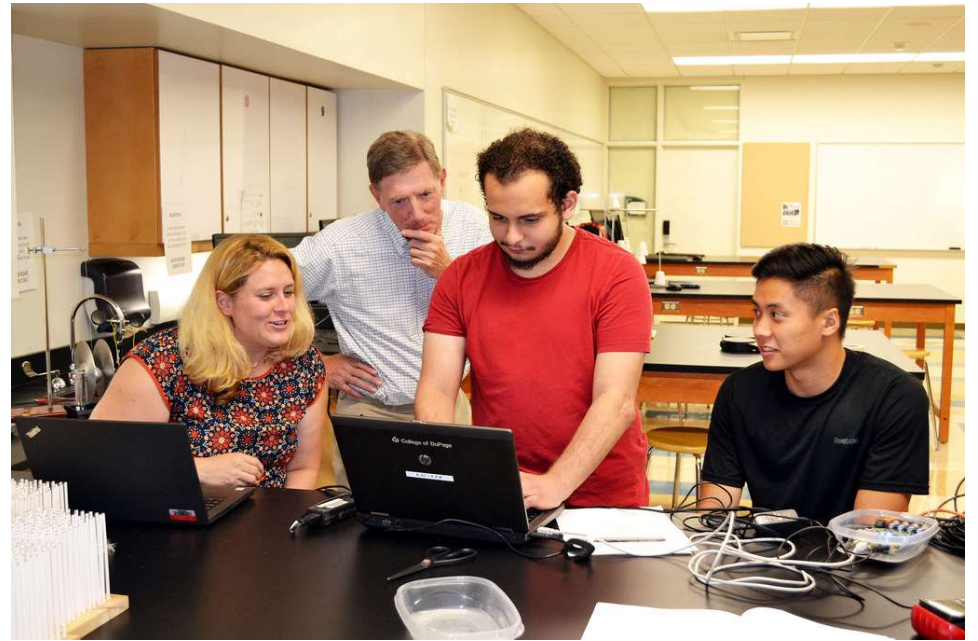


# 2024 Utah Legislative Session Housing/Land Use

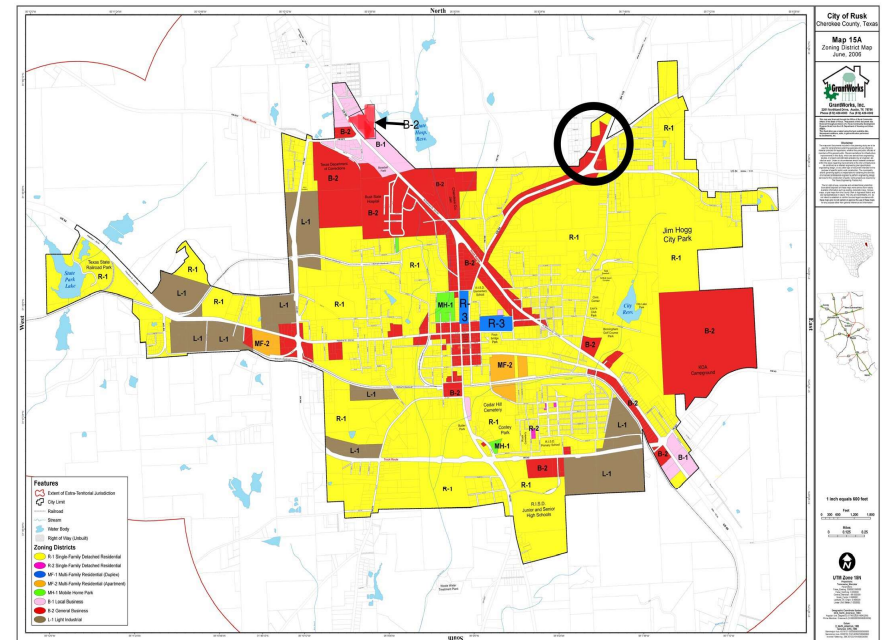
Is This Really Gonna Work?



# Housing Affordability



# Zoning Reform



# Housing Supply Accelerator



# Top-Down Mandates



# Collaboration



# Housing Affordability/Zoning Reform





# HB206 – HTRZ Amendments

- Consideration for owner-occupied housing
- Increases % of required affordable units
- Addresses phasing of housing units
- Increases HTRZ committee members
- Enhances the "but for" test



# SB268 – First Home Investment Zone Act (FHIZ)

		<b>Overall Project</b>
<b>FHIZ Center</b>	<b>Extra-territorial Areas</b>	<ul style="list-style-type: none"><li>• 30 units to the acre for overall project</li><li>• HTRZ committee approval, then up to 60% of tax increment for 25/45 years</li><li>• Parameters/caps in SL Co (11 FHIZs/HTRZs max; city can do FHIZ only if city's RDA does not have excessive unencumbered revenue in RDA)</li></ul>
51% of developable acreage within the center must be used for housing	<ul style="list-style-type: none"><li>• Can count "extra-territorial" areas toward the housing requirements</li><li>• Extra-territorial housing units must meet density + affordable home ownership criteria<ul style="list-style-type: none"><li>• 6 units to acre</li><li>• 100% owner-occupied</li><li>• 20% affordable</li></ul></li></ul>	



# SB168 – Affordable Building Amendments

- Home Ownership Promotion Zone (HOPZ)
  - Zone is **less than 10 contiguous acres**
  - Cities must zone for at least **6 units per acre**
  - **60% of the housing units must be at 80% of the county median sales price**
  - All housing units must be **owner-occupied for at least 5 years**
  - Tax increment:
  - Other taxing entities are required to participate
  - 60% of increment for system or project infrastructure for up to 15 years
- 
- **Makes technical changes to the First Time Homebuyer Assistance Program and real estate reinvestment covenants**



# HB572 – State Treasurer Investment Act



**Authorizes State Treasurer to invest up to \$300 million of state funds (TIF) as deposits to lenders for “qualified projects”**

- “Qualified project” = housing proposal with:
  - 60% sold at “first home” levels (\$450k)
  - owner-occupancy requirements for 5 years
  - Max of 75% of overall QP financing



# HB13 – Infrastructure Financing Districts

## **Creates a type of special district to finance public infrastructure**

- IFDs are created by petition with **consent of 100% of the surface property owners**.
- Governed by an appointed board.
- IFDs may issue bonds to pay for infrastructure on the public bond market to access lower interest rates.
- **Must** have land use approval
- Infrastructure must be **built to city standards**
- Assessments must be paid prior to C of O issuance
- Property tax may not be used to repay the bonds



# HB465 – Housing Affordability Revisions

## **CRA/RDA Set-aside Changes**

- Housing set aside flexibility - set aside funds may be spent in nearby communities (w/ interlocal agreement) and on owner occupied affordable (<120% AMI) product
- Set aside funds must be spent, encumbered, or otherwise planned for within six years of the set aside funds being deposited
- Year 1 set-aside funds must be planned for/encumbered/spent by year 6, year 2 funds by year 7, etc.
- Other technical changes to tax credit program, DWS housing grant pass through administration

# Land Use Administration Changes



# SB168 – Affordable Building Amendments

Defines the regulatory process for modular (pre-fabricated) building construction

**Goal:** Affordable home ownership through lower building costs and faster construction

- Built off-site
- Local building official performs plan review of onsite elements only
- Constructed and inspected offsite by manufacturer
- City inspects onsite elements (foundation, assembly of modular, etc.)



# HB465 – Housing Affordability Revisions

## Moderate Income Housing Plan Revisions

- No substantial changes to menu items or reporting timelines
- Reports will now include zoning maps (or links to them) and number of entitled units
- **Objective:** better understanding of 190k planned for and unbuilt housing inventory pipeline
- Take the data collection seriously



# HB476 – Land Use Regulations Modifications

- 1.Subdivision process clean up
- 2.Land Use Application Processing/Phasing
- 3.Landscaping Requirements
- 4.Development Agreements
- 5.Landing/rear setbacks
- 6.Sidewalk phasing assurance bonds
- 7.Design exceptions for overpressure zones
- 8.Annexation Language



# HB476 – Land Use Regulations Modifications

## Subdivision process clean up

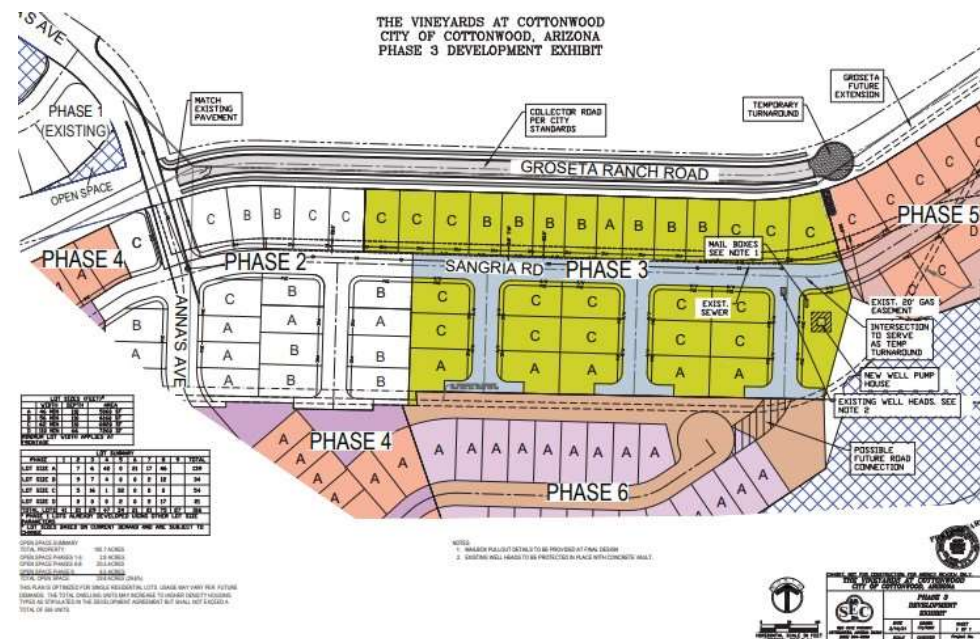
- Subdivision Improvement Plan submissions
- Preliminary vs. Final Engineering Plans
- Timing of reviews



# HB476 – Land Use Regulations Modifications

## Land Use Application Processing/Phasing

- **Clarifies** that unless otherwise required in a development agreement, a municipality must accept and process a land use application without regard to any other separate and distinct land use application.



# HB476 – Land Use Regulations Modifications

- Landscaping Requirements
- **Clarifies** that a certificate of occupancy may not be withheld because the homebuilder has not put landscaping in
- **Allows** a municipality to require a seller of a new residence to inform the first buyer of the new residence of the city's ordinance requiring waterwise landscaping



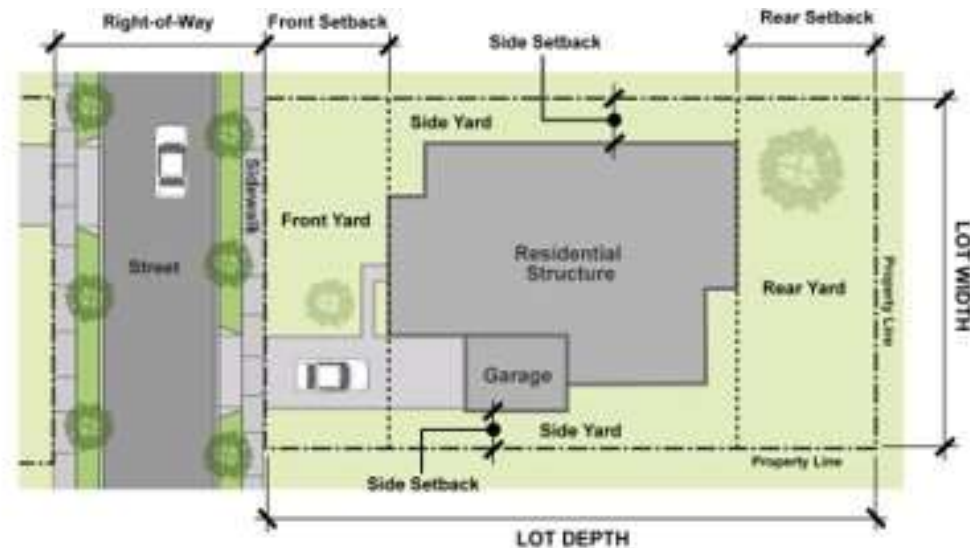
# HB476 – Land Use Regulations Modifications



- **Development Agreements**
- **Removes language** about disclosure of “clearly established state law”
- **Clarifies** that development agreements may not be required by a municipality if the developer is not requesting anything outside of what is already permitted
- **Limits** municipalities from recording certain documents that impose development requirements on land

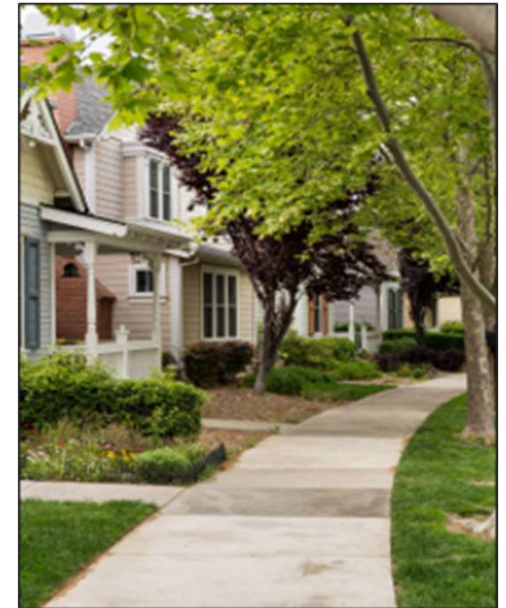
# HB476 – Land Use Regulations Modifications

- Landing/rear setbacks
- Permits landings and walkout porches to be located within the rear setback if:
  - No larger than 32 square feet in size
  - Used for ingress and egress from the rear
  - Is uncovered, connected to the rear of the dwelling
- **Does not apply to historic districts**



# HB476 – Land Use Regulations Modifications

- Sidewalk phasing assurance bonds
- Prohibits requiring sidewalks to be completed prior to a building permit
- Prohibits cities from redeeming sidewalk assurance bonds prior to 18 months after issued
- Allows cities to require completion prior to the Certificate of Occupancy being issued
- Sidewalk phasing can skip, but must be installed for each residence before it may be occupied
- \*\*Only applies to single family homes and townhomes



# HB476 – Land Use Regulations Modifications

## Design exceptions for overpressure zones

- Allows municipalities to determine design standards IF the development is within a blast zone that would cause an explosion which could pose a risk of damage to a window, garage door, or carport of the facility



# HB476 – Land Use Regulations Modifications

- Annexation

**Zero**

**Zilch**

**Zip**

**Nada**



# HB289 – Property Rights Ombudsman



**Goal:** Compliance with Office of the Property Rights Ombudsman advisory opinions

Process:

- OPRO issues advisory opinion against you, AND
- District Court sides with advisory opinion

Then:

- Court **may** award the substantially prevailing party reasonable attorneys fees and court costs

AND

- If the Court finds that the city knowingly and intentionally violated the law it **may** award:
  - \$250 per day (remnant of past law)
  - Consequential damages

# SB185 – Residential Building Inspections

- Cities required to have Third-Party Inspection List:
- \*\*Can include other city/town building inspectors
- Builder notifies city/town on fourth day of what building inspector it will use
- Third party inspector is paid by city/town after receiving approval and report by inspector



# HB518 – State Construction Code Modifications

- Must cite specific provisions not complied with, and describe how a project is non-compliant, when denying a project
- Cannot withhold or deny permit for a project where there is a noncompliant structure on the land that will not be affected or included in a project – provisions apply



# HB188 – Modifications Relating to the Use of Land

- prohibits adding to/changing requirements on an issued building permit, except for building code compliance
- adds a section to LUDMA on tower cranes.



# SB13 – Education Entity Amendments



- creates educational entities identified as homebased microschools, and micro-educational entities
- applies the same rules to these new entities as for charter schools (permitted in all zones, overriding land use and inspection regulations apply)

# HB256 – Military Compatible Land Use Amendments

- stipulates that for any land use application within 5,000 ft of military property, the local entity must first consider the adopted compatible use plan for that military facility
- requires submittal of all such applications to the State Department of Veteran and Military Affairs for comment
- These provisions are not required if the application is already vested.



# Other Bills of Interest

- HB430 – Local Government Transportation Services Amendments
- HB502 – Critical Infrastructure and Mining
- SB28 – Scenic Byway Program Amendments
- SB258 – Municipal Incorporation Amendments
- SB264 – Inland Port Authority Amendments
- HB330 – Unincorporated Areas Amendments
- HB220 – Water Related Amendments

# Salt Lake City Sport – Redevelopment Bills

- HB562 – Utah Fairpark Area Investment and Restoration District
- SB272 - Capital City Revitalization Zone





# Big Issues for Next Session

- More zoning reform?
- Transportation fees
- Annexation and incorporation
- Gravel pits
- Storm water management