

Representative Candice B. Pierucci proposes the following substitute bill:

URBAN DEVELOPMENT AMENDMENTS

2020 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Candice B. Pierucci

Senate Sponsor: Lincoln Fillmore

LONG TITLE

General Description:

This bill amends provisions related to urban development.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ extends certain county notice requirements to any county that proposes urban development within a municipality's expansion area;
- ▶ allows a municipality to impose an impact fee on certain urban development if the municipality submits a written objection; and
- ▶ prohibits certain counties from approving urban development unless specified conditions are met.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

10-2-402, as last amended by Laws of Utah 2019, Chapter 498



26 ENACTS:

27 [11-36a-207](#), Utah Code Annotated 1953

28 [17-27a-526](#), Utah Code Annotated 1953

29

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

31 Section 1. Section **10-2-402** is amended to read:

32 **10-2-402. Annexation -- Limitations.**

33 (1) (a) A contiguous, unincorporated area that is contiguous to a municipality may be
34 annexed to the municipality as provided in this part.

35 (b) An unincorporated area may not be annexed to a municipality unless:

36 (i) it is a contiguous area;

37 (ii) it is contiguous to the municipality;

38 (iii) annexation will not leave or create an unincorporated island or unincorporated
39 peninsula:

40 (A) except as provided in Subsection [10-2-418\(3\)](#); or

41 (B) unless the county and municipality have otherwise agreed; and

42 (iv) for an area located in a specified county with respect to an annexation that occurs
43 after December 31, 2002, the area is within the proposed annexing municipality's expansion
44 area.

45 (2) Except as provided in Section [10-2-418](#), a municipality may not annex an
46 unincorporated area unless a petition under Section [10-2-403](#) is filed requesting annexation.

47 (3) (a) An annexation under this part may not include part of a parcel of real property
48 and exclude part of that same parcel unless the owner of that parcel has signed the annexation
49 petition under Section [10-2-403](#).

50 (b) A piece of real property that has more than one parcel number is considered to be a
51 single parcel for purposes of Subsection (3)(a) if owned by the same owner.

52 (4) A municipality may not annex an unincorporated area in a specified county for the
53 sole purpose of acquiring municipal revenue or to retard the capacity of another municipality to
54 annex the same or a related area unless the municipality has the ability and intent to benefit the
55 annexed area by providing municipal services to the annexed area.

56 (5) [~~The legislative body of a specified county~~] Subject to Section [17-27a-526](#), a

57 county legislative body may not approve urban development within a municipality's expansion
58 area unless:

59 (a) the county notifies the municipality of the proposed development; and

60 (b) (i) the municipality consents in writing to the development; or

61 (ii) (A) within 90 days after the county's notification of the proposed development, the
62 municipality submits to the county a written objection to the county's approval of the proposed
63 development; and

64 (B) the county responds in writing to the municipality's objections.

65 (6) (a) An annexation petition may not be filed under this part proposing the
66 annexation of an area located in a county that is not the county in which the proposed annexing
67 municipality is located unless the legislative body of the county in which the area is located has
68 adopted a resolution approving the proposed annexation.

69 (b) Each county legislative body that declines to adopt a resolution approving a
70 proposed annexation described in Subsection (6)(a) shall provide a written explanation of its
71 reasons for declining to approve the proposed annexation.

72 (7) (a) As used in this Subsection (7), "airport" means an area that the Federal Aviation
73 Administration has, by a record of decision, approved for the construction or operation of a
74 Class I, II, or III commercial service airport, as designated by the Federal Aviation
75 Administration in 14 C.F.R. Part 139.

76 (b) A municipality may not annex an unincorporated area within 5,000 feet of the
77 center line of any runway of an airport operated or to be constructed and operated by another
78 municipality unless the legislative body of the other municipality adopts a resolution
79 consenting to the annexation.

80 (c) A municipality that operates or intends to construct and operate an airport and does
81 not adopt a resolution consenting to the annexation of an area described in Subsection (7)(b)
82 may not deny an annexation petition proposing the annexation of that same area to that
83 municipality.

84 (8) (a) As used in this subsection, "project area" means a project area as defined in
85 Section [63H-1-102](#) that is in a project area plan as defined in Section [63H-1-102](#) adopted by
86 the Military Installation Development Authority under Title 63H, Chapter 1, Military
87 Installation Development Authority Act.

88 (b) A municipality may not annex an unincorporated area located within a project area
89 without the authority's approval.

90 (c) (i) Except as provided in Subsection (8)(c)(ii), the Military Installation
91 Development Authority may petition for annexation of the following areas to a municipality as
92 if it was the sole private property owner within the area:

93 (A) an area within a project area;

94 (B) an area that is contiguous to a project area and within the boundaries of a military
95 installation;

96 (C) an area owned by the Military Installation Development Authority; and

97 (D) an area that is contiguous to an area owned by the Military Installation
98 Development Authority that the Military Installation Development Authority plans to add to an
99 existing project area.

100 (ii) If any portion of an area annexed under a petition for annexation filed by the
101 Military Installation Development Authority is located in a specified county:

102 (A) the annexation process shall follow the requirements for a specified county; and

103 (B) the provisions of Subsection 10-2-402(6) do not apply.

104 Section 2. Section 11-36a-207 is enacted to read:

105 **11-36a-207. Impact fees on urban development.**

106 (1) As used in this section:

107 (a) "Expansion area" means the same as that term is defined in Section 10-2-401.

108 (b) "Urban development" means a housing development with more than 15 residential
109 units and an average density greater than one residential unit per acre.

110 (2) Notwithstanding any other provision of this chapter, a municipality may impose an
111 impact fee on urban development within a county of the first class if:

112 (a) the urban development is within the municipality's expansion area; and

113 (b) the municipality submits to the county a written objection under Subsection
114 10-2-402(5)(b)(ii)(A).

115 (3) A municipality that imposes an impact fee under this section shall comply with the
116 provisions of this chapter.

117 Section 3. Section 17-27a-526 is enacted to read:

118 **17-27a-526. Municipal impact fees -- County limitation on approving urban**

119 **development.**

120 (1) As used in this section:

121 (a) "Expansion area" means the same as that term is defined in Section [10-2-401](#).

122 (b) "Urban development" means the same as that term is defined in Section

123 [11-36a-207](#).

124 (2) Notwithstanding any other provision of law, a county of the first class may not

125 approve urban development within a municipality's expansion area before the earlier of the

126 following, if the municipality submits to the county a written objection under Subsection

127 [10-2-402\(5\)\(b\)\(ii\)\(A\)](#):

128 (a) 90 days after the day on which the municipality submits the written objection; or

129 (b) the day on which the municipality passes an impact fee enactment in accordance

130 with Section [11-36a-402](#).

131 **Section 4. Effective date.**

132 If approved by two-thirds of all the members elected to each house, this bill takes effect

133 upon approval by the governor, or the day following the constitutional time limit of Utah

134 Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto,

135 the date of veto override.