



Council Staff Memorandum

CITY COUNCIL *of* SALT LAKE CITY

TO: City Council Members

FROM: Lynn Pace Mayoral Senior Advisor
and Russell Weeks, Public Policy Analyst

DATE: December 4, 2014 at 1:38 PM

RE: LEGISLATIVE UPDATE

PROJECT TIMELINE:

Briefing: December 9, 2015

Set Date:

Public Hearing:

Potential Action: Not

Applicable

Council Sponsor: Not Applicable

This is an update of issues pertinent to Salt Lake City that may appear in the 2015 session of the Utah Legislature.

Goal of the briefing: To provide a forum for Council Members to discuss potential issues that may appear in the Utah Legislature's 2015 session. The briefing is the last opportunity for City Council members to raise issues for discussion at the legislative breakfast in January. Documents for the previous briefing November 18 can be found [here](#).

ISSUES

- I. **Transportation Funding** – The Legislative Transportation Interim Committee met in Vernal. The Committee is considering a full range of funding options, including 5-10 cent increase in fuel tax, indexing the fuel tax, increase in sales tax (League proposal) and increase in vehicle registration fees. No specific funding proposal has yet been endorsed. (Please see companion report on potential language for a policy statement or resolution on transportation.)
- II. **Prison Relocation** – The State Prison Relocation Commission revealed a short list of six potential sites for relocating the State Prison from its present location in Draper. Two of those sites are located in Salt Lake City. (One north of the Airport, and one west of the International Center.) The other sites are located in West Jordan, another close to Saratoga Springs, one west of Utah Lake, and one in near Grantsville in Tooele County. At the request of the State prison relocation consultant, the City Administration prepared and delivered a packet of information about the characteristics of each of the SLC sites. Mayor Becker met with the consultant, and based upon the information in that report, the Mayor has announced that he is opposed to moving the prison to either of these sites.



- III. **New Growth and How New Growth Should Be Calculated** – At the most recent meeting of the Revenue and Taxation Interim Committee, Rep. Dan McKay made a detailed presentation of a bill he intends to pursue that would redefine how new growth is calculated. That bill would change the definition of new growth to include only new development. Any change to the value of centrally assessed property and to personal property would be included in the annual calculation of the certified tax rate, rather than in new growth. The members of the interim committee appeared to be quite enthusiastic about the proposal. The League of Cities and Towns has not yet taken a position on this bill. The Utah Association of Counties will likely oppose the bill. We have also not yet determined how this bill would affect the calculation of the amount of new growth that taxing entities would realize upon the sunset of an RDA district. We will be doing more research on this bill and its anticipated impact upon the City and upon RDA taxing entities.
- IV. **Landlord Tenant Issues** – The City Council still needs to address apartment inspections. We have also been informed that there will be additional legislation regarding the Good Landlord Program. Specifically, that legislation will seek to address fee increases, a uniform State wide application process, prohibitions on renting to convicted felons and various enforcement issues.
- V. **Market Place Fairness Act (sales tax on internet purchases)** – The future of this item depends on whether Congress passes a bill before it recesses for the holidays in mid-December.
- VI. **Air Quality** – The City is continuing to pursue the air quality priorities it set last year. Additional proposals have been discussed regarding: prohibitions on wood burning; air quality management districts; creating a home energy rating system (HERS); funding for energy efficient upgrades (residential PACE program); and renewable portfolio standards and the ability to insert more renewable energy into the electrical grid.
- VII. **Water Bills** – There are proposals to:
- a. Allow the State Engineer to address impairment issues – Rep. Snow (Jensen case.)
 - b. Clarify who can file a change application – Sen. Dayton (Big Ditch case.)
 - c. **There also are bills outlining shareholders' rights and financing water projects.**
- VIII. **Transportation Network Companies** – After City Council adoption of an ordinance allowing but regulating transportation network companies, company representatives were quoted as saying they are pursuing legislation at the state level. State legislation would likely address the issues of insurance, inspections and background checks.
- IX. **Increasing funding and resources for sexual assault kit processing** – Staff will continue to check to see if specific legislation or funding proposals arise.
- X. **Special Assessment Area changes** - A proposed bill would prohibit allocating the costs for an economic promotion area (like the Downtown Alliance) based solely upon the assessed value of property. The Downtown Alliance would also like to explore possibility of a new resort community tax within the Downtown Alliance area.
- XI. **Wildland Fire Suppression Bill** – This item proposes that the State to pay the costs of wildland fire suppression, subject to a local match and the adoption of best practices for fire prevention.

Cc: Cindy Gust-Jenson, David Everett, Lynn Pace, Margaret Plane, Jennifer Bruno, Jill Love, D.J. Baxter, Matt Dahl, Holly Hilton

File Location: Legislature



COUNCIL STAFF REPORT

CITY COUNCIL *of* SALT LAKE CITY

TO: City Council Members

FROM: Russell Weeks
Public Policy Analyst

DATE: December 9, 2014 at 2:34 PM

**RE: TRANSPORTATION STATEMENT OR
RESOLUTION**

PROJECT TIMELINE:

Briefing: December 9, 2014
Set Date:
Public Hearing:
Potential Action: To Be
Determined

Council Sponsor: Not Applicable

ISSUE AT-A-GLANCE

This item is a draft policy statement or resolution containing ideas stated by City Council Members at the Council's December 2 work session. The draft also contains language from a resolution originally adopted by the Utah League of Cities & Towns at its September meeting. This document is a working draft for Council Members to add to or subtract from at the Council's discussion December 9.

A copy of the Utah League resolution is attached to this memorandum. The League resolution was raised in a written briefing for the City Council at its November 18 meeting and at the Council's Legislative Subcommittee meeting November 12.

The Council has no obligation to adopt the League resolution, but because transportation will be such a big issue in the 2015 legislative session, the Council has an opportunity to refine its policy position.

Goal of the briefing: To arrive at a general agreement about the City Council's policy position or arrive at a joint policy statement or resolution with the Mayor to convey to interested parties before the Utah Legislature convenes.

POLICY ISSUES

- Mayor Ralph Becker's staff has indicated to Council staff that a joint policy statement or resolution could be developed.
- It should be noted that language in policy option V and proposed by the Utah League of Cities and Towns requests that the Legislature "carefully consider" the items the League recommends.



ADDITIONAL & BACKGROUND INFORMATION

WORKING DRAFT PREAMBLE

Whereas, the most recent demographic studies show that 91 percent of Utahans live in urban areas; and

Whereas, Salt Lake City is the most urban place to live and work in Utah and is built on a street grid proven to accommodate multiple forms of transportation; and

Whereas, for most Utahans, clean air is a top priority because unclean air adversely affects public health, transportation, natural resources, economic development, and tourism; and

Whereas, the transportation system developed in the 1950s emphasized the use of cars and trucks, that, despite automotive industry efforts to cut automotive engine exhaust, generates half the PM2.5 emissions that degrade air quality along the Wasatch Front; and

Whereas, **Utah's geography presents an opportunity** to connect many cities and towns with a variety of transportation systems;

Whereas, one of the goals of the Utah Transit Authority, which serves an area from Brigham City to Provo, is to connect neighborhoods in cities to **UTA's regional transportation component**;

Now, therefore be it resolved that:

POLICY OPTIONS

- I.) The Utah Legislature should provide or authorize adequate funding to implement the 2040 Unified Transportation Plan, by providing adequate increased funding for state transportation needs, local transportation needs, and for transit needs. (Suggested by Lynn Pace; also supported by the Mayor.)
- II.) That any legislation increasing funding to implement the 2040 Unified Transportation Plan should provide for municipalities to determine how those funds are spent in each municipality. (Suggested by Council Members Luke, Mendenhall, and Penfold.)
- III.) That any legislation increasing funding to implement the 2040 Unified Transportation Plan should dedicate a portion of the funds specifically for transit such as bus and local rail service. (Suggested by Council Members Mendenhall and Penfold; also supported by the Mayor.)
- IV.) That any legislation increasing funding to implement the 2040 Unified Transportation Plan should provide revenue source more stable than sales tax, or at least a legislative intent to seek a source more stable than sales tax to fund transportation. (Suggested by Council Member Garrott.)
- V.) Include all or elements of the recommendations in the attached resolution by the Utah League of Cities & Towns which reads:

We the members of the Utah League of Cities and Towns recommend that the Utah State Legislature carefully consider the follow comprehensive approach:

1. A statewide, local option ¼ cent sales tax dedicated to transportation. This statewide,

local option sales tax would provide additional critical transportation infrastructure funding for cities and towns to invest in the new transportation paradigm and reduce the impact of growth or aging transportation infrastructure on municipal general funds.

2. The ¼ cent sales tax for transportation would generate the approximately \$3 billion between now and 2040 and could meet the priority needs identified in the Unified Transportation Plan.

3. Clarify and expand the definition for what transportation funds can be used to reflect both the diversity of transportation options in cities and town and the demand from our residents for more active transportation options. Under current state law, B&C revenues via the motor fuel tax may only be spent on B&C roads and on transportation modes within B&C rights of way. The new definition could include transit, sidewalks, trails, bridges, signage, road safety, tunnels, bicycle paths, and other modalities outside of B&C rights of way. Investing in trails, sidewalks, and bike paths will result in Utahans living more active and healthy lifestyles and thus decreasing healthcare costs and improving quality of life. Investing in transit, trails, and bike paths will also help improve the air quality because it will reduce the quantity of motor vehicles on the roads.

4. Raise the traditional statewide motor fuel tax and include an indexing component so that the motor fuel tax could keep pace with inflation.

Cc: Cindy Gust-Jenson, David Everett, Lynn Pace, Jennifer Bruno, Jill Love

File Location: Legislature, Transportation, Utah League of Cities & Towns

RESOLUTION 2014—002

(A) LPC Resolution Title/Subject

Encouraging the State of Utah to Pursue a Comprehensive Transportation Funding Strategy

(B) We, the Members of the Utah League of Cities and Towns find that:

1. Due to declining motor fuel purchases, improving fuel efficiency, and decreasing purchasing power because of inflation, the current use of motor fuel taxes to achieve transportation needs in Utah is outmoded & insufficient. The current motor fuel tax has not been increased since 1997.
2. The 1% local option sales tax is the workhorse for Utah's cities and towns to provide the services that residents expect. The Utah Legislature has the sole authority to adjust the local option sales tax and last increased the 1% local option in 1983 (though the increase was not fully implemented until 1991).
3. Cities and towns are using a greater share of their general funds on traditional transportation related projects—such as road construction, operation, maintenance—because of a rapidly growing population and aging infrastructure which in turn prevents the cities and towns from adequately funding other core governmental services like public safety. Likewise, the state legislature supplements the motor fuel tax with general fund revenue which diverts money from other services.
4. At the same time, citizens are demanding a new paradigm of transportation—including bike lanes, transit, complete streets, trails, and multi-use paths—but cities and towns have insufficient revenue sources to meet the public demand. In fact, the Unified Transportation Plan identifies a local government shortfall of approximately \$3 billion in revenue between today and 2040 in order to meet the local transportation needs.
5. Along the Wasatch Front, half of the PM2.5 emissions that degrade air quality come from mobile sources such as motor vehicles. For most Utahns, cleaner air is a top priority issue for the State of Utah because it impacts public health, transportation, natural resources, economic development, and tourism. The traditional transportation infrastructure incentives cars and thus contributes to the air quality problem.
6. In Utah, nearly one in ten adults and an increasing number of children suffer from asthma. 57% of adults are overweight, 22% are obese, and one in ten children is overweight. In addition, one in fourteen Utahns suffer from diabetes and it is the sixth leading cause of death in Utah. The new transportation system will encourage active transportation because of enhanced opportunity, connectivity, and safety, which could result in better personal and public health.
7. Investing in both old and new transportation has a profound economic impact in Utah. For example, if the State of Utah invested an additional \$11.3 billion dollars on transportation between now and 2040 per the Unified Transportation Plan, it would save Utah's households and

businesses more than \$84.8 billion in expenses, generate 182,618 jobs, and contribute more than \$183.6 billion in additional gross domestic product for the State.

8. Residents are demanding a new paradigm of transportation—including bike lanes, transit complete streets, trails, and multi-use paths—but cities and towns are limited to the aforementioned revenue options of the 1% local option and the motor fuel tax which are insufficient to meet the new public expectations.

(C) Now therefore we the members of the Utah League of Cities & Towns recommend that:

1. The Utah State Legislature empower cities and towns with the financial tools to fulfill the new paradigm of transportation that our residents expect; and
2. The staff of the Utah League of Cities and Towns is authorized with the necessary flexibility to pursue all potential funding options to address the new transportation paradigm.
3. The Utah State Legislature should provide or authorize adequate funding to implement the 2040 Unified Transportation Plan, by providing adequate increased funding for State transportation needs, local transportation needs, and for transit needs.

(D) We the members of the Utah League of Cities and Towns recommend that the Utah State Legislature carefully consider the following comprehensive approach:

1. A statewide, local option $\frac{1}{4}$ cent sales tax dedicated to transportation. This statewide, local option sales tax would provide additional critical transportation infrastructure funding for cities and towns to invest in the new transportation paradigm and reduce the impact of growth or aging transportation infrastructure on municipal general funds.
2. The $\frac{1}{4}$ cent sales tax for transportation would generate the approximately \$3 billion between now and 2040 and could meet the priority needs identified in the Unified Transportation Plan.
3. Clarify and expand the definition for what transportation funds can be used to reflect both the diversity of transportation options in cities and town and the demand from our residents for more active transportation options. Under current state law, B&C revenues via the motor fuel tax may only be spent on B&C roads and on transportation modes within B&C rights of way. The new definition could include transit, sidewalks, trails, bridges, signage, road safety, tunnels, bicycle paths, and other modalities outside of B&C rights of way. Investing in trails, sidewalks, and bike paths will result in Utahns living more active and healthy lifestyles and thus decreasing health care costs and improving quality of life. Investing in transit, trails, and bike paths will also help improve the air quality because it will reduce the quantity of motor vehicles on the roads.
4. Raise the traditional statewide motor fuel tax and include an indexing component so that the motor fuel tax could keep pace with inflation.

City(s), Town(s), and/or Affiliate Group submitting this resolution]