

Lincoln Fillmore proposes the following substitute bill:

Utah Housing Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: James A. Dunnigan

Senate Sponsor: Lincoln Fillmore

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;
- provides that a municipality may not impose historic preservation requirements on a building or dwelling that is built after December 31, 1990;
- 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:

29 None

30 **Other Special Clauses:**

31 None

32 **Utah Code Sections Affected:**

33 AMENDS:

34 **10-2a-201.5**, as last amended by Laws of Utah 2024, Chapters 342, 518 and 534

35 **10-9a-102**, as last amended by Laws of Utah 2019, Chapter 384

36 **10-9a-403**, as last amended by Laws of Utah 2024, Chapters 431, 537

37 **10-9a-408**, as last amended by Laws of Utah 2024, Chapters 413, 438

38 **10-9a-527**, as enacted by Laws of Utah 2017, Chapter 17

39 **10-9a-535**, as enacted by Laws of Utah 2022, Chapter 355

40 **17-27a-102**, as last amended by Laws of Utah 2022, Chapter 307

41 **17-27a-403**, as last amended by Laws of Utah 2024, Chapters 381, 431

42 **17-27a-408**, as last amended by Laws of Utah 2024, Chapters 381, 413

43 **17-27a-531**, as enacted by Laws of Utah 2022, Chapter 355

44 **17B-1-202**, as last amended by Laws of Utah 2024, Chapters 53, 388

45 **35A-8-202**, as last amended by Laws of Utah 2021, Chapter 281

46 **72-1-304**, as last amended by Laws of Utah 2024, Chapter 517

47 **72-2-124**, as last amended by Laws of Utah 2024, Chapters 498, 501

48 ENACTS:

49 **10-9a-403.2**, Utah Code Annotated 1953

50 **10-9a-403.3**, Utah Code Annotated 1953

51 **17-27a-403.1**, Utah Code Annotated 1953

52 **17-27a-403.2**, Utah Code Annotated 1953

53 **63J-4-402**, Utah Code Annotated 1953

54

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

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

57 **10-2a-201.5 . Qualifications for incorporation.**

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

59 (i)(A) is contiguous; or

60 (B) is a community council area;

61 (ii) has a population of at least [~~100~~] 75 people, but fewer than 1,000 people; and

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

- 63 (b) A preliminary municipality may transition to, and incorporate as, a town, in
64 accordance with Section 10-2a-510.
- 65 (c) An area may incorporate as a city in accordance with this part if the area:
66 (i)(A) is contiguous; or
67 (B) is a community council area;
68 (ii) has a population of 1,000 people or more; and
69 (iii) is not already part of a municipality.
- 70 (2)(a) An area may not incorporate under this part if:
71 (i) the area has a population of fewer than 100 people; or
72 (ii) except as provided in Subsection (2)(b), the area has an average population
73 density of fewer than seven people per square mile.
- 74 (b) Subsection (2)(a)(ii) does not prohibit incorporation of an area if:
75 (i) noncompliance with Subsection (2)(a)(ii) is necessary to connect separate areas
76 that share a demonstrable community interest; and
77 (ii) the area is contiguous.
- 78 (3) An area incorporating under this part may not include land owned by the United States
79 federal government unless:
80 (a) the area, including the land owned by the United States federal government, is
81 contiguous; and
82 (b)(i) incorporating the land is necessary to connect separate areas that share a
83 demonstrable community interest; or
84 (ii) excluding the land from the incorporating area would create an unincorporated
85 island within the proposed municipality.
- 86 (4)(a) Except as provided in Subsection (4)(b), an area incorporating under this part may
87 not include some or all of an area proposed for annexation in an annexation petition
88 under Section 10-2-403 that:
89 (i) was filed before the filing of the request for a feasibility study, described in
90 Section 10-2a-202, relating to the incorporating area; and
91 (ii) is still pending on the date the request for the feasibility study described in
92 Subsection (4)(a)(i) is filed.
- 93 (b) A feasibility request may propose for incorporation an area that includes some or all
94 of an area proposed for annexation in an annexation petition described in Subsection
95 (4)(a) if:
96 (i) the proposed annexation area that is part of the area proposed for incorporation

- 97 does not exceed 20% of the area proposed for incorporation;
- 98 (ii) the feasibility request complies with Subsections 10-2a-202(1), (3), (4), and (5)
- 99 with respect to excluding the proposed annexation area from the area proposed for
- 100 incorporation; and
- 101 (iii) excluding the area proposed for annexation from the area proposed for
- 102 incorporation would not cause the area proposed for incorporation to not be
- 103 contiguous.
- 104 (c) Except as provided in Section 10-2a-206, the lieutenant governor shall consider each
- 105 feasibility request to which Subsection (4)(b) applies as not proposing the
- 106 incorporation of an area proposed for annexation.
- 107 (5)(a) An area incorporating under this part may not include part of a parcel of real
- 108 property and exclude part of that same parcel unless the owner of the parcel gives
- 109 written consent to exclude part of the parcel.
- 110 (b) A piece of real property that has more than one parcel number is considered to be a
- 111 single parcel for purposes of Subsection (5)(a) if owned by the same owner.
- 112 Section 2. Section **10-9a-102** is amended to read:
- 113 **10-9a-102 . Purposes -- General land use authority.**
- 114 (1) The purposes of this chapter are to:
- 115 (a) provide for the health, safety, and welfare;
- 116 (b) promote the prosperity;
- 117 (c) improve the morals, peace, good order, comfort, convenience, and aesthetics of each
- 118 municipality and each municipality's present and future inhabitants and businesses;
- 119 (d) protect the tax base;
- 120 (e) secure economy in governmental expenditures;
- 121 (f) foster the state's agricultural and other industries;
- 122 (g) protect both urban and nonurban development;
- 123 (h) protect and ensure access to sunlight for solar energy devices;
- 124 (i) provide fundamental fairness in land use regulation;
- 125 (j) facilitate orderly growth, ~~and~~ allow growth in a variety of housing types, and
- 126 contribute toward housing affordability; and
- 127 (k) protect property values.
- 128 (2) To accomplish the purposes of this chapter, a municipality may enact all ordinances,
- 129 resolutions, and rules and may enter into other forms of land use controls and
- 130 development agreements that the municipality considers necessary or appropriate for the

- 131 use and development of land within the municipality, including ordinances, resolutions,
 132 rules, restrictive covenants, easements, and development agreements governing:
- 133 (a) uses;
 - 134 (b) density;
 - 135 (c) open spaces;
 - 136 (d) structures;
 - 137 (e) buildings;
 - 138 (f) energy efficiency;
 - 139 (g) light and air;
 - 140 (h) air quality;
 - 141 (i) transportation and public or alternative transportation;
 - 142 (j) infrastructure;
 - 143 (k) street and building orientation;
 - 144 (l) width requirements;
 - 145 (m) public facilities;
 - 146 (n) fundamental fairness in land use regulation; and
 - 147 (o) considerations of surrounding land uses to balance the foregoing purposes with a
 148 landowner's private property interests and associated statutory and constitutional
 149 protections.

- 150 (3)(a) Any ordinance, resolution, or rule enacted by a municipality pursuant to its
 151 authority under this chapter shall comply with the state's exclusive jurisdiction to
 152 regulate oil and gas activity, as described in Section 40-6-2.5.
- 153 (b) A municipality may enact an ordinance, resolution, or rule that regulates surface
 154 activity incident to an oil and gas activity if the municipality demonstrates that the
 155 regulation:
- 156 (i) is necessary for the purposes of this chapter;
 - 157 (ii) does not effectively or unduly limit, ban, or prohibit an oil and gas activity; and
 - 158 (iii) does not interfere with the state's exclusive jurisdiction to regulate oil and gas
 159 activity, as described in Section 40-6-2.5.

160 Section 3. Section **10-9a-403** is amended to read:

161 **10-9a-403 . General plan preparation.**

- 162 (1)(a) The planning commission shall provide notice, as provided in Section 10-9a-203,
 163 of the planning commission's intent to make a recommendation to the municipal
 164 legislative body for a general plan or a comprehensive general plan amendment when

165 the planning commission initiates the process of preparing the planning commission's
166 recommendation.

167 (b) The planning commission shall make and recommend to the legislative body a
168 proposed general plan for the area within the municipality.

169 (c) The plan may include areas outside the boundaries of the municipality if, in the
170 planning commission's judgment, those areas are related to the planning of the
171 municipality's territory.

172 (d) Except as otherwise provided by law or with respect to a municipality's power of
173 eminent domain, when the plan of a municipality involves territory outside the
174 boundaries of the municipality, the municipality may not take action affecting that
175 territory without the concurrence of the county or other municipalities affected.

176 (2)(a) At a minimum, the proposed general plan, with the accompanying maps, charts,
177 and descriptive and explanatory matter, shall include the planning commission's
178 recommendations for the following plan elements:

179 (i) a land use element that:

180 (A) designates the long-term goals and the proposed extent, general distribution,
181 and location of land for housing for residents of various income levels,
182 business, industry, agriculture, recreation, education, public buildings and
183 grounds, open space, and other categories of public and private uses of land as
184 appropriate;

185 (B) includes a statement of the projections for and standards of population density
186 and building intensity recommended for the various land use categories
187 covered by the plan;

188 (C) except for a city of the fifth class or a town, is coordinated to integrate the
189 land use element with the water use and preservation element; and

190 (D) except for a city of the fifth class or a town, accounts for the effect of land use
191 categories and land uses on water demand;

192 (ii) a transportation and traffic circulation element that:

193 (A) provides the general location and extent of existing and proposed freeways,
194 arterial and collector streets, public transit, active transportation facilities, and
195 other modes of transportation that the planning commission considers
196 appropriate;

197 (B) for a municipality that has access to a major transit investment corridor,
198 addresses the municipality's plan for residential and commercial development

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

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

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

- 301 construction or preservation of moderate income housing;
- 302 (P) demonstrate utilization of a moderate income housing set aside from a
 303 community reinvestment agency, redevelopment agency, or community
 304 development and renewal agency to create or subsidize moderate income
 305 housing;
- 306 [~~(Q)~~ create a housing and transit reinvestment zone pursuant to Title 63N, Chapter
 307 3, Part 6, Housing and Transit Reinvestment Zone Act;]
- 308 [~~(R)~~ create a home ownership promotion zone pursuant to Part 10, Home
 309 Ownership Promotion Zone for Municipalities;]
- 310 [~~(S)~~ (Q) eliminate impact fees for any accessory dwelling unit that is not an
 311 internal accessory dwelling unit as defined in Section 10-9a-530;
- 312 [~~(T)~~ (R) create a program to transfer development rights for moderate income
 313 housing;
- 314 [~~(U)~~ (S) ratify a joint acquisition agreement with another local political
 315 subdivision for the purpose of combining resources to acquire property for
 316 moderate income housing;
- 317 [~~(V)~~ (T) develop a moderate income housing project for residents who are
 318 disabled or 55 years old or older;
- 319 [~~(W)~~ (U) develop and adopt a station area plan in accordance with Section
 320 10-9a-403.1;
- 321 [~~(X)~~ (V) create or allow for, and reduce regulations related to, multifamily
 322 residential dwellings compatible in scale and form with detached single-family
 323 residential dwellings and located in walkable communities within residential or
 324 mixed-use zones;
- 325 [~~(Y)~~ create a first home investment zone in accordance with Title 63N, Chapter 3,
 326 Part 16, First Home Investment Zone Act; and]
- 327 [~~(Z)~~ (W) demonstrate implementation of any other program or strategy to address
 328 the housing needs of residents of the municipality who earn less than 80% of
 329 the area median income, including the dedication of a local funding source to
 330 moderate income housing or the adoption of a land use ordinance that requires
 331 10% or more of new residential development in a residential zone be dedicated
 332 to moderate income housing;[-and]
- 333 (X) create a housing and transit reinvestment zone pursuant to Title 63N, Chapter
 334 3, Part 6, Housing and Transit Reinvestment Zone Act;

- 335 (Y) create a home ownership promotion zone pursuant to Part 10, Home
336 Ownership Promotion Zone for Municipalities;
- 337 (Z) create a first home investment zone in accordance with Title 63N, Chapter 3,
338 Part 16, First Home Investment Zone Act;
- 339 (AA) approve a project that receives funding from, or qualifies to receive funding
340 from, the Utah Homes Investment Program created in Title 51, Chapter 12,
341 Utah Homes Investment Program;
- 342 (BB) adopt or approve a qualifying affordable home ownership density bonus for
343 single-family residential units, as described in Section 10-9a-403.2; and
- 344 (CC) adopt or approve a qualifying affordable home ownership density bonus for
345 multi-family residential units, as described in Section 10-9a-403.3; and
- 346 (iv) shall identify each moderate income housing strategy recommended to the
347 legislative body for implementation by restating the exact language used to
348 describe the strategy in Subsection (2)(b)(iii).
- 349 (c)(i) In drafting the implementation plan portion of the moderate income housing
350 element as described in Subsection (2)(a)(iii)(C), the planning commission shall
351 recommend to the legislative body the establishment of a five-year timeline for
352 implementing each of the moderate income housing strategies selected by the
353 municipality for implementation.
- 354 (ii) The timeline described in Subsection (2)(c)(i) shall:
- 355 (A) identify specific measures and benchmarks for implementing each moderate
356 income housing strategy selected by the municipality, whether one-time or
357 ongoing; and
- 358 (B) provide flexibility for the municipality to make adjustments as needed.
- 359 (d) In drafting the land use element, the planning commission shall:
- 360 (i) identify and consider each agriculture protection area within the municipality;
- 361 (ii) avoid proposing a use of land within an agriculture protection area that is
362 inconsistent with or detrimental to the use of the land for agriculture; and
- 363 (iii) consider and coordinate with any station area plans adopted by the municipality
364 if required under Section 10-9a-403.1.
- 365 (e) In drafting the transportation and traffic circulation element, the planning
366 commission shall:
- 367 (i)(A) consider and coordinate with the regional transportation plan developed by
368 the municipality's region's metropolitan planning organization, if the

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

- 403 (A) water supply planning, including drinking water source and storage capacity
404 consistent with Section 19-4-114; and
- 405 (B) water distribution planning, including master plans, infrastructure asset
406 management programs and plans, infrastructure replacement plans, and impact
407 fee facilities plans;
- 408 (vi) shall consult with the Division of Water Resources for information and technical
409 resources regarding regional water conservation goals, including how
410 implementation of the land use element and the water use and preservation
411 element may affect the Great Salt Lake;
- 412 (vii) may include recommendations for additional water demand reduction strategies,
413 including:
- 414 (A) creating a water budget associated with a particular type of development;
415 (B) adopting new or modified lot size, configuration, and landscaping standards
416 that will reduce water demand for new single family development;
417 (C) providing one or more water reduction incentives for existing development
418 such as modification of existing landscapes and irrigation systems and
419 installation of water fixtures or systems that minimize water demand;
420 (D) discouraging incentives for economic development activities that do not
421 adequately account for water use or do not include strategies for reducing
422 water demand; and
- 423 (E) adopting water concurrency standards requiring that adequate water supplies
424 and facilities are or will be in place for new development; and
- 425 (viii) for a town, may include, and for another municipality, shall include, a
426 recommendation for low water use landscaping standards for a new:
- 427 (A) commercial, industrial, or institutional development;
428 (B) common interest community, as defined in Section 57-25-102; or
429 (C) multifamily housing project.
- 430 (3) The proposed general plan may include:
- 431 (a) an environmental element that addresses:
- 432 (i) the protection, conservation, development, and use of natural resources, including
433 the quality of:
- 434 (A) air;
435 (B) forests;
436 (C) soils;

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

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

472 **10-9a-403.2 . Affordable home ownership density bonus for single-family**
 473 **residential units.**

474 (1) As used in this section:

475 (a) "Affordable housing" means a dwelling:

476 (i) offered for sale to an owner-occupier at a purchase price affordable to a household
 477 with a gross income of no more than 120% of area median income for the county
 478 in which the residential unit is offered for sale; or

479 (ii) offered for rent at a rental price affordable to a household with a gross income of
 480 no more than 80% of area median income for the county in which the residential
 481 unit is offered for rent.

482 (b) "Owner-occupier" means an individual who owns, solely or jointly, a housing unit in
 483 which the individual lives as the individual's primary residence.

484 (c) "Qualifying affordable home ownership single-family density bonus" means:

485 (i) for an area with an underlying zoning density of less than six residential units per
 486 acre, municipal approval of a density at least six residential units per acre; or

487 (ii) for an area with an underlying zoning density of six residential units per acre or
 488 more, municipal approval of a density at least 0.5 residential units per acre greater
 489 than the underlying zoning density for the area.

490 (2) If a municipality approves a qualifying affordable home ownership single-family
 491 density bonus, either through a zoning ordinance or a development agreement, the
 492 municipality may adopt requirements for the qualifying affordable home ownership
 493 single-family density bonus area to ensure:

494 (a) at least 60% of the total single-family residential units be deed-restricted to
 495 owner-occupancy for at least five years;

496 (b) at least 25% of the total single-family residential units qualify as affordable housing;

497 (c) at least 25% of the single-family residential units per acre to be no larger than 1,600
 498 square feet; or

499 (d) the applicant creates a preferential qualifying buyer program in which a
 500 single-family residential unit is initially offered for sale, for up to 30 days, to a
 501 category of preferred qualifying buyers established by the municipality, in
 502 accordance with provisions of the Fair Housing Act, 42 U.S.C. Sec. 3601.

503 (3) A municipality may offer additional incentives in a qualifying affordable home
 504 ownership single-family density bonus area approved for single-family residential units

505 to promote owner-occupied, affordable housing.

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

507 **10-9a-403.3 . Affordable home ownership density bonus for multi-family**
 508 **residential units.**

509 (1) As used in this section:

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

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

512 (c) "Qualifying affordable home ownership multi-family density bonus" means
 513 municipal approval of a density of at least 20 residential units per acre.

514 (2) If a municipality approves a qualifying affordable home ownership multi-family density
 515 bonus, either through a zoning ordinance or a development agreement, the municipality
 516 may adopt requirements for the qualifying affordable home ownership multi-family
 517 density bonus area to ensure:

518 (a) at least 20% more residential units per acre than are otherwise allowed in the area; or

519 (b) at least 60% of the total units in the multi-family residential building be
 520 deed-restricted to owner-occupancy for at least five years;

521 (c) at least 25% of the total units in the multi-family residential building qualify as
 522 affordable housing;

523 (d) at least 25% of the total units in a multi-family residential building to be no larger
 524 than 1,600 square feet; or

525 (e) the applicant creates a preferential qualifying buyer program in which a unit in a
 526 multi-family residential building is initially offered for sale, for up to 30 days, to a
 527 category of preferred qualifying buyers established by the municipality, in
 528 accordance with provisions of the Fair Housing Act, 42 U.S.C. Sec. 3601.

529 (3) A municipality may offer additional incentives in a qualifying affordable home
 530 ownership multi-family density bonus area for multi-family residential units to promote
 531 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) three or more moderate income housing strategies if the specified
- 626 municipality does not have a fixed guideway public transit station; or
- 627 (B) [~~subject to Subsection 10-9a-403(2)(b)(iv), five or more moderate income~~
- 628 ~~housing strategies~~]if the specified municipality has a fixed guideway public
- 629 transit station:
- 630 (I) five or more of the moderate income housing strategies described in
- 631 Subsection 10-9a-403(2)(b)(iii), of which one shall be the moderate income
- 632 housing strategy described in Subsection 10-9a-403(2)(b)(iii)(U) and one
- 633 shall be a moderate income housing strategy described in Subsection
- 634 10-9a-403(2)(b)(iii)(G) or (H); or
- 635 (II) the moderate income housing strategy described in Subsection
- 636 10-9a-403(2)(b)(iii)(U), one of the moderate income housing strategies
- 637 described in Subsections 10-9a-403(2)(b)(iii)(X) through (CC), and one
- 638 moderate income strategy described in Subsection 10-9a-403(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) three or more moderate income housing strategies if the specified
- 645 municipality does not have a fixed guideway public transit station; or
- 646 (B) ~~[subject to the requirements of Subsection 10-9a-403(2)(a)(iii)(D), five or~~
- 647 ~~more moderate income housing strategies]~~if the specified municipality has a
- 648 fixed guideway public transit station~~;~~ :
- 649 (I) five or more of the moderate income housing strategies described in
- 650 Subsection 10-9a-403(2)(b)(iii), of which one shall be the moderate income
- 651 housing strategy described in Subsection 10-9a-403(2)(b)(iii)(U) and one
- 652 shall be a moderate income housing strategy described in Subsection
- 653 10-9a-403(2)(b)(iii)(G) or (H); or
- 654 (II) the moderate income housing strategy described in Subsection
- 655 10-9a-403(2)(b)(iii)(U), one of the moderate income housing strategies
- 656 described in Subsections 10-9a-403(2)(b)(iii)(X) through (CC), and one
- 657 moderate income housing strategy described in Subsection
- 658 10-9a-403(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)(i) Notwithstanding the requirements of Subsection (5)(a)(ii)(A) or (b)(i)(A), if a
- 672 specified municipality without a fixed guideway public transit station implements
- 673 or is implementing, by ordinance or development agreement, one of the following
- 674 moderate income housing strategies, the division shall consider that one moderate

- 675 income housing strategy to be the equivalent of three moderate income housing
 676 strategies:
- 677 (A) a housing and transit reinvestment zone, as described in Subsection
 678 10-9a-403(2)(a)(iii)(X);
- 679 (B) a home ownership promotion zone, as described in Subsection
 680 10-9a-403(2)(a)(iii)(Y);
- 681 (C) a first home investment zone, described in Subsection 10-9a-403(2)(a)(iii)(Z);
- 682 (D) the approval of a project described in Subsection 10-9a-403(2)(a)(iii)(AA);
- 683 (E) a qualifying affordable home ownership density bonus for single-family
 684 residential units, as described in Subsection 10-9a-403(2)(a)(iii)(BB); or
- 685 (F) a qualifying affordable home ownership density bonus for multi-family
 686 residential units, as described in Subsection 10-9a-403(2)(a)(iii)(CC).
- 687 (ii) If the division considers one moderate income housing strategy described in
 688 Subsection (5)(c)(i) as the equivalent of three moderate income housing strategies,
 689 the division shall also consider the specified municipality compliant with the
 690 reporting requirement described in this section for:
- 691 (A) the year in which the specified municipality submits the initial report or
 692 subsequent report; and
- 693 (B) two subsequent reporting years.
- 694 (6)(a) A specified municipality qualifies for priority consideration under this Subsection
 695 (6) if the specified municipality's report:
- 696 (i) complies with this section; and
- 697 (ii) demonstrates to the division that the specified municipality made plans to
 698 implement:
- 699 (A) five or more moderate income housing strategies if the specified municipality
 700 does not have a fixed guideway public transit station; or
- 701 (B) six or more moderate income housing strategies if the specified municipality
 702 has a fixed guideway public transit station.
- 703 (b) The Transportation Commission may, in accordance with Subsection 72-1-304(3)(c),
 704 give priority consideration to transportation projects located within the boundaries of
 705 a specified municipality described in Subsection (6)(a) until the Department of
 706 Transportation receives notice from the division under Subsection (6)(e).
- 707 (c) Upon determining that a specified municipality qualifies for priority consideration
 708 under this Subsection (6), the division shall send a notice of prioritization to the

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

- 743 accordance with Subsection (7)(b)(i) and the division determines that the
744 corrected report does not comply with this section, the division shall send a
745 second notice of noncompliance to the legislative body of the specified
746 municipality within 30 days after the day on which the corrected report is
747 submitted.
- 748 (ii) A specified municipality that receives a second notice of noncompliance may
749 submit to the division a request for an appeal of the division's determination of
750 noncompliance within 10 days after the day on which the second notice of
751 noncompliance is sent.
- 752 (iii) The notice described in Subsection (7)(e)(i) shall:
- 753 (A) state that the specified municipality has an opportunity to submit to the
754 division a request for an appeal of the division's determination of
755 noncompliance within 10 days after the day on which the second notice of
756 noncompliance is sent; and
- 757 (B) state that failure to take action under Subsection (7)(e)(iii)(A) will result in the
758 specified municipality's ineligibility for funds under Subsection (9).
- 759 (8)(a) A specified municipality that receives a notice of noncompliance under
760 Subsection (7)(a) or (7)(e)(i) may request an appeal of the division's determination of
761 noncompliance within 10 days after the day on which the notice of noncompliance is
762 sent.
- 763 (b) Within 90 days after the day on which the division receives a request for an appeal,
764 an appeal board consisting of the following three members shall review and issue a
765 written decision on the appeal:
- 766 (i) one individual appointed by the Utah League of Cities and Towns;
767 (ii) one individual appointed by the Utah Homebuilders Association; and
768 (iii) one individual appointed by the presiding member of the association of
769 governments, established pursuant to an interlocal agreement under Title 11,
770 Chapter 13, Interlocal Cooperation Act, of which the specified municipality is a
771 member.
- 772 (c) The written decision of the appeal board shall either uphold or reverse the division's
773 determination of noncompliance.
- 774 (d) The appeal board's written decision on the appeal is final.
- 775 (9)(a) A specified municipality is ineligible for funds under this Subsection (9) if:
- 776 (i) the specified municipality fails to submit a report to the division;

- 777 (ii) after submitting a report to the division, the division determines that the report
778 does not comply with this section and the specified municipality fails to:
- 779 (A) cure each deficiency in the report within 90 days after the day on which the
780 notice of noncompliance is sent; or
- 781 (B) request an appeal of the division's determination of noncompliance within 10
782 days after the day on which the notice of noncompliance is sent;
- 783 (iii) after submitting to the division a corrected report to cure the deficiencies in a
784 previously submitted report, the division determines that the corrected report does
785 not comply with this section and the specified municipality fails to request an
786 appeal of the division's determination of noncompliance within 10 days after the
787 day on which the second notice of noncompliance is sent; or
- 788 (iv) after submitting a request for an appeal under Subsection (8), the appeal board
789 issues a written decision upholding the division's determination of noncompliance.
- 790 (b) The following apply to a specified municipality described in Subsection (9)(a) until
791 the division provides notice under Subsection (9)(e):
- 792 (i) the executive director of the Department of Transportation may not program funds
793 from the Transportation Investment Fund of 2005, including the Transit
794 Transportation Investment Fund, to projects located within the boundaries of the
795 specified municipality in accordance with Subsection 72-2-124(5);
- 796 (ii) beginning with a report submitted in 2024, the specified municipality shall pay a
797 fee to the Olene Walker Housing Loan Fund in the amount of \$250 per day that
798 the specified municipality:
- 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); and
- 804 (iii) beginning with the report submitted in 2025, the specified municipality shall pay
805 a fee to the Olene Walker Housing Loan Fund in the amount of \$500 per day that
806 the specified municipality, in a consecutive year:
- 807 (A) fails to submit the report to the division in accordance with this section,
808 beginning the day after the day on which the report was due; or
- 809 (B) fails to cure the deficiencies in the report, beginning the day after the day by
810 which the cure was required to occur as described in the notice of

- 811 noncompliance under Subsection (7).
- 812 (c) Upon determining that a specified municipality is ineligible for funds under this
813 Subsection (9), and is required to pay a fee under Subsection (9)(b), if applicable, the
814 division shall send a notice of ineligibility to the legislative body of the specified
815 municipality, the Department of Transportation, the State Tax Commission, and the
816 Governor's Office of Planning and Budget.
- 817 (d) The notice described in Subsection (9)(c) shall:
- 818 (i) name the specified municipality that is ineligible for funds;
- 819 (ii) describe the funds for which the specified municipality is ineligible to receive;
- 820 (iii) describe the fee the specified municipality is required to pay under Subsection
821 (9)(b), if applicable; and
- 822 (iv) state the basis for the division's determination that the specified municipality is
823 ineligible for funds.
- 824 (e) The division shall notify the legislative body of a specified municipality and the
825 Department of Transportation in writing if the division determines that the provisions
826 of this Subsection (9) no longer apply to the specified municipality.
- 827 (f) The division may not determine that a specified municipality that is required to pay a
828 fee under Subsection (9)(b) is in compliance with the reporting requirements of this
829 section until the specified municipality pays all outstanding fees required under
830 Subsection (9)(b) to the Olene Walker Housing Loan Fund, created under Title 35A,
831 Chapter 8, Part 5, Olene Walker Housing Loan Fund.

- 832 (10) In a civil action seeking enforcement or claiming a violation of this section or of
833 Subsection 10-9a-404(4)(c), a plaintiff may not recover damages but may be awarded
834 only injunctive or other equitable relief.

835 Section 7. Section **10-9a-527** is amended to read:

836 **10-9a-527 . Historic preservation authority.**

- 837 (1)(a) A legislative body may designate a historic preservation authority.
- 838 (b) A legislative body may not designate the legislative body or the municipality's
839 governing body as a historic preservation authority.
- 840 (2) In making administrative decisions on land use applications, a historic preservation
841 authority shall apply the plain language of the land use regulations to a land use
842 application.
- 843 (3) If a land use regulation does not plainly restrict a land use application, the historic
844 preservation authority shall interpret and apply the land use regulation to favor the land

845 use application.

846 (4) A historic preservation authority may not designate a building or dwelling as historic, or
847 subject to historic preservation, if the building or dwelling:

848 (a) was built after December 31, 1990; and

849 (b) is located on a lot within a subdivision plat recorded after December 31, 1990.

850 (5) A legislative body may not impose or enforce an ordinance, land use regulation, or land
851 use decision requiring historic preservation, or historic preservation-based aesthetic
852 requirements, on a building or dwelling:

853 (a) built after December 31, 1990; and

854 (b) located on a lot within a subdivision plat recorded after December 31, 1990.

855 Section 8. Section **10-9a-535** is amended to read:

856 **10-9a-535 . Moderate income housing.**

857 (1) A municipality may only require the development of a certain number of moderate
858 income housing units as a condition of approval of a land use application if:

859 (a) the municipality and the applicant enter into a written agreement regarding the
860 number of moderate income housing units;[~~or~~]

861 (b) the municipality provides incentives for an applicant who agrees to include moderate
862 income housing units in a development[~~;~~] ; or

863 (c) the municipality offers or approves, and an applicant accepts, an incentive described
864 in Section 10-9a-403.2 or 10-9a-403.3.

865 (2) If an applicant does not agree to participate in the development of moderate income
866 housing units under Subsection (1)(a) or (b), a municipality may not take into
867 consideration the applicant's decision in the municipality's determination of whether to
868 approve or deny a land use application.

869 (3) Notwithstanding Subsections (1) and (2), a municipality that imposes a resort
870 community sales and use tax as described in Section 59-12-401, may require the
871 development of a certain number of moderate income housing units as a condition of
872 approval of a land use application if the requirement is in accordance with an ordinance
873 enacted by the municipality before January 1, 2022.

874 Section 9. Section **17-27a-102** is amended to read:

875 **17-27a-102 . Purposes -- General land use authority -- Limitations.**

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

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

878 (ii) promote the prosperity;

- 879 (iii) improve the morals, peace, good order, comfort, convenience, and aesthetics of
880 each county and each county's present and future inhabitants and businesses;
- 881 (iv) protect the tax base;
- 882 (v) secure economy in governmental expenditures;
- 883 (vi) foster the state's agricultural and other industries;
- 884 (vii) protect both urban and nonurban development;
- 885 (viii) protect and ensure access to sunlight for solar energy devices;
- 886 (ix) provide fundamental fairness in land use regulation;
- 887 (x) facilitate orderly growth, ~~and~~ allow growth in a variety of housing types, and
888 contribute toward housing affordability; and
- 889 (xi) protect property values.
- 890 (b) Subject to Subsection (4) and Section 11-41-103, to accomplish the purposes of this
891 chapter, a county may enact all ordinances, resolutions, and rules and may enter into
892 other forms of land use controls and development agreements that the county
893 considers necessary or appropriate for the use and development of land within the
894 unincorporated area of the county or a designated mountainous planning district,
895 including ordinances, resolutions, rules, restrictive covenants, easements, and
896 development agreements governing:
- 897 (i) uses;
- 898 (ii) density;
- 899 (iii) open spaces;
- 900 (iv) structures;
- 901 (v) buildings;
- 902 (vi) energy-efficiency;
- 903 (vii) light and air;
- 904 (viii) air quality;
- 905 (ix) transportation and public or alternative transportation;
- 906 (x) infrastructure;
- 907 (xi) street and building orientation and width requirements;
- 908 (xii) public facilities;
- 909 (xiii) fundamental fairness in land use regulation; and
- 910 (xiv) considerations of surrounding land uses to balance the foregoing purposes with
911 a landowner's private property interests and associated statutory and constitutional
912 protections.

- 913 (2) Each county shall comply with the mandatory provisions of this part before any
914 agreement or contract to provide goods, services, or municipal-type services to any
915 storage facility or transfer facility for high-level nuclear waste, or greater than class C
916 radioactive waste, may be executed or implemented.
- 917 (3)(a) Any ordinance, resolution, or rule enacted by a county pursuant to its authority
918 under this chapter shall comply with the state's exclusive jurisdiction to regulate oil
919 and gas activity, as described in Section 40-6-2.5.
- 920 (b) A county may enact an ordinance, resolution, or rule that regulates surface activity
921 incident to an oil and gas activity if the county demonstrates that the regulation:
922 (i) is necessary for the purposes of this chapter;
923 (ii) does not effectively or unduly limit, ban, or prohibit an oil and gas activity; and
924 (iii) does not interfere with the state's exclusive jurisdiction to regulate oil and gas
925 activity, as described in Section 40-6-2.5.
- 926 (4)(a) This Subsection (4) applies to development agreements entered into on or after
927 May 5, 2021.
- 928 (b) A provision in a county development agreement is unenforceable if the provision
929 requires an individual or an entity, as a condition for issuing building permits or
930 otherwise regulating development activities within an unincorporated area of the
931 county, to initiate a process for a municipality to annex the unincorporated area in
932 accordance with Title 10, Chapter 2, Part 4, Annexation.
- 933 (c) Subsection (4)(b) does not affect or impair the enforceability of any other provision
934 in the development agreement.
- 935 Section 10. Section **17-27a-403** is amended to read:
936 **17-27a-403 . General plan preparation.**
- 937 (1)(a) The planning commission shall provide notice, as provided in Section 17-27a-203,
938 of the planning commission's intent to make a recommendation to the county
939 legislative body for a general plan or a comprehensive general plan amendment when
940 the planning commission initiates the process of preparing the planning commission's
941 recommendation.
- 942 (b) The planning commission shall make and recommend to the legislative body a
943 proposed general plan for:
944 (i) the unincorporated area within the county; or
945 (ii) if the planning commission is a planning commission for a mountainous planning
946 district, the mountainous planning district.

- 947 (c)(i) The plan may include planning for incorporated areas if, in the planning
948 commission's judgment, they are related to the planning of the unincorporated
949 territory or of the county as a whole.
- 950 (ii) Elements of the county plan that address incorporated areas are not an official
951 plan or part of a municipal plan for any municipality, unless the county plan is
952 recommended by the municipal planning commission and adopted by the
953 governing body of the municipality.
- 954 (2)(a) At a minimum, the proposed general plan, with the accompanying maps, charts,
955 and descriptive and explanatory matter, shall include the planning commission's
956 recommendations for the following plan elements:
- 957 (i) a land use element that:
- 958 (A) designates the long-term goals and the proposed extent, general distribution,
959 and location of land for housing for residents of various income levels,
960 business, industry, agriculture, recreation, education, public buildings and
961 grounds, open space, and other categories of public and private uses of land as
962 appropriate;
- 963 (B) includes a statement of the projections for and standards of population density
964 and building intensity recommended for the various land use categories
965 covered by the plan;
- 966 (C) is coordinated to integrate the land use element with the water use and
967 preservation element; and
- 968 (D) accounts for the effect of land use categories and land uses on water demand;
- 969 (ii) a transportation and traffic circulation element that:
- 970 (A) provides the general location and extent of existing and proposed freeways,
971 arterial and collector streets, public transit, active transportation facilities, and
972 other modes of transportation that the planning commission considers
973 appropriate;
- 974 (B) addresses the county's plan for residential and commercial development
975 around major transit investment corridors to maintain and improve the
976 connections between housing, employment, education, recreation, and
977 commerce; and
- 978 (C) correlates with the population projections, the employment projections, and
979 the proposed land use element of the general plan;
- 980 (iii) for a specified county as defined in Section 17-27a-408, a moderate income

- 981 housing element that:
- 982 (A) provides a realistic opportunity to meet the need for additional moderate
983 income housing within the next five years;
- 984 (B) selects three or more moderate income housing strategies described in [
985 ~~Subsection (2)(b)(ii)] Subsections (2)(b)(ii)(A) through (V), or one moderate
986 income housing strategy described in Subsections (2)(b)(ii)(W) through (BB),
987 for implementation; and~~
- 988 (C) includes an implementation plan as provided in Subsection [~~(2)(e)] (2)(g);~~
- 989 (iv) a resource management plan detailing the findings, objectives, and policies
990 required by Subsection 17-27a-401(3); and
- 991 (v) a water use and preservation element that addresses:
- 992 (A) the effect of permitted development or patterns of development on water
993 demand and water infrastructure;
- 994 (B) methods of reducing water demand and per capita consumption for future
995 development;
- 996 (C) methods of reducing water demand and per capita consumption for existing
997 development; and
- 998 (D) opportunities for the county to modify the county's operations to eliminate
999 practices or conditions that waste water.
- 1000 (b) In drafting the moderate income housing element, the planning commission:
- 1001 (i) shall consider the Legislature's determination that counties should facilitate a
1002 reasonable opportunity for a variety of housing, including moderate income
1003 housing:
- 1004 (A) to meet the needs of people of various income levels living, working, or
1005 desiring to live or work in the community; and
- 1006 (B) to allow people with various incomes to benefit from and fully participate in
1007 all aspects of neighborhood and community life; and
- 1008 (ii) shall include an analysis of how the county will provide a realistic opportunity for
1009 the development of moderate income housing within the planning horizon,
1010 including a recommendation to implement three or more of the following
1011 moderate income housing strategies:
- 1012 (A) rezone for densities necessary to facilitate the production of moderate income
1013 housing;
- 1014 (B) demonstrate investment in the rehabilitation or expansion of infrastructure that

- 1015 facilitates the construction of moderate income housing;
- 1016 (C) demonstrate investment in the rehabilitation of existing uninhabitable housing
- 1017 stock into moderate income housing;
- 1018 (D) identify and utilize county general fund subsidies or other sources of revenue
- 1019 to waive construction related fees that are otherwise generally imposed by the
- 1020 county for the construction or rehabilitation of moderate income housing;
- 1021 (E) create or allow for, and reduce regulations related to, internal or detached
- 1022 accessory dwelling units in residential zones;
- 1023 (F) zone or rezone for higher density or moderate income residential development
- 1024 in commercial or mixed-use zones, commercial centers, or employment centers;
- 1025 (G) amend land use regulations to allow for higher density or new moderate
- 1026 income residential development in commercial or mixed-use zones near major
- 1027 transit investment corridors;
- 1028 (H) amend land use regulations to eliminate or reduce parking requirements for
- 1029 residential development where a resident is less likely to rely on the resident's
- 1030 own vehicle, such as residential development near major transit investment
- 1031 corridors or senior living facilities;
- 1032 (I) amend land use regulations to allow for single room occupancy developments;
- 1033 (J) implement zoning incentives for moderate income units in new developments;
- 1034 (K) preserve existing and new moderate income housing and subsidized units by
- 1035 utilizing a landlord incentive program, providing for deed restricted units
- 1036 through a grant program, or establishing a housing loss mitigation fund;
- 1037 (L) reduce, waive, or eliminate impact fees related to moderate income housing;
- 1038 (M) demonstrate creation of, or participation in, a community land trust program
- 1039 for moderate income housing;
- 1040 (N) implement a mortgage assistance program for employees of the county, an
- 1041 employer that provides contracted services for the county, or any other public
- 1042 employer that operates within the county;
- 1043 (O) apply for or partner with an entity that applies for state or federal funds or tax
- 1044 incentives to promote the construction of moderate income housing, an entity
- 1045 that applies for programs offered by the Utah Housing Corporation within that
- 1046 agency's funding capacity, an entity that applies for affordable housing
- 1047 programs administered by the Department of Workforce Services, an entity
- 1048 that applies for services provided by a public housing authority to preserve and

- 1049 create moderate income housing, or any other entity that applies for programs
 1050 or services that promote the construction or preservation of moderate income
 1051 housing;
- 1052 (P) demonstrate utilization of a moderate income housing set aside from a
 1053 community reinvestment agency, redevelopment agency, or community
 1054 development and renewal agency to create or subsidize moderate income
 1055 housing;
- 1056 [~~(Q)~~ create a housing and transit reinvestment zone pursuant to Title 63N, Chapter
 1057 3, Part 6, Housing and Transit Reinvestment Zone Act;]
- 1058 [~~(R)~~ create a home ownership promotion zone pursuant to Part 12, Home
 1059 Ownership Promotion Zone for Counties;]
- 1060 [~~(S)~~ (Q) eliminate impact fees for any accessory dwelling unit that is not an
 1061 internal accessory dwelling unit as defined in Section 10-9a-530;
- 1062 [~~(T)~~ (R) create a program to transfer development rights for moderate income
 1063 housing;
- 1064 [~~(U)~~ (S) ratify a joint acquisition agreement with another local political
 1065 subdivision for the purpose of combining resources to acquire property for
 1066 moderate income housing;
- 1067 [~~(V)~~ (T) develop a moderate income housing project for residents who are
 1068 disabled or 55 years old or older;
- 1069 [~~(W)~~ (U) create or allow for, and reduce regulations related to, multifamily
 1070 residential dwellings compatible in scale and form with detached single-family
 1071 residential dwellings and located in walkable communities within residential or
 1072 mixed-use zones;[~~and~~]
- 1073 [~~(X)~~ (V) demonstrate implementation of any other program or strategy to address
 1074 the housing needs of residents of the county who earn less than 80% of the area
 1075 median income, including the dedication of a local funding source to moderate
 1076 income housing or the adoption of a land use ordinance that requires 10% or
 1077 more of new residential development in a residential zone be dedicated to
 1078 moderate income housing[-] ;
- 1079 (W) create a housing and transit reinvestment zone pursuant to Title 63N, Chapter
 1080 3, Part 6, Housing and Transit Reinvestment Zone Act;
- 1081 (X) create a home ownership investment zone in accordance with Part 12, Home
 1082 Ownership Promotion Zone for Counties;

- 1083 (Y) create a first home investment zone in accordance with Title 63N, Chapter 3,
 1084 Part 16, First Home Investment Zone Act;
- 1085 (Z) approve a project that receives funding from, or qualifies to receive funding
 1086 from, the Utah Homes Investment Program created in Title 51, Chapter 12,
 1087 Utah Homes Investment Program;
- 1088 (AA) adopt or approve an affordable home ownership density bonus for
 1089 single-family residential units, as described in Section 17-27a-403.1; and
 1090 (BB) adopt or approve an affordable home ownership density bonus for
 1091 multi-family residential units, as described in Section 17-27a-403.2.
- 1092 (c) If a specified county, as defined in Section 17-27a-408, has created a small public
 1093 transit district, as defined in Section 17B-2a-802, on or before January 1, 2022, the
 1094 specified county shall include as part of the specified county's recommended
 1095 strategies under Subsection (2)(b)(ii) a recommendation to implement the strategy
 1096 described in Subsection [~~(2)(b)(ii)(Q)~~] (2)(b)(ii)(W).
- 1097 (d) The planning commission shall identify each moderate income housing strategy
 1098 recommended to the legislative body for implementation by restating the exact
 1099 language used to describe the strategy in Subsection (2)(b)(ii).
- 1100 (e) In drafting the land use element, the planning commission shall:
 1101 (i) identify and consider each agriculture protection area within the unincorporated
 1102 area of the county or mountainous planning district;
 1103 (ii) avoid proposing a use of land within an agriculture protection area that is
 1104 inconsistent with or detrimental to the use of the land for agriculture; and
 1105 (iii) consider and coordinate with any station area plans adopted by municipalities
 1106 located within the county under Section 10-9a-403.1.
- 1107 (f) In drafting the transportation and traffic circulation element, the planning
 1108 commission shall:
 1109 (i)(A) consider and coordinate with the regional transportation plan developed by
 1110 the county's region's metropolitan planning organization, if the relevant areas
 1111 of the county are within the boundaries of a metropolitan planning
 1112 organization; or
 1113 (B) consider and coordinate with the long-range transportation plan developed by
 1114 the Department of Transportation, if the relevant areas of the county are not
 1115 within the boundaries of a metropolitan planning organization; and
 1116 (ii) consider and coordinate with any station area plans adopted by municipalities

1117 located within the county under Section 10-9a-403.1.

1118 (g)(i) In drafting the implementation plan portion of the moderate income housing
1119 element as described in Subsection (2)(a)(iii)(C), the planning commission shall
1120 recommend to the legislative body the establishment of a five-year timeline for
1121 implementing each of the moderate income housing strategies selected by the
1122 county for implementation.

1123 (ii) The timeline described in Subsection (2)(g)(i) shall:

1124 (A) identify specific measures and benchmarks for implementing each moderate
1125 income housing strategy selected by the county; and

1126 (B) provide flexibility for the county to make adjustments as needed.

1127 (h) In drafting the water use and preservation element, the planning commission:

1128 (i) shall consider applicable regional water conservation goals recommended by the
1129 Division of Water Resources;

1130 (ii) shall consult with the Division of Water Resources for information and technical
1131 resources regarding regional water conservation goals, including how
1132 implementation of the land use element and water use and preservation element
1133 may affect the Great Salt Lake;

1134 (iii) shall notify the community water systems serving drinking water within the
1135 unincorporated portion of the county and request feedback from the community
1136 water systems about how implementation of the land use element and water use
1137 and preservation element may affect:

1138 (A) water supply planning, including drinking water source and storage capacity
1139 consistent with Section 19-4-114; and

1140 (B) water distribution planning, including master plans, infrastructure asset
1141 management programs and plans, infrastructure replacement plans, and impact
1142 fee facilities plans;

1143 (iv) shall consider the potential opportunities and benefits of planning for
1144 regionalization of public water systems;

1145 (v) shall consult with the Department of Agriculture and Food for information and
1146 technical resources regarding the potential benefits of agriculture conservation
1147 easements and potential implementation of agriculture water optimization projects
1148 that would support regional water conservation goals;

1149 (vi) shall notify an irrigation or canal company located in the county so that the
1150 irrigation or canal company can be involved in the protection and integrity of the

- 1151 irrigation or canal company's delivery systems;
- 1152 (vii) shall include a recommendation for:
- 1153 (A) water conservation policies to be determined by the county; and
- 1154 (B) landscaping options within a public street for current and future development
- 1155 that do not require the use of lawn or turf in a parkstrip;
- 1156 (viii) shall review the county's land use ordinances and include a recommendation for
- 1157 changes to an ordinance that promotes the inefficient use of water;
- 1158 (ix) shall consider principles of sustainable landscaping, including the:
- 1159 (A) reduction or limitation of the use of lawn or turf;
- 1160 (B) promotion of site-specific landscape design that decreases stormwater runoff
- 1161 or runoff of water used for irrigation;
- 1162 (C) preservation and use of healthy trees that have a reasonable water requirement
- 1163 or are resistant to dry soil conditions;
- 1164 (D) elimination or regulation of ponds, pools, and other features that promote
- 1165 unnecessary water evaporation;
- 1166 (E) reduction of yard waste; and
- 1167 (F) use of an irrigation system, including drip irrigation, best adapted to provide
- 1168 the optimal amount of water to the plants being irrigated;
- 1169 (x) may include recommendations for additional water demand reduction strategies,
- 1170 including:
- 1171 (A) creating a water budget associated with a particular type of development;
- 1172 (B) adopting new or modified lot size, configuration, and landscaping standards
- 1173 that will reduce water demand for new single family development;
- 1174 (C) providing one or more water reduction incentives for existing landscapes and
- 1175 irrigation systems and installation of water fixtures or systems that minimize
- 1176 water demand;
- 1177 (D) discouraging incentives for economic development activities that do not
- 1178 adequately account for water use or do not include strategies for reducing
- 1179 water demand; and
- 1180 (E) adopting water concurrency standards requiring that adequate water supplies
- 1181 and facilities are or will be in place for new development; and
- 1182 (xi) shall include a recommendation for low water use landscaping standards for a
- 1183 new:
- 1184 (A) commercial, industrial, or institutional development;

- 1185 (B) common interest community, as defined in Section 57-25-102; or
1186 (C) multifamily housing project.
- 1187 (3) The proposed general plan may include:
- 1188 (a) an environmental element that addresses:
- 1189 (i) to the extent not covered by the county's resource management plan, the
1190 protection, conservation, development, and use of natural resources, including the
1191 quality of:
- 1192 (A) air;
1193 (B) forests;
1194 (C) soils;
1195 (D) rivers;
1196 (E) groundwater and other waters;
1197 (F) harbors;
1198 (G) fisheries;
1199 (H) wildlife;
1200 (I) minerals; and
1201 (J) other natural resources; and
- 1202 (ii)(A) the reclamation of land, flood control, prevention and control of the
1203 pollution of streams and other waters;
1204 (B) the regulation of the use of land on hillsides, stream channels and other
1205 environmentally sensitive areas;
1206 (C) the prevention, control, and correction of the erosion of soils;
1207 (D) the preservation and enhancement of watersheds and wetlands; and
1208 (E) the mapping of known geologic hazards;
- 1209 (b) a public services and facilities element showing general plans for sewage, water,
1210 waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for
1211 them, police and fire protection, and other public services;
- 1212 (c) a rehabilitation, redevelopment, and conservation element consisting of plans and
1213 programs for:
- 1214 (i) historic preservation;
1215 (ii) the diminution or elimination of a development impediment as defined in Section
1216 17C-1-102; and
1217 (iii) redevelopment of land, including housing sites, business and industrial sites, and
1218 public building sites;

- 1219 (d) an economic element composed of appropriate studies and forecasts, as well as an
 1220 economic development plan, which may include review of existing and projected
 1221 county revenue and expenditures, revenue sources, identification of basic and
 1222 secondary industry, primary and secondary market areas, employment, and retail
 1223 sales activity;
- 1224 (e) recommendations for implementing all or any portion of the general plan, including
 1225 the adoption of land and water use ordinances, capital improvement plans,
 1226 community development and promotion, and any other appropriate action;
- 1227 (f) provisions addressing any of the matters listed in Subsection 17-27a-401(2) or
 1228 (3)(a)(i); and
- 1229 (g) any other element the county considers appropriate.

1230 Section 11. Section **17-27a-403.1** is enacted to read:

1231 **17-27a-403.1 . Affordable home ownership density bonus for single-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 (c) "Qualifying affordable home ownership single-family density bonus" means:
- 1237 (i) for an area with an underlying zoning density of less than six residential units per
 1238 acre, county approval of a density at least six residential units per acre; or
- 1239 (ii) for an area with an underlying zoning density of six residential units per acre or
 1240 more, county approval of a density at least 0.5 residential units per acre greater
 1241 than the underlying zoning density for the area.

- 1242 (2) If a county approves a qualifying affordable home ownership single-family density
 1243 bonus, either through a zoning ordinance or a development agreement, the county may
 1244 adopt requirements for the qualifying affordable home ownership single-family density
 1245 bonus area to ensure:
- 1246 (a) at least 60% of the total single-family residential units be deed-restricted to
 1247 owner-occupancy for at least five years;
- 1248 (b) at least 25% of the total single-family residential units qualify as affordable housing;
- 1249 (c) at least 25% of the single-family residential units per acre to be no larger than 1,600
 1250 square feet; or
- 1251 (d) the applicant creates a preferential qualifying buyer program in which a
 1252 single-family residential unit is initially offered for sale, for up to 30 days, to a

1253 category of preferred qualifying buyers established by the county, in accordance with
 1254 provisions of the Fair Housing Act, 42 U.S.C. Sec. 3601.

1255 (3) A county may offer additional incentives in a qualifying affordable home ownership
 1256 single-family density bonus area approved for single-family residential units to promote
 1257 owner-occupied, affordable housing.

1258 Section 12. Section **17-27a-403.2** is enacted to read:

1259 **17-27a-403.2 . Affordable home ownership density bonus for multi-family**
 1260 **residential units.**

1261 (1) As used in this section:

1262 (a) "Affordable housing" means the same as that term is defined in Section 10-9a-403.2.

1263 (b) "Owner-occupier" means the same as that term is defined in Section 10-9a-403.2.

1264 (c) "Qualifying affordable home ownership multi-family density bonus" means county
 1265 approval of a density of at least 20 residential units per acre.

1266 (2) If a county approves a qualifying affordable home ownership multi-family density
 1267 bonus, either through a zoning ordinance or a development agreement, the county may
 1268 adopt requirements for the qualifying affordable home ownership multi-family density
 1269 bonus area to ensure:

1270 (a) at least 20% more residential units per acre than are otherwise allowed in the area;

1271 (b) at least 60% of the total units in the multi-family residential building be
 1272 deed-restricted to owner-occupancy for at least five years;

1273 (c) at least 25% of the total units in the multi-family residential building qualify as
 1274 affordable housing;

1275 (d) at least 25% of the total units in a multi-family residential building to be no larger
 1276 than 1,600 square feet; or

1277 (e) the applicant creates a preferential qualifying buyer program in which a unit in a
 1278 multi-family residential building is initially offered for sale, for up to 30 days, to a
 1279 category of preferred qualifying buyers established by the county, in accordance with
 1280 provisions of the Fair Housing Act, 42 U.S.C. Sec. 3601.

1281 (3) A county may offer additional incentives in a qualifying affordable home ownership
 1282 multi-family density bonus area for multi-family residential units to promote
 1283 owner-occupied, affordable housing.

1284 Section 13. Section **17-27a-408** is amended to read:

1285 **17-27a-408 . Moderate income housing report -- Contents -- Prioritization for**
 1286 **funds or projects -- Ineligibility for funds after noncompliance -- Civil actions.**

- 1287 (1) As used in this section:
- 1288 (a) "Division" means the Housing and Community Development Division within the
1289 Department of Workforce Services.
- 1290 (b) "Implementation plan" means the implementation plan adopted as part of the
1291 moderate income housing element of a specified county's general plan as provided in
1292 Subsection 17-27a-403(2)(g).
- 1293 (c) "Initial report" means the one-time moderate income housing report described in
1294 Subsection (2).
- 1295 (d) "Moderate income housing strategy" means a strategy described in Subsection
1296 17-27a-403(2)(b)(ii).
- 1297 (e) "Report" means an initial report or a subsequent report.
- 1298 (f) "Specified county" means a county of the first, second, or third class, which has a
1299 population of more than 5,000 in the county's unincorporated areas.
- 1300 (g) "Subsequent progress report" means the annual moderate income housing report
1301 described in Subsection (3).
- 1302 (2)(a) The legislative body of a specified county shall annually submit an initial report to
1303 the division.
- 1304 (b)(i) This Subsection (2)(b) applies to a county that is not a specified county as of
1305 January 1, 2023.
- 1306 (ii) As of January 1, if a county described in Subsection (2)(b)(i) changes from one
1307 class to another or grows in population to qualify as a specified county, the county
1308 shall submit an initial plan to the division on or before August 1 of the first
1309 calendar year beginning on January 1 in which the county qualifies as a specified
1310 county.
- 1311 (c) The initial report shall:
- 1312 (i) identify each moderate income housing strategy selected by the specified county
1313 for continued, ongoing, or one-time implementation, using the exact language
1314 used to describe the moderate income housing strategy in Subsection 17-27a-403
1315 (2)(b)(ii); and
- 1316 (ii) include an implementation plan.
- 1317 (3)(a) After the division approves a specified county's initial report under this section,
1318 the specified county shall, as an administrative act, annually submit to the division a
1319 subsequent progress report on or before August 1 of each year after the year in which
1320 the specified county is required to submit the initial report.

- 1321 (b) The subsequent progress report shall include:
- 1322 (i) subject to Subsection (3)(c), a description of each action, whether one-time or
- 1323 ongoing, taken by the specified county during the previous 12-month period to
- 1324 implement the moderate income housing strategies identified in the initial report
- 1325 for implementation;
- 1326 (ii) a description of each land use regulation or land use decision made by the
- 1327 specified county during the previous 12-month period to implement the moderate
- 1328 income housing strategies, including an explanation of how the land use
- 1329 regulation or land use decision supports the specified county's efforts to
- 1330 implement the moderate income housing strategies;
- 1331 (iii) a description of any barriers encountered by the specified county in the previous
- 1332 12-month period in implementing the moderate income housing strategies;
- 1333 (iv) the number of residential dwelling units that have been entitled that have not
- 1334 received a building permit as of the submission date of the progress report;
- 1335 (v) shapefiles, or website links if shapefiles are not available, to current maps and
- 1336 tables related to zoning;
- 1337 (vi) information regarding the number of internal and external or detached accessory
- 1338 dwelling units located within the specified county for which the specified county:
- 1339 (A) issued a building permit to construct; or
- 1340 (B) issued a business license or comparable license or permit to rent;
- 1341 (vii) a description of how the market has responded to the selected moderate income
- 1342 housing strategies, including the number of entitled moderate income housing
- 1343 units or other relevant data; and
- 1344 (viii) any recommendations on how the state can support the specified county in
- 1345 implementing the moderate income housing strategies.
- 1346 (c) For purposes of describing actions taken by a specified county under Subsection
- 1347 (3)(b)(i), the specified county may include an ongoing action taken by the specified
- 1348 county prior to the 12-month reporting period applicable to the subsequent progress
- 1349 report if the specified county:
- 1350 (i) has already adopted an ordinance, approved a land use application, made an
- 1351 investment, or approved an agreement or financing that substantially promotes the
- 1352 implementation of a moderate income housing strategy identified in the initial
- 1353 report; and
- 1354 (ii) demonstrates in the subsequent progress report that the action taken under

- 1355 Subsection (3)(c)(i) is relevant to making meaningful progress towards the
 1356 specified county's implementation plan.
- 1357 (d) A specified county's report shall be in a form:
 1358 (i) approved by the division; and
 1359 (ii) made available by the division on or before May 1 of the year in which the report
 1360 is required.
- 1361 (4) Within 90 days after the day on which the division receives a specified county's report,
 1362 the division shall:
- 1363 (a) post the report on the division's website;
 1364 (b) send a copy of the report to the Department of Transportation, the Governor's Office
 1365 of Planning and Budget, the association of governments in which the specified
 1366 county is located, and, if the unincorporated area of the specified county is located
 1367 within the boundaries of a metropolitan planning organization, the appropriate
 1368 metropolitan planning organization; and
 1369 (c) subject to Subsection (5), review the report to determine compliance with this section.
- 1370 (5)(a) An initial report [~~does not comply~~] complies with this section [~~unless~~] if the report:
 1371 (i) includes the information required under Subsection (2)(c);
 1372 (ii) subject to Subsection (5)(c), demonstrates to the division that the specified county
 1373 made plans to implement three or more moderate income housing strategies
 1374 described in Subsection 17-27a-403(2)(b)(ii)(A) though (V) or at least one
 1375 moderate income housing strategy described in Subsections
 1376 17-27a-403(2)(b)(ii)(W) through (BB); and
 1377 (iii) is in a form approved by the division.
- 1378 (b) A subsequent progress report [~~does not comply~~] complies with this section [~~unless~~] if
 1379 the report:
 1380 (i) subject to Subsection (5)(c), demonstrates to the division that the specified county
 1381 made plans to implement or is implementing three or more moderate income
 1382 housing strategies described in Subsection 17-27a-403(2)(b)(ii)(A) though (V) or
 1383 at least one moderate income housing strategy described in Subsections
 1384 17-27a-403(2)(b)(ii)(W) through (BB);
 1385 (ii) is in a form approved by the division; and
 1386 (iii) provides sufficient information for the division to:
 1387 (A) assess the specified county's progress in implementing the moderate income
 1388 housing strategies;

- 1389 (B) monitor compliance with the specified county's implementation plan;
 1390 (C) identify a clear correlation between the specified county's land use decisions
 1391 and efforts to implement the moderate income housing strategies;
 1392 (D) identify how the market has responded to the specified county's selected
 1393 moderate income housing strategies; and
 1394 (E) identify any barriers encountered by the specified county in implementing the
 1395 selected moderate income housing strategies.

1396 (c)(i) This Subsection (5)(c) applies to a specified county that has created a small
 1397 public transit district, as defined in Section 17B-2a-802, on or before January 1,
 1398 2022.

1399 (ii) [~~In addition to the requirements of Subsections (5)(a) and (b), a~~] A report for a
 1400 specified county described in Subsection (5)(c)(i) [~~does not comply~~] complies with
 1401 this section [~~unless~~] if the report demonstrates to the division that the specified
 1402 county:

- 1403 (A) made plans to implement the moderate income housing strategy described in
 1404 Subsection [~~17-27a-403(2)(b)(ii)(Q)~~] 17-27a-403(2)(b)(ii)(W); [~~and~~]
 1405 (B) made plans to implement or is implementing three or more moderate income
 1406 housing strategies described in Subsection 17-27a-403(2)(b)(ii)(A) though (V)
 1407 or at least one moderate income housing strategy described in Subsections
 1408 17-27a-403(2)(b)(ii)(W) through (BB); and
 1409 [~~(B)~~] (C) is in compliance with Subsection 63N-3-603(8).

1410 (d) If a specified county initial report or subsequent progress report demonstrates the
 1411 county plans to implement or is implementing at least one moderate income housing
 1412 strategy described in Subsections 17-27a-403(2)(b)(ii)(W) through (BB), the division
 1413 shall also consider the specified county compliant with the reporting requirement
 1414 described in this section for:

- 1415 (i) the year in which the specified county submits the report; and
 1416 (ii) two subsequent reporting years.

1417 (6)(a) A specified county qualifies for priority consideration under this Subsection (6) if
 1418 the specified county's report:

- 1419 (i) complies with this section; and
 1420 (ii) demonstrates to the division that the specified county made plans to implement
 1421 five or more moderate income housing strategies.

1422 (b) The Transportation Commission may, in accordance with Subsection 72-1-304(3)(c),

- 1423 give priority consideration to transportation projects located within the
1424 unincorporated areas of a specified county described in Subsection (6)(a) until the
1425 Department of Transportation receives notice from the division under Subsection
1426 (6)(e).
- 1427 (c) Upon determining that a specified county qualifies for priority consideration under
1428 this Subsection (6), the division shall send a notice of prioritization to the legislative
1429 body of the specified county and the Department of Transportation.
- 1430 (d) The notice described in Subsection (6)(c) shall:
- 1431 (i) name the specified county that qualifies for priority consideration;
- 1432 (ii) describe the funds or projects for which the specified county qualifies to receive
1433 priority consideration; and
- 1434 (iii) state the basis for the division's determination that the specified county qualifies
1435 for priority consideration.
- 1436 (e) The division shall notify the legislative body of a specified county and the
1437 Department of Transportation in writing if the division determines that the specified
1438 county no longer qualifies for priority consideration under this Subsection (6).
- 1439 (7)(a) If the division, after reviewing a specified county's report, determines that the
1440 report does not comply with this section, the division shall send a notice of
1441 noncompliance to the legislative body of the specified county.
- 1442 (b) A specified county that receives a notice of noncompliance may:
- 1443 (i) cure each deficiency in the report within 90 days after the day on which the notice
1444 of noncompliance is sent; or
- 1445 (ii) request an appeal of the division's determination of noncompliance within 10
1446 days after the day on which the notice of noncompliance is sent.
- 1447 (c) The notice described in Subsection (7)(a) shall:
- 1448 (i) describe each deficiency in the report and the actions needed to cure each
1449 deficiency;
- 1450 (ii) state that the specified county has an opportunity to:
- 1451 (A) submit to the division a corrected report that cures each deficiency in the
1452 report within 90 days after the day on which the notice of noncompliance is
1453 sent; or
- 1454 (B) submit to the division a request for an appeal of the division's determination of
1455 noncompliance within 10 days after the day on which the notice of
1456 noncompliance is sent; and

- 1457 (iii) state that failure to take action under Subsection (7)(c)(ii) will result in the
1458 specified county's ineligibility for funds and fees owed under Subsection (9).
- 1459 (d) For purposes of curing the deficiencies in a report under this Subsection (7), if the
1460 action needed to cure the deficiency as described by the division requires the
1461 specified county to make a legislative change, the specified county may cure the
1462 deficiency by making that legislative change within the 90-day cure period.
- 1463 (e)(i) If a specified county submits to the division a corrected report in accordance
1464 with Subsection (7)(b)(i), and the division determines that the corrected report
1465 does not comply with this section, the division shall send a second notice of
1466 noncompliance to the legislative body of the specified county.
- 1467 (ii) A specified county that receives a second notice of noncompliance may request
1468 an appeal of the division's determination of noncompliance within 10 days after
1469 the day on which the second notice of noncompliance is sent.
- 1470 (iii) The notice described in Subsection (7)(e)(i) shall:
- 1471 (A) state that the specified county has an opportunity to submit to the division a
1472 request for an appeal of the division's determination of noncompliance within
1473 10 days after the day on which the second notice of noncompliance is sent; and
- 1474 (B) state that failure to take action under Subsection (7)(e)(iii)(A) will result in the
1475 specified county's ineligibility for funds under Subsection (9).
- 1476 (8)(a) A specified county that receives a notice of noncompliance under Subsection
1477 (7)(a) or (7)(e)(i) may request an appeal of the division's determination of
1478 noncompliance within 10 days after the day on which the notice of noncompliance is
1479 sent.
- 1480 (b) Within 90 days after the day on which the division receives a request for an appeal,
1481 an appeal board consisting of the following three members shall review and issue a
1482 written decision on the appeal:
- 1483 (i) one individual appointed by the Utah Association of Counties;
- 1484 (ii) one individual appointed by the Utah Homebuilders Association; and
- 1485 (iii) one individual appointed by the presiding member of the association of
1486 governments, established pursuant to an interlocal agreement under Title 11,
1487 Chapter 13, Interlocal Cooperation Act, of which the specified county is a member.
- 1488 (c) The written decision of the appeal board shall either uphold or reverse the division's
1489 determination of noncompliance.
- 1490 (d) The appeal board's written decision on the appeal is final.

- 1491 (9)(a) A specified county is ineligible for funds and owes a fee under this Subsection (9)
1492 if:
- 1493 (i) the specified county fails to submit a report to the division;
 - 1494 (ii) after submitting a report to the division, the division determines that the report
1495 does not comply with this section and the specified county fails to:
 - 1496 (A) cure each deficiency in the report within 90 days after the day on which the
1497 notice of noncompliance is sent; or
 - 1498 (B) request an appeal of the division's determination of noncompliance within 10
1499 days after the day on which the notice of noncompliance is sent;
 - 1500 (iii) after submitting to the division a corrected report to cure the deficiencies in a
1501 previously submitted report, the division determines that the corrected report does
1502 not comply with this section and the specified county fails to request an appeal of
1503 the division's determination of noncompliance within 10 days after the day on
1504 which the second notice of noncompliance is sent; or
 - 1505 (iv) after submitting a request for an appeal under Subsection (8), the appeal board
1506 issues a written decision upholding the division's determination of noncompliance.
- 1507 (b) The following apply to a specified county described in Subsection (9)(a) until the
1508 division provides notice under Subsection (9)(e):
- 1509 (i) the executive director of the Department of Transportation may not program funds
1510 from the Transportation Investment Fund of 2005, including the Transit
1511 Transportation Investment Fund, to projects located within the unincorporated
1512 areas of the specified county in accordance with Subsection 72-2-124(6);
 - 1513 (ii) beginning with the report submitted in 2024, the specified county shall pay a fee
1514 to the Olene Walker Housing Loan Fund in the amount of \$250 per day that the
1515 specified county:
 - 1516 (A) fails to submit the report to the division in accordance with this section,
1517 beginning the day after the day on which the report was due; or
 - 1518 (B) fails to cure the deficiencies in the report, beginning the day after the day by
1519 which the cure was required to occur as described in the notice of
1520 noncompliance under Subsection (7); and
 - 1521 (iii) beginning with the report submitted in 2025, the specified county shall pay a fee
1522 to the Olene Walker Housing Loan Fund in the amount of \$500 per day that the
1523 specified county, for a consecutive year:
 - 1524 (A) fails to submit the report to the division in accordance with this section,

1525 beginning the day after the day on which the report was due; or
1526 (B) fails to cure the deficiencies in the report, beginning the day after the day by
1527 which the cure was required to occur as described in the notice of
1528 noncompliance under Subsection (7).

1529 (c) Upon determining that a specified county is ineligible for funds under this
1530 Subsection (9), and is required to pay a fee under Subsection (9)(b), if applicable, the
1531 division shall send a notice of ineligibility to the legislative body of the specified
1532 county, the Department of Transportation, the State Tax Commission, and the
1533 Governor's Office of Planning and Budget.

1534 (d) The notice described in Subsection (9)(c) shall:
1535 (i) name the specified county that is ineligible for funds;
1536 (ii) describe the funds for which the specified county is ineligible to receive;
1537 (iii) describe the fee the specified county is required to pay under Subsection (9)(b),
1538 if applicable; and
1539 (iv) state the basis for the division's determination that the specified county is
1540 ineligible for funds.

1541 (e) The division shall notify the legislative body of a specified county and the
1542 Department of Transportation in writing if the division determines that the provisions
1543 of this Subsection (9) no longer apply to the specified county.

1544 (f) The division may not determine that a specified county that is required to pay a fee
1545 under Subsection (9)(b) is in compliance with the reporting requirements of this
1546 section until the specified county pays all outstanding fees required under Subsection
1547 (9)(b) to the Olene Walker Housing Loan Fund, created under Title 35A, Chapter 8,
1548 Part 5, Olene Walker Housing Loan Fund.

1549 (10) In a civil action seeking enforcement or claiming a violation of this section or of
1550 Subsection 17-27a-404(5)(c), a plaintiff may not recover damages but may be awarded
1551 only injunctive or other equitable relief.

1552 Section 14. Section **17-27a-531** is amended to read:

1553 **17-27a-531 . Moderate income housing.**

1554 (1) A county may only require the development of a certain number of moderate income
1555 housing units as a condition of approval of a land use application if:

1556 (a) the county and the applicant enter into a written agreement regarding the number of
1557 moderate income housing units;[-or]

1558 (b) the county provides incentives for an applicant who agrees to include moderate

- 1559 income housing units in a development[-] ; or
 1560 (c) the county offers or approves, and an applicant accepts, an incentive described in
 1561 Section 17-27a-403.1 or 17-27a-403.2.
- 1562 (2) If an applicant does not agree to participate in the development of moderate income
 1563 housing units under Subsection (1)(a) or (b), a county may not take into consideration
 1564 the applicant's decision in the county's determination of whether to approve or deny a
 1565 land use application.
- 1566 (3) Notwithstanding Subsections (1) and (2), a county of the third class, which has a ski
 1567 resort located within the unincorporated area of the county, may require the
 1568 development of a certain number of moderate income housing units as a condition of
 1569 approval of a land use application if the requirement is in accordance with an ordinance
 1570 enacted by the county before January 1, 2022.

1571 Section 15. Section **17B-1-202** is amended to read:

1572 **17B-1-202 . Special district may be created -- Services that may be provided --**

1573 **Limitations.**

- 1574 (1)(a) A special district may be created as provided in this part to provide within its
 1575 boundaries service consisting of:
- 1576 (i) the operation of an airport;
 - 1577 (ii) the operation of a cemetery;
 - 1578 (iii) fire protection, paramedic, and emergency services, including consolidated 911
 1579 and emergency dispatch services;
 - 1580 (iv) garbage collection and disposal;
 - 1581 (v) health care, including health department or hospital service;
 - 1582 (vi) the operation of a library;
 - 1583 (vii) abatement or control of mosquitos and other insects;
 - 1584 (viii) the operation of parks or recreation facilities or services;
 - 1585 (ix) the operation of a sewage system;
 - 1586 (x) the operation of a propane system;
 - 1587 [~~x~~] (xi) the construction and maintenance of a right-of-way, including:
 - 1588 (A) a curb;
 - 1589 (B) a gutter;
 - 1590 (C) a sidewalk;
 - 1591 (D) a street;
 - 1592 (E) a road;

- 1593 (F) a water line;
- 1594 (G) a sewage line;
- 1595 (H) a storm drain;
- 1596 (I) an electricity line;
- 1597 (J) a communications line;
- 1598 (K) a natural gas line; or
- 1599 (L) street lighting;
- 1600 [~~(xi)~~] (xii) transportation, including public transit and providing streets and roads;
- 1601 [~~(xii)~~] (xiii) the operation of a system, or one or more components of a system, for the
- 1602 collection, storage, retention, control, conservation, treatment, supplying,
- 1603 distribution, or reclamation of water, including storm, flood, sewage, irrigation,
- 1604 and culinary water, whether the system is operated on a wholesale or retail level
- 1605 or both;
- 1606 [~~(xiii)~~] (xiv) in accordance with Subsection (1)(c), the acquisition or assessment of a
- 1607 groundwater right for the development and execution of a groundwater
- 1608 management plan in cooperation with and approved by the state engineer in
- 1609 accordance with Section 73-5-15;
- 1610 [~~(xiv)~~] (xv) law enforcement service;
- 1611 [~~(xv)~~] (xvi) subject to Subsection (1)(b), the underground installation of an electric
- 1612 utility line or the conversion to underground of an existing electric utility line;
- 1613 [~~(xvi)~~] (xvii) the control or abatement of earth movement or a landslide;
- 1614 [~~(xvii)~~] (xviii) the operation of animal control services and facilities;
- 1615 [~~(xviii)~~] (xix) an energy efficiency upgrade, a clean energy system, or electric vehicle
- 1616 charging infrastructure as defined in Section 11-42a-102, in accordance with Title
- 1617 11, Chapter 42a, Commercial Property Assessed Clean Energy Act; or
- 1618 [~~(xix)~~] (xx) the financing of infrastructure, as provided in Chapter 2a, Part 13,
- 1619 Infrastructure Financing Districts.
- 1620 (b) Each special district that provides the service of the underground installation of an
- 1621 electric utility line or the conversion to underground of an existing electric utility line
- 1622 shall, in installing or converting the line, provide advance notice to and coordinate
- 1623 with the utility that owns the line.
- 1624 (c) A groundwater management plan described in Subsection [~~(+)(a)(xiii)~~] (1)(a)(xiv)
- 1625 may include the banking of groundwater rights by a special district in a critical
- 1626 management area as defined in Section 73-5-15 following the adoption of a

- 1627 groundwater management plan by the state engineer under Section 73-5-15.
- 1628 (i) A special district may manage the groundwater rights it acquires under Subsection
- 1629 17B-1-103(2)(a) or (b) consistent with the provisions of a groundwater
- 1630 management plan described in this Subsection (1)(c).
- 1631 (ii) A groundwater right held by a special district to satisfy the provisions of a
- 1632 groundwater management plan is not subject to the forfeiture provisions of
- 1633 Section 73-1-4.
- 1634 (iii)(A) A special district may divest itself of a groundwater right subject to a
- 1635 determination that the groundwater right is not required to facilitate the
- 1636 groundwater management plan described in this Subsection (1)(c).
- 1637 (B) The groundwater right described in Subsection (1)(c)(iii)(A) is subject to
- 1638 Section 73-1-4 beginning on the date of divestiture.
- 1639 (iv) Upon a determination by the state engineer that an area is no longer a critical
- 1640 management area as defined in Section 73-5-15, a groundwater right held by the
- 1641 special district is subject to Section 73-1-4.
- 1642 (v) A special district created in accordance with Subsection [~~(1)(a)(xiii)~~] (1)(a)(xiv) to
- 1643 develop and execute a groundwater management plan may hold or acquire a right
- 1644 to surface waters that are naturally tributary to the groundwater basin subject to
- 1645 the groundwater management plan if the surface waters are appropriated in
- 1646 accordance with Title 73, Water and Irrigation, and used in accordance with Title
- 1647 73, Chapter 3b, Groundwater Recharge and Recovery Act.
- 1648 (2) As used in this section:
- 1649 (a) "Operation" means all activities involved in providing the indicated service including
- 1650 acquisition and ownership of property reasonably necessary to provide the indicated
- 1651 service and acquisition, construction, and maintenance of facilities and equipment
- 1652 reasonably necessary to provide the indicated service.
- 1653 (b) "System" means the aggregate of interrelated components that combine together to
- 1654 provide the indicated service including, for a sewage system, collection and treatment.
- 1655 (3)(a) A special district may not be created to provide and may not after its creation
- 1656 provide more than four of the services listed in Subsection (1).
- 1657 (b) Subsection (3)(a) may not be construed to prohibit a special district from providing
- 1658 more than four services if, before April 30, 2007, the special district was authorized
- 1659 to provide those services.
- 1660 (4)(a) Except as provided in Subsection (4)(b), a special district may not be created to

- 1661 provide and may not after its creation provide to an area the same service that may
1662 already be provided to that area by another political subdivision, unless the other
1663 political subdivision gives its written consent.
- 1664 (b) For purposes of Subsection (4)(a), a special district does not provide the same
1665 service as another political subdivision if it operates a component of a system that is
1666 different from a component operated by another political subdivision but within the
1667 same:
- 1668 (i) sewage system; or
1669 (ii) water system.
- 1670 (5)(a) Except for a special district in the creation of which an election is not required
1671 under Subsection 17B-1-214(3)(d), the area of a special district may include all or
1672 part of the unincorporated area of one or more counties and all or part of one or more
1673 municipalities.
- 1674 (b) The area of a special district need not be contiguous.
- 1675 (6) For a special district created before May 5, 2008, the authority to provide fire protection
1676 service also includes the authority to provide:
- 1677 (a) paramedic service; and
1678 (b) emergency service, including hazardous materials response service.
- 1679 (7) A special district created before May 11, 2010, authorized to provide the construction
1680 and maintenance of curb, gutter, or sidewalk may provide a service described in
1681 Subsection [~~(1)(a)(x)~~] (1)(a)(xi) on or after May 11, 2010.
- 1682 (8) A special district created before May 10, 2011, authorized to provide culinary,
1683 irrigation, sewage, or storm water services may provide a service described in
1684 Subsection [~~(1)(a)(xii)~~] (1)(a)(xiii) on or after May 10, 2011.
- 1685 (9) A special district may not be created under this chapter for two years after the date on
1686 which a special district is dissolved as provided in Section 17B-1-217 if the special
1687 district proposed for creation:
- 1688 (a) provides the same or a substantially similar service as the dissolved special district;
1689 and
1690 (b) is located in substantially the same area as the dissolved special district.
- 1691 (10) An infrastructure financing district may not be created unless the estimated cost of the
1692 public infrastructure and improvements to be constructed within the boundary of the
1693 proposed infrastructure financing district exceeds \$1,000,000, as certified under
1694 Subsection 17B-1-208(1)(c).

- 1695 (11)(a) Except as provided in Subsection (11)(b), the inclusion of an area within an
1696 infrastructure financing district does not affect whether the area may be included
1697 within another special district.
- 1698 (b) An infrastructure financing district may not include an area included within another
1699 infrastructure financing district.
- 1700 Section 16. Section **35A-8-202** is amended to read:
1701 **35A-8-202 . Powers and duties of division.**
- 1702 (1) The division shall:
- 1703 (a) assist local governments and citizens in the planning, development, and maintenance
1704 of necessary public infrastructure and services;
- 1705 (b) cooperate with, and provide technical assistance to, counties, cities, towns, regional
1706 planning commissions, area-wide clearinghouses, zoning commissions, parks or
1707 recreation boards, community development groups, community action agencies, and
1708 other agencies created for the purpose of aiding and encouraging an orderly,
1709 productive, and coordinated development of the state and its political subdivisions;
- 1710 (c) assist the governor in coordinating the activities of state agencies which have an
1711 impact on the solution of community development problems and the implementation
1712 of community plans;
- 1713 (d) serve as a clearinghouse for information, data, and other materials which may be
1714 helpful to local governments in discharging their responsibilities and provide
1715 information on available federal and state financial and technical assistance;
- 1716 (e) carry out continuing studies and analyses of the problems faced by communities
1717 within the state and develop such recommendations for administrative or legislative
1718 action as appear necessary;
- 1719 (f) assist in funding affordable housing;
- 1720 (g) support economic development activities through grants, loans, and direct programs
1721 financial assistance;
- 1722 (h) certify project funding at the local level in conformance with federal, state, and other
1723 requirements;
- 1724 (i) utilize the capabilities and facilities of public and private universities and colleges
1725 within the state in carrying out its functions; and
- 1726 (j) assist and support local governments, community action agencies, and citizens in the
1727 planning, development, and maintenance of home weatherization, energy efficiency,
1728 and antipoverty activities.

- 1729 (2) The division may:
- 1730 (a) by following the procedures and requirements of Title 63J, Chapter 5, Federal Funds
- 1731 Procedures Act, seek federal grants, loans, or participation in federal programs;
- 1732 (b) if any federal program requires the expenditure of state funds as a condition to
- 1733 participation by the state in any fund, property, or service, with the governor's
- 1734 approval, expend whatever funds are necessary out of the money provided by the
- 1735 Legislature for the use of the department;
- 1736 (c) in accordance with Part 9, Domestic Violence Shelters, assist in developing,
- 1737 constructing, and improving shelters for victims of domestic violence, as described in
- 1738 Section 77-36-1, through loans and grants to nonprofit and governmental entities;[
- 1739 and]
- 1740 (d) assist, when requested by a county or municipality, in the development of accessible
- 1741 housing[-] ; and
- 1742 (e) make rules, in accordance with Title 63G, Chapter 3, Utah Administrative
- 1743 Rulemaking Act, regarding the form and content of a moderate income housing
- 1744 report, as described in Sections 10-9a-408 and 17-27a-408, to:
- 1745 (i) ensure consistency across reporting political subdivisions; and
- 1746 (ii) promote better potential analysis of report data.
- 1747 Section 17. Section **63J-4-402** is enacted to read:
- 1748 **63J-4-402 . State housing plan.**
- 1749 (1) The office shall develop a state housing plan by December 31, 2025.
- 1750 (2)(a) The office shall partner with the Legislature, municipal and county governments,
- 1751 the home building industry and related stakeholders, and the general public in the
- 1752 development of the state housing plan described in Subsection (1).
- 1753 (b) In developing the state housing plan, the office may develop regional housing plans
- 1754 within the state housing plan.
- 1755 (3) The state housing plan shall:
- 1756 (a) prioritize collaboration over preemption and collaboration across private and public
- 1757 sectors;
- 1758 (b) promote a holistic and regional approach to housing;
- 1759 (c) enable connected communities and center-based development;
- 1760 (d) acknowledge cross-issue policy alignment;
- 1761 (e) maintain a long-range vision;
- 1762 (f) promote opportunity and inclusivity;

- 1763 (g) recognize complex market forces; and
 1764 (h) consider rural and urban contexts.
 1765 (4) The state housing plan shall include data and metrics:
 1766 (a) about actual and potential housing production;
 1767 (b) about actual and potential infrastructure capacity, maintenance, and development; and
 1768 (c) allowing the office to measure success of the state housing plan over time.
 1769 (5) In gathering data and developing metrics, the office may analyze moderate income
 1770 housing reports received by the Division of Housing and Community Development and:
 1771 (a) determine which, if any, of the moderate income housing strategies described in
 1772 Subsections 10-9a-403(2)(b)(iii) and 17-27a-403(2)(b)(ii) are correlated with an
 1773 increase in the supply of moderate income housing, either built or entitled to be built,
 1774 in the political subdivision that implements the moderate income housing strategy;
 1775 and
 1776 (b) draw conclusions regarding any data trends identified by the office as meaningful or
 1777 significant.
 1778 (6) By no later than October 1 of each year, the office shall provide a written report on the
 1779 development and implementation of the state housing plan to the Political Subdivisions
 1780 Interim Committee.

1781 Section 18. Section **72-1-304** is amended to read:

1782 **72-1-304 . Written project prioritization process for new transportation capacity**
 1783 **projects -- Rulemaking.**

- 1784 (1)(a) The Transportation Commission, in consultation with the department and the
 1785 metropolitan planning organizations as defined in Section 72-1-208.5, shall develop a
 1786 written prioritization process for the prioritization of:
 1787 (i) new transportation capacity projects that are or will be part of the state highway
 1788 system under Chapter 4, Part 1, State Highways;
 1789 (ii) paved pedestrian or paved nonmotorized transportation projects described in
 1790 Section 72-2-124;
 1791 (iii) public transit projects that directly add capacity to the public transit systems
 1792 within the state, not including facilities ancillary to the public transit system; and
 1793 (iv) pedestrian or nonmotorized transportation projects that provide connection to a
 1794 public transit system.
 1795 (b)(i) A local government or public transit district may nominate a project for
 1796 prioritization in accordance with the process established by the commission in rule.

- 1797 (ii) If a local government or public transit district nominates a project for
1798 prioritization by the commission, the local government or public transit district
1799 shall provide data and evidence to show that:
- 1800 (A) the project will advance the purposes and goals described in Section 72-1-211;
1801 (B) for a public transit project, the local government or public transit district has
1802 an ongoing funding source for operations and maintenance of the proposed
1803 development; and
1804 (C) the local government or public transit district will provide the percentage of
1805 the costs for the project as required by Subsection 72-2-124(4)(a)(viii) or
1806 72-2-124(9)(e).
- 1807 (2) The following shall be included in the written prioritization process under Subsection
1808 (1):
- 1809 (a) a description of how the strategic initiatives of the department adopted under Section
1810 72-1-211 are advanced by the written prioritization process;
- 1811 (b) a definition of the type of projects to which the written prioritization process applies;
- 1812 (c) specification of a weighted criteria system that is used to rank proposed projects and
1813 how it will be used to determine which projects will be prioritized;
- 1814 (d) specification of the data that is necessary to apply the weighted ranking criteria; and
- 1815 (e) any other provisions the commission considers appropriate, which may include
1816 consideration of:
- 1817 (i) regional and statewide economic development impacts, including improved local
1818 access to:
- 1819 (A) employment;
- 1820 (B) educational facilities;
- 1821 (C) recreation;
- 1822 (D) commerce; and
- 1823 (E) residential areas, including moderate income housing as demonstrated in the
1824 local government's or public transit district's general plan pursuant to Section
1825 10-9a-403 or 17-27a-403;
- 1826 (ii) the extent to which local land use plans relevant to a project support and
1827 accomplish the strategic initiatives adopted under Section 72-1-211; and
- 1828 (iii) any matching funds provided by a political subdivision or public transit district
1829 in addition to the percentage of costs required by Subsections 72-2-124(4)(a)(viii)
1830 and 72-2-124(9)(e).

- 1831 (3)(a) When prioritizing a public transit project that increases capacity, the commission:
1832 (i) may give priority consideration to projects that are part of a transit-oriented
1833 development or transit-supportive development as defined in Section 17B-2a-802;
1834 and
1835 (ii) shall give priority consideration to projects that are within the boundaries of a
1836 housing and transit reinvestment zone created pursuant to Title 63N, Chapter 3,
1837 Part 6, Housing and Transit Reinvestment Zone Act.
- 1838 (b) When prioritizing a transportation project that increases capacity, the commission
1839 may give priority consideration to projects that are:
1840 (i) part of a transportation reinvestment zone created under Section 11-13-227 if:
1841 (A) the state is a participant in the transportation reinvestment zone; or
1842 (B) the commission finds that the transportation reinvestment zone provides a
1843 benefit to the state transportation system; or
1844 (ii) within the boundaries of a housing and transit reinvestment zone created pursuant
1845 to Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act.
- 1846 (c) If the department receives a notice of prioritization for a municipality as described in
1847 Subsection [~~10-9a-408(5)~~] 10-9a-408(6), or a notice of prioritization for a county as
1848 described in Subsection [~~17-27a-408(5)~~] 17-27a-408(6), the commission may give
1849 priority consideration to transportation projects that are within the boundaries of the
1850 municipality or the unincorporated areas of the county until the department receives
1851 notification from the Housing and Community Development Division within the
1852 Department of Workforce Services that the municipality or county no longer qualifies
1853 for prioritization under this Subsection (3)(c).
- 1854 (4) In developing the written prioritization process, the commission:
1855 (a) shall seek and consider public comment by holding public meetings at locations
1856 throughout the state; and
1857 (b) may not consider local matching dollars as provided under Section 72-2-123 unless
1858 the state provides an equal opportunity to raise local matching dollars for state
1859 highway improvements within each county.
- 1860 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1861 Transportation Commission, in consultation with the department, shall make rules
1862 establishing the written prioritization process under Subsection (1).
- 1863 (6) The commission shall submit the proposed rules under this section to a committee or
1864 task force designated by the Legislative Management Committee for review prior to

1865 taking final action on the proposed rules or any proposed amendment to the rules
1866 described in Subsection (5).

1867 Section 19. Section **72-2-124** is amended to read:

1868 **72-2-124 . Transportation Investment Fund of 2005.**

1869 (1) There is created a capital projects fund entitled the Transportation Investment Fund of
1870 2005.

1871 (2) The fund consists of money generated from the following sources:

1872 (a) any voluntary contributions received for the maintenance, construction,
1873 reconstruction, or renovation of state and federal highways;

1874 (b) appropriations made to the fund by the Legislature;

1875 (c) registration fees designated under Section 41-1a-1201;

1876 (d) the sales and use tax revenues deposited into the fund in accordance with Section
1877 59-12-103; and

1878 (e) revenues transferred to the fund in accordance with Section 72-2-106.

1879 (3)(a) The fund shall earn interest.

1880 (b) All interest earned on fund money shall be deposited into the fund.

1881 (4)(a) Except as provided in Subsection (4)(b), the executive director may only use fund
1882 money to pay:

1883 (i) the costs of maintenance, construction, reconstruction, or renovation to state and
1884 federal highways prioritized by the Transportation Commission through the
1885 prioritization process for new transportation capacity projects adopted under
1886 Section 72-1-304;

1887 (ii) the costs of maintenance, construction, reconstruction, or renovation to the
1888 highway projects described in Subsections 63B-18-401(2), (3), and (4);

1889 (iii) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401
1890 minus the costs paid from the County of the First Class Highway Projects Fund in
1891 accordance with Subsection 72-2-121(4)(e);

1892 (iv) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt
1893 Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the
1894 amount certified by Salt Lake County in accordance with Subsection 72-2-121.3
1895 (4)(c) as necessary to pay the debt service on \$30,000,000 of the revenue bonds
1896 issued by Salt Lake County;

1897 (v) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101
1898 for projects prioritized in accordance with Section 72-2-125;

- 1899 (vi) all highway general obligation bonds that are intended to be paid from revenues
 1900 in the Centennial Highway Fund created by Section 72-2-118;
- 1901 (vii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the First
 1902 Class Highway Projects Fund created in Section 72-2-121 to be used for the
 1903 purposes described in Section 72-2-121;
- 1904 (viii) if a political subdivision provides a contribution equal to or greater than 40% of
 1905 the costs needed for construction, reconstruction, or renovation of paved
 1906 pedestrian or paved nonmotorized transportation for projects that:
 1907 (A) mitigate traffic congestion on the state highway system;
 1908 (B) are part of an active transportation plan approved by the department; and
 1909 (C) are prioritized by the commission through the prioritization process for new
 1910 transportation capacity projects adopted under Section 72-1-304;
- 1911 (ix) \$705,000,000 for the costs of right-of-way acquisition, construction,
 1912 reconstruction, or renovation of or improvement to the following projects:
 1913 (A) the connector road between Main Street and 1600 North in the city of
 1914 Vineyard;
 1915 (B) Geneva Road from University Parkway to 1800 South;
 1916 (C) the SR-97 interchange at 5600 South on I-15;
 1917 (D) subject to Subsection (4)(c), two lanes on U-111 from Herriman Parkway to
 1918 South Jordan Parkway;
 1919 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;
 1920 (F) improvements to 1600 North in Orem from 1200 West to State Street;
 1921 (G) widening I-15 between mileposts 6 and 8;
 1922 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;
 1923 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197
 1924 in Spanish Fork Canyon;
 1925 (J) I-15 northbound between mileposts 43 and 56;
 1926 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts
 1927 43 and 45.1;
 1928 (L) east Zion SR-9 improvements;
 1929 (M) Toquerville Parkway;
 1930 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;
 1931 (O) using funds allocated in this Subsection (4)(a)(ix), and other sources of funds,
 1932 for construction of an interchange on Bangert Highway at 13400 South; and

- 1933 (P) an environmental impact study for Kimball Junction in Summit County; and
 1934 (x) \$28,000,000 as pass-through funds, to be distributed as necessary to pay project
 1935 costs based upon a statement of cash flow that the local jurisdiction where the
 1936 project is located provides to the department demonstrating the need for money
 1937 for the project, for the following projects in the following amounts:
 1938 (A) \$5,000,000 for Payson Main Street repair and replacement;
 1939 (B) \$8,000,000 for a Bluffdale 14600 South railroad bypass;
 1940 (C) \$5,000,000 for improvements to 4700 South in Taylorsville; and
 1941 (D) \$10,000,000 for improvements to the west side frontage roads adjacent to U.S.
 1942 40 between mile markers 7 and 10.
- 1943 (b) The executive director may use fund money to exchange for an equal or greater
 1944 amount of federal transportation funds to be used as provided in Subsection (4)(a).
- 1945 (c)(i) Construction related to the project described in Subsection (4)(a)(ix)(D) may
 1946 not commence until a right-of-way not owned by a federal agency that is required
 1947 for the realignment and extension of U-111, as described in the department's 2023
 1948 environmental study related to the project, is dedicated to the department.
- 1949 (ii) Notwithstanding Subsection (4)(c)(i), if a right-of-way is not dedicated for the
 1950 project as described in Subsection (4)(c)(i) on or before October 1, 2024, the
 1951 department may proceed with the project, except that the project will be limited to
 1952 two lanes on U-111 from Herriman Parkway to 11800 South.
- 1953 (5)(a) Except as provided in Subsection (5)(b), if the department receives a notice of
 1954 ineligibility for a municipality as described in Subsection [~~10-9a-408(7)~~] 10-9a-408(9),
 1955 the executive director may not program fund money to a project prioritized by the
 1956 commission under Section 72-1-304, including fund money from the Transit
 1957 Transportation Investment Fund, within the boundaries of the municipality until the
 1958 department receives notification from the Housing and Community Development
 1959 Division within the Department of Workforce Services that ineligibility under this
 1960 Subsection (5) no longer applies to the municipality.
- 1961 (b) Within the boundaries of a municipality described in Subsection (5)(a), the executive
 1962 director:
 1963 (i) may program fund money in accordance with Subsection (4)(a) for a
 1964 limited-access facility or interchange connecting limited-access facilities;
 1965 (ii) may not program fund money for the construction, reconstruction, or renovation
 1966 of an interchange on a limited-access facility;

- 1967 (iii) may program Transit Transportation Investment Fund money for a
1968 multi-community fixed guideway public transportation project; and
1969 (iv) may not program Transit Transportation Investment Fund money for the
1970 construction, reconstruction, or renovation of a station that is part of a fixed
1971 guideway public transportation project.
- 1972 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive
1973 director before July 1, 2022, for projects prioritized by the commission under Section
1974 72-1-304.
- 1975 (6)(a) Except as provided in Subsection (6)(b), if the department receives a notice of
1976 ineligibility for a county as described in Subsection [~~17-27a-408(7)~~] 17-27a-408(9),
1977 the executive director may not program fund money to a project prioritized by the
1978 commission under Section 72-1-304, including fund money from the Transit
1979 Transportation Investment Fund, within the boundaries of the unincorporated area of
1980 the county until the department receives notification from the Housing and
1981 Community Development Division within the Department of Workforce Services
1982 that ineligibility under this Subsection (6) no longer applies to the county.
- 1983 (b) Within the boundaries of the unincorporated area of a county described in Subsection
1984 (6)(a), the executive director:
- 1985 (i) may program fund money in accordance with Subsection (4)(a) for a
1986 limited-access facility to a project prioritized by the commission under Section
1987 72-1-304;
- 1988 (ii) may not program fund money for the construction, reconstruction, or renovation
1989 of an interchange on a limited-access facility;
- 1990 (iii) may program Transit Transportation Investment Fund money for a
1991 multi-community fixed guideway public transportation project; and
1992 (iv) may not program Transit Transportation Investment Fund money for the
1993 construction, reconstruction, or renovation of a station that is part of a fixed
1994 guideway public transportation project.
- 1995 (c) Subsections (6)(a) and (b) do not apply to a project programmed by the executive
1996 director before July 1, 2022, for projects prioritized by the commission under Section
1997 72-1-304.
- 1998 (7)(a) Before bonds authorized by Section 63B-18-401 or 63B-27-101 may be issued in
1999 any fiscal year, the department and the commission shall appear before the Executive
2000 Appropriations Committee of the Legislature and present the amount of bond

2001 proceeds that the department needs to provide funding for the projects identified in
2002 Subsections 63B-18-401(2), (3), and (4) or Subsection 63B-27-101(2) for the current
2003 or next fiscal year.

2004 (b) The Executive Appropriations Committee of the Legislature shall review and
2005 comment on the amount of bond proceeds needed to fund the projects.

2006 (8) The Division of Finance shall, from money deposited into the fund, transfer the amount
2007 of funds necessary to pay principal, interest, and issuance costs of bonds authorized by
2008 Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt
2009 service or sinking fund.

2010 (9)(a) There is created in the Transportation Investment Fund of 2005 the Transit
2011 Transportation Investment Fund.

2012 (b) The fund shall be funded by:

2013 (i) contributions deposited into the fund in accordance with Section 59-12-103;
2014 (ii) appropriations into the account by the Legislature;
2015 (iii) deposits of sales and use tax increment related to a housing and transit
2016 reinvestment zone as described in Section 63N-3-610;
2017 (iv) transfers of local option sales and use tax revenue as described in Subsection
2018 59-12-2220(11)(b) or (c);
2019 (v) private contributions; and
2020 (vi) donations or grants from public or private entities.

2021 (c)(i) The fund shall earn interest.
2022 (ii) All interest earned on fund money shall be deposited into the fund.

2023 (d) Subject to Subsection (9)(e), the commission may prioritize money from the fund:
2024 (i) for public transit capital development of new capacity projects and fixed guideway
2025 capital development projects to be used as prioritized by the commission through
2026 the prioritization process adopted under Section 72-1-304;
2027 (ii) to the department for oversight of a fixed guideway capital development project
2028 for which the department has responsibility; or
2029 (iii) up to \$500,000 per year, to be used for a public transit study.

2030 (e)(i) Subject to Subsections (9)(g), (h), and (i), the commission may only prioritize
2031 money from the fund for a public transit capital development project or pedestrian
2032 or nonmotorized transportation project that provides connection to the public
2033 transit system if the public transit district or political subdivision provides funds of
2034 equal to or greater than 30% of the costs needed for the project.

- 2035 (ii) A public transit district or political subdivision may use money derived from a
2036 loan granted pursuant to Title 72, Chapter 2, Part 2, State Infrastructure Bank
2037 Fund, to provide all or part of the 30% requirement described in Subsection
2038 (9)(e)(i) if:
- 2039 (A) the loan is approved by the commission as required in Title 72, Chapter 2,
2040 Part 2, State Infrastructure Bank Fund; and
- 2041 (B) the proposed capital project has been prioritized by the commission pursuant
2042 to Section 72-1-303.
- 2043 (f) Before July 1, 2022, the department and a large public transit district shall enter into
2044 an agreement for a large public transit district to pay the department \$5,000,000 per
2045 year for 15 years to be used to facilitate the purchase of zero emissions or low
2046 emissions rail engines and trainsets for regional public transit rail systems.
- 2047 (g) For any revenue transferred into the fund pursuant to Subsection 59-12-2220(11)(b):
- 2048 (i) the commission may prioritize money from the fund for public transit projects,
2049 operations, or maintenance within the county of the first class; and
- 2050 (ii) Subsection (9)(e) does not apply.
- 2051 (h) For any revenue transferred into the fund pursuant to Subsection 59-12-2220(11)(c):
- 2052 (i) the commission may prioritize public transit projects, operations, or maintenance
2053 in the county from which the revenue was generated; and
- 2054 (ii) Subsection (9)(e) does not apply.
- 2055 (i) The requirement to provide funds equal to or greater than 30% of the costs needed for
2056 the project described in Subsection (9)(e) does not apply to a public transit capital
2057 development project or pedestrian or nonmotorized transportation project that the
2058 department proposes.
- 2059 (j) In accordance with Part 3, Public Transit Innovation Grants, the commission may
2060 prioritize money from the fund for public transit innovation grants, as defined in
2061 Section 72-2-401, for public transit capital development projects requested by a
2062 political subdivision within a public transit district.
- 2063 (10)(a) There is created in the Transportation Investment Fund of 2005 the Cottonwood
2064 Canyons Transportation Investment Fund.
- 2065 (b) The fund shall be funded by:
- 2066 (i) money deposited into the fund in accordance with Section 59-12-103;
- 2067 (ii) appropriations into the account by the Legislature;
- 2068 (iii) private contributions; and

- 2069 (iv) donations or grants from public or private entities.
- 2070 (c)(i) The fund shall earn interest.
- 2071 (ii) All interest earned on fund money shall be deposited into the fund.
- 2072 (d) The Legislature may appropriate money from the fund for public transit or
- 2073 transportation projects in the Cottonwood Canyons of Salt Lake County.
- 2074 (e) The department may use up to 2% of the revenue deposited into the account under
- 2075 Subsection 59-12-103(7)(b) to contract with local governments as necessary for
- 2076 public safety enforcement related to the Cottonwood Canyons of Salt Lake County.
- 2077 (11)(a) There is created in the Transportation Investment Fund of 2005 the Active
- 2078 Transportation Investment Fund.
- 2079 (b) The fund shall be funded by:
- 2080 (i) money deposited into the fund in accordance with Section 59-12-103;
- 2081 (ii) appropriations into the account by the Legislature; and
- 2082 (iii) donations or grants from public or private entities.
- 2083 (c)(i) The fund shall earn interest.
- 2084 (ii) All interest earned on fund money shall be deposited into the fund.
- 2085 (d) The executive director may only use fund money to pay the costs needed for:
- 2086 (i) the planning, design, construction, maintenance, reconstruction, or renovation of
- 2087 paved pedestrian or paved nonmotorized trail projects that:
- 2088 (A) are prioritized by the commission through the prioritization process for new
- 2089 transportation capacity projects adopted under Section 72-1-304;
- 2090 (B) serve a regional purpose; and
- 2091 (C) are part of an active transportation plan approved by the department or the
- 2092 plan described in Subsection (11)(d)(ii);
- 2093 (ii) the development of a plan for a statewide network of paved pedestrian or paved
- 2094 nonmotorized trails that serve a regional purpose; and
- 2095 (iii) the administration of the fund, including staff and overhead costs.
- 2096 (12)(a) As used in this Subsection (12), "commuter rail" means the same as that term is
- 2097 defined in Section 63N-3-602.
- 2098 (b) There is created in the Transit Transportation Investment Fund the Commuter Rail
- 2099 Subaccount.
- 2100 (c) The subaccount shall be funded by:
- 2101 (i) contributions deposited into the subaccount in accordance with Section 59-12-103;
- 2102 (ii) appropriations into the subaccount by the Legislature;

- 2103 (iii) private contributions; and
- 2104 (iv) donations or grants from public or private entities.
- 2105 (d)(i) The subaccount shall earn interest.
- 2106 (ii) All interest earned on money in the subaccount shall be deposited into the
- 2107 subaccount.
- 2108 (e) As prioritized by the commission through the prioritization process adopted under
- 2109 Section 72-1-304 or as directed by the Legislature, the department may only use
- 2110 money from the subaccount for projects that improve the state's commuter rail
- 2111 infrastructure, including the building or improvement of grade-separated crossings
- 2112 between commuter rail lines and public highways.
- 2113 (f) Appropriations made in accordance with this section are nonlapsing in accordance
- 2114 with Section 63J-1-602.1.
- 2115 Section 20. **Effective Date.**
- 2116 This bill takes effect on May 7, 2025.