

UTAH HOUSING AFFORDABILITY AMENDMENTS

2021 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jacob L. Anderegg

House Sponsor: Steve Waldrip

LONG TITLE

General Description:

This bill modifies provisions related to affordable housing and the provision of services related to affordable housing.

Highlighted Provisions:

This bill:

- ▶ modifies definitions;
- ▶ modifies provisions related to a municipality collecting certain fees;
- ▶ provides that a municipality may grant real property that will be used for affordable housing units;
- ▶ provides that a municipality shall offset costs for a developer, if a developer is required to provide affordable housing units or contribute to a housing fund as a result of a local ordinance;
- ▶ creates an affordable housing pilot program;
- ▶ modifies the potential uses of a community reinvestment agency's housing allocation;
- ▶ describes additional activities that may receive funding from the Olene Walker Housing Loan Fund, including a mediation program and predevelopment grants;
- ▶ modifies the responsibilities of the Automated Geographic Reference Center; and
- ▶ makes technical changes.

Money Appropriated in this Bill:



28 This bill appropriates in fiscal year 2022:

29 ▶ to the Department of Workforce Services -- Olene Walker Housing Loan Fund as an
30 ongoing appropriation:

- 31 • from the General Fund, \$800,000.

32 **Other Special Clauses:**

33 None

34 **Utah Code Sections Affected:**

35 AMENDS:

- 36 **10-9a-403**, as last amended by Laws of Utah 2020, Chapter 136
- 37 **10-9a-510**, as last amended by Laws of Utah 2013, Chapter 200
- 38 **17-27a-403**, as last amended by Laws of Utah 2020, Chapter 136
- 39 **17C-1-102**, as last amended by Laws of Utah 2020, Chapter 241
- 40 **17C-1-412**, as last amended by Laws of Utah 2020, Chapter 241
- 41 **35A-8-505**, as last amended by Laws of Utah 2020, Chapter 241
- 42 **63F-1-507**, as last amended by Laws of Utah 2019, Chapter 35
- 43 **63N-2-104**, as last amended by Laws of Utah 2018, Chapter 281

44 ENACTS:

- 45 **10-8-501**, Utah Code Annotated 1953
- 46 **10-8-601**, Utah Code Annotated 1953
- 47 **11-65-101**, Utah Code Annotated 1953
- 48 **35A-8-507.5**, Utah Code Annotated 1953



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

51 Section 1. Section **10-8-501** is enacted to read:

52 **Part 5. Grants for Affordable Housing**

53 **10-8-501. Grant of real property for affordable housing.**

54 (1) As used in this part, "affordable housing unit" means a housing unit where a
55 household whose income is no more than 70% of the area median income for households
56 where the housing unit is located is able to occupy the housing unit paying no more than 30%
57 of the household's income for gross housing costs including utilities.

58 (2) Subject to the requirements of this section, a municipality may grant real property

59 owned by the municipality to a private entity for the private entity to build one or more
60 affordable housing units on the real property.

61 (3) Before granting real property to a private entity as described in Subsection (2), the
62 municipality and the private entity shall present a plan for the building of one or more
63 affordable housing units to the Housing and Community Development Division for the
64 division's approval.

65 (4) The municipality shall ensure that real property granted as described in Subsection
66 (2) is deed restricted for affordable housing for at least 15 years after the day on which each
67 affordable housing unit is completed and occupied.

68 (5) If applicable, a municipality granting real property under this section shall comply
69 with the provisions of Title 78B, Chapter 6, Part 5, Eminent Domain.

70 Section 2. Section **10-8-601** is enacted to read:

71 **Part 6. Limitations on Affordable Housing Ordinances**

72 **10-8-601. Limitations on affordable housing ordinances.**

73 If a local ordinance of a municipality requires a developer to provide a specified
74 number of affordable housing units or requires a developer to contribute money to a housing
75 fund, the municipality shall provide incentives to fully offset all costs to the developer of the
76 developer's affordable housing contribution.

77 Section 3. Section **10-9a-403** is amended to read:

78 **10-9a-403. General plan preparation.**

79 (1) (a) As used in this section, "residential building design element" means for a
80 single-family residential building:

- 81 (i) exterior building color;
- 82 (ii) type or style of exterior cladding material;
- 83 (iii) style or materials of a roof structure, roof pitch, or porch;
- 84 (iv) exterior nonstructural architectural ornamentation;
- 85 (v) location, design, placement, or architectural styling of a window or door, including
- 86 a garage door;
- 87 (vi) the number or type of rooms;
- 88 (vii) the interior layout of a room; or
- 89 (viii) the minimum square footage of a structure.

90 (b) "Residential building design element" does not include for a single-family
91 residential building:

92 (i) the height, bulk, orientation, or location of a structure on a lot; or

93 (ii) buffering or screening used to:

94 (A) minimize visual impacts;

95 (B) mitigate the impacts of light or noise; or

96 (C) protect the privacy of neighbors.

97 (2) (a) The planning commission shall provide notice, as provided in Section
98 [10-9a-203](#), of its intent to make a recommendation to the municipal legislative body for a
99 general plan or a comprehensive general plan amendment when the planning commission
100 initiates the process of preparing its recommendation.

101 (b) The planning commission shall make and recommend to the legislative body a
102 proposed general plan for the area within the municipality.

103 (c) The plan may include areas outside the boundaries of the municipality if, in the
104 planning commission's judgment, those areas are related to the planning of the municipality's
105 territory.

106 (d) Except as otherwise provided by law or with respect to a municipality's power of
107 eminent domain, when the plan of a municipality involves territory outside the boundaries of
108 the municipality, the municipality may not take action affecting that territory without the
109 concurrence of the county or other municipalities affected.

110 (3) (a) At a minimum, the proposed general plan, with the accompanying maps, charts,
111 and descriptive and explanatory matter, shall include the planning commission's
112 recommendations for the following plan elements:

113 (i) a land use element that:

114 (A) designates the long-term goals and the proposed extent, general distribution, and
115 location of land for housing for residents of various income levels, business, industry,
116 agriculture, recreation, education, public buildings and grounds, open space, and other
117 categories of public and private uses of land as appropriate; and

118 (B) may include a statement of the projections for and standards of population density
119 and building intensity recommended for the various land use categories covered by the plan;

120 (ii) a transportation and traffic circulation element that:

121 (A) provides the general location and extent of existing and proposed freeways, arterial
122 and collector streets, public transit, active transportation facilities, and other modes of
123 transportation that the planning commission considers appropriate;

124 (B) for a municipality that has access to a major transit investment corridor, addresses
125 the municipality's plan for residential and commercial development around major transit
126 investment corridors to maintain and improve the connections between housing, employment,
127 education, recreation, and commerce;

128 (C) for a municipality that does not have access to a major transit investment corridor,
129 addresses the municipality's plan for residential and commercial development in areas that will
130 maintain and improve the connections between housing, transportation, employment,
131 education, recreation, and commerce; and

132 (D) correlates with the population projections, the employment projections, and the
133 proposed land use element of the general plan; and

134 (iii) for a municipality described in Subsection 10-9a-401(3)(b), a plan that provides a
135 realistic opportunity to meet the need for additional moderate income housing.

136 (b) In drafting the moderate income housing element, the planning commission:

137 (i) shall consider the Legislature's determination that municipalities shall facilitate a
138 reasonable opportunity for a variety of housing, including moderate income housing:

139 (A) to meet the needs of people of various income levels living, working, or desiring to
140 live or work in the community; and

141 (B) to allow people with various incomes to benefit from and fully participate in all
142 aspects of neighborhood and community life;

143 (ii) for a town, may include, and for other municipalities, shall include, an analysis of
144 how the municipality will provide a realistic opportunity for the development of moderate
145 income housing within the next five years;

146 (iii) for a town, may include, and for other municipalities, shall include, a
147 recommendation to implement [~~three~~] four or more of the following strategies:

148 (A) rezone for densities necessary to assure the production of moderate income
149 housing;

150 (B) facilitate the rehabilitation or expansion of infrastructure that will encourage the
151 construction of moderate income housing;

152 (C) facilitate the rehabilitation of existing uninhabitable housing stock into moderate
153 income housing;

154 (D) consider general fund subsidies or other sources of revenue to waive construction
155 related fees that are otherwise generally imposed by the city;

156 (E) create or allow for, and reduce regulations related to, accessory dwelling units in
157 residential zones;

158 (F) allow for higher density or moderate income residential development in
159 commercial and mixed-use zones, commercial centers, or employment centers;

160 (G) encourage higher density or moderate income residential development near major
161 transit investment corridors;

162 (H) eliminate or reduce parking requirements for residential development where a
163 resident is less likely to rely on the resident's own vehicle, such as residential development near
164 major transit investment corridors or senior living facilities;

165 (I) allow for single room occupancy developments;

166 (J) implement zoning incentives for low to moderate income units in new
167 developments;

168 (K) utilize strategies that preserve subsidized low to moderate income units on a
169 long-term basis;

170 (L) preserve existing moderate income housing;

171 (M) reduce impact fees, as defined in Section [11-36a-102](#), related to low and moderate
172 income housing;

173 (N) participate in a community land trust program for low or moderate income
174 housing;

175 (O) implement a mortgage assistance program for employees of the municipality or of
176 an employer that provides contracted services to the municipality;

177 (P) apply for or partner with an entity that applies for state or federal funds or tax
178 incentives to promote the construction of moderate income housing;

179 (Q) apply for or partner with an entity that applies for programs offered by the Utah
180 Housing Corporation within that agency's funding capacity;

181 (R) apply for or partner with an entity that applies for affordable housing programs
182 administered by the Department of Workforce Services;

183 (S) apply for or partner with an entity that applies for programs administered by an
184 association of governments established by an interlocal agreement under Title 11, Chapter 13,
185 Interlocal Cooperation Act;

186 (T) apply for or partner with an entity that applies for services provided by a public
187 housing authority to preserve and create moderate income housing;

188 (U) apply for or partner with an entity that applies for programs administered by a
189 metropolitan planning organization or other transportation agency that provides technical
190 planning assistance;

191 (V) utilize a moderate income housing set aside from a community reinvestment
192 agency, redevelopment agency, or community development and renewal agency;

193 (W) reduce residential building design elements; and

194 (X) any other program or strategy implemented by the municipality to address the
195 housing needs of residents of the municipality who earn less than 80% of the area median
196 income; and

197 (iv) ~~[in addition to the recommendations required under Subsection (3)(b)(iii),]~~ for a
198 municipality that is required to recommend the implementation of four strategies under
199 Subsection (3)(b)(iii) and that has a fixed guideway public transit station, shall include [a] at
200 least an additional fifth recommendation [to implement the strategies] that includes the
201 recommendation to implement the strategy described in Subsection (3)(b)(iii)(G) or (H).

202 (c) In drafting the land use element, the planning commission shall:

203 (i) identify and consider each agriculture protection area within the municipality; and

204 (ii) avoid proposing a use of land within an agriculture protection area that is
205 inconsistent with or detrimental to the use of the land for agriculture.

206 (d) In drafting the transportation and traffic circulation element, the planning
207 commission shall:

208 (i) consider the regional transportation plan developed by its region's metropolitan
209 planning organization, if the municipality is within the boundaries of a metropolitan planning
210 organization; or

211 (ii) consider the long-range transportation plan developed by the Department of
212 Transportation, if the municipality is not within the boundaries of a metropolitan planning
213 organization.

- 214 (4) The proposed general plan may include:
- 215 (a) an environmental element that addresses:
- 216 (i) the protection, conservation, development, and use of natural resources, including
- 217 the quality of air, forests, soils, rivers and other waters, harbors, fisheries, wildlife, minerals,
- 218 and other natural resources; and
- 219 (ii) the reclamation of land, flood control, prevention and control of the pollution of
- 220 streams and other waters, regulation of the use of land on hillsides, stream channels and other
- 221 environmentally sensitive areas, the prevention, control, and correction of the erosion of soils,
- 222 protection of watersheds and wetlands, and the mapping of known geologic hazards;
- 223 (b) a public services and facilities element showing general plans for sewage, water,
- 224 waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for them,
- 225 police and fire protection, and other public services;
- 226 (c) a rehabilitation, redevelopment, and conservation element consisting of plans and
- 227 programs for:
- 228 (i) historic preservation;
- 229 (ii) the diminution or elimination of a development impediment as defined in Section
- 230 17C-1-102; and
- 231 (iii) redevelopment of land, including housing sites, business and industrial sites, and
- 232 public building sites;
- 233 (d) an economic element composed of appropriate studies and forecasts, as well as an
- 234 economic development plan, which may include review of existing and projected municipal
- 235 revenue and expenditures, revenue sources, identification of basic and secondary industry,
- 236 primary and secondary market areas, employment, and retail sales activity;
- 237 (e) recommendations for implementing all or any portion of the general plan, including
- 238 the use of land use ordinances, capital improvement plans, community development and
- 239 promotion, and any other appropriate action;
- 240 (f) provisions addressing any of the matters listed in Subsection 10-9a-401(2) or (3);
- 241 and
- 242 (g) any other element the municipality considers appropriate.

243 Section 4. Section 10-9a-510 is amended to read:

244 **10-9a-510. Limit on fees -- Requirement to itemize fees -- Appeal of fee --**

245 **Provider of culinary or secondary water.**

246 (1) A municipality may not impose or collect a fee for reviewing or approving the
247 plans for a commercial or residential building that exceeds the lesser of:

248 (a) the actual cost of performing the plan review; and

249 (b) 65% of the amount the municipality charges for a building permit fee for that
250 building.

251 (2) Subject to Subsection (1), a municipality may impose and collect only a nominal
252 fee for reviewing and approving identical floor plans.

253 (3) A municipality may not impose or collect a hookup fee that exceeds the
254 [~~reasonable~~] estimated actual cost of installing and inspecting the pipe, line, meter, and
255 appurtenance to connect to the municipal water, sewer, storm water, power, or other utility
256 system.

257 (4) A municipality may not impose or collect:

258 (a) a land use application fee that exceeds the [~~reasonable~~] estimated actual cost of
259 processing the application or issuing the permit; or

260 (b) an inspection, regulation, or review fee that exceeds the [~~reasonable~~] estimated
261 actual cost of performing the inspection, regulation, or review.

262 (5) (a) If requested by an applicant who is charged a fee or an owner of residential
263 property upon which a fee is imposed, the municipality shall provide an itemized fee statement
264 that shows the calculation method for each fee.

265 (b) If an applicant who is charged a fee or an owner of residential property upon which
266 a fee is imposed submits a request for an itemized fee statement no later than 30 days after the
267 day on which the applicant or owner pays the fee, the municipality shall no later than 10 days
268 after the day on which the request is received provide or commit to provide within a specific
269 time:

270 (i) for each fee, any studies, reports, or methods relied upon by the municipality to
271 create the calculation method described in Subsection (5)(a);

272 (ii) an accounting of each fee paid;

273 (iii) how each fee will be distributed; and

274 (iv) information on filing a fee appeal through the process described in Subsection

275 (5)(c).

276 (c) A municipality shall establish a fee appeal process subject to an appeal authority
277 described in Part 7, Appeal Authority and Variances, and district court review in accordance
278 with Part 8, District Court Review, to determine whether a fee reflects [~~only the reasonable~~
279 ~~estimated~~] no more than the estimated actual cost of:

- 280 (i) regulation;
- 281 (ii) processing an application;
- 282 (iii) issuing a permit; or
- 283 (iv) delivering the service for which the applicant or owner paid the fee.

284 (6) A municipality may not impose on or collect from a public agency any fee
285 associated with the public agency's development of its land other than:

- 286 (a) subject to Subsection (4), a fee for a development service that the public agency
287 does not itself provide;
- 288 (b) subject to Subsection (3), a hookup fee; and
- 289 (c) an impact fee for a public facility listed in Subsection 11-36a-102(16)(a), (b), (c),
290 (d), (e), or (g), subject to any applicable credit under Subsection 11-36a-402(2).

291 (7) A provider of culinary or secondary water that commits to provide a water service
292 required by a land use application process is subject to the following as if it were a
293 municipality:

- 294 (a) Subsections (5) and (6);
- 295 (b) Section 10-9a-508; and
- 296 (c) Section 10-9a-509.5.

297 (8) A municipality that collects a hookup fee, land use application fee, or inspection,
298 regulation, or review fee shall:

299 (a) establish a separate interest-bearing ledger account for each type of hookup fee,
300 land use application fee, or inspection, regulation, or review fee collected;

301 (b) deposit a receipt for each fee in the appropriate ledger account established under
302 Subsection (8)(a);

303 (c) retain the interest earned from fees in the ledger account; and

304 (d) at the end of each fiscal year, prepare a report that:

305 (i) for each fund or ledger account, shows:

306 (A) the source and amount of all money collected, earned, and received by the fund or

307 ledger account during the fiscal year; and
 308 (B) each expenditure from the fund or ledger account;
 309 (ii) accounts for all hookup fee, land use application fee, or inspection, regulation, or
 310 review fee funds that the municipality has on hand at the end of the fiscal year;
 311 (iii) identifies the hookup fee, land use application fee, or inspection, regulation, or
 312 review fee funds by:
 313 (A) the year in which the funds were received;
 314 (B) the project from which the funds were collected;
 315 (C) the project for which the funds are budgeted; and
 316 (D) the projected schedule for expenditure;
 317 (iv) is in a format developed by the state auditor;
 318 (v) is certified by the local political subdivision's chief financial officer; and
 319 (vi) is transmitted to the state auditor within 180 days after the day on which the fiscal
 320 year ends.

321 Section 5. Section **11-65-101** is enacted to read:

322 **CHAPTER 65. AFFORDABLE HOUSING PILOT PROGRAM**

323 **11-65-101. Affordable Housing Pilot Program.**

324 (1) As used in this chapter:

325 (a) "Pilot program" means the Affordable Housing Pilot Program created in Subsection

326 (2).

327 (b) "Political subdivision" means a county, city, town, metro township, or local school
328 district.

329 (2) There is created the Affordable Housing Pilot Program to assist in helping
330 employees of a political subdivision obtain affordable housing and a pathway to home
331 ownership.

332 (3) The pilot program shall consist of the following:

333 (a) in accordance with Title 63G, Chapter 6a, Utah Procurement Code, a political
334 subdivision that chooses to participate in the pilot program shall partner with a private entity
335 and make a one-time investment in a fund managed by the private entity;

336 (b) money in the fund shall be used to pay a portion of the purchase price of homes for
337 participating employees;

338 (c) the political subdivision shall identify potential participating employees who are
339 employed by the political subdivision;

340 (d) the private entity shall perform an analysis to choose participating employees based
341 on criteria determined by the political subdivision and the private entity;

342 (e) for each participating employee, the private entity shall determine an appropriate
343 and affordable monthly payment based on the participating employee's financial situation and
344 may assist in helping the participating employee find a suitable home;

345 (f) the private entity shall purchase a home for use by each participating employee and
346 secure third-party financing for a portion of the cost of the home;

347 (g) the participating employee's monthly payment for the home shall be based on the
348 participating employee's proportional ownership of the home and shall consist of three
349 elements:

350 (i) a portion of the payment will go to the third-party lender described in Subsection
351 (3)(f);

352 (ii) a portion will go to the private entity for repaying the proportional amount of the
353 home purchased by the private entity; and

354 (iii) a portion will go towards a mandatory savings requirement agreed to between the
355 participating employee and the private entity; and

356 (h) as a requirement of participating in the pilot program, a participating employee
357 shall enter into a written agreement with the private entity and the political subdivision:

358 (i) committing to abide by the requirements of the pilot program; and

359 (ii) that describes the participating employee's right to:

360 (A) purchase, sell, or refinance the home at any time during the duration of the written
361 agreement;

362 (B) receive the equity benefit of the participating employee's principal payments; and

363 (C) receive the participating employee's share of any appreciation of the home.

364 (4) Before participating in the pilot program a political subdivision shall:

365 (a) provide details of the political subdivision's proposed implementation of the pilot
366 program to, and consult with and receive the written permission of:

367 (i) the state treasurer; and

368 (ii) the local school board if the political subdivision is a local school district; and

369 (b) agree to provide any ongoing information or reporting as requested by:

370 (i) the state treasurer; and

371 (ii) the local school board if the political subdivision is a local school district.

372 (5) The state treasurer may approve no more than an aggregate of \$20,000,000 in
373 investments as described in Subsection (3)(a) for all political subdivisions participating in the
374 pilot program.

375 (6) A political subdivision that is participating in the pilot program is not subject to the
376 provisions of Title 51, Chapter 7, State Money Management Act, regarding money invested in
377 the pilot program.

378 (7) (a) By October 1, a political subdivision that is participating in the pilot program in
379 coordination with the private entity shall provide an annual written report to:

380 (i) the Economic Development and Workforce Services Interim Committee;

381 (ii) the Education Interim Committee if the political subdivision is a local school
382 district; and

383 (iii) the Public Education Appropriations Subcommittee if the political subdivision is a
384 local school district.

385 (b) The annual report shall describe:

386 (i) the operations of the pilot program;

387 (ii) the number of employees participating in the pilot program; and

388 (iii) recommendations regarding potential expansion, improvements, or modifications
389 to the pilot program.

390 Section 6. Section **17-27a-403** is amended to read:

391 **17-27a-403. Plan preparation.**

392 (1) (a) The planning commission shall provide notice, as provided in Section
393 [17-27a-203](#), of its intent to make a recommendation to the county legislative body for a general
394 plan or a comprehensive general plan amendment when the planning commission initiates the
395 process of preparing its recommendation.

396 (b) The planning commission shall make and recommend to the legislative body a
397 proposed general plan for:

398 (i) the unincorporated area within the county; or

399 (ii) if the planning commission is a planning commission for a mountainous planning

400 district, the mountainous planning district.

401 (c) (i) The plan may include planning for incorporated areas if, in the planning
402 commission's judgment, they are related to the planning of the unincorporated territory or of
403 the county as a whole.

404 (ii) Elements of the county plan that address incorporated areas are not an official plan
405 or part of a municipal plan for any municipality, unless it is recommended by the municipal
406 planning commission and adopted by the governing body of the municipality.

407 (iii) Notwithstanding Subsection (1)(c)(ii), if property is located in a mountainous
408 planning district, the plan for the mountainous planning district controls and precedes a
409 municipal plan, if any, to which the property would be subject.

410 (2) (a) At a minimum, the proposed general plan, with the accompanying maps, charts,
411 and descriptive and explanatory matter, shall include the planning commission's
412 recommendations for the following plan elements:

413 (i) a land use element that:

414 (A) designates the long-term goals and the proposed extent, general distribution, and
415 location of land for housing for residents of various income levels, business, industry,
416 agriculture, recreation, education, public buildings and grounds, open space, and other
417 categories of public and private uses of land as appropriate; and

418 (B) may include a statement of the projections for and standards of population density
419 and building intensity recommended for the various land use categories covered by the plan;

420 (ii) a transportation and traffic circulation element that:

421 (A) provides the general location and extent of existing and proposed freeways, arterial
422 and collector streets, public transit, active transportation facilities, and other modes of
423 transportation that the planning commission considers appropriate;

424 (B) addresses the county's plan for residential and commercial development around
425 major transit investment corridors to maintain and improve the connections between housing,
426 employment, education, recreation, and commerce; and

427 (C) correlates with the population projections, the employment projections, and the
428 proposed land use element of the general plan;

429 (iii) a plan for the development of additional moderate income housing within the
430 unincorporated area of the county or the mountainous planning district, and a plan to provide a

- 431 realistic opportunity to meet the need for additional moderate income housing; and
- 432 (iv) before May 1, 2017, a resource management plan detailing the findings, objectives,
- 433 and policies required by Subsection 17-27a-401(3).
- 434 (b) In drafting the moderate income housing element, the planning commission:
- 435 (i) shall consider the Legislature's determination that counties should facilitate a
- 436 reasonable opportunity for a variety of housing, including moderate income housing:
- 437 (A) to meet the needs of people of various income levels living, working, or desiring to
- 438 live or work in the community; and
- 439 (B) to allow people with various incomes to benefit from and fully participate in all
- 440 aspects of neighborhood and community life; and
- 441 (ii) shall include an analysis of how the county will provide a realistic opportunity for
- 442 the development of moderate income housing within the planning horizon, which may include
- 443 a recommendation to implement [~~three~~] four or more of the following strategies:
- 444 (A) rezone for densities necessary to assure the production of moderate income
- 445 housing;
- 446 (B) facilitate the rehabilitation or expansion of infrastructure that will encourage the
- 447 construction of moderate income housing;
- 448 (C) facilitate the rehabilitation of existing uninhabitable housing stock into moderate
- 449 income housing;
- 450 (D) consider county general fund subsidies or other sources of revenue to waive
- 451 construction related fees that are otherwise generally imposed by the county;
- 452 (E) create or allow for, and reduce regulations related to, accessory dwelling units in
- 453 residential zones;
- 454 (F) allow for higher density or moderate income residential development in
- 455 commercial and mixed-use zones, commercial centers, or employment centers;
- 456 (G) encourage higher density or moderate income residential development near major
- 457 transit investment corridors;
- 458 (H) eliminate or reduce parking requirements for residential development where a
- 459 resident is less likely to rely on the resident's own vehicle, such as residential development near
- 460 major transit investment corridors or senior living facilities;
- 461 (I) allow for single room occupancy developments;

- 462 (J) implement zoning incentives for low to moderate income units in new
463 developments;
- 464 (K) utilize strategies that preserve subsidized low to moderate income units on a
465 long-term basis;
- 466 (L) preserve existing moderate income housing;
- 467 (M) reduce impact fees, as defined in Section 11-36a-102, related to low and moderate
468 income housing;
- 469 (N) participate in a community land trust program for low or moderate income
470 housing;
- 471 (O) implement a mortgage assistance program for employees of the county or of an
472 employer that provides contracted services for the county;
- 473 (P) apply for or partner with an entity that applies for state or federal funds or tax
474 incentives to promote the construction of moderate income housing;
- 475 (Q) apply for or partner with an entity that applies for programs offered by the Utah
476 Housing Corporation within that agency's funding capacity;
- 477 (R) apply for or partner with an entity that applies for affordable housing programs
478 administered by the Department of Workforce Services;
- 479 (S) apply for or partner with an entity that applies for services provided by a public
480 housing authority to preserve and create moderate income housing;
- 481 (T) apply for or partner with an entity that applies for programs administered by a
482 metropolitan planning organization or other transportation agency that provides technical
483 planning assistance;
- 484 (U) utilize a moderate income housing set aside from a community reinvestment
485 agency, redevelopment agency, or community development and renewal agency;
- 486 (V) reduce residential building design elements as defined in Section 10-9a-403; and
487 (W) consider any other program or strategy implemented by the county to address the
488 housing needs of residents of the county who earn less than 80% of the area median income.
- 489 (c) In drafting the land use element, the planning commission shall:
 - 490 (i) identify and consider each agriculture protection area within the unincorporated area
491 of the county or mountainous planning district; and
 - 492 (ii) avoid proposing a use of land within an agriculture protection area that is

493 inconsistent with or detrimental to the use of the land for agriculture.

494 (d) In drafting the transportation and traffic circulation element, the planning
495 commission shall:

496 (i) consider the regional transportation plan developed by its region's metropolitan
497 planning organization, if the relevant areas of the county are within the boundaries of a
498 metropolitan planning organization; or

499 (ii) consider the long-range transportation plan developed by the Department of
500 Transportation, if the relevant areas of the county are not within the boundaries of a
501 metropolitan planning organization.

502 (3) The proposed general plan may include:

503 (a) an environmental element that addresses:

504 (i) to the extent not covered by the county's resource management plan, the protection,
505 conservation, development, and use of natural resources, including the quality of air, forests,
506 soils, rivers and other waters, harbors, fisheries, wildlife, minerals, and other natural resources;
507 and

508 (ii) the reclamation of land, flood control, prevention and control of the pollution of
509 streams and other waters, regulation of the use of land on hillsides, stream channels and other
510 environmentally sensitive areas, the prevention, control, and correction of the erosion of soils,
511 protection of watersheds and wetlands, and the mapping of known geologic hazards;

512 (b) a public services and facilities element showing general plans for sewage, water,
513 waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for them,
514 police and fire protection, and other public services;

515 (c) a rehabilitation, redevelopment, and conservation element consisting of plans and
516 programs for:

517 (i) historic preservation;

518 (ii) the diminution or elimination of a development impediment as defined in Section
519 [17C-1-102](#); and

520 (iii) redevelopment of land, including housing sites, business and industrial sites, and
521 public building sites;

522 (d) an economic element composed of appropriate studies and forecasts, as well as an
523 economic development plan, which may include review of existing and projected county

524 revenue and expenditures, revenue sources, identification of basic and secondary industry,
525 primary and secondary market areas, employment, and retail sales activity;

526 (e) recommendations for implementing all or any portion of the general plan, including
527 the use of land use ordinances, capital improvement plans, community development and
528 promotion, and any other appropriate action;

529 (f) provisions addressing any of the matters listed in Subsection 17-27a-401(2) or
530 (3)(a)(i); and

531 (g) any other element the county considers appropriate.

532 Section 7. Section 17C-1-102 is amended to read:

533 **17C-1-102. Definitions.**

534 As used in this title:

535 (1) "Active project area" means a project area that has not been dissolved in accordance
536 with Section 17C-1-702.

537 (2) "Adjusted tax increment" means the percentage of tax increment, if less than 100%,
538 that an agency is authorized to receive:

539 (a) for a pre-July 1, 1993, project area plan, under Section 17C-1-403, excluding tax
540 increment under Subsection 17C-1-403(3);

541 (b) for a post-June 30, 1993, project area plan, under Section 17C-1-404, excluding tax
542 increment under Section 17C-1-406;

543 (c) under a project area budget approved by a taxing entity committee; or

544 (d) under an interlocal agreement that authorizes the agency to receive a taxing entity's
545 tax increment.

546 (3) "Affordable housing" means housing owned or occupied by a low or moderate
547 income family, as determined by resolution of the agency.

548 (4) "Agency" or "community reinvestment agency" means a separate body corporate
549 and politic, created under Section 17C-1-201.5 or as a redevelopment agency or community
550 development and renewal agency under previous law:

551 (a) that is a political subdivision of the state;

552 (b) that is created to undertake or promote project area development as provided in this
553 title; and

554 (c) whose geographic boundaries are coterminous with:

- 555 (i) for an agency created by a county, the unincorporated area of the county; and
556 (ii) for an agency created by a municipality, the boundaries of the municipality.
- 557 (5) "Agency funds" means money that an agency collects or receives for agency
558 operations, implementing a project area plan, or other agency purposes, including:
559 (a) project area funds;
560 (b) income, proceeds, revenue, or property derived from or held in connection with the
561 agency's undertaking and implementation of project area development; or
562 (c) a contribution, loan, grant, or other financial assistance from any public or private
563 source.
- 564 (6) "Annual income" means the same as that term is defined in regulations of the
565 United States Department of Housing and Urban Development, 24 C.F.R. Sec. 5.609, as
566 amended or as superseded by replacement regulations.
- 567 (7) "Assessment roll" means the same as that term is defined in Section [59-2-102](#).
- 568 (8) "Base taxable value" means, unless otherwise adjusted in accordance with
569 provisions of this title, a property's taxable value as shown upon the assessment roll last
570 equalized during the base year.
- 571 (9) "Base year" means, except as provided in Subsection [17C-1-402\(4\)\(c\)](#), the year
572 during which the assessment roll is last equalized:
573 (a) for a pre-July 1, 1993, urban renewal or economic development project area plan,
574 before the project area plan's effective date;
575 (b) for a post-June 30, 1993, urban renewal or economic development project area
576 plan, or a community reinvestment project area plan that is subject to a taxing entity
577 committee:
578 (i) before the date on which the taxing entity committee approves the project area
579 budget; or
580 (ii) if taxing entity committee approval is not required for the project area budget,
581 before the date on which the community legislative body adopts the project area plan;
582 (c) for a project on an inactive airport site, after the later of:
583 (i) the date on which the inactive airport site is sold for remediation and development;
584 or
585 (ii) the date on which the airport that operated on the inactive airport site ceased

586 operations; or

587 (d) for a community development project area plan or a community reinvestment
588 project area plan that is subject to an interlocal agreement, as described in the interlocal
589 agreement.

590 (10) "Basic levy" means the portion of a school district's tax levy constituting the
591 minimum basic levy under Section [59-2-902](#).

592 (11) "Board" means the governing body of an agency, as described in Section
593 [17C-1-203](#).

594 (12) "Budget hearing" means the public hearing on a proposed project area budget
595 required under Subsection [17C-2-201\(2\)\(d\)](#) for an urban renewal project area budget,
596 Subsection [17C-3-201\(2\)\(d\)](#) for an economic development project area budget, or Subsection
597 [17C-5-302\(2\)\(e\)](#) for a community reinvestment project area budget.

598 (13) "Closed military base" means land within a former military base that the Defense
599 Base Closure and Realignment Commission has voted to close or realign when that action has
600 been sustained by the president of the United States and Congress.

601 (14) "Combined incremental value" means the combined total of all incremental values
602 from all project areas, except project areas that contain some or all of a military installation or
603 inactive industrial site, within the agency's boundaries under project area plans and project area
604 budgets at the time that a project area budget for a new project area is being considered.

605 (15) "Community" means a county or municipality.

606 (16) "Community development project area plan" means a project area plan adopted
607 under Chapter 4, Part 1, Community Development Project Area Plan.

608 (17) "Community legislative body" means the legislative body of the community that
609 created the agency.

610 (18) "Community reinvestment project area plan" means a project area plan adopted
611 under Chapter 5, Part 1, Community Reinvestment Project Area Plan.

612 (19) "Contest" means to file a written complaint in the district court of the county in
613 which the agency is located.

614 (20) "Development impediment" means a condition of an area that meets the
615 requirements described in Section [17C-2-303](#) for an urban renewal project area or Section
616 [17C-5-405](#) for a community reinvestment project area.

617 (21) "Development impediment hearing" means a public hearing regarding whether a
618 development impediment exists within a proposed:

619 (a) urban renewal project area under Subsection 17C-2-102(1)(a)(i)(C) and Section
620 17C-2-302; or

621 (b) community reinvestment project area under Section 17C-5-404.

622 (22) "Development impediment study" means a study to determine whether a
623 development impediment exists within a survey area as described in Section 17C-2-301 for an
624 urban renewal project area or Section 17C-5-403 for a community reinvestment project area.

625 (23) "Economic development project area plan" means a project area plan adopted
626 under Chapter 3, Part 1, Economic Development Project Area Plan.

627 (24) "Fair share ratio" means the ratio derived by:

628 (a) for a municipality, comparing the percentage of all housing units within the
629 municipality that are publicly subsidized income targeted housing units to the percentage of all
630 housing units within the county in which the municipality is located that are publicly
631 subsidized income targeted housing units; or

632 (b) for the unincorporated part of a county, comparing the percentage of all housing
633 units within the unincorporated county that are publicly subsidized income targeted housing
634 units to the percentage of all housing units within the whole county that are publicly subsidized
635 income targeted housing units.

636 (25) "Family" means the same as that term is defined in regulations of the United
637 States Department of Housing and Urban Development, 24 C.F.R. Section 5.403, as amended
638 or as superseded by replacement regulations.

639 (26) "Greenfield" means land not developed beyond agricultural, range, or forestry use.

640 (27) "Hazardous waste" means any substance defined, regulated, or listed as a
641 hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant,
642 or toxic substance, or identified as hazardous to human health or the environment, under state
643 or federal law or regulation.

644 (28) "Housing allocation" means project area funds allocated for housing under Section
645 17C-2-203, 17C-3-202, or 17C-5-307 for the purposes described in Section 17C-1-412.

646 (29) "Housing fund" means a fund created by an agency for purposes described in
647 Section 17C-1-411 or 17C-1-412 that is comprised of:

648 (a) project area funds allocated for the purposes described in Section 17C-1-411; or
649 (b) an agency's housing allocation.

650 (30) (a) "Inactive airport site" means land that:

651 (i) consists of at least 100 acres;

652 (ii) is occupied by an airport:

653 (A) (I) that is no longer in operation as an airport; or

654 (II) (Aa) that is scheduled to be decommissioned; and

655 (Bb) for which a replacement commercial service airport is under construction; and

656 (B) that is owned or was formerly owned and operated by a public entity; and

657 (iii) requires remediation because:

658 (A) of the presence of hazardous waste or solid waste; or

659 (B) the site lacks sufficient public infrastructure and facilities, including public roads,

660 electric service, water system, and sewer system, needed to support development of the site.

661 (b) "Inactive airport site" includes a perimeter of up to 2,500 feet around the land

662 described in Subsection (30)(a).

663 (31) (a) "Inactive industrial site" means land that:

664 (i) consists of at least 1,000 acres;

665 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial
666 facility; and

667 (iii) requires remediation because of the presence of hazardous waste or solid waste.

668 (b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land

669 described in Subsection (31)(a).

670 (32) "Income targeted housing" means housing that is owned or occupied by a family
671 whose annual income is at or below 80% of the median annual income for a family within the
672 county in which the housing is located.

673 (33) "Incremental value" means a figure derived by multiplying the marginal value of
674 the property located within a project area on which tax increment is collected by a number that
675 represents the adjusted tax increment from that project area that is paid to the agency.

676 (34) "Loan fund board" means the Olene Walker Housing Loan Fund Board,
677 established under Title 35A, Chapter 8, Part 5, Olene Walker Housing Loan Fund.

678 (35) (a) " Local government building" means a building owned and operated by a

679 community for the primary purpose of providing one or more primary community functions,
680 including:

- 681 (i) a fire station;
- 682 (ii) a police station;
- 683 (iii) a city hall; or
- 684 (iv) a court or other judicial building.

685 (b) "Local government building" does not include a building the primary purpose of
686 which is cultural or recreational in nature.

687 (36) "Major transit investment corridor" means the same as that term is defined in
688 Section [10-9a-103](#).

689 (37) "Marginal value" means the difference between actual taxable value and base
690 taxable value.

691 (38) "Military installation project area" means a project area or a portion of a project
692 area located within a federal military installation ordered closed by the federal Defense Base
693 Realignment and Closure Commission.

694 (39) "Municipality" means a city, town, or metro township as defined in Section
695 [10-2a-403](#).

696 (40) "Participant" means one or more persons that enter into a participation agreement
697 with an agency.

698 (41) "Participation agreement" means a written agreement between a person and an
699 agency that:

700 (a) includes a description of:

- 701 (i) the project area development that the person will undertake;
- 702 (ii) the amount of project area funds the person may receive; and
- 703 (iii) the terms and conditions under which the person may receive project area funds;

704 and

705 (b) is approved by resolution of the board.

706 (42) "Plan hearing" means the public hearing on a proposed project area plan required
707 under Subsection [17C-2-102\(1\)\(a\)\(vi\)](#) for an urban renewal project area plan, Subsection
708 [17C-3-102\(1\)\(d\)](#) for an economic development project area plan, Subsection [17C-4-102\(1\)\(d\)](#)
709 for a community development project area plan, or Subsection [17C-5-104\(3\)\(e\)](#) for a

710 community reinvestment project area plan.

711 (43) "Post-June 30, 1993, project area plan" means a project area plan adopted on or
712 after July 1, 1993, and before May 10, 2016, whether or not amended subsequent to the project
713 area plan's adoption.

714 (44) "Pre-July 1, 1993, project area plan" means a project area plan adopted before July
715 1, 1993, whether or not amended subsequent to the project area plan's adoption.

716 (45) "Private," with respect to real property, means property not owned by a public
717 entity or any other governmental entity.

718 (46) "Project area" means the geographic area described in a project area plan within
719 which the project area development described in the project area plan takes place or is
720 proposed to take place.

721 (47) "Project area budget" means a multiyear projection of annual or cumulative
722 revenues and expenses and other fiscal matters pertaining to a project area prepared in
723 accordance with:

- 724 (a) for an urban renewal project area, Section [17C-2-201](#);
- 725 (b) for an economic development project area, Section [17C-3-201](#);
- 726 (c) for a community development project area, Section [17C-4-204](#); or
- 727 (d) for a community reinvestment project area, Section [17C-5-302](#).

728 (48) "Project area development" means activity within a project area that, as
729 determined by the board, encourages, promotes, or provides development or redevelopment for
730 the purpose of implementing a project area plan, including:

- 731 (a) promoting, creating, or retaining public or private jobs within the state or a
732 community;
- 733 (b) providing office, manufacturing, warehousing, distribution, parking, or other
734 facilities or improvements;
- 735 (c) planning, designing, demolishing, clearing, constructing, rehabilitating, or
736 remediating environmental issues;
- 737 (d) providing residential, commercial, industrial, public, or other structures or spaces,
738 including recreational and other facilities incidental or appurtenant to the structures or spaces;
- 739 (e) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating
740 existing structures;

741 (f) providing open space, including streets or other public grounds or space around
742 buildings;

743 (g) providing public or private buildings, infrastructure, structures, or improvements;

744 (h) relocating a business;

745 (i) improving public or private recreation areas or other public grounds;

746 (j) eliminating a development impediment or the causes of a development impediment;

747 (k) redevelopment as defined under the law in effect before May 1, 2006; or

748 (l) any activity described in this Subsection (48) outside of a project area that the board
749 determines to be a benefit to the project area.

750 (49) "Project area funds" means tax increment or sales and use tax revenue that an
751 agency receives under a project area budget adopted by a taxing entity committee or an
752 interlocal agreement.

753 (50) "Project area funds collection period" means the period of time that:

754 (a) begins the day on which the first payment of project area funds is distributed to an
755 agency under a project area budget approved by a taxing entity committee or an interlocal
756 agreement; and

757 (b) ends the day on which the last payment of project area funds is distributed to an
758 agency under a project area budget approved by a taxing entity committee or an interlocal
759 agreement.

760 (51) "Project area plan" means an urban renewal project area plan, an economic
761 development project area plan, a community development project area plan, or a community
762 reinvestment project area plan that, after the project area plan's effective date, guides and
763 controls the project area development.

764 (52) (a) "Property tax" means each levy on an ad valorem basis on tangible or
765 intangible personal or real property.

766 (b) "Property tax" includes a privilege tax imposed under Title 59, Chapter 4, Privilege
767 Tax.

768 (53) "Public entity" means:

769 (a) the United States, including an agency of the United States;

770 (b) the state, including any of the state's departments or agencies; or

771 (c) a political subdivision of the state, including a county, municipality, school district,

772 local district, special service district, community reinvestment agency, or interlocal cooperation
773 entity.

774 (54) "Publicly owned infrastructure and improvements" means water, sewer, storm
775 drainage, electrical, natural gas, telecommunication, or other similar systems and lines, streets,
776 roads, curb, gutter, sidewalk, walkways, trails, parking facilities, public transportation
777 facilities, or other facilities, infrastructure, and improvements benefitting the public and to be
778 publicly owned or publicly maintained or operated.

779 (55) "Record property owner" or "record owner of property" means the owner of real
780 property, as shown on the records of the county in which the property is located, to whom the
781 property's tax notice is sent.

782 (56) "Sales and use tax revenue" means revenue that is:

783 (a) generated from a tax imposed under Title 59, Chapter 12, Sales and Use Tax Act;
784 and

785 (b) distributed to a taxing entity in accordance with Sections [59-12-204](#) and [59-12-205](#).

786 (57) "Superfund site":

787 (a) means an area included in the National Priorities List under the Comprehensive
788 Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sec. 9605; and

789 (b) includes an area formerly included in the National Priorities List, as described in
790 Subsection (57)(a), but removed from the list following remediation that leaves on site the
791 waste that caused the area to be included in the National Priorities List.

792 (58) "Survey area" means a geographic area designated for study by a survey area
793 resolution to determine whether:

794 (a) one or more project areas within the survey area are feasible; or

795 (b) a development impediment exists within the survey area.

796 (59) "Survey area resolution" means a resolution adopted by a board that designates a
797 survey area.

798 (60) "Taxable value" means:

799 (a) the taxable value of all real property a county assessor assesses in accordance with
800 Title 59, Chapter 2, Part 3, County Assessment, for the current year;

801 (b) the taxable value of all real and personal property the commission assesses in
802 accordance with Title 59, Chapter 2, Part 2, Assessment of Property, for the current year; and

803 (c) the year end taxable value of all personal property a county assessor assesses in
804 accordance with Title 59, Chapter 2, Part 3, County Assessment, contained on the prior year's
805 tax rolls of the taxing entity.

806 (61) (a) "Tax increment" means the difference between:

807 (i) the amount of property tax revenue generated each tax year by a taxing entity from
808 the area within a project area designated in the project area plan as the area from which tax
809 increment is to be collected, using the current assessed value of the property and each taxing
810 entity's current certified tax rate as defined in Section 59-2-924; and

811 (ii) the amount of property tax revenue that would be generated from that same area
812 using the base taxable value of the property and each taxing entity's current certified tax rate as
813 defined in Section 59-2-924.

814 (b) "Tax increment" does not include taxes levied and collected under Section
815 59-2-1602 on or after January 1, 1994, upon the taxable property in the project area unless:

816 (i) the project area plan was adopted before May 4, 1993, whether or not the project
817 area plan was subsequently amended; and

818 (ii) the taxes were pledged to support bond indebtedness or other contractual
819 obligations of the agency.

820 (62) "Taxing entity" means a public entity that:

821 (a) levies a tax on property located within a project area; or

822 (b) imposes a sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act.

823 (63) "Taxing entity committee" means a committee representing the interests of taxing
824 entities, created in accordance with Section 17C-1-402.

825 (64) "Unincorporated" means not within a municipality.

826 (65) "Urban renewal project area plan" means a project area plan adopted under
827 Chapter 2, Part 1, Urban Renewal Project Area Plan.

828 Section 8. Section 17C-1-412 is amended to read:

829 **17C-1-412. Use of housing allocation -- Separate accounting required -- Issuance**
830 **of bonds for housing -- Action to compel agency to provide housing allocation.**

831 (1) (a) An agency shall use the agency's housing allocation to:

832 (i) pay part or all of the cost of land or construction of income targeted housing within
833 the boundary of the agency, if practicable in a mixed income development or area;

834 (ii) pay part or all of the cost of rehabilitation of income targeted housing within the
835 boundary of the agency;

836 (iii) lend, grant, or contribute money to a person, public entity, housing authority,
837 private entity or business, or nonprofit corporation for the acquisition of income targeted
838 housing within the boundary of the agency;

839 (iv) plan or otherwise promote income targeted housing within the boundary of the
840 agency;

841 (v) pay part or all of the cost of land or installation, construction, or rehabilitation of
842 any building, facility, structure, or other housing improvement, including infrastructure
843 improvements, related to housing located in a project area, or income targeted housing within
844 the boundary of the agency, where a board has determined that a development impediment
845 exists;

846 (vi) replace housing units lost as a result of the project area development;

847 (vii) make payments on or establish a reserve fund for bonds:

848 (A) issued by the agency, the community, or the housing authority that provides
849 income targeted housing within the community; and

850 (B) all or part of the proceeds of which are used within the community for the purposes
851 stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), [or] (vi), (ix), (xi), (xii), or (xiii);

852 (viii) if the community's fair share ratio at the time of the first adoption of the project
853 area budget is at least 1.1 to 1.0, make payments on bonds:

854 (A) that were previously issued by the agency, the community, or the housing authority
855 that provides income targeted housing within the community; and

856 (B) all or part of the proceeds of which were used within the community for the
857 purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);

858 (ix) relocate mobile home park residents displaced by project area development;

859 (x) subject to Subsection (7), transfer funds to a community that created the agency;

860 [or]

861 (xi) pay for or make a contribution toward the acquisition, construction, or
862 rehabilitation of housing that:

863 (A) is located in the same county as the agency;

864 (B) is owned in whole or in part by, or is dedicated to supporting, a public nonprofit

865 college or university; and

866 (C) only students of the relevant college or university, including the students'
867 immediate families, occupy[-];

868 (xii) pay for a local government building or publicly owned infrastructure and
869 improvements that benefit and support the development, rehabilitation, or construction of
870 income targeted housing within the boundary of the agency; or

871 (xiii) pay part or all the cost of land or installation, construction, rehabilitation, or
872 infrastructure improvements of any building, facility, or structure within the boundary of the
873 agency that will support income targeted housing or related services, including workforce
874 development, education, healthcare services, food pantry services, or other community oriented
875 services.

876 (b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all or
877 any portion of the agency's housing allocation to:

878 (i) the community for use as described in Subsection (1)(a);

879 (ii) a housing authority that provides income targeted housing within the community
880 for use in providing income targeted housing within the community;

881 (iii) a housing authority established by the county in which the agency is located for
882 providing:

883 (A) income targeted housing within the county;

884 (B) permanent housing, permanent supportive housing, or a transitional facility, as
885 defined in Section [35A-5-302](#), within the county; or

886 (C) homeless assistance within the county;

887 (iv) the Olene Walker Housing Loan Fund, established under Title 35A, Chapter 8,
888 Part 5, Olene Walker Housing Loan Fund, for use in providing income targeted housing within
889 the community; or

890 (v) pay for or make a contribution toward the acquisition, construction, or
891 rehabilitation of income targeted housing that is outside of the community if the housing is
892 located along or near a major transit investment corridor that services the community and the
893 related project has been approved by the community in which the housing is or will be located.

894 (2) (a) An agency may combine all or any portion of the agency's housing allocation
895 with all or any portion of one or more additional agency's housing allocations if the agencies

896 execute an interlocal agreement in accordance with Title 11, Chapter 13, Interlocal Cooperation
897 Act.

898 (b) An agency that has entered into an interlocal agreement as described in Subsection
899 (2)(a), meets the requirements of Subsection (1)(a) or (1)(b) if the use of the housing allocation
900 meets the requirements for at least one agency that is a party to the interlocal agreement.

901 (3) The agency shall create a housing fund and separately account for the agency's
902 housing allocation, together with all interest earned by the housing allocation and all payments
903 or repayments for loans, advances, or grants from the housing allocation.

904 (4) An agency may:

905 (a) issue bonds to finance a housing-related project under this section, including the
906 payment of principal and interest upon advances for surveys and plans or preliminary loans;
907 and

908 (b) issue refunding bonds for the payment or retirement of bonds under Subsection
909 (4)(a) previously issued by the agency.

910 (5) (a) Except as provided in Subsection (5)(b), an agency shall allocate money to the
911 housing fund each year in which the agency receives sufficient tax increment to make a
912 housing allocation required by the project area budget.

913 (b) Subsection (5)(a) does not apply in a year in which tax increment is insufficient.

914 (6) (a) Except as provided in Subsection (5)(b), if an agency fails to provide a housing
915 allocation in accordance with the project area budget and the housing plan adopted under
916 Subsection 17C-2-204(2), the loan fund board may bring legal action to compel the agency to
917 provide the housing allocation.

918 (b) In an action under Subsection (6)(a), the court:

919 (i) shall award the loan fund board reasonable attorney fees, unless the court finds that
920 the action was frivolous; and

921 (ii) may not award the agency the agency's attorney fees, unless the court finds that the
922 action was frivolous.

923 (7) For the purpose of offsetting the community's annual local contribution to the
924 Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in
925 a calendar year to a community under Subsections (1)(a)(x), 17C-1-409(1)(a)(v), and
926 17C-1-411(1)(d) may not exceed the community's annual local contribution as defined in

927 Section [35A-8-606](#).

928 Section 9. Section **35A-8-505** is amended to read:

929 **35A-8-505. Activities authorized to receive fund money -- Powers of the executive**
930 **director.**

931 At the direction of the board, the executive director may:

932 (1) provide fund money to any of the following activities:

933 (a) the acquisition, rehabilitation, or new construction of low-income housing units;

934 (b) matching funds for social services projects directly related to providing housing for
935 special-need renters in assisted projects;

936 (c) the development and construction of accessible housing designed for low-income
937 persons;

938 (d) the construction or improvement of a shelter or transitional housing facility that
939 provides services intended to prevent or minimize homelessness among members of a specific
940 homeless subpopulation;

941 (e) the purchase of an existing facility to provide temporary or transitional housing for
942 the homeless in an area that does not require rezoning before providing such temporary or
943 transitional housing;

944 (f) the purchase of land that will be used as the site of low-income housing units;

945 (g) the preservation of existing affordable housing units for low-income persons; [~~and~~]

946 (h) the award of predevelopment grants in accordance with Section [35A-8-507.5](#);

947 (i) the creation or financial support of a mediation program for landlords and tenants

948 designed to minimize the loss of housing for low-income persons, which program may include:

949 (i) funding for the hiring or training of mediators;

950 (ii) connecting landlords and tenants with mediation services; and

951 (iii) providing a limited amount of gap funding to assist a tenant in making a good faith
952 payment towards attorney fees, damages, or other costs associated with eviction proceedings or
953 avoiding eviction proceedings; and

954 [~~(h)~~] (j) other activities that will assist in minimizing homelessness or improving the
955 availability or quality of housing in the state for low-income persons; and

956 (2) do any act necessary or convenient to the exercise of the powers granted by this part
957 or reasonably implied from those granted powers, including:

958 (a) making or executing contracts and other instruments necessary or convenient for
959 the performance of the executive director and board's duties and the exercise of the executive
960 director and board's powers and functions under this part, including contracts or agreements for
961 the servicing and originating of mortgage loans;

962 (b) procuring insurance against a loss in connection with property or other assets held
963 by the fund, including mortgage loans, in amounts and from insurers it considers desirable;

964 (c) entering into agreements with a department, agency, or instrumentality of the
965 United States or this state and with mortgagors and mortgage lenders for the purpose of
966 planning and regulating and providing for the financing and refinancing, purchase,
967 construction, reconstruction, rehabilitation, leasing, management, maintenance, operation, sale,
968 or other disposition of residential housing undertaken with the assistance of the department
969 under this part;

970 (d) proceeding with a foreclosure action, to own, lease, clear, reconstruct, rehabilitate,
971 repair, maintain, manage, operate, assign, encumber, sell, or otherwise dispose of real or
972 personal property obtained by the fund due to the default on a mortgage loan held by the fund
973 in preparation for disposition of the property, taking assignments of leases and rentals,
974 proceeding with foreclosure actions, and taking other actions necessary or incidental to the
975 performance of its duties; and

976 (e) selling, at a public or private sale, with public bidding, a mortgage or other
977 obligation held by the fund.

978 Section 10. Section **35A-8-507.5** is enacted to read:

979 **35A-8-507.5. Predevelopment grants.**

980 (1) The executive director under the direction of the board may:

981 (a) award one or more predevelopment grants to non-profit or for-profit entities in
982 preparation for the construction of low-income housing units;

983 (b) award a predevelopment grant in an amount of no more than \$50,000 per project;

984 (c) may only award a predevelopment grant in relation to a project in:

985 (i) a city of the fifth or sixth class, or a town, in a rural area of the state; or

986 (ii) any municipality or unincorporated area in a county of the fourth, fifth, or sixth
987 class.

988 (2) The executive director under the direction of the board shall award each

989 predevelopment grant in accordance with the provisions of this section and the provisions
990 related to grant applications, grant awards, and reporting requirements in this part.

991 (3) A predevelopment grant:

992 (a) may be used by a recipient for offsetting the predevelopment funds needed to
993 prepare for the construction of low-income housing units, including market studies, surveys,
994 environmental and impact studies, technical assistance, and preliminary architecture,
995 engineering, or legal work; and

996 (b) may not be used by a recipient for staff salaries of a grant recipient or construction
997 costs.

998 (4) The executive director under the direction of the board shall prioritize the awarding
999 of a predevelopment grant for a project in a county of the fifth or sixth class and where the
1000 municipality or unincorporated area has underdeveloped infrastructure as demonstrated by at
1001 least two of the following:

1002 (a) limited or no availability of natural gas;

1003 (b) limited or no availability of a sewer system;

1004 (c) limited or no availability of broadband Internet;

1005 (d) unpaved residential streets; or

1006 (e) limited local construction professionals, vendors, or services.

1007 Section 11. Section **63F-1-507** is amended to read:

1008 **63F-1-507. State Geographic Information Database.**

1009 (1) There is created a State Geographic Information Database to be managed by the
1010 center.

1011 (2) The database shall:

1012 (a) serve as the central reference for all information contained in any GIS database by
1013 any state agency;

1014 (b) serve as a clearing house and repository for all data layers required by multiple
1015 users;

1016 (c) serve as a standard format for geographic information acquired, purchased, or
1017 produced by any state agency;

1018 (d) include an accurate representation of all civil subdivision boundaries of the state;
1019 and

1020 (e) for each public highway, as defined in Section 72-1-102, in the state, include an
1021 accurate representation of the highway's centerline, physical characteristics, and associated
1022 street address ranges.

1023 (3) The center shall, in coordination with municipalities, counties, emergency
1024 communications centers, and the Department of Transportation:

1025 (a) develop the information described in Subsection (2)(e); and

1026 (b) update the information described in Subsection (2)(e) in a timely manner after a
1027 county recorder records a final plat.

1028 (4) The center shall, in coordination with county assessors and metropolitan planning
1029 organizations, inventory existing housing units and their general characteristics within each
1030 county of the first or second class to support infrastructure planning and economic
1031 development in each of those counties.

1032 [~~4~~] (5) Each state agency that acquires, purchases, or produces digital geographic
1033 information data shall:

1034 (a) inform the center of the existence of the data layers and their geographic extent;

1035 (b) allow the center access to all data classified public; and

1036 (c) comply with any database requirements established by the center.

1037 [~~5~~] (6) At least annually, the State Tax Commission shall deliver to the center
1038 information the State Tax Commission receives under Section 67-1a-6.5 relating to the creation
1039 or modification of the boundaries of political subdivisions.

1040 [~~6~~] (7) The boundary of a political subdivision within the State Geographic
1041 Information Database is the official boundary of the political subdivision for purposes of
1042 meeting the needs of the United States Bureau of the Census in identifying the boundary of the
1043 political subdivision.

1044 Section 12. Section 63N-2-104 is amended to read:

1045 **63N-2-104. Creation of economic development zones -- Tax credits -- Assignment**
1046 **of tax credit.**

1047 (1) The office, with advice from the board, may create an economic development zone
1048 in the state if the following requirements are satisfied:

1049 (a) the area is zoned commercial, industrial, manufacturing, business park, research
1050 park, or other appropriate business related use in a community-approved master plan;

1051 (b) the request to create a development zone has first been approved by an appropriate
1052 local government entity; and

1053 (c) local incentives have been or will be committed to be provided within the area,
1054 including incentives that will address the housing needs of the community where a new
1055 commercial project will be located.

1056 (2) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1057 the office shall make rules establishing the requirements for a business entity or local
1058 government entity to qualify for a tax credit for a new commercial project in a development
1059 zone under this part.

1060 (b) The office shall ensure that the requirements described in Subsection (2)(a) include
1061 the following:

1062 (i) the new commercial project is within the development zone;

1063 (ii) the new commercial project includes direct investment within the geographic
1064 boundaries of the development zone;

1065 (iii) the new commercial project brings new incremental jobs to Utah;

1066 (iv) the new commercial project includes the creation of high paying jobs in the state,
1067 significant capital investment in the state, or significant purchases from vendors, contractors, or
1068 service providers in the state, or a combination of these three economic factors;

1069 (v) the new commercial project generates new state revenues; and

1070 (vi) a business entity, a local government entity, or a community reinvestment agency
1071 to which a local government entity assigns a tax credit under this section meets the
1072 requirements of Section [63N-2-105](#).

1073 (3) (a) The office, after consultation with the board, may enter into a written agreement
1074 with a business entity or local government entity authorizing a tax credit to the business entity
1075 or local government entity if the business entity or local government entity meets the
1076 requirements described in this section.

1077 (b) (i) With respect to a new commercial project, the office may authorize a tax credit
1078 to a business entity or a local government entity, but not both.

1079 (ii) In determining whether to authorize a tax credit with respect to a new commercial
1080 project to a business entity or a local government entity, the office shall authorize the tax credit
1081 in a manner that the office determines will result in providing the most effective incentive for

1082 the new commercial project.

1083 (c) (i) Except as provided in Subsection (3)(c)(ii), the office may not authorize or
1084 commit to authorize a tax credit that exceeds:

1085 (A) 50% of the new state revenues from the new commercial project in any given year;
1086 or

1087 (B) 30% of the new state revenues from the new commercial project over the lesser of
1088 the life of a new commercial project or 20 years.

1089 (ii) If the eligible business entity makes capital expenditures in the state of
1090 \$1,500,000,000 or more associated with a new commercial project, the office may:

1091 (A) authorize or commit to authorize a tax credit not exceeding 60% of new state
1092 revenues over the lesser of the life of the project or 20 years, if the other requirements of this
1093 part are met;

1094 (B) establish the year that state revenues and incremental jobs baseline data are
1095 measured for purposes of an incentive under this Subsection (3)(c)(ii); and

1096 (C) offer an incentive under this Subsection (3)(c)(ii) or modify an existing incentive
1097 previously granted under Subsection (3)(c)(i) that is based on the baseline measurements
1098 described in Subsection (3)(c)(ii)(B), except that the incentive may not authorize or commit to
1099 authorize a tax credit of more than 60% of new state revenues in any one year.

1100 (d) (i) A local government entity may by resolution assign a tax credit authorized by
1101 the office to a community reinvestment agency.

1102 (ii) The local government entity shall provide a copy of the resolution described in
1103 Subsection (3)(d)(i) to the office.

1104 (iii) If a local government entity assigns a tax credit to a community reinvestment
1105 agency, the written agreement described in Subsection (3)(a) shall:

1106 (A) be between the office, the local government entity, and the community
1107 reinvestment agency;

1108 (B) establish the obligations of the local government entity and the community
1109 reinvestment agency; and

1110 (C) establish the extent to which any of the local government entity's obligations are
1111 transferred to the community reinvestment agency.

1112 (iv) If a local government entity assigns a tax credit to a community reinvestment

1113 agency:

1114 (A) the community reinvestment agency shall retain records as described in Subsection
1115 (4)(d); and

1116 (B) a tax credit certificate issued in accordance with Section 63N-2-105 shall list the
1117 community reinvestment agency as the named applicant.

1118 (4) The office shall ensure that the written agreement described in Subsection (3):

1119 (a) specifies the requirements that the business entity or local government entity shall
1120 meet to qualify for a tax credit under this part;

1121 (b) specifies the maximum amount of tax credit that the business entity or local
1122 government entity may be authorized for a taxable year and over the life of the new commercial
1123 project;

1124 (c) establishes the length of time the business entity or local government entity may
1125 claim a tax credit;

1126 (d) requires the business entity or local government entity to retain records supporting a
1127 claim for a tax credit for at least four years after the business entity or local government entity
1128 claims a tax credit under this part; and

1129 (e) requires the business entity or local government entity to submit to audits for
1130 verification of the tax credit claimed.

1131 Section 13. **Appropriation.**

1132 The following sums of money are appropriated for the fiscal year beginning July 1,
1133 2021, and ending June 30, 2022. These are additions to amounts previously appropriated for
1134 fiscal year 2022. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures
1135 Act, the Legislature appropriates the following sums of money from the funds or accounts
1136 indicated for the use and support of the government of the state of Utah.

1137 ITEM 1

1138 To Department of Workforce Services -- Olene Walker Housing Loan Fund

1139 From General Fund \$800,000

1140 Schedule of Programs:

1141 Olene Walker Housing Loan Fund \$800,000

1142 The Legislature intends that:

1143 (1) up to \$300,000 of the appropriation be used for financing a mediation program for

1144 landlords and tenants of low-income housing units; and
1145 (2) up to \$500,000 of the appropriation be used for financing predevelopment grants in
1146 advance of the construction of low-income housing units.