

Legislative Policy Committee February 10, 2025





ULCT Bill Tracker



LPC Sign-in

AGENDA:

- 1. Housing
- 2. Land Use
- 3. Homelessness
- 4. Billboards
- 5. Broadband
- 6. Elections
- 7. Rev and Tax
- 8. Judiciary
- 9. Ambulances
- 10. Transportation
- 11. Updates
- 12. Ratify Bill Tracker
- 13. Adjourn

REMINDERS:

Housing Plan survey: Mar 19 Federal priorities: coming soon

UPCOMING MEETINGS:

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

Public Safety

Ambulance Bills

Ambulance Bills

HB301 - Establishes base rates and puts a freeze on rates while an audit is conducted

SB215 - Addresses ground ambulance interfacility transport services. Grants exclusive authority to municipalities and counties to ensure that a minimum level of ground ambulance interfacility transport services are provided within the respective municipality

HB391, SB 209, Undrafted Bill Coming

*Email <u>ilee@ulct.org</u> if you want to be part of briefing February 11 at 10:00 a.m.

Staff Recommendation:

Position Pending

Rapid Fire Updates

Rapid Fire Updates

- 1) HB355 Critical Infrastructure Materials Amendments Waiting on Sub
- SB211 First Class Cities lose land use authority over school districts may be getting resolved
- 3) SB179 Local Regulation of Business Entities Amendments working on language
- 4) SB220 Stormwater Bill Reminder that SB507(2024) is law this bill is a compromise to get stuff in a better place. Stormwater workgroup coordinated on the bill throughout the interim.
- 5) Homelessness Bills

*Watch LPC Recap Video and Read Nightly Email for additional updates

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

Housing and Land Use

ULCT Board on state housing audit

Nov 23, Jan 24, Sep 24, & more

Oppose:

- state mandated upzoning
- production targets that cities can't control
- penalties on cities

Support:

- Collaborative strategic planning
- LUDMA
- Data on actual and potential housing

Please rank the list of audit recommendations in order of most concerning (top) to least concerning (bottom)

Ranking Poll 2 16 votes 3 16 participants

 Recommendation 2.2 (legislature consider options to increase zoning density on a wide scale within the state) Recommendation 1.3 (legislature consider range of state-level policy options to create and manage state-level housing production targets)

5.1

 Recommendation 2.3 (legislature consider policy options to create additional penalties and incentives associated with local government compliance)

4.6

4. Recommendation 2.1 (legislature consider whether to expand MIHP requirements to include forecasting benchmarks for household growth)

3.9

Recommendation 1.1 (statewide strategic plan on housing)
 Recommendation 1.2 (amend LUDMA to emphasize housing production as a goal)
 Recommendation 3.1 (legislature consider metrics to better track both actual and

1.8

potential housing production)

Utah Housing Strategic Plan

INPUT: MARCH 19

https://gopb.utah.gov/planningcollaborative-efforts/



What we've fought off so far....

State zoning (policy preemption)

ADUs by right (CHA, HB 88); small lots by right (CHA, HB 90); HB 90, housing by right in commercial areas (HB 90); statewide upzoning ("+1"); state housing overlay; state land use appeals authority; state standards on residential setbacks; state standards on minimum floor area ratios; state standards for parking minimums/maximums; can't require garages anytime (SB 152, SB 181 as drafted); binding general plans

Municipal revenue

Changing the 50/50 sales tax formula; Reducing impact fees; Withholding Class C funds from cities based on land use; Broad limits on development fees

Land Use Process

Eliminate plan review; privatize building inspections; shall accept surety bonds; "deemed approved" after time frames; limits on local legislative authority; rip cords; changes to vesting timing; no land use authority for boundary establishments; opro changes; bring muni power cities under the Public Safety Commission

What we've fought off so far: HB 88, HB 90

UTAH UTAH POLITICS

Are tiny lot sizes, 'granny flats' the solution to Utah's housing crisis?

But Draper Mayor Troy Walker, speaking as president of the Utah League of Cities and Towns, testified against both bills, saying a "mandate of anyplace, anytime" preempts the authority of local governments.

Walker said the units are already permitted in a number of communities and that Utah needs to be promoting home "ownership, not just occupancy." He adding more units



Utah House committee votes against bills looking to expand ADUs, allow homes on smaller lots

What we've fought off so far: HB 88, HB 90

Thanks to:

- Rep. Jim Dunnigan
- Rep. Gay Lynn Bennion
- Rep. Jake Fitisemanu
- Rep. Matt Gwynn

- Rep. Trevor Lee
- Rep. Tracy Miller
- Rep. Karen Peterson

AND those of you who responded to our committee action alert

Legislative Work Never Stops

Your year-round feedback matters

Board of Directors

LPC

- CHA subgroup
- Land Use Task Force items
- Slido responses

ULCT data research

land use survey

For example, last week's LPC: 71% were "very concerned" about the precedent requiring voter approval of revenue bonds









New Product

H.B. 37

H.B. 256

H.B. 360

S.B. 195

Legacy city?
Condo bill?

Financing Tools

H.B. 368

Clarifies last year's financing tools:

S.B. 23

S.B. 26

Process Updates

H.B. 58

H.B. 368

S.B. 181

State Housing Plan Groundwork

H.B. 37

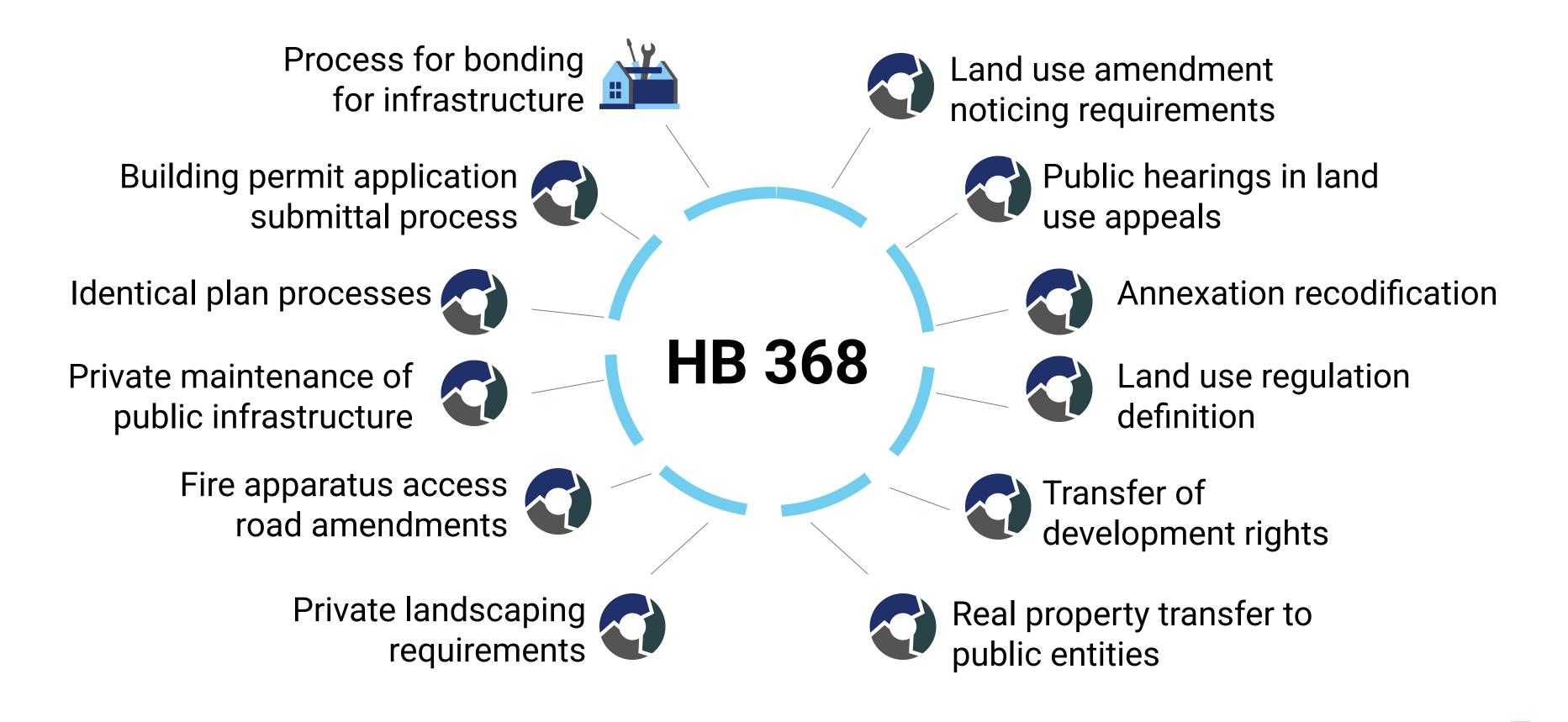
H.B. 368

OTHER: HB 175 (missing middle), SB 197 (property tax), HB 327 (HOAs), SB 125 (evictions)

Key Questions:

- Does it make good policy and improve processes?
- Would our members likely support or oppose?
- Does it sustain or limit our duties to provide for the health, safety, and welfare of our citizens?
- Protect local legislative authority?
- Is the alternative worse than the current proposal?

- Are the complaints valid? Are they widespread?
- Is the impact widespread? Can we isolate the issue?
- If we were a firm "no," what would the perception be?
- Is this a high, medium, or low priority?
- Is it worth it to spend political capital on this issue or should we save it for something more important?



Streamlining process, safeguarding health, safety, and wellness

HB 368 Local Land Use Amendments (Whyte)



Staff Recommendation: Support w/amendments

Land Use Noticing:

- Good policy and improved processes
- Impacts every municipality
- Reduces financial burdens
- Problem was widespread
- Medium to high priority
- Some political capital required

HB 368 Local Land Use Amendments (Whyte)



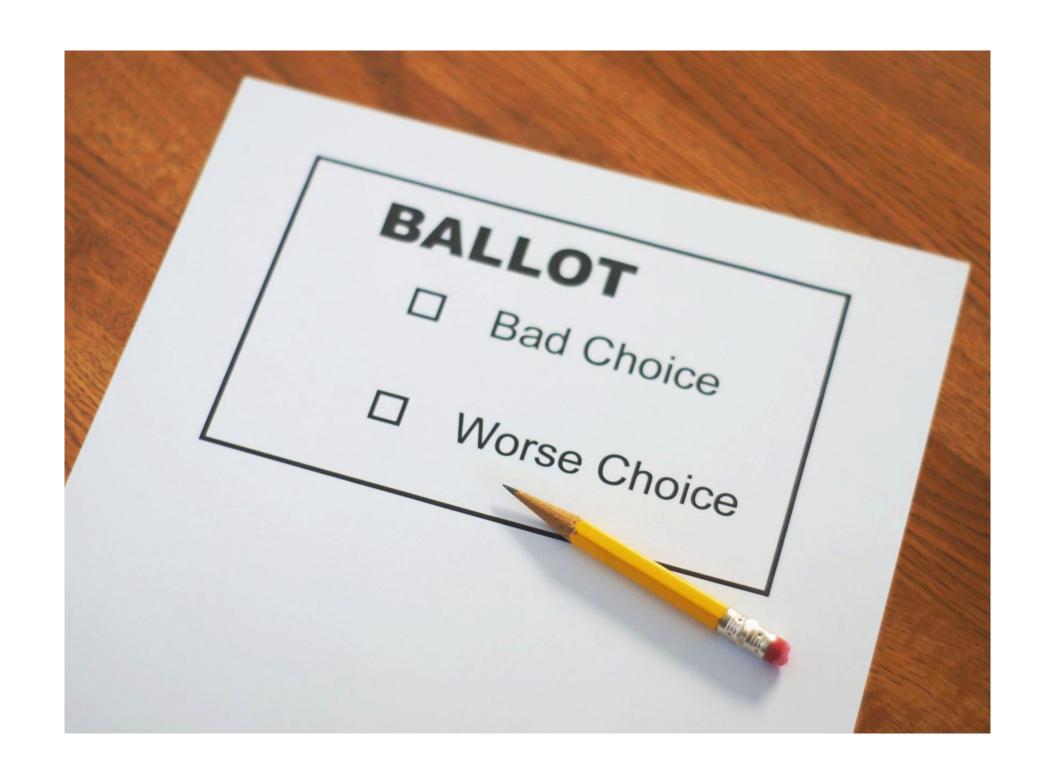
Staff Recommendation: Support w/amendments



HB 368 Local Land Use Amendments (Whyte)



Staff Recommendation: Support w/amendments

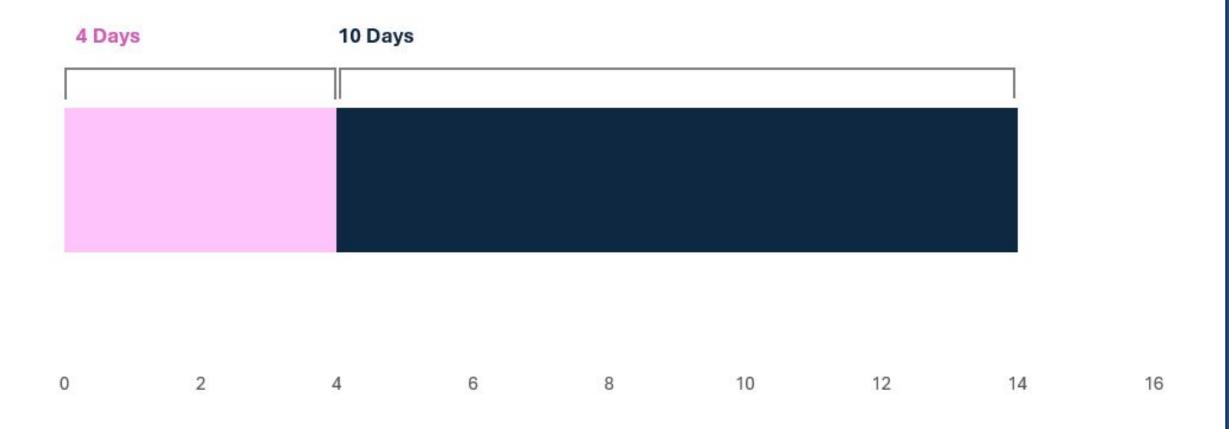


HB 368 Local Land Use Amendments (Whyte)

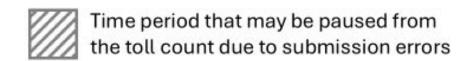


Staff Recommendation: Support w/amendments

Plan Review Timing:



Plan review in H.B. 368



Under current law there is not shot clock for document screening nor is there an ability to pause the process for late documents.

3-Day Screening Period

If municipalities notifies submitter that items are missing, the screening period pauses until items are successfully submitted.

14-Day Plan Review

Once documents are submitted, a municipality has 14 days to review the plans. If the municipality discovers something is missing after completion review, the municipality must notify the submitter and toll the plan review time five days before the original 14-day completion date. Time resumes once documents have been submitted. If documents are not submitted within the final five day period, the number of days are added to the end of the plan review period.



0 2 4 6 8 10 12 14 16

HB 368 Local Land Use Amendments (Whyte)



Staff Recommendation: Support w/amendments

Plan Review:

- Improved processes/Solves problems for municipalities and developers
- The alternatives are worse
- Most municipalities are not affected by the quicker timelines
- Long timelines were isolated events
- Medium priority
- Political capital to fight would be significant
- May increase financial burdens, but the perception would be difficult to argue against

HB 368 Local Land Use Amendments (Whyte)



Staff Recommendation: Support w/amendments

• Bonding:

- Splits up bonding into infrastructure categories
- Limits time to determine warranty work from 45 days after warranty work request to 15 days for 1st - 4th class and 30 days for 5th and towns (with exceptions)
 - Winter weather conditions
 - Number of requests substantially exceeds the normal scope of inspection
 - Applicant filed two or more requests within 30 day period
 - Processing an unusually large number of requests
- Inspections more than 3x gives additional 15 days each subsequent time

HB 368 Local Land Use Amendments (Whyte)



Staff Recommendation: Support w/amendments

Bonding:

- If city rejects, must give list within 15 days after. Five day notice is provided by developer and if city still doesn't respond within 5 days, 20% of the applicant's security will be given back to the applicant
- If determined complete, 90% after completion; 10% after warranty work for each category and any remaining portion of administrative costs
- Cash bonds be put into an interest bearing account
- Prohibits requiring security for warranty work before the infrastructure has been completed
- Bonds are independent of each other

HB 368 Local Land Use Amendments (Whyte)



Staff Recommendation: Support w/amendments

Bonding:

- Improved processes
- The alternatives are worse
- Many municipalities already releasing 90/10 per category
- Interest bearing account is bad, but profiting off of cash bonds creates negative perception to legislators
- Punishes developers who waste inspectors time to repeat inspections when infrastructure is incomplete
- Political capital to fight would be considerable
- May increase financial burdens, but the "need more staff" argument is not well received
- Cannot require bonding on construct first/record later

HB 37 Utah Housing Amendments (Dunnigan)



Staff recommendation: amend; work to support

Overlay for affordable home ownership

- enabling language
- density, variety of housing in exchange for affordable ownership

UPDATE: optional MIHP ownership submenu w/auto MIHP compliance

Additional Reporting Metrics

 Annual report on current zoning & lot sizes, amount of land zoned at densities, anticipated density of future development

UPDATE: align data/metrics w/State Housing Plan

Regional plans by Aug 2025

- define success, metrics, goals, needs
- TBD on # of regions & CHA decides

UPDATE: State Housing Plan; "regional & holistic"

HB 360 Housing Attainability (Whyte)



Staff Recommendation: Support w/amendments

Modifies Utah Housing Corporation Authorizes gov't to grant land with or without consideration for moderate income housing

use of publicly-owned land for housing

Authorizes gov't to contract or partner with entity for development of moderate income housing

- use of publicly-owned land for housing
 extends ability to close meeting under GRAMA
 to discuss development or financing of political subdivision-owned land
 - provision currently exists for state land

some missing CHA items (TBD)

legacy city pilot program, condo program

SB 181 Housing Affordability Amendments (Fillmore)



Staff Recommendation: Amend; work toward support

Parking/garages and design standards

- Covered parking for SF/2 fam: 10 x 20
- Uncovered parking for SF/2 fam: 9 x 18
- tandem = 2 spots
- can't require garages
- can't require in DA
- limits ability to regulate where the garage/parking goes on lot

TBD: townhomes?

SB 181 Housing Affordability Amendments (Fillmore)



Staff Recommendation: Amend; work toward support

Parking/garages and design standards

- Covered parking: 10 x 20
- Uncovered parking: 9 x 18
- Can still require off-street parking
- Only applies in MIHP cities
- "unobstructed" tandem = 2 spots
- can't require garages IF the unit is deed restricted for at least 5 years for 80% AMI ownership
- if city requires a garage, then the garage counts towards the minimum
- can't require garages
- can't require in DA
- limits ability to regulate where garage/parking goes on lot
- prior version: max of 2 spots per house

SB 181 Housing Affordability Amendments (Fillmore)



Staff Recommendation: Amend; work toward support

Key data:

Slido (10+ parking questions over last year)

 Jan LPC: 8% said it was a "high priority" to oppose 9 x 18, 10 x 20 in code

 Jan LPC: 10% said it was a "high priority" to oppose tandem = 2 in code

Land use survey

- 35 cities; emphasis on high growth areas
- $82\% = 10 \times 20$ covered

HB 58 - Building Inspector Amendments (T. Peterson)



Staff Recommendation: **Neutral**

New Qualifications for Building Officials:

- 6 years of experience as an architect, engineer, inspector, plan examiner, contractor or superintendent of construction, or any combination of these
- Actively licensed as a combination inspector
- Has completed 40 hours of management training as established by the division in rule or is a certified building official

 Report card developed by UBCC and posted online and delivered to legislature each year

HB 58 - Building Inspector Amendments (T. Peterson)



Staff Recommendation: Neutral Results (44 Responses - Smaller cities):

43% of responding cities have building officials who meet all three requirements to be a building official

81% had two of the three criteria

100% met at least one of the requirements

86% met the requirement to be actively licensed as a combination inspector

84% had at least 6 years of combined experience

55% are certified building officials (taken a test to receive designation)

Homelessness

HB 329 Homeless Services Amendments (Clancy) 1 of 3 slides



Staff Recommendation: **Position Pending** with anticipated changes

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

HB 329 Homeless Services Amendments (Clancy) 2 of 3 slides



Staff Recommendation: **Position Pending** with anticipated changes

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

HB 329 Homeless Services Amendments (Clancy) 3 of 3 slides



Staff Recommendation: **Position Pending** with anticipated changes

Winter Response Plans

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

Anticipating changes to the bill.

SB 182S1 Homeless Services Amendments (Weiler)



Staff Recommendation: **Position Pending**

- Counties of the 1st thru 4th class
- Triggered at Moderate Heat Risk per NOAA
- Expands shelter capacity
- Allows property owner to provide shelter as long as it doesn't conflict with fire code
- Requires coordinated outreach
- Can enforce a no camping ordinance but cannot confiscate personal property used to survive in extreme heat
- Intended to operate during the day

Anticipating changes to the bill.

| County | Class V | Winter Response* | Code Blue Days at 18° (2024/25)** | Code Red Days at Moderate Heat Risk (2024) | Code Red Days at Moderate Heat Risk (20 year average) |
|------------|---------|--------------------|-----------------------------------|--|---|
| Salt Lake | 1 | October 1-April 15 | 27 | 50 | 37.9 |
| Davis | 2 | October 1-April 15 | 33 | 61 | 47.5 |
| Utah | 2 | October 1-April 15 | 40 | 55 | 38.8 |
| Washington | 2 | October 1-April 15 | 7 | 86 | 39.6 |
| Weber | 2 | October 1-April 15 | 31 | 61 | 47.5 |
| Box Elder | 3 | N/A | 45 | No Data | No Data |
| Cache | 3 | N/A | 39 | 36 | 18 |
| Iron | 3 | N/A | 37 | 58 | 29.3 |
| Summit | 3 | N/A | 78 | 8 | 15.5 |
| Tooele | 3 | N/A | 28 | 54 | 42.1 |
| Carbon | 4 | N/A | 61 | 28 | 1 8 |
| Duchesne | 4 | N/A | 62 | 26 | 15.2 |
| Juab | 4 | N/A | 47 | 48 | 26.6 |
| Millard | 4 | N/A | 45 | 48 | 29.7 |
| Morgan | 4 | N/A | 70 | No Data | No Data |
| San Juan | 4 | N/A | 39 | 10 | 25.1 |
| Sanpete | 4 | N/A | 60 | 26 | 12.5 |
| Sevier | 4 | N/A | 44 | 25 | 19.4 |
| Uintah | 4 | N/A | 50 | 31 | 17.3 |
| Wasatch | 4 | N/A | 53 | 11 | 7.5 |

Billboards

HB 198 Highway Expansion Impact on Signage (V. Peterson)



Staff Recommendation: Oppose as drafted

Problem to solve: I-15 reconstruction in south Davis Co/northern SL Co will affect BBs

HB 198: owner may relocate BB anywhere along same road because of reconstruction, not just within 1 mile (freeway) or ½ mile (highway) of existing BB or get compensated

Concerns:

- 1) removing radius shifts the compensation burden from UDOT to city
- 2) could allow BB to go anywhere on I-15 in state, impact on local zoning authority

Other points:

- 1) No net increase in BBs
- 2) No by-right upgrades

HB 198 Highway Expansion Impact on Signage (V. Peterson)



Staff Recommendation: Oppose as drafted

What else to know:

No BB within 500 feet of:

- a) another BB
- b) interchange
- c) school
- d) park/playground
- e) cemetery
- f) scenic area
- g) note: some exceptions exist

BB may not be in residential areas; may only be in industrial and commercial zones

If a BB owner cannot find a suitable re-location, then gov't compensates the BB owner

HB 198 Highway Expansion Impact on Signage (V. Peterson)



Staff Recommendation: Oppose as drafted

ULCT billboard work group has met 2x Potential alternative concepts:

- A) must relocate within the same city; may relocate to neighboring city with an agreement
- B) may allow either side of road, if zoning works
- C) better define what triggers relocation a) viability of current spot, widening v. construct.,
 - interstate only
- D) expand the 1 mile to higher distance IF areas within the 1 mile are unavailable due to legal distance reg'ts
 - a) LUDMA variance (10-9a-702) concept of "unreasonable hardship" & "special circumstances"
- E) require more of UDOT
 - a) relocation plan in EIS, more compensation duty
- F) revisit calculation of value of BB

Municipal Broadband

SB 165 Municipal Broadband Service Amendments (L. FIllmore) Subjects municipal broadband service to certain provisions in the Municipal Cable Television and Public Telecommunications Services Act.

 Municipalities who have existing broadband service are grandfathered from certain provisions

Requires voter approval for revenue bonds that fund municipal broadband infrastructure unless certain requirements are met.

Staff Recommendation: Oppose as drafted

New annual reporting & public hearing requirement addressing

SB 165 Municipal Broadband Service Amendments (L. FIllmore)

(slide 2/2)

Staff Recommendation:
Oppose as drafted

New annual reporting & public hearing requirement addressing

 service connections, revenue generated, full cost accounting, 10-year projected growth in demand, 10-year full cost accounting of service, 10-year projected revenues, and more.

Revenue & Taxes

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

City imposed tax vs. fee:

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

| | Tax | Fee | |
|---------------------|--|---|--|
| Who authorizes it? | State | City | |
| Who administers it? | State Tax Commission | City | |
| What is it for? | 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 | |
| Who pays? | Some property owners, but not all (e.g. property tax & exempt property, sales tax & various bases) | All users pay for service "to be a legit fee for service, amount charged must bear a reasonable relationship to the services provided, benefits received, or need created" | |

HB 367 – Local Gov't Fees Modifications



Staff recommendation: Support, after final edits

ULCT Board principles, summer 2024

- 1) fee v. tax; preserve user fee
 - a) done
- 2) TUF specific; doesn't impact other revenues
 - a) restricts fee authority on broadband, public safety
- 3) Make process "doable, but not easy"
 - a) done, details on next slide
- 4) Transparent process
 - a) done, details on next slide
- 5) Req'd needs analysis
 - a) done
- 6) local discretion to set fees
 - a) done; methodology details left to locals
- 7) accountability of funds (dedicated account)
 - a) done
- 8) supplement, not supplant, other funds
 - a) done; "maintenance of effort"

HB 367 – Local Gov't Fees Modifications



- 3) Make process "doable, but not easy"
- a) do study, reasonable calculation of need
- b) reasonable relationship for fee & user
- c) have different rates for different users
- d) provide enhanced notice
- e) separate vote
- f) 10 year sunset, renewal process

ULCT LPC sub group provided input & specific priorities throughout the deliberations

Staff recommendation: Support, after final edits

HB 454 Local Gov't Fees Modifications (Rep. K. Peterson)



Staff Recommendation: **Support**

Key differences between HB 454 & HB 367 (2024)

- 1) Transportation Utility Fee (TUF)
 - a) cannot impose it solely based on property ownership
 - b) in study methodology, shall at least have categories of:
 - i) residential
 - ii) commercial
 - iii) houses of worship

2) Public safety fee

- a) if you are a city of 3rd, 4th, 5th class or town & contract w/a political sub and you have one by Jan.
 1, 2025, then repealed as of July 1, 2026 & have to re-authorize it every 3 years
 - i) does not apply to volunteer public safety fees

HB 456 Transient Room Tax Amendments



Staff Recommendation: **Position pending**

- 1) State TRT increase
 - a) increase from .32 to 1.32
 - i) .32 = outdoor rec (status quo)
 - ii) 50% for state general fund
 - iii) 25% for rural search and rescue grants
 - iv) 25% to counties for tourism impacts (\$7ish mill)
- 2) County TRT flexibility
 - a) no changes to promotion v. non-promotion %
 - b) more ability to mitigate tourism with non-promotion \$
- 3) Municipal participation
 - a) Counties may contract w/cities
 - b) "high impact" cities get seats on county tourism advisory boards

ULCT: more \$ to "high impact" cities

Elections

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

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

Substitute Language Expected

Slido Questions

Staff Recommendation: **Position Pending**

Judiciary

SB 154 - Legislative Audit Amendments SJR 4 - Amending Court Rules on Attorney Confidentiality Sen. Brady Brammer

Legislative Audit Amendments:

- May audit: Funds, functions, accounts with branches, department, agency, and political subdivisions of the state
- Applies to all cities and towns
- Removes attorney-client privilege and allows legislative auditor to have access to all information, materials, and resources
- Substitute coming. Be ready.

Staff recommendation: Oppose as Drafted

Transportation

SB 195 Transportation Amendments (W. Harper)



Staff Recommendation: Oppose as drafted

Omnibus transportation bill

Canal road connections

- Requires municipalities to:
 - inventory each location where a city road dead ends to due a canal,
 - create a plan to connect each dead end to other highways and submit plan to MPO by Jan 1, 2027
 - implement the plan no later than Dec. 31, 2029
- The municipality is not required to connect a class C road if the city and MPO determine that connection would be impracticable due to topography or unique circumstances.
- Penalty: if the municipality does not make substantial progress to construct connections per the implementation plan, the bill requires UDOT to withhold B&C road funds.
 - All construction projects are not required to be complete by the deadline

Station area plans

Requires municipalities to report on SAP implementation to their relevant MPO every five years.

SB 195 Transportation S1 Amendments (W. Harper)



Staff Recommendation: **Support**

By July 2027:

Municipalities within MPO boundary shall update general plan transportation and traffic circulation element to identify priority connections to remedy physical impediments, including water conveyances, that improve circulation and enhance vehicle, transit, bicycle, or pedestrian access to significant economic, educational, recreational, and other priority destinations.

For each prioritized connection, the municipality shall identify:

- Cost estimates;
- potential funding sources, including state, local, federal, and private funding; and
- impediments to constructing the connections

MPOs, in connection with affected local governments shall report to interim committee on status of general plan updates, regional grid network study, impediments, and potential funding sources.



ULCT Bill Tracker

