

## SB0164S02 compared with SB0164S01

~~{deleted text}~~ shows text that was in SB0164S01 but was deleted in SB0164S02.

inserted text shows text that was not in SB0164S01 but was inserted into SB0164S02.

**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 Jacob L. Anderegg proposes the following substitute bill:

### UTAH HOUSING AFFORDABILITY AMENDMENTS

2021 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Jacob L. Anderegg**

House Sponsor: \_\_\_\_\_

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#### 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;
- ▶ provides that a political subdivision may grant real property that will be used for affordable housing units;

~~{~~ → establishes requirements for a municipality related to inclusionary housing ordinances;

- {
- ▶ describes additional activities that may receive funding from the Olene Walker Housing Loan Fund, including a mediation program and predevelopment grants;

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- ~~{ } → creates an affordable housing pilot program for school districts within the Housing and Community Development Division;~~
- ~~{ } ▶ modifies the responsibilities of the Automated Geographic Reference Center;~~
- ~~→ modifies the Governor's Office of Economic Development's responsibilities in making rules related to housing needs when establishing requirements for a tax credit related to a new commercial project in a development zone;}~~ and
- ▶ makes technical changes.

### Money Appropriated in this Bill:

This bill appropriates in fiscal year ~~{2021}~~ 2022:

- ~~{ } → to the Education Budget Reserve Account as a one-time appropriation:~~
- ~~• from the Education Fund, (\$20,000,000); and~~
- ~~→ to the Department of Workforce Services -- Olene Walker Housing Loan Fund as a one-time appropriation:~~
- ~~• from the Education Fund, \$20,000,000.~~

~~This bill appropriates in fiscal year 2022:~~

- ~~{ } ▶ to the Department of Workforce Services -- Olene Walker Housing Loan Fund as an ongoing appropriation:~~
  - ~~• from the General Fund, \$800,000.~~

### Other Special Clauses:

None

### Utah Code Sections Affected:

AMENDS:

**10-9a-401**, as last amended by Laws of Utah 2019, Chapters 136 and 327

**10-9a-403**, as last amended by Laws of Utah 2020, Chapter 136

**10-9a-404**, as last amended by Laws of Utah 2020, Chapter 434

**10-9a-408**, as last amended by Laws of Utah 2020, Chapter 434

**17-27a-403**, as last amended by Laws of Utah 2020, Chapter 136

**35A-8-505**, as last amended by Laws of Utah 2020, Chapter 241

**63F-1-507**, as last amended by Laws of Utah 2019, Chapter 35

~~{ } → **63I-1-235**, as last amended by Laws of Utah 2020, Chapters 154 and 417~~

~~→ **63N-2-104**, as last amended by Laws of Utah 2018, Chapter 281~~

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ENACTS:

**10-8-501**, Utah Code Annotated 1953

~~{ 10-8-601, Utah Code Annotated 1953~~

{ **35A-8-507.5**, Utah Code Annotated 1953

~~{ 35A-8-514, Utah Code Annotated 1953~~

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

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

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

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

(1) As used in this part, "affordable housing unit" means a **rental** housing unit where a household whose income is no more than 50% of the area median income for households where the housing unit is located is able to occupy the housing unit paying no more than 31% of the household's income for gross housing costs including utilities.

(2) Subject to the requirements of this section, and for a municipality, Subsection 10-8-2(4), a political subdivision may grant real property owned by the political subdivision to an entity for the development of one or more affordable housing units on the real property that will serve households at various income levels whereby at least 20% of the housing units are affordable housing units.

(3) A political subdivision shall ensure that real property granted as described in Subsection (2) is deed restricted for affordable housing for at least 30 years after the day on which each affordable housing unit is completed and occupied.

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

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

#### **Part 6. Inclusionary Housing**

~~—— **10-8-601. Inclusionary housing ordinances -- Inclusionary housing requirements.**~~

~~—— (1) As used in this part:~~

~~—— (a) "Affordable housing" means housing where a household whose income is no more than 50% of the area median income for households where the housing is located is able to occupy a housing unit paying no more than 31% of the household's income for gross housing~~

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costs including utilities:

~~—— (b) "Inclusionary housing" means moderate-income housing units that are required by a local ordinance to be created in a housing development based on the area median income for households of the same size in which the municipality is located:~~

~~—— (c) "Inclusionary housing fund" means a fund to which a land use applicant may contribute in lieu of building one or more moderate-income housing or affordable housing units:~~

~~—— (d) "Low-income housing" means Section 42, Internal Revenue Code, housing:~~

~~—— (e) "Moderate-income housing" means housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the area median income for households of the same size in which the municipality is located:~~

~~—— (2) (5) A municipality {may establish inclusionary housing ordinances and other incentive-based ordinances to promote the retention, preservation, or construction of moderate-income housing or low-income housing:~~

~~—— (3) A municipality may not require inclusionary housing for more than 20% of the housing units in a development:~~

~~—— (4) Before establishing an inclusionary housing ordinance, a municipality shall show a need for moderate income housing as demonstrated in the municipality's moderate income housing plan described in Section 10-9a-408:~~

~~—— (5) Before requiring inclusionary housing for a development, the municipality shall demonstrate that the inclusionary housing requirement is:~~

~~—— (a) roughly proportional to the impact on housing affordability that will be created by the development; and~~

~~—— (b) the minimum necessary to address the impact on housing affordability that will be created by the development:~~

~~—— (6) A municipality may not require inclusionary housing on a lot that is approved for development and for which a building permit has been issued before the inclusionary housing requirement is instituted:~~

~~—— (7) If an inclusionary housing ordinance of a municipality requires a developer to provide a specific number of moderate-income housing or low-income housing units in a development, the municipality shall provide one or more methods to proportionately offset the~~

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~~difference in cost between the moderate-income housing or low-income housing units and the other units within the development, which methods may include:~~

- ~~—— (a) a waiver of impact or other fees;~~
- ~~—— (b) a moderate-income housing set aside from a community reinvestment agency, redevelopment agency, or community development and renewal agency;~~
- ~~—— (c) parking requirement reductions;~~
- ~~—— (d) unit density bonuses; or~~
- ~~—— (e) other financial incentives;~~
- ~~—— (8) The inclusionary housing requirements described in this part do not apply to:~~
- ~~—— (a) a voluntary inclusionary housing program; or~~
- ~~—— (b) a municipality collecting a fee as a result of the demolition or termination of one or more housing units;~~
- ~~—— Section 3} granting real property under this section is not subject to the provisions of Subsection 10-8-2(3).~~

Section 2. Section 10-9a-401 is amended to read:

### **10-9a-401. General plan required -- Content.**

(1) In order to accomplish the purposes of this chapter, each municipality shall prepare and adopt a comprehensive, long-range general plan for:

- (a) present and future needs of the municipality; and
- (b) growth and development of all or any part of the land within the municipality.

(2) The general plan may provide for:

(a) health, general welfare, safety, energy conservation, transportation, prosperity, civic activities, aesthetics, and recreational, educational, and cultural opportunities;

(b) the reduction of the waste of physical, financial, or human resources that result from either excessive congestion or excessive scattering of population;

(c) the efficient and economical use, conservation, and production of the supply of:

- (i) food and water; and
- (ii) drainage, sanitary, and other facilities and resources;
- (d) the use of energy conservation and solar and renewable energy resources;
- (e) the protection of urban development;
- (f) if the municipality is a town, the protection or promotion of moderate income

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housing;

(g) the protection and promotion of air quality;

(h) historic preservation;

(i) identifying future uses of land that are likely to require an expansion or significant modification of services or facilities provided by each affected entity; and

(j) an official map.

(3) (a) The general plan of a municipality, other than a town, shall plan for moderate income housing growth.

(b) On or before December 1, 2019, each of the following that have a general plan that does not comply with Subsection (3)(a) shall amend the general plan to comply with Subsection (3)(a):

(i) a city of the first, second, third, or fourth class;

(ii) a city of the fifth class with a population of 5,000 or more, if the city is located within a county of the first, second, or third class; and

(iii) a metro township with a population of 5,000 or more.

(c) The population figures described in Subsections (3)(b)(ii) and (iii) shall be derived from:

(i) the most recent official census or census estimate of the United States Census Bureau; or

(ii) if a population figure is not available under Subsection (3)(c)(i), an estimate of the Utah Population Committee.

(4) Subject to Subsection 10-9a-403~~(2)~~(3), the municipality may determine the comprehensiveness, extent, and format of the general plan.

Section ~~4~~3. Section **10-9a-403** is amended to read:

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

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

(i) exterior building color;

(ii) type or style of exterior cladding material;

(iii) style or materials of a roof structure, roof pitch, or porch;

(iv) exterior nonstructural architectural ornamentation;

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(v) location, design, placement, or architectural styling of a window or door, including a garage door;

(vi) the number or type of rooms;

(vii) the interior layout of a room; or

(viii) the minimum square footage of a structure.

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

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

(ii) buffering or screening used to:

(A) minimize visual impacts;

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

(C) protect the privacy of neighbors.

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

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

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

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

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

(i) a land use element that:

(A) designates the long-term goals and the proposed extent, general distribution, and location of land for housing for residents of various income levels, business, industry,

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agriculture, recreation, education, public buildings and grounds, open space, and other categories of public and private uses of land as appropriate; and

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

(ii) a transportation and traffic circulation element that:

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

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

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

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

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

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

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

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

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

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

(iii) for a town, may include, and for other municipalities, shall include, a



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recommendation to implement [~~three~~] four or more of the following strategies:

- (A) rezone for densities necessary to assure the production of moderate income housing;
- (B) facilitate the rehabilitation or expansion of infrastructure that will encourage the construction of moderate income housing;
- (C) facilitate the rehabilitation of existing uninhabitable housing stock into moderate income housing;
- (D) consider general fund subsidies or other sources of revenue to waive construction related fees that are otherwise generally imposed by the city;
- (E) create or allow for, and reduce regulations related to, accessory dwelling units in residential zones;
- (F) allow for higher density or moderate income residential development in commercial and mixed-use zones, commercial centers, or employment centers;
- (G) encourage higher density or moderate income residential development near major transit investment corridors;
- (H) eliminate or reduce parking requirements for residential development where a resident is less likely to rely on the resident's own vehicle, such as residential development near major transit investment corridors or senior living facilities;
- (I) allow for single room occupancy developments;
- (J) implement zoning incentives for low to moderate income units in new developments;
- (K) utilize strategies that preserve subsidized low to moderate income units on a long-term basis;
- (L) preserve existing moderate income housing;
- (M) reduce impact fees, as defined in Section 11-36a-102, related to low and moderate income housing;
- (N) participate in a community land trust program for low or moderate income housing;
- (O) implement a mortgage assistance program for employees of the municipality or of an employer that provides contracted services to the municipality;
- (P) apply for or partner with an entity that applies for state or federal funds or tax

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incentives to promote the construction of moderate income housing;

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

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

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

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

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

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

(W) reduce residential building design elements; and

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

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

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

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

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

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

(i) consider the regional transportation plan developed by its region's metropolitan

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planning organization, if the municipality is within the boundaries of a metropolitan planning organization; or

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

(4) The proposed general plan may include:

(a) an environmental element that addresses:

(i) the protection, conservation, development, and use of natural resources, including the quality of air, forests, soils, rivers and other waters, harbors, fisheries, wildlife, minerals, and other natural resources; and

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

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

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

(i) historic preservation;

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

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

(d) an economic element composed of appropriate studies and forecasts, as well as an economic development plan, which may include review of existing and projected municipal revenue and expenditures, revenue sources, identification of basic and secondary industry, primary and secondary market areas, employment, and retail sales activity;

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

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(f) provisions addressing any of the matters listed in Subsection 10-9a-401(2) or (3);  
and

(g) any other element the municipality considers appropriate.

Section ~~5~~4. Section **10-9a-404** is amended to read:

**10-9a-404. Public hearing by planning commission on proposed general plan or amendment -- Notice -- Revisions to general plan or amendment -- Adoption or rejection by legislative body.**

(1) (a) After completing its recommendation for a proposed general plan, or proposal to amend the general plan, the planning commission shall schedule and hold a public hearing on the proposed plan or amendment.

(b) The planning commission shall provide notice of the public hearing, as required by Section 10-9a-204.

(c) After the public hearing, the planning commission may modify the proposed general plan or amendment.

(2) The planning commission shall forward the proposed general plan or amendment to the legislative body.

(3) (a) The legislative body may adopt, reject, or make any revisions to the proposed general plan or amendment that it considers appropriate.

(b) If the municipal legislative body rejects the proposed general plan or amendment, it may provide suggestions to the planning commission for the planning commission's review and recommendation.

(4) The legislative body shall adopt:

(a) a land use element as provided in Subsection 10-9a-403~~(2)~~(3)(a)(i);

(b) a transportation and traffic circulation element as provided in Subsection 10-9a-403~~(2)~~(3)(a)(ii); and

(c) for a municipality, other than a town, after considering the factors included in Subsection 10-9a-403~~(2)(b)(ii)~~(3)(b)(iii), a plan to provide a realistic opportunity to meet the need for additional moderate income housing within the next five years.

Section ~~6~~5. Section **10-9a-408** is amended to read:

**10-9a-408. Reporting requirements and civil action regarding moderate income housing element of general plan.**

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(1) The legislative body of a municipality described in Subsection 10-9a-401(3)(b) shall annually:

(a) review the moderate income housing plan element of the municipality's general plan and implementation of that element of the general plan;

(b) prepare a report on the findings of the review described in Subsection (1)(a); and

(c) post the report described in Subsection (1)(b) on the municipality's website.

(2) The report described in Subsection (1) shall include:

(a) a revised estimate of the need for moderate income housing in the municipality for the next five years;

(b) a description of progress made within the municipality to provide moderate income housing, demonstrated by analyzing and publishing data on the number of housing units in the municipality that are at or below:

(i) 80% of the adjusted median family income;

(ii) 50% of the adjusted median family income; and

(iii) 30% of the adjusted median family income;

(c) a description of any efforts made by the municipality to utilize a moderate income housing set-aside from a community reinvestment agency, redevelopment agency, or community development and renewal agency; and

(d) a description of how the municipality has implemented any of the recommendations related to moderate income housing described in Subsection 10-9a-403[~~(2)~~](3)(b)(iii).

(3) The legislative body of each municipality described in Subsection (1) shall send a copy of the report under Subsection (1) to the Department of Workforce Services, the association of governments in which the municipality is located, and, if located within the boundaries of a metropolitan planning organization, the appropriate metropolitan planning organization.

(4) In a civil action seeking enforcement or claiming a violation of this section or of Subsection 10-9a-404(4)(c), a plaintiff may not recover damages but may be awarded only injunctive or other equitable relief.

Section ~~7~~6. Section **17-27a-403** is amended to read:

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

(1) (a) The planning commission shall provide notice, as provided in Section

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17-27a-203, of its intent to make a recommendation to the county legislative body for a general plan or a comprehensive general plan amendment when the planning commission initiates the process of preparing its recommendation.

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

(i) the unincorporated area within the county; or

(ii) if the planning commission is a planning commission for a mountainous planning district, the mountainous planning district.

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

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

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

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

(i) a land use element that:

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

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

(ii) a transportation and traffic circulation element that:

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

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

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

(iii) a plan for the development of additional moderate income housing within the unincorporated area of the county or the mountainous planning district, and a plan to provide a realistic opportunity to meet the need for additional moderate income housing; and

(iv) before May 1, 2017, a resource management plan detailing the findings, objectives, and policies required by Subsection 17-27a-401(3).

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

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

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

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

(ii) shall include an analysis of how the county will provide a realistic opportunity for the development of moderate income housing within the planning horizon, which may include a recommendation to implement [~~three~~] four or more of the following strategies:

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

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

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

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

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

(F) allow for higher density or moderate income residential development in

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commercial and mixed-use zones, commercial centers, or employment centers;

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

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

(I) allow for single room occupancy developments;

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

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

(L) preserve existing moderate income housing;

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

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

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

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

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

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

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

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

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



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(V) reduce residential building design elements as defined in Section 10-9a-403; and

(W) consider any other program or strategy implemented by the county to address the housing needs of residents of the county who earn less than 80% of the area median income.

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

(i) identify and consider each agriculture protection area within the unincorporated area of the county or mountainous planning district; and

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

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

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

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

(3) The proposed general plan may include:

(a) an environmental element that addresses:

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

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

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

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

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- (i) historic preservation;
- (ii) the diminution or elimination of a development impediment as defined in Section 17C-1-102; and
- (iii) redevelopment of land, including housing sites, business and industrial sites, and public building sites;
- (d) an economic element composed of appropriate studies and forecasts, as well as an economic development plan, which may include review of existing and projected county revenue and expenditures, revenue sources, identification of basic and secondary industry, primary and secondary market areas, employment, and retail sales activity;
- (e) recommendations for implementing all or any portion of the general plan, including the use of land use ordinances, capital improvement plans, community development and promotion, and any other appropriate action;
- (f) provisions addressing any of the matters listed in Subsection 17-27a-401(2) or (3)(a)(i); and
- (g) any other element the county considers appropriate.

Section ~~8~~7. Section **35A-8-505** is amended to read:

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

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

- (1) provide fund money to any of the following activities:
  - (a) the acquisition, rehabilitation, or new construction of low-income housing units;
  - (b) matching funds for social services projects directly related to providing housing for special-need renters in assisted projects;
  - (c) the development and construction of accessible housing designed for low-income persons;
  - (d) the construction or improvement of a shelter or transitional housing facility that provides services intended to prevent or minimize homelessness among members of a specific homeless subpopulation;
  - (e) the purchase of an existing facility to provide temporary or transitional housing for the homeless in an area that does not require rezoning before providing such temporary or transitional housing;

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- (f) the purchase of land that will be used as the site of low-income housing units;
- (g) the preservation of existing affordable housing units for low-income persons; ~~[and]~~
- (h) the award of predevelopment grants in accordance with Section 35A-8-507.5;
- (i) the creation or financial support of a mediation program for landlords and tenants

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

- (i) funding for the hiring or training of mediators;
- (ii) connecting landlords and tenants with mediation services; and
- (iii) providing a limited amount of gap funding to assist a tenant in making a good faith

payment towards attorney fees, damages, or other costs associated with eviction proceedings or avoiding eviction proceedings; ~~and~~

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

~~{~~ (k) subject to appropriations by the Legislature, or contributions by a participating local school district, support of the Affordable Housing Pilot Program created in Section 35A-8-514;  
and

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

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

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

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

(d) proceeding with a foreclosure action, to own, lease, clear, reconstruct, rehabilitate, repair, maintain, manage, operate, assign, encumber, sell, or otherwise dispose of real or

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personal property obtained by the fund due to the default on a mortgage loan held by the fund in preparation for disposition of the property, taking assignments of leases and rentals, proceeding with foreclosure actions, and taking other actions necessary or incidental to the performance of its duties; and

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

Section ~~(9)~~8. Section **35A-8-507.5** is enacted to read:

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

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

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

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

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

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

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

(2) The executive director under the direction of the board shall award each predevelopment grant in accordance with the provisions of this section and the provisions related to grant applications, grant awards, and reporting requirements in this part.

(3) A predevelopment grant:

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

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

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

(a) limited or no availability of natural gas;

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- (b) limited or no availability of a sewer system;
- (c) limited or no availability of broadband Internet;
- (d) unpaved residential streets; or
- (e) limited local construction professionals, vendors, or services.

Section ~~{10}9.~~ ~~Section 35A-8-514~~ is enacted to read:

### ~~35A-8-514. Affordable Housing Pilot Program:~~

~~(1) As used in this section:~~

~~(a) "Pilot program" means the Affordable Housing Pilot Program created in Subsection (2):~~

~~(b) "Participating employee" means an employee of a participating school district who obtains housing as a participant in the pilot program:~~

~~(c) "Participating school district" means a local school district or charter school that is approved by the division based on the financial requirements of Subsection (6) to participate in the pilot program:~~

~~(2) There is created in the division the Affordable Housing Pilot Program to assist in helping employees of one or more participating school districts to obtain affordable housing and a pathway to home ownership:~~

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

~~(a) in accordance with Title 63G, Chapter 6a, Utah Procurement Code, and with the oversight of the division, a local school district or charter school that is approved by the division to participate in the pilot program shall partner with a nonprofit entity selected by the division at the commencement of the pilot program and the participating school district shall make a contribution using money appropriated by the Legislature for the program to a fund owned by the participating school district and managed by the nonprofit entity;~~

~~(b) money in the fund shall be used to pay a portion of the purchase price of a home for each participating employee;~~

~~(c) the participating school district shall identify potential participating employees who are employed by the participating school district;~~

~~(d) the nonprofit entity shall perform an analysis to choose each participating employee based on criteria determined by the participating school district and the nonprofit entity;~~

~~(e) for each participating employee, the nonprofit entity shall determine an appropriate~~

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~~and affordable monthly payment based on the participating employee's financial situation and may assist in helping the participating employee find a suitable home;~~

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

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

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

~~—— (ii) a portion will go to the nonprofit entity for operating expenses and repaying the proportional amount of the home purchased by the nonprofit entity using money from the fund owned by the participating school district; and~~

~~—— (iii) a portion may go towards a mandatory savings requirement as agreed to between the participating employee and the nonprofit entity; and~~

~~—— (h) as a requirement of participating in the pilot program, a participating employee shall enter into a written agreement with the nonprofit entity:~~

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

~~—— (ii) that describes the participating employee's right to, if the employee is not in violation of the terms of the written agreement:~~

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

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

~~—— (C) receive the participating employee's share of any appreciation of the home in accordance with the terms of the written agreement.~~

~~—— (4) Before participating in the pilot program, a local school district or charter school shall apply to the division, in a form approved by the division, to participate in the pilot program, which application shall include:~~

~~—— (a) details of the local school district's proposed implementation of the pilot program; and~~

~~—— (b) the written approval of the local school district or charter school's local school board to participate in the pilot program.~~

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~~— (5) A local school district or charter school that is selected by the division to be a participating school district shall agree to provide ongoing information or reporting to comply with the annual reporting requirements of Subsection (8) as requested by:~~

~~— (a) the division; and~~

~~— (b) the participating school district's local school board.~~

~~— (6) In selecting participating school districts and overseeing the pilot program, the division shall ensure that:~~

~~— (a) the total amount of the contribution described in Subsection (3)(a) for each participating school district is not more than the lesser of:~~

~~— (i) \$4,000,000; or~~

~~— (ii) 10% of the participating school district's reserves; and~~

~~— (b) the amount of the contribution described in Subsection (3)(a) for all participating school districts combined is not more than \$20,000,000.~~

~~— (7) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and in accordance with the provisions of this section, the division may make rules regarding the:~~

~~— (a) administration of the pilot program, including application requirements for local school districts; and~~

~~— (b) reporting requirements for each participating school district and the nonprofit entity to satisfy the requirements of Subsection (8):~~

~~— (8) (a) By October 1, the division, with the cooperation of each participating school district and the nonprofit entity, shall provide an annual written report to the Economic Development and Workforce Services Interim Committee:~~

~~— (b) The annual report shall describe:~~

~~— (i) the operations of the pilot program;~~

~~— (ii) each local school district that is participating in the pilot program;~~

~~— (iii) the number of employees participating in the pilot program;~~

~~— (iv) recommendations regarding potential expansion, improvements, or modifications to the pilot program; and~~

~~— (v) the results of the annual audit described in Subsection (9):~~

~~— (c) If the division determines that the pilot program is successful, and that other local school districts and state governmental subdivisions would benefit from participation in the~~

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~~pilot program, the annual report may recommend that the Legislature:~~

~~— (i) increase the maximum contribution amount allowed under the pilot program; or~~

~~— (ii) expand the pilot program to other political subdivisions of the state.~~

~~— (9) By September 1, the state auditor shall conduct an annual audit of the pilot program for the previous fiscal year and shall:~~

~~— (a) report the results of the audit in writing to the division; and~~

~~— (b) make the written audit report available to the division and to the public.~~

~~Section 11.} Section 63F-1-507 is amended to read:~~

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

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

(2) The database shall:

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

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

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

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

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

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

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

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

(4) The center, in coordination with county assessors and metropolitan planning organizations:

(a) shall inventory existing housing units and their general characteristics within each



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county of the first or second class to support infrastructure planning and economic development in each of those counties; and

(b) may inventory existing housing units and their general characteristics within one or more counties of the third, fourth, fifth, or sixth class to support infrastructure planning and economic development in one or more of those counties.

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

- (a) inform the center of the existence of the data layers and their geographic extent;
- (b) allow the center access to all data classified public; and
- (c) comply with any database requirements established by the center.

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

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

Section ~~{12. Section 63I-1-235 is amended to read:~~

~~———— **63I-1-235. Repeal dates, Title 35A.**~~

~~———— (1) Subsection 35A-1-109(4)(c), related to the Talent Ready Utah Board, is repealed January 1, 2023.~~

~~———— (2) Subsection 35A-1-202(2)(d), related to the Child Care Advisory Committee, is repealed July 1, 2021.~~

~~———— (3) Section 35A-3-205, which creates the Child Care Advisory Committee, is repealed July 1, 2021.~~

~~———— (4) Subsection 35A-4-312(5)(p), describing information that may be disclosed to the federal Wage and Hour Division, is repealed July 1, 2022.~~

~~———— (5) Subsection 35A-4-502(5), which creates the Employment Advisory Council, is repealed July 1, 2022.~~

~~———— (6) Section 35A-8-514, which creates the Affordable Housing Pilot Program, is repealed July 1, 2024.~~

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— ~~[(6)] (7) Title 35A, Chapter 8, Part 22, Commission on Housing Affordability, is repealed July 1, 2023.~~

— ~~[(7)] (8) Section 35A-9-501 is repealed January 1, 2023.~~

— ~~[(8)] (9) Title 35A, Chapter 11, Women in the Economy Commission Act, is repealed January 1, 2025.~~

— ~~[(9)] (10) Sections 35A-13-301 and 35A-13-302, which create the Governor's Committee on Employment of People with Disabilities, are repealed July 1, 2023.~~

— ~~[(10)] (11) Section 35A-13-303, which creates the State Rehabilitation Advisory Council, is repealed July 1, 2024.~~

— ~~[(11)] (12) Section 35A-13-404, which creates the advisory council for the Division of Services for the Blind and Visually Impaired, is repealed July 1, 2025.~~

— ~~[(12)] (13) Sections 35A-13-603 and 35A-13-604, which create the Interpreter Certification Board, are repealed July 1, 2026.~~

— ~~Section 13. Section **63N-2-104** is amended to read:~~

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

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

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

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

— ~~(c) local incentives have been or will be committed to be provided within the area.~~

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

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

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

— ~~(ii) the new commercial project includes direct investment within the geographic~~

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~~boundaries of the development zone;~~

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

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

~~—— (v) the new commercial project generates new state revenues; [and]~~

~~—— (vi) a business entity, a local government entity, or a community reinvestment agency to which a local government entity assigns a tax credit under this section meets the requirements of Section 63N-2-105[-]; and~~

~~—— (vii) for a tax credit for a new commercial project that will be more than \$10,000,000, the municipality or county where the commercial project is located and the business entity or local government entity have an agreement to address, for existing residents and new residents, the housing needs related to new incremental jobs created by the new commercial project.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

~~—— (B) establish the obligations of the local government entity and the community reinvestment agency; and~~

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

~~—— (iv) If a local government entity assigns a tax credit to a community reinvestment agency:~~

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

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

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

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

~~—— (b) specifies the maximum amount of tax credit that the business entity or local~~

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~~government entity may be authorized for a taxable year and over the life of the new commercial project;~~

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

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

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

~~—— Section 14} **10. Appropriation.**~~

~~{ —— Subsection 14(a). **Fiscal Year 2021 Restricted Fund and Account Transfers.**~~

~~—— The following sums of money are appropriated for the fiscal year beginning July 1, 2020, and ending June 30, 2021. These are additions to amounts previously appropriated for fiscal year 2021. The Legislature authorizes the State Division of Finance to transfer the following amounts between the following funds or accounts as indicated. Expenditures and outlays from the funds to which the money is transferred must be authorized by an appropriation.~~

~~HFEM 1~~

~~—— To Education Budget Reserve Account~~

~~From Education Fund, One-time (\$20,000,000)~~

~~—— Schedule of Programs:~~

~~—— Education Budget Reserve Account (\$20,000,000)~~

~~—— Subsection 14(b). **Fiscal Year 2021 Appropriations.**~~

~~—— The following sums of money are appropriated for the fiscal year beginning July 1, 2020, and ending June 30, 2021. These are additions to amounts previously appropriated for fiscal year 2021. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the Legislature appropriates the following sums of money from the funds or accounts indicated for the use and support of the government of the state of Utah.~~

~~HFEM 2~~

~~—— To Department of Workforce Services -- Olene Walker Housing Loan Fund~~

~~From Education Fund, One-time \$20,000,000~~

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Schedule of Programs:

Olene Walker Housing Loan Fund \$20,000,000

Subsection 14(c). Fiscal Year 2022 Appropriations:

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

ITEM ~~(3)~~1

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

From Education Fund ~~(, One-time)~~ \$800,000

Schedule of Programs:

Olene Walker Housing Loan Fund: \$800,000

The Legislature intends that:

~~{ (1) up to \$20,000,000 of the appropriation in ITEM 2 be used for the Affordable Housing Pilot Program created in Section 35A-8-514;~~

‡ ~~(2)1~~ up to \$300,000 of the appropriation in ITEM ~~(3)1~~ be used for financing a mediation program for landlords and tenants of low-income housing units;

~~(3)2~~ up to \$500,000 of the appropriation in ITEM ~~(3)1~~ be used for financing predevelopment grants in advance of the construction of low-income housing units;‡

~~(4) under Section 63J-1-603, appropriations under Subsection (1) not lapse at the close of fiscal year 2021 or fiscal year 2022, and the use of any nonlapsing funds is limited to the Affordable Housing Pilot Program created in Section 35A-8-514;‡ and~~

~~(5)3~~ under Section 63J-1-603, appropriations under Subsections ~~(2)1~~ and ~~(3)2~~ not lapse at the close of fiscal year 2022.