

House Political Subdivisions Committee

2/28/2025

Bill: HCR 14 – House Concurrent Resolution Supporting Streamlining Utah Housing Policies

Sponsor: Representative Stephen L. Whyte

Floor Sponsor: Senator Lincoln Fillmore

UASD Position: Tracking

This Resolution supports streamlining housing policies.

Discussion: Representative Whyte presented the Resolution. A 2023 housing audit highlighted the urgency of addressing housing policy in Utah and recommended the development of state-level measures and targets for housing needs and construction. The audit suggested implementing a strategic plan at the state level to address housing shortages and population growth. It also advised the Legislature to explore a range of policy options to establish a program for setting and managing state-level housing production targets, using metrics to track both actual and potential housing production.

The Resolution supports streamlining housing policies and identifying programs and funding for consolidation during the 2025 interim. Representatives T. Miller and Bennion, along with the Utah Housing Coalition, spoke in favor of the Resolution. Representative Bennion asked whether the Resolution could be amended to include renters, to which the sponsor expressed willingness to make that adjustment.

Yeas: 7

Nays: 0

N/V: 3

Outcome: HCR 14 passed out of the Committee and placed on House Consent

Bill: SB 241 – Limited Purpose Local Government Amendments

Sponsor: Senator Jerry W. Stevenson

Floor Sponsor: Representative Paul A. Cutler

UASD Position: Tracking

This Bill modifies provisions affecting special districts.

Discussion: Senator Stevenson presented the Bill, noting that while a substitute version is available online, he would proceed with the original Bill. The Bill modifies regulations regarding public infrastructure districts (“PIDs”) and land use authorities, including the Military Installation Development Authority (“MIDA”), the development of the Point of the Mountain, and the Inland Port. SB 241 clarifies the types of improvements that can be undertaken and financed by a PID and streamlines the consent process for bonds to align with other bonding mechanisms. Additionally, it lowers the consent threshold for surface property owners within a PID from 100% to a simple majority. The Bill also mandates that the Certified Bond

Administrator certify the terms of a limited tax bond. Furthermore, it authorizes basic special districts to establish PIDs for the funding, acquisition, and construction of specific infrastructure projects, including affordable housing developments.

Representative Walter asked whether special service districts currently have the authority to create a PID. The sponsor clarified that this Bill would allow basic special districts to do so. He emphasized that the Bill is focused on land use authority privileges. Representative Walter also inquired whether state entities working through PIDs would be required to collaborate with municipalities. The sponsor explained that PIDs must integrate with existing infrastructure, necessitating coordination with municipalities.

Representative Dunnigan, under the impression that PIDs operate under government oversight, asked how they will interact with local governments. The sponsor affirmed that PIDs remain governmental entities and must work with local authorities to connect utilities to new infrastructure. Representative Ward questioned whether private companies can currently purchase tax increment bonds. The sponsor clarified that tax increment financing does not rely on existing taxes but rather on the increase in taxable value as land is developed. Representative Ward then asked whether there is a risk that PID-generated tax revenue could be allocated outside the intended purposes of increment taxes. The sponsor acknowledged this possibility but stated that it would function similarly to other bonding mechanisms.

There was no public comment. Representative Walter expressed cautious support for the Bill, citing concerns about the potential impact of PIDs on government entities and bondholders. Representative Dunnigan echoed similar concerns, questioning whether the government's increasing involvement in such projects may encroach on areas better suited for the private sector.

Yeas: 7
Nays: 0
N/V: 3

Outcome: SB 241 passed out of the Committee with a favorable recommendation.

Bill: SB 179 – Local Regulation of Business Entities Amendments

Sponsor: Senator Calvin R. Musselman

Floor Sponsor: Representative Karen M. Peterson

UASD Position: Tracking

This Bill enacts provisions related to local classification and approval of new and unlisted business uses.

Discussion: Senator Musselman explained that the Bill requires all municipalities and counties to establish a review process for business uses not explicitly listed in existing ordinances. While it does not prevent a municipality from denying a business permit request, it ensures that businesses receive a response within a reasonable timeframe. The Bill aims to provide flexibility for unlisted business types and formalize the process for their evaluation and approval.

The Libertas Institute noted that some cities already implement similar procedures, but the Bill would standardize the approach across all municipalities. There were no additional comments.

Yeas: 6
Nays: 0
N/V: 4

Outcome: SB 179 passed out of the Committee with a favorable recommendation.

Bill: SB 181 – Housing Affordability Amendments

Sponsor: Senator Lincoln Fillmore

Floor Sponsor: Representative Stephen L. Whyte

UASD Position: Tracking

This Bill enacts and amends provisions related to housing affordability.

Discussion: Senator Fillmore presented SB 181, which addresses parking standards for affordable housing, specifically regarding garages. Under the Bill, municipalities cannot require garages for approved affordable housing developments, though they may still mandate on-site parking. Additionally, the Bill includes a small tax exemption for rehabilitated housing owned by a housing authority.

Representative Ward asked whether cities would still have the authority to require garages for non-affordable housing. The sponsor confirmed that the Bill applies only to affordable housing. Representative T. Miller inquired about lines 84-86 of the Bill, to which the sponsor clarified that those lines define a two-car garage. Representative Bennion asked for clarification on the definition of affordable housing. The sponsor responded that the Bill reflects a negotiated agreement that satisfies all stakeholders.

Cameron Diehl, representing the Utah League of Cities and Towns, expressed support for the Bill. Representative Ward then asked what impact a statewide statute of this Bill would have. Mr. Diehl explained that this issue was addressed during negotiations, noting that parking overflow into streets can affect services such as garbage collection, snow removal, and emergency vehicle access. The Ivory Development Property Rights Coalition also spoke in support of the Bill.

Yeas: 7
Nays: 0
N/V: 3

Outcome: SB 181 passed out of the Committee with a favorable recommendation.
