

COMMISSION ON HOUSING AFFORDABILITY

Minutes for November 11, 2022

Hybrid Meeting: In Person & Via Zoom

Members Present

Senator Lincoln Fillmore
Representative Stephen Whyte
Representative Steve Waldrip
Representative Joel Briscoe
Nate McDonald
Andrew Johnston
Christopher Gamvroulas
Wayne Niederhauser
Dave Damschen
Jeffrey B. Jones
Michael Ackerlow
Michael Gallegos
Ginger Chinn
Janice Kimball
Beth Holbrook
Danny Walz
Kyle Palmer
Michael Ostermiller
Tom Macdonald

Representing

Senator
Representative
Representative
Representative
Executive Director DWS Designee
Salt Lake City Council
Utah Homebuilders Association
State Homelessness Coordinator
Utah Housing Corporation President
Summit County Economic Development
Community Development Corporation of Utah
Salt Lake County
Salt Lake Chamber
Public Housing Authority
President of UTA
Salt Lake County
Governor's Office of Economic Opportunity
Land Development
City of Orem

Absent Members

Christina Oliver
Matt Loo

Staff Present

Jess Peterson
Stacey Herpel
Jennifer Edwards
Jennifer Domenici
Alyssa Gamble
Richie Wilcox

Guests

Ryan Beck
Liam Thrailkill
John Hiskey

Ashley Spatafore
Russell Goodman
Dave Spatafore

Kim Madsen
Andi Beadles
Dan Wayne

Sarah Nielson
Chanel Flores
Shule Bishop
Kule Ruhlin
Tony Semerad
Nick Tarbet
Jamie Davidson

Tricia Davis
Angela Price
Meg Ryan
Michelle Larsen
Peggy Hostetter
Cody Lutz
Jennilyn Tockstein

Ryan Steinbeigle
Susan Olson
Erik Fronberg
Lauren Littlefield
Christy Dahlberg
KoriAnn Edwards

I. WELCOME AND INTRODUCTIONS

Representative Whyte:

Today is November 11 and it is now 1:25 pm. This is our last meeting of the year before Legislation begins. We have several presentations to go over today that include an update of the Station Area Progress or HB462, Envision Utah, and we have Cameron here from the Utah League of Cities and Towns. First we will start with public comments and it looks like we have two today, and then the approval of the last meetings minutes.

II. PUBLIC COMMENT

Comment One

Thank You. I am concerned about the reduced frequency this year of public meetings of the Commission. Especially if the Commission does not meet again until after the legislative session, as the agenda proposes, it will be very difficult for interested members of the public to know which legislation the Commission is supporting during the 2023 General Session. If the bills are all prepared by tomorrow's meeting, I withdraw this concern, but in past years bills have taken shape much closer to and, in fact, during the session. Members of the public have the right to know what actions this public body is taking. Thank You Susan Olson

Comment Two:

Dear Utah Housing Legislation Committee,

For families that are most challenged, marginalized and struggling, owning a house would enhance their chances of success if they were given guidance as young individuals and couples just venturing out as homeowners. It is quite unfortunate that the most deprived find it difficult to maneuver our housing methods. People experience high rates of housing insecurity, a reality rooted in historically discriminatory housing policies and spurred on by contemporary structural racism. We all agree that all families need a fair opportunity in their pursuit of happiness, comfort and well-being.

Our family has resided in the Westpointe community since May 1, 2016. As a young family, with five boys ranging from 13 to 5, we've rented from the Aspen Cove Townhomes. The management has changed numerous times and navigating the system has been a nightmare. We both are employed and earn minimum wages. Our boys are beautiful, blessed and budding athletes. Our oldest joined the Jr. Jazz at age four and continues to excel in the game of basketball. He is presently attending West High School ELP Program as an 8th grader. Khalil has

the most contagious smile! He is on the Autism Spectrum and with a great love for iPhones. He plans to work for Verizon once he enters the workforce. Tristan is in Pre-Kindergarten and at the top of his class. He is a born leader, always willing to help and encourage his classmates.

We are sharing information with you, the Utah Housing Legislation Committee, to ensure that our dilemma as renters is transparent to all. For the past six years, we have done our best to be good tenants and cognizant of our responsibility as renters. We urge your committee to help us find solutions to decent and fair treatment, affordable rental fees and benevolent partnership between landlords and renters.

Thank you in all that you do in the betterment of our communities. In the Good Book we read, "Whoever oppresses the poor shows contempt for their Maker, but whoever is kind to the needy honors God." (**Proverbs 14:31**) When we lift one out, we lift a community.

Blessings,

Malcom Barnes, Jatessa Whittaker, Gayle Dawes and family

III. APPROVAL OF MEETING MINUTES:

Representative Whyte:

Thank you. Appreciate your comments. We'll go now to our first item of action and that is to approve the Minutes from our meeting on September 13th can. I have a motion to that effect.

A motion to approve the September 13, 2022 meeting minutes as is with no corrections made by Kyle Palmer and seconded by Beth Holbrook. Motion passes unanimously.

IV. PRESENTATION – IMPACTS OF STATION AREA PLANNING

Andrew Gruber:

Communities are making strides to plan and develop areas around Frontrunner, TRAX, and bus rapid transit (BRT) stations as we address today's growth challenges while preserving quality of life. As a result of HB462 Housing Affordability Amendments, which passed in the 2022 Legislative Session, cities with a fixed-guideway public transit station (rail or BRT) are required to develop a Station Area Plan (SAP) and update their general plan and zoning to implement the SAP. Station Area Plans support the goals of the Wasatch Choice Vision, including increasing the availability and affordability of housing, promoting sustainable environmental conditions, enhancing access to opportunities, and increasing transportation choices and connections. SAPs are intended to maximize development potential in appropriate areas through a collaborative city-led planning approach, allowing cities to determine how best to meet shared objectives without mandating a specific approach or zoning. The Wasatch Front Regional Council (WFRC) and the Mountainland Association of Governments (MAG) and the Metropolitan Planning Organizations, in collaboration with Utah Transit Authority (UTA), and with support from the Governor's Office of Economic Opportunity, are providing technical assistance to cities to develop and implement their Station Area Plans. Metropolitan Planning Organizations like WFRC and MAG are responsible for certifying Station Area Plans. A form to submit Station Area Plans and relevant resolutions for review

and certification is now available. Of the 88 state areas, 22 Stations where station area planning has not yet been initiated, 39 Stations with plans that pre-date HB462, 25 Stations with plans being prepared for adoption, zero SAPs adopted by municipality pending SAP certification submission, one SAPs submitted for certification review, and one SAPs certified by MPO which is the Farmington Frontrunner Station. WFRC and MAG also provide technical assistance to help communities implement HB462, in partnership with UTA, and with support from the Governor's Office of Economic Opportunity. Applications are being accepted on a rolling basis, and reviewed by the program partners. WFRC, MAG, and UTA work with communities to move SAPs forward quickly once they receive funding. 31/88 Station areas have received technical assistance to fund planning activities around their station areas. With the \$5 million provided by GOEO to fund SAP technical assistance, 11 applications for SAP technical assistance received, 11 applications approved and projects awarded, \$1.535 million in project funding through SAP technical assistance awards, and \$68,333 average technical assistance awarded per station. Front Runner has six stations that received an average of \$69,167 in technical assistance, TRAX has six stations that received an average of \$113,333 in technical assistance, and BRT has 9 stations that received an average of \$37,778 in technical assistance. An example is Roy City, Weber County Front Runner Station. After the extensive public engagement, Roy City created the Focus Roy City vision for their community, which then led to the adoption of a Form-Based Zoning Code for their Front Runner Station. Roy's Form-Based Zoning Code will help transform the station area through zoning changes into a transit-oriented development with a mix of uses, including affordable housing options and office/commercial development, as well as connectivity for pedestrians and bikers to best leverage the development's proximity to public transportation. This plan is beginning to come to life as the market responds with a proposal to construct nearly 300 townhome units within the station area. Midvale City, Salt Lake County has three TRAX Stations which are Bingham Junction, Midvale Fort Union, and Midvale Center. Bingham Junction is on the Red Line while Midvale Fort Union and Midvale Center are on the Blue Line. Being located near the center of the Salt Lake Valley, Midvale sits at a crossroads of transit and transportation, it is three TRAX stations afford prime opportunities for transit-oriented development, including housing, commercial, and other uses. Midvale's Bingham Junction station has largely developed in a linear, mixed-use fashion with office and residential uses adjacent to one another. While located near the historic downtown, a rail spur and a long-time industrial use separates the station from the downtown. Redevelopment opportunities could provide a connection to the historic downtown, greatly increasing the likelihood of transit use while tying into and expanding the recently adopted form-based zoning code encompassing the downtown area. A station area plan has not yet been done for this area, and Midvale looks forward to what can be done through the study and preparation of such plan. A few newer, higher-density mixed-use and residential developments, some affordable, have been built near the Midvale Fort Union and Midvale Center stations. An existing Station Area Plan (2019) encompasses both of them. This plan now will be updated to address the requirements of HB462. As with the Bingham Junction area, Midvale looks forward to what the new station area plan proposes for these areas; specifically, how to improve and better utilize existing zoning opportunities for transit-oriented growth. Farmington City adopted a Station Area Plan for the Farmington North Front Runner Station. The SAP includes an implementation timeline for the next 5 to 10 years which will activate the area to become a connected, mixed-use development containing residential housing (market rate and affordable), office/commercial, and open space uses. The plan seeks to expand housing choice and availability around the station, including approximately 4,500 new residential units - enough to accommodate nearly 15,000 new Farmington residents. Under the SAP, Farmington will explore innovative alternative transit options to connect people within the station area (which can be more than ½ mile) to the station and a mixed-use center, which the city has already initiated. In August of 2022, UTA opened the Front Runner Station in Vineyard. City leadership sees this station as one of the most critical infrastructure projects in the city and region and has established a land use plan for a new 350-

acre downtown to provide housing for all income levels, expanded transportation choices, and economic development. The initial plans for the station area were approved in 2016 and modified in 2020 to further intensify land uses for commercial uses and housing. The 2020 Downtown Station Area Plan estimates 6,000-8,000 new residential units. To date, 685 multifamily units have been constructed within the station area along the Utah Lake shoreline. In August 2022, MAG awarded technical assistance to Vineyard City to further expand the station area plan boundaries from 350 acres on the west side of the Front Runner railroad tracks, to include approximately 430 acres east of the railroad (known as East Geneva). Together, the new station area plan covers a total of 780 acres, not including the adjacent 225-acre Utah Valley University (UVU) property. As part of the planning process and to comply with HB462 requirements, Vineyard City will also reconsider elements of the Downtown plan related to moderate-income housing, transportation linkages, and open space. The planning process engages a wide range of community stakeholders, including local residents, property and business owners, consultants hired by downtown area developers, and UVU, which aims to add high frequency transit options for the Vineyard Campus.

V. PRESENTATION – ENVISION UTAH

Rick Beck:

It is not so much if Utah will continue to grow, but how Utah will continue to grow. Many Utah families stay for generations. According to the census, we were the fastest growing state in the nation from 2010 to 2020. I think that's no surprise to any of us. We lead the Rocky Mountain West here. Idaho's been strong, we've been strong, but we have a lot to offer here. Whether it's you know you people want to live close to family. People want to be close to great outdoor recreation and we have a super strong economy and we have great jobs so people are moving here. We have a high birth rate. So you know when Envision Utah, we do what we call value studies, and if you look at this diagram on the on the in the salmon color, or the pink color. These are folks that said that growth is bad and should be limited on the right side in blue. These are folks who said growth is good and should be fostered. So what's interesting to me about this is we have asked this four times over the last 25 years and this is the first time in 2021 that it came back that Utahns said growth is bad and should be limited. So to me, that's pretty darn concerning, 'cause like I said on the previous slide, it's not if but how, so we've been out statewide you can see on the left side of the screen all the places we visited. We were in Provo last night. I would estimate that we had about 140 or so people show up and voice their concerns and talk about opportunities for growth. I'll be in Cedar City tomorrow. We'll be in Logan tomorrow and we'll be in Taylorsville on Thursday, so we'll continue this conversation. To really get it, what are people's growth concerns primarily? This is what we're hearing. This is kind of the top four list. Of course, we're hearing quite a bit more, but the top of the list, depending where you are, housing is always one or two, and then water is always one or two, just depending what part of the state you're in. But of course open space and infrastructure. Specifically, how we're going to fund that infrastructure comes to the top of the list, so I'm just, since this is the Commission on Housing Affordability, I just want to peel back, while not housing what we've been hearing from folks that are in the business and that the housing and the development barriers to developing more housing so you know, starting with zoning right at the top, there's also, you know, there's barriers in the zoning that we could look at. Dive in deep and you know remove some of those barriers. Their exactions, in the form of impact fees. Not that you know the developers don't say, that they just say as long as the impact fees are appropriate. That's appropriate to the impacts they're making on the community. But sometimes they feel like they're absorbent and definitely a barrier to our cost of housing design requirements. You know, we heard a lot about, for example, things like you know if you're doing masonry, brick or hard plank, why? Why not just do the front of the House? Why do we have to go all the way around the house? That just adds cost. It still has

a nice looking feel and then time delays. You know, getting through the cities or the counties it takes time. Time is money, it just adds up. Then this bottom one I thought was especially interesting. We heard this at U of U. We did a workshop with Commission Member Chris Gamvroulas about a week ago and this one jumped out at me. They said, you know, when we're thinking about multifamily housing, we often design the parking first. It was very expensive. We designed the parking 1st and then the housing came secondary and I thought, well, isn't that backwards? So an interesting finding is what we're looking at there and then when we dive in a little bit about housing what Utahns are really saying what their concerns are. The first two deal with traffic and congestion and safety. The third one there is crime, the community going down the list. The community feels more clicked, more crowded, that's more noise, less peace and quiet, overcrowded schools. Then last, loss of our agricultural lands in open space. Now off the record when you can really get people talking and really put them into the corner. They'll say something like, and I almost hate to report this, but you'll hear quote, you know those people. I don't want those people you know living in my community of our neighborhood, which you know, is very difficult to hear. But we are hearing it. In more closed conversation and so I just want to put in a plug. This is a little shameless, but in Envision Utah we have a value messaging guide and it's really all about how to talk to Utahns about this growth that's going on, whether it's transportation and congestion, or crowdedness, it's on our website under the tools section. I just thought I'd mention that because we're all in this together, so I figured it be a useful tool and jumping back to the guiding our growth conversation. We're just in phase one where I mentioned the workshops we're out listening, listening to opportunities and concerns, and really trying to get a feel for a pulse of what's going on and moving into summer, we're going to put our spring in summer of 2023. We are going to put together about four or five scenarios, plausible futures, futures looking forward, and futures that we can test. Some of the big investments or policy levers that we can pull to see what we can do to help manage this growth and help you know keep Utah a great place to live. So with that I'll just add in the website for people in the audience guidingourgrowth.utah.gov. You can weigh in there. You can voice your opinions there. We'd love to have all the input we can get and with that would love if there's any questions or comments.

Representative Whyte:

Thank you very much. Are there any questions or comments from Commission members?

Chris Gamvroulas:

Thank you, Mr. Beck. I just wanted to thank Ryan for giving the attainable housing presentation today. You just literally put up your list of all of the challenges that the attainable housing group has been trying to move forward. I just texted out a picture to Andrew Gruber and Ari and Cameron. A picture that I saw it's a sign in Boston about three or four weeks ago that said you're not in traffic. You are traffic.

Joel Briscoe:

Thank you, Mr. Chair. I know that Envision has done a visioning process recently focused on Utah County, but going back to the 90s, you've done wonderful service for the state without telling people they have to do it a certain way, but providing workable options to help us grow is the intention of what's going to be released. Hear from now. Statewide, does it have applicability to rural areas? Is it more focused on the big growth areas of the South Western and Wasatch Front? Is that a fair question?

Ryan Beck:

That is an extremely fair question, and you know while we report I've gone to every single one of these conversations and I'll report that. I didn't realize how deep the divide was between the grass at the front

and rural areas. It is significant as something we absolutely need to focus on. So, at the end of the day, of course, you know there are population centers along the Wasatch Front. We have to focus on that, but I absolutely feel like I've been a failure at my job if we don't focus on these rural areas. I think November 17th. I'm going to be in Garden City, we are definitely trying to make this a statewide effort.

Joel Briscoe:

I'm happy to hear that. Thank you, Mr. Beck. Thank you Ryan for your presentation for you and your team's good work. Last night I had the opportunity to be at the Provo packed ballroom. It was a great presentation, great dialogue, and collaborative discussions on a variety of these issues. So thank you to you and your team for the excellent work. If it's OK, let me just add one more thing. We have the lady signal Alyssa and Jennifer; we are working on a project. We're just getting it kicked off. That's going to look at specifically 35 different areas, including all of the AOG's to look at the barriers to housing in the zoning, and the regulations and so hopefully we'll be able to report on that in the future, so thank you.

Representative Whyte:

Thank You. We will now go to our next agenda item of low-income housing subgroup with Commissioner Beth Holbrook.

VI. LOW-INCOME HOUSING SUBGROUP

Beth Holbrook:

Thank you so much, Mr. Chair, I just wanted to update everyone. As you know, we've been having these discussions about our different groups over the last several months, and one of our really impressive things that we have done, as we've all come together from our different areas, and my area is low income and that's all-encompassing as you can possibly imagine. We are talking basically about the 80% and below AMI and I have several very well versed colleagues here who really have done and moved the needle tremendously. I have Wayne Niederhauser here and David Damschen and their respective groups have really focused on several things and what I wanted to do is just update everyone as to what occurred and transpired in our last meeting, and I'm going to talk about the proposals that we put forward in this low-income housing group. I'm going to first focus on the UEOC supported priorities as they came out of the Governor's Office of Planning and Budget. The first one, these are in no particular order, but the first one is the 15 million ongoing funding for the Olene Walker Housing Trust Fund, and this is specifically in regards to gap financing and again, one of the gap financing challenges that we have is that we all are very well versed. Unfortunately, in inflationary as well as supply chain issues that prevent us as entities from completing projects and a lot of times in addition to that, land costs have risen, etc. and so what our goal is in Olene Walker is to make sure that we have gap financing available to cover some of these challenges. In addition to that, as you know, in Olene Walker we asked, we also look at affordable housing and again, that's one of our priorities. As we move forward on these projects and that again has been supported by the UEOC as a priority for this next legislative session and please ask me any questions, I'm just going to keep going through unless I have a question. The next one is UIO supported the fiscal year 2024 budget request for ongoing \$500,000 for the single family housing rehabilitation and this is actually in the CDBG area, this is the funding for, and I might be taking Matt's piece, so I hope I didn't realize that I accidentally printed up this one as well, but this is really focused in the rural area and I know Matt can answer any other questions. I believe he's going to be online now. Next, the next one is the rural single family Homeland Revolving Loan fund and then the other priorities as listed by our group or the attainable housing grants, and this is the ongoing \$15 million for service provisions for our 30% below AMI projects. The next one is the Affordable Housing Fund as a one time request of roughly \$150 million, and that's from Wayne Niederhauser's group specifically and just for

reference points, this was a very successful project. This just passed in the latest legislative session that had \$55 million assigned to it, but they had over \$168 million in requests. Again, as we recognize that this is throughout the state, and I think Ryan articulated very well just in the previous comments in regards to, we also have to look at the entire state and as well as the Wasatch Front and this is one of those requests as well. The next one is the increase to Utah's low income housing tax credit and this one is supported by David Damschen and has been discussed in regards to how can we attract those developments? Those LITECH funds to do these types of affordable housing projects and then the last one is the down payment assistance for teachers and firemen and that is currently at the \$1,000,000 range and we want to increase that to \$10 million and that would be to allow for down payment assistance for those types of groups. Teachers, firemen, municipal workers etc. I know that we have a lot of other items to discuss, but these are the projects that I put forward as a low income housing chair and I'm happy to entertain any questions and I know I went fast.

Representative Whyte:

Thank you for the good and thorough review and all of that work. Any questions or comments from Commission members? OK seeing none then thank you for the report and the update and I believe those items were adopted in this last meeting.

Beth Holbrook:

As well, yes, that's correct. I apologize if I didn't articulate that well, but that is correct. Those were forwarded through the Governor's Office of Planning and Budget as priorities for this next legislative session thank you.

Representative Whyte:

Thank you. Let's move on to our next agenda item. We're going to combine the rural housing subgroup and that will move that a little bit down into the later agenda. So, we'll move here to the attainable housing subgroup. Come with our Commission member Chris Gamvroulas.

VII. ATTAINABLE HOUSING SUBGROUP

Chris Gamvroulas:

Thank you. I did send belatedly a PowerPoint with just a few updates and then just to talk about a couple of additional issues that have come up recently. Only around IADU's, and then I think we have some further discussion on linking economic development incentives and MIHP. I know that that's been an issue as I've said before, the good news is we're not asking for any money. The bad news is that that's the really easy thing to do. The really hard thing to do is to pull policy levers and to get into people's perceived sandboxes. That's when the fireworks start, right? Anyone can ask for money. We wanna change policy. I know, there we go, the attainable housing goals. It's interesting because they've been a little bit more controversial, and I don't mean that in a pejorative, I mean, I think it's, you know, there's no monopoly on good ideas, but we are talking about trying to move some policy levers. When you do that, you know there's always a little bit of pushback. I would tell you that legislative leadership has actually said, and both houses have. I've heard from several people in leadership. While you're not really asking for anything tough for you. I'm like wow. Like we didn't even get presented at the UEOC meeting because of the perceived you know how we are controversial, and they're like, are you going to do anything hard? So yeah, we are. It's always hard. Yeah, so actually go back to the first one, there you go. So, we presented some draft language and sent that to the chairs and distributed that to the Commission and the basic fundamental concepts are around accountability and the role of general plans and zoning, making general plans matter and making the manner, and I know that there's we've come a

long way in the last three or four years, although the HP has been in the statute since 1996, I would remind you that 26 years ago that's when they went into statute, and in the last three or four years we've made progress, so that's OK. But we do need to have more. We believe that general plans should matter more than they should be adopted by ordinance that makes them more real, it makes it harder for a legislative body, In this case, local government to turn down an application, even if it's for a rezone, because of public clamor, that doesn't mean there's not planning going on 'cause you're just moving the planning earlier in the process. You're doing it at the general plan level, you're making a land use map, and saying that this is where this makes sense, like the station area plans saying this makes sense here and we should put this here and we should put this here and we should have some higher density here and then when there's public clamor. It's like, well the general plan land use map is just advisory, so we can say no. We think that they should be more meaningful. I can tell you if I wanted to move an arterial rd or a collector rd that was in a general plan that was adopted by resolution. It would be like you know they would quote it like it was gospel and be like you cannot move that. This is not advisory, this is our plan and so It really is a pick and choose. We do think that if there are general plans and zoning, if there are communities that aren't making progress or they're not following their general plans, then this is kind of a bigger stick. It's a little more of a blunt weapon to be honest, but it would be a by right development of affordable housing. Now there may be other ways to get to that, but that's our idea. We're a little more the private sector. We are a little bit more blunt, blunt instrument eliminating downzoning, eliminating medium, our minimum lot sizes, those things would go a long way to these things. We submitted language around compliance with the moderate income housing plan and turning the B&C Rd funds from an entitlement into a carrot and so again, there may be other ways to do that. You've heard me say several times, I'll say it again when you catch flak, you're over the target. The bomber pilots in World War Two. They didn't get there was no flack when they were flying over the English Channel, only when they got over their targets and the weapons started going, you're over the target and you start getting flak, and so when the harder they say no, the more likely it is to have an outcome, hopefully it's not bad, more and better data to track progress we have talked about the economic development centers and housing. I know that that's something that we should talk about more. By the way, I picked up the enterprise on October 24th. Morgan Stanley will expand Utah operations and add 800 jobs. That's cool. The Governor's Office of Economic Opportunity approved a tax credit of 6.54 million / 10 years, so that's cool. So what if we linked that to where people are going to work or live. We've got the jobs and we're not linking the housing to it, so I was just going to pass that down to Kyle. I know he wants to talk about it. I think we should and we did submit some language grant and we're not saying we just stole it from Park City guys, we just thought it was a good idea. Maybe it's not the way to do it, but to have the conversation and talk about it is important, and then the Development Standards Working group. I will say we've made a lot of progress there. We've had some knock down drag out discussions in that group, but there has been a lot of progress and I do want to tell the league that if you act the people that have come that they have listened, and if you go to the very last slide for me, I'll just give you an idea. So this is just to give you an idea of what we're talking about and what it means in the real world, these are 2018 numbers. The top one is a, this gets really hyper technical, but that's a 50 foot wide ride away so that's your sidewalk. Your park strip, your Rd where you drive and then the other side and the cost to a 7000 square foot lot. Per lot is about \$12,000. That's just the roadway that's not any of the infrastructure underground. There's no sewer, water or power or anything, and that's just roadway cost. The one below it is 66 feet. The cost of that is \$19,000. It's a \$7000 increase in land and improvement costs when a city or a county says we just want wider routes and that is the increased cost per home for a standard. Now the one on top is a city that's, actually both of these are actual city standards. Why does City A have that and City B have that then? It's because I just like wider roads. The one on the top is a APW, so it's the association of APW or no APW or The Association of Public Works. So it's a national group and they publish APW standards. It's like the

International Building Code and the International Building Code works in Logan and it works in Saint George and a PWA works in Logan and it works in Saint George. So you can't say well, but you know we need this for snow plows or whatever. There are standards in Minnesota that work in Florida. But truly, the one on the bottom is like, well, our fire guy likes it and that's usually how it works and we just think there should be more predictability or consistency and there are actual costs. So, though those are the big picture things that we've been talking about in the attainable group, there are a couple of things that have come up and I mentioned them to Senator Fillmore, we were on a call a week or so ago and I mentioned these issues. He said, well, let's just bring it up in the next meeting. I said OK, so I did let Christina Oliver know. So, if you'll go to slide three there. We build in 30 different municipalities and local jurisdictions, some unincorporated counties. We have a big footprint and so we see a lot of different ordinances and what we were trying to map, where our communities are within the cities themselves or counties and then look if an area is excluded from IADU uses it allowed then what are the standards around there? 'cause if I've got subdivision A in the same city as subdivision B, being once allowed and once not. You know we need to know that if we have someone coming into our model home saying hey can I get or can I do a mother-in-law apartment in? So, we've been looking at this language. We think that there is and I'm not saying this is all the fereos might be. There's some language in addition to what was in HP 82, and I think we might need to revisit the IADU statute around parking and architecture. There were some carve outs in that but there are many communities. Again, we've looked at about 30 municipalities, many of them have adopted standards above what was in HP 82. Here's an example, the bolded part. This is actual language. You can see that there. So HP 82 required off street parking for your IADU, it's what it is. That is what they're saying. It can't be located in tandem with a parking stall, and it's kind of imprecise. Is it in tandem with or tan like tanning parking? No, it can't be behind a garage or something, but this is just imprecise, but it can't be. So, let's say, it's meant to say tandem with the parking stall designed to serve the primary dwelling if my minimum standards are two car garage in a 2 car driveway and I build a 3 car garage. This says that I can't use the third car garage, even though it's not required, but it's designed to serve the primary dwelling. This would mean if you had a house with a third car garage, if the city or county were interpreting this the way I think it could be interpreted, this would disallow you from doing the IADU because of the parking standard, and again, I'm not saying it's nefarious, it's I think some of the language is imprecise. But I think we need to tweak this language and I think we'll need to talk and probably bring in Representative Ward who shepherded the HP 82 through the next one is some more language. This is interesting. So slide five. Thank you. There's language in HP 82 that talks about not altering the appearance of the front of a home. Paragraph two in here says you got to put it in the backyard. Your entrance has to be in the backyard. That's not what HP 82 says. I could do a basement entrance in the front of my home and not alter really the appearance of my home. But now they're creating another obstacle and you could have a home on 1/2 acre lot, but I don't want the entrance to be in my backyard right? No no. I also like the word camouflaged. I thought that was an interesting word. I didn't even notice it till we talked about that this morning. You could put it in the side yard, but I think some of these, I'm concerned that you've got cities looking for ways to maybe frustrate or maybe they're not looking for that, but the result is a frustration of the IADU Statute, and I think the attainable group we should be talking about these so I'm just bringing up them up and then lastly. I just think it's the economic development incentives. I think it's something we really do need to talk about, and I know Kyle wants to pounce so, happy to answer any questions.

Representative Whyte:

Questions? Thank you Chris for the update and the report and the recommendations from the attainable housing subgroup. Questions and comments from Commission members?

Kyle Palmer:

And when you're prompted like that, you might as well get right on it, so I will. I also have this newspaper I'm just going to point out one fact that says 800 jobs over the next 10 years, of course, is the piece there. So, the one piece of this and it's really a matter of how it would ultimately be tight. Yeah, yes. I want to represent. The question here is, is it really a place for the businesses that are coming here to consider how housing you know affordable housing? All that gets planned and zoned off things into the future worthy opinion to say no to that. However, I do think that it's something we ought to consider on the whole one of the points that I'll make here is it's not as though when a company receives these incentives they are bringing people with them from out of state they aren't transplanting them, shipping them in, and it's not necessarily a new burden on the housing supply of the state. A lot of those are jobs that are intended for Utahns already living here, right? So, it's not necessarily that they will put a strain on the housing supply, but this year, however, what we were trying to think about is what are some alternatives that are really trying to get to the point here, and I think, Chris, correct me if I'm wrong, it's that we really with the communities that are getting these incentives to bring companies in. Are they following and really committing themselves to increase the housing supply, right? That's really what we're trying to get at. Here it's not just trying to prioritize commercial incentives and new people coming, but it's really how we're looking at this holistically as a growth of your community, right? So that's something else that we are very willing to talk about. Now, if there are any questions to add and redirect as well, we do have Korrine Edwards and Abby Hunsicker from our office here that work in EdTif. If they can answer any specific questions there too, we did also raise the bar on EdTif last year with HP35. I'm trying to narrow that in as well. So if any questions come up, they can answer those better than I could.

Representative Whyte:

Thank You, Representative Waldrip.

Representative Waldrip:

Thank you, I appreciate that discussion. I think you know part of the reason that this Commission became part of the UEOC and part of that whole discussion was so that we could have these conversations, so that because I know as I go out and talk to constituents, one of the chief complaints about housing is all government giving away money and then they don't do housing and it's causing issues. So, the perception is out there along those lines and I do think it's appropriate to address that from a combined local state and private enterprise approach. A couple of questions or one comment for Mr Gamvroulas. One of the issues that I've seen with IADU use is the lot size restriction or cap that's in state code of 6000 square foot lots, I'm aware of at least one instance where I had somebody come to me and say "You know, because they have a they a 3 story twin home that the basement is separate entrance and it's perfectly set up. They have plenty of parking, but the lot sizes are too small because it's in a planned development with a common playground area." I mean, it's what we wanted and yet now we're working against ourselves with that kind of restriction. So, I'd add that to the list on that to discuss, because I think again. Right thought but unintended consequence I think of limiting what we're trying to accomplish and what we're trying to incentivize. The other thing I'd love for you to address 'cause I know this comment comes up a tremendous amount, is we talk about costs, we talk about permitting costs, we talk about road construction, and infrastructure costs. One of the comments that often comes back from not just municipal partners, but others is you know the market is what drives the cost of housing. It's not necessarily if, you know, if the developer can save \$8000 on a road cross sign and the market is going to allow them to charge \$300, you know, \$400,000 for a home. They're going to charge \$400,000 for a home. Whether or not this road costs \$19,000 or the not, the road costs \$11,000. So, that's a very common question. I don't have a great answer for that because I think generally, in our

state we're very big believers in allowing private markets to direct and do what they do. Do you have a response to that or is that something we can put up for a matter of discussion for this committee? 'cause I think it's important to have that discussion point out there.

Chris Gamvroulas:

OK, yes my response is look at the price of housing today versus nine months ago. It's the market and prices go up and they go down, but it isn't a local government place to unnecessarily increase the cost of the burden. Like there's no other business that is as regulated as housing is. I don't just mean building permits, but you think about every step the government is involved in. You make widgets in your factory. You don't go have a public hearing to ask if it's OK and they have that and then have their opinion on your cost structure. It is the market, so my response is yeah, it's the private sector. It's based on the lot size. I couldn't agree with you more. I know that it was a consensus. I know there was a compromise bill, so I'm not saying we necessarily have to go in and tweak something like that. I agree with you in principle and then Morgan Stanley. I was being a little bit cheeky 'cause I saw that today and I just couldn't help to pass it to my friend Kyle who's a happy guy who's a happy ivory homeowner by the way but you know, I think that there are some instances where there are a lot of incentives, and they're not just state incentives. When you look at how communities will roll out the red carpet for a manufacturing facility, I don't know. I've told you maybe about the plant in the city that had their general plan, rezone site plan, and building permit approved in four months to build a 400,000 square foot facility in four months. Took us three years to get to break ground on a master planned community with residential in the same city so they rolled and then they did a TIF and they are going to reimburse them for their infrastructure. Now you've got these people working in this manufacturing facility and the question is where are they going to live? So it may not be Morgan Stanley, right? But maybe it's the people who actually are at 80% AMI who work in factories, and maybe we could plan some housing proximate to them, and so maybe we could tie those things in some of these projects to regional Northrop Grumman's regional project, right? It's not Roy. It's not Clearfield. It's not Layton and I get that, but maybe we could spread a little bit and make sure that if we're going to incentivize 5000 jobs to come in that we could figure out how we could house maybe 500 of them. I think that's the point. We listened to Ryan's great presentation because he just reiterated everything. That's what the attainable housing group has been talking about. So thanks again, but people are now not happy about growth. Right? Like what are we doing? And part of that is about the cost of housing and part of it's about how long people are sitting in traffic and if you have a job where you're making 80% AMI and you're traveling to a different county to live, you are the traffic. Right, so we have to have these conversations and if City X is going to incentivize, you know this facility then they should incentivize some moderate income housing proximate to it. We stole an idea, we stole the language from Park City. It may not be right, may not be perfect, but you know when a hotel goes into Park City and they look at the list and it says oh you have to create this many housing units that aren't already approved, right? Like that's the point. They're creating housing for the people cleaning the hotels and Park City makes sure that that happens so let's maybe do that. I think that's what the attainable group's message is and there's not a ton of consensus in the table group 'cause there's a lot of city people on it and I get that and I appreciate it. I just wanted maybe we could have some good ideas to solve some of these. Big picture policy issues.

Representative Whyte:

Thank you for the question, answer and discussion. We have several who have requested to ask questions or make comments and I'm sorry I'm not able to see who exactly made it. I'll just turn your microphone on and turn the time to you.

Ginger Chinn:

Thank you, Chris. Thank you for all your work on this. I do have a question and I think it's about goals so is the goal of the attainable housing discussions, but is it for more affordable housing or is it to move barriers so there's more housing in general? Because, I mean I get the IADU's but some of it just seems like, hey, if we're moving, removing barriers so we can have more housing. Is it necessarily affordable?

Chris Gamvroulas:

Well, I think it's both. You know one of the reasons the cost of housing shot up is because we didn't have enough of it. You know, and I think it's fair to say that if we had been producing more housing, well, in large part because the market wasn't there from 2008 to 2018. But if we were able to produce more housing and there was more supply than the price would have been more reasonable. These prices would be more reasonable. We had people in bidding wars. You know, and then you've, I'm sure you all heard you know someone or some anecdote of that happening in the last couple of years, and it's because there just wasn't enough of it. So I would pause. I would say that they are not those two things are not mutually exclusive.

Ginger Chinn:

And then this just a follow up to the economic conditions as in September we saw housing prices drop dramatically. I think I heard one statistic that it was by 60%, I don't think that's accurate, but does that impact supply moving forward and affordability moving forward from your vantage point?

Chris Gamvroulas:

Oh yeah, you'll see the number of building permits in the last quarter of this year just plummet. Builders are not going to just keep building more homes, they'll just stop or slow down so we will see, we'll see that the problem will actually get worse over the next 6 to 18 months while we work through this.

Representative Whyte:

Thank You, Representative Briscoe.

Representative Briscoe:

Thank you, you know Chris, as a history teacher who loved teaching about World War II, I loved the flak analogy, but I really don't think you were suggesting that Ivory was going to go drop bombs. So I want to just focus on one issue on that front page because I know where I want to make sure we don't eat up too much of Cam's time. Development of affordable housing and what comes to mind, my son lives in Portland, they sold their house, and they have to be out by November 30th and they have a contract for another one. We will see if they get in, and that is a really dicey thing to do in America today. But a few years ago, the Oregon Legislature said you can zone single family, but anyone who wants to build 2 units on it can and that is what this reminds me of. I mean I don't think it is the same thing as what is in your proposal.

Chris Gamvroulas:

Our proposal is that if a municipality is not making progress towards their modern income housing or they are not, or they have just simply down zoned everything that a party could buy right if there was affordable housing in it, they could, they would be approved by right. That there would be no opportunity to deny an application to a developer or a building to build affordable housing.

Representative Briscoe:

It's intriguing, we can talk later. We will be talking about this, Thank You Mr. Gamvroulas.

Representative Whyte:

Thank You, Mr. Damschen

David Damschen:

Thank you Mr. Chair. I also want to thank Chris for his comments for a number of reasons, not just for how much I enjoyed watching my good friend Kyle squirm over there. You made my day. Actually, thank you. Having had the privilege of helping to finance much of Utah's critical infrastructure, it's always impressed me how long term forward thinking we've been about infrastructure and its importance in supporting economic growth and while we all accept and think most when we think about essential public infrastructure, we think about water and roads and highways and our shiny new prison. Housing is essential infrastructure and it has become and I hope we can just all align ourselves around this reality. It has become a significant impediment to continuing economic growth. Seriously, I also hope that we can all buy into the notion that it's fair to ask employers to put some skin in the game. They might, or they might not. My team and I were down at Delta about three weeks ago and we met with some community leaders down there, some business leaders and elected officials, and there's an employer there that's paying a temp firm to not only bring people, but to bus them there. The employer said I don't know where they're coming from. I don't want to know and the employer was willing to put up a fairly significant 7 figure chunk of change to try to resolve the problem and interestingly, in this economy, that's not necessarily going to move the needle much. But we have ongoing discussions down there, but it's just one example of a situation where this employer voluntarily had already, you know, determined that they should consider making an investment. In affordable housing for their employees, it's critical to their business. I also wanted to say back to the subject of some Morgan Stanley, is that right? Some in this room will appreciate this, some in this room might think I'm going off on a tangent in support of media capitalists or something to point this out, but I want to point out that Utah has some very special banking laws and we have a very strong industrial banking complex, and that has had an immeasurably positive impact on our housing, our development and financing of affordable housing, and so I would say, not that I know we don't want to pick it, you know, pick favorites in the economy or anything, but I do want to say to be fair that when it comes to financial services, firms like Morgan Stanley, they actually do to the impact of the Community Reinvestment Act and the way in which it compels them to make significant investments in affordable housing. There's a dynamite industry and it has done immeasurable good for this state, not just in terms of housing, but Community investment in a number of different ways. But I just wanted to point that out that I you know, granted I come from the banking industry but if I'm feeling especially tolerant of an incentive and an employer accommodation like that, financial firms in my view are a particularly good investment because it does hit home where I and my team are striving to build and finance and support the development of safe, clean, affordable housing so. Good job, good job.

Representative Whyte:

Thank you. Kyle we will turn the time over to you.

Kyle Palmer:

Look, all I know is going to be me in the hot sea. I think Cam is enjoying himself over there because you know he was saying the league was going to come in and take the hot seat. Thanks for those comments and I did first off, just want to say, you know, just our response to the work that has been done, I really don't throw any doubt on all the work of the attainable housing subgroup, which I'm a part of. I actually want to still praise all the work that group has done and all the different stakeholders that have been brought together. The league has been very involved in those discussions. I think a lot of those discussions lasted long past their appointed time. Just trying to drive down and get some solutions that

are agreeable here, so there's that piece of it. I know Representative Waldrip, and sorry I'll try to respond to all the different comments that we brought up as I can remember them. Out there is this perception that in Utah, where we're since we're a pro business state that we're somehow handing out checks you know to incentivize companies to come here and of course, it's simply not true. So, the way that our incidents work is that it's a post performance tax rebate check. After all these different jobs and it comes to come to the states so just clarifying that one thing on the perception front. I know we have to continue fighting that and it's hard right, because whenever a company does decide like Morgan Stanley or whoever else it is to come to Utah to expand their presence in Utah we do want to brag about that. Yeah, right? Right 'cause we're always talking about how you tell us the best day for business and all those things but it does leave that perception out there so let me see one other thing I wanted to mention is part of the HP 35 changes to AdTif last year. The chemistry garner institutes actually been selected to do economic impact studies, which includes any constraints or strands on the housing supply in those areas as well, and that is considered when granting an AdTif and as well so anyway, just try to answer a few different questions there related to that, but I think a lot of these are good and do move the needle and we want to be supportive of those things. We just aren't entirely sure that AdTif alone is a selling lever to pull that's really going to move the needle on this.

Representative Whyte:

Thank you, Kyle, we will turn the time to Beth Holbrook.

Beth Holbrook:

Thank you, Mr. Chair a couple of quick comments. I wanted to make the first one dovetail with Chris' first statement on Goldman Sachs. Their top requirement to move to the Salt Lake Area public transit access to their building was strategically key to their deciding to make the decision to move here and so your point about that is well taken. The next thing I wanted to talk about really quick is that I also said with the DC Utah and if there is a business entity that is looking to move to the state of Utah and they're not in industrial or manufacturing or anything else like that, they're strictly in the commercial space. Public Transit is one of their top three questions, so access. I think if I could articulate that really is one of those critical components as we move forward, and I wanted to point out to you that this is not a little off topic but our MP's are not housing people by any stretch. They are strictly planning organizations as it relies to transit and transportation, but what they have done is take on a whole new perspective because of the criticalness of this need, because I do agree with David, this is an all-encompassing challenge that we have and if we want to have economic viability and strong prosperity, we need to be addressing all of these infrastructure needs. I do believe housing is an infrastructure. With that said, I wanted to make one more comment and then one suggestion. Park City Transit, I don't know if any of you know this, but I wanted to let you know there are 27 homes on PC transits property for their operators. Specifically, they are \$600 a month and they're only for Park City transit operators and I wanted everyone to understand that because it is such a critical need and I think that Park City is a bit of a bellwether when it comes to these discussions because we are increasingly becoming dense at least along the Wasatch Front and we have to look at some of these strategic ideas. I have a thought about House Bill 462 having a component of referendum and I spoke about this briefly and I've been debating whether to bring this up, but I think one of the things that Chris just said to me or said to everyone is this, make general plans required. To me when I hear that, that also sounds like make a general plan administrative. Make decisions around housing and administration. A situation instead of legislative and the language in 462 does allow for that in certain circumstances it's going to raise the referendum threshold and a 2/3 majority vote would then create and make that an administrative action. When it comes to housing, specifically to affordable housing, and so I just wanted to articulate that again because I do think it could be worthy of looking at further. Thank you very much.

Representative Whyte:

Thank you there, any other comments or questions in light of time we'll ensure we have time for the next agenda item.

Kyle Palmer:

One of the things I forgot to respond to. Dave, so you mentioned infrastructure and then of course, but you just missed that there's another group within the UEOC called the Growth and Transportation Working Group, and they're recommending an injection of \$100 million into the state Infrastructure bank. Trans encouraged those same developments simply to open up new areas of the state for new development around residential so just throwing it out there too that we do take that very seriously as well, thanks.

Representative Whyte:

Thank you, this has been a good discussion, a lot of important topics and proposals. Any other questions or comments? We'll move to the next agenda item then and turn the time to the Utah League of Cities and Towns for a presentation and invite Cameron Diehl to come forward.

VIII. PRESENTATION – UTAH LAGUE OF CITIES AND TOWNS

Mayor Silverstrini:

Mr. Chair, if it pleases the chair and the Commission my name is Jeff Silverstrini. I'm actually the president of the league this year and two more months. I'm still the chair of the Wasatch Front Regional Council, so I wear hats that fit right into this space and I'm gonna upstage Cam for a minute here. Thank you so much. First of all, I want the Commission to know that cities and towns in this state are all in with respect to collaborating with the private development community and the legislature to solve our high housing crisis, and I think we've already made significant progress on that. We had a hallmark bill last session that was a consensus Bill House Bill 462, which is actually going to help us with some data about moderate income housing so that we can legislate and make policy on the basis of data rather than anecdotes. The league basically has a philosophy of 3 pillars. Basically, we look at these housing issues through, 1st of all, does the bill respect the role of local government now before you cringe about that, OK just remember that when Mr Damschen talked about infrastructure and we have all kinds of infrastructure. Cities and towns are responsible for key parts of infrastructure, including making sure that all the parts of the puzzle fit together at the end of the day. The sewer has to work. The storm drains have to work. There has to be water. There have to be utilities, and that's part of planning. But that is the nuts and bolts of what we do. So, when I say respect the role of local government, we want this new housing and accommodating growth to work, and to work in a way that preserves the quality of life that that Utahns live here for or the other pillars that we recognize are that does this result in smart planning outcomes, we don't want to make change for the sake of making change, we want to make change that works. Is it smart? and finally, is it going to actually move the needle resulting in lower priced housing for owners and renters? Because that is a critical problem that we face across the board with respect from the retiree on fixed income that sees their housing value appreciate and is worried about paying their taxes to the first time homebuyers that can't get into a house that they can either rent or live with family. So, here's what we've heard. OK, we've heard that we have a problem in our state with respect to the fact that decisions are driven by too much public clamor, and I will say as a local mayor that I've seen time and time and time again where public input is extremely valuable to the development process. We get examples where somebody says if you put the driveway here, it's going to mess up the traffic pattern of everybody who uses this neighborhood. But if you were just to move it

over here it would be fine, well that's the kind of public input that we want, and it's valuable and we don't want to foreclose that.

But there is a point where that becomes unhelpful after a while, where it's been ginned up and there's meeting after meeting, where it's permitted, and so we're going to come to you with a proposal to basically streamline that with respect to that at least with respect to the subdivision approval process and limit that public input to one meeting. I want to say with respect to the idea that we should make general plans mandatory or allow development by right. We see that it being extremely prompt, problematic with respect to our ability to plan infrastructure. If you build something by right will the sewer work OK and general plans are aspirational? They do set forth the future land use pattern but to require that they be mandatory is just going to push cities into the point of pushing all of our zoning ordinance into that general plan and it really isn't going to move the needle with respect to what we're really trying to accomplish, which is to get more housing built and make it more affordable. One of the things that we're proposing, which I think is a landmark proposal right now with respect to subdivision approvals. In our state, there's no standardized process that the statute doesn't allow for, and in some jurisdictions have as many as three different public hearings as the subdivision moves through that process. A preliminary and a final approval and if public input is heard at every one of those times, it puts more pressure on local officials to kowtow. Our idea is, let's standardize this process. In this state, let's have that public comment at one point where we can take advantage of it and let's do it before a developer has had to finalize plans or get so far into the deep on that that they've spent a bunch of money, and then they get a change and the rug pulled out from under them, an administrative fixed to the subdivision approval process, we'll move the needle on speeding up the development time and decreasing the expense and addressing the issues that we've heard with respect to public clamor, and so we have more details on that. I don't have time today to get into that, but I encourage all of us to talk about that as we move forward.

Cameron Diehl:

Perfect thank you. Thank you, Mr. Chair and Mr. President. We're going to be going back and forth as we walk through these key pieces. Merciless trainee as league president has been involved in discussions for the last few months about all of the points before the Commission on Housing Affordability in the UEOC and the subgroups proposal that we've been working on has been an outgrowth of trying to solve a couple of those underlying problems. Being the role of public input and making sure we're getting into that valuable stage, but also the concern about the timeliness of the local government planning process. Local governments do not control land costs. We don't control the labor shortage. We don't control supply chain challenges. We don't control inflation. We don't control interest rates. We don't control any of those market factors that drive the cost of housing and where we have our influences on planning and zoning and our regulatory authority. Now we do have some good news to report. We've been doing some analysis over the last few weeks. We shared this information with the Co-chairs last week. We've asked our members for data about not only the number of units that they've permitted because the Gardner Policy Institute collected that data last year, and set a record 41,000 new building permits. Shattering the record now as Chris has mentioned, the market is collapsing right now, so those permit numbers, they're going to go down, but we also surveyed our fastest growing communities. Over 40 of them so far, and we're still collecting this data, so this number will continue to increase, but there are in those 40 plus cities over 93,000 units that are entitled waiting to be built, waiting for building permits that have already gone through that municipal process, and so that says to us, OK? We've got all these units that are waiting to be built. The market is shifting. We've got the housing gap historically because the market wasn't producing those units. What solutions can help address the need to build those units over the next few years? We think the subdivision piece addresses the timeliness and also addresses the role of public input well. Another thing that we recommend looking at would be referendum statutes

and Beth Holbrook mentioned this a moment ago. But on the House Bill 462 last year, we collectively made the assertion that in a stationary plan that once all the public input had occurred upfront, the stationary plan and the City made that decision and then enacted the zoning for the stationary plan to proceed. That there should be heightened referendum thresholds compared to other types of bad news, we think it's worth looking at those referendum statutes for also projects that meet a significant threshold of low and moderate income housing. What are those exact thresholds? We still haven't figured that out, but that's worth considering and we think both of those, the subdivision piece and revisiting the referendum would make a positive difference. While still respecting our local government role. The second thing I want to reference is the compliance with House Bill 462 and Jeff Silvestrini referenced a key component of that bill. You heard stationary plans earlier, but a key component for the long term is also the housing database for the first time due to House Bill 462. We're going to have this centralized database, so I gave you that data point of 93,000 entitled units waiting for building permits. Well, that's our data and we recognize it's still incomplete 'cause we're gathering it, but the hope is that with the Gardner Policy Institute and DWS you have this robust database of the housing actions and the housing needs in the space or needs in the state. Well, part of that is because cities are required right now to submit their annual reports on how they are planning for moderate income housing and last year we made a significant change to how cities do that in House Bill 462. We created for the first time a proactive implementation requirement. So, it wasn't just good enough for cities to be aspirational about modern income housing, but to actually show how they were looking to implement them, how they were actually implementing their plan. But then the reports also show how the market is responding to how they're implementing those plans. So again, trying to get that robust data set. Now 83 cities all those cities over 5000 in population in urban areas have to comply with House Bill 462 and they have to submit those annual reports. Well, I'm looking at DWS folks because as of last week what DWS reported back to us was that there were four cities that had not yet submitted the reports, but we talked to two of them and they were in the process of submitting them and then there were three cities that DWS had initially found were non-compliant and then there was a cure period for those communities to fix their applications. In one case there was a technical issue with one particular city that had not filled out the form accurately. The point is, out of 83 cities, in the first crack at compliance is now. You had 76 that or excuse me 8979 that's submitted on-time, four were in the process of submitting, 3 thus far have been non-compliant, so we talk about carrots and sticks. Keep in mind that ideally everybody is compliant with House Bill 462, and that's the trend that we're moving toward and so part of the reason our members get frustrated at the idea of more sticks, more sticks, more sticks. So are we actually solving a problem, or are we just trying to be punitive for something that cities are proactively doing? Now there should be accountability, right? And we were supportive of accountability in House Bill 462. That's why it's tied to eligibility for the state Transportation Investment Fund as well as the state transit and Transportation Investment Fund and then we're actually proactively as part of our counterproposal today, offering a couple other additional accountability measures. Number one, what we're proposing is that the sales tax that right now counties can, often the counties are, authorized to impose that the 100% goes to transit. We're proposing modifying a piece of that, so a portion goes to transit. A portion goes to counties, and a portion goes to cities so that authorized county sales tax is a more holistic approach to transportation, but in the spirit of being holistic, saying that cities, in order to receive those dollars have to be compliant with House Bill 462, because now we're bringing transportation and housing together under that umbrella with that sales tax authorization, it's often known as the 5th. Likewise, Kyle stole a little of my thunder at the State Infrastructure Bank, but we've been involved in the UEOC conversations around the state infrastructure bank. Now what we're proposing there is that cities need to be both eligible for the state Infrastructure Bank by being compliant with House Bill 462, but then also building into the criteria that the state considers for the state infrastructure bank. What are the outcomes that that state investment would result? Do those outcomes have significant

moderate income housing? Going to facilitate owner occupied housing first time homebuyers. I mean, there are ways that we can build criteria in there because there will be more applications than there are dollars available, says the state is prioritizing how to spend those finite dollars and to give an example of the need for water and sewer and other types of infrastructure. Last year the league partnered with the State of Utah as well as Association of Counties for what was called the ARPA Local match. The state put 50 million of state ARPA dollars into a fund. Cities could apply for it and bring our dollars to try to invest in water, sewer and other types of infrastructure under ARPA regulations, there were over 1 billion with a billion dollars worth of requests only, of which 5% were funded. So, as part of the criteria, as the state is going down the path and state infrastructure bank, you should as a state and as a CHA say, are we getting the outcomes we want by putting these state dollars into the state Infrastructure bank? So while we oppose withholding class B&C funds from cities or counties, and we oppose right development, we oppose attorneys fees, and we oppose some of those mechanisms. We are trying to provide alternatives that solve the underlying problems that we think will make a positive difference.

Mayor Silverstrini:

If I can add on that too, and I've spoken about this at that housing conference that we had last week. One of the critical problems that we have in housing in our state is the lack of actually affordable owner occupied housing and you know, I'm just repeating what I've heard, but we all believe this. We all know this. If young families cannot acquire ownership in a house or an apartment or Condo they won't be able to build the wealth that they need to retire on and they won't be invested in their communities. Which is what we're all interested in, so that they are good citizens, that they care and get involved. If they're transient renters, then we have a problem and there are some barriers that we have in our state that I think the state infrastructure bank could address. There are places in our state where cities have opened up unlimited density. We have one in West Mill Creek along the Trax line by two stations where all we're seeing being built are podium structures that are six stories tall, four stories of sticks over concrete. Why aren't we seeing steel? Because steel costs money and so do the parking structures. So, the state Infrastructure Bank could also help make loans to developers to get them over that steel threshold, we could maximize the zoning that's already open in places like Draper and Mill Creek to allow more density and a different kind of can. Correction, the other thing that I would suggest that we look at in this same vein is what kind of barriers are there on our state regulatory statute to owner-occupied housing and a lot of these are federal-level levers and we need to work with our congressional delegation on that. But one of the things that we do have in state law is a fairly long statute of limitations for lawsuits relating to construction defects that inhibits lending with respect to that type of owner-occupied construction. Because HOS and condo owners might sue for a defect, where a renter never would. So, could we take a look at that? Can we shape the regulatory environment in our state to make sure that we're encouraging owner-occupied housing?

Cameron Diehl: Rural Subgroup Update

Perfect thank you Mayor. Mr. Chair, let me well, quickly knock out the other pieces of our counterproposal here. The last piece I'll mention about accountability around cities that are not compliant with 462, which again hopefully is a very small number. You know, over the long term is we're willing to look at potential expedited reviews. There's a term of art called, Ripcord, but looking at some expedited review in those types of cities, but not by right development because when you get to by right development you have a scenario where as something can be built even if the infrastructure is not there yet or is insufficient and it undermines the good planning that goes into place. But looking at the expedition of the process is something we're willing to look at. I started on infrastructure at the State Infrastructure Bank. I want to applaud Chris and his team on the development standards Work Group because as Chris indicated the development standards that a city does put in place does have an impact

on the housing. Now there are other considerations at play. For example, cities have to balance the impact on housing along with transportation needs, not just for cars, but bike lanes. Right of ways for sidewalks and on street parking. Public safety. Access for police and fire as well as location of utilities. So as we've been having this back and forth, I am confident that we're going to get to yes on something that'll make a difference and be in this space, that chalk up and can help, hopefully also endorse. Likewise, in the area of where there's general consensus is the dialogue around economic development and housing. Last year, Kyle referenced House Bill 35, but in addition, as Bill 35, the league worked extensively with Kyle's office in several views on House Bill 151, which really narrowed how local governments. Frankly, all public entities can incentivize retail. So, in the past there were the anecdotes of Mill Creek City and Murray City competing for a high sales tax generating big box store, which now under House Bill 151, no longer can occur unless you meet one of the narrow criteria, one of which is that it has to be a mixed-use development with a certain general amount. Of housing and a portion of which has to be affordable housing, so again pulling together housing and commercial development. So, from a legal perspective, we've already been involved in this space and welcome the continued dialogue about linking economic development housing because as we've traveled the state and talked to our members, one of the loudest things we hear is about the quality of life and the economic growth ongoing faster than local governments can keep up with and that comes back to being able to pay for infrastructure and provide the services that residents expect. I'm going to quickly just hit on Matt Loo's couple of pieces and then I'll let you do this and wrap it up. There's a conference so that Matt Loo was unable to make it today. He and I chatted before and the rural subgroup has no additional financial ask of the CHA from what you received previously, but the rural subgroup has talked about a couple of concepts that are also part of the league's overall counterproposal on housing and growth. Number one is the roving city manager concept. Don't hold me to that specific term because we're still working through that with the governor's office, but it's also come up through the UEOC. But again, this is trying to get in front of growth and result in good smart planning outcomes. We have a lot of communities, particularly on the edge of urban areas, the urban areas who do not have full time staff, and yet they are being inundated right now with development pressures. So, if between the local governments in the state of Utah we can help fund a consultant type who can provide some of those administrative services to that community. Even just for a few hours a week that helps get them ahead of the 8 ball in planning for the infrastructure that will support long-term growth and the land use changes that inevitably need to come. Additionally, within the rural subgroup, they've had conversations about short term rentals, and that's part of our housing ask of the state as well now Representative Cal Musselman has had a working group independent of the CCA, and he's done a herculean job of trying to bring stakeholders together on this piece. But as we've traveled the state united and formerly President Mayor Ramsey of South Jordan, whether it was Bluff, Panguitch, Blanding, or Springdale. Well, you name the community that is feeling some pressures from tourism. We'd ask them what's the number one housing challenge in your community and they would come back and say anytime a new housing unit gets built, we lose one or two units, two to become short term rentals and the Gardner Policy Data Institute. Our Gardner Policy Institute data showed that there was a 27% increase in the short term tools being posted online and about 19,000 in the state. So, a few thousand of those being able to convert back into full time housing would really make a significant difference, particularly in those destination communities. Doesn't necessarily make a difference in every city, but certainly makes a difference in those high concentrated areas and so Matt asked me to make sure to bring that point as well.

Mayor Silverstrini:

And I'd like just to add on that too. You know, cities balance expectations, you know we want to provide housing to match our growth concerns. But you know, we also have to balance the interests of our residents that have made huge investments in their housing and on the reliance upon single family

zoning and a lot of them were troubled by the short-term rental problem as well, when they get short term rentals surrounding them, there's no connection of those occupants to the community, and they create issues and some of the provisions in current state law actually inhibit cities abilities to actually do legitimate code enforcement to stop bad actors and bad tenants really from disrupting a neighborhood. So that's worth another look.

Cameron Diehl:

My last comment is also within the USC, but impacts this group is discussion around infrastructure distro. So, I just wanted to put that on your radar. It's not ready for prime time today, but there's been a lot of discussion again about trying to get in front of Growth fund infrastructure that then opens up housing units, so I'll let Mayor Silvestrini sum that up.

Mayor Silverstrini:

Yeah, so we do have concerns. I just want to note that we also have difficulty with proposals that would deem plans approved. If they quote materially comply with ordinances. I think if we actually look at the data on this, you'll see that cities are approving housing applications within 7 to 9 days and very often this is where anecdote enters in. Very often what the problems are with respect to delays are the engineer hasn't responded to a comment on a plan and when the contractor or the owner starts questioning, why is my plan not approved, the engineer will say, well, the city hasn't approved it yet. We really need to look at the data on this and figure out where that problem is before we start deeming something approved that actually might be a problem and then the final thing I want to say is we are on 100% support of President Niederhauser's proposals respect to homelessness. We haven't talked about that in Salt Lake County. This last go around with House Bill 440 we had robust discussions about locating a temporary overflow shelter for the first time. All the cities in Salt Lake County were engaged in this and talking about this. We had a conference yesterday of cities of the 1st and 2nd class and then really the number one issue of all these cities that have populations in excess of 65,000 people is homelessness. So, we want to pursue creative solutions to this problem. We want cities to recognize that this is a statewide problem, we want to contribute and we do need the state's help to help us build more deeply affordable housing. The market will never bring that to us.

Cameron Diehl:

So, this Mr. Chair counter-proposals this subdivision process having that streamlined. State code examining the referendum standards for modern income housing and low-income housing projects. Repurposing that 5th and tying that to 462 compliance. Looking at the eligibility and criteria for the state Infrastructure Bank again for accountability 462. Potentially looking at the ripcord concept of expediting. Development again as a consequence, with 462, the development standards for residential roads, the economic development Nexus with housing incentives and then looking at other meetings on short-term rentals and infrastructure districts so our objective is to meet those key principles that Mayor Silvestrini outlined of good planning outcomes and reducing the cost of housing for owners and buyers, and happy to take any questions.

Representative Whyte:

Thank you for your presentations and update and the work in preparing for today and the kind of collaboration and all of the discussions that are taking place. Are there questions or comments from the members of the Commission? Go ahead, Chris.

Chris Gamvroulas:

Not that easy Mayor. You can imagine there's still a lot of work to be done. There's an old saying, an old joke? How do porcupines mate? Very carefully. That's what we are doing. We're trying to align our roles as the private sector and as the public sector. I will say the league has come a long way. There are a lot of things that Mayor Silvestrini and Cameron talked about that will move the needle. There are some things that you know we still need to work on. You know things like the public input where I wish it was three hearings. So there's six hearings. It's the Planning Commission and City Council for concept, preliminary and final. It's like 6 different hearings. And what we've talked about will expedite the process. It will. It will streamline it. And one of the challenges is when you get to your final plat. This is pretty wonky. It really is. It is fully an administrative decision and you will get people that come to these public hearings and they'll say no, you have to vote no on this when there's very little discretion for a Council at that moment. Very, very little discretion at that moment to vote no and you give this idea that there's all of this legislative discretion when they really aren't so. I think that that's going to help us both around the public clamor. It's not going to change the public clamor in rezoning hearings, those things are at will. But that's OK. I think that streamlining some of the development process. We think that there's plenty of room on both sides for improvement. You're right. Sometimes the developers and engineers don't do it, right? I can. This is not anecdotal. Nine sets of red lines and a year later to get 30 lots approved in city X happens to be the same city that approved the building permit in four months, with the general plan, by the way. There are challenges. But actually we have made a lot of progress on this. The fact that we're talking about it is a lot of progress, so I think I want to compliment Mayor Silverstrini and his leadership as well as Cameron. Who is really moving the needle more towards getting some things done in a more expedited manner, so thank you more and we have more work to be done.

Representative Whyte:

Thank you, Chris. Go ahead Beth

Beth Holbrook:

Thank you, Mr. Chair. I really just wanted to emphasize that I know how much cities appreciate working with UTA in their station area plans. When they understand the broader perspective, they are very willing to work and figure out a strategy that maximizes the opportunity within that location. I would also agree with Mayor Silvestrini, our President surplus genie. I'll just do both. I do think that if there is an opportunity and I'm just going to put it out there, that any city who wants to really maximize their opportunities look at their stationary. Plans and see if there is any way to go up. If there's any way to attract any of that market that will come into that play, we would be 100% supportive. That being said, I really wanted to focus on the referendum piece again and really talk about how when cities understand that and they understand the value of maximizing. What their opportunities are when it comes to their own locations and the housing piece? To that, I think that this can be a really great opportunity to move the needle. I certainly agree with other discussions that we've had and I really appreciate Chris. We've had a lot of discussions about this as well, and I do think that having all of these discussions has gotten us to this. Really such a better place. So, I just wanted to make that comment. Thank you.

Kyle Palmer: Motion

This former sheriff will be appropriate at this time to make a motion and of course, knowing there are still some things to be worked out. But if we were able, I like to move that we empower our chairs to continue, or rather, to draft a bill, including as many of these items as is practicable, and move that to the BOC, understanding, there's still some work to be done with different groups, like the League home, but this association few groups like that. Can we make a motion on that topic? Powering shares.

Representative Whyte:

That would be appropriate. The motion has been moved. Is there a second? Beth Holbrook seconded. Is there a conversation or someone to speak to the motion?

Beth Holbrook: 2cd

I appreciate that motion. I think one of the things that's kind of shifted in this body is that we've divided into 3 subgroups, so we could have more focus on these different arenas and really bring focus to each of these areas and ultimately, it's up to the chairs who will create the legislation. In the past, I think sometimes there's been sort of a thought that everything had to be unanimous to come out of this Commission in order for it to go forward. I don't think that's the case any longer. We understand that there are still issues to be resolved, but that I get to say this 'cause I don't have to do it anymore. I got to be on the kibitzing side soon, but that is the job of the policy makers is to create the policy based on the recommendations of this body. So, just so everybody is clear, I think, just understand that this does not mean that 100% of all of these items are or are not going on in any of these policy discussions. Those will be negotiated and discussed. You know, in addition with the Governor's staff and the UEOC as well. So, I just wanted to make that note.

Representative Briscoe:

So, I have a question. Does that mean that these three individuals decide what goes into the bill? There's just disagreement here. I've been told by both sides that they're coming to an agreement on some issues. Does that mean that only those agreements that they come to, that only those issues that those two come to agreement on get in?

Kyle Palmer:

The way that I intended the motion, not necessarily. So, I think it's intended to. However, it's yeah, it's the three of you, plus Senator Fillmore, or perhaps even locking those groups in a room until they can come to an agreement as best you can. But on the practical side, no. I don't think that the way that the motion was made would require them to get to a full consensus on those items. It's like I said, it's including as many as the chairs. Being practical of these recommendations from the different subgroups.

Representative Whyte:

Thank you we have a hand raised online. I believe it's Jeffrey Jones. Turn the time to you.

Jeff Jones:

Chairman, thank you. I do have a couple of concerns regarding the presentation from Utah League of Cities and Towns. I didn't completely understand what the modifications are that are being proposed with regards to Utah Code 59122020, the sales tax or the special transit tax the 5th. The 5th sales tax. Right now some counties impose that sales tax and I think we're the only county to do so today and we have a new transit district that is just up and running. We're expanding that district, trying to provide service to Eastern Summit County and to Wasatch County as well and disrupting the revenue stream for our county would be extremely problematic and I would also go as far as to say that offering that sales tax is a penalty for non-compliant and the moderate-income housing plan. I think that would also be punitive without giving the current moderate-income housing plan strategies an opportunity to work there relatively. Things take a little time so that's my only contribution this afternoon.

Representative Whyte:

Thank you, I see another light here with Chris.

Chris Gamvroulas:

I would like to speak in favor of the motion. I think it's important that we move on. Ultimately, we are the CHA and it is a subgroup of the UEOC. I think ultimately we're likely not going to be the ones that make that decision anyway, I think I like Kyle's idea to move them forward, I think we can move them forward to the UEOC and say there's not a full consensus on all these ideas and ultimately, you know we're going to be in the legislative session here and in 8 short weeks or however long it is, but this is not the final word on what goes in the bill anyway, I think we should move all of these ideas forward to the UEOC for their consideration.

Representative Whyte:

Thank You. Representative Briscoe

Representative Briscoe:

So, although in favor of this process, I think once I said yes on 2nd or no yes on 1st, pretending like I was a Senator, I have some anxiety. I have some anxiety about giving just a handful of individuals the power to write something that we in the past, we've worked to come close to consensus. Consensus doesn't mean everyone agrees on everything, but there's some significant issues here that we just can't. That's all I have to say, thank you.

Representative Whyte:

Thank you, any other comments regarding the motion on the floor. To reinstate, to ensure we're all on the same page here, the motion is to empower our legislative chairs to draft a bill and seek your UEOC approval on the bill, including as many recommendations as they deem practical. From the three subgroups on low income, moderate and attaining housing, and rural. With that motion and discussion and a second, we are ready for a vote, all in favor of that motion. Please say Aye

Commission Members:

Aye

Representative Whyte:

Any opposed?

Representative Whyte:

Thank you very much. Looks like that motion passes. OK, thank you everyone. Thank you for the presentation from The Utah League Of Cities and Towns, thank you for all of the work and the collaboration and the meetings and the subgroups and the involvement throughout the state to get the proposals where at, so we will be able to move things forward. I am going to turn some time here to Representative Waldrip and express appreciation for his work and the thousands of hours that he has stayed working with this Commission with everyone in this room and online and throughout the state as well.

Representative Waldrip:

Thank You, I am grateful, truly for all the people here and for the people who have been engaged in this. This is one of the two great issues of our time and these are people. I think everybody in this room as well. Deserving to be here and also thoughtful and intending to do the best they can for the citizens of our state and we have differing opinions, but everybody's intent, I think, is very pure in this, and I've just been grateful. I will seek appointment to the Commission upon my release from active service, so I'll go

into the reserves and stay engaged in this because this is a policy area that I care deeply about and with that I make motion to adjourn.

Representative Whyte:

It's been moved and seconded. We'll pause for a moment to Andrew Johnson online.

Andrew Johnston:

I apologize this harking back to one of the comments at the very beginning of the meeting about transparency going forward. If we don't have any more meetings, we probably need a discussion about how the public gets some idea of where this is moving so I know we don't have time now, but I'd like to bring that forward to this group and the chairs.

Representative Whyte:

Excellent point, thank you Andrew yeah I give my word that the Commission will keep all the parties informed of the issues as they move forward which ones would be determined to move forward or in or out. So, we'll keep everyone informed as these discussions and the proposals are being moved forward and we appreciate the continued collaboration in between now and the beginning of the legislation and through the legislative session as well. So, with the motion to adjourn, and second all in favor. Any opposed thank you. We are adjourned.

IX. OTHER BUSINESS

None

X. ADJOURN

Representative Whyte:

Meeting adjourned @ 3:09 p.m.