{deleted text} shows text that was in SB0122 but was deleted in SB0122S01.

inserted text shows text that was not in SB0122 but was inserted into SB0122S01.

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.

Senator Derek L. Kitchen proposes the following substitute bill:

HOUSING LOSS MITIGATION AMENDMENTS

2020 GENERAL SESSION STATE OF UTAH

Chief Sponsor: Derek L. Kitchen

| House | Sponsor: | | |
|-------|----------|--|--|
| | | | |

LONG TITLE

General Description:

This bill {addresses} modifies the {loss} reporting requirements of {moderate income housing units due to state agency action} the Department of Transportation (department).

Highlighted Provisions:

This bill:

- defines terms; and
- requires {a state agency to mitigate loss of a} the department to provide an annual report to the Economic Development and Workforce Services Interim Committee and to the Commission on Housing Affordability regarding the number of moderate income housing {unit that results from state agency action; and
- describes options for a state agency to mitigate loss of a moderate income housing

unit that results from state agency} units lost in the previous year because of departmental action.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

{57-30-101}<u>72-1-215</u>, Utah Code Annotated 1953

57-30-102, Utah Code Annotated 1953

57-30-103, Utah Code Annotated 1953

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

Section 1. Section {57-30-101}72-1-215 is enacted to read:

{CHAPTER 30. MODERATE INCOME HOUSING LOSS MITIGATION ACT

- } {57-30-101. Title.
- This chapter is known as the "Moderate Income Housing Loss Mitigation Act."
- Section 2. Section 57-30-102 is enacted to read:
- 57-30-102. Definitions.
- (1)72-1-215. Affordable housing study.
 - (1) As used in this section:
- (a) "Moderate income housing unit" means a housing unit where a household whose income is no more than 80% of area median income is able to live without spending more than 30% of the household's income on housing costs.
 - ({2}b) "Replacement unit" means a housing unit that:
 - ({a}i) is comparable in quality to a lost moderate income housing unit;
 - (\fb\ii) meets state and local health and housing codes;
- ({e}iii) is comparable to a lost moderate income housing unit in number of rooms and square footage;
- ({d}iv) is located, to the extent practicable, in the same neighborhood as a lost moderate income housing unit; and

- ({e}v) meets the same affordability standard as a moderate income housing unit.
- ({3) "State agency" means a department, division, office, entity, agency, or other unit of state government.
 - Section 3. Section 57-30-103 is enacted to read:
 - 57-30-103. Moderate income housing loss -- Options for mitigation -- Exceptions.
 - (1) Subject to Subsection (5), a state agency action may not result in the loss of a 22

On or before October 1 of each year, the department shall provide a written annual report to the Economic Development and Workforce Services Interim Committee and to the Commission on Housing Affordability created in Section 35A-8-2201 that describes:

- (a) the number of housing units that were permanently vacated or destroyed as a result of department action in the previous fiscal year;
 - (b) the number of moderate income housing {unit unless the state agency:
- (a) provides for a replacement unit for each} units that were permanently vacated or destroyed as a result of department action in the previous fiscal year;
- (c) the number and size of parcels from housing units permanently vacated or destroyed as a result of department action in the previous fiscal year that are not needed by the department and recommended uses for the parcels;
- (d) for each housing unit that was permanently vacated or destroyed as a result of department action in the previous fiscal year, the housing unit type, the year the housing unit was built, and the number of bedrooms in the housing unit;
- (e) the total amount spent by the department to relocate individuals displaced as a result of department action in the previous fiscal year;
- (f) the average cost per household to the department to relocate a household displaced as a result of department action in the previous fiscal year; and
- (g) one time recommendations regarding how the department and other agencies of the state could address the loss of moderate income housing {unit lost as a result of the state agency action; or
- (b) pays a housing loss mitigation fee to} units in the state, which recommendations may include:
 - (i) potential zoning law changes that would allow for the building of replacement units;
 - (ii) a process for making available small or irregular plots of land owned by the

<u>department and for having municipalities permit the building of replacement units on the parcels;</u>

| (iii) recommendations regarding how the department and other state agencies could |
|---|
| coordinate with the Olene Walker Housing {Loan Fund created in Section 35A-8-502. |
| (2) A moderate income housing unit is lost if the moderate income housing unit: |
| (a) is demolished; |
| (b) the use changes to a use other than housing; or |
| (c) the size or affordability materially changes. |
| (3) (a) A}Trust Fund, applicable county or city housing authorities, and other |
| stakeholders to build replacement housing units; or |
| (iv) other recommendations regarding how the department and other state agencies |
| could encourage or support the approval and funding of additional replacement {unit shall be} |
| provided for by: |
| (i) conversion of an existing market-rate housing unit to a moderate income housing |
| <u>unit;</u> |
| (ii) conversion of a nonresidential development to a moderate income housing unit; |
| (iii) rehabilitation of a deteriorated or dilapidated housing unit to a moderate income |
| housing unit; or |
| (iv) construction of a new moderate income housing unit. |
| (b) A replacement unit shall be provided for within two years of the commencement of |
| an action described in Subsections (2)(a) through (c). |
| (4) (a) A housing loss mitigation fee shall be: |
| (i) calculated as the difference between the fair market value of a lost moderate income |
| housing unit and the cost of a replacement unit, excluding land values; and |
| (ii) paid within two years of the commencement of an action described in Subsections |
| (2)(a) through (c). |
| (b) A state agency that pays a housing loss mitigation fee shall submit documentation |
| supporting the calculation of the housing loss mitigation fee to the Division of Housing and |
| Community Development on the same day the housing loss mitigation fee is paid. |
| (5) Subsection (1) does not apply if a moderate income housing unit is: |
| (a) located on property for which an applicable master plan or the current zoning |

envisions exclusive nonresidential use; or

(b) proposed to be demolished for health or safety reasons}units.