

COMMISSION ON HOUSING AFFORDABILITY

Minutes for November 16, 2021

Hybrid Meeting: In-Person & Via Zoom

Members Present

Senator Jacob Anderegg
Representative Joel Briscoe
Representative Steve Waldrip
Andrew Johnston
Christina Oliver
Christopher Gamvroulas
Dave Damschen
Jeffrey B. Jones
Michael Ackerlow
Michael Gallegos
Michael Ostermiller
Michele Weaver
Tammy Hunsaker
Tom Macdonald

Representing

Senator
Representative
Representative
Salt Lake City Council
Housing and Community Division
Utah Homebuilders Association
Utah Housing Corporation President
Summit County Economic Development
Community Development Corporation of Utah
Salt Lake County
Utah Association of Realtors
Rural Communities
Utah Redevelopment Association
Utah League of Cities and Towns

Absent Members

Staff Present

Jennifer Edwards
Jess Peterson
Keith Heaton
McKenna Marchant
Stacey Herpel

Guests

Cameron Diehl
Janice Kimball
Beth Holbrook
Ben Hart

Nate McDonald

I. WELCOME AND INTRODUCTIONS

The Commission on Housing Affordability meeting was held electronically via Zoom and in person at the Capitol on: November 16, 2021. Senator Jacob Anderegg called the meeting to order at 9:17 AM.

Representative Waldrip: I'd like to welcome everybody to the Commission on Housing Affordability for the State of Utah. Today is September 14th, I am Senator Anderegg, Co-Chair for this commission.

II. PUBLIC COMMENT

Salvation Army Letter read by Christina Oliver: *(See Attached)*

Senator Anderegg: Make a motion that the commission forwards this letter to an Executive Chair, Wayne Neiderhauser, and make sure this request is in front of multiple people. I motion to the Commission that we authorize our staff at DWS to forward a copy of this letter to the executive appropriations chairs as well as to the homeless coordinating executive director Wayne Neiderhauser and make sure that this request is in multiple books in front of multiple people.

Representative Waldrip: Any discussion on that motion? Not having any at this time, I'll call for a voice vote all in favor of passing the motion by Senator Andrew Johnston, please say aye?

ALL: Aye

Representative Waldrip: Any opposed? Ok, Motion Passes. Thank You Senator. This does seem like a sort of shovel ready or close to shovel ready project that may have an impact in one of those areas that needs addressing and the other person that we ought to just get feedback from maybe in the next meeting is Dave Spatafore, who's also focusing on this area of income.

III. APPROVAL OF MINUTES

Representative Waldrip: We have two sets of minutes from September 14th and September 28th that we are submitting for approval. Any discussion or correction adjustments on those minutes? Not seeing any I will call for a vote. All who approve of those minutes say aye.

All: Aye.

Representative Waldrip: Any opposed? Again, thank you. Now let's turn the time over to Chris Gamvroulas for the report on the fabulous Land Use Task Force, which is solving all of the world's problems under Chris's direction.

IV. LAND USE TASK FORCE

Chris Gamvroulas: Thank you. The land-use task force, just to give you a little bit of a background, is a group of stakeholders in, primarily, residential land use development and homebuilding. We formed in

2006. There was a recodification in 2005 of what's called Ludmi which is The land-use Development Management Act and there was an agreement and understanding during those deliberations that was chaired by then-Senator Greg Bell, who eventually went on to become the Lieutenant Governor for a time and the agreement was that we would do that. We would be recodifying what was pretty much understood to be the land use law including judicial ruling and you know that hadn't been codified. That is what we would be focused on. It was really necessary for the development community. We thought we were just getting started. The league thought that we were done and so we came back and said let's do some more things that we didn't agree on during the initial phases and then there was a bill that came into the Senate. Senator Mancell sponsored it and it was a real flashpoint because it was everything that the development community wanted and nothing that the local municipalities wanted, so it became a real battle. After that the league and the development community got together and said, why don't we not do that? But we've got to have an understanding that we will work together. Come to advance some ideas. Otherwise, we're both just going to be playing whack a mole every year. And so since 2006, it has been really productive and a large friendly meeting just depends on the year and depends on who's in the room. Sometimes we meet more often. When Cameron Diehl took over even as interim and then became the executive dean. After he committed to maintaining the work and in fact became the primary person in the room, whereas before it was a couple of contract attorneys. I didn't really know Cameron till about five or six years ago but. He's been very open and honest and he's a tough negotiator. There's nothing statutory about the land-use task force. There's nothing that requires anyone to go sit down. This is a good faith effort on everyone's part, and as such we operate with a concern that we will try to reach a consensus that it's not just about somebody getting their way and if there's a hard no then either way then we stand down. That has, as you know, its benefits and it also means that sometimes we're not making as much progress as we would like so over the last couple of years we have felt when I say we, I mean those in the residential development community, Home Builders Association, the Realtors like Property Rights Coalition that this Commission needed to do more in the land use area, but the task force would be the best place to start to vet those ideas. Not that they would be the definitive word. I think the Commission is a statutory body, and you know, I personally have felt like the Commission has done more over the past couple of years. But you know we have done some good things. I'm not being critical in any way. But the task force is an unofficial group. I think that we can debate things even more aggressively here. By the way, I am on this Commission as a Member, as a representative of the Home Builders Association, so I'm not here for ivory or the property rights coalition. I'm here for the home builders, so when I'm here representing that, I'm trying to represent that association. We will get to a good place with some of these issues that we are debating. I think that in our opinion, the task force will fall short on some policies that would fundamentally change land use. In the moderate income housing. Where I think we will get to some agreement when we can come here. You are going to hear from Cameron Diehl after me on the MIHP plus on the moderate income housing plan, so I won't spend a lot of time. On that I'll let him make his presentation, and then I'll give my pitch on that. After he's been able to explain it, we've got some discussions. We've had some really good discussions. About development, processing and the time periods recognizing that everybody is stretched thin, cities are stretched thin. The private consultants are stretched very thin. I think we'll have some ideas there. We have been talking about development standards a lot. I'm not sure that the task force is going to get as far as we would like them to get to on that. By that, we mean the things that cities impose on private developers that exceed engineering standards. Nationally established standards, and even those that exceed hyper localized engineering standards. By those I mean that we

will do extensive soil testing on a property for instance and we will get a geotechnical engineer, and they take the dirt and they wet it and then compress it. It's really kind of a dirty business. But they say OK. Here's what the Road Cross section should be based upon standard engineering standards and the city says we don't care what they say. We want more, and so there's this artificial inflation of the cost to produce that housing unit. In one case in a city we had this debate with them. We were vested under a couple of phases, even though they tried to make us change. We went forward with our engineering standards, but in the last couple of phases because we were vested with the engineering, it increased the cost by just about \$4000 per lot to deliver that lot. And so these are development standards that artificially inflate the cost of housing that are not. Nationally recognized or even locally recognized development standards, those that are housing affordability. That is, whether it's on a modern income housing project or a market rate project that does affect housing affordability every single time. It's also not right. Economic development and moderate income housing goals. We've had some really good discussions. I think there's some broad consensus around that and I don't know how far we get with it or with the task force. I think there's going to be a lot of debate all the way through March through the next session about what this looks like. I'll tell you what it looks like for us, for the proper rights coalition and the home builders, it looks like. Municipalities that are not making progress to their moderate income housing goals should not be able to then turn around and incentivize other economic development projects through EDA's or CDA's where they give money back to these, in my next life I'm gonna come back as an industrial developer 'cause man they just roll out the red carpet for these guys they, give them their money back they do a but for test but they're not making any progress. They are not making any progress in many cases towards our modern income housing goals, and so there's this real disconnect between incentive economic development and disincentivizing the workforce housing that should be proximate to those economic development projects. If you're going to figure out a way to get a big large industrial manufacturing facility in your municipality or your region, where's the workforce going to live? So we have to figure out how to incentivize that some of this may go to, we may be thinking about when we chatted offline briefly, I'll just say it publicly, because I don't think this is a really controversial thing, but the RDA set aside funds, there's affordable housing set aside funds. There are a lot of cities and developers that want to get rid of that. I say we should increase it and make it and have there be a time period to be deployed within that municipality. There should be a tie in for those two things. And we've talked about that broadly at the taskforce. We've talked about inclusionary zoning briefly, I brought that up here. This is where there is a residential project, and then there's a requirement to bring in a certain number of affordable units within that project. When there's incentives to do that, we think it's totally appropriate. Where there's specific geographic boundaries, and I've said this publicly, like a Park City. Like a Moab. I think that there you can have some carve outs 'cause it makes some sense to do that there. What is a challenge is when there is not an incentive or any kind of work around zoning to incent that it becomes attacks on market rate housing. I will tell you what we do if I'm told I have to. I'm not going to get a density bonus, and I've got to put in some X number. I just raise the price of everything else and that's also not good. I don't know if you notice, but you know housing prices have gone up 23% in the last year. It's really unsustainable, and it's really unhealthy. You think we really like that? We don't. We hate it. 'cause it's institutional. By the way, We also had a 24% increase in costs. So it's real. It's a real challenge. So, those are the things that we have talked about broadly. There are others it gets. This is a very technical part of the law. There are not a lot of, there's maybe three dozen people in the state that can really talk about this stuff, really, really well, I'm not one of those people. I'm just a practitioner. But other things that we have brought up at the task force that

aren't parse task force issues that I think we ought to be bringing up here at The Commission. We have since the beginning of this Commission, some of you will remember. Some of you who were original Commission members, like Representative Briscoe and Senator Anderegg. We wanted to tie in the BNC Rd funds into the modern income housing plans as opposed to the TIF funds. We still believe that that's an appropriate thing to do. There are certain property tax exemptions that disincentivize multifamily housing in cities, and those are the residential property tax exemptions. The 45% haircut and we ought to be talking about what that is and what that incentive structure is and how that sometimes disincentivizes that kind of housing and our perennial issue of sales tax distribution. It's more balanced than it has been, you know, in 15 years ago. There is a population distribution calculation now and sales tax distribution, but going back to the my EDA and CDA discussion, there are a lot of incentives to get retail commercial development in the community and you will see them going on the border of the city, like I'll drive around southwest Utah and show you where some large, in between City X and City Y. There's a big Costco going and it's right on the border of two Southwest cities and they could have picked either side of that line by the way and it would have worked for them if they just happened to pick the one on the east side. At this point I don't know covid may have accelerated the solution to this and might work its way out. It is hard to have to do with land use because of how land use is viewed. By at large, through the prism of tax collection and where these local governments collect their funds and so they're incentivized in their budgeting process to view land use as a means to get to that. Because they've got to balance their budgets. If I were balancing those city budgets, I'd look at that, you know, in a similar way. But we're incentivizing a certain kind of development and disincentivizing others. But now that the point of sale is happening in our living rooms more and more that may work its way out. I don't know if that solves itself over time. I know that there are a lot of cities that we've worked with and they've never done as well. They have no commercial tax base and they're like wow, we're getting big receipts now from the State Tax Commission because of that point of sale and their Amazon accounts or whatever the other account is, but that's where we that's what we've been talking about with the land use task force. We don't call it the LUTF, by the way we don't, we just call it the task force. Any questions?

Representative Waldrip:

Yeah, are you finished with your presentation?

Chris Gamvroulas:

I am done. Thank you, Mr. Chair

Representative Waldrip:

OK. I'm looking for hands. Do we see any hands? We have? Senator Anderegg.

Senator Anderegg:

This is probably a good spot to just have a conversation 'cause I think Mr. Gamvroulas has brought up a lot of good and interesting points. I'm just going to pose this question to the Commission at large. What is the future of this Commission? The reason I'm asking that is because there are 2 dual efforts going on. We have what was just described with the land use task force and issues that are facing land use authority and its effect on housing affordability across the entire spectrum and then on the other hand, we have the task or the Commission and many members of it that are wanting to be focused specifically towards that 80% and below. And what? What actions, if any, can be taken as well as funding obtained to solve real issues within that? You know 80% below area median income. In addition to that, there's

kind of an overarching question here which is some of the things that Mr. Gamvroulas have been brought up. Hit at the heart of that intersection that Nexus if you will, of the efforts of the Affordable Housing Commission. In addition to broad economic development efforts, transportation funding efforts, allocation for school funding resources. The creation of the Economic Opportunity Commission was meant to bring that all together. The governor's office reached out to us and said, hey, can we bring you in as a subcommittee of that Commission, and on face value? We said, actually, that that makes a lot of sense. There's a coordination that happens here. It has, however, created some logistical problems such as DWS is not GO UTAH. And so, who Staffs this Commission now? And who's making the ultimate decisions? Obviously when you have the Economic Opportunity Commission you know which is the governor and the President and the speaker President, the Senate speaker of the House, as well as many of the other individuals that has much more, it has legs, it can walk, it can do a whole lot more than what we might have been able to do as a Commission. So the question is, what is the future of this Commission? I don't mean to backtrack at all on the points that were just brought up for the land use task force. That's not my intent to bring this up right here, but it's the points that Mr Gamvroulas brought up are to the heart of this question. I believe the sense I'm getting from many members of the Commission are you have two camps? You've got the one camp that is wanting to focus on that 80% or lower area median income I would say that's the Dave Spatafore group. I would say that's the Janice Kimble group. That's the group that deals with these issues, with their organizations on a day to day basis and they don't want to lose focus from those things. In addition to that I'm struggling to find out what policy issues can be enacted at that level. It kind of feels like the main thing that is requested is just more money, more money, more money at that level. Which then runs into a problem with our legislative process, right? Because the ideals and maybe the ideology within that core group of that 80% of below area median income are not necessarily shared by those of the executive appropriations and legislative management. Just saying it as I see it, I could be dead wrong, but that's how I see it then on the other half, the other group within this is wanting to look at broader issues as as was articulated by the Land use Task Force and Mr. Gamvroulas listed, and they don't. They do align, and they don't necessarily align. There are aspects within it that do. There are other aspects within it that may or may not have anything to do with housing affordability specific to a defined 80% or below, now it does and we all know that upward pressure, the pressure of what's happening in that higher spectrum definitely affects what's happening on the lower spectrum. It a continuum, it doesn't end, and so when something happens on the higher end that creates market pressure and forces on the lower end, the people that lose out are those at the? Lowest area median income. So I understand that we're at a bit of a crossroads here and the crossroads that I think that we're at, and Mr. Chair if you have any insights or any additional input on this, please jump in, but I think we're at a crossroads because we could continue our efforts as a Commission that's a standalone, independent of some of these things that are happening with economic development and the Ed TIF transportation yadda yadda yadda yadda and run a dual course. 2 ships heading somewhat the same direction and I hate to say it, but if we bring our bill and the governor and the speaker and the President bring their bill, who's going to win? So I'm kind of asking the very point blank question is if we're going to continue this Commission for another 3-4 five years because we are talking about extending its authorizing language in this year's bill. I want to get refocused as to what it is we're going after and what is attainable. Should we have two separate efforts with potentially 2 separate bills so that they don't cloud each other between what the efforts are with affordable housing across the entire spectrum and then? What the efforts are with affordable housing at the lower area median income representative Briscoe you had insights.

Representative Briscoe:

I don't know about insight, but there was a sunset date on the creation of this Commission and when it was that date.

Senator Anderegg:

I believe we have one more year.

Representative Waldrip:

I think one more year. Yeah I think 2022.

Representative Briscoe:

So if nothing changes, we would have one more year of this group, right? So I'm going to return to, I'm going to draw another analogy and talk about the just As for the purpose of discussion only, the \$1.2 trillion bill that a whole bunch of senators voted for that President Biden signed yesterday. I mean, clearly, not everyone who got a piece of something they wanted in that bill didn't get everything they wanted in that bill. Right? and something similar goes along with any governor's cabinet, they're putting budgets together right now that the governor is going to propose to the legislature and everyone doesn't get everything they want, but you try and influence the whole package. If we stop meeting, who will influence the executive Economic Development Committee on these issues? I mean in one way. I mean this group, The task force, definitely not the LUT but just the TF. The task force represents something that is important and if we have Zen diagrams, it certainly overlaps here because cities don't build and private industry builds, and there's a public private need to work together to make sure that we get affordable housing. The governors operating when I attended that meeting, I was blown away to see Governor Cox sitting at the head. I'm used to seeing various senators and representatives sitting the head, and there's the governor, so yeah, but who's going to influence that package? If we don't meet and propose and suggest, there's another thing that comes out of these meetings. It's a little bit like the Clean Air Caucus is going to meet tonight, although we're not, we're not a creation, we're not a creation of the legislature. We're just a bunch of legislators meeting together and we have a bunch of presentations and then legislators, on their own, go out and run legislation and there are individual legislators in the Utah Legislature who sometimes attend these meetings, sometimes don't but listen to some of what we talk about, and on their own run legislation separate from the Commission for housing affordability from CHA. So in some ways I see us as a clearinghouse of ideas and discussion. He wants us to go farther in another direction. Some advocates want us to go farther in another direction. I think we've got a good job of finding a middle ground that covers quite a bit, but that doesn't mean individual legislators can't go out and run pieces of that legislation on their own. So I mean, I would argue that while certain deference needs to be shown to E the executive, whatever that committee is, I cannot keep up with the acronyms, the one the governor chairs. That they have said they'd be happy, or they've accepted us as a subcommittee there's a purpose for us as a subcommittee.

Senator Anderegg

So as that subcommittee, 'cause that. I agree with you and I would like to see the efforts of this Commission/Subcommittee of the Governor's Economic Opportunity Commission continue to influence that process. I just want to make sure that we are maximizing the the most out of both of these efforts, right? I don't want one to be at the sake of the other and I'd like them to be as much working in tandem as possible. I think we've done a decent job already with setting up these subgroups within our subcommittee. DWS will need to continue to serve on the CHA because you oversee the Olene Walker fund, but there's no doubt that bill, if we're becoming a subcommittee and extending our date, I just got word from Christine and looked it up that July 1st of 2023 is the end date. That's the sunset date for the CHA. As it sits right now, if we extend it, it has to be within the framework of that economic opportunity.

Which means then. It will move forward, being staffed primarily through GO UTAH. I hate that term by the way, I like GOED better.

Representative Briscoe:

Better, but sounds like I think of Oreo, I'm sorry.

Representative Waldrip:

That the CHA wouldn't be staffed by GO UTAH, though.

Senator Anderegg:

It wouldn't? Why?

Representative Waldrip:

Because they told us that we could staff it ourselves.

Senator Anderegg:

OK.

Representative Waldrip:

That's the last word I got from them. It is you who would continue to staff it. You'd still schedule your own meetings. You do your own thing, but it would just technically be part of that other deal.

Representative Briscoe:

Other deal, Mr. Senate Co Chair, based if I could just add to your original question. I think there are numerous individuals and groups both within government, Non-profits, NGO's. Who feel that you in particular and us as a group, have done a good job of making them feel heard. If the initial end date for this is a year and a half from now then how we function with the GO UTAH? This other committee how we function with them and how well we work with them in the next year will probably determine whether or not they feel like extending us for two or three more years is valuable. And this legislative session will be a good case in point for them. I don't see us going out to fight them. Of course, I'm not going to do that. We're going to try and say, well, here's what we think is important, and you should include in that. Because I mean, I've been working on some legislation dealing with homelessness and so many of the answers are housing. It's not the only answer, but workforce development. Growth phenomenal growth in the state of Utah. Housing affordable housing is. It may not be the holy Grill, but it's a piece of the Holy Grail in terms of, you know, getting the Utah we want for everyone.

Senator Anderegg:

I agree with that and Mr. Chair, I'd also, you know, just say I think now more than ever is the critical point for us to focus on this and to refocus on this.

Representative Briscoe:

I feel like we're after three or four years of concerted effort and with some ARPA funds, etc. I feel like it's like we're just starting to get some traction. I'm not diminishing the legislation. I think the legislation we've passed has been essential and helpful, but with the money available that the federal government is giving it is like now we can start to do some really good things.

Representative Waldrip:

Let's go to Janice with a comment.

Janice Kimball:

Thank you. What I like about this committee and what I think is valuable, is that you have a cross section of advocates, providers, developers and so of course I'm going to say low income housing providers, but I think that's an important component, so if it does switch to another whatever it is I think the one thing I would ask is that you make sure that you have that the cross section of folks are included in that. Thank you.

Representative Waldrip:

Thank you Janice. Beth Holbrook now.

Beth Holbrook:

Thanks Mr. Chair I. I wanted to kind of talk about some of the other elements. I agree with some of the dialogue that's going on currently. One of the things that I think is a real challenge and we know this because elected officials cycle out and there's other elements involved in that and that's both City, County and statewide, and the communication structure that we have to continue to develop has I think having a Nexus of this group is it allows us to have that communication structure so that we can continue to get all of these different entities involved and to minimize you know duplicating of either legislation or other processes involved and understanding you know what elements that the land use task force manages and what they're looking at. Understanding what the league is looking at and understanding what the legislature is looking at, all of this discussion and dialogue has a lot of value to make it more collaborative moving forward because if we don't have to redo the wheel that allows us for more opportunities to focus on what we really need to do, thanks.

Representative Waldrip:

Yeah, I appreciate that, and I think you know just to just to kind of set this stage here. I think what has been discussed to this point is that. If we do become a subcommittee of the other things won't even try to define it. The big team you know would not sacrifice membership. We wouldn't sacrifice what we are now. I don't think that the intent that anybody has any intent is that we go forward, but we fold our efforts into that larger picture. As a Senator, you know, I think very well that, you know where's the biggest bang for our buck? If we're running off as a sideshow? That gets really challenging to get oxygen. If the oxygen is being sucked up by the governor and the speaker and the Senate President, you know what we do? Is there anything left and that will be, I think a challenge, but the question I think that you know that we've been sort of working towards is OK, how? How do we divide up the interests? Because there are very divergent interests and you know, as Mr. Gamvroulas said, we've got a land use task force that is dealing with development issues, writing large policy levers that were, you know, that'll affect everything from the, you know, from the smallest housing development to the largest housing development. You know everything from a four Plex in, you know. In Box Elder County to two, uh, you know the point of the mountain redo where you're talking about design standards, development standards, some of those big policy issues. That the land use task force is appropriately tackling and they have the expertise to do that. You know, then you go to what we call the middle income piece. You know we've been talking a lot about the missing middle. You know that that is one set of. Of issues that are very different from those that go down the income scale to say the 30 to 80% AMI group and then you have the homeless group which we have. Wayne's World is what I'm going to call it from now on. So I think there are very distinct policy initiatives that come out of each of those pieces. That we need to

just think, think through structurally are we set up right now to advance those policy issues in each of those areas with our current all in one and one for all structure, and I think that's something we probably need to look at and address and I think that's where we are. You know, we're sort of talking about is OK, so do we? Do you know we've had a land use or or a, I can't remember what we call a lead mobile. You know, so we have a land use management Development Act. Land use Development Management Act, which largely I think comes from the task force, is that a fair statement, Chris. OK, so that's that's been something that we ran that bill last year and and you know, generally, that's ends up being the consensus bill. If we start getting it a little more, you know we're getting into a little more of a gray area in that where we're talking about larger policy issues, I think, and I think that's appropriate with that group. We have now a homeless Committee that is doing tremendous work and asking for tremendous amounts of money. Is that a subset of what we should be considering here as the Commission on housing affordability? Is that something that should fold into? Or is that running separate? You know, I think that's a consideration we need to look at, you know, because it is that that's a whole. That's just a different world than the low income or moderate income world and then we've got now this sort of low income 30 to 80%, which may be going up to 90 or 100% depending on what? AMI doing relative to housing prices? Those are, you know, those are very different worlds and then and then going for the sort of the missing middle piece. So we really have four pieces here that we're looking at. And how do we manage that? So Michael Gallegos, you've got a hand up there.

Michael Gallegos:

Yes, thank you. You bring up the topic. Of structure and what I'm thinking of or. Going back maybe 6-7 years ago. Housing and Community development moved from GOED over to DWS and I think the justification for that no longer exists or very little of it does, and as far as structure is concerned. For this Commission to be a subgroup or sub-committee of GO UTAH. But it makes sense now just because we're dealing with the housing crisis statewide. We're dealing with COVID and as we want to look at doing more policy initiatives than we have from the beginning of this Commission. Does it make sense that structurally, that housing community development and this Commission move back over to the new GO UTAH? That's my comment.

Representative Waldrip:

I'm not sure I understand, can you? Can you rephrase that a little bit? Just explain that a little bit better, Mike.

Michael Gallegos:

Well, the. The vision of housing Community development used to be housed under GOED.

Representative Waldrip:

OK, yeah.

Michael Gallegos:

When that was changed some odd half a dozen years ago, maybe longer than that. The reason or justification for that I don't know if it exists any longer. I think what we're talking about is as far as the structure. Does it make sense to maybe rather this Commission itself by its own falling under DWS now and being staffed by DWS. Does this vision of housing community development make more sense to be back into GO UTAH

Representative Waldrip:

Yeah, I think that's a great question to ask, and again I think that the discussion today is to sort of identify. Though we're not going to make any decisions today. We're not going to vote on anything but we want to start that process of thinking strategically and these are good thoughts, So Mr. Gamvroulas?
Chris Gamvroulas:

Thank you Mr. Chair. I said I appreciate the question really that Senator Andregg is raising about. You know the Commission. I'm an original member of this Commission and I don't know that it matters whether we report up to the other Opportunity Commission or not, I don't know that that's necessarily unhealthy. I think it's not a bad idea to make sure that we're not duplicating efforts, and we're not, you know, going to do something that would waste a lot of time. I think for me the real question is, is the Commission going to do something hard because I don't know that we've really done anything that hard yet the first year we did the moderate income housing plan updates that wasn't that hard it was a consensus thing, but HP 82 the ADU bill that didn't come from this Commission and that was there were nine versions of that. There were nine Subs. Yeah, I think. I think it was the 9th version that ended up passing, but that didn't come from the Commission and you know one of my knocks on the MIHP from whenever we started in 18 or 19 on this Commission was that it wouldn't have a real impact. It wouldn't have a practical impact. The HP 82 had a real practical impact on ADU's just again, this statistic I've given you before until HP 82 passed there were 13 land use authorities in Salt Lake County that had selected 80 ADU's of their modern income housing plan strategies until HP 82 Passed only seven of them actually had an ADU ordinance or somebody could even apply under the ordinance for an ADU. So for years you had six land use authorities in Salt Lake County, and these are not like, well, they didn't have the resources and the people, they don't really understand it. Of course they did. These are very sophisticated land use authorities in Salt Lake County and six of them and still they didn't bother to do 1. So are we going to do something that is going to demonstrably move the needle around moderate income housing? I will tell you as a Member of this Commission on behalf of the Homeowners association, is somebody who's been involved in this business for 27 or 28 years. At ivory, we've had a pretty good perch to view from. Pretty unique. There are not a lot of home builders and developers out clamoring to do moderate income housing. They're not, they're just ain't 'cause they're in business. Right, so this isn't a selfish thing, but for me to serve here, I want to move the needle for the state because I believe and more importantly, my boss believes that we should do it more and be more involved and we should help uplift people in the community and be and because we're in housing. We want to do it through housing. There's a million other ways, but because this is our business, this is where we're going to focus our efforts. So my question is, are we going to do something really, really hard? Something that would be really, really, really hard would be to tie B&C Rd funds into the art income housing plan. That would be very difficult. I think it's worth having the debate. I don't know if it might pass or not, but I think we ought to be having the debate about this Commission doing something or a lot of things really, really hard. And that means making some people really uncomfortable, including the development community, including land use officials. OK. But I do think that there's, you know, I don't know that it matters necessarily how this Commission is structured relative to the Economic Opportunity Commission. I think what matters is if we're going to have like, really tough debates about stuff like that.

Representative Waldrip:

Great point, thank you. We have two online. Let's see. We'll go to Andrew Online. We've got one comment here in the Chamber and then we'll go to Mike Ackerlow and then let's move on to the next item on the agenda. We sort of derailed ourselves a little bit, but I think this is a valuable conversation because, as Mr. Gamvroulas is just pointed out. If we're not going to do hard things, then we're spending a lot of time not accomplishing a whole lot. Let's go to Andrew.

Andrew Johnston:

I think a lot of folks and Chris Plante agree with this, and those meetings are having a really hard time. That's why it's taking so long sometimes. I know I'm sort of singing to the choir here, but I would be hesitant to talk about an end to this Commission, but there are some things we probably need to do. I say I'm hesitant because if we see housing as an equity issue, then there's a lot of work to be done. If we don't see it as that, if you see it as an economic development issue or a land use of transportation school. Whatever issue we're talking about there still is not a state plan. There are no metrics that tell us if we've been successful or not and so if somebody or people or we are saying we're successful or not, there's really not a way to evaluate it other than passing legislation, which doesn't necessarily equate to the outcome. I think a lot of folks or outcomes people are coming here to work on. So, whether the political winds push us in One Direction, another under which department I agree with everyone else so far that says that's probably a less important issue, though there are some implications. The more important thing would be, are there metrics of success that we can sort of get to, or at least have some sense of where we're heading. Based on AMI or other types. To really evaluate how far we've gone and at what point, is the Commission ready to transition to something new? And maybe that's where the focus should be maybe should have been before I don't know, but I think that's keep ringing in my head about I have no way to evaluate our success quite yet, and therefore I'm really not sure how we're going to know if we've moved the needle in a lot of ways. If we can find some agreement on that, the other, the last piece I think, goes to what Chris just said. Yeah, we're gonna have some tension between our focus where we want to spend a lot of our time and the energy to pass legislation. Which AMI or specific type of sub housing concepts? But I am concerned because Chris is right, people are not incentivized to build below market housing, and I think we need to say that at times more clearly that it doesn't just happen when we talk about that particular part of the spectrum, there is going to have to be public private partnerships to make that work. If it's not, if we are going to stick to a belief that the market will eventually correct this. It might for some parts of this, but not for all of it and I think if we look at the Ken Gardner studies, it'll reiterate that multiple times over, so those are the pieces that I'm a little concerned about, and I would advocate to continue the Commission if we can get some focus on some outcomes and evaluate our success.

Representative Waldrip:

Thank you Andrew. Let's go to comment here in the Chamber. And then we've got, we actually have two more of Mike Ackerlow and also Ben Hart. If we can promote Ben as a panelist.

Nate McDonald:

Great, Nate McDonald here with the Department Workforce Services one I just wanted to quickly just correct one thing. HCD housing and Community developed division has kind of bounced around from probably more than most divisions from the different departments it was last actually not GOED, it was at the community culture, formerly also known as Heritage and Arts, now known as something else. Then it came to our Workforce Services about 8 or 9 years ago. Also there are some things that would complicate it, moving other pieces within the division, such as the Community Impact Board that actually has some provisions in it preventing the purpose of those funds being utilized for economic development and that's a major funding piece that that division operates, so it's a little bit more complicated than that, but I like the discussion where it's going of making hard decisions and obviously the department is neutral on where it goes. But we like Christina, we want to keep her with our department anyway, so.

Representative Waldrip:

Thank you, let's go to Mike Ackerlow and then we'll finish up with Ben.

Michael Ackerlow:

This is such a great discussion. I hope we can continue at our next meeting when we have more Commission members present. But I do think it brings up some issues that a number of us have kind of been struggling with on this uh, on what our purpose is. And I agree I mean, I'm going to kind of reiterate. What Chris and Andrew have both said is that we do need to do hard things and to be honest I couldn't really tell you what we are. Doing this year, if we do have a. If we have something, are we proposing legislation? Is there something we are doing this year that's going to come through. But I would like to tell you the beginning of this. This year we talked about, we did a survey and we prioritized the items that we thought we wanted to focus on. And I'm not really sure where that's gone. We had Wayne Niederhauser and Dave Spatafore give a presentation on how to use \$200 million of ARPA funding. Some of that was focused on deeply affordable housing. We made a motion that said, we wanted to do that and then that's really the last. We've heard about it, so are we ready to do those hard things? Are we ready to give more direction on that or are we ready to put something together that uses those funds? I don't know, I don't want to see this disband 'cause I do think this. This has a lot of potential. I don't see a problem with it in an economic development lens either and that when we're losing housing or can't afford to house people, it affects our economy. In a number of different ways. So, uhm, that doesn't seem to be a problem. I just hope that maybe we just get more of a structure to this and have. You know each year as we start out with these priorities, we set goals or set some kind of objective of what we want to reach. What we want to propose by the time we're done meeting so that's my two cents.

Representative Waldrip:

Great, great thought Mike. Let's go to Ben Hart.

Ben Hart:

Thank you Mr. Chair. I just want to make sure that everyone hears from us directly as we as we look at this. There's a couple things in particular that I just want to know just to make sure that we're all on the same page as we're looking at this change. There's no, there's no real work being done. To pull this Commission away from the administration of department of workforce services. So what we're talking about is we look at this is how we elevate housing as an issue? It's not turning it into an economic development and purpose. It's saying how do we elevate housing as an issue in and of itself? We still see Christina and her team at DWS as still helping to run this committee, where we're hoping that we can bring the Commissions firepower is when there are these big conversations about how we make systemic change across the state in a very positive way. In that way, we want this Commission to be able to tie into the Economic Opportunity Commission. And note the word opportunity is not the Economic Development Commission, it's the Economic Opportunity Commission. And so the purpose of this Commission, I want to stress that the Economic Opportunity Commission is not in GO UTAH or GO Utah, formerly GOED. It is above GO UTAH and so it's outside the organizational structure. Meaning that GO UTAH GO Utah does not run per say, the Commission Governor, Speaker, president run the Commission. So what it does is it gives the ability for the Commission, particularly around bigger items to have the optics and the ability to take those issues to a group that we think is really, you know, unbiased trying to set aside titles and say really, let's do what's best for the state of Utah. We've had to have a lot of those conversations this year. We've had a lot of breaking conversations this year with the Unified Economic Opportunity Commission we've been looking at Sales tax. We've been looking at a redevelopment we've been looking at, Ed TIF. We've been looking at, you know, even workforce and education. We've been

looking at transportation, alignment. There have been a lot of different issues across the board just because it's coming over in terms of structure and being able to coordinate with this other Commission doesn't mean that we're taking away a focus around lower income housing. That's not going away. That would not be part of this at all, in fact, I think with all of these issues, Chris, whether it's the issue you brought up. Up some of the other issues. We're hoping that we can put some real firepower behind what this Commission is doing, and really try and elevate its efforts. And so you're not going to see us overstep Christina? Christina knows so much more about this effort and area than I ever will. And so it's, it's really just more about being able to help identify those priorities, those big lists, whether it's that's related to low income, moderate, whatever it may be and see if we can make more progress working together. And so I just want to stress that this is not a hostile takeover. What can we do to help out? And if this Commission just said we don't want it, then it is what it is and for us it's we're going to do whatever you want to do. But we do feel like we can bring some resources that will really help you to accomplish what this committee wants to accomplish and get some things done. And so I just want to stress that this is not a hostile takeover. We don't want to. We're not trying to take over anything. It really is just how we can bring some resources together with the chairs of this committee and really help bring some of these issues to prominence and make sure that we're making progress. So I just want to stress my background. Just so everyone knows, I started my career working for five years at Utah Housing Corp where when they were doing the LHITC also with first time homebuyer programs so affordable and lower income housing is something that is near and dear to my heart. I know this area somewhat well, probably just enough to be dangerous, but we're not doing this in a way to try and say, OK, this now has an economic focus. We're still going to have the same focus, it's just we're bringing more firepower and coordination to the table. So I just want to stress that I make sure that everyone is aware of the situation.

Representative Waldrip:

Yeah, thanks Ben. I think I. I mean I know I don't feel I don't think that's the prevailing feeling. I think that we're trying to figure out exactly what you're saying is, you know, we have a new structure and I like that distinction that this is not the GO UTAH You know, running this is the speaker. The President and the governor running this so we do have a channel now directly into the deepest pockets that exist, and the most policy leverage that exists that we can do hard things. I think that's the opportunity that we have before us. If we have the ability now too have a little bit better of a bully pulpit as we try to do hard things, so thanks for that clarification. But I think that really helps Senator Anderegg and then we'll close this item and go to Cameron.

Senator Anderegg:

Yeah I think OK. This has been a good discussion for me and I'll just say a couple things. First off, I didn't view this as a hostile takeover until he said hostile takeover, so.

Representative Waldrip:

You planted a seed.

Ben Hart

Sorry, I shouldn't have said that.

Representative Waldrip:

It's like what they say in court. You know, you never say have you ever been a you know a felon before and you know no one had ever thought that until the moment you said felon.

Senator Anderegg:

So this brings up, for me a very clear direction and what I mean by that is, I believe that the work of this Commission continues as it has been the economic development of Workforce Services Committee has already opened up a bill file as a committee bill to make the modifications necessary, everybody needs to be aware of that. To make the modifications necessary to incorporate the efforts of this Commission in a formal sense as a subcommittee for the Economic Opportunity Commission. OK, the unified Economic Opportunity Commission. That bill is running independently from anything that we would do in our bill this year. Additionally, the funding requests that were put forward by former Senator Wayne Niederhauser, as well as Dave Spatafore those appropriations requests have already been submitted through the Governor's Office of Management and Budget on what we call it now? Planning and budget OK. With all these new acronyms I'm not going to get them all. So the wheels are already running there and we have had enough conversations of coordination behind the scenes that the bill slash bills that we are contemplating for this coming session, incorporate a lot of the focus of what we've been discussing over the last six months, really. We do not have drafts of those yet, so we will need to schedule a time for us to be able to present him to this Commission and I'm saying them because I think we are kind of coalescing around the idea of running land use taskforce, possibly in a separate piece of legislation from some of the other aspects of what we're trying to do. So for extending the Commission and some of the other stuff there, even though we might think about extending the Commission in that UWS bill.

Representative Waldrip:

I think this is a quote. We'll get a clarification on that. I think it automatically. He does that if I don't wonder.

Senator Anderegg:

Yeah, I think it probably does as well, but let's look at it.

Speaker 7

We'll get in.

Representative Waldrip:

We'll get an update from Gus Harp in a couple of weeks.

Senator Anderegg:

Weeks here so, but let let let me be very very clear here because I think this goes to the heart of what Mr Gamvroulas is saying: are we willing to do hard things? This Commission, in and of itself is a Commission of collaboration to put together the ideas to push the issues. Lots of times those issues, once they get to the legislative bodies the conservative bodies that we are in large a large part of those things that are in those bills get gutted pretty quickly, especially when it comes around to funding. So here's the devious side of me. OK, this is where I think we're going to be able to do hard things to a much greater degree. Incorporating in as one of the subcommittees for the Economic Opportunity Committee, where those members of the committee are the President, the speaker and the governor, the powers that be what we need to do, and we need to do this in short order and Ben Hart. I hope you're still on the phone so that we can get something scheduled for the next Economic Opportunity Commission meeting. Do we need to get our bills ready? We need to bring them before this Commission and give whatever stamp of approvals we need from this Commission. So we're going in as an official stance from this Commission we then need to go and present those bills and modify them as is our process. Once we receive feedback from that Commission such that once they give us their stamp of approval on what we do with those bills. Who owns them? The governor, the president, and the

speaker. So if we're going to be able to do hard things, it's going to be underneath the umbrella of that Commission. So let's very quickly work with our attorneys to get these bills drafted, which I think they're fairly well on their way. I think our next meeting needs to be and I'm going to jump ahead just a little bit. This meeting on the proposed Commission meeting agenda November 23rd. Forget about it. Let's just without objection and Mr. Co chair, let's strike that November 23rd, which is next week right? And let's get the leases and towns presentation. Let's get all of the information that we need. Let's go and let's sit down with our drafting attorneys and work as quickly as we can to get those bills ready and then let's find out and maybe Ben Hart if you're still on the line, do we have any dates for the unified economic opportunity Commission do we know when they're meeting next? Ideally, we could do it before the session begins on the 18th Ben are you around? I know it says he is, but I'm sure he walked away.

Speaker 11

We have a meeting on December 7th.

Senator Anderegg:

On December 7th, I don't know if that's too early or no.

Representative Waldrip:

We could maybe introduce some of the bones though on that day.

Senator Anderegg:

Yeah, we should be able to do some sort of presentation on that, but then when is the next step economic? Val Palmer, January 11th. January 11th is the next meeting and then do you believe with your experience that it would be appropriate for us to get our ducks in a row to get those bills ready? That'll be perfect. That bill or bills ready and present them to the Commission at that time? Yes, if appropriate.

Ben Hart:

If possible, yeah. I mean you're going to have the governor and speaker and president there. I think you're going to have a lot of. Really good thinkers. So yeah, absolutely. I think it's fresh. It's what we've done the last meeting and. So I think this would be worthwhile.

Senator Anderegg:

OK, and then can I ask you, would you put that or send a calendar invite to the chairs? Just 'cause I don't currently have that on my calendar, yeah?

Ben Hart:

Yes, of course we will get that done and this probably goes without saying chairs, but we obviously would hope that you would be there to present those items to the Commission.

Senator Anderegg:

Yeah, I think we'd anticipate that, yes. Does that give us kind of a clear pathway? Then I would say between here and there we have got chairs and his drafting attorneys. We have got our work cut out for us to put into statute and then we gotta bring it back or not. Statute put it in the bill and we got to bring it back to you for your input and approval. We can modify it, Representative Briscoe, if I may I didn't mean to take over.

Representative Briscoe:

Thank you, Mr. Senate Co chair thank you Mr. Chair, I agree next Tuesday is not a good time. I'm looking at the 7th and the 21st and I know what my wife will be asking me to do the week of the 21st. I mean, we could split the difference and go to the 14th and just have one in December that would give one more week for drafting attorneys, although some people might have already scheduled around these two dates.

Senator Anderegg:

Let me look.

Representative Briscoe:

That would give us four weeks.

Senator Anderegg:

Do you have your all day caucus?

Representative Waldrip:

Yeah, we have an all day caucus on the 14th.

Representative Briscoe:

Well, you can move in all day, Caucus for us.

Representative Waldrip:

Yeah, no big deal.

Representative Briscoe:

This I'm just kidding, right?

Senator Anderegg:

Well, how about how about Monday the 13th?

Representative Waldrip:

We do the 13th or the 15th.

Senator Anderegg:

13th works the 15th We have a land use task force meeting that afternoon. I can do the 13th or the 15th, but I agree with you, Joel. I think that's.

Representative Briscoe:

7th might be a little early, and even if we aren't, even if we're not finished this. This is so important to so many people? I mean, we've been going an hour or more.

Representative Waldrip:

Well we that'll. Give us a chance on the 14th to do it. We could have one more meeting prior to the meeting on the 11th as well in early January.

Senator Anderegg:

If we needed, yeah yeah to make any additional occasions.

Representative Waldrip:

Make any final modifications.

Representative Briscoe:

13th or 13th or 15th is fine, 13th is fine.

Senator Anderegg:

So cancel the 21st, cancel the 7th and let's go with the 13th. Any objections, sorry.

Representative Waldrip:

Yeah no, no. I like what I like. This is fun.

Representative Waldrip:

Send, send, send a note to Christina if you cannot make the 13th and we'll send that out to the members of the Commission and make sure that we have a sufficient quorum there on that day. But that's probably as good as you know, as any, I think that we'll get.

Senator Anderegg:

And then.

Representative Waldrip:

And then let's tentatively also schedule January.

Senator Anderegg:

I can't do the 10th

Representative Waldrip:

4th? Well, that's pretty quick after.

Senator Anderegg:

That's our all Day caucus for the Senate. What about the 6th?

Representative Waldrip:

6th or 7th would be OK for me. Why don't we do the 6th? Let's plan on the 6th. That'll give us a half week and then some time before the meeting on the 11th. So we'll plan on December 13th and January 6th. We'll send that appointment out to that invite out to everybody.

Senator Anderegg:

When we do the morning of the 6th, we've got the Flag Commission that afternoon from 1:30 until 3.

Representative Waldrip:

We don't want to flag anywhere, only retiring all flags and just. We're going to just have flagpoles now.

Senator Anderegg:

Hey, the governor is going to be at this one I gotta do it.

Representative Briscoe:

On this.

Representative Waldrip:

On the 6th morning.

Senator Anderegg:

I'm wide open in the seventh should.

Representative Waldrip:

OK, 7th.

Senator Anderegg:

We look this up.

Representative Briscoe:

Good place to have a meeting.

Representative Waldrip:

Don't just do a doodle poll. Let's doodle, we'll doodle. We'll put some time out there. Let's plan on the 13th and the 7th, probably. But we'll look at times and when we get the most brains in the room at the same time. OK.

Representative Briscoe:

You are prioritizing brains instead of.

Representative Waldrip:

Bodies, yeah, well that's why I was going to say bodies, but then I thought, well, you know. You can bring the body, but you know you bring the body, but you drag the brain. OK, speaking of hard things, let's give some time now to Cameron to talk about some hard things that we need to evaluate with him.

V. MODERATE INCOME HOUSING PLAN UPDATES

Cameron Diehl:

Thank you Mr. Chair and Members of the Commission Cameron deal, the executive director of the Utah League of Cities and Towns and before I jump into my agenda item, I just wanted to publicly acknowledge and appreciate Chris and the good work that the Property Rights Coalition does. He Gave a really great and fair overview of the land use task force and all the different issues that have come through that body over the last few years and I think it speaks. I think it speaks well of Utah that you can get individuals like Chris and the Property Rights Coalition and local government leaders and others in the same room year after year on difficult issues and we're friends on the outside were worthy adversaries on the inside, and then we're friends again after the meeting ends. So anyway, I think that does speak well for our ability to do hard things, and our ability to have tough conversations in Utah and

we've had a good track record of doing some. I come before you today to fulfill a commitment about moderate income housing plans that we committed to this body earlier this interim. Chris mentioned that we as a land use task force committed during the summer that we are going to look at three primary buckets. One bucket is inclusionary zoning. One bucket was the Nexus of housing economic development, and then the other bucket was building on SB34 and improving the implementation of moderate income housing plans. What you'll see on your screen behind you, as I think, is a good indication of where we are and a good indication of where we're going. This is information from the Ivory Boyer construction database, about the number of new housing units and you can see the steady trend over the last few years. The data up there is between January and August. When SB34 went into effect that was December 1st of 2019, but you can see the last five years. We are trending up and actually over the last four years we have produced more housing units than we have households so we are slowly closing the overall housing gap now because of the previous. Two years and the impacts of the recession and other factors, there still is a housing gap. There's still. There are still our major challenges facing the state, but I think it's important as we build on what we've done and what this Commission did SB34 to recognize the positive trends that are occurring in the market. So now let's go back to SB34. Plus there are a few key background pieces of information that I wanted to share before I jump into what this proposal looks like. Number one our League Board of Directors, which consists of mayors and Council members from across the state and have had multiple discussions about the role of cities in planning for housing and planning for growth and there are few key principles that are critical to this conversation, one balancing who pays for growth. Current residents finding the balance between current residents and future residents. How do we make sure the benefits of planning from our income housing get down to the actual homebuyer recognizing that cities plan for housing but don't build housing. But we do have a valuable role to play in how we plan our communities and then how the state and local governments work together so that local planning and state resources and state resources enhance the quality of life of all of our collective constituents. So over the course of the summer, we did a survey of our members and received over 100 comments back from the us and we asked them, we asked them important questions about how to plan for growth and those survey results have helped inform what's come together in SB34. So for example, I'm going to share a few of those survey results with you. For one of the questions that we asked, would you do it on a scale of strongly supported, somewhat supported, somewhat concerned, strongly concerned, OK, but do you on that scale, tell us what you think about state incentives for cities that have affordable housing zoning overlays that scored really well that were in the strongly supported category. Interestingly, we also asked that question about state incentives for cities to allow an increase in residential density in commercial zones. You know that that scored in our somewhat comfortable range. Likewise, state incentives for cities to allow duplexes and triplexes and single family zones scored in the somewhat comfortable range. The keyword there being incentives. So as we ask those questions or the focus on state incentives they scored in that somewhat comfortable way. When we asked those questions about requirements, for example, you know states requiring cities to allow duplexes and triplexes and single family zones. The numbers were very much in the most concerned category. We asked the question about withholding BMC funds from cities that don't fulfill the intent of SB34. That number scored very well. Category, So what we did after we got the survey results back on a variety of data points is then we sat down with a bunch of key city planners and those who've been involved in the execution of SB34 and we were focusing on the area that is in that. Come to a somewhat comfortable, somewhat concerned space and say, how do we move the needle? An area that in some cases many of our cities don't feel comfortable? Don't feel comfortable based on the survey results, but how do we move the needle in a meaningful way, as somebody put it earlier, that really requires both the private sector and the public sector to feel some discomfort because we're making real progress. So with that as the background. We are building on lessons from the implementation thus far of SB34 and looking at making SB34 fit that category of the

hard thing we're trying to accomplish. What you now have up on your screen is that concept for your consideration and so. I'm going to walk through the summary. It's a seven page document and my hunch Mr. Chairs you don't want to necessarily go line by line, but I'm going to highlight the key provisions and the key concepts. So then I am happy to take questions and dialogue. I should also note that we discussed this at the land use task force and the Property Rights Coalition has come back with comments and suggestions. Some of which we like, some of which we don't like, some of which we really don't like, but we committed to them that we would. They brought those comments back to us on Monday or what whenever it was? It was fairly recently, and so we're having a follow up meeting with our folks later this week to talk through the proposals that they brought back to us and then we're meeting again on December 1st to bring back the feedback to the Property Rights Coalition. So I bring that up. Just because this is still a working document, but my hope is that you'll recognize these concepts before you fit in that category of doing hard things and meaningful things. So number one. Of the key provisions is to tighten the criteria within the menu items, and in fact McKenna, if you don't mind just scanning down briefly so people can see and then I'll have you come. Back up to the top. You'll see that we actually went menu item by menu item. There are currently 23 menu items that cities can choose from, so it's a quick reminder on SP34 If you don't live it everyday like I do, there are 23 menu items from Senator Andrews Bill a few years ago. SP34 and a city has to select at least three, or if they have fixed trends in their city, at least four items from that menu from the menu. They have to do an annual report to the Department of Workforce Services and for their own policy makers, and they have to comply with SB34 to be eligible for state transportation funding from the state Transportation Investment Fund, which ballpark is at least at the time it's about \$700 Million Dollars. OK. What we have learned over the last couple of years is that within the menu there were some redundancies. We also learned that there were some areas where the language may have been more ambiguous than it needed to be and therefore needed to be more focused and get more toward the implementation rather than just the consideration of the menu item so we can just leave it there for a second. So what we have proposed as we've gone menu item by menu item. Talking to the planners on the front lines of working through SB34 is making improvements to the menu item that have that focus on the implementation, which then we'll come to Andrew Johnston point from a moment ago about outcomes that you can evaluate again, McKenna you can go back up. The second, the second key provision, is tightening the deadline for the word refusers hardening the funding eligibility stuff of December 1st. This isn't this is another lesson learned because one SB34 past the deadline is December 1st, 2019. Not every city met that deadline, but because it wasn't a fixed deadline, it was more of a rolling deadline. We as league staff who actually worked with countless cities leading up to December 1st and after December 1st to help them comply. In fact, on a personal note, I was standing in the airport on the way to the PAC 12 Championship game with a phone tree that my colleague had provided me with. It's like you need to call these cities and kind of walk them through why it's important that they need to comply with this be 34 so that's what I was doing on my way to the PAC 12 title game. I will not be doing that this year on the way to the PAC 12 title game, 'cause I feel like I jinxed the team. But that being said we did a lot of work even after December 1st and some of the planners came back and said why, like the deadline is the deadline and there need to be some consequences if you don't meet the deadline, again, SB34 provided that flexibility SP34 Plus would tighten it. #3 state incentives and consequences. So the current SP 34 is focused on alignment with the state Transportation Investment Fund, and this was actually the result of a multi year effort that led to a change in how Udot evaluated their projects and rural Utah is a leader on this front. Virginia and Utah were the first two states that tried to incorporate local economic development opportunities and local land use planning in how the state evaluates projects. So there was a multi-year effort that ultimately resulted in what was then SB 136 and then SB34 built on SB136 to try to provide that data point to UDot so that UDot. So the Transportation Commission would know as a city doing their part to plan locally before we invest those state infrastructure dollars. Well, we think that if it has been meaningful because

cities have told us that it's meaningful, and I've had multiple conversations with cities who said like we're a fast growing city, we want to make sure we're eligible for the state transportation dollars for capacity. So what do we need to do to comply with this be 34. What SB34 plus contemplates is bringing in a couple of additional State incentives which are consistent with our survey results but also still meaningful. For example, the legislature graciously shared some of their American Rescue Plan Act dollars with local governments back in the May special set. The legislature set aside \$50 million as a local match program for local governments. We had 445 applications for that fund with an aggregate value of over a billion dollars. As we've discussed, the potential next steps for the local match with legislative leadership. One of the questions that has come back to us is what should the eligibility criteria be for local governments as they're applying for future local match dollars and how do you incorporate housing into that? Of those billion dollars worth of requests, some were actually for housing related projects. Most were for infrastructure related projects, but those infrastructure projects help facilitate growth and so having Nexus there with housing planning makes sense, so the conversation has been if the legislature creates a local match, Part 2, tying in the eligibility with SB34 plus the next key provision is requiring that element to be tied to the transportation plan updates that occur in a local general plan. I'll geek out with you momentarily here, but within your general plan there are certain requirements that cities have, one of which is to plan for transportation, one of which is to plan for moderate income housing. Those aren't new forms of transportation. Components have been there as long as I've been alive. The modern income housing plan element has been there since the late 90s, but what we've been trying to do over these last few years is to integrate these pieces and align them with how state dollars flow into communities and so, tying it together with how the cities fit regionally within their metropolitan planning organizations, we think makes a lot of sense. The fifth element is that implementation elements so that dovetails that to a degree with number one, but it's still getting to that point of getting past the thou shalt consider. Two thou shalt consider and actually implement, which then gets to. I'm going to skip down, actually to number 8, and that is modifying the report that we currently submit to DWS. I sat in this chair a few months ago. There was a discussion about the moderate income housing reports and we met with DWS staff and we're trying to make sure that the report that the cities are providing to DWS, and more importantly, that the report that they're doing for their policymakers, actually demonstrates what's happening on the ground, what's working and what's not working and then informs policymakers locally and at the state level of which strategies are effective. The biggest concern that we have heard from planners across the state is feeling like there's a major disconnect between what the statute and what the report requires versus what they're actually doing. So trying to get those pieces together then allows us to actually build metrics and evaluate how the cities are doing. I met with the mayor in Davis County the other day. Who said that to me? We want to be evaluated, we think we're doing great work here in my city, but my planners tell me it's basically impossible with the report to accurately say how we're doing, and then how we can share our are good examples with our fellow cities in Davis County, so that that's the number 8 piece. But that's a critical component. Likewise, we think it's important to articulate how the private sector is responding to those menu items, because what we don't necessarily want is for a city to select a moderate income housing menu item thinking it's going to result in moderate income housing and have it not actually occur. OK quickly on #6, this is another key task and it's about the technical assistance piece and we've been working with the Governor's Office of Planning and Budget. Laura Hanson has been a rock star here as we've been working through this piece because there are a lot of cities even larger cities who have come to us this summer and said, there are some menu items here that are very intriguing, but we don't know how to implement them and so having some technical assistance that can help implement those strategies would be vital and the governor's office has been very responsive to that, as has legislative leadership. Chair, in light of the time I'm going to, I'm going to stop there to see if there are questions or comments. Oh, actually no. I do need to add 1 more piece. I apologize, I mentioned the ARPA piece, but I

need to also bring in the economic development piece 'cause you guys had talked about this as a Commission earlier and that is back on item number 3. You'll see the reference to the GO UTAH economic opportunity zones. This is an effort to say if the state of Utah is modifying its strategy on economic development what is the role of local planning? So currently the Governor's Office of Economic Opportunity is contemplating a proposal where cities could actually be pre certified or designated as economic opportunities zones and part of that requires planning for moderate income housing workforce housing, so our proposal back to the Governor's Office of Economic Opportunity is to insert SP34 plus there so that as the state is prioritizing where the state may be investing their economic development resources. We've now created an incentive for cities to comply with SB34 to qualify for that criteria. Likewise, another critical component here is recognizing that right now, SB34 essentially treats. I'll use, you know, legislators on the Commission as examples, Lehi and Ogden the same or better put Eagle Mountain and Ogden the same even though Ogden is a transportation hub and Eagle Mountain is, with all due respect to trustee Holbrook, there, you know it's going to be a long time before they get significant mass transit to Eagle Mountain. So the way we tried to distinguish them, SB34, is that Ogden has to do 4 Eagle Mountain has to do three, well, what we're proposing SB34 plus is to say if you are Cameron City and you go above and beyond the three or four and what we've put in here is if you go above 5 or 6 then you would qualify for additional prioritization as GO UTAH is certifying their economic opportunity zones or as the state is looking to fund the ARPA local match Part 2, so again, recognizing that additional effort and incentivizing that additional effort and distinguishing between a city that may just be doing the bare minimum and the city that's going above and beyond and that's still separate from the city that just chooses not to comply with SB34 going forward and thus miss out on a wealth of state investment, so Mr. Chair, I'll stop there. But I wanted to emphasize that point as well.
Representative Waldrip:

No, thank you. I think those are. Those are great. That's good movement. I think we had. Can we pull up the participant screen again, I think we had some hands, or at least a hand up. Jeff Jones.

Jeff Jones:

Thank you Mr. Chairman. And a couple comments. As someone who prepares the moderate income housing plan, there are a few things that I think could potentially improve that process. One would be that. That there be some type of requirement for cities and counties to provide the housing unit data to a repository that's recognized, I know the University of Utah where Cameron pulled this data from has numbers, but I don't believe those are all of that accurate, particularly with some smaller jurisdictions that just refuse to participate or answer the survey or what have you and I and I think it's important that we understand those numbers and we break those numbers out by product type and even ADU's and whether or not housing is deed restricted in those particular markets. The second thing is that the tool that everyone is asked to use is the moderate income housing tools. There's a five year projection, and that five year projection data really doesn't work and you know, I ran the analysis twice within a two week period of time and the data was not consistent and you know, I reached out to the Department of Workforce Services and to David Fields and he said yes, the tools are flawed and I don't think that we should be you know, I applaud the effort of the moderate income housing plan. I think that that's on the right track, but I think it's really important that we make sure that the tools we're asking everyone to use actually work and if you're doing your own assessment, it's not a big deal, but in smaller jurisdictions where they may not have the funding to do their own five year assessment, then it could be potentially problematic and we're identifying gaps that don't actually exist. And I think we need to fix that. I also think that. Some of the comments that Chris made regarding how do we deal with economic development and jobs versus households and housing units. I think we need in the formula to convert jobs to households and I kind of have a way in which I sort of do that for myself so that I can come up with an aggregate number that combines both the population growth. The percentage of cost burdened

houses and then that employment growth number as well. That kind of tells me. Where I should be sort of shooting for? And I think we need to get some of that, those things kind of nailed down, and it may require some resources to help some of the smaller jurisdictions that don't have funding in order to put those things in place. But I think that's a really important point if we're going to move forward with this.

Representative Waldrip:

Thank you, I think I just heard if I'm reading between the lines there, I think I just heard you volunteering to help work out some of those issues with DWS and Cameron and maybe myself or Senator Anderegg so that we can get this right.

Jeff Jones:

I'd be more than happy to help, however I can.

Representative Waldrip:

OK, so if I can ask Christina to set up a meeting with those parties, and if you have an interest in participating and some expertise on that side to participate, and you're on this call, we'd welcome you know a couple more participants to that group to make sure that we get the measuring sticks correct and the tools that we're using correct so that we don't go sideways on this. Does that work for you OK? Thank you. Any other comments? Beth Holbrook.

Beth Holbrook:

Thank you Mr. Chair. I just wanted to know Cameron. Could you share this document if it, I know you are already intending to probably make some modifications or have some more discussions, but if there's an opportunity to do that, could you share that?

Cameron Diehl:

You're talking to this document here. Yeah, absolutely absolutely.

Beth Holbrook:

Thank you, that was my only comment.

Cameron Diehl:

I mentioned that it is a working draft. The Property Rights Coalition has brought back some comments and it's actually a Google doc, so I am constantly tweaking it based on the feedback that we're getting. So I'm happy to share it. That's the whole point is we're trying to get as much feedback on it now especially with the new timing you've put forward of having something ready for the January 11th UOC. I'm confident we'll be there.

Beth Holbrook:

Thank you.

Representative Waldrip:

Great thank you. Any other comments in the Chamber? Yes, we've got Mr Gamvroulas.

Chris Gramvroulas:

Sorry no, I'm going to be very brief. Cameron was very good at sharing this document with us several weeks ago. We did take a stab at a few changes. This is one where I think that this Commission and

some of these changes are going to be good, but I think this is one where we could do something that might be a little bit hard. That doesn't mean. Around being painful or punitive, it's just. But it is more around not rewarding with funds for municipalities that aren't making progress towards those goals and the principle of that is that the state. Gives authority to cities to plan and use that power, I mean. That's a power that they have, and they have the power to take your property and they have the power to tax you and so we're not equally aligned, the development community.

We're not equally yoked with cities in our power. We don't have those. Powers we're just greedy capitalists, I just happen to work for a company and an individual in particular who also wants to do a lot of really good things around housing, and so I'm fortunate in that but there are going to be some uncomfortable questions around this and discussions around this around like B&C Rd funds where there is not a reward which we see is a reward and not an entitlement. If you, if the municipalities don't follow the rules that are written around the power to plan, there is not an inherent right to plan. There's not an inherent right to zone, that state gives that power to the cities that says. Here's how we want you to do it, and there is an obligation for them to follow those and by and large they do but there are some there are some bad actors, and so we see these concepts around the economic development, alignment and around the B&C Rd funds is things that will move the needle and they don't have to be hard and we do think that they'll they'll incentivize states like California have done things that are really, we be personally, Chris Campbell and Henry Holmes. We don't necessarily agree with what California has done in the last four years, and SB35 was in SB34. That basically no more single family zoning in the state of California and then about a year ago they passed the same senator, Senator Wiener from San Francisco passed another bill, Senate Bill 9. That basically allowed duplexes on every lot and ADU's. So we had this discussion last week. We had the ivory innovations at the University of Utah. Had some people that were talking about this and I didn't even realize the scope of this. Any single family lot is now, you can subdivide it into two and on each of those you can have a duplex. And on each of those you can have an EDU. You could go from 1 to 8. We don't necessarily think those are the best zoning planning outcomes, right? Planning and zoning? You know, working together, we would rather have different, you know incentive, you know, incent the municipalities to do things rather than you know kind of up, you know, have these upheavals in the fabric of neighborhoods and communities. So they're going to be tough, but I think in the end I think we can come up with some good solutions, but from the Home Builders Association of Utah, that's what we're where we will be pushing towards.

Representative Waldrip:

I think Cameron Group may have some issues with some of those proposals.

Speaker 14

Which Mr. Chair, if I may, is why we sit in a room a couple of times a month and hash it out.

Representative Waldrip:

Thank you, I think we're over time. I'm going to just make one last request of staff and it may require coordination with the Gardner Policy Institute, but here's one thing that I've been thinking about. We're looking at percentage am I, and that has been the sort of the yardstick by which we've measured affordability. I think it would be worthwhile to take a maybe a 10 year look at am I relative? Average median home price in Utah. To see how we're tracking. Because as we go forward, we're. To be using me as you know, continuing to use me as our measuring stick, but we need to be prepared to understand what I mean in terms of housing, because I don't think those two have correlated and they're going to be different. This last year I was just looking at the Fed is going to insure homes up to \$1,000,000. Now and you know, I mean, things are going in a very different direction, so that's one request to have a staff.

Senator Anderegg:

Go ahead Mary. Please yeah I agree with that 100% because I think our traditional affordable housing range of 80% or below very median income in today's market may be a fallacy. Yep, yeah. Especially when the report that I saw just a couple weeks ago showed that Utahns, 50% of Utahns can't afford to buy a home in today's market and wouldn't be able to afford the home they currently live in. That is an alarming trend and I just want to make sure that and I think that this may go to the heart of what the land use task force is driving at is that? The 82120 may be 150% of area median income, actually may de facto be a portion of the range that we're actually looking at now. I think we have got to have a better finger on this. Pulse so I. Agree with that part of them.

Representative Waldrip:

Yeah, absolutely thanks. Thank you, thank you Cameron for your presentation and we look forward to working with you to refine and and get some additional discussion on these items. They're very helpful. Your work has been fabulous with your body. I know you're a cat herder now you know by trade. So congratulations on that. I've seen a commercial and it really looks really difficult.

Cameron Diehl:

Yeah, well thank you Mr. Chair

VI. OTHER BUSINESS

There was no other business to conduct.

VII. ADJOURNMENT

Representative Waldrip:

For both commercial to that effect, if you need to Google that, it's a good one. Then just put Cameron's face on there. Thank you everybody, I looked entertaining, final motion and we have a motion to adjourn all in favor. Thank you.

Chris Gramvoulas: Motions to adjourn.

Senator Anderegg:

Thank you.

Representative Waldrip:

So all in favor of adjournment please move so. All in favor say aye. Any opposed? No. Meeting adjourned at 11:07 AM.