

# LEGISLATIVE UPDATE

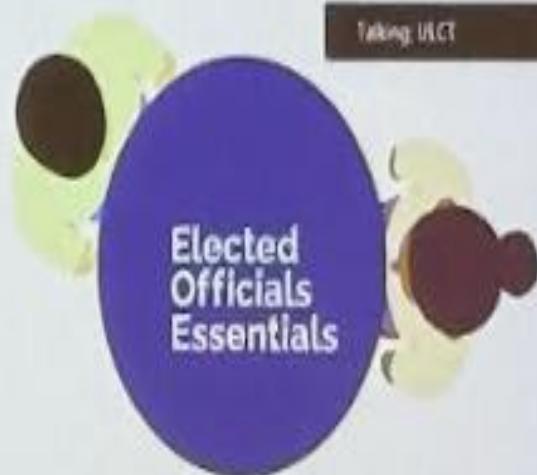
NOVEMBER 18, 2025

# Elected Officials Essentials

*These training courses offer a crash course on the basics you need to know before you take office in January or as a helpful refresher for those currently in office.*

## Save the Dates:

- Sat., Dec 6th (8:30-1:00 PM at the Local Government Trust) OR Sat., Dec 13th (9:00-1:00 on Zoom) **Local Government 101**
- Dec 16th (12:00-1:00 PM on Zoom) **Land Use 101**
- Jan 8th (12:00-1:00 PM on Zoom) **Municipal Budget and Finance 101**
- Jan 10th (9:00-12:00 PM on Zoom) **Conflict Competence 101**
- Jan 13th (12:00-1:00 PM on Zoom) **Utah Legislature 101**
- Jan 16th from (12:00 - 1:00 PM on Zoom) **Running a Small Community 101**



# PROPERTY TAX

## Property tax bills coming

- Rep. Auxier
  - Voter approval of any property tax increase
- Rep. Christofferson
  - Cap on property tax increases (amount TBD, maybe 3%)
- Rep. Koford
  - Shift from paying property tax on 55% of the appraised property value to a lower value (potentially 45%)
- Rep. K. Peterson
  - Consider changes to truth-in-taxation timing and process
- Sen. Wilson
  - Consider improvements to “clunky” truth-in-taxation process

# WATER INFRASTRUCTURE FEE STUDY

## Water Infrastructure Projects Fee Study

### Big Picture Takeaways:

- Required by HB280 (2024)
- \$102 billion in needed water, sewer, stormwater infrastructure investments through 2070
- There is no UDOT for water infrastructure
- EPA's maximum affordability metric is 4.5% of Median Household Income
  - **Utah Average is:** 1.24% of median adjusted gross income (MAGI) on water  
.86% of MAGI on sewer and stormwater
- Utahns have room to pay more and still be below 4.5%

# WATER INFRASTRUCTURE FEE STUDY

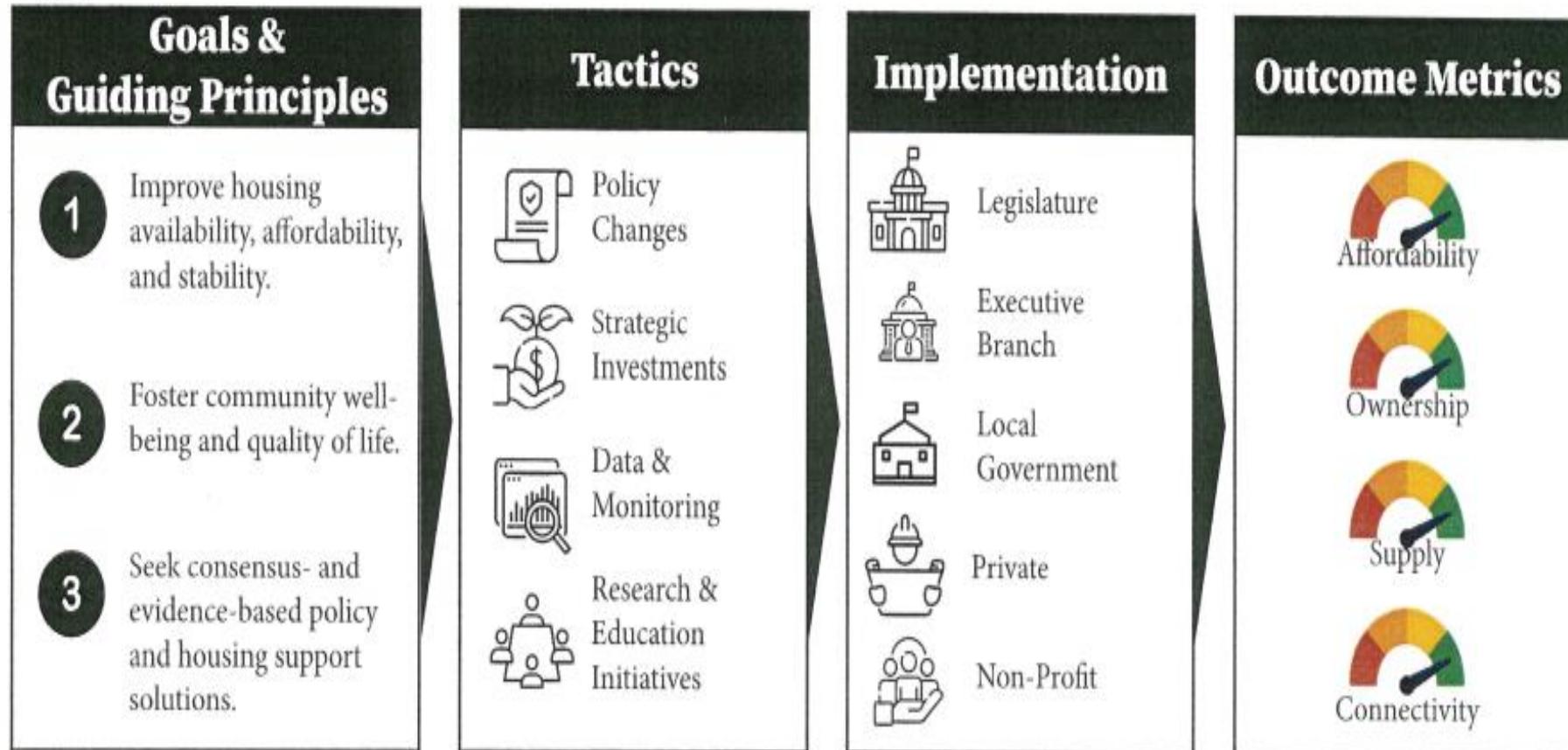
## Recommendations:

- To generate about \$150 million a year
  - Implement a volume-based user fee of: \$0.40/1,000 gallons for water  
\$0.21/1,000 gallons for sewer
- Funds generated would be distributed as grants
- Distribution would be by basin
- No recommendation for changes to sales tax or for a current ad valorem tax

# STATE HOUSING PLAN

- “A consensus-based implementation strategy to address Utah’s housing crisis”
- Only 9% of Utahns can afford the median-priced home
- Median age of first-time homebuyers is 38 per National Association of Realtors
- Utah needs 274K new housing units to meet the 2033 demand

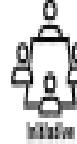
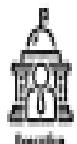
# Approach



## Timeline



# TOP PRIORITY TACTICS

#	Tactic	Category	Implementation Lead	Cost
1	Inventory, analyze, and develop a plan for publicly-owned land that may be suitable for future housing.	 Initiative	 Executive	Nominal cost
2	Expand funding, including leveraging federal grants, for an infrastructure revolving loan fund to support implementation of station area plans and new master-planned developments and which may be repaid by development.	 Investment	 Legislature  Executive	1X or OG, Significant Cost
3	Secure ongoing funding for a revolving loan fund to provide low- or zero-interest loans for the acquisition and development of affordable housing projects and may be repaid by development.	 Investment	 Legislature	1X or OG, Significant Cost
4	Per HCR14 (2025) streamline Utah's executive branch and independent entity housing program administration and funding.	 Policy	 Legislature  Executive	1X, Nominal Cost
5	Provide training and technical assistance to resource-constrained local governments and growing communities to help them streamline housing development processes.	 Investment	 Legislature	1X or OG, Under \$1M

# PRIORITY TACTICS

#	Tactic	Category	Implementation Lead	Cost
6	Incentivize local governments to implement zoning reforms by leveraging existing state funding programs to offer priority to cities that are implementing the state's housing priorities of starter homes, station area plans, missing middle housing, and condominiums.	 Policy	 Legislature  Executive	Time & Effort
7	Conduct an analysis of the potential benefits and structural requirements of other shared equity models, such as Community Land Trusts or Limited Equity Cooperatives, and disseminate findings.	 Initiative	 Executive	Time & Effort
8	Review and revise state statute to require cities and towns to allow detached ADUs (DADUs), with reasonable considerations for infrastructure capacity, parking, public safety and health, etc.	 Policy	 Legislature	Time & Effort
9	Reauthorize existing state tax credits by removing the sunset date from state code sections 59-7-607 and 59-10-1010.	 Policy	 Legislature	Time & Effort
10	As part of streamlining Utah housing policies per HCR14 (2025), assign the new housing division the responsibility to coordinate the use of federal, state, and other funds to implement regional housing projects and solutions.	 Initiative	 Legislature  Executive	Time & Effort
11	Convene a working group to explore ways to better utilize the state's Medicaid funding to provide wraparound supports to accompany deeply affordable housing initiatives.	 Initiative	 Executive	Time & Effort
12	Conduct a comprehensive study to estimate realistic limits to growth and additional housing from water supply constraints.	 Initiative	 Executive	One-time, Under \$1M

# DETACHED ADU BY RIGHT

- MIHP cities or all cities?
- Minimum lot size?
- City to control setbacks.
- Compliance with all building, health and fire codes.
- Either primary home or ADU must be owner-occupied.
- City to control rentals (e.g., at least 90 consecutive days)
- ADU may not exceed size of primary unit.
- Cannot require more than 2 parking spaces
- Do not allow in front yard.
- Impact fees proportional to infrastructure demand created.
- No design standards except generally consistent with primary.
- DADU by right so long as meet safety, setback and parking requirements.

# EXPECTED LAND USE BILLS

- Ward Bill: preference for 5400 sq. ft. lots, ADUs as of right with no garages, default zoning unless council opts out each time there is a proposal. Pre-emption.
- Fillmore Bill: if builder commits to building a state defined starter home (affordable and ownership), state law approves by right regardless of local zoning. Pre-emption.
- Roberts Bill: infrastructure partnerships and financing.

# INFRASTRUCTURE

- Property Rights Coalition (PRC) wants consistent minimum public infrastructure standards (e.g., reduce road standards to make building more affordable). Argue City standards frontload costs at inopportune time. But does this get passed on to homeowner or stay with builder? What does this do to City standards, planning, and cost sharing? Makes existing homes less affordable to make new homes more affordable?)
- Cities argue should remain with City. Existing residents have already paid for infrastructure. New residents should pay for infrastructure required by new residences. Savings realized by having more durable roads saves much more on back end than is saved on front end.

# ULCT RESPONSE TO GOVERNOR

ULCT has drafted a letter responding to Governor's comments on cities and their staff.

- ULCT gathered data from 66 cities across Utah in 2023 and identified an aggregate number of more than 190,000 entitled units. Cities plan but do not control when builders build or what they build.
- ULCT collected data on 129,872 building inspections in 2024 and found that 99.8% were completed within the 3-day window.
- Utah's local governments have permitted the second highest amount of new housing units in the last decade in the nation (only Idaho higher).

# ULCT RESPONSE TO GOVERNOR'S DRAFT HOUSING PLAN

ULCT in the same letter collected feedback from members in response to the housing plan.

- Plan preaches collaboration and avoids terms like “mandates” but the “devil is in the details” which have not yet been provided.
- One size misfits all. Plan does not reflect the differences in communities and their needs.
- Plan acknowledges need for large infrastructure improvements to support growth but how does state plan to help fund these?
- What will implementation of the plan look like?
- Concern that Plan focuses on government action when market conditions are more determinative of housing costs.

# ULCT RESPONSE TO GOVERNOR'S DRAFT HOUSING PLAN

- Plan does not specify how savings will be passed through to home buyers rather than developers.
- Plan does not address growing trend of build-to-rent units resulting in more investor properties than affordable home opportunities.
- Plan does not address the fact that most affordable housing projects do not pencil unless developers are willing to reduce their profit margin or there is land available.
- Plan recognizes importance of water as a limiting factor to growth but is relatively silent as to strategies surrounding water and use.
- Plan focuses almost entirely on new building. Very little focus on rehabilitating existing structures.
- Cost of living focuses solely on housing, although food and other costs contribute greatly.

# WHAT WE ARE BEING ASKED TO DO

- Sit down with state legislators before the legislative session to learn their positions on these and other issues.
- Explain how property tax and infrastructure funding impacts Midway.
- Discuss facts and challenges specific to our community.
- Update the steps taken to date to address housing and land use.