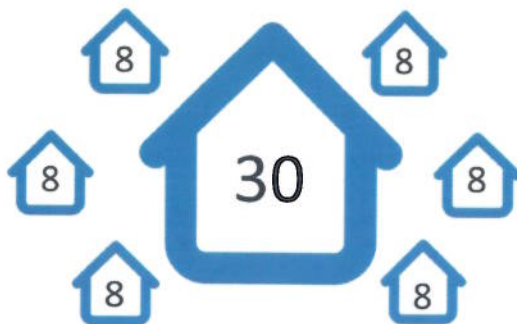


SB268, First Home Investment Zone (FHIZ) Act
(Sen. Harper / Rep. Musselman)

1. New tool for city to propose medium-density city or town center (min. 10, max. 100 acres) AND owner-occupied homes.
2. Eligible anywhere HTRZs are *not* allowed (i.e., not around FrontRunner, Trax, BRT stations). *Note:* FHIZ would be considered under the existing cap for number of HTRZs allowed in SLCo (11 combined, with 8 Trax, 3 BRT, not including FrontRunner)
3. Follows similar process to creation of HTRZ: City proposes FHIZ for review and approval by HTRZ committee. FHIZ proposal must address comparable policy goals to HTRZ, including housing availability, affordability, and ownership, transportation planning, strategic land and water use, etc.
4. Per acre minimum residential density of 30 units per acre (over 51% of the developable area) in the FHIZ zone – but up to half of those homes can be outside the FHIZ zone...
5. New homes outside the FHIZ zone but within the proposing city (“extraterritorial homes”) can “count” towards requirement of 30 units/acre, if they are:
 - a. Long-term owner-occupied (deed restricted for 25 years)
 - b. At minimum density of 8 units per acre
 - c. Included as part of the overall FHIZ proposal
6. Requirements:
 - a. Owner occupied: 100% of the homes outside the zone, and not less than 50% of the total homes inside + outside the zone.
 - b. Affordable (120% AMI, deed restricted): At least 12% of homes inside the FHIZ zone, and at least 20% of homes outside the zone. Affordable homes must be spread across the development and be of the same quality.
 - c. New homes may not yet be permitted by the city, and the relevant areas must be zoned appropriately, before the FHIZ is approved.
 - d. No short-term rentals of owner-occupied homes.
 - e. FHIZ zone must include mixed use (needed to generate value).
7. Up to 60% of property tax increment capture from all taxing entities inside FHIZ zone for 25 out of 45 years (maximum of three tax increment phases).
8. Increment use by city: project and system infrastructure costs for the FHIZ and related homes outside zone.



FHIZ Hypothetical Example

Assume an approx. 65-acre FHIZ zone development, plus related homes outside the zone.

Outside zone but within city:

- 200 homes, all owner-occupied. At least 80% (160) detached. Minimum density of 8 units per acre
 - *These homes “count” toward the density requirement inside the FHIZ*
- At least 20% of the 200 homes (40) are affordable

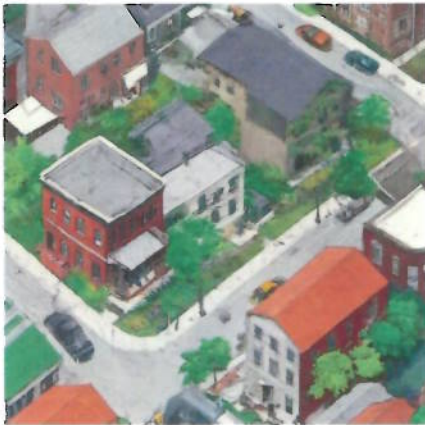
Inside FHIZ zone:

- 800 homes, with a mix of housing types
 - *Base requirement is 30 units per acre on 51% of developable land; so ~65 acres x .51 x 30 = ~1000 homes. But the 200 homes outside the FHIZ zone “count” toward the number of homes required inside the zone. So the required number of homes inside the zone is lowered to 800*
- At least 12% of the 800 homes (96) are affordable
- Mix of uses (residential, commercial, open space, etc.)

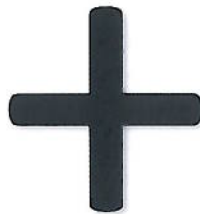
= 1000 new homes

= at least 500 owner-occupied homes (100% of homes outside the FHIZ zone, and at least 50% of overall homes inside and outside FHIZ must be owner occupied)

= at least 136 affordable homes



800 new homes in FHIZ boundaries
At least 300 owner occupied
At least 96 affordable



Tax increment can be used for project development and related system infrastructure costs



200 new homes outside of FHIZ zone
All 200 owner occupied
At least 40 affordable