoning Amendments
(Ward)



Staff Recommendation:
Oppose as drafted *but SUB
coming*

- 1) Lots of **(4) 6,000** sq ft by-right in all cities within counties of 1st & 2nd class
 - a) silent on infrastructure, affordability, or ownership
- ~~2) Cities in counties of 1st & 2nd class shall allow housing in all commercial areas~~
 - ~~a) growing cities will lose ability to plan/zone for future commercial areas~~
 - ~~i) commercial follows rooftops; once land is gone, it's gone~~
 - ~~ii) property tax impact~~
 - ~~b) undermines Station Area Plans, centers, RDAs~~
 - ~~i) retail vacancy in 2023 in SL Co. was 3.28%~~
 - ~~(1) retail incentive bill, HB 151 in 2022~~
 - ~~ii) most RDAs/CRAs are now mixed use~~
 - ~~c) silent on infrastructure, affordability, or ownership~~

DRAFT LEGISLATION

SB 152 Local Land Use Regs
Restrictions (Blouin)



Staff Recommendation:
Oppose

1) SB 152 says cities may not require garages on a one- or two- family dwelling

Note: ULCT is engaging w/Sen. Fillmore on CHA bill on parking/garage per LPC/Board direction

- a) If a house has a garage, it counts toward the parking minimum
- b) city can't require a garage if the unit is an "affordable, owner-occupied" unit
- c) standard parking size for house/townhome
 - 9 x 18 exterior, 10 x 20 enclosed, accessible tandem spots count as 2 spots

Data and Research

Land Use Survey Pt. 2

Pt. 1) Parking (Dec 24)

- Helped inform what typical parking req's are.

Pt. 2) Other housing and land use policies (this week!)

- ADU policies
- Plan review times

Thank you!!!

Other Updates

Notable new appropriations requests

- **\$3 m one-time for UDOT surplus property acceleration**
 - *intent is to use surplus land for affordable owner-occupied housing*
- **\$2 m ongoing, \$665 one-time for UDOT lighting technicians**
 - *UDOT will assume duty to ensure highway lighting at intersections with state and local roads*
- **\$5 m one-time for rural county opioid response grants**
- **\$700k one-time to fund indigent defense commission grants**
- **Re-purpose remaining \$1 m one-time to assist local gov'ts with subdivisions ordinances**





Other issues for future LPCs

- **HB 198 (billboards)**: would remove the mile radius for billboard relocation due to highway expansion (e.g. I-15, Davis Co)
 - ULCT next steps: will host a call this week, notify Cam to join
- **SB 165 (municipal broadband)**: would require a city to receive voter approval in order to create a municipal fiber network; much more
 - ULCT next steps: had a mtg last week, notify Justin to join
- **HB249 (Nuclear Power Amendments)**
- No bills yet: ambulance, child care, gravel



ULCT Bill Tracker



 Hot	Oppose
 Work	Support
 Watch	Position Pending
 Monitor	Neutral

Bill

Tracker

Ratify Positions