



Transportation Reinvestment Zones in Utah

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WASATCH FRONT REGIONAL COUNCIL





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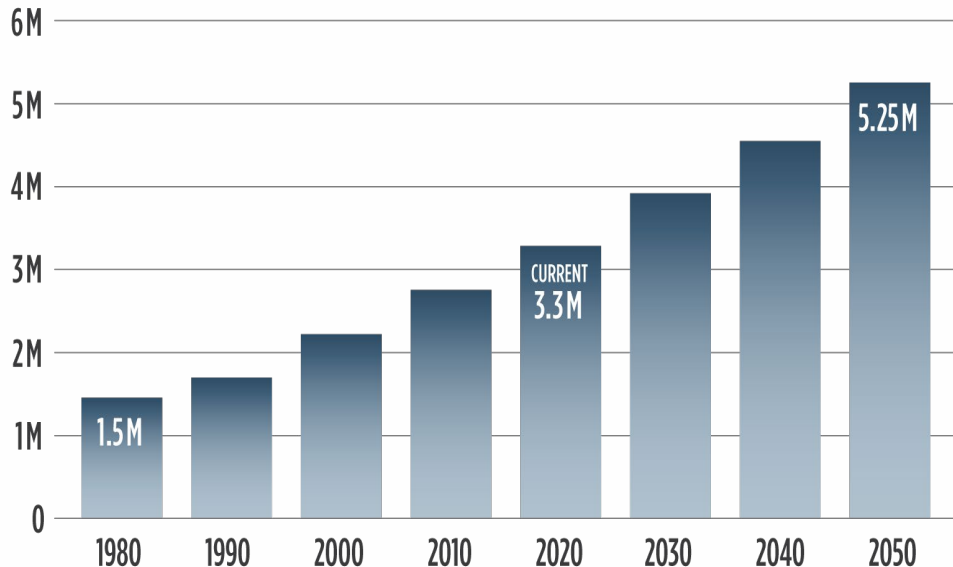


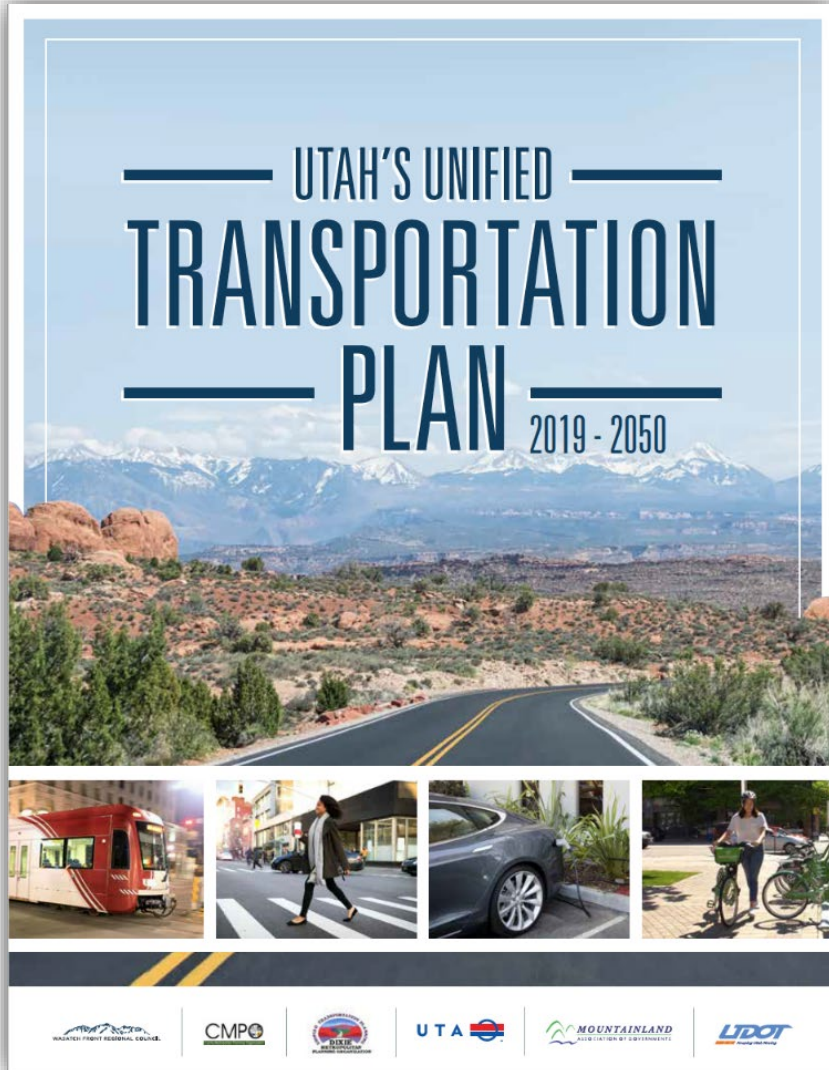
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Utah's Story: Growth + Urbanization

Utah was the fastest growing state in the nation over the past decade

Population (in millions)





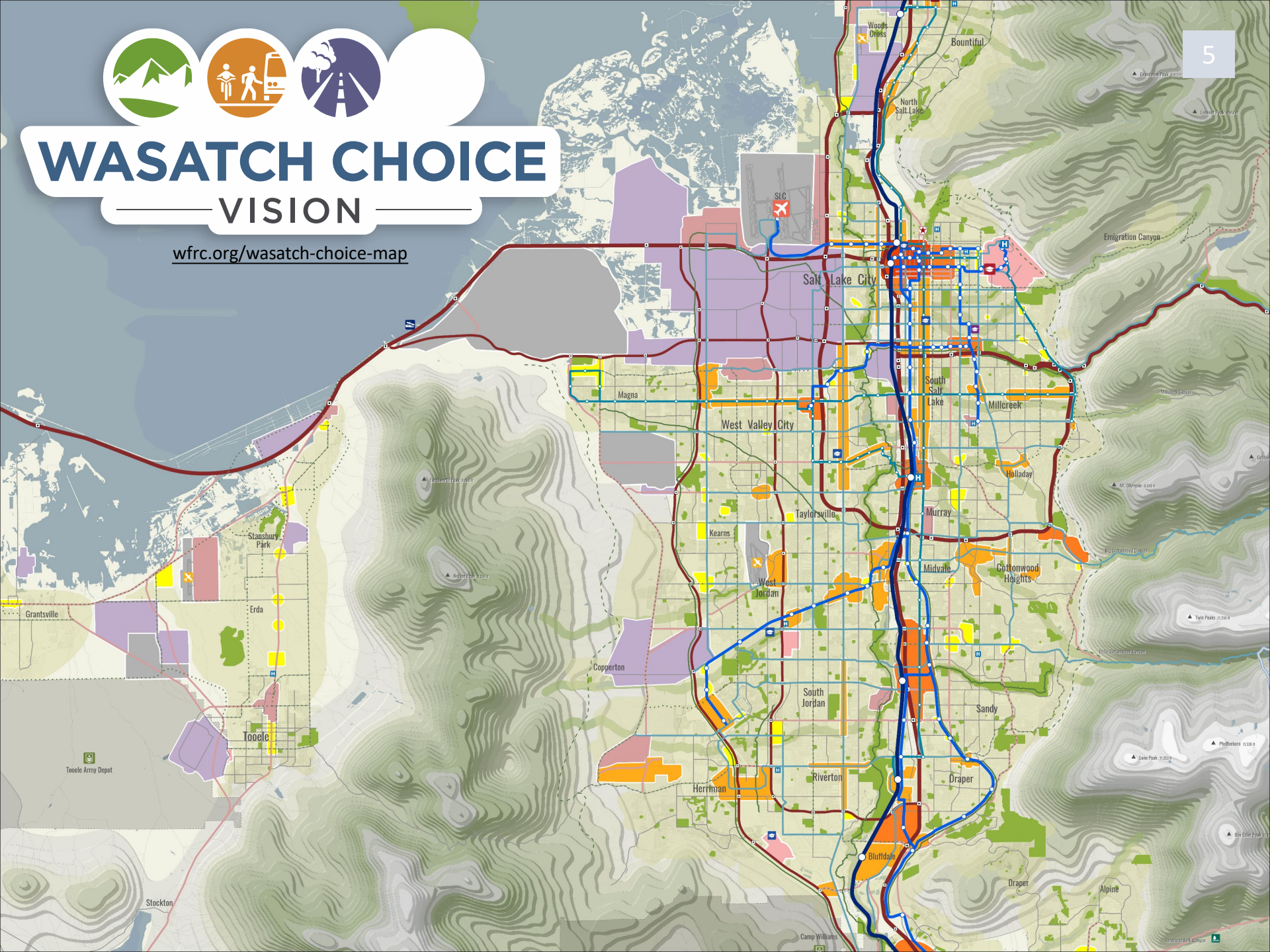
“The process by which the last three rounds of transportation plans have been developed in Utah has been collaborative and comprehensive, demonstrating the principle that collaboration brings superior results. It serves as a best practice nationally.” - USDOT



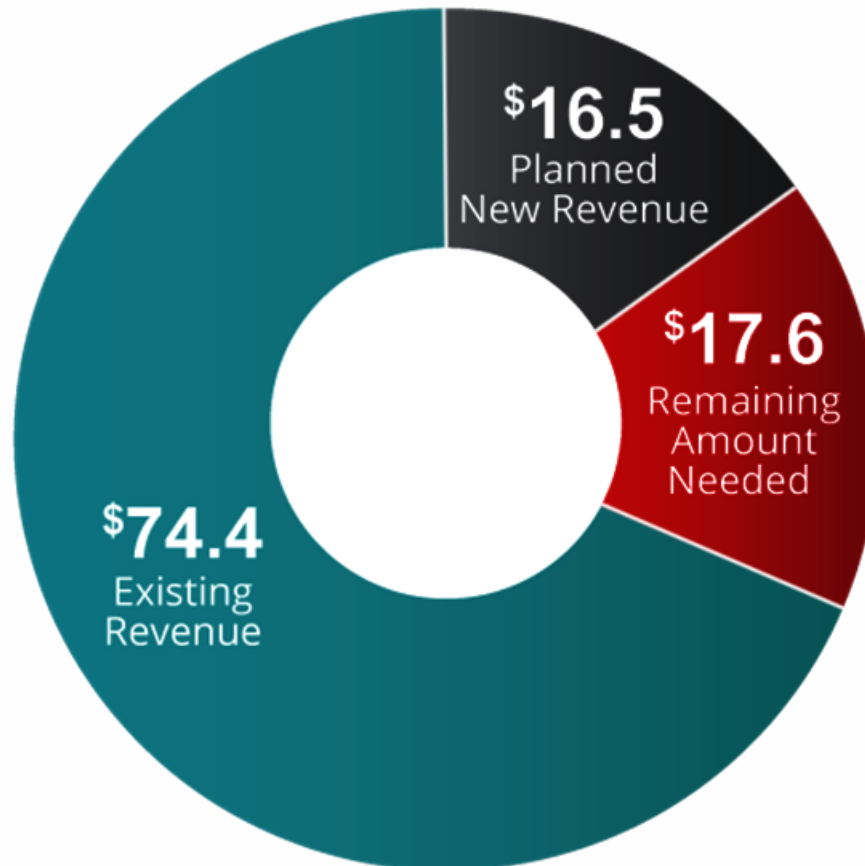
WASATCH CHOICE

VISION

wfrc.org/wasatch-choice-map



Needs and Revenues Through 2050



Transportation Reinvestment Zone Act (TRZ)



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“Transportation Reinvestment Zone” means an area created by two or more public agencies by interlocal agreement to capture increased property or sales tax revenue generated by a transportation infrastructure project.

Utah Code §11-13-103(22)

Generate additional revenue for road and transit projects

Stimulate well-planned development, coordinated with transportation

Encourage collaboration across city and county boundaries

Encourage coordination between municipalities and transportation agencies

Define the transportation need and proposed improvement



Define the boundaries of the zone



Establish a base year to calculate the increase of property tax revenue within the zone



Establish terms for sharing any increase in property or sales tax revenue within the zone

- **Boundaries:** should be drawn to include areas impacted by a “transportation infrastructure project” where property or sales tax increases are anticipated
 - Transportation projects must be a part of the statewide long-range plan, a regional transportation plan (MPOs), or a local general plan
- **Uses of Funds:** state or local highways, public transportation facilities, parking facilities that support intermodal regional transportation. Includes capital projects and/or ongoing maintenance and operations.

- Can capture revenue “generated by a transportation infrastructure project”
- **Property tax growth in zone:** establish base year, terms for use and sharing of incremental revenue
- **Sales tax in zone:** establish terms for use and sharing of revenue
- **Timing of revenue collection:** can pair TRZ with bonding, revolving loan fund, etc. to address mismatch in timing of capital expenditure and revenue generation

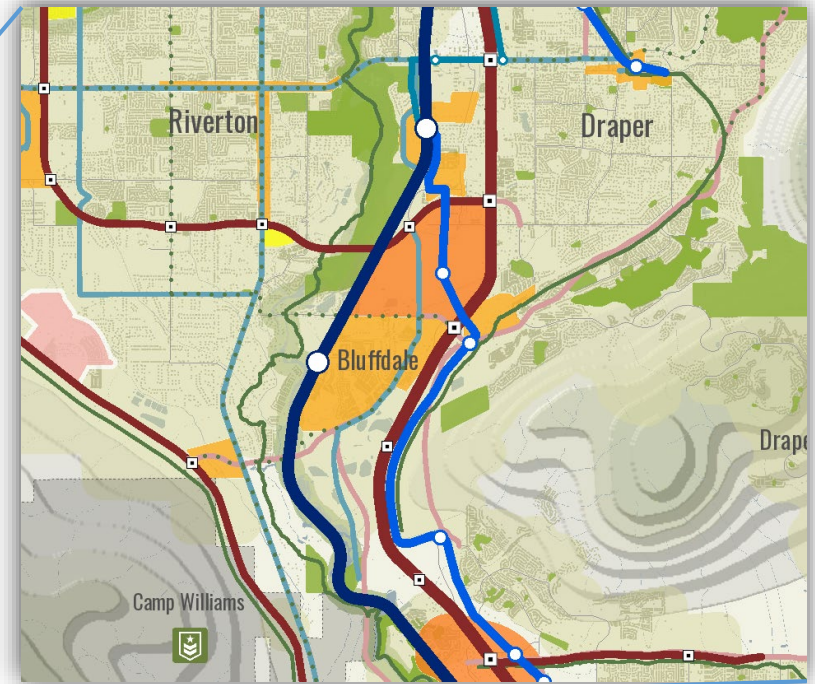
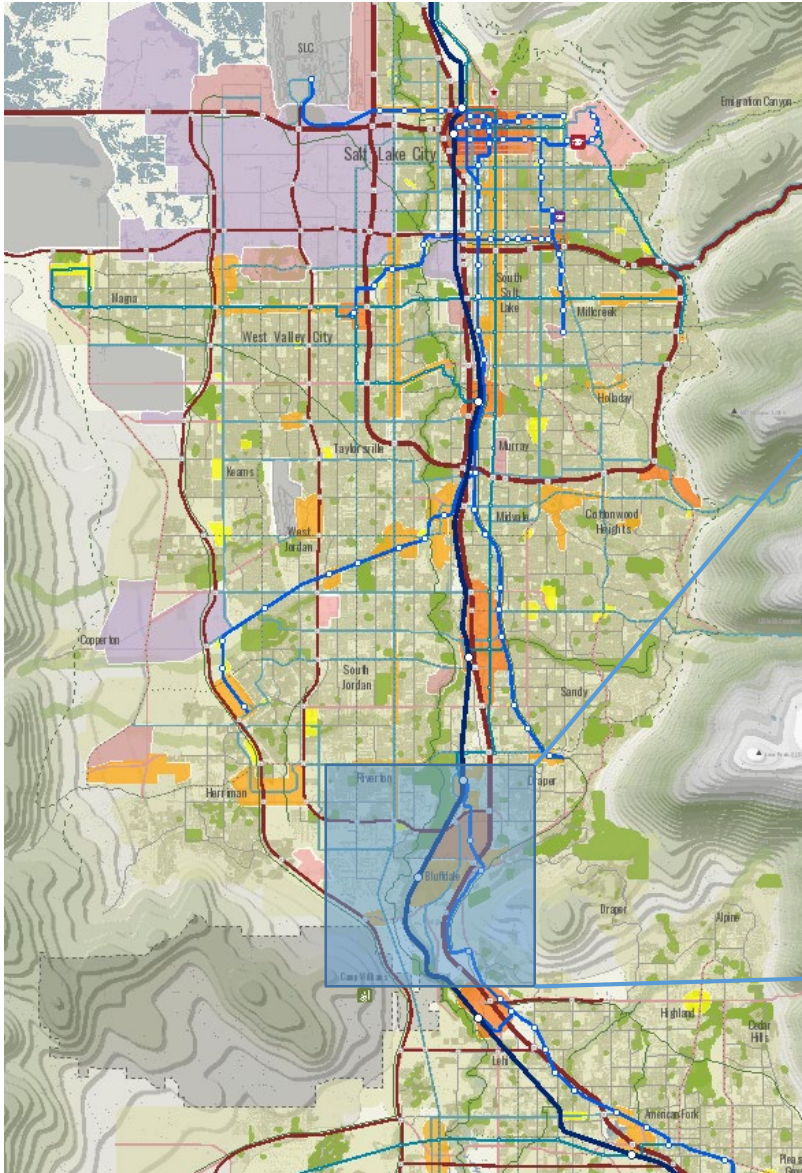
TIF: typically single entity/jurisdiction.

TRZ: multijurisdictional, governed by interlocal agreement. Establishes clear, shared governance structure rather than city by city. Improves equity in revenue generation and distribution.

TIF: typically created by municipality.

TRZ: interlocal agreement includes transportation agencies to ensure alignment/certainty on project funding and financing, timing, design.

Potential TRZ: New Bus Rapid Transit Line



Housing and Transit Reinvestment Zone Act (HTRZ)



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Create a new development tool (HTRZ) to help address Utah's housing crisis by facilitating mixed-use, multi-family and affordable housing development within a 1/3-mile radius of fixed commuter rail stations (FrontRunner).

*There are currently 15 FrontRunner stations along the Wasatch Front

Promote higher utilization of public transit

Increase availability and affordability of housing

Conserve water resources through efficient land use

Improve air quality by reducing fuel consumption and vehicle trips

Encourage mixed-use development and investment in transportation & transit

Uses strategic land use and municipal planning in major transit investment corridors

Increase access to employment and educational opportunities

CITY PROPOSAL



GAP ANALYSIS

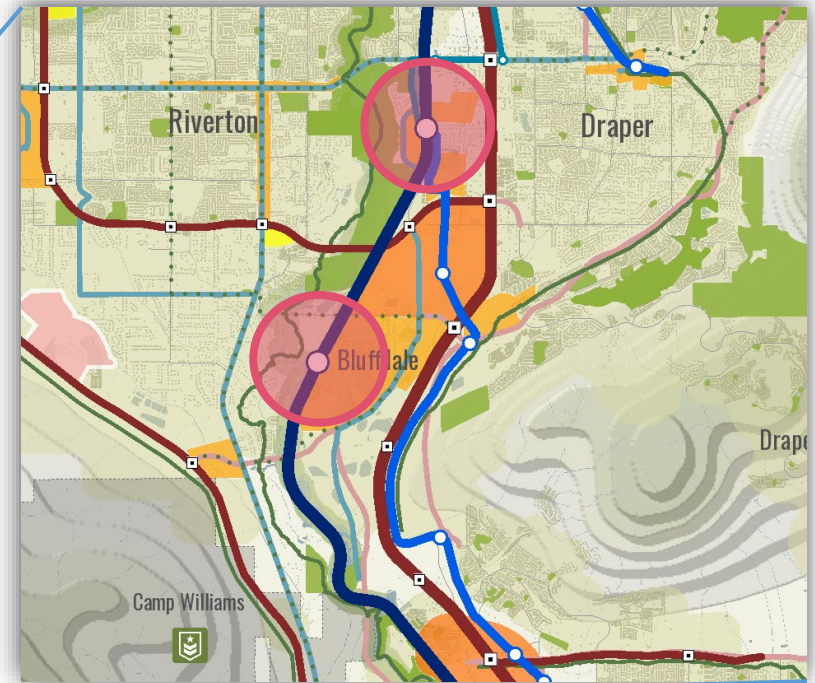
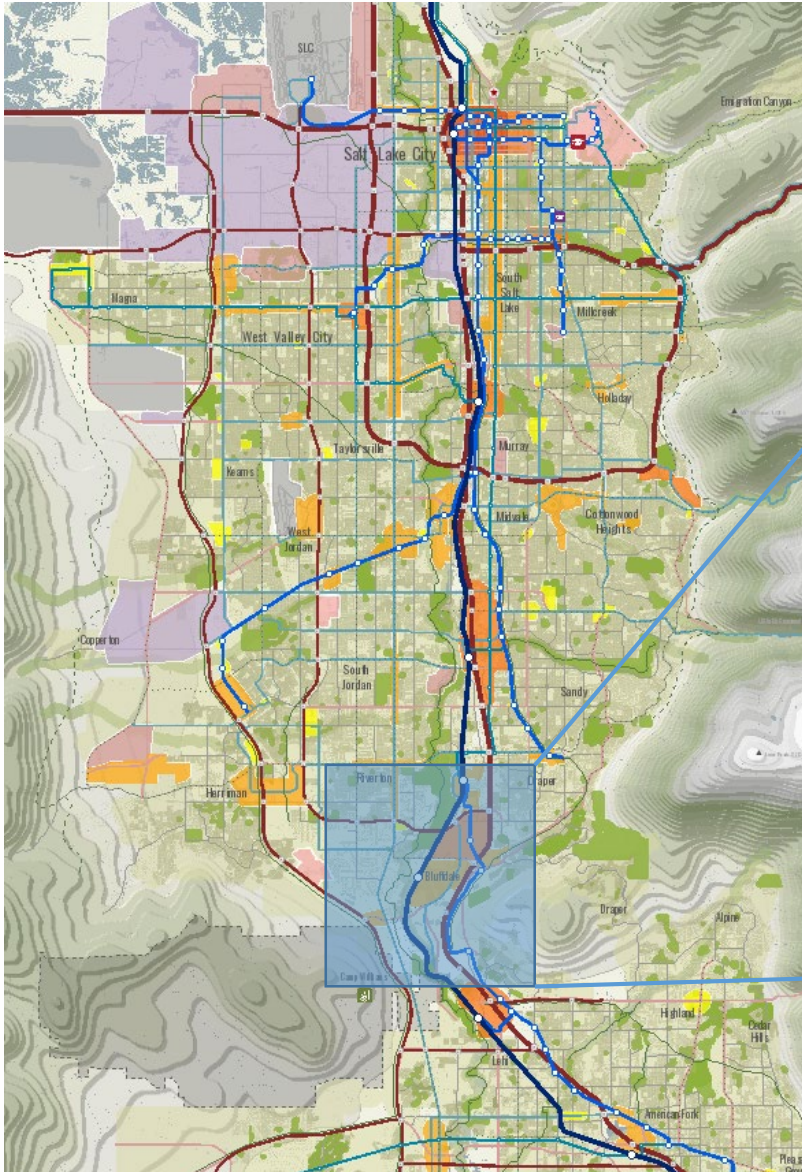


HTRZ COMMITTEE
APPROVAL

- Allows cities to propose development and zoning around a FrontRunner station 1/3-mile radius, max. 125 acres.
- Proposal must be mixed-use, average at least 50 units/acre, at least 10% affordable housing.
- Enables up to 80% of incremental local property tax revenue growth from cities, counties, school districts, etc., to be captured over a period of time *as needed* to support costs of developing the area, e.g., additional costs of affordable housing, structured parking, construction, land purchase.

- Gap Analysis:
 - Proposal submitted to Governor's Office of Economic Opportunity, which contracts for independent financial analysis.
 - Evaluates/verifies the amount of public financing and tax increment capture needed for the proposed development.
- HTRZ Committee:
 - Representatives from the city, county, schools, MPOs, Utah Transit Authority, Utah DOT, Legislature, Governor's office
- If approved:
 - Tax increment is captured pursuant to the proposal.
 - 15% of incremental state sales tax revenue growth in the HTRZ is transferred to the state fund for transit projects.

Potential HTRZ: Commuter Rail Station



- Transportation Reinvestment Zones
 - [White Paper](#)
- Housing and Transit Reinvestment Zones
 - [White Paper](#)