

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 45 days, the request becomes a permitted use;
- provides that a person has two years from the day on which a request becomes permitted to submit a complete application; and
- provides that, after a request is denied, a person may make a subsequent request made within four years of the denial but the subsequent request requires the legislative body to expressly approve the request for the request to become a permitted use.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

29 **Utah Code Sections Affected:**

30 ENACTS:

31 **10-21-304**, Utah Code Annotated 195332 **17-80-304**, Utah Code Annotated 1953

33

34 *Be it enacted by the Legislature of the state of Utah:*35 Section 1. Section **10-21-304** is enacted to read:36 **10-21-304 . Definitions -- Conformity with a preferred land use regulation a**
37 **permitted use under certain circumstances.**38 (1) As used in this section:39 (a) "Application" means a land use application.40 (b) "Area mean purchase price" means the mean purchase price of a single-family
41 residential unit sold in a county, as determined by the county or a municipality in the
42 county based on publicly available data, during:43 (i) the immediately preceding calendar year; or44 (ii) the calendar year immediately before the calendar year described in Subsection
45 (1)(b)(i).46 (c) "Preferred land use regulation" means a regulation described in Subsection (2):47 (i) that the Legislature finds:48 (A) would advance the state's objective of lowering the average cost of housing by
49 enabling the construction of homes that are smaller and less expensive;50 (B) allows for some permitting of individual projects that are unlikely to adversely
51 affect nearby property owners, the public, or the communities in which the
52 projects are built; and53 (C) maintains the local land use authority's jurisdiction over which projects are
54 permitted to be built within the local land use authority's boundaries; and55 (ii) that, as applied to a property owner in a municipality, is not a permitted use under
56 the municipality's zoning regulations, land use ordinances, or building standards.57 (d) "Request" means a written submission from a property owner, or a person acting on
58 a property owner's behalf, seeking that a municipality located in a county of the first,
59 second, or third class, as classified under Section 17-60-104, accept a preferred land
60 use regulation on a specific parcel as part of a simultaneous or upcoming application.61 (e) "Setback" means the required distance between the property line of a lot or parcel
62 and the location where a structure is allowed to be placed under an adopted land use

- 63 regulation.
- 64 (f) "Starter home" means a single-family residential unit that:
- 65 (i) is sold to an initial owner-occupier for an amount equal to or less than the area
- 66 mean purchase price of a single-family residential unit;
- 67 (ii) is deed restricted to be owner-occupied for two years following the day on which
- 68 the unit is first sold;
- 69 (iii) has a minimum of two parking spots, covered or uncovered; and
- 70 (iv) is built:
- 71 (A) on a lot of any size;
- 72 (B) without meeting a minimum number of livable square feet;
- 73 (C) with any floor area ratio;
- 74 (D) with any setbacks, if the setbacks meet minimum safety codes; and
- 75 (E) on a lot with at least 35 feet of street frontage.
- 76 (2) The following are preferred land use regulations in an area zoned for residential use:
- 77 (a) regulations that permit a person to build a starter home; or
- 78 (b) for lot size requirements, a minimum of 5,400 square feet.
- 79 (3)(a) Subject to Subsection (10), a person may submit a request that a municipality
- 80 accept a preferred land use regulation, notwithstanding a conflicting municipal
- 81 regulation, as part of an application or an upcoming application to develop a specific
- 82 residential property as described in this Subsection (3).
- 83 (b) A request shall include:
- 84 (i) a brief, written description of the anticipated single-family residential unit;
- 85 (ii) a drawing of the anticipated development, accurately depicting:
- 86 (A) the dimensions of the property; and
- 87 (B) the proposed dimensions, location, and outline of the anticipated single-family
- 88 residential unit; and
- 89 (iii) a specific reference to the preferred land use regulation the person is seeking.
- 90 (c) A municipality may require supporting information from a person making a request
- 91 only as strictly necessary to determine whether the request meets the requirements of
- 92 this section.
- 93 (d) A municipality may not require a person making a request to:
- 94 (i) submit engineering plans, architectural drawings, plats, or will-serve letters; or
- 95 (ii) conform with all other municipal regulations or standards that the municipality
- 96 normally requires to accept or process a complete land use application.

- 97 (4)(a) No later than 10 business days after the day on which a municipality receives a
98 request, municipal staff shall determine if the request conforms with Subsection (3)
99 regardless of whether the request conforms with the applicable land use regulation
100 otherwise governing the parcel at issue.
- 101 (b) If a request conforms with Subsection (3), the municipality shall, within one business
102 day of making the determination, provide notice of the determination to the applicant.
- 103 (5)(a) If a municipality determines that a request does not conform with Subsection (3),
104 or if the request lacks information the municipality requires under Subsection (3)(c),
105 the municipality shall no later than 10 business days after the day on which the
106 municipality receives the request, deny the request and provide to the applicant:
- 107 (i) notice of the determination and denial; and
108 (ii) the reasoning for the determination.
- 109 (b) The municipality may not use the person's failure to submit a complete land use
110 application as the basis to deny a request.
- 111 (c) A denial and determination under this Subsection (5) is an administrative act.
- 112 (d) A person that receives a denial and determination under this Subsection (5) may
113 submit a new request, which:
- 114 (i) shall begin a new 10-day time period; and
115 (ii) does not constitute a subsequent request, as described in Subsection (10).
- 116 (6) A planning commission or legislative body may, within 45 calendar days of the day on
117 which the municipality notifies the person under Subsection (4)(b) that the request
118 conforms with Subsection (3), act to deny the request:
- 119 (a) if the planning commission or legislative body determines, for any reason, that the
120 benefit to the person and community would be outweighed by the negative effect to
121 others in the community;
- 122 (b) if the planning commission or legislative body makes a finding on the record
123 regarding the determination described in Subsection (6)(a);
- 124 (c) in a public meeting of the planning commission or legislative body; and
125 (d) by majority vote.
- 126 (7) If a planning commission or municipal legislative body expressly approves or does not
127 deny a request as described in Subsection (6):
- 128 (a) the preferred land use described in the request becomes a permitted use as to the
129 property and as to the use described in the request 46 days after the day on which the
130 municipality notifies the applicant under Subsection (4)(b);

131 (b) approval of the request or the failure to deny the request does not constitute approval
 132 of the entire land use application; and

133 (c) all other land use regulations and requirements for permitting and inspections
 134 continue to apply.

135 (8)(a) A person who makes a request that becomes a permitted use as described in
 136 Subsection (7) shall, by no later than two years from the day on which the request
 137 becomes permitted, submit a complete application for:

138 (i) a building permit, for a request that conforms with Subsection (2)(a); or

139 (ii) plat approval, for a request that conforms with Subsection (2)(b).

140 (b) If a person fails to timely comply with Subsection (8)(a), the use is no longer
 141 permitted.

142 (9) With respect to a preferred land use regulation request that becomes a permitted use as
 143 described in Subsection (7), the municipality is not required to:

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

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

147 (10)(a) A person who makes a request that is denied under Subsection (6) may make a
 148 subsequent request regarding the same property as described in this Subsection (10).

149 (b) A subsequent request that is made within five years of the day on which the initial
 150 request is denied:

151 (i) shall indicate that the request is a subsequent request; and

152 (ii) notwithstanding Subsection (7), requires express approval from the planning
 153 commission or legislative body within 45 days of the day on which the person
 154 makes the subsequent request in order to become a permitted use.

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

156 **17-80-304 . Definitions -- Conformity with a preferred land use regulation a**
 157 **permitted use under certain circumstances.**

158 (1) As used in this section:

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

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

163 (i) the immediately preceding calendar year; or

164 (ii) the calendar year immediately before the calendar year described in Subsection

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

- 199 (a) regulations that permit a person to build a starter home; or
200 (b) for lot size requirements, a minimum of 5,400 square feet.
- 201 (3)(a) Subject to Subsection (10), a person may submit a request that a county accept a
202 preferred land use regulation, notwithstanding a conflicting county regulation, as part
203 of an application or an upcoming application to develop a specific residential
204 property as described in this Subsection (3).
- 205 (b) A request shall include:
- 206 (i) a written description or drawn sketch describing the anticipated development plan;
207 and
- 208 (ii) a specific reference to the preferred land use regulation the person is seeking.
- 209 (c) A county may require supporting information from a person making a request only as
210 strictly necessary to determine whether the request meets the requirements of this
211 section.
- 212 (d) A county may not require a person making a request to:
- 213 (i) submit engineering plans, architectural drawings, plats, or will-serve letters; or
214 (ii) conform with all other county regulations or standards that the county normally
215 requires to accept or process a complete land use application.
- 216 (4)(a) No later than 10 business days after the day on which a county receives a request,
217 county staff shall determine if the request conforms with Subsection (3) regardless of
218 whether the request conforms with the applicable land use regulation otherwise
219 governing the parcel at issue.
- 220 (b) If a request conforms with Subsection (3), the county shall, within one business day
221 of making the determination, provide notice of the determination to the applicant.
- 222 (5)(a) If a county determines that a request does not conform with Subsection (3), or if
223 the request lacks information the county requires under Subsection (3)(c), the county
224 shall no later than 10 business days after the day on which the county receives the
225 request, deny the request and provide to the applicant:
- 226 (i) notice of the determination and denial; and
227 (ii) the reasoning for the determination.
- 228 (b) The county may not use the person's failure to submit a complete land use
229 application as the basis to deny a request.
- 230 (c) A denial and determination under this Subsection (5) is an administrative act.
- 231 (d) A person that receives a denial and determination under this Subsection (5) may
232 submit a new request that addresses the reasoning for the denial, which:

- 233 (i) shall begin a new 10-day time period; and
234 (ii) does not constitute a subsequent request, as described in Subsection (10).
- 235 (6) A planning commission or legislative body may, within 45 calendar days of the day on
236 which the county notifies the person under Subsection (4)(b) that the request conforms
237 with Subsection (3), act to deny the request:
- 238 (a) if the planning commission or legislative body determines, for any reason, that the
239 benefit to the person and community would be outweighed by the negative effect to
240 others in the community;
- 241 (b) if the planning commission or legislative body makes a finding on the record
242 regarding the determination described in Subsection (6)(a);
- 243 (c) in a public meeting of the planning commission or legislative body; and
244 (d) by majority vote.
- 245 (7) If a planning commission or municipal legislative body expressly approves or does not
246 deny a request as described in Subsection (6):
- 247 (a) the preferred land use described in the request becomes a permitted use as to the
248 property and as to the use described in the request 46 days after the day on which the
249 county notifies the applicant under Subsection (4)(b);
- 250 (b) approval of the request or the failure to deny the request does not constitute approval
251 of the entire land use application; and
- 252 (c) all other land use regulations and requirements for permitting and inspections
253 continue to apply.
- 254 (8)(a) A person who makes a request that becomes a permitted use as described in
255 Subsection (7) shall, by no later than two years from the day on which the request
256 becomes permitted, submit a complete application for a building permit, for a request
257 that conforms with Subsection (2)(a), or plat approval, for a request that conforms
258 with Subsection (2)(b).
- 259 (b) If a person fails to comply with Subsection (8)(a), the use is no longer permitted.
- 260 (9) With respect to a preferred land use regulation request that becomes a permitted use as
261 described in Subsection (7), the county is not required to:
- 262 (a) amend county zoning regulations, land use ordinances, or building standards; or
263 (b) apply the preferred land use regulation to other land use applications for the same
264 residential zone.
- 265 (10)(a) A person who makes a request that is denied under Subsection (6) may make a
266 subsequent request regarding the same property as described in this Subsection (10).

- 267 (b) A subsequent request that is made within five years of the day on which the initial
- 268 request is denied:
- 269 (i) shall indicate that the request is a subsequent request; and
- 270 (ii) notwithstanding Subsection (7), requires express approval from the planning
- 271 commission or legislative body within 45 days of the day on which the person
- 272 makes the subsequent request in order to become a permitted use.

273 Section 3. **Effective Date.**

274 This bill takes effect on May 6, 2026.