

Legislative Policy Committee

August 25, 2025



NOTE:

Staff will be accepting LPC roster updates during the month of August per the bylaws updated by the Board on January 22, 2025.

On Zoom or an LPC voting member? Check your email for a sign-in link that will auto-fill your sign in information



LPC Sign-in

AGENDA:

1. Welcome
2. Housing and Land Use
3. Homelessness
4. Revenue
5. DEQ Water Fees
6. Air Quality
7. Public Safety/Gov
Immunity
8. Other
9. Adjourn

REMINDERS:

-

UPCOMING MEETINGS:

- LPC - September 15
- LPC - October 20
- LPC - November 17

Housing and Land Use

Not just redistricting...

California's New Housing Laws: What You Need to Know

The state legislature passed dozens of new laws aimed at improving housing affordability and streamlining the development process to meet rising demand.



🕒 4 Minute Read

October 13, 2024, 5:00 AM PDT

By [Diana Ionescu](#) ✕ [@aworkoffiction](#)

Death Star 2.0: Proposal Filed in House to Beef Up Texas' 2023 Local Government Preemption Law

The proposal adds more applicable sections of code and enforcement mechanisms.

BRAD JOHNSON MAR 18, 2025

LEGISLATIVE ALERT

Oppose HB 943:

1. Takes Away Local Decision-Making

- Cities have rules to make sure new buildings fit into neighborhoods and don't cause problems. This bill **ignores those rules** and lets almost anything be built anywhere.
- It could mean **huge apartment buildings or mixed-use in quiet neighborhoods**, even where they don't make sense.
- Developments are approved in back rooms and out of the sunshine. No public meetings mean citizens are shut out completely.

4. Makes Taxpayers Pay for Developers' Costs

- Cities charge developers "impact fees" to help pay for things like **roads, schools, and water** when new buildings go up.
- This bill **cuts those fees**, which means taxpayers might have to cover the costs instead.

5. Cities Could Get Sued for Enforcing Basic Rules

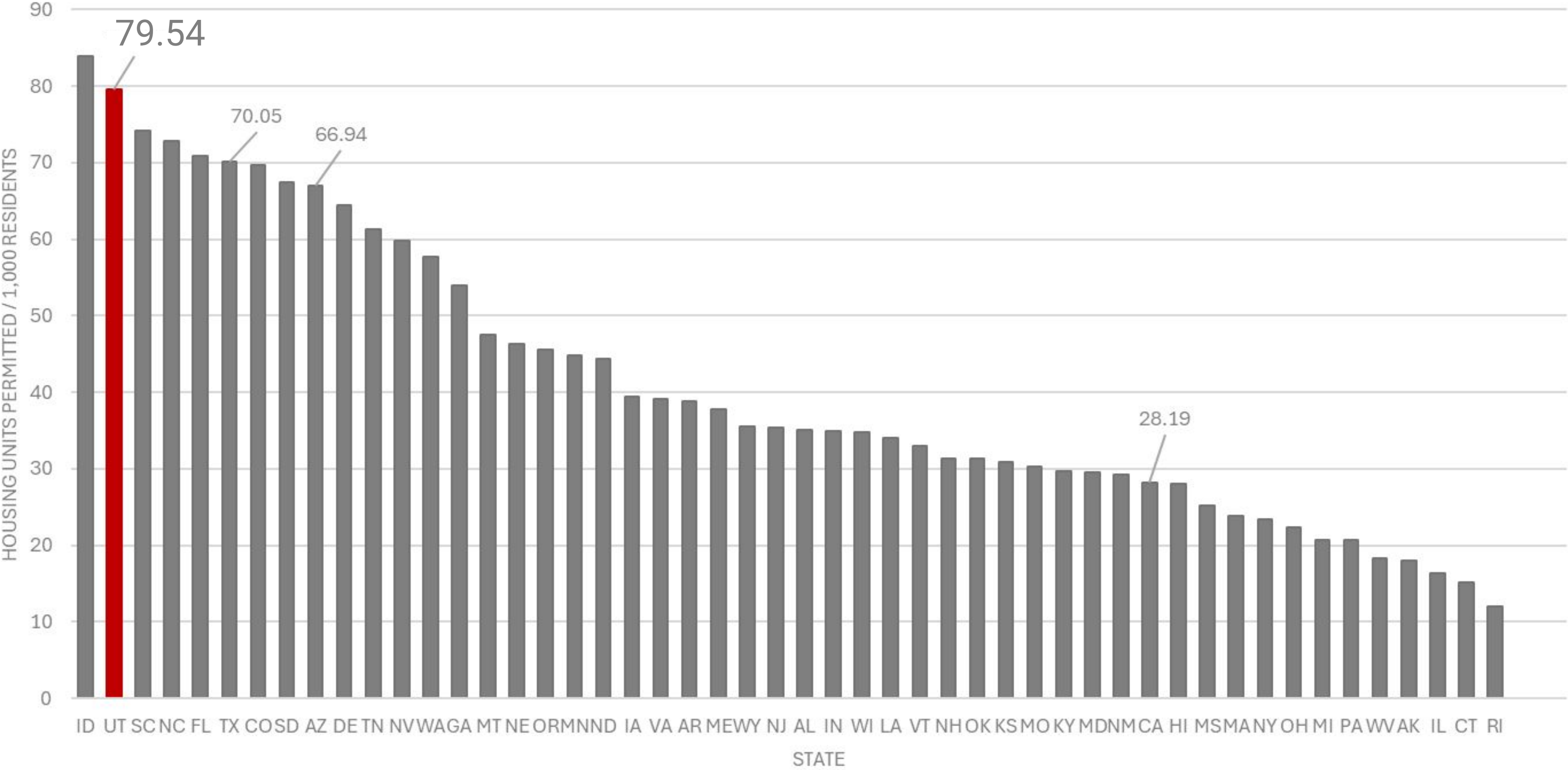
- If a city asks a developer to follow basic rules like **having enough parking, keeping sidewalks safe, or preventing flooding**, they could get sued.
- This means developers **get special treatment**, while cities lose the power to protect their communities.

6. Less Parking, More Traffic Problems

- This bill **reduces parking requirements**, even in areas with no public transportation or sidewalks.
- If big buildings go up without enough parking, it could make **traffic and parking problems worse** in neighborhoods.

7. Cities Can't Pause Development for Important Reasons

2015-2024 Residential Units per 1,000 People



State Housing Plan: *where we started*

160+ potential policy tactics

Multiple work groups (all with ULCT representation)

- low-income
- starter homes
- market rate
- rural
- infrastructure

Technical committee focused on data collection and analysis

Principle of collaboration over preemption but with some preemption proposals

State Housing Plan: *where we are now*

Prioritized tactics list coming soon

- state funding
- MIHP 2.0
- detached ADUs

ULCT pushback on problematic tactics

- Example: proposal to allow housing by right in all commercial zones
- ULCT: a) oppose preemption; b) cities planning for Wasatch Choice centers
 - data: 2023: 224 identified centers in WFRC/MAG; 2025: 394 centers in WFRC/MAG
- Outcome: tactic not prioritized

Must report housing plan to Commission on Housing Affordability & Legislature in Sep/Oct

State Housing Plan: *LPC advisory subgroup*

- **Annexation**
- **Detached ADUs**
- **Infrastructure standards**
- **Land Use Task Force technical items**
 - e.g. expiration of plat approval
- **MIHP 2.0**
- **State Infrastructure Bank**
- **Case studies**
 - Ephraim: small lots with focus on affordable, owner-occupied, detached, single-family units
 - Heber: infill ordinance in downtown area
 - Provo: use of city owned land for affordable, owner-occupied units
 - Harrisville and Taylorsville: still to come; let us know if you have an example you want to share!

Next zoom calls: Aug. 27 & Sep. 10 (9 am) for deeper dive on topics based on LPC direction today

Upcoming stakeholder meetings

- Annexation, Aug. 28
- Land Use Task Force, Sep 4
- Commission on Housing Affordability, Sep 11

Two new toolkits



Missing Middle



Envisioning Centers

State Housing Plan: *detached ADUs*

Policy question: should detached ADUs be allowed in some form statewide?

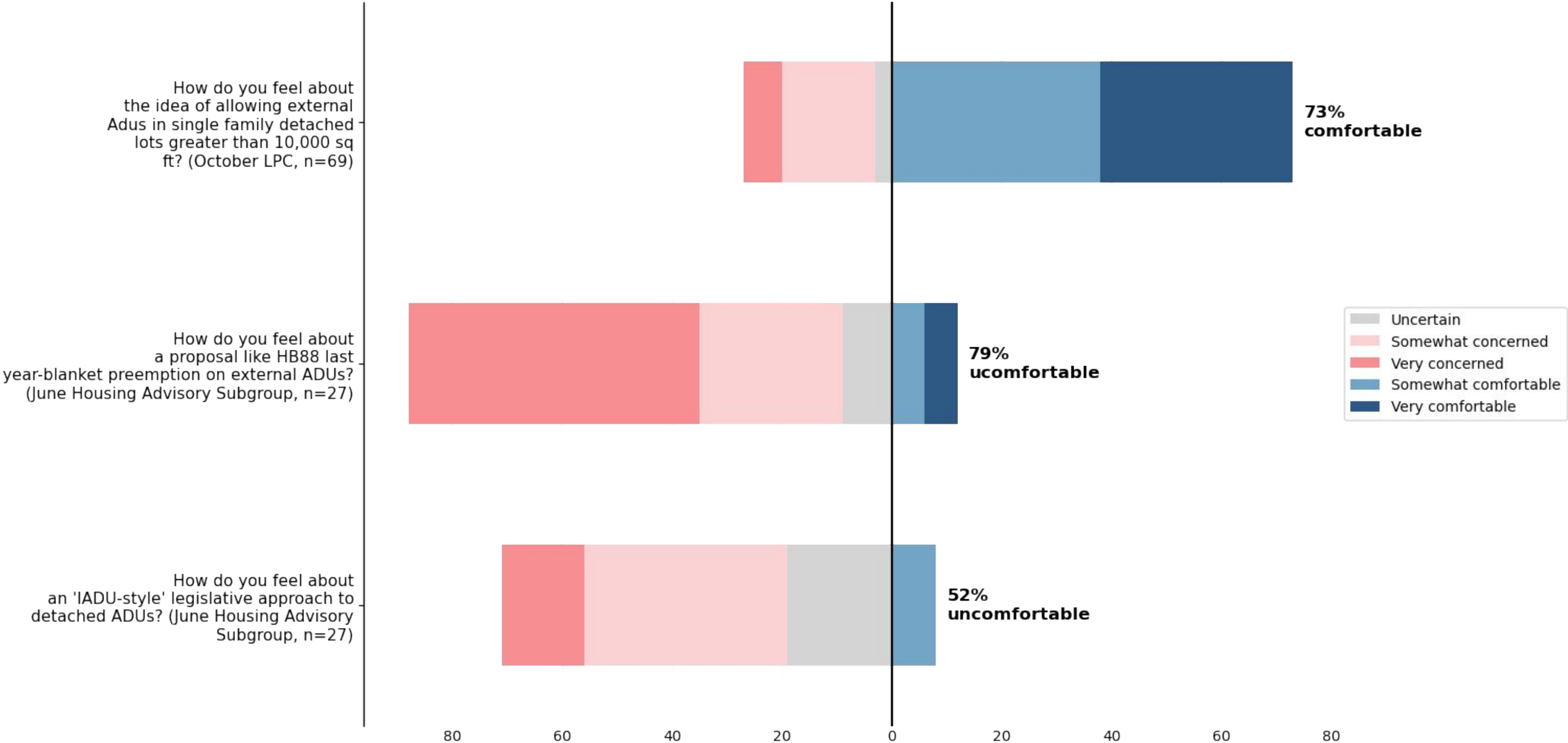
State politics: appetite at capitol for some kind of detached ADU bill

ULCT political capital: most MIHP cities currently allow detached ADUs in some form, so how much would we oppose a reasonable detached ADU bill?

ULCT LPC advisory group: slido data

ULCT Board of Directors, Aug 18: create a proposal to require cities to allow detached ADUs but with local flexibility to implement (station area plan model)

Housing Advisory Subgroup Feedback



State Housing Plan: *detached ADUs*

Option A

- IADU-style (state requirement with some state standards, partial local flexibility)
- Proposal being circulated

Option C

- New concept (state preemption default, local opt-out)
- bill drafted

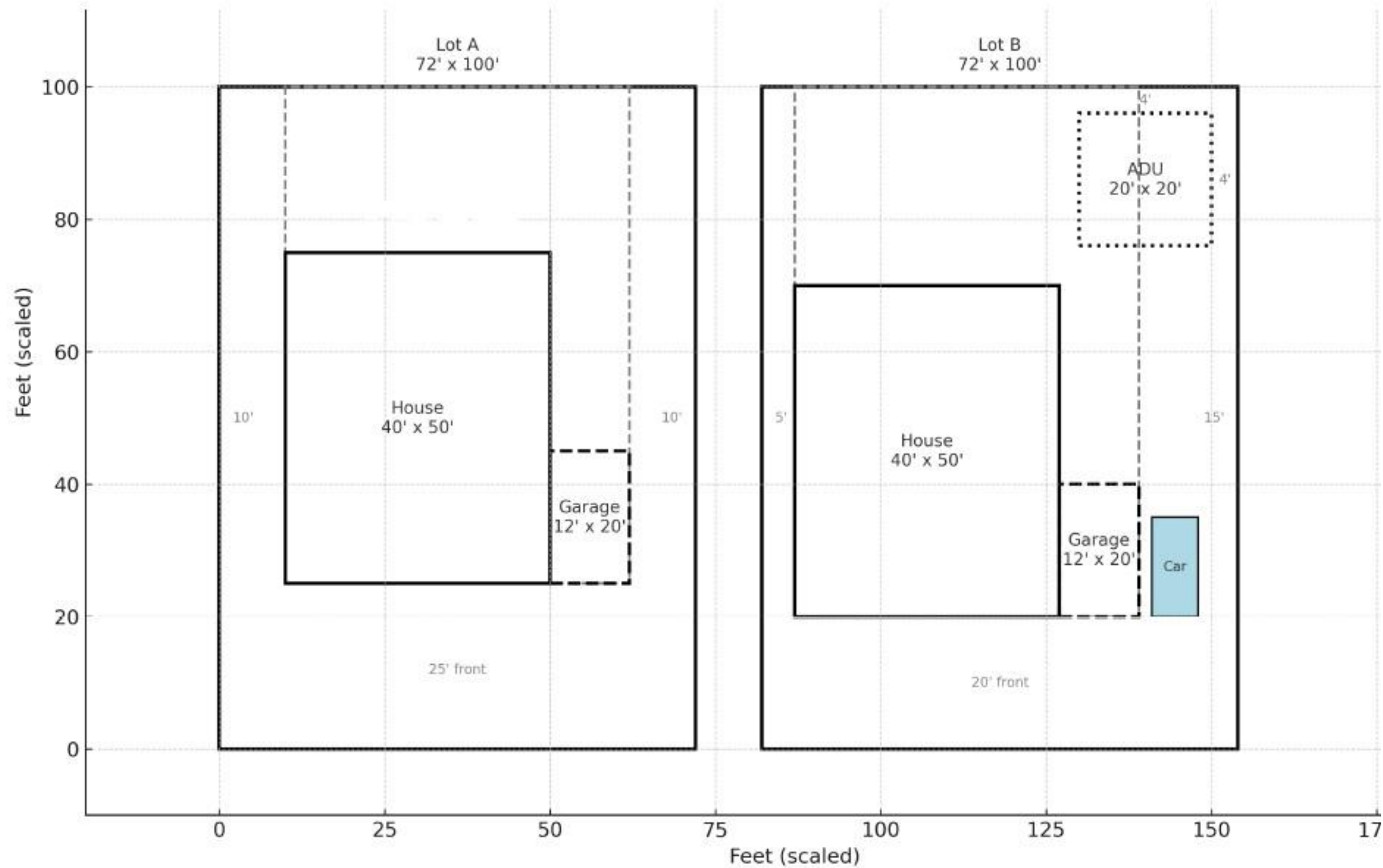
Option D

- SAP-style (state requirement to have an ordinance but local flexibility on specifics)
- workgroup preferred approach

Advisory Group Priorities to Address

- Ensuring **building/fire safety** are addressed
- **IADU OR DADU**, not both in state law
- **Not all neighborhoods have sufficient utility capacity for DADUs**
- **All ADUs can compete with entitled density in growing areas.**
- **Owner occupancy** of either primary dwelling or ADU
- **Not all lots are large enough for DADUs**
- **Local flexibility** is critical (size, setbacks, location, STR restrictions, development agreements, etc.)

State Housing Plan: *detached ADUs, setbacks*



MIHP 2.0 Framework

1. Concepts for new strategies
2. Reporting
3. Compliance

New Strategy Concept

Existing MIHP

- Emphasis on planning, consideration in decision-making.
 - Requires constant progress demonstration that we cannot control outcomes for.
 - Requires a referee to determine whether cities have met their benchmarks.
 - Requires complicated annual reporting to demonstrate progress.

MIHP 2.0

- Do you have a policy that meets the parameters?
- If you have a policy/ordinance, you comply.
- Strategies are objective enough for a simple yes/no review.
- Taking an action grants compliance for X years.

Example

Rezone for densities necessary to facilitate the production of moderate income housing;



Adopt or approve a qualifying affordable home ownership density bonus for single-family residential units, as described in Section 10-9a-403.2 (HB 37)

The city action = adoption/approval (regardless of whether builder actually builds it)

New Reporting Concept

Existing MIHP

- Lengthy progress reports.
- Uncertainty about whether actions meet the requirements.
- Data is predominantly text-based and difficult to access.

MIHP 2.0

- Checkbox that the policy was adopted, code reference, and report on outcomes.
 - Cleaner data can be used to help inform what is working and what isn't.
 - Eligibility NOT based on outcomes (did the builder build the units) but based on the city action.

New MIHP Compliance Concept

Existing MIHP

- Transportation Investment Fund (TIF)/Transit Transportation Investment Fund (TTIF) eligibility
- 5th 5th eligibility (if county imposes it; currently no secondary imposition option)
- Other, smaller state funds
 - a. TIF/TTIF Funding is largely already programmed, meaning a reporting error could jeopardize a significant regional transportation improvement.

MIHP 2.0

- Eligibility for potential new state fund to assist with planning and infrastructure funding (capital and maintenance) and planning

Short-term Rentals

New proposed bill

1. States that local governments can only impose fines and penalties on STR owners, rather than listing sites or STR renters.
2. States that STR listing sites are not required to share personal data with a local government without a court order.
3. Allows a local government to require an STR listing site to provide the number of nights a rental is occupied.

Recent case law

- Communications Decency Act local governments cannot require the booking sites to monitor sites for illegal listings.
- Courts have determined that individuals have a “reasonable expectation of privacy” when using STR booking sites and that personal data should be kept private.

AirBnB, Inc v. City & Cnty of San Francisco

AirBnB, Inc v. City of Boston

HomeAway.com v. City of Santa Monica

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Proposed Water System Fee

Nathan Lunstad, PhD, PE
Division Director



UTAH DEPARTMENT of
ENVIRONMENTAL QUALITY
**DRINKING
WATER**

Our Mission

Protecting and improving Utah's drinking water while supporting communities and growth statewide

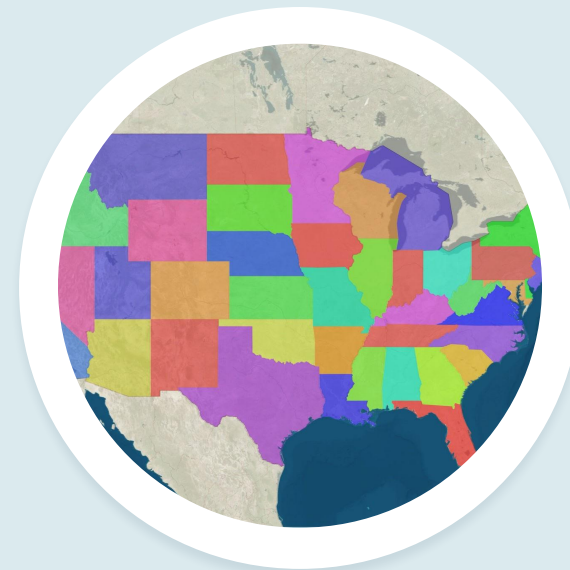


Drinking Water—the Utah way

UTAH



Less reliance on the federal government.



UTAH

Maintain local control
to support
communities and
growth.



More in line with other
state programs
nationally.

Our Work for Every Water System



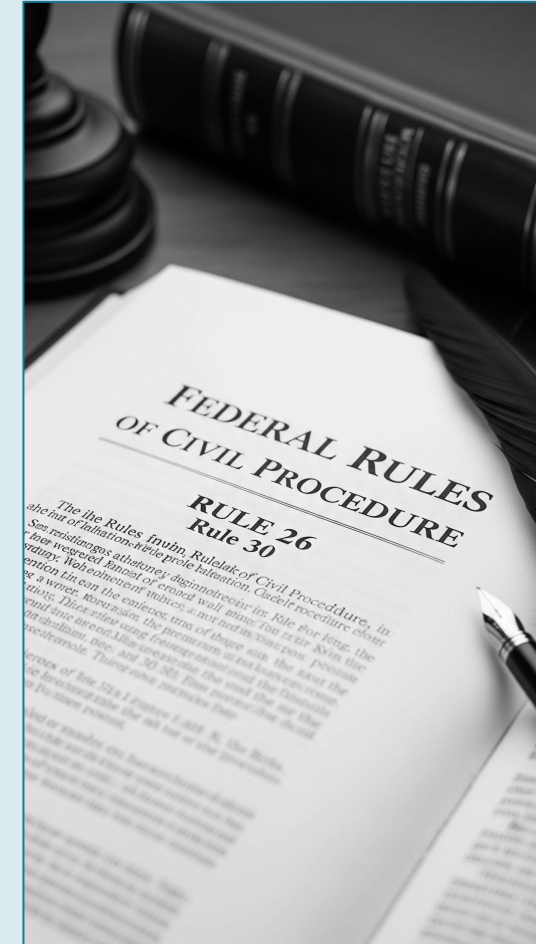
Federal Oversight & Penalty vs. The Utah Way

Federal Penalty Approach

- Focus: Punishment after violations occur
- Daily penalties for ongoing violations (e.g., UIC up to \$67,544/day)
 - Severe cases can reach multi-million-dollar settlements
- Civil fines up to \$71,545 per violation

Utah's Support Approach

- Partnering with systems to prevent violations before they occur
- Providing technical assistance, extensions, guidance, and training
- Building stakeholder groups and trust-based relationships
- Supporting compliance to avoid costly fines and protect communities



The 2026 Federal Budget

The 2026 federal budget is unknown.

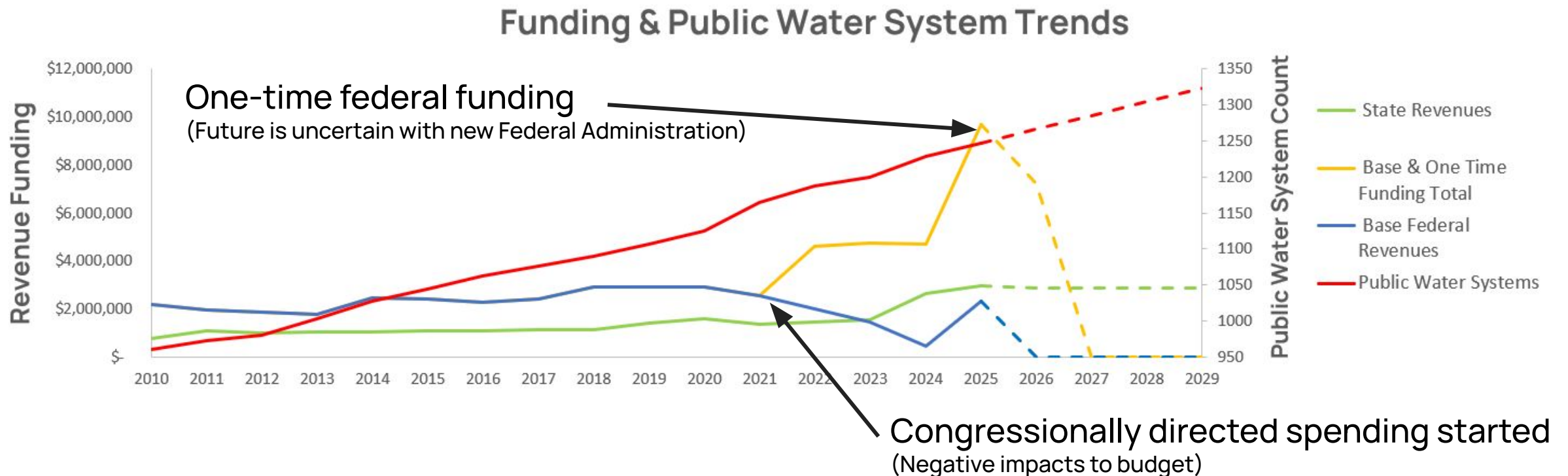
Current proposed cuts are

64

There is an immediate need
for fee implementation.

Decline in federal funding

Division of Drinking Water Program Administration Funding & Public Water System Trends



Review of Program Administration Revenue Shortfall Projection

Forecasted Revenues	
<i>64% Reduction in Base SRF & End of one-time 5-year IIJA Funding</i>	
FY2025 Awards (Projected Awarded in 2026)	\$6,942,200.00
FY2026 Awards (Projected Awarded in 2027)	\$6,868,716.00
FY2027 Awards (Projected Awarded in 2028)	\$1,217,000
FY2028 Awards (Projected Awarded in 2029)	\$1,217,000
Shortfall Starting in FY27	-\$5,651,716.00



More systems = more costs



Increasing complexity in systems



Cross Connection and OpCert fees already in place

FY26–28 revenue projections reflect anticipated grant awards (totals still unknown).

Federally Funded Program Shortfall

- We value our contracts and partnerships with our partners such as Rural Water Association of Utah and laboratory testing.
- A recent EPA audit revealed we are understaffed. Even still we are able to move forward and retain primacy.



Internal Cost Cutting

We understand that new fees can be challenging. DDW is committed to cutting costs and create efficiencies on our end to reduce the burden on public water systems.

2.5%

Division Budget
Reduction

Reducing permitting
requirements in
several areas

Streamlining Sanitary
Survey Inspections



Senate Bill 80



01

**Proactive
legislative
solution**



02

**Prepares for
the "funding
cliff"**



03

**Solidifies the
future of our
programs**

— Who is impacted?



Community
Systems



Non-Transient
Non-Community
Systems



Transient Systems



Retail water usage by
wholesale systems

Who is exempt?

Wholesale
Water

Agricultural
Water

Industrial
Water



Fee breakdown

	Base rate up to 10MG per year	Rate per 1,000 gal after 10MG	Statewide Average price per connection	
			Monthly	Annually
Standard rate	\$35	\$0.0331	\$0.38	\$4.59
Incentive rate	\$25	\$0.0301	\$0.35	\$4.18

- Calculated based on water use data reported to the Division of Water Rights
- All systems will pay the base rate

This is a calculated state average. Actual proposed rate for each water system can be found on our website <https://deq.utah.gov/drinking-water/new-fees-for-utah-public-water-systems>

— Fee Impact Examples

Fairfield

Population: **180**

Water Use: **8.4 MG**

Annual Incentivized Fee: **\$25**

Annual Non-Incentivized Fee: **\$35**

Kanarraville

Population: **477**

Water Use: **42.0 MG**

Annual Incentivized Fee: **\$987**

Annual Non-Incentivized Fee: **\$1,093**

Nibley

Population: **9,435**

Water Use: **560 MG**

Annual Incentivized Fee: **\$16,580**

Annual Non-Incentivized Fee: **\$18,245**

Provo

Population: **115,162**

Water Use: **6,790 MG**

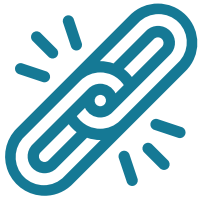
Annual Incentivized Fee: **\$204,120**

Annual Non-Incentivized Fee: **\$224,539**

Anticipated fees based on 2024 water use data reported to DWRi. Proposed rate for each water system can be found on our website

<https://deq.utah.gov/drinking-water/new-fees-for-utah-public-water-systems>

Why consumption based?



**Water is a
shared
resource**



**Less water
used =
smaller fee**



**Incentives in
place for
conservation
measures**



Incentivized Criteria

Compliance with each individual initiative will reduce a system's fee by **2.5%** for a maximum reduction of **10%**



The installation of water meters on each residential connection.



The adoption of tiered water rates.



The creation of a drinking water master plan report.



Compliance with System Specific Sizing Standards.

**Non-Community Systems will only need to comply with this requirement to receive the 10% incentive reduction.*

— Partnership in Action

Engaging Stakeholders for Shared Success

Key Dates:

- Public Outreach Sessions:
 - [In-person: August 18, 2025 @ 2:00 PM \(Salt Lake City\)](#)
 - [Virtual: August 21, 2025 @ 2:30 PM](#)
 - [Utah League and Cities and Towns Engagement \(North Salt Lake City\)](#)
 - [In-person: August 26, 2025 @ 11:30 AM RWAU Fall Conference \(Layton\)](#)
- Final Proposal Due: September 1, 2025
- Public Hearing: September 11, 2025



True Value of Reliable Safe Drinking Water

Consumption – drinking, cooking

Hygiene – bathing, handwashing, cleaning

Food & Beverage Production – restaurants, food processing

Industrial – manufacturing, cooling, rinsing

Agriculture – irrigation, livestock, aquaculture

Medical & Lab – healthcare, research, pharmaceuticals

Public Services – schools, parks, fire suppression



Drinking Water Real World Impacts



“Without this sector, we don’t have society as we know it”
Dave Ross, Former EPA Assistant Administrator

Questions?



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Director



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Questions? Contact us



Annexation

Annexation policy questions

general input today, deep dive on 8/27

1) Annexation policy plan process

- a) State law: Cities shall consider policies (e.g. infra, services, finances, pop.) when considering plan
 - i) Q: Should a city concerned about infrastructure costs be required to annex an adjacent property if the property owner can finance infrastructure?
- b) Process Refinements
 - i) Q: Should there be a streamlined process for small annexations (~5 to 10 acre parcels)?
 - ii) Q: Should there be a process where annexation proceeds incrementally (County partnership)?
- c) Removals of properties in the policy plan
 - i) Q: Should there be some notification, written reason for removal, & hearing for property owners before removal?

2) Islands

- a) State law: cities in SL County shall annex all unincorp. islands by 2027
 - i) Q: should this provision apply to all cities, particularly if the city is already providing at least 1 utility service?

3) Preliminary municipality process

- b) State law: property owners may incorporate within 4 year window, must be .25 miles away from city
 - i) Q: should this provision allow preliminary munis adjacent to cities?