UTAH LEAGUE OF CITIES AND TOWNS

What happened in 2016?

What will happen in 2017?

What do we all need to do?

ULCT mantra as your advocates

BRING PEOPLE ALONG

- FRIDAY FACTS
- Conferences/trainings

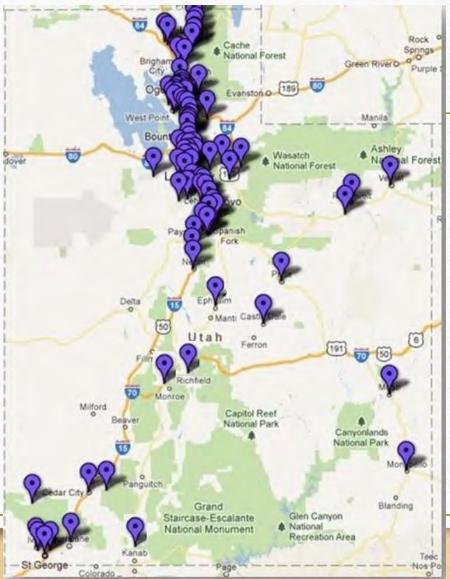
PROBLEM SOLVERS

• Have a local issue with residents or other levels of government? Let us know

PARTNERS

• with legislators, county officials, members of Congress, & the Governor

Legislative Policy Committee



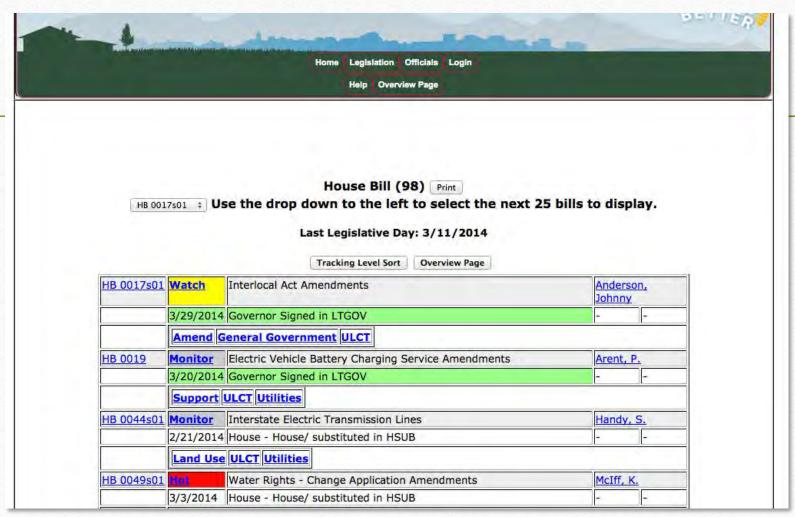
Body that gives ULCT staff legislative direction

- 273 members
 - Average attendance: 130+
- 107 cities and towns
 - Every city/town entitled to 3 voting members
- ULCT-USU partnership
 - 202 people, 53 cities & towns
 - Hatch to Vernal and Nibley to Ephraim
- CHECK THE ROSTER on www.ulct.org

www.ulct.org (legislative advocacy)



Bill tracking: www.ulct.org



That's a wrap!

ULCT daily legislative email:

2,918 recipients

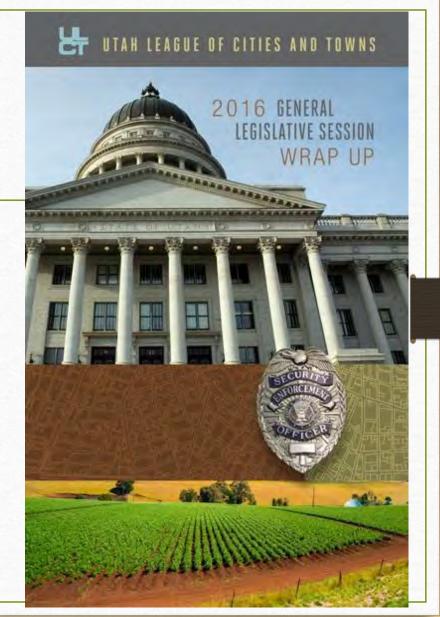
- ULCT open rate is 50% higher than comparable orgs
- 30% of the legislature read it daily

Land use: Entrada BC, Thur, 1:30 pm (Jodi Hoffman)

• What happened in 2016/Land Use Task Force 2016-2017

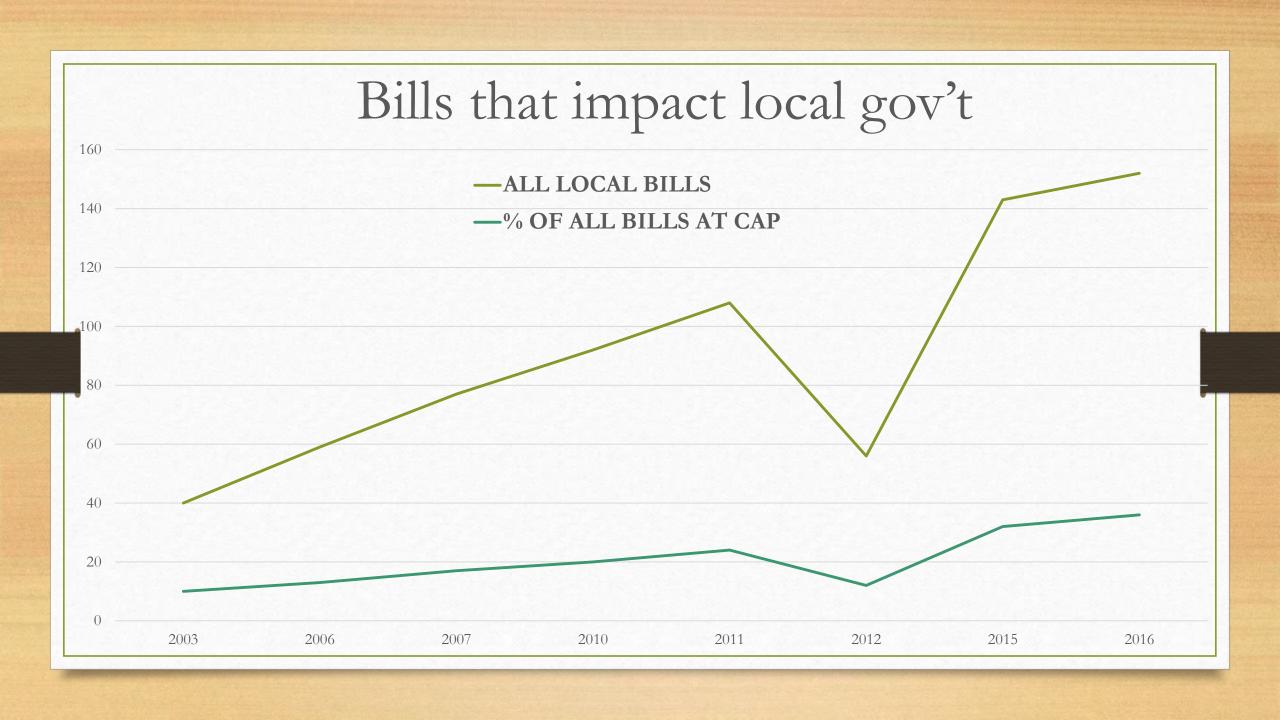
What you must do post-session: Sunbrook AB, Thur, 2:40

(Cameron Diehl, Roger Tew, UMAA President Ryan Loose)



Big Picture at the 2016 Session

- Utah budget: \$15.1 billion
 - No tax increases or shifts (2015: education, transportation)
 - Medicaid extension to 16,000 of poorest Utahns
 - \$440 million in new public and higher education spending
 - State investment in homelessness facilities
 - Transfer of funds from transportation earmarks to general fund/water earmarks
 - Public lands, Oakland port, Rocky Mountain Power bill
- Senate: death penalty repeal, marijuana, hate crimes, online sales tax
- Election year: full House, half of Senate, and Governor; rules in flux (HB 54)



ULCT plays defense on the Hill



2016 bills: 1258 filed, 824 considered (177 in final 3 weeks), 475 passed, 6 vetoed

ULCT tracked 261 (32%)

Proactively passed:

- SB 122: Wildland fire
- HB 300: Body cams for police officers

Amended:

- HB 132: Home occupation business license
- SB 99/SB 164: Financial transparency

Opposed:

- HB 133: Form of government
- SB 100: Traffic fines

#leaguearmy







ULCT THEMES ... NOT TRENDS 45-320-365

- (I) Relationship between state and local government
- (a) Partnerships
- (b) Law enforcement
- (c) Friction on local authority, "death by a 1000 cuts"
 - Sometimes, we give them a reason
 - Libertarian streak
- (II) Transparency/accountability/objectivity
- (III) Disruptive innovation comes home

We've seen this before...

2004 presentation on friction between state/local:

Legislative perception that State heavily subsidizes local government

2006 presentation on local authority:

SB170 lesson: Important to implement SB 60

2008 presentation on friction & local credibility:

Is all change bad? Can we just say NO? Should we just say NO?

2009 presentation on transparency:

What it Means: This ship has sailed. Lets guide the ship.

ULCT THEMES: (I)(a) partners with state Offseason work pays off

- Indigent defense/judiciary
 - SB 155, Commission
 - State funding
 - Best practices, 6th Amendment
 - Public defender flat fee contracts
 - HB 160, Justice court judges
 - Counties of 1st/2nd class

- Wildland fire, SB 122
 - State covers fire suppression cost; locals responsible for prevention & mitigation
 - Locals may enter cooperative agreement w/state; effective Jan 1, 2017
 - SB 212, State funding for wildland fire suppression

ULCT THEMES: (I)(a) partners with state

Infrastructure

- HB 52, Active recreation \$
- HB 183, Local option sales tax
 - Cache, Duchesne, Iron, Summit, Uintah
 - County consults w/city & transit on .075
- SB 80, water infrastructure
- SB 177, Night time construction (UDOT)

Homelessness

- HB 328, Data analysis
- HB 436, State funding for collective impact & dispersed sites
 - \$9 million this year; \$27 potential
- SB 169, Olene Walker and Midvale

ULCT THEMES: (I)(a) partners with state

Taxes

- HB 25, New growth changes
- HB 235/SB 182, Online sales tax (failed)
- SB 151, RDA changes
- SB 258, Alta, Brian Head, Garfield Co.

Elections

- HB 10, referendum & initiative
- HB 21, report absentee ballot results
- HB 83, municipal candidate disclosure
- HB 198, Prop 1 lessons
- SB 25, ballot amendments (ordering)
- SB 26, election notice (online w/mail or news)
- SB 27, absentee ballot date change
- SB 114, non-binding opinion question



(I)(a) Partners with state

luau.utah.gov

Training videos on land use and planning for council members, planning commissioners, & public

Meg Ryan: mryan@ulct.org

ULCT THEMES: (I)(b) Law enforcement

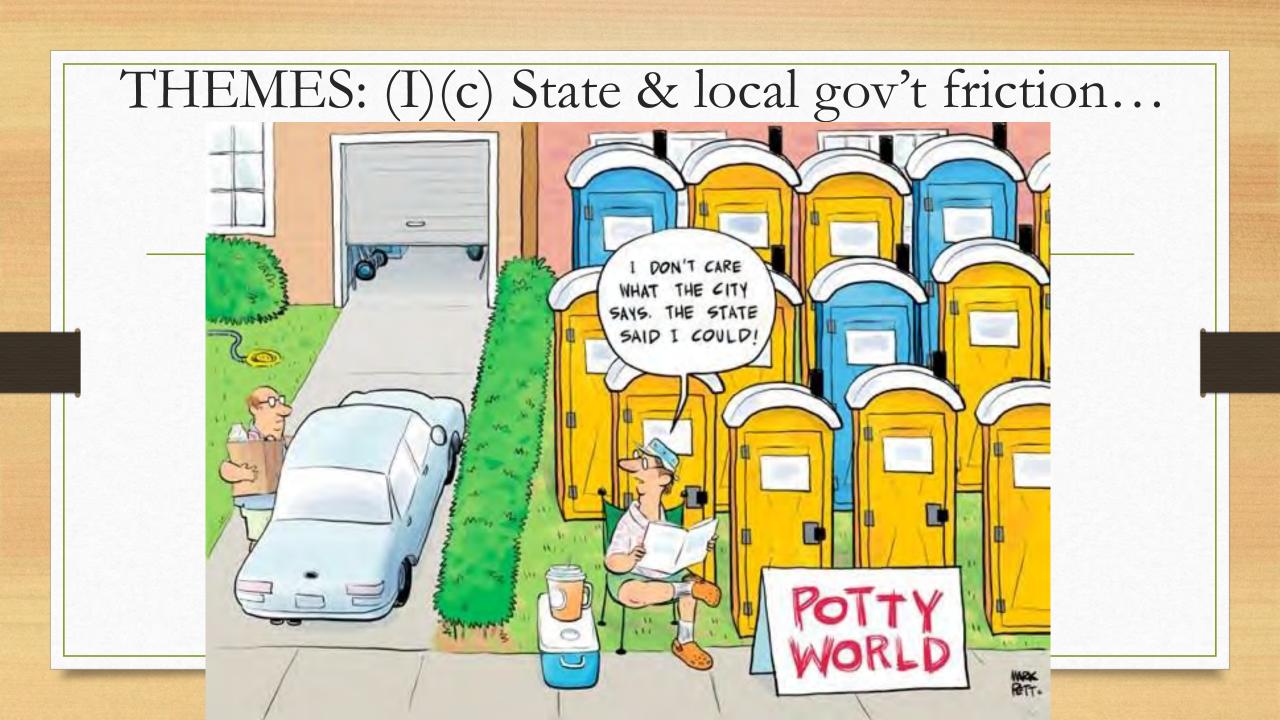
- Body-worn cameras, HB 300 (Rep. Dan McCay/Sen. Dan Thatcher)
 - If you have cameras, you must comply with minimum standards for:
 - Use/display ("clearly visible")
 - Activation ("law enforcement encounter or as soon as practicable")
 - Notice upon entering home ("reasonable/clearly visible")
 - GRAMA: BWC recordings presumed private within a home, except for commission of a crime, critical incident, or officer misconduct
 - Retention TBD (archives)

ULCT THEMES: (I)(b) law enforcement

Postretirement

- HB 86, would allow post-retired employee to return to work in 60 days instead of 1 year
 - HB 47/50, geographic flexibility
 - More salary, but not other benefits
- SB 208, employer must increase contribution rates to cover postretirement benefit enhancement cost

- Marijuana
 - SB 73/SB 89
- Utah Communications Authority
 - HB 380, creates advisory committees that consists of users and providers
 - UCA board expands (2); UCA chair serves
 Governor; director serves board



ULCT THEMES: (I)(c)"death by 1000 cuts" (most—italics—did not pass this year)

PREEMPT LOCAL AUTHORITY

HB 115 Beekeeping modifications

HB 132 Business licensing

HB 145, Municipal energy tax

HB 223, Historic district amendments

HB 409, Short term rental moratorium

SB 73, Medical Cannabis Act

SB 92, Water conservation/landscaping restrictions

SB 100, Traffic fines (Mantua)

NO LAND USE TASK FORCE INPUT

HB 10, Initiative/referendum

HB 224, Impact fees

HB 248, Municipal disconnection

HB 360, Land use notification amendments

HB 409, Short term rental moratorium

HB 414, Zoning amendments

SB 44, Agricultural temporary bldgs

What is the best approach to preserve autonomy & flexibility for local gov't?

- What are the competing interests on the chess board?
 - Legislators
 - Other bills/appropriations
 - Other city priorities (bills/approps)
- Should we defend absolute discretion for cities under all circumstances?
 - Nike's political slogan: "Just kill it!"
- Should we seek compromise so that ULCT/local gov't maintain **credibility**?
- Zealous advocate? Political advisor? Legal advisor? Nice guy?



Sometimes we give them a reason HB 132 Local Government Licensing Amendments

- "Business:" any enterprise for the purpose of gain or economic profit
- City may <u>license</u> for the purpose of regulation and revenue, any business within the limits of the municipality and may <u>regulate</u> that business

- City A: \$40
- City B: \$89
- City C: \$200
- City D: \$350

• Guess which cities became the targets?

Just because you can, does not mean you should



Just because you can, does not mean you should HB 132 compromise (did not pass)

- HB 132: no license req't for home occupation business operated *occasionally* by a minor
- HB 132: license req't for home occupation business, but city may require a fee ONLY if the offsite business impact materially exceeds the residential use
 - Local authority to define in italics
- HB 132: purpose of regulation is NOT revenue, but health/safety/welfare

- Rogue cities tried to amend HB 132 after ULCT negotiated compromise
- Passed House 57-17

• ULCT expects the bill again in 2017

Sometime we give them a reason SB 100 Traffic Fines Amendments

- Would have restricted the ability of local governments to receive funds from traffic fines that exceed 25% of the total general fund revenues
- Any traffic fine revenue exceeding 25% would be remitted to the state

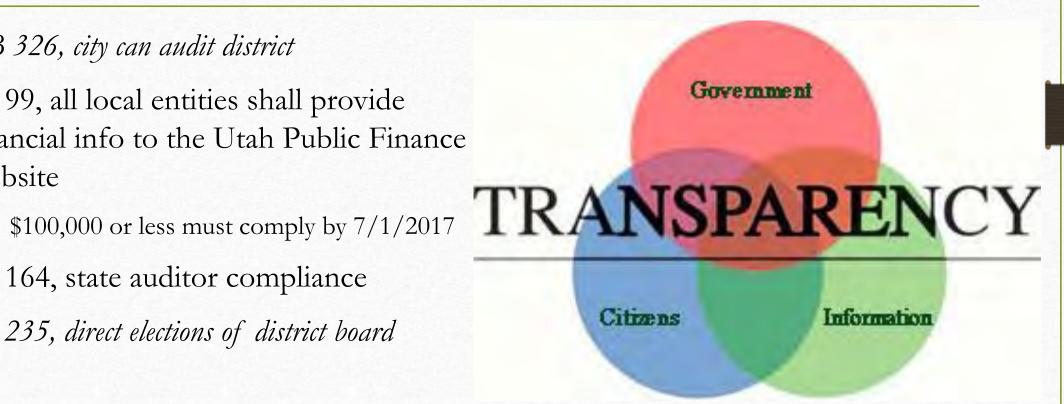
- ULCT analysis: only one town with 25%+
- Local facts + precedent of state dictating local budgets = ULCT victory
- We defend local authority (outliers) & promote local credibility (compromise)

ULCT THEMES: II) Transparency



ULCT THEMES: II) Transparency From auditor to activist, someone is watching

- HB 326, city can audit district
- SB 99, all local entities shall provide financial info to the Utah Public Finance Website
- SB 164, state auditor compliance
- SB 235, direct elections of district board



ULCT THEMES: II) Transparency, SB 164

- Town clerk shall prepare and present to the council:
 - Quarterly financial report; or
 - Upon request by the council, a more frequent financial report
- If there is a deficit fund at the close of the last fiscal year, the governing body shall include an item of appropriation for the deficit in the current fund budget equal to at least 5% of total revenue of fund or entire amount (if less than 5% of total fund revenue)

ULCT THEMES: II) Transparency more data, more access, more accountability

2008: Utah Public Finance Website created (SB 38) 2009: UPFW extended to cities, with small entity exceptions (SB 18)

2016: Small entity exception ends; July 1, 2017 (SB 99)

2009



"Come outside and breathe the fresh air of open government."

ULCT Commitments for the 2016 Interim

- Disruptive
 - Online sales tax
 - Short term rentals
 - Drone regulation

- Accountability
 - Auditor, financial compliance (coming to a town near you)
 - Districts (SB 235)
 - Fees (business licenses, impacts, road cuts, etc.)

- Law Enforcement/Judiciary
 - Body camera policies
 - Indigent defense contracts
 - Justice Reinvestment Initiative
 - Government immunity

- Other
 - Homelessness facilities/aff housing
 - Elections w/UAC
 - Wildland fire participation match
 - And much, much more...

Land Use Task Force 2016 ambitious agenda:

- Administrative/legislative
 - Standards of review
 - Judicial deference to local decision
- Impact fees/all fees
- Short term rentals (Jodi research)
- Conditional use permits
- Subdivision/LUDMA
- Water conservation/metering



ULCT THEMES: III) Disruptive Innovation

- Remote sales
- Sharing economy:



- Lodging
- Travel/cars
- Medical technology/telemedicine
- Alternative energy
- Delivery/drones
- Vote by mail
- Battery powered cars/driverless cars
- Phone apps/cameras (privacy)

Uber to ground chopper flights around Sundance Film Fest

Sales tax base eroding because of disruption

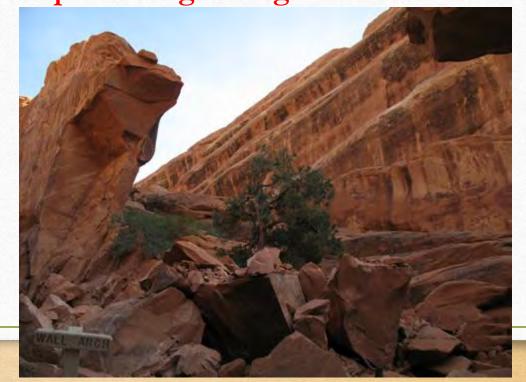


E-Commerce in US: 7.4% of all retail sales and growing States lost \$23.2 billion in 2012

2014: UT residents paid \$200,000 in online sales tax

Fiscal Analyst: \$80-300 million owed in online sales tax in UT

Utah cities: \$17-63 million impact and growing



Your 2015 city budget... but what about 2030?

Utilities: 8%

Fees: 13%

Intergov't: 15%

Property 20%

Sales tax: 27%

Utilities: new technology

Fees: impact fee, disprop. service, business licenses, roads

Intergov't: motor fuel, feds

Prop: primary residential exemption

Sales: Internet sales, sharing economy

What do we have to consider to modernize?

- Bureaucracies/staff
- Community standards
- Local regulations/licensing
- Slow public process
- Transparency
- Policing/enforcement
- Objective/predictable
- Siloed revenue

- Existing businesses/uses
- Planning/zoning/referenda
- Outdated ordinances/code
- Density, amenities, "sense of place"
- Affordable/accessible housing
- Infrastructure demands
- Connectivity
- Air/water quality; public health

2016 interim: let's get to work

- Wrap up book SOON!
- Land Use Academy of Utah
- Conferences/ULCT summer "Tour of Utah"
- Working groups/Land Use Task Force/ULCT interim commitments
- ULCT Legislative Policy Committee resumes in May or June (monthly)
- AN ELECTION YEAR IS A TERRIBLE THING TO WASTE
- ENGAGE WITH LEGISLATORS/CANDIDATES ABOUT LOCAL ISSUES!!!

In conclusion, remember Uncle Ben



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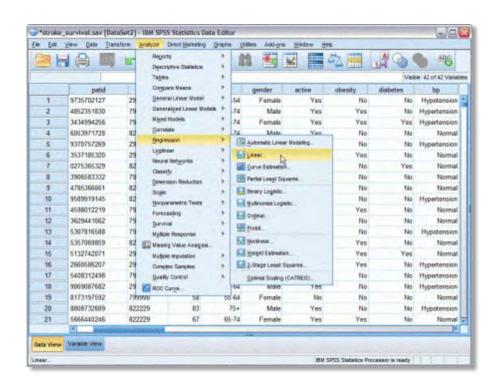
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Friday Facts (email) Facebook

Twitter

City Cluster Update

- A statistical procedure that groups cities together based on demographic, financial, and economic characteristics
- First done in 2007 (2003 & 2005 Data)
- Cities and towns grouped into 11 clusters (w/ SLC as an outlier)
- Allows for useful comparison beyond simply looking to neighboring communities



The 11 variables used for clustering are:

- 2014 population
- Percent population change 2010-2014
- Household median income (2010 Census data)
- 2013 Primary residential land value
 - Per capita residential land value
- 2013 Commercial and industrial land value
 - Per capita commercial and industrial land value
- 2013 Property tax revenue
 - Per capita property tax revenue
- 2013 Sales tax revenue
 - Per capita sales tax revenue



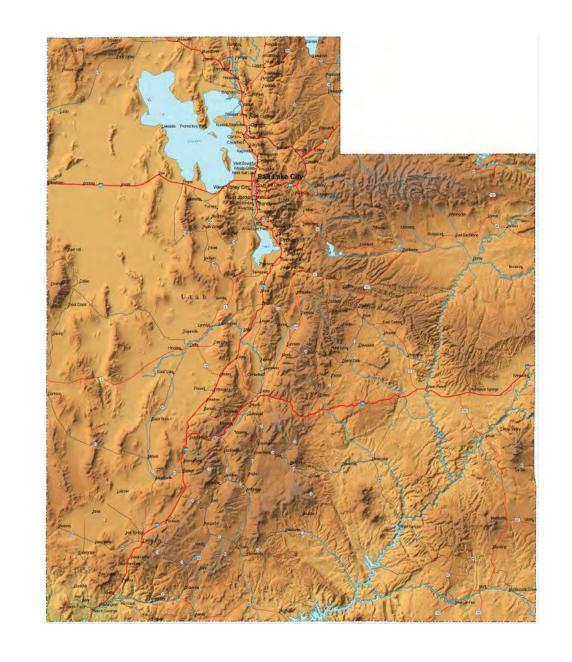




	Cluster Name	Description	No. of Cities	Example City
A	Major Cities	Largest population base, minimal growth, established communities, large commercial centers	10	Provo, St. George
В	Commercial Centers	Larger population, significant commercial and industrial regional centers, growing communities,	22	Cedar City, Taylorsville
С	High Growth Communities	Communities with highest growth rates, high household income, low commercial	9	Saratoga Springs, Bluffdale
D	Residential Transitioning	Modest commercial property, increasing growth, many transitioning communities	31	Nibley, Santaquin
E	High Income Residential	Highest median household income, moderate growth, low commercial	18	Highland, Fruit Heights
F	Urban Edge Cities	High per capita commercial and industrial property, moderate population size and population growth	15	North Logan, South Ogden
G	Resort Communities	Low population, high commercial property, high per capita revenue	7	Park City, Alta
н	NR/Mining Based	Older, low growth rural communities, small commercial property	23	Duchesne, Price
ı	Old Established Communities	Older communities, low or declining population, some commercial component	19	Lewiston, Manti
J	Traditional Agricultural	Traditional agricultural communities, primarily residential with increasing population, some growing commercial element	30	Ephraim, Nephi
K	Small Towns	Smallest population, older established communities with low or declining growth, low commercial property	66	Hatch, Scofield
L	Capital City	Economic center of the state	1	Salt Lake City

- 37 communities moved
 - High growth and transitioning communities
- 7 new communities (-1 merger)
- Old clusters "pre-recession"
- State continues to grow
- Your cluster does not strictly define your community

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Utah Benchmarking Project

- Partnership between ULCT,
 UCMA, U of U, BYU, and USU
- Supports cities in strategic planning, performance improvement, & service delivery efficiency
- An on-line system that member cities use to input data and to pull data to do their own analysis
- Cluster analysis











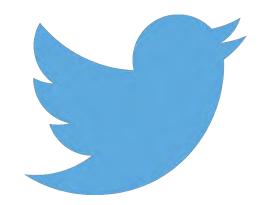
Utah Local Law Enforcement Survey

- Data in from 75 local law enforcement agencies
- Over 50% response rate
- 88 questions
- Working with Utah Chiefs of Police
 Association to put together the most pertinent data into an executive summary
- All responses maintained in ULCT database



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Friday Facts

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Thanks!