

AFFORDABLE HOUSING AMENDMENTS

1998 GENERAL SESSION

STATE OF UTAH

Sponsor: Wayne A. Harper

AN ACT RELATING TO COMMUNITY AND ECONOMIC DEVELOPMENT, COUNTIES,
AND CITIES AND TOWNS; IMPOSING AN ANNUAL REVIEW AND REPORT

REQUIREMENT ON ~~§ CERTAIN~~ § COUNTIES ~~§ [,] AND § CITIES § [, AND TOWNS] §~~

REGARDING THEIR PLAN FOR

MODERATE INCOME HOUSING; APPROPRIATING ~~§ [\$280,000]~~ **\$25,000** § FROM THE

GENERAL

FUND FOR FISCAL YEAR 1998-99 TO THE DEPARTMENT OF COMMUNITY AND

ECONOMIC DEVELOPMENT FOR ASSISTING COUNTIES AND MUNICIPALITIES

WITH THEIR PLANS FOR MODERATE INCOME HOUSING; MAKING TECHNICAL

CORRECTIONS; AND PROVIDING AN EFFECTIVE DATE.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

9-4-1204, as renumbered and amended by Chapter 30, Laws of Utah 1997

10-9-307, as enacted by Chapter 316, Laws of Utah 1996

17-27-307, as enacted by Chapter 316, Laws of Utah 1996

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

Section 1. Section **9-4-1204** is amended to read:

9-4-1204. Technical assistance to political subdivisions for housing plan.

(1) [~~Until January 1, 1999, and within~~] Within appropriations from the Legislature, the
division shall establish a program to assist municipalities to meet the requirements of Section

10-9-307 and counties to meet the requirements of Section [~~17-27-407~~] 17-27-307. Assistance
under this section may include:

(a) financial assistance for the cost of developing a plan for low and moderate income
housing;

(b) information on how to meet present and prospective needs for low and moderate

1 income housing; and

2 (c) technical advice and consultation on how to facilitate the creation of low and moderate
3 income housing.

4 (2) The division shall annually report to the Legislature's Business, Labor, and Economic
5 Development, and Human Services Interim Committees regarding the scope, amount, and type of
6 assistance provided to municipalities and counties under this section, including the number of low
7 and moderate income housing units constructed or rehabilitated within the state.

8 Section 2. Section **10-9-307** is amended to read:

9 **10-9-307. Plans for moderate income housing.**

10 (1) The availability of moderate income housing is an issue of statewide concern. To this
11 end:

12 (a) municipalities should afford a reasonable opportunity for a variety of housing,
13 including moderate income housing, to meet the needs of people desiring to live there; and

14 (b) moderate income housing should be encouraged to allow persons with moderate
15 incomes to benefit from and to fully participate in all aspects of neighborhood and community life.

16 (2) As used in this section:

17 (a) "Moderate income housing" means housing occupied or reserved for occupancy by
18 households with a gross household income equal to or less than 80% of the median gross income
19 of the metropolitan statistical area for households of the same size.

20 (b) "Plan for moderate income housing" or "plan" means a written document adopted by
21 a municipal [~~governing~~] legislative body that includes:

22 (i) an estimate of the existing supply of moderate income housing located within the
23 municipality;

24 (ii) an estimate of the need for moderate income housing in the municipality for the next
25 five years as revised annually;

26 (iii) a survey of total residential zoning;

27 (iv) an evaluation of how existing zoning densities affect opportunities for moderate
28 income housing; and

29 (v) a description of the municipality's program to encourage an adequate supply of
30 moderate income housing.

31 (3) Before December 31, 1998, each municipal [~~governing board~~] legislative body shall,

1 as part of its general plan, adopt a plan for moderate income housing within that municipality.

2 (4) A plan may provide moderate income housing by any means or combination of
3 techniques which provide a realistic opportunity to meet estimated needs. The plan may include
4 an analysis of why the means or techniques selected provide a realistic opportunity to meet the
5 objectives of this section. Such techniques may include:

6 (a) rezoning for densities necessary to assure the economic viability of inclusionary
7 developments, either through mandatory set asides or density bonuses;

8 (b) infrastructure expansion and rehabilitation that will facilitate the construction of
9 moderate income housing;

10 (c) rehabilitation of existing uninhabitable housing stock;

11 (d) consideration of waiving construction related fees generally imposed by the
12 municipality;

13 (e) utilization of state or federal funds or tax incentives to promote the construction of
14 moderate income housing;

15 (f) utilization of programs offered by the Utah Housing Finance Agency within that
16 agency's funding capacity; and

17 (g) utilization of affordable housing programs administered by the Department of
18 Community and Economic Development.

19 (5) (a) After adoption of a plan for moderate income housing under Subsection (3), § [each]

19a THE

20 [municipal] § legislative body § OF EACH CITY THAT IS LOCATED WITHIN A COUNTY OF THE

20a FIRST OR SECOND CLASS AND OF EACH OTHER CITY WITH A POPULATION OVER 10,000 § shall

20b annually:

21 (i) review the plan and its implementation; and

22 (ii) prepare a report setting forth the findings of the review.

23 (b) Each report under Subsection (5)(a)(ii) shall include a description of:

24 (i) efforts made by the municipality to reduce, mitigate, or eliminate local regulatory
25 barriers to moderate income housing;

26 (ii) actions taken by the municipality to encourage preservation of existing moderate
27 income housing and development of new moderate income housing;

28 (iii) progress made within the municipality to provide moderate income housing, as
29 measured by permits issued for new units of moderate income housing ^h [serving households earning
30 30%, 50%, and 80% of area median income] ^h ; and

31 (iv) efforts made by the municipality to coordinate moderate income housing plans and

1 actions with neighboring municipalities.

2 (c) § [Each municipal] THE § legislative body § OF EACH CITY THAT IS LOCATED

2a WITHIN A COUNTY OF THE FIRST OR SECOND CLASS AND OF EACH OTHER CITY WITH A

2b POPULATION OVER 10,000 § shall send a copy of the report under Subsection

3 (5)(a)(ii) to the Department of Community and Economic Development and the association of

4 governments in which the municipality is located.

5 Section 3. Section **17-27-307** is amended to read:

6 **17-27-307. Plans for moderate income housing.**

7 (1) The availability of moderate income housing is an issue of statewide concern. To this
8 end:

9 (a) counties should afford a reasonable opportunity for a variety of housing, including
10 moderate income housing, to meet the needs of people desiring to live there; and

11 (b) moderate income housing should be located in all areas of a community to allow
12 persons with moderate incomes to benefit from and to fully participate in all aspects of
13 neighborhood and community life.

14 (2) As used in this section:

15 (a) "Moderate income housing" means housing occupied or reserved for occupancy by
16 households with a gross household income equal to or less than 80% of the median gross income
17 of the county statistical area for households of the same size.

18 (b) "Plan for moderate income housing" or "plan" means a written document adopted by
19 a county [~~governing~~] legislative body that includes, but is not limited to:

20 (i) an estimate of the existing supply of moderate income housing located within the
21 county;

22 (ii) an estimate of the need for moderate income housing in that county for the next five
23 years as revised annually;

24 (iii) a survey of total residential zoning;

25 (iv) an evaluation of how existing zoning densities affect opportunities for moderate
26 income housing; and

27 (v) a description of the county's program to encourage an adequate supply of moderate
28 income housing.

29 (3) Before December 31, 1998, each county [~~governing board~~] legislative body shall, as
30 part of its general plan, adopt a plan for moderate income housing within the unincorporated areas
31 of that county.

1 (4) A plan may provide for moderate income housing by any means or combination of
 2 techniques which provide a realistic opportunity to meet estimated needs. The plan may include
 3 an analysis of why the means or techniques selected provide a realistic opportunity to meet the
 4 objectives of this section. Such techniques may include:

5 (a) rezoning for densities necessary to assure the economic viability of inclusionary
 6 developments, either through mandatory set asides or density bonuses;

7 (b) infrastructure expansion and rehabilitation that will facilitate the construction of
 8 moderate income housing;

9 (c) rehabilitation of existing uninhabitable housing stock;

10 (d) consideration of waiving construction related fees generally imposed by the county;

11 (e) utilization of state or federal funds or tax incentives to promote the construction of
 12 moderate income housing;

13 (f) utilization of programs offered by the Utah Housing Finance Agency within that
 14 agency's funding capacity; and

15 (g) utilization of affordable housing programs administered by the Department of
 16 Community and Economic Development.

17 (5) (a) After adoption of a plan for moderate income housing under Subsection (3), § [each]

17a THE

18 [county] § legislative body § OF EACH COUNTY WITH A POPULATION OVER 25,000 § shall
 18a annually:

19 (i) review the plan and its implementation; and

20 (ii) prepare a report setting forth the findings of the review.

21 (b) Each report under Subsection (5)(a)(ii) shall include a description of:

22 (i) efforts made by the county to reduce, mitigate, or eliminate local regulatory barriers
 23 to moderate income housing;

24 (ii) actions taken by the county to encourage preservation of existing moderate income
 25 housing and development of new moderate income housing;

26 (iii) progress made within the county to provide moderate income housing, as measured
 27 by permits issued for new units of moderate income housing ĥ [serving households earning 30%,
 28 50%, and 80% of area median income] ĥ ; and

29 (iv) efforts made by the county to coordinate moderate income housing plans and actions
 30 with neighboring counties.

31 (c) § [Each county] THE § legislative body § OF EACH COUNTY WITH A
 31a POPULATION OVER 25,000 § shall send a copy of the report under Subsection (5)(a)(ii)

lilac-January 28, 1998

1 to the Department of Community and Economic Development and the association of governments
2 in which the county is located.

3 Section 4. **Appropriation.**

4 There is appropriated from the General Fund for fiscal year 1998-99, \$ [~~\$280,000~~] \$25,000 §

4a to the

5 Department of Community and Economic Development for use by the Division of Community

6 Development to continue to implement the provisions of Section 9-4-1204.

7 Section 5. **Effective date.**

8 Section 4 of this act appropriating funds from the General Fund takes effect July 1, 1998.

Legislative Review Note
as of 10-20-97 11:29 AM

A limited legal review of this bill raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel