HOUSE COMMITTEE OF REFERENCE AMENDMENT Committee on <u>Transportation</u>, <u>Housing & Local Government</u>. <u>SB23-213</u> be amended as follows:

1 Amend reengrossed bill, page 78, after line 2 insert:

2	"PART 2
3	ACCESSORY DWELLING UNITS
4	29-33-201. Legislative declaration. (1) (a) THE GENERAL
5	ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:
6	(I) LOCAL GOVERNMENT LAND USE DECISIONS CAN LIMIT
7	ACCESSORY DWELLING UNIT DEVELOPMENT;
8	(II) HOUSING SUPPLY IMPACTS HOUSING AFFORDABILITY;
9	(III) HOUSING PRICES ARE TYPICALLY HIGHER WHEN HOUSING
10	SUPPLY IS RESTRICTED BY LOCAL LAND USE REGULATIONS IN A
11	METROPOLITAN REGION, ACCORDING TO STUDIES SUCH AS THE NATIONAL
12	BUREAU OF ECONOMIC RESEARCH WORKING PAPERS "REGULATION AND
13	HOUSING SUPPLY", "THE IMPACT OF ZONING ON HOUSING
14	Affordability", and "The Impact of Local Residential Land Use
15	RESTRICTIONS ON LAND VALUES ACROSS AND WITHIN SINGLE FAMILY
16	Housing Markets". Increasing housing supply moderates price
17	INCREASES AND IMPROVES HOUSING AFFORDABILITY ACROSS ALL
18	INCOMES, ACCORDING TO STUDIES SUCH AS "THE ECONOMIC
19	IMPLICATIONS OF HOUSING SUPPLY", IN THE JOURNAL OF ECONOMIC
20	PERSPECTIVES, AND "SUPPLY SKEPTICISM: HOUSING SUPPLY AND
21	Affordability", in the Journal of Housing Policy Debate.
22	(IV) More permissive local government accessory
23	DWELLING UNIT REGULATIONS CAN HELP INCREASE HOUSING SUPPLY AND
24	STABILIZE HOUSING COSTS;
25	(V) Accessory dwelling units offer a way to provide
26	COMPACT, RELATIVELY AFFORDABLE HOUSING IN ESTABLISHED
27	NEIGHBORHOODS WITH MINIMAL IMPACTS TO THE INFRASTRUCTURE AND
28	ALSO SUPPLY NEW HOUSING WITHOUT ADDED NEW DISPERSED
29	LOW-DENSITY HOUSING;
30	(VI) RELATIVE TO DISPERSED LOW-DENSITY DEVELOPMENT,
31	COMPACT INFILL DEVELOPMENT, INCLUDING ACCESSORY DWELLING UNIT
32	DEVELOPMENT, REDUCES WATER USE, GREENHOUSE GAS EMISSIONS,
33	INFRASTRUCTURE COSTS, AND HOUSEHOLD ENERGY AND TRANSPORTATION
34	COSTS;
35	(VII) ACCESSORY DWELLING UNITS PROVIDE FINANCIAL BENEFITS
36	TO HOMEOWNERS;
37	(VIII) ACCESSORY DWELLING UNITS GENERATE RENTAL INCOME TO
38	HELP HOMEOWNERS COVER MORTGAGE PAYMENTS OR OTHER COSTS,
39	WHICH CAN BE IMPORTANT FOR OLDER HOMEOWNERS ON FIXED INCOMES;
40	(IX) Accessory dwelling units can provide families with

- (X) ACCESSORY DWELLING UNITS USE SIGNIFICANTLY LESS ENERGY FOR HEATING AND COOLING THAN SINGLE-UNIT DETACHED DWELLINGS BECAUSE OF THEIR SMALLER SIZE, WHICH REDUCES HOUSEHOLD ENERGY COSTS AND GREENHOUSE GAS EMISSIONS.
- (b) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT THE INCREASED SUPPLY OF HOUSING THROUGH ACCESSORY DWELLING UNITS IS A MATTER OF MIXED STATEWIDE AND LOCAL CONCERN.
- **29-33-202. Definitions.** As used in this part 2, unless the context otherwise requires:
- (1) "ELIGIBLE PARCEL" MEANS A PARCEL, EXCLUDING A STANDARD EXEMPT PARCEL, ON WHICH A SINGLE-UNIT DETACHED DWELLING IS ALLOWED AS A USE BY RIGHT.
- (2) "MINIMUM STANDARDS" MEANS THE MINIMUM STANDARDS ESTABLISHED IN SECTION 29-33-205.
- (3) "MODEL CODE" MEANS THE MODEL CODE PROMULGATED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS PURSUANT TO SECTION 29-33-204.
- (4) "Subject jurisdiction" means an urban municipality. **29-33-203. Applicability exemptions.** (1) The requirements of this part 2 apply only in a subject jurisdiction.
- (2) Unless a subject jurisdiction decides otherwise, local laws adopted pursuant to this part 2 only apply to parcels that are not standard exempt parcels.
- **29-33-204. Model code.** (1) (a) No later than June 30, 2024, the executive director of the department of local affairs shall promulgate an accessory dwelling unit model code.
- (b) THE MULTI-AGENCY ADVISORY COMMITTEE SHALL PROVIDE RECOMMENDATIONS TO THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS CONCERNING THE MODEL CODE.
- (2) IN DEVELOPING RECOMMENDATIONS CONCERNING THE MODEL CODE, THE MULTI-AGENCY COMMITTEE SHALL:
- (a) PROVIDE PUBLIC NOTICE AND HOLD AT LEAST TWO PUBLIC MEETINGS AT WHICH MEMBERS OF THE PUBLIC HAVE AN OPPORTUNITY TO COMMENT ON THE MODEL CODE;
- (b) ALLOW THE SUBMISSION OF WRITTEN COMMENTS ON THE MODEL CODE;
- (c) CONDUCT OUTREACH TO AND SOLICIT FEEDBACK FROM LOCAL GOVERNMENTS AND REGIONAL PLANNING AGENCIES; AND
- 41 (d) CONSULT WITH EXPERTS IN DISABILITY RIGHTS, RACIAL EQUITY
 42 AND HOMELESSNESS PREVENTION, AFFORDABLE HOUSING, FAIR HOUSING,
 43 PLANNING, ZONING, AND RELATED FIELDS.

- (3) THE MODEL CODE MUST, AT A MINIMUM:
- (a) ALLOW ACCESSORY DWELLING UNITS AS A USE BY RIGHT AS AN ACCESSORY USE TO A SINGLE-UNIT DETACHED DWELLING IN ANY PART OF THE MUNICIPALITY WHERE THE MUNICIPALITY ALLOWS SINGLE-UNIT DETACHED DWELLINGS AS A USE BY RIGHT; AND
- (b) ESTABLISH OBJECTIVE STANDARDS FOR ALL OF THE ELEMENTS ADDRESSED IN THE MINIMUM STANDARDS.
- (4) THE MODEL CODE MUST INCLUDE A REQUIREMENT THAT SUBJECT JURISDICTIONS MAY NOT REQUIRE NEW OFF-STREET VEHICLE PARKING IN CONNECTION WITH THE CONSTRUCTION OR PERMITTING OF AN ACCESSORY DWELLING UNIT.
- **29-33-205. Minimum standards.** (1) NOTWITHSTANDING ANY LOCAL LAW TO THE CONTRARY, A SUBJECT JURISDICTION THAT DOES NOT ADOPT THE MODEL CODE SHALL:
- (a) ALLOW ACCESSORY DWELLING UNITS AS A USE BY RIGHT AS AN ACCESSORY USE TO A SINGLE-UNIT DETACHED DWELLING IN ANY PART OF THE MUNICIPALITY WHERE THE MUNICIPALITY ALLOWS SINGLE-UNIT DETACHED DWELLINGS AS A USE BY RIGHT;
- (b) ONLY ADOPT OR ENFORCE LOCAL LAWS CONCERNING ACCESSORY DWELLING UNIT LAND USE THAT USE OBJECTIVE STANDARDS AND OBJECTIVE PROCEDURES;
- (c) ALLOW ADDITIONS TO, OR THE CONVERSION OF, AN EXISTING SINGLE-UNIT DETACHED DWELLING TO CREATE AN ACCESSORY DWELLING UNIT SO LONG AS THE ADDITION OR CONVERSION DOES NOT INCREASE NONCONFORMANCE WITH APPLICABLE OBJECTIVE STANDARDS, UNLESS LOCAL LAWS ALLOW FOR SUCH AN INCREASE IN NONCONFORMANCE; AND
- (d) Allow accessory dwelling unit sizes between five hundred and eight hundred square feet. Subject jurisdictions may additionally permit smaller or larger accessory dwelling units at their discretion.
- (2) NOTWITHSTANDING ANY LOCAL LAW TO THE CONTRARY, A SUBJECT JURISDICTION THAT DOES NOT ADOPT THE MODEL CODE SHALL NOT:
- (a) APPLY STANDARDS CONCERNING ARCHITECTURAL STYLE, BUILDING MATERIALS, OR LANDSCAPING THAT ARE MORE RESTRICTIVE THAN THE STANDARDS THAT THE SUBJECT JURISDICTION APPLIES TO A SINGLE-UNIT DETACHED DWELLING IN THE SAME ZONING DISTRICT;
- (b) ADOPT, ENACT, OR ENFORCE LOCAL LAWS THAT MAKE THE PERMITTING, APPROVAL OF, SITING, OR CONSTRUCTION OF AN ACCESSORY DWELLING UNIT PHYSICALLY IMPOSSIBLE OR PRACTICALLY DIFFICULT;
- 41 (c) Impose a requirement on an accessory dwelling unit 42 that is contingent upon the primary residence on the same lot 43 being owner-occupied;

- (d) AMEND, DEVELOP, OR INTERPRET A LOCAL LAW APPLICABLE TO AN ACCESSORY DWELLING UNIT IN A MANNER THAT INTERFERES WITH THE INTENT OF THIS PART 2:
- (e) REQUIRE NEW OFF-STREET VEHICLE PARKING IN CONNECTION WITH THE CONSTRUCTION OR THE PERMITTING OF AN ACCESSORY DWELLING UNIT; OR
- (f) Require side or rear setbacks for an accessory dwelling unit greater than the minimum side setback required for a single-unit detached dwelling or the setback required for other accessory buildings in the same zoning district, unless such a setback is necessary to comply with public health or safety standards.
- (3) THE DEPARTMENT OF LOCAL AFFAIRS MAY PROMULGATE RULES AS IT DEEMS NECESSARY TO UPDATE THE MINIMUM STANDARDS OR MODEL CODE, UTILIZING A PUBLIC HEARING AND COMMENT PROCESS.
- **29-33-206.** Adoption of model codes satisfaction of minimum standards reporting. (1) No later than June 30, 2025, a subject Jurisdiction shall either:
- (a) ADOPT LOCAL LAWS CONCERNING ACCESSORY DWELLING UNITS THAT SATISFY THE MINIMUM STANDARDS ESTABLISHED IN SECTION 29-33-205; OR
 - (b) ADOPT THE MODEL CODE.
- (2) If a subject jurisdiction does not satisfy the requirement of subsection (1) of this section before December 31, 2025, the model code goes into effect immediately for all eligible parcels and the subject jurisdiction shall not deny or condition approval of an application for an accessory dwelling unit on any eligible parcel on any basis that is inconsistent with the model code, as specified in section 29-33-303, in the subject jurisdiction and remains in effect until the department of local affairs determines that the subject jurisdiction has adopted laws that comply with the minimum standards.
- (3) If a subject jurisdiction adopts the model code or the model code is otherwise in effect for a subject jurisdiction pursuant to subsection (2) of this section, the subject jurisdiction's accessory dwelling unit decisions shall be consistent with the model code and the subject jurisdiction shall:
- (a) USE OBJECTIVE PROCEDURES TO DETERMINE WHETHER AN ACCESSORY DWELLING PROJECT SATISFIES THE MODEL CODE AND APPROVE SUCH A PROJECT IF IT SATISFIES THE MODEL CODE; AND
- (b) NOT ADOPT, ENACT, OR ENFORCE ANY LOCAL LAWS THAT CONTRAVENE THE MODEL CODE.

- (4) A SUBJECT JURISDICTION THAT ALREADY HAS LOCAL LAWS IN EFFECT THAT MEET THE MINIMUM STANDARDS ESTABLISHED IN SECTION 29-33-205 NEED NOT UPDATE THEIR LOCAL LAWS, AND MAY SUBMIT EVIDENCE TO THE DEPARTMENT OF LOCAL AFFAIRS DEMONSTRATING SUCH COMPLIANCE.
- (5) (a) NO LATER THAN JUNE 30, 2024, A SUBJECT JURISDICTION MAY NOTIFY THE DEPARTMENT OF LOCAL AFFAIRS THAT AN EXEMPTION OR AN EXTENSION IS NECESSARY FROM THE REQUIREMENTS OF SUBSECTION (1) OF THIS SECTION.
- (b) The notice must demonstrate that the water, sewer, wastewater, or stormwater services are currently deficient in specific geographic areas of the subject jurisdiction or in the subject jurisdiction as a whole, or the subject jurisdiction expects such services to become deficient in the next five years. As used in this subsection (5)(b), "deficient" means, in reference to the subject jurisdiction's water supply master plan, water distribution and wastewater collection master plan, wastewater master plan, or stormwater master plan, if applicable, issues concerning:
 - (I) WATER SUPPLY;
 - (II) WASTEWATER TREATMENT CAPACITY;
- (III) WATER DISTRIBUTION AND WASTEWATER COLLECTION CAPACITY; OR
 - (IV) STORMWATER MANAGEMENT CAPACITY.
- (c) If a subject jurisdiction submits a notice to the department of local affairs pursuant to subsection (5)(b) of this section, the subject jurisdiction may include a plan of action to remedy the deficient water supply, water or wastewater treatment capacity, water distribution and wastewater collection capacity, or stormwater management capacity in the specific areas identified in a capital improvement plan included in the notice.
- (d) THE DEPARTMENT OF LOCAL AFFAIRS MAY ADOPT RULES OR PROMULGATE GUIDANCE AS NECESSARY TO IMPLEMENT THIS SUBSECTION (5).
- (6) (a) No later than June 30, 2025, a subject jurisdiction shall submit to the department of local affairs, in a form and manner determined by the department of local affairs, a report demonstrating evidence of compliance with either the model code or minimum standards.
- 41 (b) WITHIN NINETY DAYS OF RECEIVING A REPORT DESCRIBED IN
 42 SUBSECTION (6)(a) OF THIS SECTION, THE DEPARTMENT OF LOCAL AFFAIRS
 43 SHALL REVIEW AND APPROVE THE SUBMITTED REPORT OR REJECT THE

REPORT AND PROVIDE FEEDBACK TO A SUBJECT JURISDICTION. THE DEPARTMENT OF LOCAL AFFAIRS MAY GRANT A JURISDICTION AN ADDITIONAL ONE HUNDRED TWENTY DAYS TO CORRECT THE RELEVANT LOCAL LAWS AND RE-SUBMIT A REPORT.

- (c) If the department of local affairs rejects a subject jurisdiction's report, the model code goes into effect immediately in the subject jurisdiction until the department of local affairs determines that the subject jurisdiction has adopted laws that comply with the minimum standards.
- **29-33-207. Subject jurisdiction restrictions.** (1) NOTHING IN THIS PART 2 PREVENTS A LOCAL GOVERNMENT FROM:
- (a) REQUIRING PARKING SPACES IN ACCORDANCE WITH THE FEDERAL "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC. 12101 ET SEQ., AS AMENDED, OR TO OTHERWISE PROVIDE PARKING SIGNED FOR USE BY PERSONS EXPERIENCING DISABILITIES;
- (b) Adopting generally applicable requirements for the payment of impact fees or other similar development charges, in conformance with the requirements of section 29-20-104.5, or the mitigation of impacts in conformance with the requirements of part 2 of article 20 of title 29;
- (c) Imposing requirements on the short-term rental of an accessory dwelling unit;
- (d) Allowing the construction of, or issuing permits for the construction of, a single-unit detached dwelling in an area zoned for single-unit detached dwellings; or
- (e) APPLYING THE STANDARDS AND PROCEDURES OF A HISTORIC DISTRICT TO A PARCEL ON WHICH AN ACCESSORY DWELLING UNIT IS ALLOWED IN THAT HISTORIC DISTRICT, INCLUDING RULES RELATED TO DEMOLITION."

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