

Raymond P. Ward proposes the following substitute bill:

Small Lots and Starter Homes Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Raymond P. Ward

Senate Sponsor: Lincoln Fillmore

LONG TITLE

General Description:

This bill deals with regulation of certain land uses in residential zones located in counties of the first, second, and third class.

Highlighted Provisions:

This bill:

- defines terms;
- provides that a person may make a request to a county of the first, second, or third class, or a municipality located in a county of the first, second, or third class, in regard to a proposed land use that conforms with a preferred land use regulation;
- requires the municipality or county to determine if a request conforms with a preferred land use regulation and provide notice of the determination to the applicant;
- authorizes a planning commission or legislative body to deny a request, under certain conditions, that conforms with a preferred land use regulation;
- provides that if a planning commission or legislative body does not deny a request that conforms with a preferred land use regulation within 30 days, the request becomes a permitted use;
- provides that a municipality's or county's determination that a request does not meet statutory requirements for a preferred land use regulation is an administrative act;
- provides that a planning commission's decision to deny a request that conforms with a preferred land use regulation is an administrative act;
- provides that a legislative body's decision to deny a request that conforms with a preferred land use regulation is a legislative act; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

29 **Other Special Clauses:**

30 None

31 **Utah Code Sections Affected:**

32 ENACTS:

33 **10-21-304**, Utah Code Annotated 195334 **17-80-304**, Utah Code Annotated 1953

35

36 *Be it enacted by the Legislature of the state of Utah:*37 Section 1. Section **10-21-304** is enacted to read:38 **10-21-304 . Definitions -- Conformity with a preferred land use regulation a**
39 **permitted use under certain circumstances.**40 (1) As used in this section:41 (a) "Application" means a land use application.42 (b) "Area mean purchase price" means the mean purchase price of a single-family
43 residential unit sold in a county, as determined by the county or a municipality in the
44 county based on publicly available data, during:45 (i) the immediately preceding calendar year; or46 (ii) the calendar year immediately before the calendar year described in Subsection
47 (1)(b)(i).48 (c) "Preferred land use regulation" means a regulation described in Subsection (2):49 (i) that the Legislature finds:50 (A) would advance the state's objective of lowering the average cost of housing by
51 enabling the construction of homes that are smaller and less expensive;52 (B) allows for some permitting of individual projects that are unlikely to adversely
53 affect nearby property owners, the public, or the communities in which the
54 projects are built; and55 (C) maintains the local land use authority's jurisdiction over which projects are
56 permitted to be built within the local land use authority's boundaries; and57 (ii) that, as applied to a property owner in a municipality, is not a permitted use under
58 the municipality's zoning regulations, land use ordinances, or building standards.59 (d) "Request" means a written submission from a property owner, or a person acting on
60 a property owner's behalf, seeking that a municipality located in a county of the first,
61 second, or third class, as classified under Section 17-60-104, accept a preferred land
62 use regulation on a specific parcel as part of a simultaneous or upcoming application.

- 63 (e) "Setback" means the required distance between the property line of a lot or parcel
64 and the location where a structure is allowed to be placed under an adopted land use
65 regulation.
- 66 (f) "Starter home" means a single-family residential unit that:
- 67 (i) is sold to an initial owner-occupier for an amount equal to or less than the area
68 mean purchase price of a single-family residential unit;
- 69 (ii) is deed restricted to be owner-occupied for two years following the day on which
70 the unit is first sold;
- 71 (iii) has a minimum of two parking spots, covered or uncovered; and
- 72 (iv) is built:
- 73 (A) on a lot of any size;
- 74 (B) without meeting a minimum number of livable square feet;
- 75 (C) with any floor area ratio;
- 76 (D) with any setbacks, if the setbacks meet minimum safety codes; and
- 77 (E) with at least 35 feet of frontage.
- 78 (2) The following are preferred land use regulations in an area zoned for residential use:
- 79 (a) regulations that permit a person to build a starter home; or
- 80 (b) for lot size requirements, a minimum of 5,400 square feet.
- 81 (3)(a) A person may submit a request that a municipality accept a preferred land use
82 regulation, notwithstanding a conflicting municipal regulation, as part of an
83 application or an upcoming application to develop a specific residential property as
84 described in this Subsection (3).
- 85 (b) A request shall include:
- 86 (i) a written description or drawn sketch describing the anticipated development plan;
87 and
- 88 (ii) a specific reference to the preferred land use regulation the person is seeking.
- 89 (c) A municipality may require supporting information from a person making a request
90 only as strictly necessary to determine whether the request meets the requirements of
91 this section.
- 92 (d) A municipality may not require a person making a request to:
- 93 (i) submit engineering plans, drawings, plats, or will-serve letters; or
- 94 (ii) conform with all other municipal regulations or standards that the municipality
95 normally requires to accept or process a complete land use application.
- 96 (4)(a) No later than five business days after the day on which a municipality receives a

- 97 request, municipal staff shall determine if the request conforms with Subsection (3)
98 regardless of whether the request conforms with the applicable land use regulation
99 otherwise governing the parcel at issue.
- 100 (b) If a request conforms with Subsection (3), the municipality shall, within one business
101 day, provide notice of the determination to the applicant.
- 102 (5)(a) If a municipality determines that a request does not conform with Subsection (3),
103 or if the request lacks information the municipality requires under Subsection (3)(c),
104 the municipality shall no later than five business days after the day on which the
105 municipality receives the request, deny the request and provide to the applicant:
- 106 (i) notice of the determination and denial; and
107 (ii) the reasoning for the determination.
- 108 (b) The municipality may not use the person's failure to submit a complete land use
109 application as the basis to deny a request.
- 110 (c) A denial and determination under this Subsection (5) is an administrative act.
- 111 (d) A person that receives a denial and determination under this Subsection (5) may
112 submit a new request that addresses the reasoning for the denial, which shall begin a
113 new 30-day time period.
- 114 (6) A planning commission or legislative body may, within 30 calendar days of the day on
115 which a person submits a request that is not timely denied under Subsection (5), act to
116 deny the request:
- 117 (a) if the planning commission or legislative body determines, for any reason, that the
118 benefit to the person and community would be outweighed by the negative effect to
119 others in the community;
- 120 (b) if the planning commission or legislative body makes a finding on the record
121 regarding the determination described in Subsection (6)(a);
- 122 (c) in a public meeting of the planning commission or legislative body; and
123 (d) by majority vote.
- 124 (7)(a) A denial under Subsection (6) does not affect any other rights of the applicant
125 under this chapter.
- 126 (b) If a planning commission denies an application under Subsection (6), the denial is an
127 administrative act.
- 128 (c) If a municipal legislative body denies an application under Subsection (6), the denial
129 is a legislative act.
- 130 (8) If a planning commission or municipal legislative body expressly approves or does not

131 deny a request as described in Subsection (6), regardless of whether the municipality
 132 fails to make a timely determination under Subsection (4) or a timely denial under
 133 Subsection (5)(a):

134 (a) the preferred land use described in the request becomes a vested permitted use as to
 135 the property and as to the use described in the request 31 days after the day on which
 136 the person submitted the request to the municipality;

137 (b) the preferred land use regulation is considered a legislatively adopted land use
 138 regulation for that property and development;

139 (c) approval of the request or the failure to deny the request does not constitute approval
 140 of the entire land use application; and

141 (d) all other land use regulations and requirements for permitting and inspections
 142 continue to apply.

143 (9) In considering a preferred land use regulation legislatively adopted under Subsection
 144 (8)(b), the municipality is not required to:

145 (a) amend municipal zoning regulations, land use ordinances, or building standards; or

146 (b) apply the preferred land use regulation to other land use applications for the same
 147 residential zone.

148 Section 2. Section **17-80-304** is enacted to read:

149 **17-80-304 . Definitions -- Conformity with a preferred land use regulation a**
 150 **permitted use under certain circumstances.**

151 (1) As used in this section:

152 (a) "Application" means a land use application.

153 (b) "Area mean purchase price" means the mean purchase price of a single-family
 154 residential unit sold in a county, as determined by the county based on publicly
 155 available data, during:

156 (i) the immediately preceding calendar year; or

157 (ii) the calendar year immediately before the calendar year described in Subsection
 158 (1)(b)(i).

159 (c) "Preferred land use regulation" means a regulation described in Subsection (2):

160 (i) that the Legislature finds:

161 (A) advances the state's objective of lowering the average cost of housing by
 162 enabling the construction of homes that are smaller and less expensive;

163 (B) allows for some permitting of individual projects that are unlikely to adversely
 164 affect nearby property owners, the public, or the communities in which the

- 165 projects are built; and
- 166 (C) maintains the local land use authority's jurisdiction over which projects are
- 167 permitted to be built within the local land use authority's boundaries; and
- 168 (ii) that, as applied to a property owner in an unincorporated county, is not a
- 169 permitted use under the county's zoning regulations, land use ordinances, or
- 170 building standards.
- 171 (d) "Request" means a written submission from a property owner, or a person acting on
- 172 a property owner's behalf, seeking that a county of the first, second, or third class, as
- 173 classified under Section 17-60-104, accept a preferred land use regulation on a
- 174 specific parcel as part of a simultaneous or upcoming application.
- 175 (e) "Setback" means the required distance between the property line of a lot or parcel
- 176 and the location where a structure is allowed to be placed under an adopted land use
- 177 regulation.
- 178 (f) "Starter home" means a single-family residential unit that:
- 179 (i) is sold to an initial owner-occupier for an amount equal to or less than the area
- 180 mean purchase price of a single-family residential unit;
- 181 (ii) is deed restricted to be owner-occupied for two years following the day on which
- 182 the unit is first sold;
- 183 (iii) has a minimum of two parking spots, covered or uncovered; and
- 184 (iv) is built:
- 185 (A) on a lot of any size;
- 186 (B) without meeting a minimum number of livable square feet;
- 187 (C) with any floor area ratio;
- 188 (D) with any setbacks, if the setbacks meet minimum safety codes; and
- 189 (E) with at least 35 feet of frontage.
- 190 (2) The following are preferred land use regulations in an area zoned for residential use in a
- 191 county of the first, second, or third class:
- 192 (a) regulations that permit a person to build a starter home; or
- 193 (b) for lot size requirements, a minimum of 5,400 square feet.
- 194 (3)(a) A person may submit a request that a county accept a preferred land use
- 195 regulation, notwithstanding a conflicting county regulation, as part of an application
- 196 or an upcoming application to develop a specific residential property as described in
- 197 this Subsection (3).
- 198 (b) A request shall include:

- 199 (i) a written description or drawn sketch describing the anticipated development plan;
200 and
- 201 (ii) a specific reference to the preferred land use regulation the person is seeking.
- 202 (c) A county may require supporting information from a person making a request only as
203 strictly necessary to determine whether the request meets the requirements of this
204 section.
- 205 (d) A county may not require a person making a request to:
- 206 (i) submit engineering plans, drawings, plats, or will-serve letters; or
207 (ii) conform with all other county regulations or standards that the county normally
208 requires to accept or process a complete land use application.
- 209 (4)(a) No later than five business days after the day on which a county receives a
210 request, county staff shall determine if the request conforms with Subsection (3)
211 regardless of whether the request conforms with the applicable land use regulation
212 otherwise governing the parcel at issue.
- 213 (b) If a request conforms with Subsection (3), the county shall, within one business day,
214 provide notice of the determination to the applicant.
- 215 (5)(a) If a county determines that a request does not conform with Subsection (3), or if
216 the request lacks information the county requires under Subsection (3)(c), the county
217 shall no later than five business days after the day on which the county receives the
218 request, deny the request and provide to the applicant:
- 219 (i) notice of the determination and denial; and
220 (ii) the reasoning for the determination.
- 221 (b) The county may not use the person's failure to submit a complete land use
222 application as the basis to deny a request.
- 223 (c) A denial and determination under this Subsection (5) is an administrative act.
- 224 (d) A person that receives a denial and determination under this Subsection (5) may
225 submit a new request that addresses the reasoning for the denial, which shall begin a
226 new 30-day time period.
- 227 (6) A planning commission or legislative body may, within 30 calendar days of the day on
228 which a person submits a request that is not timely denied under Subsection (5), act to
229 deny the request:
- 230 (a) if the planning commission or legislative body determines, for any reason, that the
231 benefit to the person and community would be outweighed by the negative effect to
232 others in the community;

- 233 (b) if the planning commission or legislative body makes a finding on the record
234 regarding the determination described in Subsection (6)(a);
235 (c) in a public meeting of the planning commission or legislative body; and
236 (d) by majority vote.
- 237 (7)(a) A denial under Subsection (6) does not affect any other rights of the applicant
238 under this chapter.
- 239 (b) If a planning commission denies an application under Subsection (6), the denial is an
240 administrative act.
- 241 (c) If a county legislative body denies an application under Subsection (6), the denial is a
242 legislative act.
- 243 (8) If a planning commission or county legislative body expressly approves or does not
244 deny a request as described in Subsection (6), regardless of whether the county fails to
245 make a timely determination under Subsection (4) or a timely denial under Subsection
246 (5)(a):
- 247 (a) the preferred land use described in the request becomes a vested permitted use as to
248 the property and as to the use described in the request 31 days after the day on which
249 the person submitted the request to the county;
- 250 (b) the preferred land use regulation is considered a legislatively adopted land use
251 regulation for that property and development;
- 252 (c) approval of the request or the failure to deny the request does not constitute approval
253 of the entire land use application; and
- 254 (d) all other land use regulations and requirements for permitting and inspections
255 continue to apply.
- 256 (9) In considering a preferred land use regulation legislatively adopted under Subsection
257 (8)(b), the county is not required to:
- 258 (a) amend county zoning regulations, land use ordinances, or building standards; or
259 (b) apply the preferred land use regulation to other land use applications for the same
260 residential zone.

261 Section 3. **Effective Date.**

262 This bill takes effect on May 6, 2026.