

### JULY 8, 2021

### PLANNING COMMISSION MEETING 6:00 P.M.

\*\* THIS MEETING WILL BE HELD IN PERSON IN THE MOAB CITY COUNCIL CHAMBERS \*\* MASKS ARE ENCOURAGED BUT NOT REQUIRED FOR THOSE WHO ARE VACCINATED. MASKS ARE REQUIRED FOR THOSE WHO ARE UNVACCINATED. SOCIAL DISTANCING REQUIRED.

#### City Council Chambers 217 East Center Street Moab, Utah 84532

To have your written comments considered for the public hearing portion of the electronic meeting, please fill out the form found here: HTTPS://BIT.LY/PCCOMMENTFORM

You must submit your comments by 5:00 PM on the date of the meeting. Please limit your comments to 400 words.

#### 1. 6:00 P.M. Call To Order

2. Citizens To Be Heard

To have your comments considered for the Citizens to Be Heard portion of the electronic meeting, please fill out the form found here:

HTTPS://DOCS.GOOGLE.COM/FORMS/D/E/1FAIPQLSECP3KYU0F\_F8J6J5ROFAEUPTNKW938GR8DVWEOJJH -AQFNGA/VIEWFORM?VC=0&C=0&W=1

You must submit your comments by  $5{:}00~\mathrm{pm}$  on the day of the meeting. Please limit your comments to  $400~\mathrm{words}$ 

- 3. Action Item
- Public Hearing And Possible Action On An Ordinance Amending The Text Of The Moab Municipal Code (MMC) To Add Regulation For Brewpubs, Breweries And Distilleries By Amending Sections 17.06 Definitions, 17.21.020 C-2 Commercial Residential Zone, 17.24.020 C-3 Central Commercial Zone, 17.27.020 C-4 General Commercial Zone, 17.31.020 RC Resort Commercial Zone And 17.36.020 Industrial Zone

Documents:

# PCPH ON 2021-12 CODE AMENDMENTS TO BREWERY AND DISTILLERIES.PDF ORDINANCE 2021-12 DRAFT 7.01.2021.PDF

- 4. Discussion Item
- 4.1. Work Session On Amendments To Section 17.70 Accessory Dwelling Units (ADUs)

Documents:

7.08.2021 PCWS REPORT ON ADU AMENDMENTS.PDF EXHIBIT A ADU CHANGES HB 82.PDF EXHIBIT B CHAPTER 17.70 CODE (1).PDF EXHIBIT C HB0082.PDF

- 5. Future Agenda Items
- 6. Adjournment

#### Planning Commission Public Hearing and Possible Action on Ordinance 2021-12 July 8, 2021

An Ordinance Amending the Text of the Moab Municipal Code (MMC) to Add Regulation for Brewpubs, Breweries and Distilleries by Amending Sections 17.06 Definitions, 17.21.020 C-2 Commercial Residential Zone, 17.24.020 C-3 Central Commercial Zone, 17.27.020 C-4 General Commercial Zone, 17.31.020 RC Resort Commercial Zone and 17.36.020 Industrial Zone

To:	Planning Commission
From:	Nora Shepard, Planning Director
Date:	July 8, 2021
Subject:	Proposed Code Text Amendments to allow Brewpubs, Breweries and Distilleries

#### **Background**

The Moab Municipal Code (MMC)currently does not address Brewpubs, Breweries and Distilleries. The City Council has requested that the Planning Commission consider forwarding amendments to Chapter 17 of the MMC.

#### **Proposed Amendments**

1. Add definitions to 17.06 for Brewpubs, Breweries and Distilleries as follows:

BREWPUB: A restaurant type establishment that also contains a small brewery, where the product is brewed primarily for sale in the associated restaurant. Brewpubs may package their product in kegs, bottles or cans for on site or offsite distribution. The alcohol to food sales revenue ratio for a brewpub shall comply with the requirements of chapter 6 (Specific Retail License Act) of title 32B (Utah Alcoholic Beverage Control Act) of the Utah Code, or its successor.

BREWERY: A business establishment that manufactures more than fifteen thousand (15,000) barrels of beer, heavy beer, or malt liquor as otherwise defined and regulated in title 32B, Utah code, as amended.

MICROBREWERY: A brewery that produces less than fifteen thousand (15,000) barrels of beer, heavy beer, or malt liquor annually and occupies less than ten thousand (10,000) square feet in gross floor area and may include a taproom in which guests/customers may sample the product.

MICRODISTILLERY shall mean a facility that produces no more than fifteen thousand (15,000) gallons per year of spirituous beverages on site and shall include a tasting room in which guests/customers may sample the product.

- Add Brewpubs as permitted uses in the C-2 Commercial-Residential and C-3 Central Commercial, C-4 General Commercial and RC Resort Commercial Zones.
- 3. Add Microbreweries and Distilleries as a permitted use in the C-4 General Commercial Zone and I Industrial Zones.
- 4. Add Breweries as a permitted use in the I Industrial Zone

A draft of Ordinance 2012-12 is attached for your review.

#### Criteria for Code Text Amendments

Section 17.04. 070 of the Moab Municipal Code requires that the Planning Commission and City Council consider the following criteria:

A. Is the proposed use substantially similar to other authorized uses permitted within the subject zoning district?

B. Is the proposed use a relatively new use type or development concept that was not anticipated at the time of the adoption of the City's General Plan?

C. Is the amendment consistent with the policies and goals of the General Plan?

D. Will the amendment create significant adverse impacts upon neighboring properties within or adjacent to the zoning districts which would be affected by the change?

E. Is it in the public interest to approve the proposed amendment?

F. Is the amendment likely to lead to a positive redevelopment of a specific area or zone?

G. Will the amendment provide a variety of options for residents in terms of economic development, affordable housing, or other benefits?

H. Is the amendment appropriate considering the existing conditions in the zoning district, the established relationships between zoning districts, existing land uses and densities, and the scale of both existing and proposed development?

#### Items for Discussion

The Code amendments are fairly straightforward. The Planning Commission may want to discuss whether or not to allow Brewpubs in the C-5 Neighborhood Commercial Zone. The draft does not include allowing brewpubs in the C-5. Brewpubs are generally larger uses which may not be compatible in the C-5 Neighborhood Residential Zone. The impacts from a brewpub use are likely to be incompatible with the surrounding residential neighborhoods.

### Planning Commission Action

The Planning Commission is being asked to hold a public hearing on the proposed amendments, discuss them and take one of the following actions:

- 1. Forward a positive recommendation to the City Council on Ordinance 2021-12, with or without amendments.
- 2. Continue the item and provide staff with direction as to additional information that is required to make a decision
- 3. Forward a positive recommendation to the City Council on Ordinance 2021-12 with supporting findings.

## CITY OF MOAB, UTAH ORDINANCE NO. 2021-12

#### An Ordinance Amending the Text of the Moab Municipal Code (MMC) to Add Regulation for Brewpubs, Breweries and Distilleries by Amending Sections 17.06 Definitions, 17.21.020 C-2 Commercial Residential Zone, 17.24.020 C-3 Central Commercial Zone, 17.27.020 C-4 General Commercial Zone, 17.31.020 RC Resort Commercial Zone and 17.36.020 Industrial Zone

**WHEREAS,** the City has enacted Title 17 Zoning, of the Moab Municipal Code ('MMC") that governs land use and development within the City Limits.

**WHEREAS**, from time to time the City undertakes revisions of Title 17.00 to improve the quality of land development and align the Code with state law and contemporary planning concepts.

**WHEREAS,** the City finds that this Ordinance will serve the public health, safety, and welfare, and that adoption is in the best interests of the Moab community.

**WHEREAS,** Title 17.00 of the MMC does not address Brewpubs, Breweries or Distilleries.

**WHEREAS,** Brewpubs are a compatible use in the C-2, C-3, and C-4 zones, but Breweries and Distilleries are most appropriate in the C-4 and I Zones

### WHEREAS,

**WHEREAS**, the Planning Commission has discussed and reviewed the proposed ordinance revisions on numerous occasions and has provided valuable input.

**WHEREAS,** the Planning Commission held a public hearing on July 8, 2021 after meeting the public hearing notice requirement of the MMC.

**WHEREAS,** after the public hearing, the Planning Commission considered the ordinance and public input and forwarded a positive recommendation to the City Council on July 8, 2021.

**NOW, THEREFORE BE IT ORDAINED** that the Moab City Council hereby approves Text Amendments to the MMC as follows:

Section 1: Add the following definitions to 17.06 Definitions

BREWPUB: A restaurant type establishment that also contains a small brewery, where the product is brewed primarily for sale in the associated restaurant. Brewpubs may package their product in kegs, bottles or cans for on site or off site distribution. The alcohol to food sales revenue ratio for a brewpub shall comply with the requirements of chapter 6 (Specific Retail License Act) of title 32B (Utah Alcoholic Beverage Control Act) of the Utah Code, or its successor.

BREWERY: A business establishment that manufactures more than fifteen thousand (15,000) barrels of beer, heavy beer, or malt liquor as otherwise defined and regulated in title 32B, Utah code, as amended.

MICROBREWERY: A brewery that produces less than fifteen thousand (15,000) barrels of beer, heavy beer, or malt liquor annually and occupies less than ten thousand (10,000) square feet in gross floor area and may include a taproom in which guests/customers may sample the product.

DISTILLERY shall mean a facility that produces no more than fifteen thousand (15,000) gallons per year of spirituous beverages on site and shall include a tasting room in which guests/customers may sample the product.

Section 2. Add Brewpubs as permitted uses in 17.21.020 C-2 Commercial-Residential, 17.24.020 C-3 Central Commercial, 17.27.020 C-4 General Commercial and 17.31.020 RC Resort Commercial Zones.

<u>Section 3:</u> <u>Add microbreweries and Distilleries</u> as a permitted use to 17.27.020 C-4 General Commercial Zone and 17.36.020 I Industrial Zone.

Section 4: Add Breweries as a permitted uses to 17.36.020 I Industrial Zone.

**PASSED** by the City Council in a public meeting on \_\_\_\_\_ by the following vote:

#### MOAB CITY COUNCIL:

Those voting aye:\_\_\_\_\_

Those voting nay:\_\_\_\_\_

Those abstaining: \_\_\_\_\_\_

Those absent:\_\_\_\_\_

Emily Niehaus, Mayor

## ATTEST:

Sommar Johnson, Clerk/Recorder

### Moab Planning Commission Agenda Item Meeting Date: July 8, 2021 Work Session on Amendments to Section 17.70 Accessory Dwelling Units (ADUs)

Staff Presenter:	Nora Shepard, Planning Director
	Cory Shurtleff, Assistant Planner
Applicant:	City Initiated Code Amendments

### Attachment(s):

Exhibit A: Summary of potential ADU Amendments required in HB 82 Exhibit B: Moab Municipal Code (MMC) Chapter 17.70 Exhibit C: HB 82 as adopted

#### Background:

The reasons for the City initiating changes to the ADU section of the MMC are two-fold. The Utah State Legislature recently passed HB 82 Single Family Housing Modifications. This legislation addresses zoning and building provisions relating to Internal ADUs. A copy of HB82 is attached (Exhibit C) for your use. The other reason is that it is time we review our current code language and recommend changes to further remove regulatory barriers.

#### HB 82

As mentioned above, the State Legislature adopted HB 82 addressing zoning and building provisions for "Internal ADUs." Amendments must be made to the MMC to be consistent with this legislation. Attached as Exhibit A is a summary of the necessary changes. The legislation does not address separate or exterior ADUs.

In Summary, HB 82

- modifies and defines terms applicable to municipal and county land use development and management;
- allows a municipality or county to punish an individual who lists or offers a certain licensed or permitted accessory dwelling unit as a short-term rental;
- allows municipalities and counties to require specified physical changes to certain accessory dwelling units;
- in any single-family residential land use zone:
  - ✓ requires municipalities and counties to classify certain accessory dwelling units as a permitted land use; and
  - ✓ prohibits municipalities and counties from establishing restrictions or requirements for certain accessory dwelling units with limited exceptions;
- allows a municipality or county to hold a lien against real property containing certain accessory dwelling units in certain circumstances;

- provides for statewide amendments to the International Residential Code related to accessory dwelling units;
- requires the executive director of the Olene Walker Housing Loan Fund to establish a two-year pilot program to provide loan guarantees for certain loans related to accessory dwelling units;
- prevents a homeowners association from prohibiting the construction or rental of certain accessory dwelling units; and
- makes technical and conforming changes.

### **Revisions/Updates to Further Remove Regulatory Barriers**

In 2018, the MMC was amended to better regulate ADUs. This effort was one piece of an on-going effort to encourage employee housing and to remove regulatory barriers to building employee housing. The current regulations allow ADUs as a permitted use (requiring only a building permit) in the R-2, R-3, R-4 and RA-1 Zones. There are standards and criteria that apply to ADUs. The Code Section is attached as Exhibit B. It has been a few years since these provisions have been adopted and it is appropriate to reevaluate them based the experience over the last 3 years. The most significant barriers relate to external ADUs include 1) adhering to the underlying zone required setbacks; and 2) adhering to the 20 ft maximum building height for ADUs over existing garages.

ADU Code Provisions that the City may want to consider amending include:

#### 17.70.020 General Standards

- The front yard setback for an ADU shall be at least equal to the plane of the front wall of the principal structure should we consider eliminating this and allow ADUs in the front yard, as long as they meet the code required setback?
- An accessory dwelling may be constructed above a garage and consist of the same floor area; provided, that it shall not protrude beyond any ground floor wall and shall not consist of more than one story above the ground floor. The overall structure shall not exceed twenty feet in height. Should the allowable height be more than 20 feet? It is difficult to have a garage and an ADU above and meet the building height of 20 feet and conform to the pitched roof standard.

### 17.70.030 Criteria for Review

- Size the new state law does not allow us to regulate the size of an internal ADU. Do we want to maintain a maximum square footage for external ADUs? Right now, the max is 1000 sf.
- No more than 1 ADU per lot Do we want to consider more than 1 ADU per lot if the lot is of a certain minimum size?
- Deed Restriction the current restriction prohibits the use of an ADU as a nightly rental. That provision should be maintained. *Do we want to add an owner occupation requirement and/or no subdivision of land for an ADU?*

#### Setbacks

The code requires setbacks consistent with the underlying zoning. Should we consider reduced side and rear setbacks?

#### **Discussion Items**

At the work session, the staff will briefly go over the required changes to our code because of HB82. The staff also hoped to get feedback on changes to our existing code to further remove regulatory barriers.

### 6.29.2021 ADU Land Use Code changes necessary due to HB 82

### Utah League of Cities and Town's advice:

By October 1, 2021, a municipality should review those zones that are primarily residential and adopt an ordinance permitting IADUs if they are not permitted already. However, if the municipality chooses to, the municipality should also identify a zoning district covering, as applicable, an area equivalent to 25% or less, or 67% or less, of the total area in the municipality that is zoned primarily residential and exclude IADUs in those areas. The IADU ordinance should also adopt any restrictions that the municipality finds necessary and appropriate under HB 82. A municipality should also amend an ordinance setting a single-family limit based on whether individuals are related to each other and note the changes in the building code for IADUs.

## Code Changes Necessary:

**Definitions** 

- Add "Internal ADU" to the definitions as follows:
  - "Internal accessory dwelling unit" means an accessory dwelling unit created:
    - (i) within a primary dwelling;
    - (ii) within the footprint of the primary dwelling and

(iii) for the purpose of offering a long-term rental of 30 consecutive days or longer.

• Add "Primary Dwelling

"Primary dwelling" means a single-family dwelling that:

- (i) is detached; and
- (ii) is occupied as the primary residence of the owner of record.
- Add "Rental dwelling:
  - "rental dwelling" means a building or portion of a building that is:
  - (a) used or designated for use as a residence by one or more persons; and

(i) is available to be rented, loaned, leased, or hired out for a period of one month or longer; or

(ii) is arranged, designed, or built to be rented, loaned, leased, or hired out for a period of one month or longer.

## • Add "Primary Dwelling"

"Primary dwelling" means a single family that:

- i. Is detached; and
- ii. Is occupied as the primary residence of the owner of record.

ADU code changes

- In areas zoned primarily for residential use (a determination up to the municipality), IADUs are permitted uses. However, a municipality may prohibit IADUs in 25% or less of the total area in the municipality zoned for primarily residential
- A municipality may not establish restrictions on the construction or use of an IADU, including IADU size within the primary dwelling, total lot size, or street frontage.
- HB 82 allows a municipality to adopt the following IADU restrictions and requirements:
  - i. require bedroom window egress, prohibit installation of a separate utility meter
  - ii. require that the IADU design not change the appearance of the primary dwelling,
- iii. require one additional on-site parking space and replace any garage or carport parking spaces if the IADU is created in the garage or carport,
- iv. prohibit an IADU in a mobile home,
- v. require an IADU permit or license,
- vi. prohibit an IADU if the primary dwelling is served by a failing septic tank,
- vii. prohibit an IADU if the lot is 6,000 sq. ft. or less,
- viii. prohibit the renting of the IADU for less than 30 consecutive days, and
- ix. prohibit renting an IADU that is not in an owner-occupied primary dwelling.
- x. Hold a lien against a property that contains an internal accessory dwelling unit if the owner of the property violates any of the provisions of State Code or Local Codes
- A municipality that issues, on or after October 1, 2021, a permit or license to an owner of a primary dwelling to rent an internal accessory dwelling unit, or a building permit to an owner of a primary dwelling to create an internal accessory dwelling unit, may record a notice in the office of the recorder of the county in which the primary dwelling is located.
  - i. The notice shall include: a description of the primary dwelling; a statement that the primary dwelling contains an internal accessory dwelling unit; and a statement that the internal accessory dwelling unit may only be used in accordance with the municipality's land use regulations.
  - ii. The municipality shall, upon recording the notice deliver a copy of the notice to the owner of the internal accessory dwelling unit.
- Add a process for violations
  - i. The municipality provides a written notice of violation
  - ii. The municipality holds a hearing and determines that the violation has occurred
  - iii. If the owner files a written objection

- iv. The owner fails to cure the violation within the time period prescribed
- v. The municipality records a copy of the written notice of lien with the county recorder
- vi. The written notice of violation shall
  - ✓ Describe the specific violation
  - ✓ Provide the owner of the internal accessory dwelling unit a reasonable opportunity to cure the violation no less than 14 days after the day on which the municipality notice of violation, if the violation results from the owner renting or offering to rent the internal accessory dwelling unit for a period of less than 30 consecutive days
  - ✓ State that if the owner of the property fails to cure the violation within the time period, the municipality may hold a lien against the property in an amount of up to \$100 for each day of violation after the day on which the opportunity to cure the violation expires
  - ✓ Notify the owner of the property that the owner may file a written objection to the violation within 14 days after the day on which the written notice of violation is post-marked or posted on the property; and of the name and address of the municipal office where the owner may file the written objection to be mailed to the property's owner of record; any other individuals designated to receive notice in the owner's license or permit records.
  - ✓ Posted on the property
- vii. The written notice of lien shall state that the property is subject to a lien, specify the lien amount, in an amount of up to \$100 for each day of violation after the day on which the property's owner of record; and any other individual designated to receive notice in the owner's license or permit record and be posted on the property.
- viii. If an owner of property files a written objection in accordance with Subsection the municipality shall:
  - ✓ hold a hearing in accordance with Title 52, Chapter 4, Open and Public Meetings Act, to conduct a review and determine whether the specific violation described in the written notice of violation under has occurred; and
  - ✓ notify the owner in writing of the date, time, and location of the hearing. The hearing notice shall be send no less than 14 days before the day on which the hearing is held.
- ix. If an owner of property files a written objection a municipality may not record a lien until the municipality holds a hearing and determines that the specific violation has occurred.
- x. If the municipality determines at the hearing that the specific violation has occurred, the municipality may impose a lien in an amount of up to \$100 for each day of violation after the day on which the opportunity to cure the violation expires, regardless of whether the hearing is held after the day on which the opportunity to cure the violation has expired.

xi. If an owner cures a violation within the time period prescribed in the written notice of violation the municipality may not hold a lien against the property, or impose any penalty or fee on the owner, in relation to the specific violation described in the written notice of violation.

## **Chapter 17.70**

# ACCESSORY DWELLING UNIT (ADU)<sup>1</sup>

Sections:

- 17.70.010 Purpose.
- 17.70.020 General standards.
- 17.70.030 Criteria for approval.
- 17.70.040 Enforcement--Revocation of permit.

## 17.70.010 Purpose.

Accessory dwelling units are encouraged as dwellings for persons to increase affordable housing opportunities in the R-2, R-3, R-4, and RA-1 residential zones. They shall be allowed in the R-1 zone on lots sufficient in size to allow further subdivision. (Ord. 18-20 (part), 2018; Ord. 18-01 (part), 2018; Ord. 12-05 (part), 2012. Formerly 17.69.010)

## 17.70.020 General standards.

The following provisions are intended to facilitate accessory dwellings while minimizing land use conflicts and environmental degradation:

A. Accessory dwellings shall not occupy more than twenty-five percent of any rear or side yard.

B. The front yard setback for an accessory dwelling shall be at least equal to the plane of the front wall of the principal structure and/or adhere to the required setbacks of the underlying zone.

1. *Exception.* Where pre-existing structures meet the development standards of this chapter, the original structure may be designated as the accessory dwelling.

C. Any request for accessory living quarters within residential zones shall be reviewed for compliance with the standards in this chapter and approved by city staff. A letter of compliance shall be issued to the applicant by the Zoning Administrator prior to issuance of a building permit.

D. An accessory dwelling shall not be constructed prior to the principal structure.

E. An accessory dwelling may be constructed above a garage and consist of the same floor area; provided, that it shall not protrude beyond any ground floor wall and shall not consist of more than one story above the ground floor. The overall structure shall not exceed twenty feet in height. (Ord. 18-20 (part), 2018; Ord. 18-01 (part), 2018; Ord. 12-05 (part), 2012. Formerly 17.69.020)

## 17.70.030 Criteria for approval.

The following criteria must be established prior to building permit issuance:

A. *Size.* The maximum size for accessory living quarters shall be no more than one thousand square feet with no more than three bedrooms.

B. *Parking.* One on-site parking space shall be provided in addition to the underlying parking requirement. The parking space may be provided in tandem if the existing driveway length exceeds thirty-five feet as measured from the property line.

C. Accessory Dwellings Per Lot. No more than one accessory dwelling may be located on a lot.

D. Property to Remain Undivided. Properties with accessory dwelling permits shall remain recorded as one lot.

E. *Subdivision of Property.* The accessory dwelling shall not be sold separately unless the accessory dwelling occupies an area of adequate size to meet the lot area and all other requirements of the zone.

F. Deed Restriction. A deed restriction must be filed with the county recorder which states:

"A permit for an accessory dwelling was issued to \_\_\_\_\_, the current owner of this property on \_\_\_\_\_. The owner shall strictly adhere to the prohibition of the use of the accessory dwelling as nightly or shortterm rental."

G. *Nightly Rentals.* Accessory dwellings are intended for long-term rental of six consecutive months or more, to the same individual, and may not be used for nightly rentals. (Ord. 18-20 (part), 2018; Ord. 18-01 (part), 2018; Ord. 12-05 (part), 2012. Formerly 17.69.030)

## 17.70.040 Enforcement--Revocation of permit.

The Zoning Administrator may revoke the accessory dwelling permit for noncompliance with the criteria of this chapter. The permittee may appeal the determination to the appeal authority, which will evaluate the Zoning Administrator's determination of noncompliance and decide if the permit revocation should occur. (Ord. 18-20 (part), 2018; Ord. 18-01 (part), 2018; Ord. 12-05 (part), 2012. Formerly 17.69.040)

**1** The ADU shall be permitted as an accessory dwelling unit added to, created within, or detached from the original dwelling. The ADU shall be oriented in a way that maintains, to the extent practical, the privacy of residents in adjoining dwellings.

**Editor's note:** Ord. No. <u>10-13</u>, adopted September 14, 2010, repealed Chapter 17.70, 17.70.010--17.70.090, which pertained to bed and breakfast facilities and derived from Ord. No. <u>90-06</u>; Ord. No. <u>95-01</u>; Ord. No. <u>99-12</u>;

Ord. No. <u>00-02</u>, 2000 and Ord. No. <u>06-13</u>, 2006. Ord. No. <u>18-20</u>, adopted November 13, 2018, renumbered Chapter 17.69 as Chapter 17.70.

#### The Moab Municipal Code is current through Ordinance 21-10, passed April 27, 2021.

Disclaimer: The City Recorder's Office has the official version of the Moab Municipal Code. Users should contact the City Recorder's Office for ordinances passed subsequent to the ordinance cited above.

**Note:** This site does not support Internet Explorer. To view this site, Code Publishing Company recommends using one of the following browsers: Google Chrome, Firefox, or Safari.

<u>City Website: moabcity.org</u> City Telephone: (435) 259-5121 <u>Code Publishing Company</u>

1	SINGLE-FAMILY HOUSING MODIFICATIONS
2	2021 GENERAL SESSION
3	STATE OF UTAH
4	<b>Chief Sponsor: Raymond P. Ward</b>
5	Senate Sponsor: Jacob L. Anderegg
6 7	LONG TITLE
8	General Description:
9	This bill modifies provisions related to single-family housing.
10	Highlighted Provisions:
11	This bill:
12	<ul> <li>modifies and defines terms applicable to municipal and county land use</li> </ul>
13	development and management;
14	<ul> <li>allows a municipality or county to punish an individual who lists or offers a certain</li> </ul>
15	licensed or permitted accessory dwelling unit as a short-term rental;
16	<ul> <li>allows municipalities and counties to require specified physical changes to certain</li> </ul>
17	accessory dwelling units;
18	<ul> <li>in any single-family residential land use zone:</li> </ul>
19	• requires municipalities and counties to classify certain accessory dwelling units
20	as a permitted land use; and
21	• prohibits municipalities and counties from establishing restrictions or
22	requirements for certain accessory dwelling units with limited exceptions;
23	<ul> <li>allows a municipality or county to hold a lien against real property containing</li> </ul>
24	certain accessory dwelling units in certain circumstances;
25	<ul> <li>provides for statewide amendments to the International Residential Code related to</li> </ul>
26	accessory dwelling units;
27	<ul> <li>requires the executive director of the Olene Walker Housing Loan Fund to establish</li> </ul>
28	a two-year pilot program to provide loan guarantees for certain loans related to
29	accessory dwelling units;

## H.B. 82

30	<ul> <li>prevents a homeowners association from prohibiting the construction or rental of</li> </ul>
31	certain accessory dwelling units; and
32	<ul> <li>makes technical and conforming changes.</li> </ul>
33	Money Appropriated in this Bill:
34	None
35	Other Special Clauses:
36	This bill provides a special effective date.
37	Utah Code Sections Affected:
38	AMENDS:
39	10-8-85.4, as enacted by Laws of Utah 2017, Chapter 335
40	10-9a-505.5, as last amended by Laws of Utah 2012, Chapter 172
41	10-9a-511.5, as enacted by Laws of Utah 2015, Chapter 205
42	15A-3-202, as last amended by Laws of Utah 2020, Chapter 441
43	15A-3-204, as last amended by Laws of Utah 2016, Chapter 249
44	15A-3-206, as last amended by Laws of Utah 2018, Chapter 186
45	17-27a-505.5, as last amended by Laws of Utah 2015, Chapter 465
46	17-27a-510.5, as enacted by Laws of Utah 2015, Chapter 205
47	17-50-338, as enacted by Laws of Utah 2017, Chapter 335
48	35A-8-505, as last amended by Laws of Utah 2020, Chapter 241
49	57-8a-209, as last amended by Laws of Utah 2018, Chapter 395
50	57-8a-218, as last amended by Laws of Utah 2017, Chapter 131
51	ENACTS:
52	10-9a-530, Utah Code Annotated 1953
53	17-27a-526, Utah Code Annotated 1953
54	35A-8-504.5, Utah Code Annotated 1953
55	
56	Be it enacted by the Legislature of the state of Utah:
57	Section 1. Section <b>10-8-85.4</b> is amended to read:

- 2 -

58	10-8-85.4. Ordinances regarding short-term rentals Prohibition on ordinances
59	restricting speech on short-term rental websites.
60	(1) As used in this section:
61	(a) "Internal accessory dwelling unit" means the same as that term is defined in Section
62	<u>10-9a-511.5.</u>
63	[(a)] (b) "Residential unit" means a residential structure or any portion of a residential
64	structure that is occupied as a residence.
65	[(b)] (c) "Short-term rental" means a residential unit or any portion of a residential unit
66	that the owner of record or the lessee of the residential unit offers for occupancy for fewer than
67	30 consecutive days.
68	[(c)] (d) "Short-term rental website" means a website that:
69	(i) allows a person to offer a short-term rental to one or more prospective renters; and
70	(ii) facilitates the renting of, and payment for, a short-term rental.
71	(2) Notwithstanding Section 10-9a-501 or Subsection 10-9a-503(1), a legislative body
72	may not:
73	(a) enact or enforce an ordinance that prohibits an individual from listing or offering a
74	short-term rental on a short-term rental website; or
75	(b) use an ordinance that prohibits the act of renting a short-term rental to fine, charge,
76	prosecute, or otherwise punish an individual solely for the act of listing or offering a short-term
77	rental on a short-term rental website.
78	(3) Subsection (2) does not apply to an individual who lists or offers an internal
79	accessory dwelling unit as a short-term rental on a short-term rental website if the municipality
80	records a notice for the internal accessory dwelling unit under Subsection 10-9a-530(6).
81	Section 2. Section 10-9a-505.5 is amended to read:
82	10-9a-505.5. Limit on single family designation.
83	(1) As used in this section, "single-family limit" means the number of [unrelated]
84	individuals allowed to occupy each residential unit that is recognized by a land use authority in
85	a zone permitting occupancy by a single family.

86	(2) A municipality may not adopt a single-family limit that is less than:
87	(a) three, if the municipality has within its boundary:
88	(i) a state university; or
89	(ii) a private university with a student population of at least 20,000; or
90	(b) four, for each other municipality.
91	Section 3. Section <b>10-9a-511.5</b> is amended to read:
92	10-9a-511.5. Changes to dwellings Egress windows.
93	(1) [For purposes of] As used in this section[, "rental]:
94	(a) "Internal accessory dwelling unit" means an accessory dwelling unit created:
95	(i) within a primary dwelling;
96	(ii) within the footprint of the primary dwelling described in Subsection (1)(a)(i) at the
97	time the internal accessory dwelling unit is created; and
98	(iii) for the purpose of offering a long-term rental of 30 consecutive days or longer.
99	(b) "Primary dwelling" means a single-family dwelling that:
100	(i) is detached; and
101	(ii) is occupied as the primary residence of the owner of record.
102	(c) "Rental dwelling" means the same as that term is defined in Section $10-8-85.5$ .
103	(2) A municipal ordinance adopted under Section 10-1-203.5 may not:
104	(a) require physical changes in a structure with a legal nonconforming rental dwelling
105	use unless the change is for:
106	(i) the reasonable installation of:
107	(A) a smoke detector that is plugged in or battery operated;
108	(B) a ground fault circuit interrupter protected outlet on existing wiring;
109	(C) street addressing;
110	(D) except as provided in Subsection (3), an egress bedroom window if the existing
111	bedroom window is smaller than that required by current State Construction Code;
112	(E) an electrical system or a plumbing system, if the existing system is not functioning
113	or is unsafe as determined by an independent electrical or plumbing professional who is

114	licensed in accordance with Title 58, Occupations and Professions;
115	(F) hand or guard rails; or
116	(G) occupancy separation doors as required by the International Residential Code; or
117	(ii) the abatement of a structure; or
118	(b) be enforced to terminate a legal nonconforming rental dwelling use.
119	(3) (a) A municipality may not require physical changes to install an egress or
120	emergency escape window in an existing bedroom that complied with the State Construction
121	Code in effect at the time the bedroom was finished if:
122	$\left[\frac{(a)}{(a)}\right]$ the dwelling is an owner-occupied dwelling or a rental dwelling that is:
123	[(i)] (A) a detached one-, two-, three-, or four-family dwelling; or
124	[(ii)] (B) a town home that is not more than three stories above grade with a separate
125	means of egress; and
126	[(b)(i)](i)(A) the window in the existing bedroom is smaller than that required by
127	current State Construction Code; and
128	[(ii)] (B) the change would compromise the structural integrity of the structure or could
129	not be completed in accordance with current State Construction Code, including set-back and
130	window well requirements.
131	(b) Subsection (3)(a) does not apply to an internal accessory dwelling unit.
132	(4) Nothing in this section prohibits a municipality from:
133	(a) regulating the style of window that is required or allowed in a bedroom;
134	(b) requiring that a window in an existing bedroom be fully openable if the openable
135	area is less than required by current State Construction Code; or
136	(c) requiring that an existing window not be reduced in size if the openable area is
137	smaller than required by current State Construction Code.
138	Section 4. Section <b>10-9a-530</b> is enacted to read:
139	<u>10-9a-530.</u> Internal accessory dwelling units.
140	(1) As used in this section:
141	(a) "Internal accessory dwelling unit" means an accessory dwelling unit created:

142	(i) within a primary dwelling;
143	(ii) within the footprint of the primary dwelling described in Subsection (1)(a)(i) at the
144	time the internal accessory dwelling unit is created; and
145	(iii) for the purpose of offering a long-term rental of 30 consecutive days or longer.
146	(b) "Primary dwelling" means a single-family dwelling that:
147	(i) is detached; and
148	(ii) is occupied as the primary residence of the owner of record.
149	(2) In any area zoned primarily for residential use:
150	(a) the use of an internal accessory dwelling unit is a permitted use; and
151	(b) except as provided in Subsections (3) and (4), a municipality may not establish any
152	restrictions or requirements for the construction or use of one internal accessory dwelling unit
153	within a primary dwelling, including a restriction or requirement governing:
154	(i) the size of the internal accessory dwelling unit in relation to the primary dwelling;
155	(ii) total lot size; or
156	(iii) street frontage.
157	(3) An internal accessory dwelling unit shall comply with all applicable building,
158	health, and fire codes.
159	(4) A municipality may:
160	(a) prohibit the installation of a separate utility meter for an internal accessory dwelling
161	<u>unit;</u>
162	(b) require that an internal accessory dwelling unit be designed in a manner that does
163	not change the appearance of the primary dwelling as a single-family dwelling;
164	(c) require a primary dwelling:
165	(i) to include one additional on-site parking space for an internal accessory dwelling
166	unit, regardless of whether the primary dwelling is existing or new construction; and
167	(ii) to replace any parking spaces contained within a garage or carport if an internal
168	accessory dwelling unit is created within the garage or carport;
169	(d) prohibit the creation of an internal accessory dwelling unit within a mobile home as

170	defined in Section 57-16-3;
171	(e) require the owner of a primary dwelling to obtain a permit or license for renting an
172	internal accessory dwelling unit;
173	(f) prohibit the creation of an internal accessory dwelling unit within a zoning district
174	covering an area that is equivalent to:
175	(i) 25% or less of the total area in the municipality that is zoned primarily for
176	residential use; or
177	(ii) 67% or less of the total area in the municipality that is zoned primarily for
178	residential use, if the main campus of a state or private university with a student population of
179	10,000 or more is located within the municipality;
180	(g) prohibit the creation of an internal accessory dwelling unit if the primary dwelling
181	is served by a failing septic tank;
182	(h) prohibit the creation of an internal accessory dwelling unit if the lot containing the
183	primary dwelling is 6,000 square feet or less in size;
184	(i) prohibit the rental or offering the rental of an internal accessory dwelling unit for a
185	period of less than 30 consecutive days;
186	(j) prohibit the rental of an internal accessory dwelling unit if the internal accessory
187	dwelling unit is located in a dwelling that is not occupied as the owner's primary residence;
188	(k) hold a lien against a property that contains an internal accessory dwelling unit in
189	accordance with Subsection (5); and
190	(1) record a notice for an internal accessory dwelling unit in accordance with
191	Subsection (6).
192	(5) (a) In addition to any other legal or equitable remedies available to a municipality, a
193	municipality may hold a lien against a property that contains an internal accessory dwelling
194	<u>unit if:</u>
195	(i) the owner of the property violates any of the provisions of this section or any
196	ordinance adopted under Subsection (4);
197	(ii) the municipality provides a written notice of violation in accordance with

198	Subsection (5)(b);
199	(iii) the municipality holds a hearing and determines that the violation has occurred in
200	accordance with Subsection (5)(d), if the owner files a written objection in accordance with
201	Subsection (5)(b)(iv);
202	(iv) the owner fails to cure the violation within the time period prescribed in the
203	written notice of violation under Subsection (5)(b);
204	(v) the municipality provides a written notice of lien in accordance with Subsection
205	<u>(5)(c); and</u>
206	(vi) the municipality records a copy of the written notice of lien described in
207	Subsection (5)(a)(iv) with the county recorder of the county in which the property is located.
208	(b) The written notice of violation shall:
209	(i) describe the specific violation;
210	(ii) provide the owner of the internal accessory dwelling unit a reasonable opportunity
211	to cure the violation that is:
212	(A) no less than 14 days after the day on which the municipality sends the written
213	notice of violation, if the violation results from the owner renting or offering to rent the internal
214	accessory dwelling unit for a period of less than 30 consecutive days; or
215	(B) no less than 30 days after the day on which the municipality sends the written
216	notice of violation, for any other violation;
217	(iii) state that if the owner of the property fails to cure the violation within the time
218	period described in Subsection (5)(b)(ii), the municipality may hold a lien against the property
219	in an amount of up to \$100 for each day of violation after the day on which the opportunity to
220	cure the violation expires;
221	(iv) notify the owner of the property:
222	(A) that the owner may file a written objection to the violation within 14 days after the
223	day on which the written notice of violation is post-marked or posted on the property; and
224	(B) of the name and address of the municipal office where the owner may file the
225	written objection;

226	(v) be mailed to:
227	(A) the property's owner of record; and
228	(B) any other individual designated to receive notice in the owner's license or permit
229	records; and
230	(vi) be posted on the property.
231	(c) The written notice of lien shall:
232	(i) comply with the requirements of Section <u>38-12-102</u> ;
233	(ii) state that the property is subject to a lien;
234	(iii) specify the lien amount, in an amount of up to \$100 for each day of violation after
235	the day on which the opportunity to cure the violation expires;
236	(iv) be mailed to:
237	(A) the property's owner of record; and
238	(B) any other individual designated to receive notice in the owner's license or permit
239	records; and
240	(v) be posted on the property.
241	(d) (i) If an owner of property files a written objection in accordance with Subsection
242	(5)(b)(iv), the municipality shall:
243	(A) hold a hearing in accordance with Title 52, Chapter 4, Open and Public Meetings
244	Act, to conduct a review and determine whether the specific violation described in the written
245	notice of violation under Subsection (5)(b) has occurred; and
246	(B) notify the owner in writing of the date, time, and location of the hearing described
247	in Subsection (5)(d)(i)(A) no less than 14 days before the day on which the hearing is held.
248	(ii) If an owner of property files a written objection under Subsection (5)(b)(iv), a
249	municipality may not record a lien under this Subsection (5) until the municipality holds a
250	hearing and determines that the specific violation has occurred.
251	(iii) If the municipality determines at the hearing that the specific violation has
252	occurred, the municipality may impose a lien in an amount of up to \$100 for each day of
253	violation after the day on which the opportunity to cure the violation expires regardless of

253 violation after the day on which the opportunity to cure the violation expires, regardless of

254	whether the hearing is held after the day on which the opportunity to cure the violation has
255	expired.
256	(e) If an owner cures a violation within the time period prescribed in the written notice
257	of violation under Subsection (5)(b), the municipality may not hold a lien against the property,
258	or impose any penalty or fee on the owner, in relation to the specific violation described in the
259	written notice of violation under Subsection (5)(b).
260	(6) (a) A municipality that issues, on or after October 1, 2021, a permit or license to an
261	owner of a primary dwelling to rent an internal accessory dwelling unit, or a building permit to
262	an owner of a primary dwelling to create an internal accessory dwelling unit, may record a
263	notice in the office of the recorder of the county in which the primary dwelling is located.
264	(b) The notice described in Subsection (6)(a) shall include:
265	(i) a description of the primary dwelling;
266	(ii) a statement that the primary dwelling contains an internal accessory dwelling unit;
267	and
268	(iii) a statement that the internal accessory dwelling unit may only be used in
269	accordance with the municipality's land use regulations.
270	(c) The municipality shall, upon recording the notice described in Subsection (6)(a),
271	deliver a copy of the notice to the owner of the internal accessory dwelling unit.
272	Section 5. Section <b>15A-3-202</b> is amended to read:
273	15A-3-202. Amendments to Chapters 1 through 5 of IRC.
274	(1) In IRC, Section R102, a new Section R102.7.2 is added as follows: "R102.7.2
275	Physical change for bedroom window egress. A structure whose egress window in an existing
276	bedroom is smaller than required by this code, and that complied with the construction code in
277	effect at the time that the bedroom was finished, is not required to undergo a physical change to
278	conform to this code if the change would compromise the structural integrity of the structure or
279	could not be completed in accordance with other applicable requirements of this code,
280	including setback and window well requirements."
281	(2) In IRC, Section R108.3, the following sentence is added at the end of the section:

H.B. 82

282 "The building official shall not request proprietary information."

283 (3) In IRC, Section 109:

(a) A new IRC, Section 109.1.5, is added as follows: "R109.1.5 Weather-resistant
exterior wall envelope inspections. An inspection shall be made of the weather-resistant
exterior wall envelope as required by Section R703.1 and flashings as required by Section
R703.8 to prevent water from entering the weather-resistive barrier."

(b) The remaining sections are renumbered as follows: R109.1.6 Other inspections;
R109.1.6.1 Fire- and smoke-resistance-rated construction inspection; R109.1.6.2 Reinforced
masonry, insulating concrete form (ICF) and conventionally formed concrete wall inspection;
and R109.1.7 Final inspection.

(4) IRC, Section R114.1, is deleted and replaced with the following: "R114.1 Notice to
owner. Upon notice from the building official that work on any building or structure is being
prosecuted contrary to the provisions of this code or other pertinent laws or ordinances or in an
unsafe and dangerous manner, such work shall be immediately stopped. The stop work order
shall be in writing and shall be given to the owner of the property involved, or to the owner's
agent or to the person doing the work; and shall state the conditions under which work will be
permitted to resume."

299 (5) In IRC, Section R202, the following definition is added: "ACCESSORY

300 DWELLING UNIT: A habitable living unit created within the existing footprint of a primary
 301 owner-occupied single-family dwelling."

302 [(5)] (6) In IRC, Section R202, the following definition is added: "CERTIFIED
 303 BACKFLOW PREVENTER ASSEMBLY TESTER: A person who has shown competence to
 304 test Backflow prevention assemblies to the satisfaction of the authority having jurisdiction
 305 under Utah Code, Subsection 19-4-104(4)."

306 [(6)] (7) In IRC, Section R202, the definition of "Cross Connection" is deleted and
 307 replaced with the following: "CROSS CONNECTION. Any physical connection or potential
 308 connection or arrangement between two otherwise separate piping systems, one of which
 309 contains potable water and the other either water of unknown or questionable safety or steam,

### H.B. 82

310 gas, or chemical, whereby there exists the possibility for flow from one system to the other,

- 311 with the direction of flow depending on the pressure differential between the two systems (see
- 312 "Backflow, Water Distribution")."

313 [(7)] (8) In IRC, Section 202, in the definition for gray water a comma is inserted after 314 the word "washers"; the word "and" is deleted; and the following is added to the end: "and 315 clear water wastes which have a pH of 6.0 to 9.0; are non-flammable; non-combustible; 316 without objectionable odors; non-highly pigmented; and will not interfere with the operation of 317 the sewer treatment facility."

318 [(8)] (9) In IRC, Section R202, the definition of "Potable Water" is deleted and
319 replaced with the following: "POTABLE WATER. Water free from impurities present in
320 amounts sufficient to cause disease or harmful physiological effects and conforming to the
321 Utah Code, Title 19, Chapter 4, Safe Drinking Water Act, and Title 19, Chapter 5, Water
322 Quality Act, and the regulations of the public health authority having jurisdiction."

#### 323

	"TABLE R301.2(5)		
GROUN	GROUND SNOW LOADS FOR SELECTED LOCATIONS IN UTAH		
City/Town	County	Ground Snow Load (lb/ft2)	Elevation (ft)
Beaver	Beaver	35	5886
Brigham City	Box Elder	42	4423
Castle Dale	Emery	32	5669
Coalville	Summit	57	5581
Duchesne	Duchesne	39	5508
Farmington	Davis	35	4318
Fillmore	Millard	30	5138
Heber City	Wasatch	60	5604
Junction	Piute	27	6030
Kanab	Kane	25	4964

[(9)] (10) IRC, Figure R301.2(5), is deleted and replaced with R301.2(5) as follows:

337	Loa	Wayne	37	7060
338	Logan	Cache	43	4531
339	Manila	Daggett	26	6368
340	Manti	Sanpete	37	5620
341	Moab	Grand	21	4029
342	Monticello	San Juan	67	7064
343	Morgan	Morgan	52	5062
344	Nephi	Juab	39	5131
345	Ogden	Weber	37	4334
346	Panguitch	Garfield	41	6630
347	Parowan	Iron	32	6007
348	Price	Carbon	31	5558
349	Provo	Utah	31	4541
350	Randolph	Rich	50	6286
351	Richfield	Sevier	27	5338
352	St. George	Washington	21	2585
353	Salt Lake City	Salt Lake	28	4239
354	Tooele	Tooele	35	5029
355	Vernal	Uintah	39	5384

356

Note: To convert lb/ft2 to kN/m2, multiply by 0.0479. To convert feet to meters, multiply by 0.3048.

1. Statutory requirements of the Authority Having Jurisdiction are not included in this state ground snow load table.

For locations where there is substantial change in altitude over the city/town, the load applies at and below the cited elevation, with a tolerance of 100 ft (30 m).
 For other locations in Utah, see Bean, B., Maguire, M., Sun, Y. (2018), "The Utah Snow Load Study," Utah State University Civil and Environmental Engineering Faculty Publications, Paper 3589, http://utahsnowload.usu.edu/, for ground snow load values.

[(10)] (11) IRC, Section R301.6, is deleted and replaced with the following: "R301.6 357 358 Utah Snow Loads. The snow loads specified in Table R301.2(5b) shall be used for the 359 jurisdictions identified in that table. Otherwise, for other locations in Utah, see Bean, B., 360 Maguire, M., Sun, Y. (2018), "The Utah Snow Load Study," Utah State University Civil and 361 Environmental Engineering Faculty Publications, Paper 3589, http://utahsnowload.usu.edu/, for 362 ground snow load values." 363 [(11)] (12) In IRC, Section R302.2, the following sentence is added after the second 364 sentence: "When an access/maintenance agreement or easement is in place, plumbing, 365 mechanical ducting, schedule 40 steel gas pipe, and electric service conductors including 366 feeders, are permitted to penetrate the common wall at grade, above grade, or below grade." 367 (13) In IRC, Section R302.3, a new exception 3 is added as follows: "3. Accessory 368 dwelling units separated by walls or floor assemblies protected by not less than 1/2-inch (12.7 369 mm) gypsum board or equivalent on each side of the wall or bottom of the floor assembly are 370 exempt from the requirements of this section." 371 [(12)] (14) In IRC, Section R302.5.1, the words "self-closing device" are deleted and 372 replaced with "self-latching hardware."

373 [(13)] (15) IRC, Section R302.13, is deleted.

374 [(14)] (16) In IRC, Section R303.4, the number "5" is changed to "3" in the first
375 sentence.

- 376 (17) In IRC, Section R310.6, in the exception, the words "or accessory dwelling units" 377 are added after the words "sleeping rooms". [(15)] (18) IRC, Sections R311.7.4 through R311.7.5.3, are deleted and replaced with 378 379 the following: "R311.7.4 Stair treads and risers. R311.7.5.1 Riser height. The maximum riser height shall be 8 inches (203 mm). The riser shall be measured vertically between leading 380 381 edges of the adjacent treads. The greatest riser height within any flight of stairs shall not exceed the smallest by more than 3/8 inch (9.5 mm). 382 R311.7.5.2 Tread depth. The minimum tread depth shall be 9 inches (228 mm). The tread 383 384 depth shall be measured horizontally between the vertical planes of the foremost projection of 385 adjacent treads and at a right angle to the tread's leading edge. The greatest tread depth within any flight of stairs shall not exceed the smallest by more than 3/8 inch (9.5 mm). Winder 386 387 treads shall have a minimum tread depth of 10 inches (254 mm) measured as above at a point 388 12 inches (305 mm) from the side where the treads are narrower. Winder treads shall have a 389 minimum tread depth of 6 inches (152 mm) at any point. Within any flight of stairs, the 390 greatest winder tread depth at the 12-inch (305 mm) walk line shall not exceed the smallest by 391 more than 3/8 inch (9.5 mm). 392 R311.7.5.3 Profile. The radius of curvature at the leading edge of the tread shall be no greater 393 than 9/16 inch (14.3 mm). A nosing not less than 3/4 inch (19 mm) but not more than 1 1/4 394 inches (32 mm) shall be provided on stairways with solid risers. The greatest nosing projection 395 shall not exceed the smallest nosing projection by more than 3/8 inch (9.5 mm) between two 396 stories, including the nosing at the level of floors and landings. Beveling of nosing shall not 397 exceed 1/2 inch (12.7 mm). Risers shall be vertical or sloped from the underside of the leading 398 edge of the tread above at an angle not more than 30 degrees (0.51 rad) from the vertical. Open
  - risers are permitted, provided that the opening between treads does not permit the passage of a
  - 400 4-inch diameter (102 mm) sphere.

401 Exceptions.

- 402 1. A nosing is not required where the tread depth is a minimum of 10 inches (254 mm).
- 403 2. The opening between adjacent treads is not limited on stairs with a total rise of 30 inches

## H.B. 82

**Enrolled Copy** 

404	(762 mm) or less."
405	[(16)] (19) IRC, Section R312.2, is deleted.
406	[(17)] (20) IRC, Sections R313.1 through R313.2.1, are deleted and replaced with the
407	following: "R313.1 Design and installation. When installed, automatic residential fire
408	sprinkler systems for townhouses or one- and two-family dwellings shall be designed and
409	installed in accordance with Section P2904 or NFPA 13D."
410	(21) In IRC, Section R314.2.2, the words "or accessory dwelling units" are added after
411	the words "sleeping rooms".
412	(22) In IRC, Section R315.2.2, the words "or accessory dwelling units" are added after
413	the words "sleeping rooms".
414	[(18)] (23) In IRC, Section 315.3, the following words are added to the first sentence
415	after the word "installed": "on each level of the dwelling unit and."
416	[(19)] (24) In IRC, Section R315.5, a new exception, 3, is added as follows:
417	"3. Hard wiring of carbon monoxide alarms in existing areas shall not be required where the
418	alterations or repairs do not result in the removal of interior wall or ceiling finishes exposing
419	the structure, unless there is an attic, crawl space or basement available which could provide
420	access for hard wiring, without the removal of interior finishes."
421	[(20)] (25) A new IRC, Section R315.7, is added as follows: "R315.7 Interconnection.
422	Where more than one carbon monoxide alarm is required to be installed within an individual
423	dwelling unit in accordance with Section R315.1, the alarm devices shall be interconnected in
424	such a manner that the actuation of one alarm will activate all of the alarms in the individual
425	unit. Physical interconnection of smoke alarms shall not be required where listed wireless
426	alarms are installed and all alarms sound upon activation of one alarm.
427	Exception: Interconnection of carbon monoxide alarms in existing areas shall not be required
428	where alterations or repairs do not result in removal of interior wall or ceiling finishes exposing
429	the structure, unless there is an attic, crawl space or basement available which could provide
430	access for interconnection without the removal of interior finishes."
431	[(21)] (26) In IRC, Section R317.1.5, the period is deleted and the following language

432 is added to the end of the paragraph: "or treated with a moisture resistant coating."

433 [(22)] (27) In IRC, Section 326.1, the words "residential provisions of the" are added
434 after the words "pools and spas shall comply with".

[(23)] (28) In IRC, Section R403.1.6, a new Exception 3 is added as follows: "3.
When anchor bolt spacing does not exceed 32 inches (813 mm) apart, anchor bolts may be
placed with a minimum of two bolts per plate section located not less than 4 inches (102 mm)
from each end of each plate section at interior bearing walls, interior braced wall lines, and at
all exterior walls."

[(24)] (29) In IRC, Section R403.1.6.1, a new exception is added at the end of Item 2
and Item 3 as follows: "Exception: When anchor bolt spacing does not exceed 32 inches (816
mm) apart, anchor bolts may be placed with a minimum of two bolts per plate section located
not less than 4 inches (102 mm) from each end of each plate section at interior bearing walls,
interior braced wall lines, and at all exterior walls."

[(25)] (30) In IRC, Section R404.1, a new exception is added as follows: "Exception:
As an alternative to complying with Sections R404.1 through R404.1.5.3, concrete and
masonry foundation walls may be designed in accordance with IBC Sections 1807.1.5 and

448 1807.1.6 as amended in Section 1807.1.6.4 and Table 1807.1.6.4 under these rules."

[(26)] (31) In IRC, Section R405.1, a new exception is added as follows: "Exception:
When a geotechnical report has been provided for the property, a drainage system is not
required unless the drainage system is required as a condition of the geotechnical report. The
geological report shall make a recommendation regarding a drainage system."

453 Section 6. Section **15A-3-204** is amended to read:

#### 454 15A-3-204. Amendments to Chapters 16 through 25 of IRC.

455 (1) In IRC, Section M1602.2, a new exception is added at the end of Item 6 as follows:

456 <u>"Exception: The discharge of return air from an accessory dwelling unit into another dwelling</u>

- 457 <u>unit, or into an accessory dwelling unit from another dwelling unit, is not prohibited.</u>"
- 458 (2) A new IRC, Section G2401.2, is added as follows: "G2401.2 Meter Protection.
- 459 Fuel gas services shall be in an approved location and/or provided with structures designed to

### H.B. 82

- 460 protect the fuel gas meter and surrounding piping from physical damage, including falling,
  461 moving, or migrating ice and snow. If an added structure is used, it must provide access for
  462 service and comply with the IBC or the IRC."
  463 Section 7. Section 15A-3-206 is amended to read:
  464 15A-3-206. Amendments to Chapters 36 through 44 and Appendix F of IRC.
  465 (1) In IRC, Section E3601.6.2, a new exception is added as follows: "Exception: An
  466 occupant of an accessory dwelling unit is not required to have access to the disconnect serving
- 467 <u>the dwelling unit in which they reside."</u>
- 468 [(1)] (2) In IRC, Section E3705.4.5, the following words are added after the word
- 469 "assemblies": "with ungrounded conductors 10 AWG and smaller".

470 [(2)] (3) In IRC, Section E3901.9, the following exception is added:

471 "Exception: Receptacles or other outlets adjacent to the exterior walls of the garage, outlets

472 adjacent to an exterior wall of the garage, or outlets in a storage room with entry from the

473 garage may be connected to the garage branch circuit."

- 474 [<del>(3)</del>] <u>(4)</u> IRC, Section E3902.16 is deleted.
- 475 [<del>(4)</del>] <u>(5)</u> In Section E3902.17:
- 476 (a) following the word "Exception" the number "1." is added; and

477 (b) at the end of the section, the following sentences are added:

478 "2. This section does not apply for a simple move or an extension of a branch circuit or an

479 outlet which does not significantly increase the existing electrical load. This exception does

480 not include changes involving remodeling or additions to a residence."

481

[(5)] (6) IRC, Chapter 44, is amended by adding the following reference standard:

482	"Standard reference	Title	Referenced in code
	number		section number
483	USC-FCCCHR 10th	Foundation for Cross-Connection Control	Table P2902.3"
	Edition Manual of	and Hydraulic Research University of	
	Cross Connection	Southern California Kaprielian Hall 300	
	Control	Los Angeles CA 90089-2531	

484

[(6)] (2) (a) When passive radon controls or portions thereof are voluntarily installed,

485 the voluntary installation shall comply with Appendix F of the IRC.

486 (b) An additional inspection of a voluntary installation described in Subsection [<del>(6)</del>]

487 (7)(a) is not required.

488 Section 8. Section **17-27a-505.5** is amended to read:

489	17-27a-505.5. Limit on single family designation.
490	(1) As used in this section, "single-family limit" means the number of [unrelated]
491	individuals allowed to occupy each residential unit that is recognized by a land use authority in
492	a zone permitting occupancy by a single family.
493	(2) A county may not adopt a single-family limit that is less than:
494	(a) three, if the county has within its unincorporated area:
495	(i) a state university;
496	(ii) a private university with a student population of at least 20,000; or
497	(iii) a mountainous planning district; or
498	(b) four, for each other county.
499	Section 9. Section 17-27a-510.5 is amended to read:
500	17-27a-510.5. Changes to dwellings Egress windows.
501	(1) [For purposes of] As used in this section[, "rental]:
502	(a) "Internal accessory dwelling unit" means an accessory dwelling unit created:
503	(i) within a primary dwelling;
504	(ii) within the footprint of the primary dwelling described in Subsection (1)(a)(i) at the
505	time the internal accessory dwelling unit is created; and
506	(iii) for the purpose of offering a long-term rental of 30 consecutive days or longer.
507	(b) "Primary dwelling" means a single-family dwelling that:
508	(i) is detached; and
509	(ii) is occupied as the primary residence of the owner of record.
510	(c) "Rental dwelling" means the same as that term is defined in Section 10-8-85.5.
<b>711</b>	

511 (2) A county ordinance adopted under Section 10-1-203.5 may not:

512	(a) require physical changes in a structure with a legal nonconforming rental dwelling
513	use unless the change is for:
514	(i) the reasonable installation of:
515	(A) a smoke detector that is plugged in or battery operated;
516	(B) a ground fault circuit interrupter protected outlet on existing wiring;
517	(C) street addressing;
518	(D) except as provided in Subsection (3), an egress bedroom window if the existing
519	bedroom window is smaller than that required by current State Construction Code;
520	(E) an electrical system or a plumbing system, if the existing system is not functioning
521	or is unsafe as determined by an independent electrical or plumbing professional who is
522	licensed in accordance with Title 58, Occupations and Professions;
523	(F) hand or guard rails; or
524	(G) occupancy separation doors as required by the International Residential Code; or
525	(ii) the abatement of a structure; or
526	(b) be enforced to terminate a legal nonconforming rental dwelling use.
527	(3) (a) A county may not require physical changes to install an egress or emergency
528	escape window in an existing bedroom that complied with the State Construction Code in
529	effect at the time the bedroom was finished if:
530	[(a)] (i) the dwelling is an owner-occupied dwelling or a rental dwelling that is:
531	[(i)] (A) a detached one-, two-, three-, or four-family dwelling; or
532	[(ii)] (B) a town home that is not more than three stories above grade with a separate
533	means of egress; and
534	[(b)(i)](i)(A) the window in the existing bedroom is smaller than that required by
535	current State Construction Code; and
536	[(ii)] (B) the change would compromise the structural integrity of the structure or could
537	not be completed in accordance with current State Construction Code, including set-back and
538	window well requirements.
539	(b) Subsection (3)(a) does not apply to an internal accessory dwelling unit.

540	(4) Nothing in this section prohibits a county from:
541	(a) regulating the style of window that is required or allowed in a bedroom;
542	(b) requiring that a window in an existing bedroom be fully openable if the openable
543	area is less than required by current State Construction Code; or
544	(c) requiring that an existing window not be reduced in size if the openable area is
545	smaller than required by current State Construction Code.
546	Section 10. Section 17-27a-526 is enacted to read:
547	<u>17-27a-526.</u> Internal accessory dwelling units.
548	(1) As used in this section:
549	(a) "Internal accessory dwelling unit" means an accessory dwelling unit created:
550	(i) within a primary dwelling;
551	(ii) within the footprint of the primary dwelling described in Subsection (1)(a)(i) at the
552	time the internal accessory dwelling unit is created; and
553	(iii) for the purpose of offering a long-term rental of 30 consecutive days or longer.
554	(b) "Primary dwelling" means a single-family dwelling that:
555	(i) is detached; and
556	(ii) is occupied as the primary residence of the owner of record.
557	(2) In any area zoned primarily for residential use:
558	(a) the use of an internal accessory dwelling unit is a permitted use; and
559	(b) except as provided in Subsections (3) and (4), a county may not establish any
560	restrictions or requirements for the construction or use of one internal accessory dwelling unit
561	within a primary dwelling, including a restriction or requirement governing:
562	(i) the size of the internal accessory dwelling unit in relation to the primary dwelling;
563	(ii) total lot size; or
564	(iii) street frontage.
565	(3) An internal accessory dwelling unit shall comply with all applicable building,
566	health, and fire codes.
567	(4) A county may:

568	(a) prohibit the installation of a separate utility meter for an internal accessory dwelling
569	<u>unit;</u>
570	(b) require that an internal accessory dwelling unit be designed in a manner that does
571	not change the appearance of the primary dwelling as a single-family dwelling;
572	(c) require a primary dwelling:
573	(i) to include one additional on-site parking space for an internal accessory dwelling
574	unit, regardless of whether the primary dwelling is existing or new construction; and
575	(ii) to replace any parking spaces contained within a garage or carport if an internal
576	accessory dwelling unit is created within the garage or carport;
577	(d) prohibit the creation of an internal accessory dwelling unit within a mobile home as
578	defined in Section 57-16-3;
579	(e) require the owner of a primary dwelling to obtain a permit or license for renting an
580	internal accessory dwelling unit;
581	(f) prohibit the creation of an internal accessory dwelling unit within a zoning district
582	covering an area that is equivalent to 25% or less of the total unincorporated area in the county
583	that is zoned primarily for residential use;
584	(g) prohibit the creation of an internal accessory dwelling unit if the primary dwelling
585	is served by a failing septic tank;
586	(h) prohibit the creation of an internal accessory dwelling unit if the lot containing the
587	primary dwelling is 6,000 square feet or less in size;
588	(i) prohibit the rental or offering the rental of an internal accessory dwelling unit for a
589	period of less than 30 consecutive days;
590	(j) prohibit the rental of an internal accessory dwelling unit if the internal accessory
591	dwelling unit is located in a dwelling that is not occupied as the owner's primary residence;
592	(k) hold a lien against a property that contains an internal accessory dwelling unit in
593	accordance with Subsection (5); and
594	(1) record a notice for an internal accessory dwelling unit in accordance with
595	Subsection (6).

596	(5) (a) In addition to any other legal or equitable remedies available to a county, a
597	county may hold a lien against a property that contains an internal accessory dwelling unit if:
598	(i) the owner of the property violates any of the provisions of this section or any
599	ordinance adopted under Subsection (4);
600	(ii) the county provides a written notice of violation in accordance with Subsection
601	<u>(5)(b);</u>
602	(iii) the county holds a hearing and determines that the violation has occurred in
603	accordance with Subsection (5)(d), if the owner files a written objection in accordance with
604	Subsection (5)(b)(iv);
605	(iv) the owner fails to cure the violation within the time period prescribed in the
606	written notice of violation under Subsection (5)(b);
607	(v) the county provides a written notice of lien in accordance with Subsection (5)(c);
608	and
609	(vi) the county records a copy of the written notice of lien described in Subsection
610	(5)(a)(iv) with the county recorder of the county in which the property is located.
611	(b) The written notice of violation shall:
612	(i) describe the specific violation;
613	(ii) provide the owner of the internal accessory dwelling unit a reasonable opportunity
614	to cure the violation that is:
615	(A) no less than 14 days after the day on which the county sends the written notice of
616	violation, if the violation results from the owner renting or offering to rent the internal
617	accessory dwelling unit for a period of less than 30 consecutive days; or
618	(B) no less than 30 days after the day on which the county sends the written notice of
619	violation, for any other violation; and
620	(iii) state that if the owner of the property fails to cure the violation within the time
621	period described in Subsection (5)(b)(ii), the county may hold a lien against the property in an
622	amount of up to \$100 for each day of violation after the day on which the opportunity to cure
623	the violation expires;

624	(iv) notify the owner of the property:
625	(A) that the owner may file a written objection to the violation within 14 days after the
626	day on which the written notice of violation is post-marked or posted on the property; and
627	(B) of the name and address of the county office where the owner may file the written
628	objection;
629	(v) be mailed to:
630	(A) the property's owner of record; and
631	(B) any other individual designated to receive notice in the owner's license or permit
632	records; and
633	(vi) be posted on the property.
634	(c) The written notice of lien shall:
635	(i) comply with the requirements of Section <u>38-12-102</u> ;
636	(ii) describe the specific violation;
637	(iii) specify the lien amount, in an amount of up to \$100 for each day of violation after
638	the day on which the opportunity to cure the violation expires;
639	(iv) be mailed to:
640	(A) the property's owner of record; and
641	(B) any other individual designated to receive notice in the owner's license or permit
642	records; and
643	(v) be posted on the property.
644	(d) (i) If an owner of property files a written objection in accordance with Subsection
645	(5)(b)(iv), the county shall:
646	(A) hold a hearing in accordance with Title 52, Chapter 4, Open and Public Meetings
647	Act, to conduct a review and determine whether the specific violation described in the written
648	notice of violation under Subsection (5)(b) has occurred; and
649	(B) notify the owner in writing of the date, time, and location of the hearing described
650	in Subsection (5)(d)(i)(A) no less than 14 days before the day on which the hearing is held.
651	(ii) If an owner of property files a written objection under Subsection (5)(b)(iv), a

652	county may not record a lien under this Subsection (5) until the county holds a hearing and
653	determines that the specific violation has occurred.
654	(iii) If the county determines at the hearing that the specific violation has occurred, the
655	county may impose a lien in an amount of up to \$100 for each day of violation after the day on
656	which the opportunity to cure the violation expires, regardless of whether the hearing is held
657	after the day on which the opportunity to cure the violation has expired.
658	(e) If an owner cures a violation within the time period prescribed in the written notice
659	of violation under Subsection (5)(b), the county may not hold a lien against the property, or
660	impose any penalty or fee on the owner, in relation to the specific violation described in the
661	written notice of violation under Subsection (5)(b).
662	(6) (a) A county that issues, on or after October 1, 2021, a permit or license to an
663	owner of a primary dwelling to rent an internal accessory dwelling unit, or a building permit to
664	an owner of a primary dwelling to create an internal accessory dwelling unit, may record a
665	notice in the office of the recorder of the county in which the primary dwelling is located.
666	(b) The notice described in Subsection (6)(a) shall include:
667	(i) a description of the primary dwelling;
668	(ii) a statement that the primary dwelling contains an internal accessory dwelling unit;
669	and
670	(iii) a statement that the internal accessory dwelling unit may only be used in
671	accordance with the county's land use regulations.
672	(c) The county shall, upon recording the notice described in Subsection (6)(a), deliver a
673	copy of the notice to the owner of the internal accessory dwelling unit.
674	Section 11. Section 17-50-338 is amended to read:
675	17-50-338. Ordinances regarding short-term rentals Prohibition on ordinances
676	restricting speech on short-term rental websites.
677	(1) As used in this section:
678	(a) "Internal accessory dwelling unit" means the same as that term is defined in Section

679 <u>10-9a-511.5.</u>

680	[ <del>(a)</del> ] (b) "Residential unit" means a residential structure or any portion of a residential
681	structure that is occupied as a residence.
682	[(b)] (c) "Short-term rental" means a residential unit or any portion of a residential unit
683	that the owner of record or the lessee of the residential unit offers for occupancy for fewer than
684	30 consecutive days.
685	[(c)] (d) "Short-term rental website" means a website that:
686	(i) allows a person to offer a short-term rental to one or more prospective renters; and
687	(ii) facilitates the renting of, and payment for, a short-term rental.
688	(2) Notwithstanding Section 17-27a-501 or Subsection 17-27a-503(1), a legislative
689	body may not:
690	(a) enact or enforce an ordinance that prohibits an individual from listing or offering a
691	short-term rental on a short-term rental website; or
692	(b) use an ordinance that prohibits the act of renting a short-term rental to fine, charge,
693	prosecute, or otherwise punish an individual solely for the act of listing or offering a short-term
694	rental on a short-term rental website.
695	(3) Subsection (2) does not apply to an individual who lists or offers an internal
696	accessory dwelling unit as a short-term rental on a short-term rental website if the county
697	records a notice for the internal accessory dwelling unit under Subsection 17-27a-526(6).
698	Section 12. Section <b>35A-8-504.5</b> is enacted to read:
699	<u>35A-8-504.5.</u> Low-income ADU loan guarantee pilot program.
700	(1) As used in this section:
701	(a) "Accessory dwelling unit" means the same as that term is defined in Section
702	<u>10-9a-103.</u>
703	(b) "Borrower" means a residential property owner who receives a low-income ADU
704	loan from a lender.
705	(c) "Lender" means a trust company, savings bank, savings and loan association, bank,
706	credit union, or any other entity that provides low-income ADU loans directly to borrowers.
707	(d) "Low-income ADU loan" means a loan made by a lender to a borrower for the

708	purpose of financing the construction of an accessory dwelling unit that is:
709	(i) located on the borrower's residential property; and
710	(ii) rented to a low-income individual.
711	(e) "Low-income individual" means an individual whose household income is less than
712	80% of the area median income.
713	(f) "Pilot program" means the two-year pilot program created in this section.
714	(2) The executive director shall establish a two-year pilot program to provide loan
715	guarantees on behalf of borrowers for the purpose of insuring the repayment of low-income
716	ADU loans.
717	(3) The executive director may not provide a loan guarantee for a low-income ADU
718	loan under the pilot program unless:
719	(a) the lender:
720	(i) agrees in writing to participate in the pilot program;
721	(ii) makes available to prospective borrowers the option of receiving a low-income
722	ADU loan that:
723	(A) has a term of 15 years; and
724	(B) charges interest at a fixed rate;
725	(iii) monitors the activities of the borrower on a yearly basis during the term of the loan
726	to ensure the borrower's compliance with:
727	(A) Subsection $(3)(c)$ ; and
728	(B) any other term or condition of the loan; and
729	(iv) promptly notifies the executive director in writing if the borrower fails to comply
730	with:
731	(A) Subsection $(3)(c)$ ; or
732	(B) any other term or condition of the loan;
733	(b) the loan terms of the low-income ADU loan:
734	(i) are consistent with the loan terms described in Subsection (3)(a)(ii); or
735	(ii) if different from the loan terms described in Subsection (3)(a)(ii), are mutually

736	agreed upon by the lender and the borrower; and
737	(c) the borrower:
738	(i) agrees in writing to participate in the pilot program;
739	(ii) constructs an accessory dwelling unit on the borrower's residential property within
740	one year after the day on which the borrower receives the loan;
741	(iii) occupies the primary residence to which the accessory dwelling unit is associated:
742	(A) after the accessory dwelling unit is completed; and
743	(B) for the remainder of the term of the loan; and
744	(iv) rents the accessory dwelling unit to a low-income individual:
745	(A) after the accessory dwelling unit is completed; and
746	(B) for the remainder of the term of the loan.
747	(4) At the direction of the board, the executive director shall make rules in accordance
748	with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to establish:
749	(a) the minimum criteria for lenders and borrowers to participate in the pilot program;
750	(b) the terms and conditions for loan guarantees provided under the pilot program,
751	consistent with Subsection (3); and
752	(c) procedures for the pilot program's loan guarantee process.
753	(5) The executive director shall submit a report on the pilot program to the Business
754	and Labor Interim Committee on or before November 30, 2023.
755	Section 13. Section <b>35A-8-505</b> is amended to read:
756	35A-8-505. Activities authorized to receive fund money Powers of the executive
757	director.
758	At the direction of the board, the executive director may:
759	(1) provide fund money to any of the following activities:
760	(a) the acquisition, rehabilitation, or new construction of low-income housing units;
761	(b) matching funds for social services projects directly related to providing housing for
762	special-need renters in assisted projects;
763	(c) the development and construction of accessible housing designed for low-income

H.B. 82

764 persons; 765 (d) the construction or improvement of a shelter or transitional housing facility that 766 provides services intended to prevent or minimize homelessness among members of a specific 767 homeless subpopulation; 768 (e) the purchase of an existing facility to provide temporary or transitional housing for 769 the homeless in an area that does not require rezoning before providing such temporary or 770 transitional housing; 771 (f) the purchase of land that will be used as the site of low-income housing units: 772 (g) the preservation of existing affordable housing units for low-income persons; [and] 773 (h) providing loan guarantees under the two-year pilot program established in Section <u>35A-8-504.5;</u> and 774 775 [(h)] (i) other activities that will assist in minimizing homelessness or improving the 776 availability or quality of housing in the state for low-income persons; and 777 (2) do any act necessary or convenient to the exercise of the powers granted by this part 778 or reasonably implied from those granted powers, including: 779 (a) making or executing contracts and other instruments necessary or convenient for 780 the performance of the executive director and board's duties and the exercise of the executive 781 director and board's powers and functions under this part, including contracts or agreements for 782 the servicing and originating of mortgage loans: 783 (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; 784 (c) entering into agreements with a department, agency, or instrumentality of the 785 786 United States or this state and with mortgagors and mortgage lenders for the purpose of 787 planning and regulating and providing for the financing and refinancing, purchase, 788 construction, reconstruction, rehabilitation, leasing, management, maintenance, operation, sale, 789 or other disposition of residential housing undertaken with the assistance of the department 790 under this part; 791 (d) proceeding with a foreclosure action, to own, lease, clear, reconstruct, rehabilitate,

792	repair, maintain, manage, operate, assign, encumber, sell, or otherwise dispose of real or
793	personal property obtained by the fund due to the default on a mortgage loan held by the fund
794	in preparation for disposition of the property, taking assignments of leases and rentals,
795	proceeding with foreclosure actions, and taking other actions necessary or incidental to the
796	performance of its duties; and
797	(e) selling, at a public or private sale, with public bidding, a mortgage or other
798	obligation held by the fund.
799	Section 14. Section 57-8a-209 is amended to read:
800	57-8a-209. Rental restrictions.
801	(1) (a) Subject to Subsections (1)(b), (5), $[and]$ (6), $and$ (10), an association may:
802	(i) create restrictions on the number and term of rentals in an association; or
803	(ii) prohibit rentals in the association.
804	(b) An association that creates a rental restriction or prohibition in accordance with
805	Subsection (1)(a) shall create the rental restriction or prohibition in a recorded declaration of
806	covenants, conditions, and restrictions, or by amending the recorded declaration of covenants,
807	conditions, and restrictions.
808	(2) If an association prohibits or imposes restrictions on the number and term of
809	rentals, the restrictions shall include:
810	(a) a provision that requires the association to exempt from the rental restrictions the
811	following lot owner and the lot owner's lot:
812	(i) a lot owner in the military for the period of the lot owner's deployment;
813	(ii) a lot occupied by a lot owner's parent, child, or sibling;
814	(iii) a lot owner whose employer has relocated the lot owner for two years or less;
815	(iv) a lot owned by an entity that is occupied by an individual who:
816	(A) has voting rights under the entity's organizing documents; and
817	(B) has a 25% or greater share of ownership, control, and right to profits and losses of
818	the entity; or
819	(v) a lot owned by a trust or other entity created for estate planning purposes if the trust

820	or other estate planning entity was created for:
821	(A) the estate of a current resident of the lot; or
822	(B) the parent, child, or sibling of the current resident of the lot;
823	(b) a provision that allows a lot owner who has a rental in the association before the
824	time the rental restriction described in Subsection (1)(a) is recorded with the county recorder of
825	the county in which the association is located to continue renting until:
826	(i) the lot owner occupies the lot;
827	(ii) an officer, owner, member, trustee, beneficiary, director, or person holding a
828	similar position of ownership or control of an entity or trust that holds an ownership interest in
829	the lot, occupies the lot; or
830	(iii) the lot is transferred; and
831	(c) a requirement that the association create, by rule or resolution, procedures to:
832	(i) determine and track the number of rentals and lots in the association subject to the
833	provisions described in Subsections (2)(a) and (b); and
834	(ii) ensure consistent administration and enforcement of the rental restrictions.
835	(3) For purposes of Subsection (2)(b)(iii), a transfer occurs when one or more of the
836	following occur:
837	(a) the conveyance, sale, or other transfer of a lot by deed;
838	(b) the granting of a life estate in the lot; or
839	(c) if the lot is owned by a limited liability company, corporation, partnership, or other
840	business entity, the sale or transfer of more than 75% of the business entity's share, stock,
841	membership interests, or partnership interests in a 12-month period.
842	(4) This section does not limit or affect residency age requirements for an association
843	that complies with the requirements of the Housing for Older Persons Act, 42 U.S.C. Sec.
844	3607.
845	(5) A declaration of covenants, conditions, and restrictions or amendments to the
846	declaration of covenants, conditions, and restrictions recorded before the transfer of the first lot
847	from the initial declarant may prohibit or restrict rentals without providing for the exceptions,

848	provisions, and procedures required under Subsection (2).
849	(6) (a) Subsections (1) through (5) do not apply to:
850	(i) an association that contains a time period unit as defined in Section 57-8-3;
851	(ii) any other form of timeshare interest as defined in Section 57-19-2; or
852	(iii) subject to Subsection (6)(b), an association that is formed before May 12, 2009,
853	unless, on or after May 12, 2015, the association:
854	(A) adopts a rental restriction or prohibition; or
855	(B) amends an existing rental restriction or prohibition.
856	(b) An association that adopts a rental restriction or amends an existing rental
857	restriction or prohibition before May 9, 2017, is not required to include the exemption
858	described in Subsection (2)(a)(iv).
859	(7) Notwithstanding this section, an association may restrict or prohibit rentals without
860	an exception described in Subsection (2) if:
861	(a) the restriction or prohibition receives unanimous approval by all lot owners; and
862	(b) when the restriction or prohibition requires an amendment to the association's
863	recorded declaration of covenants, conditions, and restrictions, the association fulfills all other
864	requirements for amending the recorded declaration of covenants, conditions, and restrictions
865	described in the association's governing documents.
866	(8) Except as provided in Subsection (9), an association may not require a lot owner
867	who owns a rental lot to:
868	(a) obtain the association's approval of a prospective renter;
869	(b) give the association:
870	(i) a copy of a rental application;
871	(ii) a copy of a renter's or prospective renter's credit information or credit report;
872	(iii) a copy of a renter's or prospective renter's background check; or
873	(iv) documentation to verify the renter's age; or
874	(c) pay an additional assessment, fine, or fee because the lot is a rental lot.
875	(9) (a) A lot owner who owns a rental lot shall give an association the documents

876	described in Subsection (8)(b) if the lot owner is required to provide the documents by court
877	order or as part of discovery under the Utah Rules of Civil Procedure.
878	(b) If an association's declaration of covenants, conditions, and restrictions lawfully
879	prohibits or restricts occupancy of the lots by a certain class of individuals, the association may
880	require a lot owner who owns a rental lot to give the association the information described in
881	Subsection (8)(b), if:
882	(i) the information helps the association determine whether the renter's occupancy of
883	the lot complies with the association's declaration of covenants, conditions, and restrictions;
884	and
885	(ii) the association uses the information to determine whether the renter's occupancy of
886	the lot complies with the association's declaration of covenants, conditions, and restrictions.
887	(10) Notwithstanding Subsection (1)(a), an association may not restrict or prohibit the
888	rental of an internal accessory dwelling unit, as defined in Section 10-9a-530, constructed
889	within a lot owner's residential lot, if the internal accessory dwelling unit complies with all
890	applicable:
891	(a) land use ordinances;
892	(b) building codes;
893	(c) health codes; and
894	(d) fire codes.
895	[(10)] (11) The provisions of Subsections (8) $[and (9)]$ through (10) apply to an
896	association regardless of when the association is created.
897	Section 15. Section 57-8a-218 is amended to read:
898	57-8a-218. Equal treatment by rules required Limits on association rules and
899	design criteria.
900	(1) (a) Except as provided in Subsection (1)(b), a rule shall treat similarly situated lot
901	owners similarly.
902	(b) Notwithstanding Subsection (1)(a), a rule may:
903	(i) vary according to the level and type of service that the association provides to lot

904	owners;
905	(ii) differ between residential and nonresidential uses; and
906	(iii) for a lot that an owner leases for a term of less than 30 days, impose a reasonable
907	limit on the number of individuals who may use the common areas and facilities as guests of
908	the lot tenant or lot owner.
909	(2) (a) If a lot owner owns a rental lot and is in compliance with the association's
910	governing documents and any rule that the association adopts under Subsection (4), a rule may
911	not treat the lot owner differently because the lot owner owns a rental lot.
912	(b) Notwithstanding Subsection (2)(a), a rule may:
913	(i) limit or prohibit a rental lot owner from using the common areas for purposes other
914	than attending an association meeting or managing the rental lot;
915	(ii) if the rental lot owner retains the right to use the association's common areas, even
916	occasionally:
917	(A) charge a rental lot owner a fee to use the common areas; or
918	(B) for a lot that an owner leases for a term of less than 30 days, impose a reasonable
919	limit on the number of individuals who may use the common areas and facilities as guests of
920	the lot tenant or lot owner; or
921	(iii) include a provision in the association's governing documents that:
922	(A) requires each tenant of a rental lot to abide by the terms of the governing
923	documents; and
924	(B) holds the tenant and the rental lot owner jointly and severally liable for a violation
925	of a provision of the governing documents.
926	(3) (a) A rule criterion may not abridge the rights of a lot owner to display religious
927	and holiday signs, symbols, and decorations inside a dwelling on a lot.
928	(b) Notwithstanding Subsection (3)(a), the association may adopt time, place, and
929	manner restrictions with respect to displays visible from outside the dwelling or lot.
930	(4) (a) A rule may not regulate the content of political signs.
931	(b) Notwithstanding Subsection (4)(a):

932	(i) a rule may regulate the time, place, and manner of posting a political sign; and
933	(ii) an association design provision may establish design criteria for political signs.
934	(5) (a) A rule may not interfere with the freedom of a lot owner to determine the
935	composition of the lot owner's household.
936	(b) Notwithstanding Subsection (5)(a), an association may:
937	(i) require that all occupants of a dwelling be members of a single housekeeping unit;
938	or
939	(ii) limit the total number of occupants permitted in each residential dwelling on the
940	basis of the residential dwelling's:
941	(A) size and facilities; and
942	(B) fair use of the common areas.
943	(6) (a) A rule may not interfere with an activity of a lot owner within the confines of a
944	dwelling or lot, to the extent that the activity is in compliance with local laws and ordinances.
945	(b) Notwithstanding Subsection (6)(a), a rule may prohibit an activity within a dwelling
946	on an owner's lot if the activity:
947	(i) is not normally associated with a project restricted to residential use; or
948	(ii) (A) creates monetary costs for the association or other lot owners;
949	(B) creates a danger to the health or safety of occupants of other lots;
950	(C) generates excessive noise or traffic;
951	(D) creates unsightly conditions visible from outside the dwelling;
952	(E) creates an unreasonable source of annoyance to persons outside the lot; or
953	(F) if there are attached dwellings, creates the potential for smoke to enter another lot
954	owner's dwelling, the common areas, or limited common areas.
955	(c) If permitted by law, an association may adopt rules described in Subsection (6)(b)
956	that affect the use of or behavior inside the dwelling.
957	(7) (a) A rule may not, to the detriment of a lot owner and over the lot owner's written
958	objection to the board, alter the allocation of financial burdens among the various lots.
959	(b) Notwithstanding Subsection (7)(a), an association may:

(i) change the common areas available to a lot owner;
(ii) adopt generally applicable rules for the use of common areas; or
(iii) deny use privileges to a lot owner who:
(A) is delinquent in paying assessments;
(B) abuses the common areas; or
(C) violates the governing documents.
(c) This Subsection (7) does not permit a rule that:
(i) alters the method of levying assessments; or
(ii) increases the amount of assessments as provided in the declaration.
(8) (a) Subject to Subsection (8)(b), a rule may not:
(i) prohibit the transfer of a lot; or
(ii) require the consent of the association or board to transfer a lot.
(b) Unless contrary to a declaration, a rule may require a minimum lease term.
(9) (a) A rule may not require a lot owner to dispose of personal property that was in or
on a lot before the adoption of the rule or design criteria if the personal property was in
compliance with all rules and other governing documents previously in force.
(b) The exemption in Subsection (9)(a):
(i) applies during the period of the lot owner's ownership of the lot; and
(ii) does not apply to a subsequent lot owner who takes title to the lot after adoption of
the rule described in Subsection (9)(a).
(10) A rule or action by the association or action by the board may not unreasonably
impede a declarant's ability to satisfy existing development financing for community
improvements and right to develop:
(a) the project; or
(b) other properties in the vicinity of the project.
(11) A rule or association or board action may not interfere with:
(a) the use or operation of an amenity that the association does not own or control; or
(b) the exercise of a right associated with an easement.

988	(12) A rule may not divest a lot owner of the right to proceed in accordance with a
989	completed application for design review, or to proceed in accordance with another approval
990	process, under the terms of the governing documents in existence at the time the completed
991	application was submitted by the owner for review.
992	(13) Unless otherwise provided in the declaration, an association may by rule:
993	(a) regulate the use, maintenance, repair, replacement, and modification of common
994	areas;
995	(b) impose and receive any payment, fee, or charge for:
996	(i) the use, rental, or operation of the common areas, except limited common areas; and
997	(ii) a service provided to a lot owner;
998	(c) impose a charge for a late payment of an assessment; or
999	(d) provide for the indemnification of the association's officers and board consistent
1000	with Title 16, Chapter 6a, Utah Revised Nonprofit Corporation Act.
1001	(14) (a) Except as provided in Subsection (14)(b), a rule may not prohibit the owner of
1002	a residential lot from constructing an internal accessory dwelling unit, as defined in Section
1003	10-9a-530, within the owner's residential lot.
1004	(b) Subsection (14)(a) does not apply if the construction would violate:
1005	(i) a local land use ordinance;
1006	(ii) a building code;
1007	(iii) a health code; or
1008	(iv) a fire code.
1009	[(14)] (15) A rule shall be reasonable.
1010	[(15)] (16) A declaration, or an amendment to a declaration, may vary any of the
1011	requirements of Subsections (1) through (13), except Subsection (1)(b)(ii).
1012	[(16)] (17) A rule may not be inconsistent with a provision of the association's
1013	declaration, bylaws, or articles of incorporation.
1014	[(17)] (18) This section applies to an association regardless of when the association is
1015	created.

1016	Section 16. Effective date.
1017	(1) Except as provided in Subsection (2), this bill takes effect on May 5, 2021.
1018	(2) The actions affecting the following sections take effect on October 1, 2021:
1019	(a) Section <u>10-8-85.4;</u>
1020	(b) Section <u>10-9a-530;</u>
1021	(c) Section <u>17-27a-526;</u>
1022	(d) Section <u>17-50-338;</u>
1023	(e) Section 57-8a-209; and
1024	(f) Section <u>57-8a-218.</u>