{deleted text} shows text that was in HB0305 but was deleted in HB0305S01.

inserted text shows text that was not in HB0305 but was inserted into HB0305S01.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

IMPAC 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 {impact fees}urban development.

Highlighted Provisions:

This bill:

- defines terms;
- {allows certain municipalities} extends certain county notice requirements to any county that proposes urban development within a municipality's expansion area;
- <u>allows a municipality</u> to impose an impact fee {for} on certain urban development {activity on certain property located in an unincorporated area} if the municipality submits a written objection; and
- prohibits certain counties from {issuing a land use permit for development activity
 in an unincorporated area unless the county provides each adjacent municipality an

opportunity to impose an impact fee} approving urban development unless specified conditions are met.

Money Appropriated in this Bill:

None

Other Special Clauses:

None 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

ENACTS:

11-36a-207, Utah Code Annotated 1953

17-27a-526, Utah Code Annotated 1953

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

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

10-2-402. Annexation -- Limitations.

- (1) (a) A contiguous, unincorporated area that is contiguous to a municipality may be annexed to the municipality as provided in this part.
 - (b) An unincorporated area may not be annexed to a municipality unless:
 - (i) it is a contiguous area;
 - (ii) it is contiguous to the municipality;
- (iii) annexation will not leave or create an unincorporated island or unincorporated peninsula:
 - (A) except as provided in Subsection 10-2-418(3); or
 - (B) unless the county and municipality have otherwise agreed; and
- (iv) for an area located in a specified county with respect to an annexation that occurs after December 31, 2002, the area is within the proposed annexing municipality's expansion area.
- (2) Except as provided in Section 10-2-418, a municipality may not annex an unincorporated area unless a petition under Section 10-2-403 is filed requesting annexation.
 - (3) (a) An annexation under this part may not include part of a parcel of real property

and exclude part of that same parcel unless the owner of that parcel has signed the annexation petition under Section 10-2-403.

- (b) A piece of real property that has more than one parcel number is considered to be a single parcel for purposes of Subsection (3)(a) if owned by the same owner.
- (4) A municipality may not annex an unincorporated area in a specified county for the sole purpose of acquiring municipal revenue or to retard the capacity of another municipality to annex the same or a related area unless the municipality has the ability and intent to benefit the annexed area by providing municipal services to the annexed area.
- (5) [The legislative body of a specified county] Subject to Section 17-27a-526, a county legislative body may not approve urban development within a municipality's expansion area unless:
 - (a) the county notifies the municipality of the proposed development; and
 - (b) (i) the municipality consents in writing to the development; or
- (ii) (A) within 90 days after the county's notification of the proposed development, the municipality submits to the county a written objection to the county's approval of the proposed development; and
 - (B) the county responds in writing to the municipality's objections.
- (6) (a) An annexation petition may not be filed under this part proposing the annexation of an area located in a county that is not the county in which the proposed annexing municipality is located unless the legislative body of the county in which the area is located has adopted a resolution approving the proposed annexation.
- (b) Each county legislative body that declines to adopt a resolution approving a proposed annexation described in Subsection (6)(a) shall provide a written explanation of its reasons for declining to approve the proposed annexation.
- (7) (a) As used in this Subsection (7), "airport" means an area that the Federal Aviation Administration has, by a record of decision, approved for the construction or operation of a Class I, II, or III commercial service airport, as designated by the Federal Aviation Administration in 14 C.F.R. Part 139.
- (b) A municipality may not annex an unincorporated area within 5,000 feet of the center line of any runway of an airport operated or to be constructed and operated by another municipality unless the legislative body of the other municipality adopts a resolution

consenting to the annexation.

- (c) A municipality that operates or intends to construct and operate an airport and does not adopt a resolution consenting to the annexation of an area described in Subsection (7)(b) may not deny an annexation petition proposing the annexation of that same area to that municipality.
- (8) (a) As used in this subsection, "project area" means a project area as defined in Section 63H-1-102 that is in a project area plan as defined in Section 63H-1-102 adopted by the Military Installation Development Authority under Title 63H, Chapter 1, Military Installation Development Authority Act.
- (b) A municipality may not annex an unincorporated area located within a project area without the authority's approval.
- (c) (i) Except as provided in Subsection (8)(c)(ii), the Military Installation Development Authority may petition for annexation of the following areas to a municipality as if it was the sole private property owner within the area:
 - (A) an area within a project area;
- (B) an area that is contiguous to a project area and within the boundaries of a military installation;
 - (C) an area owned by the Military Installation Development Authority; and
- (D) an area that is contiguous to an area owned by the Military Installation

 Development Authority that the Military Installation Development Authority plans to add to an existing project area.
- (ii) If any portion of an area annexed under a petition for annexation filed by the Military Installation Development Authority is located in a specified county:
 - (A) the annexation process shall follow the requirements for a specified county; and
 - (B) the provisions of Subsection 10-2-402(6) do not apply.

Section $\{1\}$ 2. Section 11-36a-207 is enacted to read:

- 11-36a-207. Adjacent municipality impact fees.
- (1) Notwithstanding any other provision of this chapter, a municipality in a county of the first class may impose an impact fee on development activity that occurs on property that:
 - (a) is located within the unincorporated area of the county in which the

municipality is located; and

- (b) shares a common boundary with the municipality.
- (2) A municipality that imposes an impact fee under this section shall comply with the provisions of this chapter.
 - Section 2. Section 17-27a-526 is enacted to read:
- 17-27a-526. Adjacent municipality impact fees -- County limitation on issuing land use permit} Impact fees on urban development.
 - (1) As used in this section:
- (a) "{Adjacent municipality" means} Expansion area" means the same as that term is defined in Section 10-2-401.
- (b) "Urban development" means a housing development with more than 15 residential units and an average density greater than one residential unit per acre.
 - (2) Notwithstanding any other provision of this chapter, a municipality {that:
- (i) is located in may impose an impact fee on urban development within a county of the first class ; and
- (ii) shares a common boundary with property where development activity is proposed.
 - (b) "Development activity} if:
 - (a) the urban development is within the municipality's expansion area; and
- (b) the municipality submits to the county a written objection under Subsection 10-2-402(5)(b)(ii)(A).
- (3) A municipality that imposes an impact fee under this section shall comply with the provisions of this chapter.

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

<u>17-27a-526. Municipal impact fees -- County limitation on approving urban</u> <u>development.</u>

- (1) As used in this section:
- (a) "Expansion area" means the same as that term is defined in Section 10-2-401.
- (b) "Urban development" means the same as that term is defined in Section {11-36a-102}11-36a-207.
- (2) Notwithstanding any other provision of law, a county of the first class may not {issue a land use permit for development activity within the unincorporated area of the county

unless:

- (a) the county allows each adjacent municipality an opportunity to impose an impact fee on the development activity under Section 11-36a-207; and
- (b) if an adjacent municipality imposes} approve urban development within a municipality's expansion area before the earlier of the following, if the municipality submits to the county a written objection under Subsection 10-2-402(5)(b)(ii)(A):
 - (a) 90 days after the day on which the municipality submits the written objection; or
- (b) the day on which the municipality passes an impact fee enactment in accordance with Section 11-36a-402.

Section 4. Effective date.

If approved by two-thirds of all the members elected to each house, this bill takes effect upon approval by the governor, or the day following the constitutional time limit of Utah

Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto, the {impact fee is paid} date of veto override.