APA Utah Legislative Pre-Game

Hosted by the APA Utah Legislative Policy Committee

22 October 2026

Laura Hanson, AICP

Senior Advisor for Long-Range Planning, Office of Governor Spencer J. Cox

Managing Director of Planning Coordination, Governor's Office of Planning and Budget

Cameron Diehl

Executive Director, Utah League of Cities and Towns

APA Utah Legislative Pre-Game

Agenda:

1. **Updates from Our Friends at the Utah League of Cities and Towns**
2. **Discussion / Q&A With Laura Hanson, AICP**

APA Utah Legislative Pre-Game

Infrastructure

Annexations / Incorporations

MIHP Reporting (CHIPS??)

Minimum Lot Size Mandate

Pre-Approved Plans

AI Plan Reviews

HOA Reform

Property Tax Drama

Impact Fee Changes

DADU Clarifications

Housing & Land Use

State Housing Infrastructure Partnership (SHIP) applications are now open!

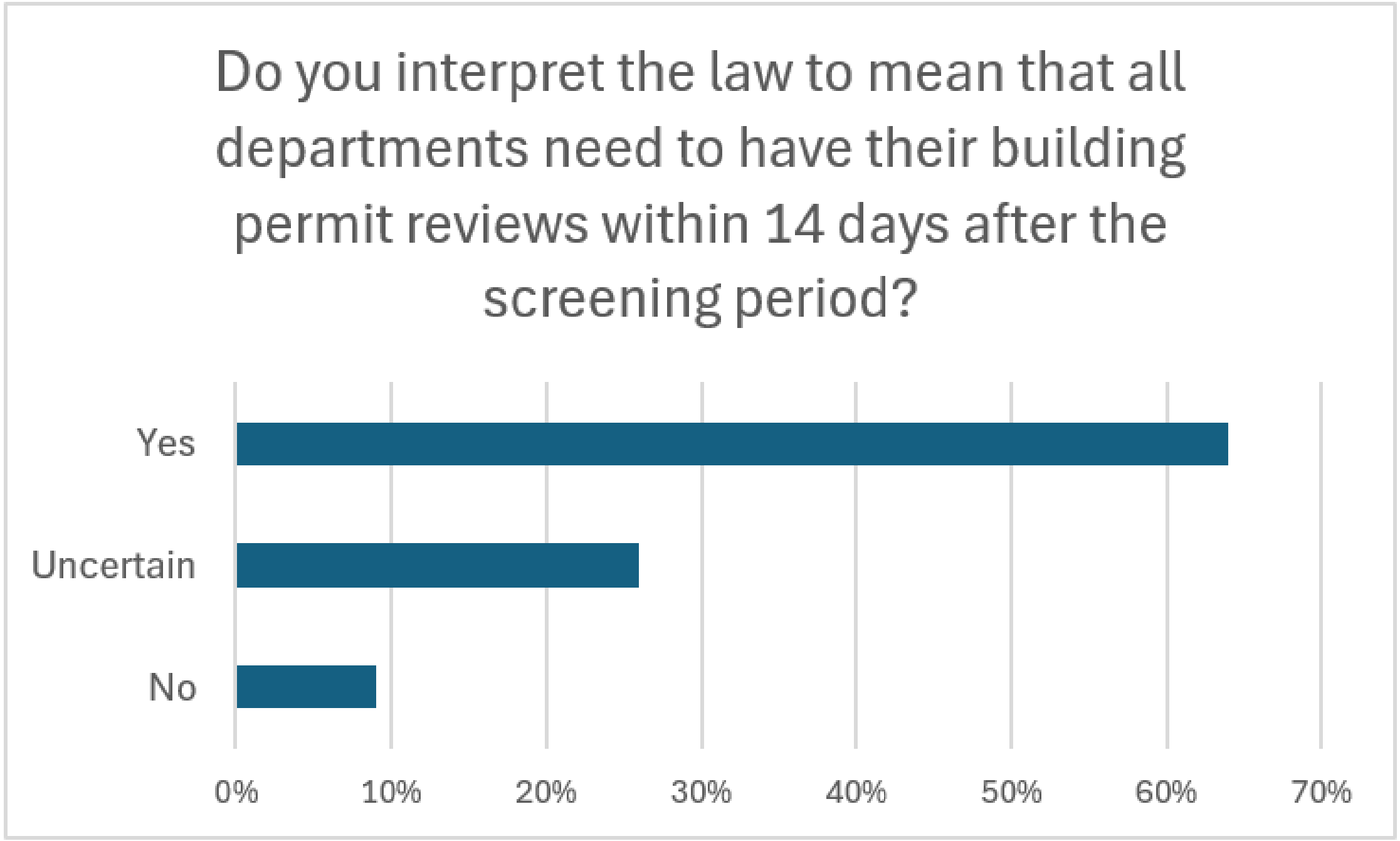
- First round applications are open through **Monday, November 2 at 5pm**
- Q&A Webinar with HCD on **October 26 at 1pm**

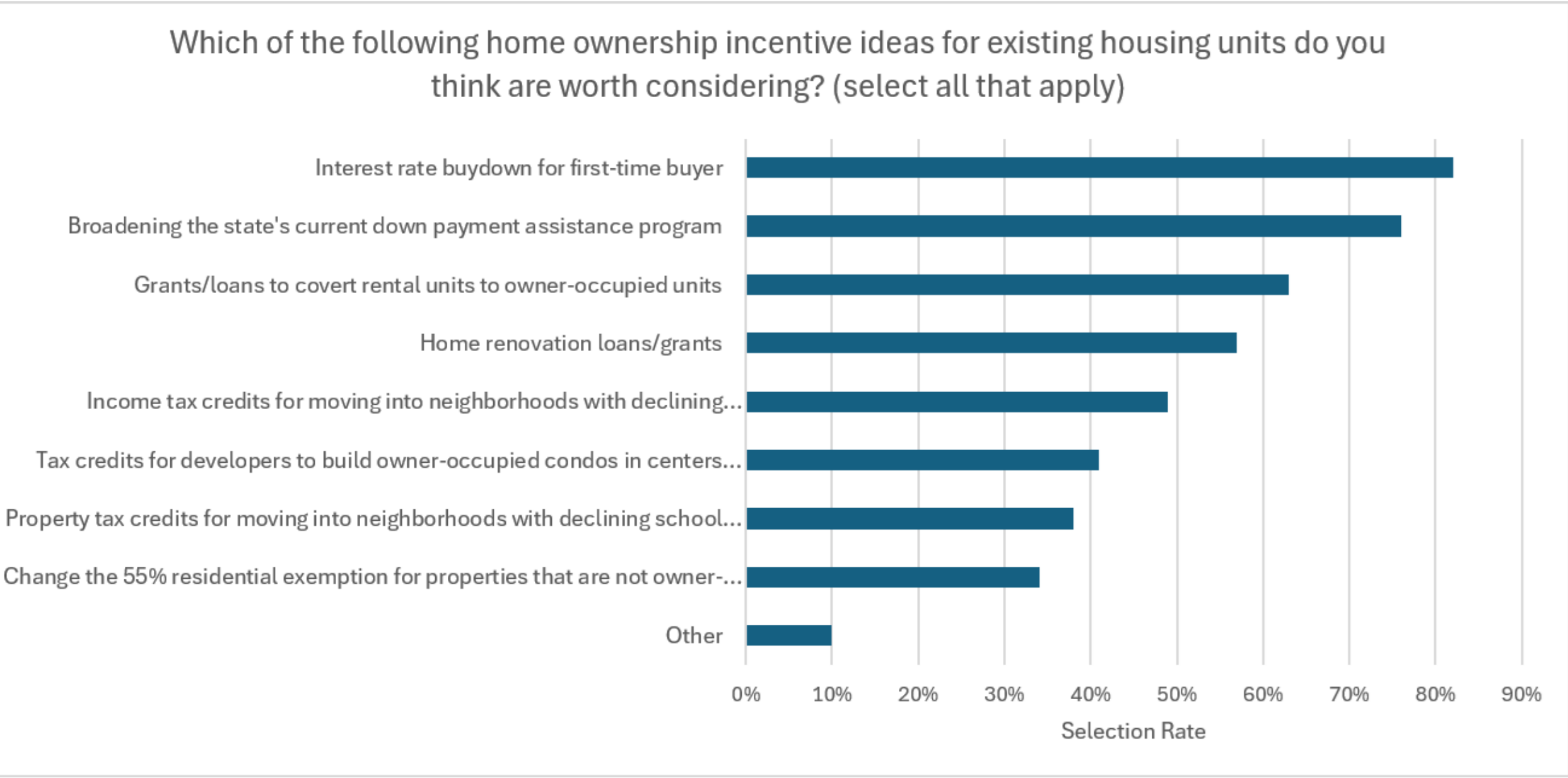
To access the application, scan the QR code or visit housing.utah.gov and click on “Partnership Opportunities” under the “State Land & Infrastructure” tab

LPC Housing Advisory Subgroup topics

- Rep. Ward's bill on lot size
- Sen. Fillmore's bill on legislative land use authority
- AI for plan review RFA
- Pre-approved housing designs
- Land Use Task Force (no PRC asks this summer)
- MIHP 2.0 (no report req't in 26)
- HOAs
- Annexation, incorp., preliminary municipalities
- Impact fees (legislative audit)
- Single staircase building code change
- Inspections and plan check timing (HBA)
- DADU clarification
- incentives for affordable home ownership in existing houses
- college town report

Next Meeting:
Tuesday, Nov. 3, 10:30am


Do you interpret the law to mean that all departments need to have their building permit reviews within 14 days after the screening period?
Yes
Uncertain
No
0%
10%
20%
30%
40%
50%
60%
70%


Which of the following home ownership incentive ideas for existing housing units do you think are worth considering? (select all that apply)
Interest rate buydown for first-time buyer
Broadening the state's current down payment assistance program
Grants/loans to covert rental units to owner-occupied units
Home renovation loans/grants
Income tax credits for moving into neighborhoods with declining...
Tax credits for developers to build owner-occupied condos in centers...
Property tax credits for moving into neighborhoods with declining school...
Change the 55% residential exemption for properties that are not owner-...
Other
0%
10%
20%
30%
40%
50%
60%
70%
80%
90%
Selection Rate

Annexation & Preliminary Municipalities

- Working group has focused on preliminary municipalities and incorporation to simplify both processes - concern that towns are incorporating to stop development or counties are making it difficult to create preliminary municipality
  - No longer focusing on incorporations
- Working group has not extensively discussed annexation YET (but WILL)
- ULCT developing a resolution on annexation to build internal consensus

Utah House speaker says he's open to repealing controversial development law

Amid outcry from Wasatch County, Gov. Cox also leaves door open to making changes to 'preliminary municipality' law that allows landowners to form a new town on undeveloped land

BY **KATIE MCKELLAR** - OCTOBER 12, 2026 4:51 PM

House Speaker Mike Schultz, R-Hooper, told Utah News Dispatch in an interview Monday he's supportive of addressing issues with SB258 that passed in 2024, and he fully expects a repeal or substantial changes to the law to be discussed in the upcoming legislative session scheduled to begin in January.

"There should be a broader discussion, and I think, you know, a full repeal should be part of the conversation," said Schultz, who has worked in residential and commercial real estate and owned development companies. "We will be open to all options right now, including a full repeal."

Utah News Dispatch

AI for Land Use Processes

- ULCT member-identified considerations for state-funded pilot program:
  - Copyright
  - Cost
  - Data privacy
  - Human in the loop
  - Liability
  - Process touchpoints
  - Public trust
  - Scope
  - **Local government involvement in the RFP process**

The Division of Housing & Community Development is putting together a **workgroup** to build out an **AI for land use pilot program and RFP**. Email Alexa at aoldham@ulct.utah.gov if you are interested in joining this workgroup

DADUs

- Add DADU requirements to county code
- IADU vs. DADU when connected by roof vs. wall
  - Potential proposal: “Change IADU definition to be connected by wall *or roof*”
- Design standards
  - Potential proposal 1: *“a city may regulate location or design of a door or window, location of a garage door of a DADU based on the DADU’s location on the parcel or ingress and egress to the parcel or the DADU”*
  - Potential proposal 2: *“a city may regulate a DADU to be compatible with the primary residential unit”* (changes “conflict” to “compatible”)
  - Potential proposal 3: *clarify that exceptions (eg. historic areas) in 10-20-618(3) applies to DADUs*

DADUs

- DAs and HOAs
  - Potential proposal: *"This section supersedes prohibitions or restrictions on DADUs that HOAs have imposed"*
- Short term rentals
- Conversion process
  - Potential proposal 1: add *"residential"* before "building, health, and fire codes
  - Potential proposal 2: *"a converted DADU is considered a nonconforming use under 10-20-1003"*
  - Potential proposal 3: *"a city may require structural changes to ensure compliance with building, health, and fire codes"*
  - Potential proposal 4: *"a city may deny based on other legal easements on the existing accessory dwelling unit"*
- Size of ADU, rental up to "90 days," and data privacy enforcement
  - Concerns brought up but statutory fix is uncertain

Proposed HOA Bill

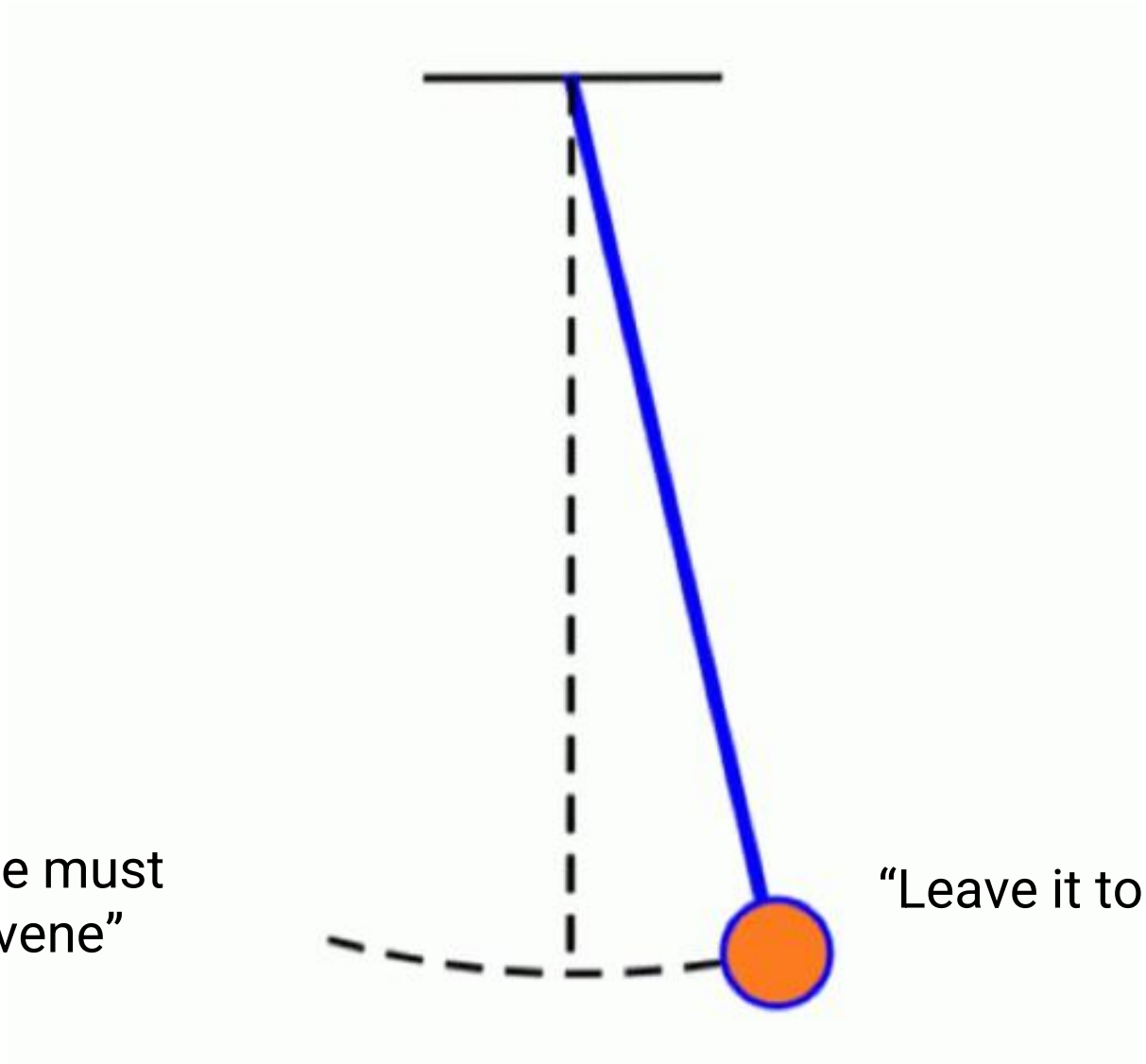
- Provides a process for an HOA to request that an applicable local entity to assume responsibility for eligible infrastructure or an eligible service, including:
  - Open space (parks, trails, landscaped buffers)
  - Storm retention or detention ponds
  - Private road infrastructure owned and operated by HOA
  - Private water infrastructure
  - Road Maintenance
  - Garbage/recycling collection area (within an HOA)
  - Does not include services city does not cover to individuals outside an HOA
- Cities must accept compliant request unless infrastructure does not meet state construction or fire codes, HOA has not taken reasonable efforts to maintain, HOA refuses to pay to upgrade to state construction/fire codes
- City can condition acceptance on limited conditions
- If city declines, must reimburse each HOA property owner for service at annual cost

Home Owners Associations

Arguments We Have Expressed:

1. Taxes and fees are different and serve different purposes.
2. Taxes are not assessed based on services being provided but by value of taxable property
3. Contracts are not developed on a house by house basis, but an overall providing of the service. Calculating the costs to reimburse would be very difficult.
4. HOA fees are for the purpose not just of amenities and services but also for longterm maintenance and replacement of systems.
5. HOA's are typically developed through DA at the request of developers
6. HOA creation are because developers want to have develop without city standards so they ask for an HOA
7. HOAs are created because of timing of the development where infrastructure and money.
8. HOA's are a mechanism of shifting the financial burden on those that are experiencing living in that home and they are warned that they are moving into an HOA.
9. Cities don't like downstream effects of HOA either.
10. CCR's modify development agreements - HOAs shouldn't be able to do so.

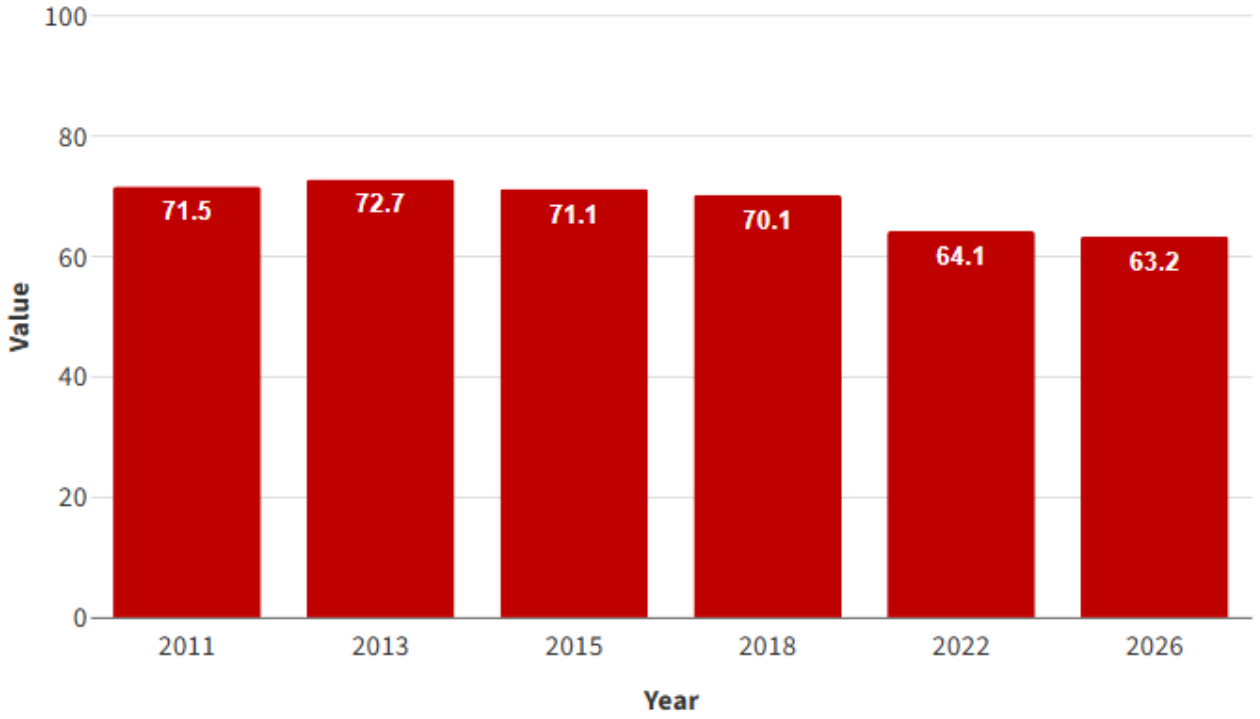
Political Uncertainty (Housing)



“State must intervene”

“Leave it to locals”

Utah's Community Quality of Life Index



Source: Kem C. Gardner Policy Institute, Utah Chamber, and Utah Foundation

Housing Affordability – Housing affordability remains the lowest-rated community factor in the Index, with an individual rating of 2.1 out of 5, representing a major concern for Utahns statewide.

Utah's Community Quality of Life Index

Kem C. Gardner POLICY INSTITUTE THE UNIVERSITY OF UTAH DAVID ECCLES SCHOOL OF BUSINESS

Utahns report high marks for religious activities, natural surroundings, and parks.

Figure 2: Utah Community Quality of Life Index Factors

Category	Factor	Average Ranking	Rank Range
Excellent	Religious activities	1	1-3
	Natural surroundings	2	1-5
	Parks and recreation	3	1-5
Good	Stores	4	2-7
	Safety	5	2-7
	Higher education	6	4-9
	Family proximity	7	4-10
	Social or cultural events	8	6-11
	Health care	9	6-11
	Community support	10	7-11
	Community attractiveness	11	8-11
Fair	Public schools	12	12-14
	Shared values	13	12-14
	Community acceptance	14	12-14
Poor	Jobs	15	15-17
	Air and water quality	16	15-17
Very Poor	Public transit	17	15-19
	Traffic	18	17-19
	The cost of living	19	17-19
Extremely Poor	Housing affordability	20	20

Note: Rank range reflects the uncertainty of the error margin of the survey. While the average ranking of community support ranks it in 10th place, it could vary between 7th and 11th.

Source: Utah Foundation

UTAH FOUNDATION
RESEARCH • ANALYZE • INFORM

STATE POLITICS

Idaho Statesman

Idaho's new 'starter home' bill promises cheaper houses. Not everyone agrees

By **Mark Dee**

March 28, 2026 4:00 AM | Gift Article

Boise Rep: Cities had their chance to fix zoning

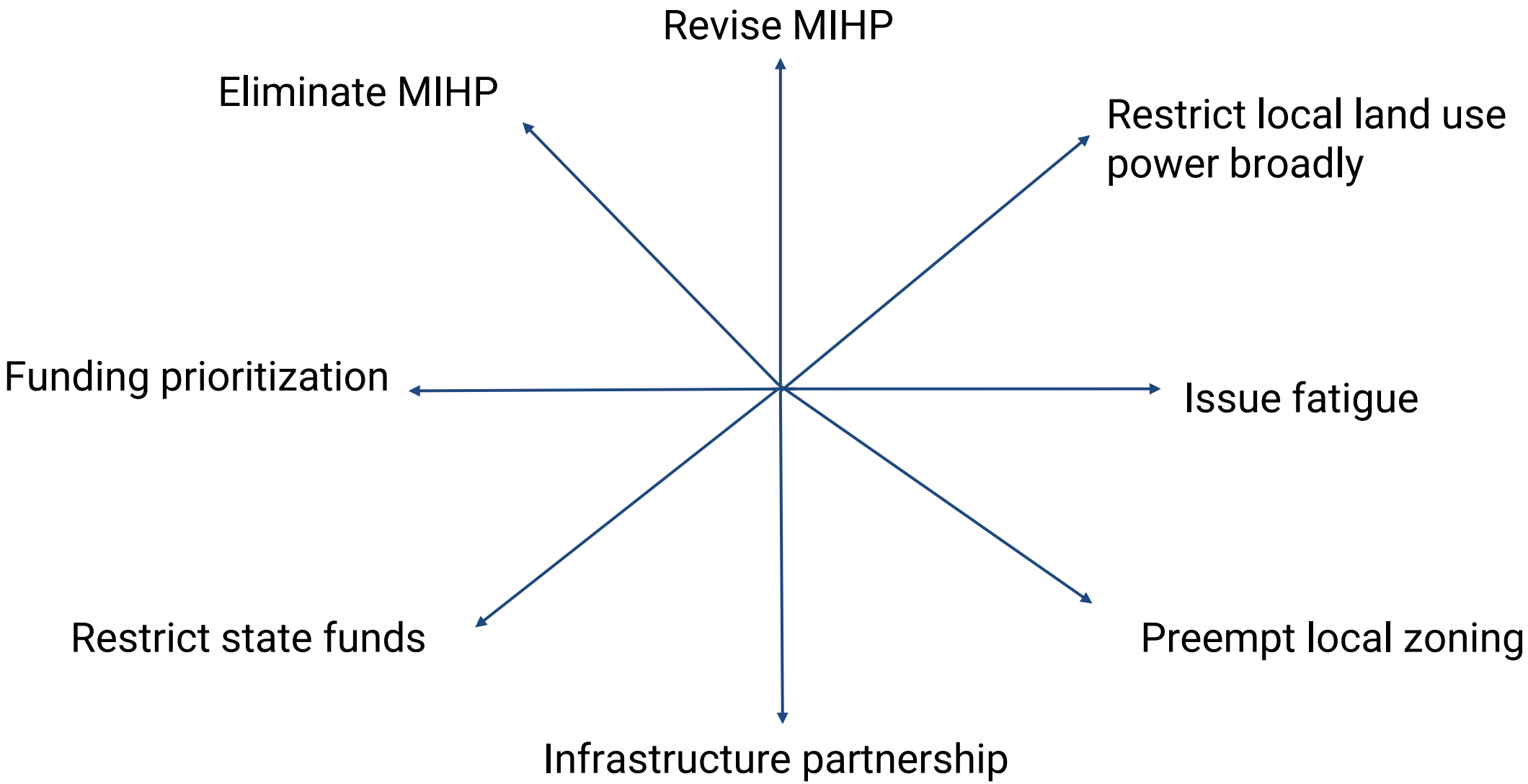
The bill now goes to Gov. Brad Little, a stark reversal of fortune for a proposal that looked dead in committee last month.

But ideas to spur Idaho's stagnant housing stock — namely through deregulation or preemption of local land use — are gaining steam as the session drags on. Bills loosening regulations on accessory-dwelling units — smaller, secondary homes attached or adjacent to a primary residence — and factory-built manufactured homes also fell flat this winter before finding a second wind en route to the governor's desk.

SB 1352

- Allows "starter home subdivisions" in residential zones (excl. historic) in cities > 10,000
- Up to 1,400 sq ft lots
- Cannot require greater than 15 ft setbacks
- Limits on lot width and depth

Legislators in many different places…

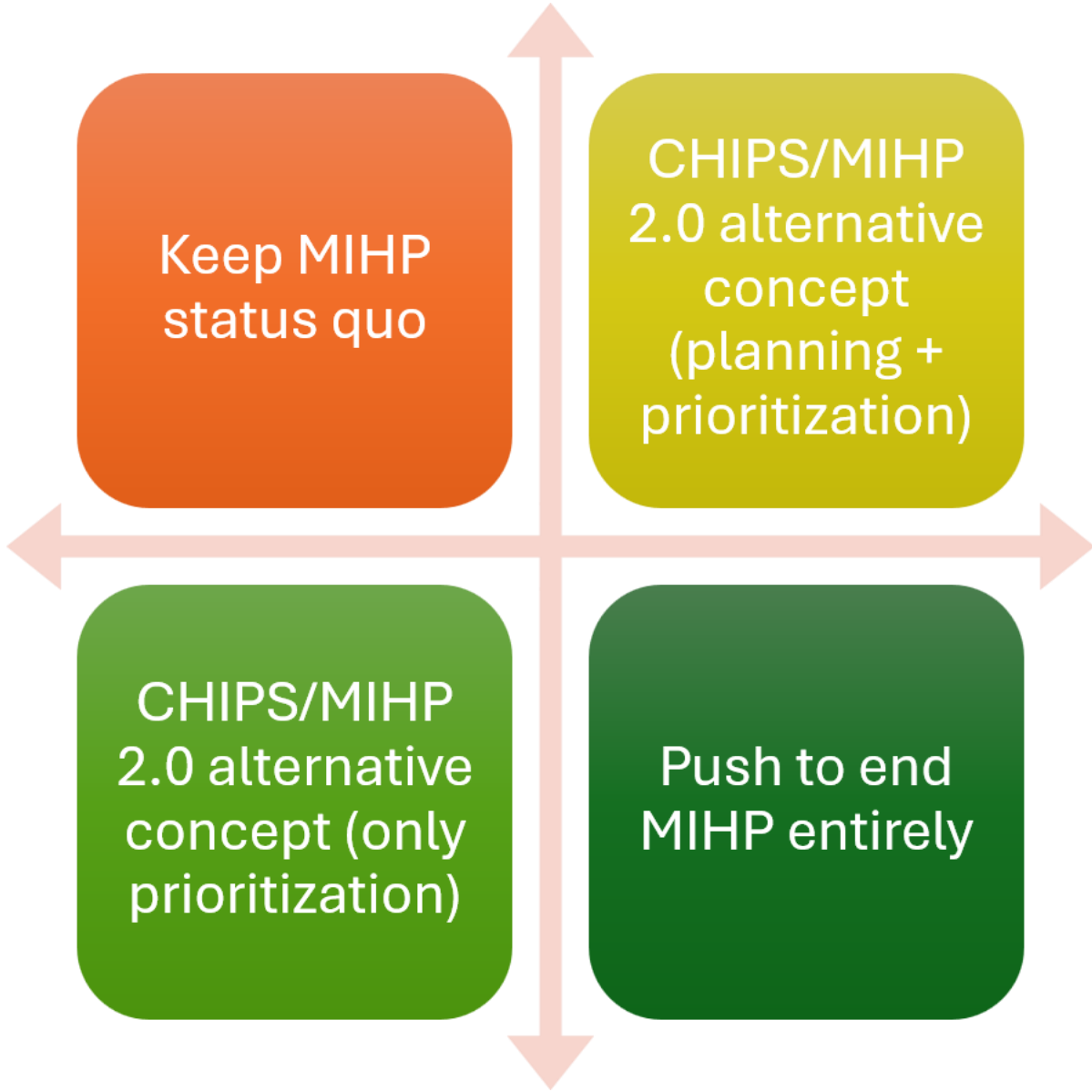


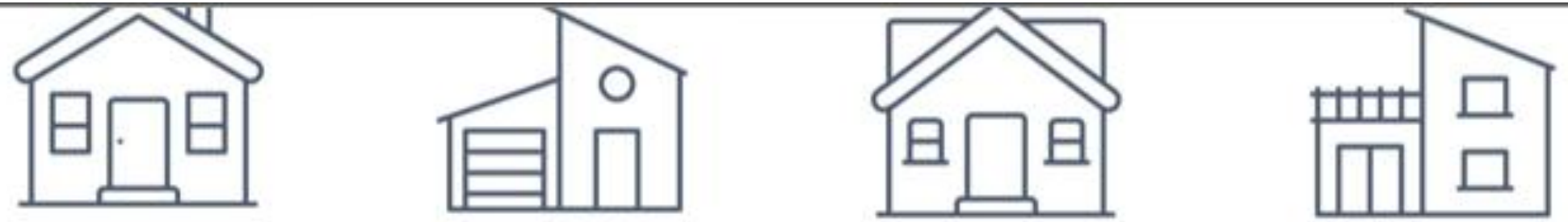
Rep. Ward proposal

Expecting changes to draft that we presented to LPC in August

Objective: allow lots of 5,000 square feet by right in all residential areas

Where to go from here..?





City Housing and Infrastructure Policy Strategy (CHIPS) Concept

AKA “MIHP 2.0”















City Housing and Infrastructure Policy Strategy (CHIPS)

Formerly referred to as MIHP 2.0

Policy Objectives

- Replace MIHP policy
- Maximize local decision making
- Create a useful resource for community housing and infrastructure planning (not just busywork!)
- Recognize the progress local governments have made in recent years

MIHP Status Quo

- Plans must identify 3 -5 strategies from a confined list, depending on whether city has fixed guideway transit stop
- Additional strategies target transit-oriented development
- Non-compliance results in loss of eligibility for TIF/TTIF and annualized $250/day fee to OWHLF



Implementation plan



Annual reporting on strategy progress per implementation plan

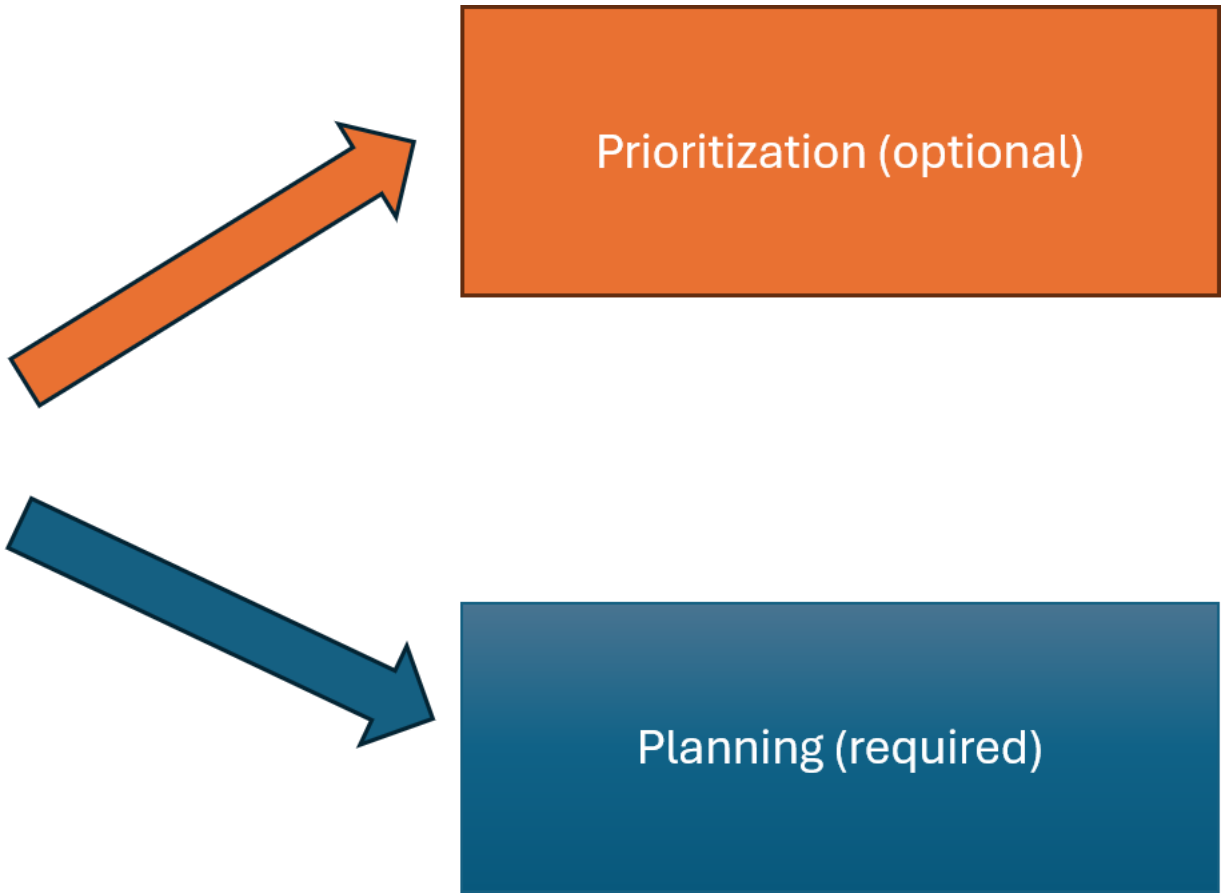


Weighted strategies/automatic compliance

CHIPS Concept

CHIPS two-part framework

- Low floor (planning), high ceiling (prioritization) approach
- Provide some baseline effort from all *specified* cities
- State partnership with cities that plan for and approve housing units, especially housing that prioritizes affordable home ownership, centers, etc.



CHIPS Concept

Prioritization (optional)

Prioritization based on additional metrics

- Prioritization would apply to state grants for local government (e.g., outdoor rec grants).
- Agencies determine how much weight to give prioritization

Planning (required)

Same consequences as MIHP (lose access to TIF/TTIF, $250/day fee, etc.)

CHIPS Concept - Housing Infrastructure Plan



Housing Infrastructure Plan

Plan must address certain elements



Automatic Compliance

Alternative to plan, based on criteria

CHIPS Concept - Housing Infrastructure Plan

Housing Infrastructure Plans Emphasize:

- Flexibility
- Customize response to specific community resources & needs

Potential plan requirements:

- Assess future housing needs
- Assess role community plays in regional housing picture
- Outline current and past actions the city has taken in prior five years, including those in response to MIHP
- Assess what housing types are likely to achieve the city and region's long-term needs
- Assess infrastructure capacity and long-term investments
- Assess infrastructure and fiscal sustainability of future housing capacity

CHIPS Concept - Housing Infrastructure Plan (Automatic Compliance)

Potential automatic compliance categories:

1. High growth
   - ≥ *X*% increase in housing stock
1. Crisis Shelter
   - Hosting a qualifying homeless shelter

3, State partnership

- SHIP, AHIG Grants; use housing density bonus overlay; participate in housing pilot programs

CHIPS Reporting

Required components (better data)

- Whether the entity chose to comply through a pathway or custom plan
- If applicable, custom plan
  - Note: HCD content review of required components
- Number of new residential units issued building permits
- Number of new residential units issued CO
- Whether any changes were made to plan

Optional (prioritization) components

Examples could include:

- Number of deed-restricted housing units (affordable, owner-occupied)
- Number of new housing units approved through zone change or DA
- Amount of funding support provided to new affordable housing units
- Whether the entity has a program to expedite approval of affordable/owner occupied units
- Partnerships with developers/property owners

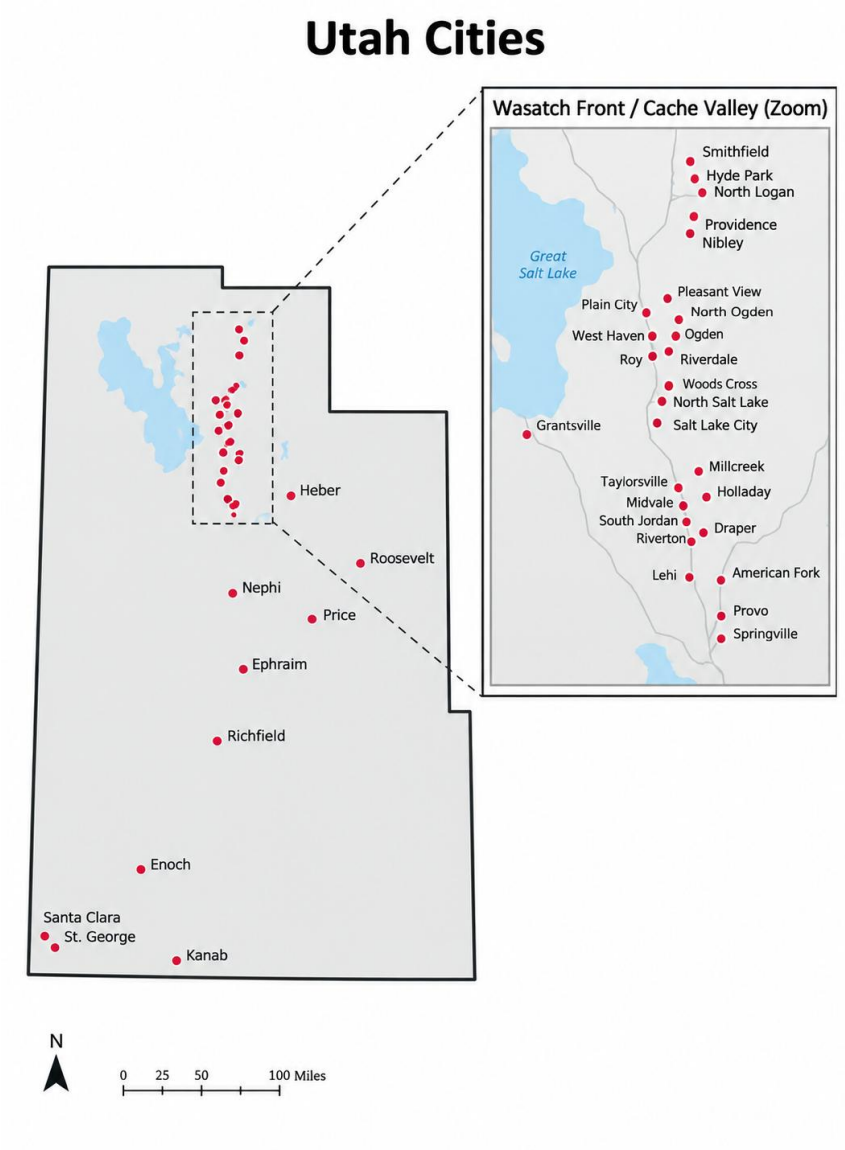
Small Lot Survey Results

Utah Chapter of the American Planning Association

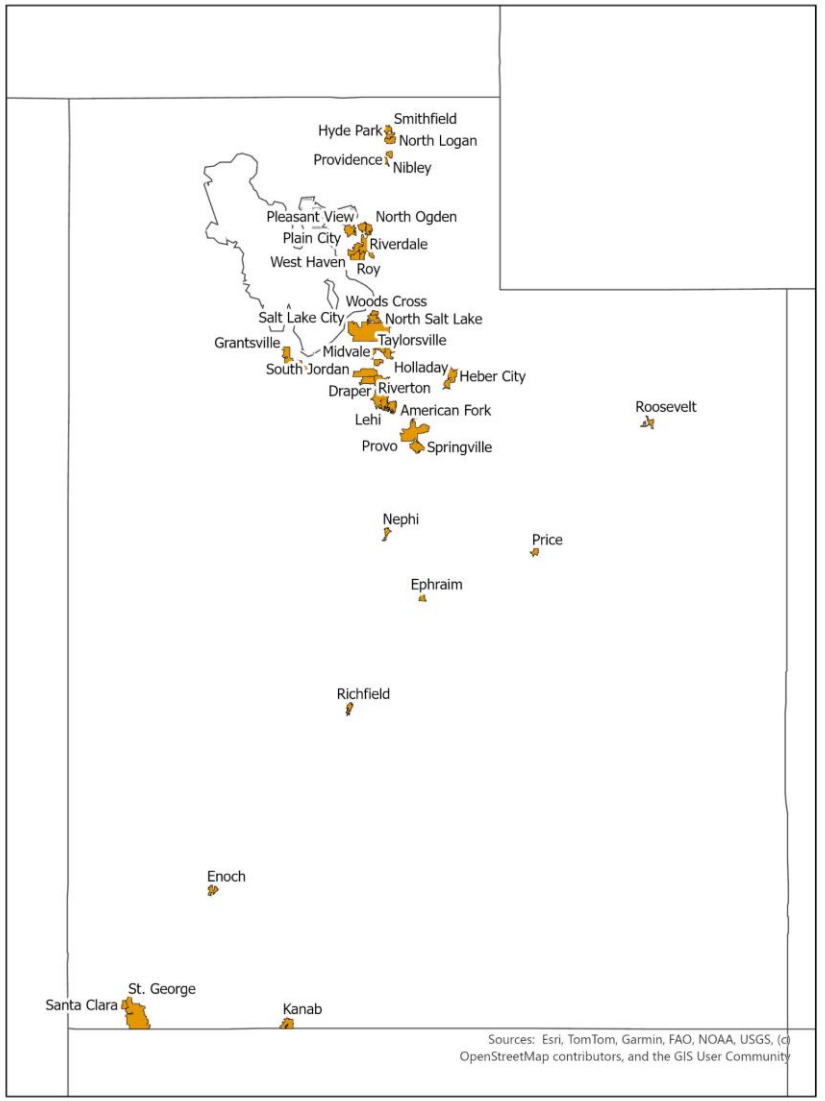
September 2026

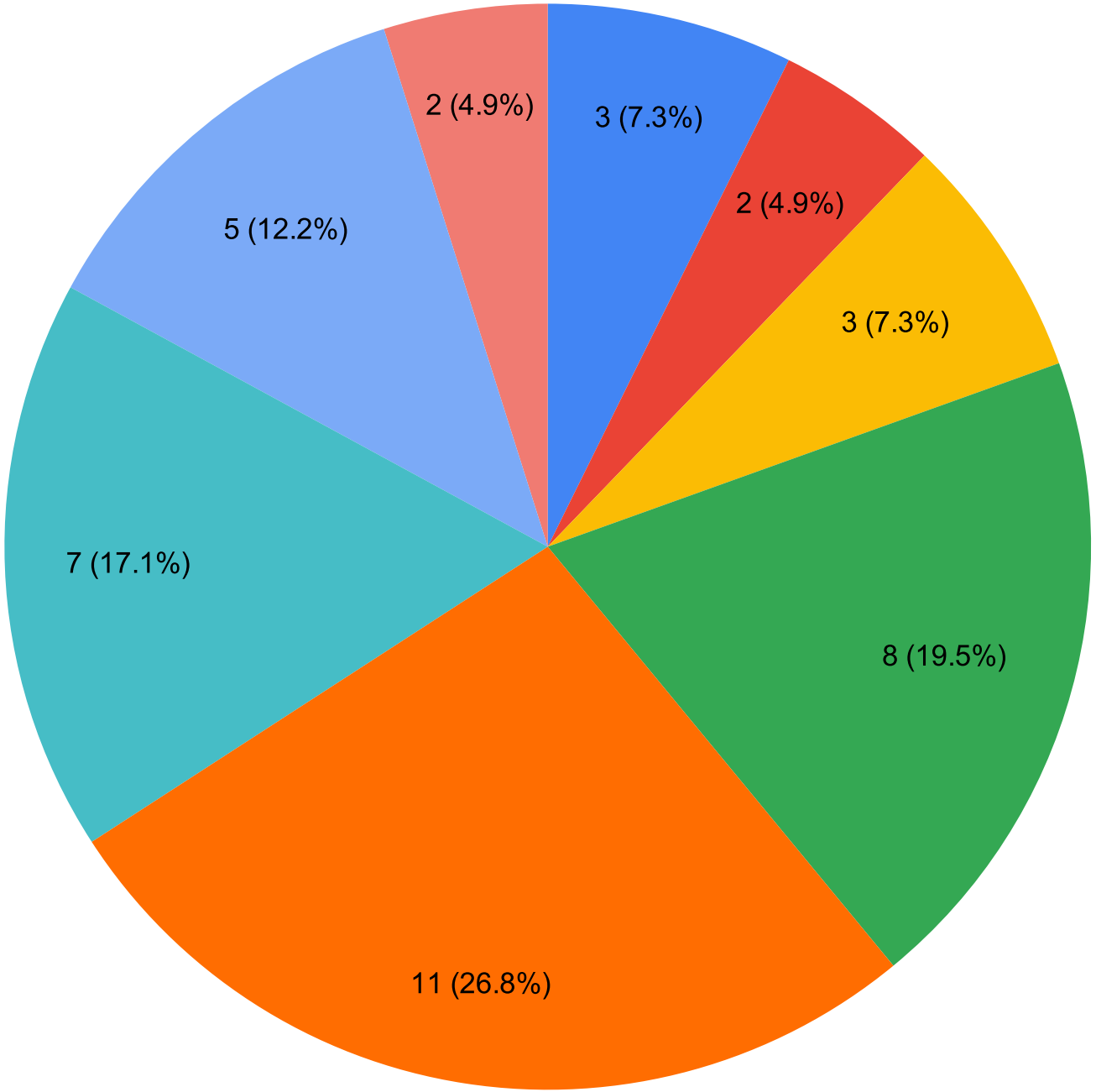
40 Cities And Towns Responded To The Survey

Hey ChatGPT! Make me a map!

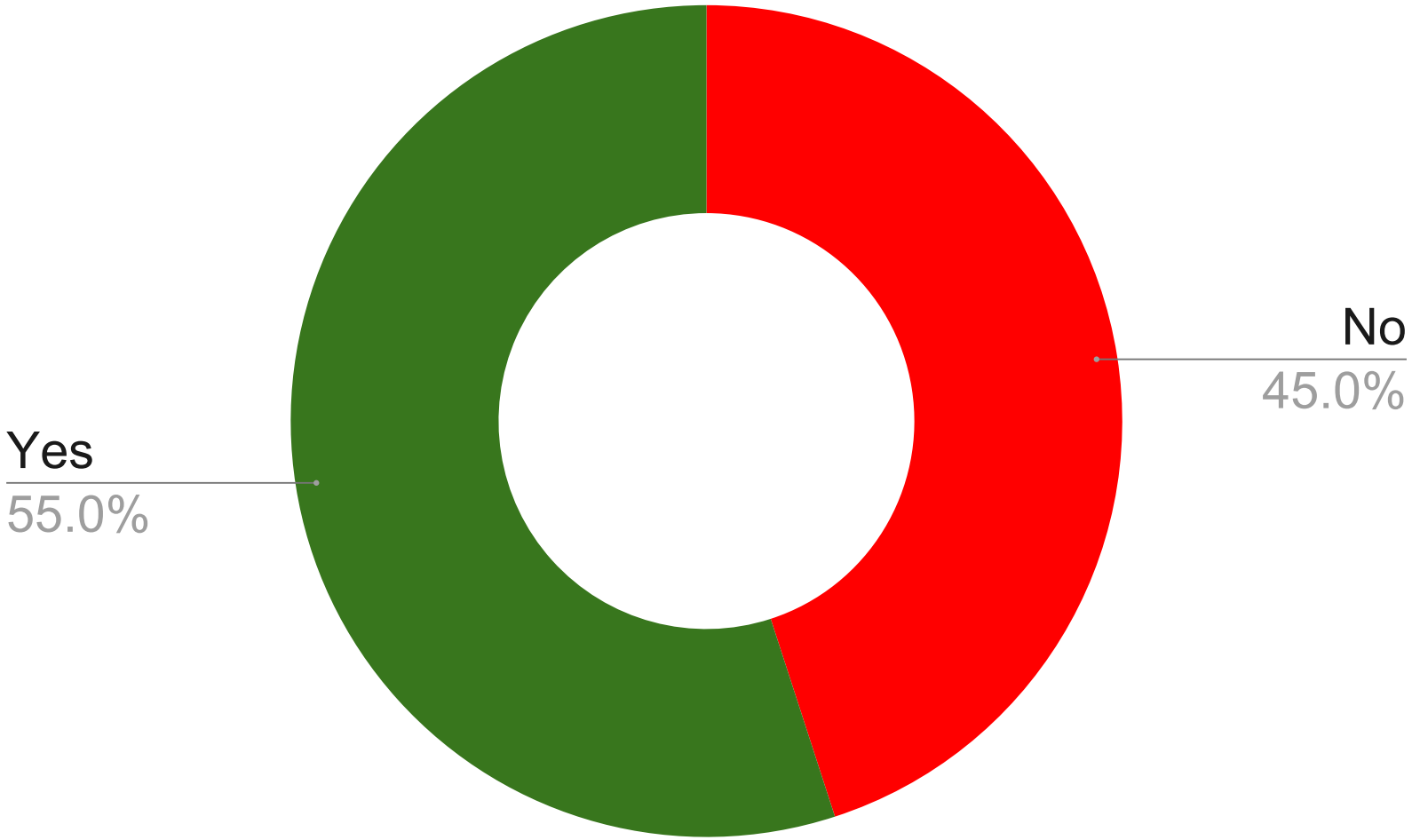


Never mind; I'll just do it myself.

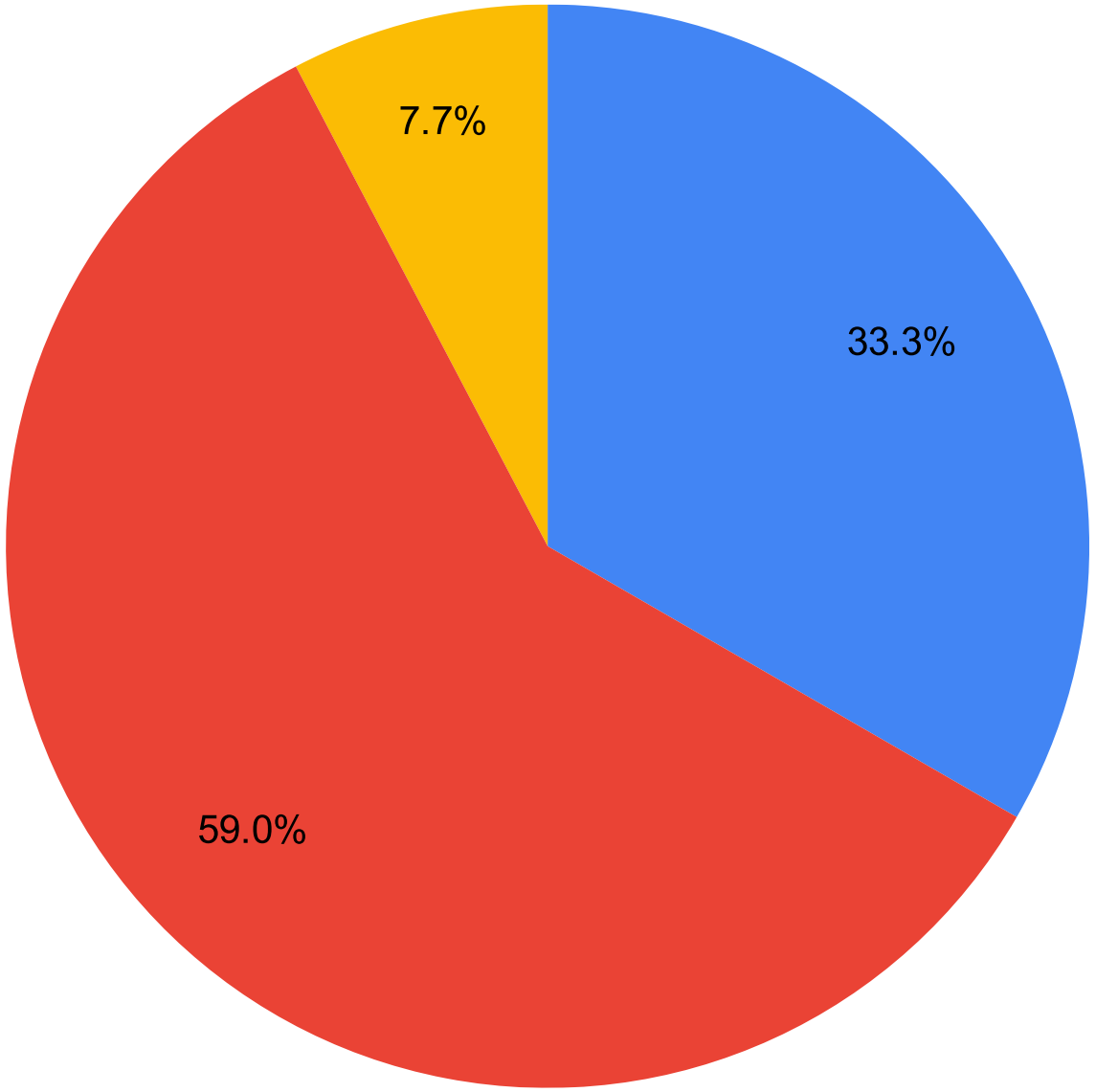




63% of Responding Cities and Towns allow **by right** single-family **lots of 5,000 square**

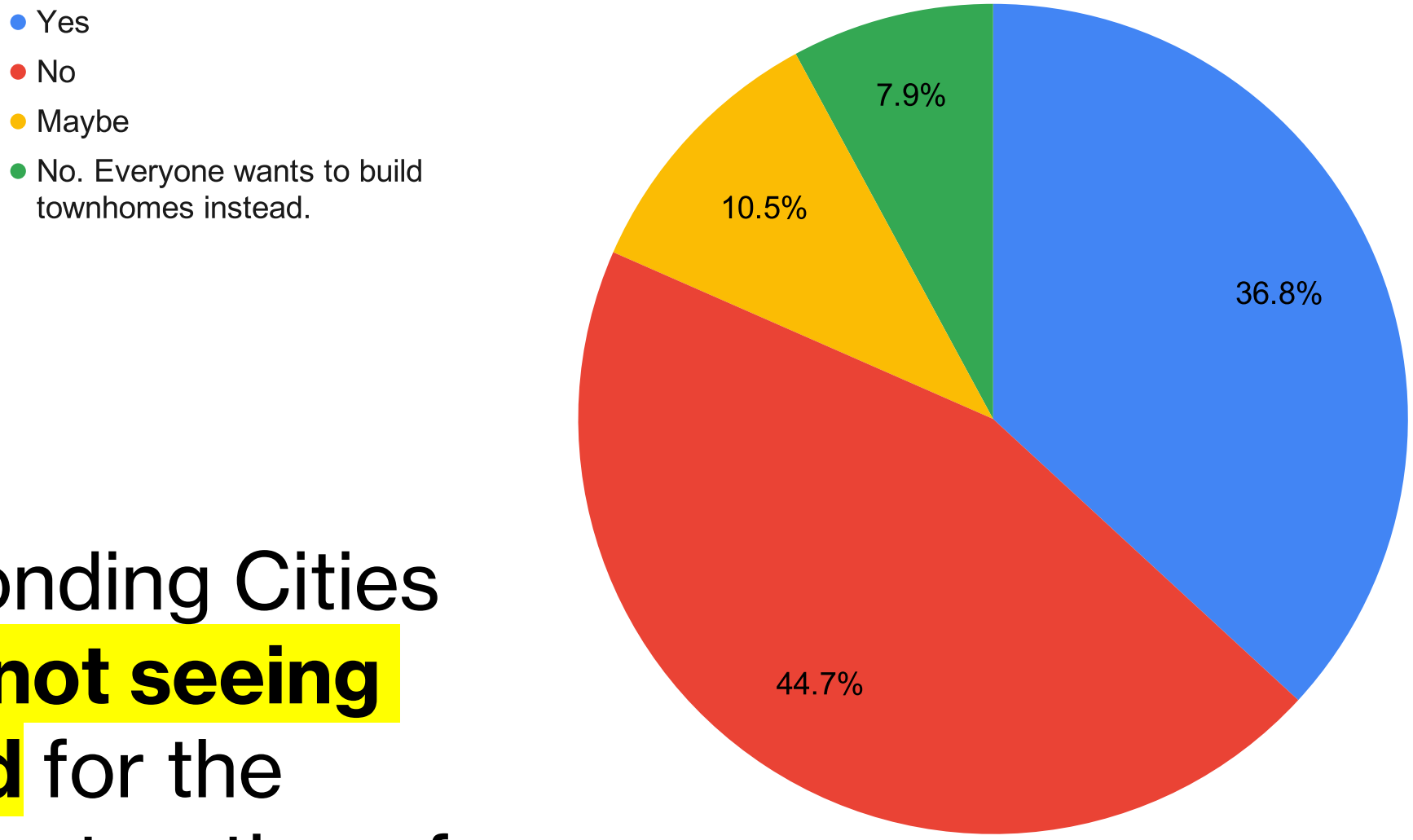


55% of Responding Cities and Towns have undeveloped areas that are already zoned for **5,000 square foot or smaller lots.**



59% of Responding Cities and Towns identify areas in their general plans that are designated for **5,000 square foot or smaller lots.**

In some cases, these are designated as overlay



52.6% of Responding Cities and Towns are **not seeing market demand** for the creation and construction of homes on the smallest lots permitted by right in their

A Sample of Regulatory Tools for Small Lots

- PUD Overlays.
- Owner Occupancy Deed Restrictions.
- Shared Access for Small Flag Lots.
- Affordable Housing Density Bonuses.
- High Lot Coverage Allowances – 60% or more.
- Narrow Side Setbacks – 5 feet or less.
- Patio Home Incentives – small lots, lower height.
- Subordinate Single-Family / Cottage Lot Allowances.

DOWNLOAD PDF

TOP

- What makes a starter home affordable?
- Why lot size matters even more now
- What happens if we end the ban on starter homes?
- The tool shows the tradeoffs for policymakers
- The tool helps answer what smaller-lot reform would actually produce
- The benefits of more homes on the same land
- This is also the kind of housing Americans say they want
- A new lever for housing abundance

REPORT DOMESTIC POLICY

If You Care About Housing Abundance, Minimum Lot Sizes Deserve Much More Attention

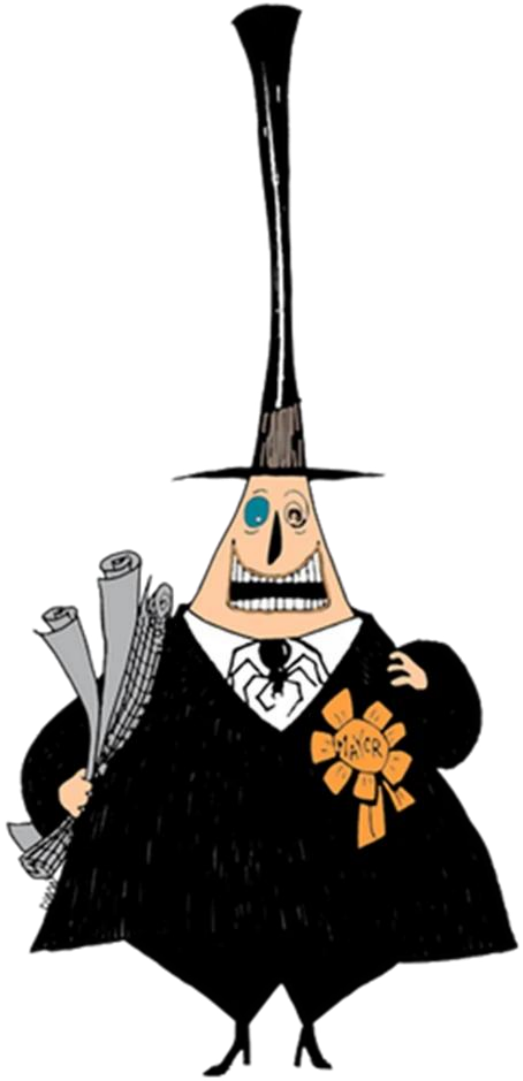
by Tobias Peter, Edward J. Pinto

October 21, 2026

Download a full pdf of this report here.

The conventional story is that we are no longer building starter homes. The truth is that starter homes are still being built, but it will take policy changes to scale them.

APA Utah Legislative Pre-Game



THANK YOU!

HAPPY HALLOWEEN!

APA UT