

1                                   **AFFORDABLE HOUSING AMENDMENTS**

2   1998 GENERAL SESSION

3   STATE OF UTAH

4   **Sponsor: Wayne A. Harper**

5 AN ACT RELATING TO COMMUNITY AND ECONOMIC DEVELOPMENT, COUNTIES,  
6 AND CITIES AND TOWNS; IMPOSING AN ANNUAL REVIEW AND REPORT  
7 REQUIREMENT ON COUNTIES, CITIES, AND TOWNS REGARDING THEIR PLAN FOR  
8 MODERATE INCOME HOUSING; APPROPRIATING \$280,000 FROM THE GENERAL  
9 FUND FOR FISCAL YEAR 1998-99 TO THE DEPARTMENT OF COMMUNITY AND  
10 ECONOMIC DEVELOPMENT FOR ASSISTING COUNTIES AND MUNICIPALITIES  
11 WITH THEIR PLANS FOR MODERATE INCOME HOUSING; MAKING TECHNICAL  
12 CORRECTIONS; AND PROVIDING AN EFFECTIVE DATE.

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

14 AMENDS:

15           **9-4-1204**, as renumbered and amended by Chapter 30, Laws of Utah 1997

16           **10-9-307**, as enacted by Chapter 316, Laws of Utah 1996

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

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

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

20           **9-4-1204. Technical assistance to political subdivisions for housing plan.**

21           (1) [~~Until January 1, 1999, and within~~] Within appropriations from the Legislature, the  
22 division shall establish a program to assist municipalities to meet the requirements of Section  
23 10-9-307 and counties to meet the requirements of Section [~~17-27-407~~] 17-27-307. Assistance  
24 under this section may include:

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

27           (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  
20 municipal legislative body shall 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 serving households earning  
30 30%, 50%, and 80% of area median income; and

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

1 actions with neighboring municipalities.

2 (c) Each municipal legislative body 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  
18 county legislative body shall 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 serving households earning 30%,  
28 50%, and 80% of area median income; and

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

31 (c) Each county legislative body shall send a copy of the report under Subsection (5)(a)(ii)

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 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.

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**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**