

### **S.B.217, Housing and Transit Reinvestment Zone Act (Sen. Harper / Rep. Handy)**

SB217 creates a new development tool -- Housing and Transit Reinvestment Zones (HTRZ) -- designed to get "all hands on deck" to help Utah tackle its housing crisis by facilitating mixed-use, multi-family and affordable housing development within a [1/3-mile radius of UTA FrontRunner stations](#). HTRZ enables a portion of incremental tax revenue growth to be captured over a period of time to support costs of development. This capitalizes on the State's plan to make historic investments in strategic double-tracking of FrontRunner to increase capacity, speed, frequency, and reliability.

Under the bill, a city can propose development and zoning around a FrontRunner station that:

- promotes higher utilization of public transit;
- increases availability of housing, including affordable housing;
- conserves water resources through efficient land use;
- improves air quality by reducing fuel consumption and motor vehicle trips;
- encourages transformative mixed-use development and investment in transportation and public transit infrastructure in strategic areas;
- uses strategic land use and municipal planning in major transit investment corridors; and
- increases access to employment and educational opportunities.

Development proposals that utilize HTRZ would be required to:

- be mixed-use;
- average at least 50 housing units to the acre; and
- have at least 10% affordable housing.

The city proposal would identify the costs and revenues necessary for the public infrastructure associated with the increased development in the HTRZ. The proposal would be subject to an independent financial "gap analysis" conducted through the Governor's Office of Economic Development (GOED) (now renamed Governor's Office of Economic Opportunity per [HB348](#)).

The proposal would be submitted to a committee for that specific HTRZ, made up of the relevant public entities, taxing entities, and transportation agencies. If the committee approves the proposal, then a portion of incremental local property tax revenues would be captured as needed to support the development costs.

In an area with an HTRZ, the state would also participate by contributing an amount equal to 15% of the incremental growth in state sales tax collected in the HTRZ into the state's Transit Transportation Investment Fund (TTIF). Transit projects in HTRZs will be given priority consideration for TTIF funds.

The HTRZ proposal was developed by WFRC in collaboration and consultation with cities, counties, transportation agencies, redevelopment agencies, developers, business associations, school districts, special districts, and others. It is a companion to another development tool created in Utah law in recent years, the [Transportation Reinvestment Zone](#) (TRZ).