

James A. Dunnigan proposes the following substitute bill:

**Utah Housing Amendments**

2025 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: James A. Dunnigan**

Senate Sponsor: Lincoln Fillmore

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**LONG TITLE**

**General Description:**

This bill deals with housing development and housing policy.

**Highlighted Provisions:**

This bill:

- defines terms;
- modifies the minimum population for incorporation of a new town;
- authorizes a municipality or county to authorize additional housing density in exchange for certain requirements;
- authorizes a municipality or county to offer incentives in an area approved for single-family or multi-family residential units to promote owner-occupied, affordable housing;
- modifies requirements for a moderate income housing plan and a moderate income housing report;
- authorizes a special district to provide the operation of a propane system within its boundaries;
- authorizes the Division of Housing and Community Development to make rules regarding the content and form of a moderate income housing report;
- requires the Governor's Office of Planning and Budget (GOPB) to develop a state housing plan by December 31, 2025;
- requires GOPB to submit an annual written report on the implementation of the state housing plan to the Political Subdivisions Interim Committee; and
- makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

29 None

30 **Utah Code Sections Affected:**

31 AMENDS:

32 **10-2a-201.5**, as last amended by Laws of Utah 2024, Chapters 342, 518 and 534

33 **10-9a-102**, as last amended by Laws of Utah 2019, Chapter 384

34 **10-9a-403**, as last amended by Laws of Utah 2024, Chapters 431, 537

35 **10-9a-408**, as last amended by Laws of Utah 2024, Chapters 413, 438

36 **10-9a-535**, as enacted by Laws of Utah 2022, Chapter 355

37 **17-27a-102**, as last amended by Laws of Utah 2022, Chapter 307

38 **17-27a-403**, as last amended by Laws of Utah 2024, Chapters 381, 431

39 **17-27a-408**, as last amended by Laws of Utah 2024, Chapters 381, 413

40 **17-27a-531**, as enacted by Laws of Utah 2022, Chapter 355

41 **17B-1-202**, as last amended by Laws of Utah 2024, Chapters 53, 388

42 **35A-8-202**, as last amended by Laws of Utah 2021, Chapter 281

43 **72-1-304**, as last amended by Laws of Utah 2024, Chapter 517

44 **72-2-124**, as last amended by Laws of Utah 2024, Chapters 498, 501

45 ENACTS:

46 **10-9a-403.2**, Utah Code Annotated 1953

47 **10-9a-403.3**, Utah Code Annotated 1953

48 **17-27a-403.1**, Utah Code Annotated 1953

49 **17-27a-403.2**, Utah Code Annotated 1953

50 **63J-4-402**, Utah Code Annotated 1953



52 *Be it enacted by the Legislature of the state of Utah:*

53 Section 1. Section **10-2a-201.5** is amended to read:

54 **10-2a-201.5 . Qualifications for incorporation.**

55 (1)(a) An area may incorporate as a town in accordance with this part if the area:

56 (i)(A) is contiguous; or

57 (B) is a community council area;

58 (ii) has a population of at least [400] 75 people, but fewer than 1,000 people; and

59 (iii) is not already part of a municipality.

60 (b) A preliminary municipality may transition to, and incorporate as, a town, in  
61 accordance with Section 10-2a-510.

62 (c) An area may incorporate as a city in accordance with this part if the area:

- 63 (i)(A) is contiguous; or  
64 (B) is a community council area;  
65 (ii) has a population of 1,000 people or more; and  
66 (iii) is not already part of a municipality.
- 67 (2)(a) An area may not incorporate under this part if:  
68 (i) the area has a population of fewer than 100 people; or  
69 (ii) except as provided in Subsection (2)(b), the area has an average population  
70 density of fewer than seven people per square mile.
- 71 (b) Subsection (2)(a)(ii) does not prohibit incorporation of an area if:  
72 (i) noncompliance with Subsection (2)(a)(ii) is necessary to connect separate areas  
73 that share a demonstrable community interest; and  
74 (ii) the area is contiguous.
- 75 (3) An area incorporating under this part may not include land owned by the United States  
76 federal government unless:  
77 (a) the area, including the land owned by the United States federal government, is  
78 contiguous; and  
79 (b)(i) incorporating the land is necessary to connect separate areas that share a  
80 demonstrable community interest; or  
81 (ii) excluding the land from the incorporating area would create an unincorporated  
82 island within the proposed municipality.
- 83 (4)(a) Except as provided in Subsection (4)(b), an area incorporating under this part may  
84 not include some or all of an area proposed for annexation in an annexation petition  
85 under Section 10-2-403 that:  
86 (i) was filed before the filing of the request for a feasibility study, described in  
87 Section 10-2a-202, relating to the incorporating area; and  
88 (ii) is still pending on the date the request for the feasibility study described in  
89 Subsection (4)(a)(i) is filed.
- 90 (b) A feasibility request may propose for incorporation an area that includes some or all  
91 of an area proposed for annexation in an annexation petition described in Subsection  
92 (4)(a) if:  
93 (i) the proposed annexation area that is part of the area proposed for incorporation  
94 does not exceed 20% of the area proposed for incorporation;  
95 (ii) the feasibility request complies with Subsections 10-2a-202(1), (3), (4), and (5)  
96 with respect to excluding the proposed annexation area from the area proposed for

- 97 incorporation; and
- 98 (iii) excluding the area proposed for annexation from the area proposed for
- 99 incorporation would not cause the area proposed for incorporation to not be
- 100 contiguous.
- 101 (c) Except as provided in Section 10-2a-206, the lieutenant governor shall consider each
- 102 feasibility request to which Subsection (4)(b) applies as not proposing the
- 103 incorporation of an area proposed for annexation.
- 104 (5)(a) An area incorporating under this part may not include part of a parcel of real
- 105 property and exclude part of that same parcel unless the owner of the parcel gives
- 106 written consent to exclude part of the parcel.
- 107 (b) A piece of real property that has more than one parcel number is considered to be a
- 108 single parcel for purposes of Subsection (5)(a) if owned by the same owner.
- 109 Section 2. Section **10-9a-102** is amended to read:
- 110 **10-9a-102 . Purposes -- General land use authority.**
- 111 (1) The purposes of this chapter are to:
- 112 (a) provide for the health, safety, and welfare;
- 113 (b) promote the prosperity;
- 114 (c) improve the morals, peace, good order, comfort, convenience, and aesthetics of each
- 115 municipality and each municipality's present and future inhabitants and businesses;
- 116 (d) protect the tax base;
- 117 (e) secure economy in governmental expenditures;
- 118 (f) foster the state's agricultural and other industries;
- 119 (g) protect both urban and nonurban development;
- 120 (h) protect and ensure access to sunlight for solar energy devices;
- 121 (i) provide fundamental fairness in land use regulation;
- 122 (j) facilitate orderly growth, ~~and~~ allow growth in a variety of housing types, and
- 123 contribute toward housing affordability; and
- 124 (k) protect property values.
- 125 (2) To accomplish the purposes of this chapter, a municipality may enact all ordinances,
- 126 resolutions, and rules and may enter into other forms of land use controls and
- 127 development agreements that the municipality considers necessary or appropriate for the
- 128 use and development of land within the municipality, including ordinances, resolutions,
- 129 rules, restrictive covenants, easements, and development agreements governing:
- 130 (a) uses;

- 131 (b) density;
- 132 (c) open spaces;
- 133 (d) structures;
- 134 (e) buildings;
- 135 (f) energy efficiency;
- 136 (g) light and air;
- 137 (h) air quality;
- 138 (i) transportation and public or alternative transportation;
- 139 (j) infrastructure;
- 140 (k) street and building orientation;
- 141 (l) width requirements;
- 142 (m) public facilities;
- 143 (n) fundamental fairness in land use regulation; and
- 144 (o) considerations of surrounding land uses to balance the foregoing purposes with a
- 145 landowner's private property interests and associated statutory and constitutional
- 146 protections.
- 147 (3)(a) Any ordinance, resolution, or rule enacted by a municipality pursuant to its
- 148 authority under this chapter shall comply with the state's exclusive jurisdiction to
- 149 regulate oil and gas activity, as described in Section 40-6-2.5.
- 150 (b) A municipality may enact an ordinance, resolution, or rule that regulates surface
- 151 activity incident to an oil and gas activity if the municipality demonstrates that the
- 152 regulation:
- 153 (i) is necessary for the purposes of this chapter;
- 154 (ii) does not effectively or unduly limit, ban, or prohibit an oil and gas activity; and
- 155 (iii) does not interfere with the state's exclusive jurisdiction to regulate oil and gas
- 156 activity, as described in Section 40-6-2.5.
- 157 Section 3. Section **10-9a-403** is amended to read:
- 158 **10-9a-403 . General plan preparation.**
- 159 (1)(a) The planning commission shall provide notice, as provided in Section 10-9a-203,
- 160 of the planning commission's intent to make a recommendation to the municipal
- 161 legislative body for a general plan or a comprehensive general plan amendment when
- 162 the planning commission initiates the process of preparing the planning commission's
- 163 recommendation.
- 164 (b) The planning commission shall make and recommend to the legislative body a

- 165 proposed general plan for the area within the municipality.
- 166 (c) The plan may include areas outside the boundaries of the municipality if, in the  
167 planning commission's judgment, those areas are related to the planning of the  
168 municipality's territory.
- 169 (d) Except as otherwise provided by law or with respect to a municipality's power of  
170 eminent domain, when the plan of a municipality involves territory outside the  
171 boundaries of the municipality, the municipality may not take action affecting that  
172 territory without the concurrence of the county or other municipalities affected.
- 173 (2)(a) At a minimum, the proposed general plan, with the accompanying maps, charts,  
174 and descriptive and explanatory matter, shall include the planning commission's  
175 recommendations for the following plan elements:
- 176 (i) a land use element that:
- 177 (A) designates the long-term goals and the proposed extent, general distribution,  
178 and location of land for housing for residents of various income levels,  
179 business, industry, agriculture, recreation, education, public buildings and  
180 grounds, open space, and other categories of public and private uses of land as  
181 appropriate;
- 182 (B) includes a statement of the projections for and standards of population density  
183 and building intensity recommended for the various land use categories  
184 covered by the plan;
- 185 (C) except for a city of the fifth class or a town, is coordinated to integrate the  
186 land use element with the water use and preservation element; and
- 187 (D) except for a city of the fifth class or a town, accounts for the effect of land use  
188 categories and land uses on water demand;
- 189 (ii) a transportation and traffic circulation element that:
- 190 (A) provides the general location and extent of existing and proposed freeways,  
191 arterial and collector streets, public transit, active transportation facilities, and  
192 other modes of transportation that the planning commission considers  
193 appropriate;
- 194 (B) for a municipality that has access to a major transit investment corridor,  
195 addresses the municipality's plan for residential and commercial development  
196 around major transit investment corridors to maintain and improve the  
197 connections between housing, employment, education, recreation, and  
198 commerce;

- 199 (C) for a municipality that does not have access to a major transit investment  
 200 corridor, addresses the municipality's plan for residential and commercial  
 201 development in areas that will maintain and improve the connections between  
 202 housing, transportation, employment, education, recreation, and commerce; and  
 203 (D) correlates with the population projections, the employment projections, and  
 204 the proposed land use element of the general plan;
- 205 (iii) a moderate income housing element that:
- 206 (A) provides a realistic opportunity to meet the need for additional moderate  
 207 income housing within the municipality during the next five years;
- 208 (B) for a ~~[town]~~ municipality that is not a specified municipality, may include a  
 209 recommendation to implement three or more of the moderate income housing  
 210 strategies described in Subsection (2)(b)(iii);
- 211 (C) for a specified municipality, as defined in Section 10-9a-408, that does not  
 212 have a fixed guideway public transit station, shall include a recommendation to  
 213 implement three or more of the moderate income housing strategies described  
 214 in Subsection (2)(b)(iii) or at least one of the moderate income housing  
 215 strategies described in Subsections (2)(b)(iii)(X) through (CC);
- 216 (D) for a specified municipality, as defined in Section 10-9a-408, that has a fixed  
 217 guideway public transit station, shall include:
- 218 (I) a recommendation to implement five or more of the moderate income  
 219 housing strategies described in Subsection (2)(b)(iii), of which one shall be  
 220 the moderate income housing strategy described in Subsection [  
 221 ~~(2)(b)(iii)(W)~~] (2)(b)(iii)(U)[,] and one shall be a moderate income housing  
 222 strategy described in Subsection (2)(b)(iii)(G)[,] or (H)[, ~~or (Q)~~,] ; or
- 223 (II) a recommendation to implement the moderate income housing strategy  
 224 described in Subsection (2)(b)(iii)(U), one of the moderate income housing  
 225 strategies described in Subsections (2)(b)(iii)(X) through (CC), and one  
 226 moderate income strategy described in Subsection (2)(b)(iii); and
- 227 (E) for a specified municipality, as defined in Section 10-9a-408, shall include an  
 228 implementation plan as provided in Subsection (2)(c); and
- 229 (iv) except for a city of the fifth class or a town, a water use and preservation element  
 230 that addresses:
- 231 (A) the effect of permitted development or patterns of development on water  
 232 demand and water infrastructure;

- 233 (B) methods of reducing water demand and per capita consumption for future  
234 development;
- 235 (C) methods of reducing water demand and per capita consumption for existing  
236 development; and
- 237 (D) opportunities for the municipality to modify the municipality's operations to  
238 eliminate practices or conditions that waste water.
- 239 (b) In drafting the moderate income housing element, the planning commission:
- 240 (i) shall consider the Legislature's determination that municipalities shall facilitate a  
241 reasonable opportunity for a variety of housing, including moderate income  
242 housing:
- 243 (A) to meet the needs of people of various income levels living, working, or  
244 desiring to live or work in the community; and
- 245 (B) to allow people with various incomes to benefit from and fully participate in  
246 all aspects of neighborhood and community life;
- 247 (ii) for a [town] municipality that is not a specified municipality, may include, and for  
248 a specified municipality as defined in Section 10-9a-408, shall include, an analysis  
249 of how the municipality will provide a realistic opportunity for the development of  
250 moderate income housing within the next five years;
- 251 (iii) for a [town] municipality that is not a specified municipality, may include, and  
252 for a specified municipality as defined in Section 10-9a-408, shall include a  
253 recommendation to implement the required number of any of the following  
254 moderate income housing strategies as specified in Subsection (2)(a)(iii):
- 255 (A) rezone for densities necessary to facilitate the production of moderate income  
256 housing;
- 257 (B) demonstrate investment in the rehabilitation or expansion of infrastructure that  
258 facilitates the construction of moderate income housing;
- 259 (C) demonstrate investment in the rehabilitation of existing uninhabitable housing  
260 stock into moderate income housing;
- 261 (D) identify and utilize general fund subsidies or other sources of revenue to  
262 waive construction related fees that are otherwise generally imposed by the  
263 municipality for the construction or rehabilitation of moderate income housing;
- 264 (E) create or allow for, and reduce regulations related to, internal or detached  
265 accessory dwelling units in residential zones;
- 266 (F) zone or rezone for higher density or moderate income residential development



- 267 in commercial or mixed-use zones near major transit investment corridors,  
268 commercial centers, or employment centers;
- 269 (G) amend land use regulations to allow for higher density or new moderate  
270 income residential development in commercial or mixed-use zones near major  
271 transit investment corridors;
- 272 (H) amend land use regulations to eliminate or reduce parking requirements for  
273 residential development where a resident is less likely to rely on the resident's  
274 own vehicle, such as residential development near major transit investment  
275 corridors or senior living facilities;
- 276 (I) amend land use regulations to allow for single room occupancy developments;
- 277 (J) implement zoning incentives for moderate income units in new developments;
- 278 (K) preserve existing and new moderate income housing and subsidized units by  
279 utilizing a landlord incentive program, providing for deed restricted units  
280 through a grant program, or, notwithstanding Section 10-9a-535, establishing a  
281 housing loss mitigation fund;
- 282 (L) reduce, waive, or eliminate impact fees related to moderate income housing;
- 283 (M) demonstrate creation of, or participation in, a community land trust program  
284 for moderate income housing;
- 285 (N) implement a mortgage assistance program for employees of the municipality,  
286 an employer that provides contracted services to the municipality, or any other  
287 public employer that operates within the municipality;
- 288 (O) apply for or partner with an entity that applies for state or federal funds or tax  
289 incentives to promote the construction of moderate income housing, an entity  
290 that applies for programs offered by the Utah Housing Corporation within that  
291 agency's funding capacity, an entity that applies for affordable housing  
292 programs administered by the Department of Workforce Services, an entity  
293 that applies for affordable housing programs administered by an association of  
294 governments established by an interlocal agreement under Title 11, Chapter 13,  
295 Interlocal Cooperation Act, an entity that applies for services provided by a  
296 public housing authority to preserve and create moderate income housing, or  
297 any other entity that applies for programs or services that promote the  
298 construction or preservation of moderate income housing;
- 299 (P) demonstrate utilization of a moderate income housing set aside from a  
300 community reinvestment agency, redevelopment agency, or community

301 development and renewal agency to create or subsidize moderate income  
302 housing;

303 [~~(Q)~~ (R) create a housing and transit reinvestment zone pursuant to Title 63N, Chapter  
304 3, Part 6, Housing and Transit Reinvestment Zone Act;]

305 [~~(R)~~ (S) create a home ownership promotion zone pursuant to Part 10, Home  
306 Ownership Promotion Zone for Municipalities;]

307 [~~(S)~~ (Q) eliminate impact fees for any accessory dwelling unit that is not an  
308 internal accessory dwelling unit as defined in Section 10-9a-530;

309 [~~(T)~~ (R) create a program to transfer development rights for moderate income  
310 housing;

311 [~~(U)~~ (S) ratify a joint acquisition agreement with another local political  
312 subdivision for the purpose of combining resources to acquire property for  
313 moderate income housing;

314 [~~(V)~~ (T) develop a moderate income housing project for residents who are  
315 disabled or 55 years old or older;

316 [~~(W)~~ (U) develop and adopt a station area plan in accordance with Section  
317 10-9a-403.1;

318 [~~(X)~~ (V) create or allow for, and reduce regulations related to, multifamily  
319 residential dwellings compatible in scale and form with detached single-family  
320 residential dwellings and located in walkable communities within residential or  
321 mixed-use zones;

322 [~~(Y)~~ (Z) create a first home investment zone in accordance with Title 63N, Chapter 3,  
323 Part 16, First Home Investment Zone Act; and]

324 [~~(Z)~~ (W) demonstrate implementation of any other program or strategy to address  
325 the housing needs of residents of the municipality who earn less than 80% of  
326 the area median income, including the dedication of a local funding source to  
327 moderate income housing or the adoption of a land use ordinance that requires  
328 10% or more of new residential development in a residential zone be dedicated  
329 to moderate income housing; ~~and~~]

330 (X) create a housing and transit reinvestment zone pursuant to Title 63N, Chapter  
331 3, Part 6, Housing and Transit Reinvestment Zone Act;

332 (Y) create a home ownership promotion zone pursuant to Part 10, Home  
333 Ownership Promotion Zone for Municipalities;

334 (Z) create a first home investment zone in accordance with Title 63N, Chapter 3,

- 335 Part 16, First Home Investment Zone Act:
- 336 (AA) approve a project that receives funding from, or qualifies to receive funding
- 337 from, the Utah Homes Investment Program created in Title 51, Chapter 12,
- 338 Utah Homes Investment Program;
- 339 (BB) adopt or approve an affordable home ownership density bonus for
- 340 single-family residential units, as described in Section 10-9a-403.2; and
- 341 (CC) adopt or approve an affordable home ownership density bonus for
- 342 multi-family residential units, as described in Section 10-9a-403.3; and
- 343 (iv) shall identify each moderate income housing strategy recommended to the
- 344 legislative body for implementation by restating the exact language used to
- 345 describe the strategy in Subsection (2)(b)(iii).
- 346 (c)(i) In drafting the implementation plan portion of the moderate income housing
- 347 element as described in Subsection (2)(a)(iii)(C), the planning commission shall
- 348 recommend to the legislative body the establishment of a five-year timeline for
- 349 implementing each of the moderate income housing strategies selected by the
- 350 municipality for implementation.
- 351 (ii) The timeline described in Subsection (2)(c)(i) shall:
- 352 (A) identify specific measures and benchmarks for implementing each moderate
- 353 income housing strategy selected by the municipality, whether one-time or
- 354 ongoing; and
- 355 (B) provide flexibility for the municipality to make adjustments as needed.
- 356 (d) In drafting the land use element, the planning commission shall:
- 357 (i) identify and consider each agriculture protection area within the municipality;
- 358 (ii) avoid proposing a use of land within an agriculture protection area that is
- 359 inconsistent with or detrimental to the use of the land for agriculture; and
- 360 (iii) consider and coordinate with any station area plans adopted by the municipality
- 361 if required under Section 10-9a-403.1.
- 362 (e) In drafting the transportation and traffic circulation element, the planning
- 363 commission shall:
- 364 (i)(A) consider and coordinate with the regional transportation plan developed by
- 365 the municipality's region's metropolitan planning organization, if the
- 366 municipality is within the boundaries of a metropolitan planning organization;
- 367 or
- 368 (B) consider and coordinate with the long-range transportation plan developed by

- 369 the Department of Transportation, if the municipality is not within the  
370 boundaries of a metropolitan planning organization; and
- 371 (ii) consider and coordinate with any station area plans adopted by the municipality if  
372 required under Section 10-9a-403.1.
- 373 (f) In drafting the water use and preservation element, the planning commission:
- 374 (i) shall consider:
- 375 (A) applicable regional water conservation goals recommended by the Division of  
376 Water Resources; and
- 377 (B) if Section 73-10-32 requires the municipality to adopt a water conservation  
378 plan pursuant to Section 73-10-32, the municipality's water conservation plan;
- 379 (ii) shall include a recommendation for:
- 380 (A) water conservation policies to be determined by the municipality; and  
381 (B) landscaping options within a public street for current and future development  
382 that do not require the use of lawn or turf in a parkstrip;
- 383 (iii) shall review the municipality's land use ordinances and include a  
384 recommendation for changes to an ordinance that promotes the inefficient use of  
385 water;
- 386 (iv) shall consider principles of sustainable landscaping, including the:
- 387 (A) reduction or limitation of the use of lawn or turf;  
388 (B) promotion of site-specific landscape design that decreases stormwater runoff  
389 or runoff of water used for irrigation;  
390 (C) preservation and use of healthy trees that have a reasonable water requirement  
391 or are resistant to dry soil conditions;  
392 (D) elimination or regulation of ponds, pools, and other features that promote  
393 unnecessary water evaporation;  
394 (E) reduction of yard waste; and  
395 (F) use of an irrigation system, including drip irrigation, best adapted to provide  
396 the optimal amount of water to the plants being irrigated;
- 397 (v) shall consult with the public water system or systems serving the municipality  
398 with drinking water regarding how implementation of the land use element and  
399 water use and preservation element may affect:
- 400 (A) water supply planning, including drinking water source and storage capacity  
401 consistent with Section 19-4-114; and  
402 (B) water distribution planning, including master plans, infrastructure asset

403 management programs and plans, infrastructure replacement plans, and impact  
404 fee facilities plans;

405 (vi) shall consult with the Division of Water Resources for information and technical  
406 resources regarding regional water conservation goals, including how  
407 implementation of the land use element and the water use and preservation  
408 element may affect the Great Salt Lake;

409 (vii) may include recommendations for additional water demand reduction strategies,  
410 including:

411 (A) creating a water budget associated with a particular type of development;

412 (B) adopting new or modified lot size, configuration, and landscaping standards  
413 that will reduce water demand for new single family development;

414 (C) providing one or more water reduction incentives for existing development  
415 such as modification of existing landscapes and irrigation systems and  
416 installation of water fixtures or systems that minimize water demand;

417 (D) discouraging incentives for economic development activities that do not  
418 adequately account for water use or do not include strategies for reducing  
419 water demand; and

420 (E) adopting water concurrency standards requiring that adequate water supplies  
421 and facilities are or will be in place for new development; and

422 (viii) for a town, may include, and for another municipality, shall include, a  
423 recommendation for low water use landscaping standards for a new:

424 (A) commercial, industrial, or institutional development;

425 (B) common interest community, as defined in Section 57-25-102; or

426 (C) multifamily housing project.

427 (3) The proposed general plan may include:

428 (a) an environmental element that addresses:

429 (i) the protection, conservation, development, and use of natural resources, including  
430 the quality of:

431 (A) air;

432 (B) forests;

433 (C) soils;

434 (D) rivers;

435 (E) groundwater and other waters;

436 (F) harbors;

- 437 (G) fisheries;
- 438 (H) wildlife;
- 439 (I) minerals; and
- 440 (J) other natural resources; and
- 441 (ii)(A) the reclamation of land, flood control, prevention and control of the
- 442 pollution of streams and other waters;
- 443 (B) the regulation of the use of land on hillsides, stream channels and other
- 444 environmentally sensitive areas;
- 445 (C) the prevention, control, and correction of the erosion of soils;
- 446 (D) the preservation and enhancement of watersheds and wetlands; and
- 447 (E) the mapping of known geologic hazards;
- 448 (b) a public services and facilities element showing general plans for sewage, water,
- 449 waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for
- 450 them, police and fire protection, and other public services;
- 451 (c) a rehabilitation, redevelopment, and conservation element consisting of plans and
- 452 programs for:
- 453 (i) historic preservation;
- 454 (ii) the diminution or elimination of a development impediment as defined in Section
- 455 17C-1-102; and
- 456 (iii) redevelopment of land, including housing sites, business and industrial sites, and
- 457 public building sites;
- 458 (d) an economic element composed of appropriate studies and forecasts, as well as an
- 459 economic development plan, which may include review of existing and projected
- 460 municipal revenue and expenditures, revenue sources, identification of basic and
- 461 secondary industry, primary and secondary market areas, employment, and retail
- 462 sales activity;
- 463 (e) recommendations for implementing all or any portion of the general plan, including
- 464 the adoption of land and water use ordinances, capital improvement plans,
- 465 community development and promotion, and any other appropriate action;
- 466 (f) provisions addressing any of the matters listed in Subsection 10-9a-401(2) or (3); and
- 467 (g) any other element the municipality considers appropriate.

468 Section 4. Section **10-9a-403.2** is enacted to read:

469 **10-9a-403.2 . Affordable home ownership density bonus for single-family**

470 **residential units.**

- 471 (1) As used in this section:
- 472 (a) "Affordable housing" means a dwelling:
- 473 (i) offered for sale to an owner-occupier at a purchase price affordable to a household
- 474 with a gross income of no more than 120% of area median income for the county
- 475 in which the residential unit is offered for sale; or
- 476 (ii) offered for rent at a rental price affordable to a household with a gross income of
- 477 no more than 80% of area median income for the county in which the residential
- 478 unit is offered for rent.
- 479 (b) "Owner-occupier" means an individual who owns, solely or jointly, a housing unit in
- 480 which the individual lives as the individual's primary residence.
- 481 (2) If a municipality approves an area to be developed at a minimum density of six
- 482 residential units per acre, either through a zoning ordinance or a development
- 483 agreement, the municipality may:
- 484 (a) adopt requirements to ensure:
- 485 (i) that some or all of the residential units offered for sale in the area be
- 486 deed-restricted for at least five years to ensure owner-occupancy; or
- 487 (ii) that some or all of the residential units in the area qualify as affordable housing;
- 488 and
- 489 (b) approve an applicant's request for additional single-family residential units per acre
- 490 in the area in exchange for one or more of the following:
- 491 (i) requiring at least 60% of the total single-family residential units being
- 492 deed-restricted to owner-occupancy for at least five years;
- 493 (ii) requiring at least 25% of the total single-family residential units being offered for
- 494 sale to an owner-occupier at a price point 80% or less of the median county home
- 495 price for housing of that type;
- 496 (iii) requiring at least 25% of the single-family residential units per acre to be no
- 497 larger than 1,600 square feet, excluding a garage; or
- 498 (iv) the applicant creating a preferential qualifying buyer program in which a
- 499 single-family residential unit is initially offered for sale, for up to 30 days, to a
- 500 category of preferred qualifying buyers established by the municipality.
- 501 (3) A municipality may offer additional incentives in an area approved for single-family
- 502 residential units to promote owner-occupied, affordable housing.

503 Section 5. Section **10-9a-403.3** is enacted to read:

504 **10-9a-403.3 . Affordable home ownership density bonus for multi-family**

505 **residential units.**

506 (1) As used in this section:

507 (a) "Affordable housing" means the same as that term is defined in Section 10-9a-403.2.

508 (b) "Owner-occupier" means the same as that term is defined in Section 10-9a-403.2.

509 (2) If a municipality approves an area to be developed at a minimum density of 20

510 residential units per acre, either through a zoning ordinance or a development

511 agreement, the municipality may:

512 (a) approve an applicant's request to build:

513 (i) up to 20% more residential units per acre than otherwise allowed in the area, if the  
514 residential units are intended for owner-occupiers; and

515 (ii) one or more additional stories of height on a multi-family residential building  
516 above the limit otherwise allowed, if the housing units in the multi-family

517 residential building are intended for owner-occupiers; and

518 (b) if the municipality approves a request described in Subsection (2)(a), implement one  
519 or more of the following requirements:

520 (i) requiring at least 60% of the total units in the multi-family residential building  
521 being deed-restricted to owner-occupancy for at least five years;

522 (ii) requiring at least 25% of the total units in the multi-family residential building  
523 being offered for sale to an owner-occupier at a price point 80% or less of the  
524 median county home price for housing of that type;

525 (iii) requiring at least 25% of the total units in a multi-family residential building to  
526 be no larger than 1,600 square feet, excluding a garage; or

527 (iv) the applicant creating a preferential qualifying buyer program in which a unit in a  
528 multi-family residential building is initially offered for sale, for up to 30 days, to a  
529 category of preferred qualifying buyers established by the municipality.

530 (3) A municipality may offer additional incentives in an area approved for multi-family  
531 residential units to promote owner-occupied, affordable housing.

532 Section 6. Section **10-9a-408** is amended to read:

533 **10-9a-408 . Moderate income housing report -- Contents -- Prioritization for**  
534 **funds or projects -- Ineligibility for funds after noncompliance -- Civil actions.**

535 (1) As used in this section:

536 (a) "Division" means the Housing and Community Development Division within the  
537 Department of Workforce Services.

538 (b) "Implementation plan" means the implementation plan adopted as part of the



- 539 moderate income housing element of a specified municipality's general plan as  
540 provided in Subsection 10-9a-403(2)(c).
- 541 (c) "Initial report" or "initial moderate income housing report" means the one-time report  
542 described in Subsection (2).
- 543 (d) "Moderate income housing strategy" means a strategy described in Subsection  
544 10-9a-403(2)(b)(iii).
- 545 (e) "Report" means an initial report or a subsequent progress report.
- 546 (f) "Specified municipality" means:
- 547 (i) a city of the first, second, third, or fourth class; or  
548 (ii) a city of the fifth class with a population of 5,000 or more, if the city is located  
549 within a county of the first, second, or third class.
- 550 (g) "Subsequent progress report" means the annual report described in Subsection (3).
- 551 (2)(a) The legislative body of a specified municipality shall submit an initial report to  
552 the division.
- 553 (b)(i) This Subsection (2)(b) applies to a municipality that is not a specified  
554 municipality as of January 1, 2023.
- 555 (ii) As of January 1, if a municipality described in Subsection (2)(b)(i) changes from  
556 one class to another or grows in population to qualify as a specified municipality,  
557 the municipality shall submit an initial plan to the division on or before August 1  
558 of the first calendar year beginning on January 1 in which the municipality  
559 qualifies as a specified municipality.
- 560 (c) The initial report shall:
- 561 (i) identify each moderate income housing strategy selected by the specified  
562 municipality for continued, ongoing, or one-time implementation, restating the  
563 exact language used to describe the moderate income housing strategy in  
564 Subsection 10-9a-403(2)(b)(iii); and  
565 (ii) include an implementation plan.
- 566 (3)(a) After the division approves a specified municipality's initial report under this  
567 section, the specified municipality shall, as an administrative act, annually submit to  
568 the division a subsequent progress report on or before August 1 of each year after the  
569 year in which the specified municipality is required to submit the initial report.
- 570 (b) The subsequent progress report shall include:
- 571 (i) subject to Subsection (3)(c), a description of each action, whether one-time or  
572 ongoing, taken by the specified municipality during the previous 12-month period

- 573 to implement the moderate income housing strategies identified in the initial  
574 report for implementation;
- 575 (ii) a description of each land use regulation or land use decision made by the  
576 specified municipality during the previous 12-month period to implement the  
577 moderate income housing strategies, including an explanation of how the land use  
578 regulation or land use decision supports the specified municipality's efforts to  
579 implement the moderate income housing strategies;
- 580 (iii) a description of any barriers encountered by the specified municipality in the  
581 previous 12-month period in implementing the moderate income housing  
582 strategies;
- 583 (iv) information regarding the number of internal and external or detached accessory  
584 dwelling units located within the specified municipality for which the specified  
585 municipality:
- 586 (A) issued a building permit to construct; or  
587 (B) issued a business license or comparable license or permit to rent;
- 588 (v) the number of residential dwelling units that have been entitled that have not  
589 received a building permit as of the submission date of the progress report;
- 590 (vi) shapefiles, or website links if shapefiles are not available, to current maps and  
591 tables related to zoning;
- 592 (vii) a description of how the market has responded to the selected moderate income  
593 housing strategies, including the number of entitled moderate income housing  
594 units or other relevant data; and
- 595 (viii) any recommendations on how the state can support the specified municipality  
596 in implementing the moderate income housing strategies.
- 597 (c) For purposes of describing actions taken by a specified municipality under  
598 Subsection (3)(b)(i), the specified municipality may include an ongoing action taken  
599 by the specified municipality prior to the 12-month reporting period applicable to the  
600 subsequent progress report if the specified municipality:
- 601 (i) has already adopted an ordinance, approved a land use application, made an  
602 investment, or approved an agreement or financing that substantially promotes the  
603 implementation of a moderate income housing strategy identified in the initial  
604 report; and
- 605 (ii) demonstrates in the subsequent progress report that the action taken under  
606 Subsection (3)(c)(i) is relevant to making meaningful progress towards the

- 607 specified municipality's implementation plan.
- 608 (d) A specified municipality's report shall be in a form:
- 609 (i) approved by the division; and
- 610 (ii) made available by the division on or before May 1 of the year in which the report
- 611 is required.
- 612 (4) Within 90 days after the day on which the division receives a specified municipality's
- 613 report, the division shall:
- 614 (a) post the report on the division's website;
- 615 (b) send a copy of the report to the Department of Transportation, the Governor's Office
- 616 of Planning and Budget, the association of governments in which the specified
- 617 municipality is located, and, if the specified municipality is located within the
- 618 boundaries of a metropolitan planning organization, the appropriate metropolitan
- 619 planning organization; and
- 620 (c) subject to Subsection (5), review the report to determine compliance with this section.
- 621 (5)(a) An initial report [~~does not comply~~] complies with this section [~~unless~~] if the report:
- 622 (i) includes the information required under Subsection (2)(c);
- 623 (ii) demonstrates to the division that the specified municipality made plans to
- 624 implement:
- 625 (A) except as provided in Subsection (5)(c), three or more moderate income
- 626 housing strategies if the specified municipality does not have a fixed guideway
- 627 public transit station; or
- 628 (B) [~~subject to Subsection 10-9a-403(2)(b)(iv), five or more moderate income~~
- 629 ~~housing strategies]~~ if the specified municipality has a fixed guideway public
- 630 transit station;
- 631 (I) five or more of the moderate income housing strategies described in
- 632 Subsection (2)(b)(iii), of which one shall be the moderate income housing
- 633 strategy described in Subsection (2)(b)(iii)(U) and one shall be a moderate
- 634 income housing strategy described in Subsection (2)(b)(iii)(G) or (H); or
- 635 (II) the moderate income housing strategy described in Subsection
- 636 (2)(b)(iii)(U), one of the moderate income housing strategies described in
- 637 Sections (2)(b)(iii)(X) through (CC), and one moderate income strategy
- 638 described in Subsection (2)(b)(iii); and
- 639 (iii) is in a form approved by the division.
- 640 (b) A subsequent progress report [~~does not comply~~] complies with this section [~~unless~~] if

- 641 the report:
- 642 (i) demonstrates to the division that the specified municipality made plans to
- 643 implement:
- 644 (A) except as provided in Subsection (5)(c), three or more moderate income
- 645 housing strategies if the specified municipality does not have a fixed guideway
- 646 public transit station; or
- 647 (B) [~~subject to the requirements of Subsection 10-9a-403(2)(a)(iii)(D), five or~~
- 648 ~~more moderate income housing strategies~~]if the specified municipality has a
- 649 fixed guideway public transit station:[:]
- 650 (I) five or more of the moderate income housing strategies described in
- 651 Subsection 10-9a-403(2)(b)(iii), of which one shall be the moderate income
- 652 housing strategy described in Subsection 10-9a-403(2)(b)(iii)(U) and one
- 653 shall be a moderate income housing strategy described in Subsection
- 654 10-9a-403(2)(b)(iii)(G) or (H); or
- 655 (II) the moderate income housing strategy described in Subsection
- 656 (2)(b)(iii)(U), one of the moderate income housing strategies described in
- 657 Sections (2)(b)(iii)(X) through (CC), and one moderate income strategy
- 658 described in Subsection (2)(b)(iii);
- 659 (ii) is in a form approved by the division; and
- 660 (iii) provides sufficient information for the division to:
- 661 (A) assess the specified municipality's progress in implementing the moderate
- 662 income housing strategies;
- 663 (B) monitor compliance with the specified municipality's implementation plan;
- 664 (C) identify a clear correlation between the specified municipality's land use
- 665 regulations and land use decisions and the specified municipality's efforts to
- 666 implement the moderate income housing strategies;
- 667 (D) identify how the market has responded to the specified municipality's selected
- 668 moderate income housing strategies; and
- 669 (E) identify any barriers encountered by the specified municipality in
- 670 implementing the selected moderate income housing strategies.
- 671 (c) If a specified municipality that does not have a fixed guideway public transit station
- 672 implements one of the following moderate income housing strategies, the division
- 673 shall consider that one moderate income housing strategy to be the equivalent of
- 674 three moderate income housing strategies:

- 675            (i) a housing and rapid transit zone, as described in Subsection  
676            10-9a-403(2)(a)(iii)(X);
- 677            (ii) a home ownership promotion zone, as described in Subsection  
678            10-9a-403(2)(a)(iii)(Y);
- 679            (iii) a first home ownership promotion zone, described in Subsection  
680            10-9a-403(2)(a)(iii)(Z);
- 681            (iv) the approval of a project described in Subsection 10-9a-403(2)(a)(iii)(AA);  
682            (v) an affordable home ownership density bonus for single-family residential units, as  
683            described in Subsection 10-9a-403(2)(a)(iii)(BB); or
- 684            (vi) an affordable home ownership density bonus for multi-family residential units, as  
685            described in Subsection 10-9a-403(2)(a)(iii)(CC).
- 686 (6)(a) A specified municipality qualifies for priority consideration under this Subsection
- 687        (6) if the specified municipality's report:
- 688            (i) complies with this section; and
- 689            (ii) demonstrates to the division that the specified municipality made plans to
- 690            implement:
- 691                    (A) five or more moderate income housing strategies if the specified municipality
- 692                    does not have a fixed guideway public transit station; or
- 693                    (B) six or more moderate income housing strategies if the specified municipality
- 694                    has a fixed guideway public transit station.
- 695        (b) The Transportation Commission may, in accordance with Subsection 72-1-304(3)(c),
- 696            give priority consideration to transportation projects located within the boundaries of
- 697            a specified municipality described in Subsection (6)(a) until the Department of
- 698            Transportation receives notice from the division under Subsection (6)(e).
- 699        (c) Upon determining that a specified municipality qualifies for priority consideration
- 700            under this Subsection (6), the division shall send a notice of prioritization to the
- 701            legislative body of the specified municipality and the Department of Transportation.
- 702        (d) The notice described in Subsection (6)(c) shall:
- 703            (i) name the specified municipality that qualifies for priority consideration;
- 704            (ii) describe the funds or projects for which the specified municipality qualifies to
- 705            receive priority consideration; and
- 706            (iii) state the basis for the division's determination that the specified municipality
- 707            qualifies for priority consideration.
- 708        (e) The division shall notify the legislative body of a specified municipality and the

- 709 Department of Transportation in writing if the division determines that the specified  
710 municipality no longer qualifies for priority consideration under this Subsection (6).
- 711 (7)(a) If the division, after reviewing a specified municipality's report, determines that  
712 the report does not comply with this section, the division shall send a notice of  
713 noncompliance to the legislative body of the specified municipality.
- 714 (b) A specified municipality that receives a notice of noncompliance may:
- 715 (i) cure each deficiency in the report within 90 days after the day on which the notice  
716 of noncompliance is sent; or
- 717 (ii) request an appeal of the division's determination of noncompliance within 10  
718 days after the day on which the notice of noncompliance is sent.
- 719 (c) The notice described in Subsection (7)(a) shall:
- 720 (i) describe each deficiency in the report and the actions needed to cure each  
721 deficiency;
- 722 (ii) state that the specified municipality has an opportunity to:
- 723 (A) submit to the division a corrected report that cures each deficiency in the  
724 report within 90 days after the day on which the notice of compliance is sent; or
- 725 (B) submit to the division a request for an appeal of the division's determination of  
726 noncompliance within 10 days after the day on which the notice of  
727 noncompliance is sent; and
- 728 (iii) state that failure to take action under Subsection (7)(c)(ii) will result in the  
729 specified municipality's ineligibility for funds under Subsection (9).
- 730 (d) For purposes of curing the deficiencies in a report under this Subsection (7), if the  
731 action needed to cure the deficiency as described by the division requires the  
732 specified municipality to make a legislative change, the specified municipality may  
733 cure the deficiency by making that legislative change within the 90-day cure period.
- 734 (e)(i) If a specified municipality submits to the division a corrected report in  
735 accordance with Subsection (7)(b)(i) and the division determines that the  
736 corrected report does not comply with this section, the division shall send a  
737 second notice of noncompliance to the legislative body of the specified  
738 municipality within 30 days after the day on which the corrected report is  
739 submitted.
- 740 (ii) A specified municipality that receives a second notice of noncompliance may  
741 submit to the division a request for an appeal of the division's determination of  
742 noncompliance within 10 days after the day on which the second notice of

- 743 noncompliance is sent.
- 744 (iii) The notice described in Subsection (7)(e)(i) shall:
- 745 (A) state that the specified municipality has an opportunity to submit to the
- 746 division a request for an appeal of the division's determination of
- 747 noncompliance within 10 days after the day on which the second notice of
- 748 noncompliance is sent; and
- 749 (B) state that failure to take action under Subsection (7)(e)(iii)(A) will result in the
- 750 specified municipality's ineligibility for funds under Subsection (9).
- 751 (8)(a) A specified municipality that receives a notice of noncompliance under
- 752 Subsection (7)(a) or (7)(e)(i) may request an appeal of the division's determination of
- 753 noncompliance within 10 days after the day on which the notice of noncompliance is
- 754 sent.
- 755 (b) Within 90 days after the day on which the division receives a request for an appeal,
- 756 an appeal board consisting of the following three members shall review and issue a
- 757 written decision on the appeal:
- 758 (i) one individual appointed by the Utah League of Cities and Towns;
- 759 (ii) one individual appointed by the Utah Homebuilders Association; and
- 760 (iii) one individual appointed by the presiding member of the association of
- 761 governments, established pursuant to an interlocal agreement under Title 11,
- 762 Chapter 13, Interlocal Cooperation Act, of which the specified municipality is a
- 763 member.
- 764 (c) The written decision of the appeal board shall either uphold or reverse the division's
- 765 determination of noncompliance.
- 766 (d) The appeal board's written decision on the appeal is final.
- 767 (9)(a) A specified municipality is ineligible for funds under this Subsection (9) if:
- 768 (i) the specified municipality fails to submit a report to the division;
- 769 (ii) after submitting a report to the division, the division determines that the report
- 770 does not comply with this section and the specified municipality fails to:
- 771 (A) cure each deficiency in the report within 90 days after the day on which the
- 772 notice of noncompliance is sent; or
- 773 (B) request an appeal of the division's determination of noncompliance within 10
- 774 days after the day on which the notice of noncompliance is sent;
- 775 (iii) after submitting to the division a corrected report to cure the deficiencies in a
- 776 previously submitted report, the division determines that the corrected report does

- 777 not comply with this section and the specified municipality fails to request an  
778 appeal of the division's determination of noncompliance within 10 days after the  
779 day on which the second notice of noncompliance is sent; or
- 780 (iv) after submitting a request for an appeal under Subsection (8), the appeal board  
781 issues a written decision upholding the division's determination of noncompliance.
- 782 (b) The following apply to a specified municipality described in Subsection (9)(a) until  
783 the division provides notice under Subsection (9)(e):
- 784 (i) the executive director of the Department of Transportation may not program funds  
785 from the Transportation Investment Fund of 2005, including the Transit  
786 Transportation Investment Fund, to projects located within the boundaries of the  
787 specified municipality in accordance with Subsection 72-2-124(5);
- 788 (ii) beginning with a report submitted in 2024, the specified municipality shall pay a  
789 fee to the Olene Walker Housing Loan Fund in the amount of \$250 per day that  
790 the specified municipality:
- 791 (A) fails to submit the report to the division in accordance with this section,  
792 beginning the day after the day on which the report was due; or
- 793 (B) fails to cure the deficiencies in the report, beginning the day after the day by  
794 which the cure was required to occur as described in the notice of  
795 noncompliance under Subsection (7); and
- 796 (iii) beginning with the report submitted in 2025, the specified municipality shall pay  
797 a fee to the Olene Walker Housing Loan Fund in the amount of \$500 per day that  
798 the specified municipality, in a consecutive year:
- 799 (A) fails to submit the report to the division in accordance with this section,  
800 beginning the day after the day on which the report was due; or
- 801 (B) fails to cure the deficiencies in the report, beginning the day after the day by  
802 which the cure was required to occur as described in the notice of  
803 noncompliance under Subsection (7).
- 804 (c) Upon determining that a specified municipality is ineligible for funds under this  
805 Subsection (9), and is required to pay a fee under Subsection (9)(b), if applicable, the  
806 division shall send a notice of ineligibility to the legislative body of the specified  
807 municipality, the Department of Transportation, the State Tax Commission, and the  
808 Governor's Office of Planning and Budget.
- 809 (d) The notice described in Subsection (9)(c) shall:
- 810 (i) name the specified municipality that is ineligible for funds;



- 811 (ii) describe the funds for which the specified municipality is ineligible to receive;
- 812 (iii) describe the fee the specified municipality is required to pay under Subsection
- 813 (9)(b), if applicable; and
- 814 (iv) state the basis for the division's determination that the specified municipality is
- 815 ineligible for funds.
- 816 (e) The division shall notify the legislative body of a specified municipality and the
- 817 Department of Transportation in writing if the division determines that the provisions
- 818 of this Subsection (9) no longer apply to the specified municipality.
- 819 (f) The division may not determine that a specified municipality that is required to pay a
- 820 fee under Subsection (9)(b) is in compliance with the reporting requirements of this
- 821 section until the specified municipality pays all outstanding fees required under
- 822 Subsection (9)(b) to the Olene Walker Housing Loan Fund, created under Title 35A,
- 823 Chapter 8, Part 5, Olene Walker Housing Loan Fund.
- 824 (10) In a civil action seeking enforcement or claiming a violation of this section or of
- 825 Subsection 10-9a-404(4)(c), a plaintiff may not recover damages but may be awarded
- 826 only injunctive or other equitable relief.
- 827 Section 7. Section **10-9a-535** is amended to read:
- 828 **10-9a-535 . Moderate income housing.**
- 829 (1) A municipality may only require the development of a certain number of moderate
- 830 income housing units as a condition of approval of a land use application if:
- 831 (a) the municipality and the applicant enter into a written agreement regarding the
- 832 number of moderate income housing units; ~~[or]~~
- 833 (b) the municipality provides incentives for an applicant who agrees to include moderate
- 834 income housing units in a development~~[-]~~ ; or
- 835 (c) the municipality offers or approves, and an applicant accepts, an incentive described
- 836 in Section 10-9a-403.2 or 10-9a-403.3.
- 837 (2) If an applicant does not agree to participate in the development of moderate income
- 838 housing units under Subsection (1)(a) or (b), a municipality may not take into
- 839 consideration the applicant's decision in the municipality's determination of whether to
- 840 approve or deny a land use application.
- 841 (3) Notwithstanding Subsections (1) and (2), a municipality that imposes a resort
- 842 community sales and use tax as described in Section 59-12-401, may require the
- 843 development of a certain number of moderate income housing units as a condition of
- 844 approval of a land use application if the requirement is in accordance with an ordinance

845 enacted by the municipality before January 1, 2022.

846 Section 8. Section **17-27a-102** is amended to read:

847 **17-27a-102 . Purposes -- General land use authority -- Limitations.**

848 (1)(a) The purposes of this chapter are to:

849 (i) provide for the health, safety, and welfare;

850 (ii) promote the prosperity;

851 (iii) improve the morals, peace, good order, comfort, convenience, and aesthetics of  
852 each county and each county's present and future inhabitants and businesses;

853 (iv) protect the tax base;

854 (v) secure economy in governmental expenditures;

855 (vi) foster the state's agricultural and other industries;

856 (vii) protect both urban and nonurban development;

857 (viii) protect and ensure access to sunlight for solar energy devices;

858 (ix) provide fundamental fairness in land use regulation;

859 (x) facilitate orderly growth, ~~[and]~~ allow growth in a variety of housing types, and  
860 contribute toward housing affordability; and

861 (xi) protect property values.

862 (b) Subject to Subsection (4) and Section 11-41-103, to accomplish the purposes of this  
863 chapter, a county may enact all ordinances, resolutions, and rules and may enter into  
864 other forms of land use controls and development agreements that the county  
865 considers necessary or appropriate for the use and development of land within the  
866 unincorporated area of the county or a designated mountainous planning district,  
867 including ordinances, resolutions, rules, restrictive covenants, easements, and  
868 development agreements governing:

869 (i) uses;

870 (ii) density;

871 (iii) open spaces;

872 (iv) structures;

873 (v) buildings;

874 (vi) energy-efficiency;

875 (vii) light and air;

876 (viii) air quality;

877 (ix) transportation and public or alternative transportation;

878 (x) infrastructure;

879 (xi) street and building orientation and width requirements;  
880 (xii) public facilities;  
881 (xiii) fundamental fairness in land use regulation; and  
882 (xiv) considerations of surrounding land uses to balance the foregoing purposes with  
883 a landowner's private property interests and associated statutory and constitutional  
884 protections.

885 (2) Each county shall comply with the mandatory provisions of this part before any  
886 agreement or contract to provide goods, services, or municipal-type services to any  
887 storage facility or transfer facility for high-level nuclear waste, or greater than class C  
888 radioactive waste, may be executed or implemented.

889 (3)(a) Any ordinance, resolution, or rule enacted by a county pursuant to its authority  
890 under this chapter shall comply with the state's exclusive jurisdiction to regulate oil  
891 and gas activity, as described in Section 40-6-2.5.

892 (b) A county may enact an ordinance, resolution, or rule that regulates surface activity  
893 incident to an oil and gas activity if the county demonstrates that the regulation:

894 (i) is necessary for the purposes of this chapter;

895 (ii) does not effectively or unduly limit, ban, or prohibit an oil and gas activity; and

896 (iii) does not interfere with the state's exclusive jurisdiction to regulate oil and gas  
897 activity, as described in Section 40-6-2.5.

898 (4)(a) This Subsection (4) applies to development agreements entered into on or after  
899 May 5, 2021.

900 (b) A provision in a county development agreement is unenforceable if the provision  
901 requires an individual or an entity, as a condition for issuing building permits or  
902 otherwise regulating development activities within an unincorporated area of the  
903 county, to initiate a process for a municipality to annex the unincorporated area in  
904 accordance with Title 10, Chapter 2, Part 4, Annexation.

905 (c) Subsection (4)(b) does not affect or impair the enforceability of any other provision  
906 in the development agreement.

907 Section 9. Section **17-27a-403** is amended to read:

908 **17-27a-403 . General plan preparation.**

909 (1)(a) The planning commission shall provide notice, as provided in Section 17-27a-203,  
910 of the planning commission's intent to make a recommendation to the county  
911 legislative body for a general plan or a comprehensive general plan amendment when  
912 the planning commission initiates the process of preparing the planning commission's

- 913 recommendation.
- 914 (b) The planning commission shall make and recommend to the legislative body a  
915 proposed general plan for:
- 916 (i) the unincorporated area within the county; or  
917 (ii) if the planning commission is a planning commission for a mountainous planning  
918 district, the mountainous planning district.
- 919 (c)(i) The plan may include planning for incorporated areas if, in the planning  
920 commission's judgment, they are related to the planning of the unincorporated  
921 territory or of the county as a whole.
- 922 (ii) Elements of the county plan that address incorporated areas are not an official  
923 plan or part of a municipal plan for any municipality, unless the county plan is  
924 recommended by the municipal planning commission and adopted by the  
925 governing body of the municipality.
- 926 (2)(a) At a minimum, the proposed general plan, with the accompanying maps, charts,  
927 and descriptive and explanatory matter, shall include the planning commission's  
928 recommendations for the following plan elements:
- 929 (i) a land use element that:
- 930 (A) designates the long-term goals and the proposed extent, general distribution,  
931 and location of land for housing for residents of various income levels,  
932 business, industry, agriculture, recreation, education, public buildings and  
933 grounds, open space, and other categories of public and private uses of land as  
934 appropriate;
- 935 (B) includes a statement of the projections for and standards of population density  
936 and building intensity recommended for the various land use categories  
937 covered by the plan;
- 938 (C) is coordinated to integrate the land use element with the water use and  
939 preservation element; and
- 940 (D) accounts for the effect of land use categories and land uses on water demand;
- 941 (ii) a transportation and traffic circulation element that:
- 942 (A) provides the general location and extent of existing and proposed freeways,  
943 arterial and collector streets, public transit, active transportation facilities, and  
944 other modes of transportation that the planning commission considers  
945 appropriate;
- 946 (B) addresses the county's plan for residential and commercial development

- 947 around major transit investment corridors to maintain and improve the  
948 connections between housing, employment, education, recreation, and  
949 commerce; and
- 950 (C) correlates with the population projections, the employment projections, and  
951 the proposed land use element of the general plan;
- 952 (iii) for a specified county as defined in Section 17-27a-408, a moderate income  
953 housing element that:
- 954 (A) provides a realistic opportunity to meet the need for additional moderate  
955 income housing within the next five years;
- 956 (B) selects three or more moderate income housing strategies described in [  
957 ~~Subsection~~] Subsections (2)(b)(ii)(A) through (V), or one moderate income  
958 housing strategy described in Subsections (2)(b)(ii)(W) through (BB), for  
959 implementation; and
- 960 (C) includes an implementation plan as provided in Subsection [~~(2)(e)~~] (2)(g);
- 961 (iv) a resource management plan detailing the findings, objectives, and policies  
962 required by Subsection 17-27a-401(3); and
- 963 (v) a water use and preservation element that addresses:
- 964 (A) the effect of permitted development or patterns of development on water  
965 demand and water infrastructure;
- 966 (B) methods of reducing water demand and per capita consumption for future  
967 development;
- 968 (C) methods of reducing water demand and per capita consumption for existing  
969 development; and
- 970 (D) opportunities for the county to modify the county's operations to eliminate  
971 practices or conditions that waste water.
- 972 (b) In drafting the moderate income housing element, the planning commission:
- 973 (i) shall consider the Legislature's determination that counties should facilitate a  
974 reasonable opportunity for a variety of housing, including moderate income  
975 housing:
- 976 (A) to meet the needs of people of various income levels living, working, or  
977 desiring to live or work in the community; and
- 978 (B) to allow people with various incomes to benefit from and fully participate in  
979 all aspects of neighborhood and community life; and
- 980 (ii) shall include an analysis of how the county will provide a realistic opportunity for

- 981 the development of moderate income housing within the planning horizon,  
982 including a recommendation to implement three or more of the following  
983 moderate income housing strategies:
- 984 (A) rezone for densities necessary to facilitate the production of moderate income  
985 housing;
  - 986 (B) demonstrate investment in the rehabilitation or expansion of infrastructure that  
987 facilitates the construction of moderate income housing;
  - 988 (C) demonstrate investment in the rehabilitation of existing uninhabitable housing  
989 stock into moderate income housing;
  - 990 (D) identify and utilize county general fund subsidies or other sources of revenue  
991 to waive construction related fees that are otherwise generally imposed by the  
992 county for the construction or rehabilitation of moderate income housing;
  - 993 (E) create or allow for, and reduce regulations related to, internal or detached  
994 accessory dwelling units in residential zones;
  - 995 (F) zone or rezone for higher density or moderate income residential development  
996 in commercial or mixed-use zones, commercial centers, or employment centers;
  - 997 (G) amend land use regulations to allow for higher density or new moderate  
998 income residential development in commercial or mixed-use zones near major  
999 transit investment corridors;
  - 1000 (H) amend land use regulations to eliminate or reduce parking requirements for  
1001 residential development where a resident is less likely to rely on the resident's  
1002 own vehicle, such as residential development near major transit investment  
1003 corridors or senior living facilities;
  - 1004 (I) amend land use regulations to allow for single room occupancy developments;
  - 1005 (J) implement zoning incentives for moderate income units in new developments;
  - 1006 (K) preserve existing and new moderate income housing and subsidized units by  
1007 utilizing a landlord incentive program, providing for deed restricted units  
1008 through a grant program, or establishing a housing loss mitigation fund;
  - 1009 (L) reduce, waive, or eliminate impact fees related to moderate income housing;
  - 1010 (M) demonstrate creation of, or participation in, a community land trust program  
1011 for moderate income housing;
  - 1012 (N) implement a mortgage assistance program for employees of the county, an  
1013 employer that provides contracted services for the county, or any other public  
1014 employer that operates within the county;

- 1015 (O) apply for or partner with an entity that applies for state or federal funds or tax  
 1016 incentives to promote the construction of moderate income housing, an entity  
 1017 that applies for programs offered by the Utah Housing Corporation within that  
 1018 agency's funding capacity, an entity that applies for affordable housing  
 1019 programs administered by the Department of Workforce Services, an entity  
 1020 that applies for services provided by a public housing authority to preserve and  
 1021 create moderate income housing, or any other entity that applies for programs  
 1022 or services that promote the construction or preservation of moderate income  
 1023 housing;
- 1024 (P) demonstrate utilization of a moderate income housing set aside from a  
 1025 community reinvestment agency, redevelopment agency, or community  
 1026 development and renewal agency to create or subsidize moderate income  
 1027 housing;
- 1028 [~~(Q)~~ create a housing and transit reinvestment zone pursuant to Title 63N, Chapter  
 1029 3, Part 6, Housing and Transit Reinvestment Zone Act;]
- 1030 [~~(R)~~ create a home ownership promotion zone pursuant to Part 12, Home  
 1031 Ownership Promotion Zone for Counties;]
- 1032 [~~(S)~~ (Q) eliminate impact fees for any accessory dwelling unit that is not an  
 1033 internal accessory dwelling unit as defined in Section 10-9a-530;
- 1034 [~~(T)~~ (R) create a program to transfer development rights for moderate income  
 1035 housing;
- 1036 [~~(U)~~ (S) ratify a joint acquisition agreement with another local political  
 1037 subdivision for the purpose of combining resources to acquire property for  
 1038 moderate income housing;
- 1039 [~~(V)~~ (T) develop a moderate income housing project for residents who are  
 1040 disabled or 55 years old or older;
- 1041 [~~(W)~~ (U) create or allow for, and reduce regulations related to, multifamily  
 1042 residential dwellings compatible in scale and form with detached single-family  
 1043 residential dwellings and located in walkable communities within residential or  
 1044 mixed-use zones; ~~and~~]
- 1045 [~~(X)~~ (V) demonstrate implementation of any other program or strategy to address  
 1046 the housing needs of residents of the county who earn less than 80% of the area  
 1047 median income, including the dedication of a local funding source to moderate  
 1048 income housing or the adoption of a land use ordinance that requires 10% or

- 1049 more of new residential development in a residential zone be dedicated to  
 1050 moderate income housing[-] ;
- 1051 (W) create a housing and transit reinvestment zone pursuant to Title 63N, Chapter  
 1052 3, Part 6, Housing and Transit Reinvestment Zone Act;
- 1053 (X) create a home ownership investment zone in accordance with Part 12, Home  
 1054 Ownership Promotion Zone for Counties;
- 1055 (Y) create a first home investment zone in accordance with Title 63N, Chapter 3,  
 1056 Part 16, First Home Investment Zone Act;
- 1057 (Z) approve a project that receives funding from, or qualifies to receive funding  
 1058 from, the Utah Homes Investment Program created in Title 51, Chapter 12,  
 1059 Utah Homes Investment Program;
- 1060 (AA) adopt or approve an affordable home ownership density bonus for  
 1061 single-family residential units, as described in Section 17-27a-403.1; and
- 1062 (BB) adopt or approve an affordable home ownership density bonus for  
 1063 multi-family residential units, as described in Section 17-27a-403.2.
- 1064 (c) If a specified county, as defined in Section 17-27a-408, has created a small public  
 1065 transit district, as defined in Section 17B-2a-802, on or before January 1, 2022, the  
 1066 specified county shall include as part of the specified county's recommended  
 1067 strategies under Subsection (2)(b)(ii) a recommendation to implement the strategy  
 1068 described in Subsection [~~(2)(b)(ii)(Q)~~] (2)(b)(ii)(W).
- 1069 (d) The planning commission shall identify each moderate income housing strategy  
 1070 recommended to the legislative body for implementation by restating the exact  
 1071 language used to describe the strategy in Subsection (2)(b)(ii).
- 1072 (e) In drafting the land use element, the planning commission shall:
- 1073 (i) identify and consider each agriculture protection area within the unincorporated  
 1074 area of the county or mountainous planning district;
- 1075 (ii) avoid proposing a use of land within an agriculture protection area that is  
 1076 inconsistent with or detrimental to the use of the land for agriculture; and
- 1077 (iii) consider and coordinate with any station area plans adopted by municipalities  
 1078 located within the county under Section 10-9a-403.1.
- 1079 (f) In drafting the transportation and traffic circulation element, the planning  
 1080 commission shall:
- 1081 (i)(A) consider and coordinate with the regional transportation plan developed by  
 1082 the county's region's metropolitan planning organization, if the relevant areas



- 1083 of the county are within the boundaries of a metropolitan planning  
1084 organization; or
- 1085 (B) consider and coordinate with the long-range transportation plan developed by  
1086 the Department of Transportation, if the relevant areas of the county are not  
1087 within the boundaries of a metropolitan planning organization; and
- 1088 (ii) consider and coordinate with any station area plans adopted by municipalities  
1089 located within the county under Section 10-9a-403.1.
- 1090 (g)(i) In drafting the implementation plan portion of the moderate income housing  
1091 element as described in Subsection (2)(a)(iii)(C), the planning commission shall  
1092 recommend to the legislative body the establishment of a five-year timeline for  
1093 implementing each of the moderate income housing strategies selected by the  
1094 county for implementation.
- 1095 (ii) The timeline described in Subsection (2)(g)(i) shall:
- 1096 (A) identify specific measures and benchmarks for implementing each moderate  
1097 income housing strategy selected by the county; and
- 1098 (B) provide flexibility for the county to make adjustments as needed.
- 1099 (h) In drafting the water use and preservation element, the planning commission:
- 1100 (i) shall consider applicable regional water conservation goals recommended by the  
1101 Division of Water Resources;
- 1102 (ii) shall consult with the Division of Water Resources for information and technical  
1103 resources regarding regional water conservation goals, including how  
1104 implementation of the land use element and water use and preservation element  
1105 may affect the Great Salt Lake;
- 1106 (iii) shall notify the community water systems serving drinking water within the  
1107 unincorporated portion of the county and request feedback from the community  
1108 water systems about how implementation of the land use element and water use  
1109 and preservation element may affect:
- 1110 (A) water supply planning, including drinking water source and storage capacity  
1111 consistent with Section 19-4-114; and
- 1112 (B) water distribution planning, including master plans, infrastructure asset  
1113 management programs and plans, infrastructure replacement plans, and impact  
1114 fee facilities plans;
- 1115 (iv) shall consider the potential opportunities and benefits of planning for  
1116 regionalization of public water systems;

- 1117 (v) shall consult with the Department of Agriculture and Food for information and  
1118 technical resources regarding the potential benefits of agriculture conservation  
1119 easements and potential implementation of agriculture water optimization projects  
1120 that would support regional water conservation goals;
- 1121 (vi) shall notify an irrigation or canal company located in the county so that the  
1122 irrigation or canal company can be involved in the protection and integrity of the  
1123 irrigation or canal company's delivery systems;
- 1124 (vii) shall include a recommendation for:
- 1125 (A) water conservation policies to be determined by the county; and  
1126 (B) landscaping options within a public street for current and future development  
1127 that do not require the use of lawn or turf in a parkstrip;
- 1128 (viii) shall review the county's land use ordinances and include a recommendation for  
1129 changes to an ordinance that promotes the inefficient use of water;
- 1130 (ix) shall consider principles of sustainable landscaping, including the:
- 1131 (A) reduction or limitation of the use of lawn or turf;  
1132 (B) promotion of site-specific landscape design that decreases stormwater runoff  
1133 or runoff of water used for irrigation;  
1134 (C) preservation and use of healthy trees that have a reasonable water requirement  
1135 or are resistant to dry soil conditions;  
1136 (D) elimination or regulation of ponds, pools, and other features that promote  
1137 unnecessary water evaporation;  
1138 (E) reduction of yard waste; and  
1139 (F) use of an irrigation system, including drip irrigation, best adapted to provide  
1140 the optimal amount of water to the plants being irrigated;
- 1141 (x) may include recommendations for additional water demand reduction strategies,  
1142 including:
- 1143 (A) creating a water budget associated with a particular type of development;  
1144 (B) adopting new or modified lot size, configuration, and landscaping standards  
1145 that will reduce water demand for new single family development;  
1146 (C) providing one or more water reduction incentives for existing landscapes and  
1147 irrigation systems and installation of water fixtures or systems that minimize  
1148 water demand;  
1149 (D) discouraging incentives for economic development activities that do not  
1150 adequately account for water use or do not include strategies for reducing

- 1151 water demand; and
- 1152 (E) adopting water concurrency standards requiring that adequate water supplies
- 1153 and facilities are or will be in place for new development; and
- 1154 (xi) shall include a recommendation for low water use landscaping standards for a
- 1155 new:
- 1156 (A) commercial, industrial, or institutional development;
- 1157 (B) common interest community, as defined in Section 57-25-102; or
- 1158 (C) multifamily housing project.
- 1159 (3) The proposed general plan may include:
- 1160 (a) an environmental element that addresses:
- 1161 (i) to the extent not covered by the county's resource management plan, the
- 1162 protection, conservation, development, and use of natural resources, including the
- 1163 quality of:
- 1164 (A) air;
- 1165 (B) forests;
- 1166 (C) soils;
- 1167 (D) rivers;
- 1168 (E) groundwater and other waters;
- 1169 (F) harbors;
- 1170 (G) fisheries;
- 1171 (H) wildlife;
- 1172 (I) minerals; and
- 1173 (J) other natural resources; and
- 1174 (ii)(A) the reclamation of land, flood control, prevention and control of the
- 1175 pollution of streams and other waters;
- 1176 (B) the regulation of the use of land on hillsides, stream channels and other
- 1177 environmentally sensitive areas;
- 1178 (C) the prevention, control, and correction of the erosion of soils;
- 1179 (D) the preservation and enhancement of watersheds and wetlands; and
- 1180 (E) the mapping of known geologic hazards;
- 1181 (b) a public services and facilities element showing general plans for sewage, water,
- 1182 waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for
- 1183 them, police and fire protection, and other public services;
- 1184 (c) a rehabilitation, redevelopment, and conservation element consisting of plans and

- 1185 programs for:
- 1186 (i) historic preservation;
- 1187 (ii) the diminution or elimination of a development impediment as defined in Section
- 1188 17C-1-102; and
- 1189 (iii) redevelopment of land, including housing sites, business and industrial sites, and
- 1190 public building sites;
- 1191 (d) an economic element composed of appropriate studies and forecasts, as well as an
- 1192 economic development plan, which may include review of existing and projected
- 1193 county revenue and expenditures, revenue sources, identification of basic and
- 1194 secondary industry, primary and secondary market areas, employment, and retail
- 1195 sales activity;
- 1196 (e) recommendations for implementing all or any portion of the general plan, including
- 1197 the adoption of land and water use ordinances, capital improvement plans,
- 1198 community development and promotion, and any other appropriate action;
- 1199 (f) provisions addressing any of the matters listed in Subsection 17-27a-401(2) or
- 1200 (3)(a)(i); and
- 1201 (g) any other element the county considers appropriate.

1202 Section 10. Section **17-27a-403.1** is enacted to read:

1203 **17-27a-403.1 . Affordable home ownership density bonus for single-family**

1204 **residential units.**

- 1205 (1) As used in this section:
- 1206 (a) "Affordable housing" means the same as that term is defined in Section 10-9a-403.2.
- 1207 (b) "Owner-occupier" means the same as that term is defined in Section 10-9a-403.2.
- 1208 (2) If a county approves an unincorporated area to be developed at a minimum density of
- 1209 six residential units per acre, either through a zoning ordinance or a development
- 1210 agreement, the county may:
- 1211 (a) adopt requirements to ensure:
- 1212 (i) that some or all of the residential units offered for sale in the area be
- 1213 deed-restricted for at least five years to ensure owner-occupancy; or
- 1214 (ii) that some or all of the residential units in the area qualify as affordable housing;
- 1215 and
- 1216 (b) approve an applicant's request for additional single-family residential units per acre
- 1217 in the area in exchange for one or more of the following:
- 1218 (i) requiring at least 60% of the total single-family residential units being

- 1219 deed-restricted to owner-occupancy for at least five years;
- 1220 (ii) requiring at least 25% of the total single-family residential units being offered for
- 1221 sale to an owner-occupier at a price point 80% or less of the median county home
- 1222 price for housing of that type;
- 1223 (iii) requiring at least 25% of the single-family residential units per acre to be no
- 1224 larger than 1,600 square feet, excluding a garage; or
- 1225 (iv) the applicant creating a preferential qualifying buyer program in which a
- 1226 single-family residential unit is initially offered for sale, for up to 30 days, to a
- 1227 category of preferred qualifying buyers established by the county.
- 1228 (3) A county may offer additional incentives in an area approved for single-family
- 1229 residential units to promote owner-occupied, affordable housing.

1230 Section 11. Section **17-27a-403.2** is enacted to read:

1231 **17-27a-403.2 . Affordable home ownership density bonus for multi-family**

1232 **residential units.**

1233 (1) As used in this section:

1234 (a) "Affordable housing" means the same as that term is defined in Section 10-9a-403.2.

1235 (b) "Owner-occupier" means the same as that term is defined in Section 10-9a-403.2.

1236 (2) If a county approves an area to be developed at a minimum density of 20 residential

1237 units per acre, either through a zoning ordinance or a development agreement, the

1238 county may:

1239 (a) approve an applicant's request to build:

1240 (i) up to 20% more residential units per acre than otherwise allowed in the area, if the

1241 residential units are intended for owner-occupiers; and

1242 (ii) one or more additional stories of height on a multi-family residential building

1243 above the limit otherwise allowed, if the housing units in the multi-family

1244 residential building are intended for owner-occupiers; and

1245 (b) if the county approves a request described in Subsection (2)(a), implement one or

1246 more of the following requirements:

1247 (i) requiring at least 60% of the total units in the multi-family residential building

1248 being deed-restricted to owner-occupancy for at least five years;

1249 (ii) requiring at least 25% of the total units in the multi-family residential building

1250 being offered for sale to an owner-occupier at a price point 80% or less of the

1251 median county home price for housing of that type;

1252 (iii) requiring at least 25% of the total units in a multi-family residential building to

1253 be no larger than 1,600 square feet, excluding a garage; or  
 1254 (iv) the applicant creating a preferential qualifying buyer program in which a unit in a  
 1255 multi-family residential building is initially offered for sale, for up to 30 days, to a  
 1256 category of preferred qualifying buyers established by the municipality.

1257 (3) A county may offer additional incentives in an area approved for multi-family  
 1258 residential units to promote owner-occupied, affordable housing.

1259 Section 12. Section **17-27a-408** is amended to read:

1260 **17-27a-408 . Moderate income housing report -- Contents -- Prioritization for**  
 1261 **funds or projects -- Ineligibility for funds after noncompliance -- Civil actions.**

1262 (1) As used in this section:

1263 (a) "Division" means the Housing and Community Development Division within the  
 1264 Department of Workforce Services.

1265 (b) "Implementation plan" means the implementation plan adopted as part of the  
 1266 moderate income housing element of a specified county's general plan as provided in  
 1267 Subsection 17-27a-403(2)(g).

1268 (c) "Initial report" means the one-time moderate income housing report described in  
 1269 Subsection (2).

1270 (d) "Moderate income housing strategy" means a strategy described in Subsection  
 1271 17-27a-403(2)(b)(ii).

1272 (e) "Report" means an initial report or a subsequent report.

1273 (f) "Specified county" means a county of the first, second, or third class, which has a  
 1274 population of more than 5,000 in the county's unincorporated areas.

1275 (g) "Subsequent progress report" means the annual moderate income housing report  
 1276 described in Subsection (3).

1277 (2)(a) The legislative body of a specified county shall annually submit an initial report to  
 1278 the division.

1279 (b)(i) This Subsection (2)(b) applies to a county that is not a specified county as of  
 1280 January 1, 2023.

1281 (ii) As of January 1, if a county described in Subsection (2)(b)(i) changes from one  
 1282 class to another or grows in population to qualify as a specified county, the county  
 1283 shall submit an initial plan to the division on or before August 1 of the first  
 1284 calendar year beginning on January 1 in which the county qualifies as a specified  
 1285 county.

1286 (c) The initial report shall:

- 1287 (i) identify each moderate income housing strategy selected by the specified county  
1288 for continued, ongoing, or one-time implementation, using the exact language  
1289 used to describe the moderate income housing strategy in Subsection 17-27a-403  
1290 (2)(b)(ii); and  
1291 (ii) include an implementation plan.
- 1292 (3)(a) After the division approves a specified county's initial report under this section,  
1293 the specified county shall, as an administrative act, annually submit to the division a  
1294 subsequent progress report on or before August 1 of each year after the year in which  
1295 the specified county is required to submit the initial report.
- 1296 (b) The subsequent progress report shall include:
- 1297 (i) subject to Subsection (3)(c), a description of each action, whether one-time or  
1298 ongoing, taken by the specified county during the previous 12-month period to  
1299 implement the moderate income housing strategies identified in the initial report  
1300 for implementation;
- 1301 (ii) a description of each land use regulation or land use decision made by the  
1302 specified county during the previous 12-month period to implement the moderate  
1303 income housing strategies, including an explanation of how the land use  
1304 regulation or land use decision supports the specified county's efforts to  
1305 implement the moderate income housing strategies;
- 1306 (iii) a description of any barriers encountered by the specified county in the previous  
1307 12-month period in implementing the moderate income housing strategies;
- 1308 (iv) the number of residential dwelling units that have been entitled that have not  
1309 received a building permit as of the submission date of the progress report;
- 1310 (v) shapefiles, or website links if shapefiles are not available, to current maps and  
1311 tables related to zoning;
- 1312 (vi) information regarding the number of internal and external or detached accessory  
1313 dwelling units located within the specified county for which the specified county:  
1314 (A) issued a building permit to construct; or  
1315 (B) issued a business license or comparable license or permit to rent;
- 1316 (vii) a description of how the market has responded to the selected moderate income  
1317 housing strategies, including the number of entitled moderate income housing  
1318 units or other relevant data; and
- 1319 (viii) any recommendations on how the state can support the specified county in  
1320 implementing the moderate income housing strategies.

- 1321 (c) For purposes of describing actions taken by a specified county under Subsection  
 1322 (3)(b)(i), the specified county may include an ongoing action taken by the specified  
 1323 county prior to the 12-month reporting period applicable to the subsequent progress  
 1324 report if the specified county:
- 1325 (i) has already adopted an ordinance, approved a land use application, made an  
 1326 investment, or approved an agreement or financing that substantially promotes the  
 1327 implementation of a moderate income housing strategy identified in the initial  
 1328 report; and
- 1329 (ii) demonstrates in the subsequent progress report that the action taken under  
 1330 Subsection (3)(c)(i) is relevant to making meaningful progress towards the  
 1331 specified county's implementation plan.
- 1332 (d) A specified county's report shall be in a form:
- 1333 (i) approved by the division; and
- 1334 (ii) made available by the division on or before May 1 of the year in which the report  
 1335 is required.
- 1336 (4) Within 90 days after the day on which the division receives a specified county's report,  
 1337 the division shall:
- 1338 (a) post the report on the division's website;
- 1339 (b) send a copy of the report to the Department of Transportation, the Governor's Office  
 1340 of Planning and Budget, the association of governments in which the specified  
 1341 county is located, and, if the unincorporated area of the specified county is located  
 1342 within the boundaries of a metropolitan planning organization, the appropriate  
 1343 metropolitan planning organization; and
- 1344 (c) subject to Subsection (5), review the report to determine compliance with this section.
- 1345 (5)(a) An initial report [~~does not comply~~] complies with this section [~~unless~~] if the report:
- 1346 (i) includes the information required under Subsection (2)(c);
- 1347 (ii) subject to Subsection (5)(c), demonstrates to the division that the specified county  
 1348 made plans to implement three or more moderate income housing strategies  
 1349 described in Subsection 17-27a-403(2)(b)(ii)(A) though (V) or at least one  
 1350 moderate income housing strategy described in Subsections  
 1351 17-27a-403(2)(b)(ii)(W) through (BB); and
- 1352 (iii) is in a form approved by the division.
- 1353 (b) A subsequent progress report [~~does not comply~~] complies with this section [~~unless~~] if  
 1354 the report:



- 1355 (i) subject to Subsection (5)(c), demonstrates to the division that the specified county  
 1356 made plans to implement three or more moderate income housing strategies  
 1357 described in Subsection 17-27a-403(2)(b)(ii)(A) though (V) or at least one  
 1358 moderate income housing strategy described in Subsections  
 1359 17-27a-403(2)(b)(ii)(W) through (BB);
- 1360 (ii) is in a form approved by the division; and
- 1361 (iii) provides sufficient information for the division to:
- 1362 (A) assess the specified county's progress in implementing the moderate income  
 1363 housing strategies;
- 1364 (B) monitor compliance with the specified county's implementation plan;
- 1365 (C) identify a clear correlation between the specified county's land use decisions  
 1366 and efforts to implement the moderate income housing strategies;
- 1367 (D) identify how the market has responded to the specified county's selected  
 1368 moderate income housing strategies; and
- 1369 (E) identify any barriers encountered by the specified county in implementing the  
 1370 selected moderate income housing strategies.
- 1371 (c)(i) This Subsection (5)(c) applies to a specified county that has created a small  
 1372 public transit district, as defined in Section 17B-2a-802, on or before January 1,  
 1373 2022.
- 1374 (ii) ~~[In addition to the requirements of Subsections (5)(a) and (b), a]~~ A report for a  
 1375 specified county described in Subsection (5)(c)(i) ~~[does not comply]~~ complies with  
 1376 this section ~~[unless]~~ if the report demonstrates to the division that the specified  
 1377 county:
- 1378 (A) made plans to implement the moderate income housing strategy described in  
 1379 Subsection ~~[17-27a-403(2)(b)(ii)(Q)]~~ 17-27a-403(2)(b)(ii)(W); [and]
- 1380 (B) made plans to implement three or more moderate income housing strategies  
 1381 described in Subsection 17-27a-403(2)(b)(ii)(A) though (V) or at least one  
 1382 moderate income housing strategy described in Subsections  
 1383 17-27a-403(2)(b)(ii)(W) through (BB); and
- 1384 ~~[(B)]~~ (C) is in compliance with Subsection 63N-3-603(8).
- 1385 (6)(a) A specified county qualifies for priority consideration under this Subsection (6) if  
 1386 the specified county's report:
- 1387 (i) complies with this section; and
- 1388 (ii) demonstrates to the division that the specified county made plans to implement

- 1389 five or more moderate income housing strategies.
- 1390 (b) The Transportation Commission may, in accordance with Subsection 72-1-304(3)(c),  
1391 give priority consideration to transportation projects located within the  
1392 unincorporated areas of a specified county described in Subsection (6)(a) until the  
1393 Department of Transportation receives notice from the division under Subsection  
1394 (6)(e).
- 1395 (c) Upon determining that a specified county qualifies for priority consideration under  
1396 this Subsection (6), the division shall send a notice of prioritization to the legislative  
1397 body of the specified county and the Department of Transportation.
- 1398 (d) The notice described in Subsection (6)(c) shall:
- 1399 (i) name the specified county that qualifies for priority consideration;  
1400 (ii) describe the funds or projects for which the specified county qualifies to receive  
1401 priority consideration; and  
1402 (iii) state the basis for the division's determination that the specified county qualifies  
1403 for priority consideration.
- 1404 (e) The division shall notify the legislative body of a specified county and the  
1405 Department of Transportation in writing if the division determines that the specified  
1406 county no longer qualifies for priority consideration under this Subsection (6).
- 1407 (7)(a) If the division, after reviewing a specified county's report, determines that the  
1408 report does not comply with this section, the division shall send a notice of  
1409 noncompliance to the legislative body of the specified county.
- 1410 (b) A specified county that receives a notice of noncompliance may:
- 1411 (i) cure each deficiency in the report within 90 days after the day on which the notice  
1412 of noncompliance is sent; or  
1413 (ii) request an appeal of the division's determination of noncompliance within 10  
1414 days after the day on which the notice of noncompliance is sent.
- 1415 (c) The notice described in Subsection (7)(a) shall:
- 1416 (i) describe each deficiency in the report and the actions needed to cure each  
1417 deficiency;  
1418 (ii) state that the specified county has an opportunity to:
- 1419 (A) submit to the division a corrected report that cures each deficiency in the  
1420 report within 90 days after the day on which the notice of noncompliance is  
1421 sent; or  
1422 (B) submit to the division a request for an appeal of the division's determination of

- 1423 noncompliance within 10 days after the day on which the notice of  
1424 noncompliance is sent; and
- 1425 (iii) state that failure to take action under Subsection (7)(c)(ii) will result in the  
1426 specified county's ineligibility for funds and fees owed under Subsection (9).
- 1427 (d) For purposes of curing the deficiencies in a report under this Subsection (7), if the  
1428 action needed to cure the deficiency as described by the division requires the  
1429 specified county to make a legislative change, the specified county may cure the  
1430 deficiency by making that legislative change within the 90-day cure period.
- 1431 (e)(i) If a specified county submits to the division a corrected report in accordance  
1432 with Subsection (7)(b)(i), and the division determines that the corrected report  
1433 does not comply with this section, the division shall send a second notice of  
1434 noncompliance to the legislative body of the specified county.
- 1435 (ii) A specified county that receives a second notice of noncompliance may request  
1436 an appeal of the division's determination of noncompliance within 10 days after  
1437 the day on which the second notice of noncompliance is sent.
- 1438 (iii) The notice described in Subsection (7)(e)(i) shall:
- 1439 (A) state that the specified county has an opportunity to submit to the division a  
1440 request for an appeal of the division's determination of noncompliance within  
1441 10 days after the day on which the second notice of noncompliance is sent; and
- 1442 (B) state that failure to take action under Subsection (7)(e)(iii)(A) will result in the  
1443 specified county's ineligibility for funds under Subsection (9).
- 1444 (8)(a) A specified county that receives a notice of noncompliance under Subsection  
1445 (7)(a) or (7)(e)(i) may request an appeal of the division's determination of  
1446 noncompliance within 10 days after the day on which the notice of noncompliance is  
1447 sent.
- 1448 (b) Within 90 days after the day on which the division receives a request for an appeal,  
1449 an appeal board consisting of the following three members shall review and issue a  
1450 written decision on the appeal:
- 1451 (i) one individual appointed by the Utah Association of Counties;  
1452 (ii) one individual appointed by the Utah Homebuilders Association; and  
1453 (iii) one individual appointed by the presiding member of the association of  
1454 governments, established pursuant to an interlocal agreement under Title 11,  
1455 Chapter 13, Interlocal Cooperation Act, of which the specified county is a member.
- 1456 (c) The written decision of the appeal board shall either uphold or reverse the division's

- 1457 determination of noncompliance.
- 1458 (d) The appeal board's written decision on the appeal is final.
- 1459 (9)(a) A specified county is ineligible for funds and owes a fee under this Subsection (9)
- 1460 if:
- 1461 (i) the specified county fails to submit a report to the division;
- 1462 (ii) after submitting a report to the division, the division determines that the report
- 1463 does not comply with this section and the specified county fails to:
- 1464 (A) cure each deficiency in the report within 90 days after the day on which the
- 1465 notice of noncompliance is sent; or
- 1466 (B) request an appeal of the division's determination of noncompliance within 10
- 1467 days after the day on which the notice of noncompliance is sent;
- 1468 (iii) after submitting to the division a corrected report to cure the deficiencies in a
- 1469 previously submitted report, the division determines that the corrected report does
- 1470 not comply with this section and the specified county fails to request an appeal of
- 1471 the division's determination of noncompliance within 10 days after the day on
- 1472 which the second notice of noncompliance is sent; or
- 1473 (iv) after submitting a request for an appeal under Subsection (8), the appeal board
- 1474 issues a written decision upholding the division's determination of noncompliance.
- 1475 (b) The following apply to a specified county described in Subsection (9)(a) until the
- 1476 division provides notice under Subsection (9)(e):
- 1477 (i) the executive director of the Department of Transportation may not program funds
- 1478 from the Transportation Investment Fund of 2005, including the Transit
- 1479 Transportation Investment Fund, to projects located within the unincorporated
- 1480 areas of the specified county in accordance with Subsection 72-2-124(6);
- 1481 (ii) beginning with the report submitted in 2024, the specified county shall pay a fee
- 1482 to the Olene Walker Housing Loan Fund in the amount of \$250 per day that the
- 1483 specified county:
- 1484 (A) fails to submit the report to the division in accordance with this section,
- 1485 beginning the day after the day on which the report was due; or
- 1486 (B) fails to cure the deficiencies in the report, beginning the day after the day by
- 1487 which the cure was required to occur as described in the notice of
- 1488 noncompliance under Subsection (7); and
- 1489 (iii) beginning with the report submitted in 2025, the specified county shall pay a fee
- 1490 to the Olene Walker Housing Loan Fund in the amount of \$500 per day that the

- 1491 specified county, for a consecutive year:
- 1492 (A) fails to submit the report to the division in accordance with this section,  
1493 beginning the day after the day on which the report was due; or
- 1494 (B) fails to cure the deficiencies in the report, beginning the day after the day by  
1495 which the cure was required to occur as described in the notice of  
1496 noncompliance under Subsection (7).
- 1497 (c) Upon determining that a specified county is ineligible for funds under this  
1498 Subsection (9), and is required to pay a fee under Subsection (9)(b), if applicable, the  
1499 division shall send a notice of ineligibility to the legislative body of the specified  
1500 county, the Department of Transportation, the State Tax Commission, and the  
1501 Governor's Office of Planning and Budget.
- 1502 (d) The notice described in Subsection (9)(c) shall:
- 1503 (i) name the specified county that is ineligible for funds;  
1504 (ii) describe the funds for which the specified county is ineligible to receive;  
1505 (iii) describe the fee the specified county is required to pay under Subsection (9)(b),  
1506 if applicable; and  
1507 (iv) state the basis for the division's determination that the specified county is  
1508 ineligible for funds.
- 1509 (e) The division shall notify the legislative body of a specified county and the  
1510 Department of Transportation in writing if the division determines that the provisions  
1511 of this Subsection (9) no longer apply to the specified county.
- 1512 (f) The division may not determine that a specified county that is required to pay a fee  
1513 under Subsection (9)(b) is in compliance with the reporting requirements of this  
1514 section until the specified county pays all outstanding fees required under Subsection  
1515 (9)(b) to the Olene Walker Housing Loan Fund, created under Title 35A, Chapter 8,  
1516 Part 5, Olene Walker Housing Loan Fund.
- 1517 (10) In a civil action seeking enforcement or claiming a violation of this section or of  
1518 Subsection 17-27a-404(5)(c), a plaintiff may not recover damages but may be awarded  
1519 only injunctive or other equitable relief.
- 1520 Section 13. Section **17-27a-531** is amended to read:
- 1521 **17-27a-531 . Moderate income housing.**
- 1522 (1) A county may only require the development of a certain number of moderate income  
1523 housing units as a condition of approval of a land use application if:
- 1524 (a) the county and the applicant enter into a written agreement regarding the number of

- 1525 moderate income housing units; [øŕ]
- 1526 (b) the county provides incentives for an applicant who agrees to include moderate  
1527 income housing units in a development[.:] ; or
- 1528 (c) the county offers or approves, and an applicant accepts, an incentive described in  
1529 Section 17-27a-403.1 or 17-27a-403.2.
- 1530 (2) If an applicant does not agree to participate in the development of moderate income  
1531 housing units under Subsection (1)(a) or (b), a county may not take into consideration  
1532 the applicant's decision in the county's determination of whether to approve or deny a  
1533 land use application.
- 1534 (3) Notwithstanding Subsections (1) and (2), a county of the third class, which has a ski  
1535 resort located within the unincorporated area of the county, may require the  
1536 development of a certain number of moderate income housing units as a condition of  
1537 approval of a land use application if the requirement is in accordance with an ordinance  
1538 enacted by the county before January 1, 2022.
- 1539 Section 14. Section **17B-1-202** is amended to read:
- 1540 **17B-1-202 . Special district may be created -- Services that may be provided --**  
1541 **Limitations.**
- 1542 (1)(a) A special district may be created as provided in this part to provide within its  
1543 boundaries service consisting of:
- 1544 (i) the operation of an airport;
- 1545 (ii) the operation of a cemetery;
- 1546 (iii) fire protection, paramedic, and emergency services, including consolidated 911  
1547 and emergency dispatch services;
- 1548 (iv) garbage collection and disposal;
- 1549 (v) health care, including health department or hospital service;
- 1550 (vi) the operation of a library;
- 1551 (vii) abatement or control of mosquitos and other insects;
- 1552 (viii) the operation of parks or recreation facilities or services;
- 1553 (ix) the operation of a sewage system;
- 1554 (x) the operation of a propane system;
- 1555 [~~(x)~~] (xi) the construction and maintenance of a right-of-way, including:
- 1556 (A) a curb;
- 1557 (B) a gutter;
- 1558 (C) a sidewalk;

- 1559 (D) a street;
- 1560 (E) a road;
- 1561 (F) a water line;
- 1562 (G) a sewage line;
- 1563 (H) a storm drain;
- 1564 (I) an electricity line;
- 1565 (J) a communications line;
- 1566 (K) a natural gas line; or
- 1567 (L) street lighting;
- 1568 [~~(xi)~~] (xii) transportation, including public transit and providing streets and roads;
- 1569 [~~(xii)~~] (xiii) the operation of a system, or one or more components of a system, for the
- 1570 collection, storage, retention, control, conservation, treatment, supplying,
- 1571 distribution, or reclamation of water, including storm, flood, sewage, irrigation,
- 1572 and culinary water, whether the system is operated on a wholesale or retail level
- 1573 or both;
- 1574 [~~(xiii)~~] (xiv) in accordance with Subsection (1)(c), the acquisition or assessment of a
- 1575 groundwater right for the development and execution of a groundwater
- 1576 management plan in cooperation with and approved by the state engineer in
- 1577 accordance with Section 73-5-15;
- 1578 [~~(xiv)~~] (xv) law enforcement service;
- 1579 [~~(xv)~~] (xvi) subject to Subsection (1)(b), the underground installation of an electric
- 1580 utility line or the conversion to underground of an existing electric utility line;
- 1581 [~~(xvi)~~] (xvii) the control or abatement of earth movement or a landslide;
- 1582 [~~(xvii)~~] (xviii) the operation of animal control services and facilities;
- 1583 [~~(xviii)~~] (xix) an energy efficiency upgrade, a clean energy system, or electric vehicle
- 1584 charging infrastructure as defined in Section 11-42a-102, in accordance with Title
- 1585 11, Chapter 42a, Commercial Property Assessed Clean Energy Act; or
- 1586 [~~(xix)~~] (xx) the financing of infrastructure, as provided in Chapter 2a, Part 13,
- 1587 Infrastructure Financing Districts.
- 1588 (b) Each special district that provides the service of the underground installation of an
- 1589 electric utility line or the conversion to underground of an existing electric utility line
- 1590 shall, in installing or converting the line, provide advance notice to and coordinate
- 1591 with the utility that owns the line.
- 1592 (c) A groundwater management plan described in Subsection [~~(1)(a)(xiii)~~] (1)(a)(xiv)

- 1593 may include the banking of groundwater rights by a special district in a critical  
 1594 management area as defined in Section 73-5-15 following the adoption of a  
 1595 groundwater management plan by the state engineer under Section 73-5-15.
- 1596 (i) A special district may manage the groundwater rights it acquires under Subsection  
 1597 17B-1-103(2)(a) or (b) consistent with the provisions of a groundwater  
 1598 management plan described in this Subsection (1)(c).
- 1599 (ii) A groundwater right held by a special district to satisfy the provisions of a  
 1600 groundwater management plan is not subject to the forfeiture provisions of  
 1601 Section 73-1-4.
- 1602 (iii)(A) A special district may divest itself of a groundwater right subject to a  
 1603 determination that the groundwater right is not required to facilitate the  
 1604 groundwater management plan described in this Subsection (1)(c).
- 1605 (B) The groundwater right described in Subsection (1)(c)(iii)(A) is subject to  
 1606 Section 73-1-4 beginning on the date of divestiture.
- 1607 (iv) Upon a determination by the state engineer that an area is no longer a critical  
 1608 management area as defined in Section 73-5-15, a groundwater right held by the  
 1609 special district is subject to Section 73-1-4.
- 1610 (v) A special district created in accordance with Subsection [~~(1)(a)(xiii)~~] (1)(a)(xiv) to  
 1611 develop and execute a groundwater management plan may hold or acquire a right  
 1612 to surface waters that are naturally tributary to the groundwater basin subject to  
 1613 the groundwater management plan if the surface waters are appropriated in  
 1614 accordance with Title 73, Water and Irrigation, and used in accordance with Title  
 1615 73, Chapter 3b, Groundwater Recharge and Recovery Act.
- 1616 (2) As used in this section:
- 1617 (a) "Operation" means all activities involved in providing the indicated service including  
 1618 acquisition and ownership of property reasonably necessary to provide the indicated  
 1619 service and acquisition, construction, and maintenance of facilities and equipment  
 1620 reasonably necessary to provide the indicated service.
- 1621 (b) "System" means the aggregate of interrelated components that combine together to  
 1622 provide the indicated service including, for a sewage system, collection and treatment.
- 1623 (3)(a) A special district may not be created to provide and may not after its creation  
 1624 provide more than four of the services listed in Subsection (1).
- 1625 (b) Subsection (3)(a) may not be construed to prohibit a special district from providing  
 1626 more than four services if, before April 30, 2007, the special district was authorized



- 1627 to provide those services.
- 1628 (4)(a) Except as provided in Subsection (4)(b), a special district may not be created to  
1629 provide and may not after its creation provide to an area the same service that may  
1630 already be provided to that area by another political subdivision, unless the other  
1631 political subdivision gives its written consent.
- 1632 (b) For purposes of Subsection (4)(a), a special district does not provide the same  
1633 service as another political subdivision if it operates a component of a system that is  
1634 different from a component operated by another political subdivision but within the  
1635 same:
- 1636 (i) sewage system; or  
1637 (ii) water system.
- 1638 (5)(a) Except for a special district in the creation of which an election is not required  
1639 under Subsection 17B-1-214(3)(d), the area of a special district may include all or  
1640 part of the unincorporated area of one or more counties and all or part of one or more  
1641 municipalities.
- 1642 (b) The area of a special district need not be contiguous.
- 1643 (6) For a special district created before May 5, 2008, the authority to provide fire protection  
1644 service also includes the authority to provide:
- 1645 (a) paramedic service; and  
1646 (b) emergency service, including hazardous materials response service.
- 1647 (7) A special district created before May 11, 2010, authorized to provide the construction  
1648 and maintenance of curb, gutter, or sidewalk may provide a service described in  
1649 Subsection [~~(1)(a)(x)~~] (1)(a)(xi) on or after May 11, 2010.
- 1650 (8) A special district created before May 10, 2011, authorized to provide culinary,  
1651 irrigation, sewage, or storm water services may provide a service described in  
1652 Subsection [~~(1)(a)(xii)~~] (1)(a)(xiii) on or after May 10, 2011.
- 1653 (9) A special district may not be created under this chapter for two years after the date on  
1654 which a special district is dissolved as provided in Section 17B-1-217 if the special  
1655 district proposed for creation:
- 1656 (a) provides the same or a substantially similar service as the dissolved special district;  
1657 and  
1658 (b) is located in substantially the same area as the dissolved special district.
- 1659 (10) An infrastructure financing district may not be created unless the estimated cost of the  
1660 public infrastructure and improvements to be constructed within the boundary of the

- 1661 proposed infrastructure financing district exceeds \$1,000,000, as certified under  
1662 Subsection 17B-1-208(1)(c).
- 1663 (11)(a) Except as provided in Subsection (11)(b), the inclusion of an area within an  
1664 infrastructure financing district does not affect whether the area may be included  
1665 within another special district.
- 1666 (b) An infrastructure financing district may not include an area included within another  
1667 infrastructure financing district.
- 1668 Section 15. Section **35A-8-202** is amended to read:  
1669 **35A-8-202 . Powers and duties of division.**
- 1670 (1) The division shall:
- 1671 (a) assist local governments and citizens in the planning, development, and maintenance  
1672 of necessary public infrastructure and services;
- 1673 (b) cooperate with, and provide technical assistance to, counties, cities, towns, regional  
1674 planning commissions, area-wide clearinghouses, zoning commissions, parks or  
1675 recreation boards, community development groups, community action agencies, and  
1676 other agencies created for the purpose of aiding and encouraging an orderly,  
1677 productive, and coordinated development of the state and its political subdivisions;
- 1678 (c) assist the governor in coordinating the activities of state agencies which have an  
1679 impact on the solution of community development problems and the implementation  
1680 of community plans;
- 1681 (d) serve as a clearinghouse for information, data, and other materials which may be  
1682 helpful to local governments in discharging their responsibilities and provide  
1683 information on available federal and state financial and technical assistance;
- 1684 (e) carry out continuing studies and analyses of the problems faced by communities  
1685 within the state and develop such recommendations for administrative or legislative  
1686 action as appear necessary;
- 1687 (f) assist in funding affordable housing;
- 1688 (g) support economic development activities through grants, loans, and direct programs  
1689 financial assistance;
- 1690 (h) certify project funding at the local level in conformance with federal, state, and other  
1691 requirements;
- 1692 (i) utilize the capabilities and facilities of public and private universities and colleges  
1693 within the state in carrying out its functions; and
- 1694 (j) assist and support local governments, community action agencies, and citizens in the

1695 planning, development, and maintenance of home weatherization, energy efficiency,  
1696 and antipoverty activities.

1697 (2) The division may:

1698 (a) by following the procedures and requirements of Title 63J, Chapter 5, Federal Funds  
1699 Procedures Act, seek federal grants, loans, or participation in federal programs;

1700 (b) if any federal program requires the expenditure of state funds as a condition to  
1701 participation by the state in any fund, property, or service, with the governor's  
1702 approval, expend whatever funds are necessary out of the money provided by the  
1703 Legislature for the use of the department;

1704 (c) in accordance with Part 9, Domestic Violence Shelters, assist in developing,  
1705 constructing, and improving shelters for victims of domestic violence, as described in  
1706 Section 77-36-1, through loans and grants to nonprofit and governmental entities; [  
1707 and]

1708 (d) assist, when requested by a county or municipality, in the development of accessible  
1709 housing[~~:-~~] ; and

1710 (e) make rules, in accordance with Title 63G, Chapter 3, Utah Administrative  
1711 Rulemaking Act, regarding the form and content of a moderate income housing  
1712 report, as described in Sections 10-9a-408 and 17-27a-408, to:

1713 (i) ensure consistency across reporting political subdivisions; and

1714 (ii) promote better potential analysis of report data.

1715 Section 16. Section **63J-4-402** is enacted to read:

1716 **63J-4-402 . State housing plan.**

1717 (1) The office shall develop a state housing plan by December 31, 2025.

1718 (2)(a) The office shall partner with the Legislature, municipal and county governments,  
1719 the home building industry and related stakeholders, and the general public in the  
1720 development of the state housing plan described in Subsection (1).

1721 (b) In developing the state housing plan, the office may develop regional housing plans  
1722 within the state housing plan.

1723 (3) The state housing plan shall:

1724 (a) prioritize collaboration over preemption and collaboration across private and public  
1725 sectors;

1726 (b) promote a holistic and regional approach to housing;

1727 (c) enable connected communities and center-based development;

1728 (d) acknowledge cross-issue policy alignment;

- 1729 (e) maintain a long-range vision;  
 1730 (f) promote opportunity and inclusivity;  
 1731 (g) recognize complex market forces; and  
 1732 (h) consider rural and urban contexts.
- 1733 (4) The state housing plan shall include data and metrics:  
 1734 (a) about actual and potential housing production;  
 1735 (b) about actual and potential infrastructure capacity, maintenance, and development; and  
 1736 (c) allowing the office to measure success of the state housing plan over time.
- 1737 (5) In gathering data and developing metrics, the office may analyze moderate income  
 1738 housing reports received by the Division of Housing and Community Development and:  
 1739 (a) determine which, if any, of the moderate income strategies described in Subsections  
 1740 10-9a-403(2)(b)(iii) and 17-27a-403(2)(b)(ii) are correlated with an increase in the  
 1741 supply of moderate income housing, either built or entitled to be built, in the political  
 1742 subdivision that implements the moderate income strategy; and  
 1743 (b) draw conclusions regarding any data trends identified by the office as meaningful or  
 1744 significant.
- 1745 (6) By no later than October 1 of each year, the office shall provide a written report on the  
 1746 development and implementation of the state housing plan to the Political Subdivisions  
 1747 Interim Committee.

1748 Section 17. Section **72-1-304** is amended to read:

1749 **72-1-304 . Written project prioritization process for new transportation capacity**  
 1750 **projects -- Rulemaking.**

- 1751 (1)(a) The Transportation Commission, in consultation with the department and the  
 1752 metropolitan planning organizations as defined in Section 72-1-208.5, shall develop a  
 1753 written prioritization process for the prioritization of:
- 1754 (i) new transportation capacity projects that are or will be part of the state highway  
 1755 system under Chapter 4, Part 1, State Highways;
- 1756 (ii) paved pedestrian or paved nonmotorized transportation projects described in  
 1757 Section 72-2-124;
- 1758 (iii) public transit projects that directly add capacity to the public transit systems  
 1759 within the state, not including facilities ancillary to the public transit system; and
- 1760 (iv) pedestrian or nonmotorized transportation projects that provide connection to a  
 1761 public transit system.
- 1762 (b)(i) A local government or public transit district may nominate a project for

- 1763 prioritization in accordance with the process established by the commission in rule.
- 1764 (ii) If a local government or public transit district nominates a project for
- 1765 prioritization by the commission, the local government or public transit district
- 1766 shall provide data and evidence to show that:
- 1767 (A) the project will advance the purposes and goals described in Section 72-1-211;
- 1768 (B) for a public transit project, the local government or public transit district has
- 1769 an ongoing funding source for operations and maintenance of the proposed
- 1770 development; and
- 1771 (C) the local government or public transit district will provide the percentage of
- 1772 the costs for the project as required by Subsection 72-2-124(4)(a)(viii) or
- 1773 72-2-124(9)(e).
- 1774 (2) The following shall be included in the written prioritization process under Subsection
- 1775 (1):
- 1776 (a) a description of how the strategic initiatives of the department adopted under Section
- 1777 72-1-211 are advanced by the written prioritization process;
- 1778 (b) a definition of the type of projects to which the written prioritization process applies;
- 1779 (c) specification of a weighted criteria system that is used to rank proposed projects and
- 1780 how it will be used to determine which projects will be prioritized;
- 1781 (d) specification of the data that is necessary to apply the weighted ranking criteria; and
- 1782 (e) any other provisions the commission considers appropriate, which may include
- 1783 consideration of:
- 1784 (i) regional and statewide economic development impacts, including improved local
- 1785 access to:
- 1786 (A) employment;
- 1787 (B) educational facilities;
- 1788 (C) recreation;
- 1789 (D) commerce; and
- 1790 (E) residential areas, including moderate income housing as demonstrated in the
- 1791 local government's or public transit district's general plan pursuant to Section
- 1792 10-9a-403 or 17-27a-403;
- 1793 (ii) the extent to which local land use plans relevant to a project support and
- 1794 accomplish the strategic initiatives adopted under Section 72-1-211; and
- 1795 (iii) any matching funds provided by a political subdivision or public transit district
- 1796 in addition to the percentage of costs required by Subsections 72-2-124(4)(a)(viii)

- 1797 and 72-2-124(9)(e).
- 1798 (3)(a) When prioritizing a public transit project that increases capacity, the commission:
- 1799 (i) may give priority consideration to projects that are part of a transit-oriented
- 1800 development or transit-supportive development as defined in Section 17B-2a-802;
- 1801 and
- 1802 (ii) shall give priority consideration to projects that are within the boundaries of a
- 1803 housing and transit reinvestment zone created pursuant to Title 63N, Chapter 3,
- 1804 Part 6, Housing and Transit Reinvestment Zone Act.
- 1805 (b) When prioritizing a transportation project that increases capacity, the commission
- 1806 may give priority consideration to projects that are:
- 1807 (i) part of a transportation reinvestment zone created under Section 11-13-227 if:
- 1808 (A) the state is a participant in the transportation reinvestment zone; or
- 1809 (B) the commission finds that the transportation reinvestment zone provides a
- 1810 benefit to the state transportation system; or
- 1811 (ii) within the boundaries of a housing and transit reinvestment zone created pursuant
- 1812 to Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act.
- 1813 (c) If the department receives a notice of prioritization for a municipality as described in
- 1814 Subsection [~~10-9a-408(5)~~] 10-9a-408(6), or a notice of prioritization for a county as
- 1815 described in Subsection [~~17-27a-408(5)~~] 17-27a-408(6), the commission may give
- 1816 priority consideration to transportation projects that are within the boundaries of the
- 1817 municipality or the unincorporated areas of the county until the department receives
- 1818 notification from the Housing and Community Development Division within the
- 1819 Department of Workforce Services that the municipality or county no longer qualifies
- 1820 for prioritization under this Subsection (3)(c).
- 1821 (4) In developing the written prioritization process, the commission:
- 1822 (a) shall seek and consider public comment by holding public meetings at locations
- 1823 throughout the state; and
- 1824 (b) may not consider local matching dollars as provided under Section 72-2-123 unless
- 1825 the state provides an equal opportunity to raise local matching dollars for state
- 1826 highway improvements within each county.
- 1827 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 1828 Transportation Commission, in consultation with the department, shall make rules
- 1829 establishing the written prioritization process under Subsection (1).
- 1830 (6) The commission shall submit the proposed rules under this section to a committee or

1831 task force designated by the Legislative Management Committee for review prior to  
1832 taking final action on the proposed rules or any proposed amendment to the rules  
1833 described in Subsection (5).

1834 Section 18. Section **72-2-124** is amended to read:

1835 **72-2-124 . Transportation Investment Fund of 2005.**

1836 (1) There is created a capital projects fund entitled the Transportation Investment Fund of  
1837 2005.

1838 (2) The fund consists of money generated from the following sources:

1839 (a) any voluntary contributions received for the maintenance, construction,  
1840 reconstruction, or renovation of state and federal highways;

1841 (b) appropriations made to the fund by the Legislature;

1842 (c) registration fees designated under Section 41-1a-1201;

1843 (d) the sales and use tax revenues deposited into the fund in accordance with Section  
1844 59-12-103; and

1845 (e) revenues transferred to the fund in accordance with Section 72-2-106.

1846 (3)(a) The fund shall earn interest.

1847 (b) All interest earned on fund money shall be deposited into the fund.

1848 (4)(a) Except as provided in Subsection (4)(b), the executive director may only use fund  
1849 money to pay:

1850 (i) the costs of maintenance, construction, reconstruction, or renovation to state and  
1851 federal highways prioritized by the Transportation Commission through the  
1852 prioritization process for new transportation capacity projects adopted under  
1853 Section 72-1-304;

1854 (ii) the costs of maintenance, construction, reconstruction, or renovation to the  
1855 highway projects described in Subsections 63B-18-401(2), (3), and (4);

1856 (iii) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401  
1857 minus the costs paid from the County of the First Class Highway Projects Fund in  
1858 accordance with Subsection 72-2-121(4)(e);

1859 (iv) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt  
1860 Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the  
1861 amount certified by Salt Lake County in accordance with Subsection 72-2-121.3  
1862 (4)(c) as necessary to pay the debt service on \$30,000,000 of the revenue bonds  
1863 issued by Salt Lake County;

1864 (v) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101

- 1865 for projects prioritized in accordance with Section 72-2-125;
- 1866 (vi) all highway general obligation bonds that are intended to be paid from revenues
- 1867 in the Centennial Highway Fund created by Section 72-2-118;
- 1868 (vii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the First
- 1869 Class Highway Projects Fund created in Section 72-2-121 to be used for the
- 1870 purposes described in Section 72-2-121;
- 1871 (viii) if a political subdivision provides a contribution equal to or greater than 40% of
- 1872 the costs needed for construction, reconstruction, or renovation of paved
- 1873 pedestrian or paved nonmotorized transportation for projects that:
- 1874 (A) mitigate traffic congestion on the state highway system;
- 1875 (B) are part of an active transportation plan approved by the department; and
- 1876 (C) are prioritized by the commission through the prioritization process for new
- 1877 transportation capacity projects adopted under Section 72-1-304;
- 1878 (ix) \$705,000,000 for the costs of right-of-way acquisition, construction,
- 1879 reconstruction, or renovation of or improvement to the following projects:
- 1880 (A) the connector road between Main Street and 1600 North in the city of
- 1881 Vineyard;
- 1882 (B) Geneva Road from University Parkway to 1800 South;
- 1883 (C) the SR-97 interchange at 5600 South on I-15;
- 1884 (D) subject to Subsection (4)(c), two lanes on U-111 from Herriman Parkway to
- 1885 South Jordan Parkway;
- 1886 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;
- 1887 (F) improvements to 1600 North in Orem from 1200 West to State Street;
- 1888 (G) widening I-15 between mileposts 6 and 8;
- 1889 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;
- 1890 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197
- 1891 in Spanish Fork Canyon;
- 1892 (J) I-15 northbound between mileposts 43 and 56;
- 1893 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts
- 1894 43 and 45.1;
- 1895 (L) east Zion SR-9 improvements;
- 1896 (M) Toquerville Parkway;
- 1897 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;
- 1898 (O) using funds allocated in this Subsection (4)(a)(ix), and other sources of funds,



- 1899 for construction of an interchange on Bangerter Highway at 13400 South; and
- 1900 (P) an environmental impact study for Kimball Junction in Summit County; and
- 1901 (x) \$28,000,000 as pass-through funds, to be distributed as necessary to pay project
- 1902 costs based upon a statement of cash flow that the local jurisdiction where the
- 1903 project is located provides to the department demonstrating the need for money
- 1904 for the project, for the following projects in the following amounts:
- 1905 (A) \$5,000,000 for Payson Main Street repair and replacement;
- 1906 (B) \$8,000,000 for a Bluffdale 14600 South railroad bypass;
- 1907 (C) \$5,000,000 for improvements to 4700 South in Taylorsville; and
- 1908 (D) \$10,000,000 for improvements to the west side frontage roads adjacent to U.S.
- 1909 40 between mile markers 7 and 10.
- 1910 (b) The executive director may use fund money to exchange for an equal or greater
- 1911 amount of federal transportation funds to be used as provided in Subsection (4)(a).
- 1912 (c)(i) Construction related to the project described in Subsection (4)(a)(ix)(D) may
- 1913 not commence until a right-of-way not owned by a federal agency that is required
- 1914 for the realignment and extension of U-111, as described in the department's 2023
- 1915 environmental study related to the project, is dedicated to the department.
- 1916 (ii) Notwithstanding Subsection (4)(c)(i), if a right-of-way is not dedicated for the
- 1917 project as described in Subsection (4)(c)(i) on or before October 1, 2024, the
- 1918 department may proceed with the project, except that the project will be limited to
- 1919 two lanes on U-111 from Herriman Parkway to 11800 South.
- 1920 (5)(a) Except as provided in Subsection (5)(b), if the department receives a notice of
- 1921 ineligibility for a municipality as described in Subsection [~~10-9a-408(7)~~] 10-9a-408(9),
- 1922 the executive director may not program fund money to a project prioritized by the
- 1923 commission under Section 72-1-304, including fund money from the Transit
- 1924 Transportation Investment Fund, within the boundaries of the municipality until the
- 1925 department receives notification from the Housing and Community Development
- 1926 Division within the Department of Workforce Services that ineligibility under this
- 1927 Subsection (5) no longer applies to the municipality.
- 1928 (b) Within the boundaries of a municipality described in Subsection (5)(a), the executive
- 1929 director:
- 1930 (i) may program fund money in accordance with Subsection (4)(a) for a
- 1931 limited-access facility or interchange connecting limited-access facilities;
- 1932 (ii) may not program fund money for the construction, reconstruction, or renovation

- 1933 of an interchange on a limited-access facility;
- 1934 (iii) may program Transit Transportation Investment Fund money for a
- 1935 multi-community fixed guideway public transportation project; and
- 1936 (iv) may not program Transit Transportation Investment Fund money for the
- 1937 construction, reconstruction, or renovation of a station that is part of a fixed
- 1938 guideway public transportation project.
- 1939 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive
- 1940 director before July 1, 2022, for projects prioritized by the commission under Section
- 1941 72-1-304.
- 1942 (6)(a) Except as provided in Subsection (6)(b), if the department receives a notice of
- 1943 ineligibility for a county as described in Subsection [~~17-27a-408(7)~~] 17-27a-408(9),
- 1944 the executive director may not program fund money to a project prioritized by the
- 1945 commission under Section 72-1-304, including fund money from the Transit
- 1946 Transportation Investment Fund, within the boundaries of the unincorporated area of
- 1947 the county until the department receives notification from the Housing and
- 1948 Community Development Division within the Department of Workforce Services
- 1949 that ineligibility under this Subsection (6) no longer applies to the county.
- 1950 (b) Within the boundaries of the unincorporated area of a county described in Subsection
- 1951 (6)(a), the executive director:
- 1952 (i) may program fund money in accordance with Subsection (4)(a) for a
- 1953 limited-access facility to a project prioritized by the commission under Section
- 1954 72-1-304;
- 1955 (ii) may not program fund money for the construction, reconstruction, or renovation
- 1956 of an interchange on a limited-access facility;
- 1957 (iii) may program Transit Transportation Investment Fund money for a
- 1958 multi-community fixed guideway public transportation project; and
- 1959 (iv) may not program Transit Transportation Investment Fund money for the
- 1960 construction, reconstruction, or renovation of a station that is part of a fixed
- 1961 guideway public transportation project.
- 1962 (c) Subsections (6)(a) and (b) do not apply to a project programmed by the executive
- 1963 director before July 1, 2022, for projects prioritized by the commission under Section
- 1964 72-1-304.
- 1965 (7)(a) Before bonds authorized by Section 63B-18-401 or 63B-27-101 may be issued in
- 1966 any fiscal year, the department and the commission shall appear before the Executive

1967 Appropriations Committee of the Legislature and present the amount of bond  
1968 proceeds that the department needs to provide funding for the projects identified in  
1969 Subsections 63B-18-401(2), (3), and (4) or Subsection 63B-27-101(2) for the current  
1970 or next fiscal year.

1971 (b) The Executive Appropriations Committee of the Legislature shall review and  
1972 comment on the amount of bond proceeds needed to fund the projects.

1973 (8) The Division of Finance shall, from money deposited into the fund, transfer the amount  
1974 of funds necessary to pay principal, interest, and issuance costs of bonds authorized by  
1975 Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt  
1976 service or sinking fund.

1977 (9)(a) There is created in the Transportation Investment Fund of 2005 the Transit  
1978 Transportation Investment Fund.

1979 (b) The fund shall be funded by:

1980 (i) contributions deposited into the fund in accordance with Section 59-12-103;  
1981 (ii) appropriations into the account by the Legislature;  
1982 (iii) deposits of sales and use tax increment related to a housing and transit  
1983 reinvestment zone as described in Section 63N-3-610;  
1984 (iv) transfers of local option sales and use tax revenue as described in Subsection  
1985 59-12-2220(11)(b) or (c);  
1986 (v) private contributions; and  
1987 (vi) donations or grants from public or private entities.

1988 (c)(i) The fund shall earn interest.  
1989 (ii) All interest earned on fund money shall be deposited into the fund.

1990 (d) Subject to Subsection (9)(e), the commission may prioritize money from the fund:  
1991 (i) for public transit capital development of new capacity projects and fixed guideway  
1992 capital development projects to be used as prioritized by the commission through  
1993 the prioritization process adopted under Section 72-1-304;  
1994 (ii) to the department for oversight of a fixed guideway capital development project  
1995 for which the department has responsibility; or  
1996 (iii) up to \$500,000 per year, to be used for a public transit study.

1997 (e)(i) Subject to Subsections (9)(g), (h), and (i), the commission may only prioritize  
1998 money from the fund for a public transit capital development project or pedestrian  
1999 or nonmotorized transportation project that provides connection to the public  
2000 transit system if the public transit district or political subdivision provides funds of

- 2001 equal to or greater than 30% of the costs needed for the project.
- 2002 (ii) A public transit district or political subdivision may use money derived from a
- 2003 loan granted pursuant to Title 72, Chapter 2, Part 2, State Infrastructure Bank
- 2004 Fund, to provide all or part of the 30% requirement described in Subsection
- 2005 (9)(e)(i) if:
- 2006 (A) the loan is approved by the commission as required in Title 72, Chapter 2,
- 2007 Part 2, State Infrastructure Bank Fund; and
- 2008 (B) the proposed capital project has been prioritized by the commission pursuant
- 2009 to Section 72-1-303.
- 2010 (f) Before July 1, 2022, the department and a large public transit district shall enter into
- 2011 an agreement for a large public transit district to pay the department \$5,000,000 per
- 2012 year for 15 years to be used to facilitate the purchase of zero emissions or low
- 2013 emissions rail engines and trainsets for regional public transit rail systems.
- 2014 (g) For any revenue transferred into the fund pursuant to Subsection 59-12-2220(11)(b):
- 2015 (i) the commission may prioritize money from the fund for public transit projects,
- 2016 operations, or maintenance within the county of the first class; and
- 2017 (ii) Subsection (9)(e) does not apply.
- 2018 (h) For any revenue transferred into the fund pursuant to Subsection 59-12-2220(11)(c):
- 2019 (i) the commission may prioritize public transit projects, operations, or maintenance
- 2020 in the county from which the revenue was generated; and
- 2021 (ii) Subsection (9)(e) does not apply.
- 2022 (i) The requirement to provide funds equal to or greater than 30% of the costs needed for
- 2023 the project described in Subsection (9)(e) does not apply to a public transit capital
- 2024 development project or pedestrian or nonmotorized transportation project that the
- 2025 department proposes.
- 2026 (j) In accordance with Part 3, Public Transit Innovation Grants, the commission may
- 2027 prioritize money from the fund for public transit innovation grants, as defined in
- 2028 Section 72-2-401, for public transit capital development projects requested by a
- 2029 political subdivision within a public transit district.
- 2030 (10)(a) There is created in the Transportation Investment Fund of 2005 the Cottonwood
- 2031 Canyons Transportation Investment Fund.
- 2032 (b) The fund shall be funded by:
- 2033 (i) money deposited into the fund in accordance with Section 59-12-103;
- 2034 (ii) appropriations into the account by the Legislature;

- 2035 (iii) private contributions; and
- 2036 (iv) donations or grants from public or private entities.
- 2037 (c)(i) The fund shall earn interest.
- 2038 (ii) All interest earned on fund money shall be deposited into the fund.
- 2039 (d) The Legislature may appropriate money from the fund for public transit or
- 2040 transportation projects in the Cottonwood Canyons of Salt Lake County.
- 2041 (e) The department may use up to 2% of the revenue deposited into the account under
- 2042 Subsection 59-12-103(7)(b) to contract with local governments as necessary for
- 2043 public safety enforcement related to the Cottonwood Canyons of Salt Lake County.
- 2044 (11)(a) There is created in the Transportation Investment Fund of 2005 the Active
- 2045 Transportation Investment Fund.
- 2046 (b) The fund shall be funded by:
- 2047 (i) money deposited into the fund in accordance with Section 59-12-103;
- 2048 (ii) appropriations into the account by the Legislature; and
- 2049 (iii) donations or grants from public or private entities.
- 2050 (c)(i) The fund shall earn interest.
- 2051 (ii) All interest earned on fund money shall be deposited into the fund.
- 2052 (d) The executive director may only use fund money to pay the costs needed for:
- 2053 (i) the planning, design, construction, maintenance, reconstruction, or renovation of
- 2054 paved pedestrian or paved nonmotorized trail projects that:
- 2055 (A) are prioritized by the commission through the prioritization process for new
- 2056 transportation capacity projects adopted under Section 72-1-304;
- 2057 (B) serve a regional purpose; and
- 2058 (C) are part of an active transportation plan approved by the department or the
- 2059 plan described in Subsection (11)(d)(ii);
- 2060 (ii) the development of a plan for a statewide network of paved pedestrian or paved
- 2061 nonmotorized trails that serve a regional purpose; and
- 2062 (iii) the administration of the fund, including staff and overhead costs.
- 2063 (12)(a) As used in this Subsection (12), "commuter rail" means the same as that term is
- 2064 defined in Section 63N-3-602.
- 2065 (b) There is created in the Transit Transportation Investment Fund the Commuter Rail
- 2066 Subaccount.
- 2067 (c) The subaccount shall be funded by:
- 2068 (i) contributions deposited into the subaccount in accordance with Section 59-12-103;

- 2069 (ii) appropriations into the subaccount by the Legislature;
- 2070 (iii) private contributions; and
- 2071 (iv) donations or grants from public or private entities.
- 2072 (d)(i) The subaccount shall earn interest.
- 2073 (ii) All interest earned on money in the subaccount shall be deposited into the
- 2074 subaccount.
- 2075 (e) As prioritized by the commission through the prioritization process adopted under
- 2076 Section 72-1-304 or as directed by the Legislature, the department may only use
- 2077 money from the subaccount for projects that improve the state's commuter rail
- 2078 infrastructure, including the building or improvement of grade-separated crossings
- 2079 between commuter rail lines and public highways.
- 2080 (f) Appropriations made in accordance with this section are nonlapsing in accordance
- 2081 with Section 63J-1-602.1.
- 2082 Section 19. **Effective Date.**
- 2083 This bill takes effect on May 7, 2025.