

1 **REDEVELOPMENT AGENCY** ~~h~~ [~~ENVIRONMENTAL~~  
2 ~~REMEDICATION~~] **TAX INCREMENT AMENDMENTS** ~~h~~

3 1998 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Greg J. Curtis**

6 AN ACT RELATING TO SPECIAL DISTRICTS; EXPANDING THE PERMITTED USES OF  
7 CERTAIN TAX INCREMENT FUNDS; AND PROVIDING AN EFFECTIVE DATE.

8 This act affects sections of Utah Code Annotated 1953 as follows:

9 AMENDS:

10 **17A-2-1247**, as last amended by Chapter 183, Laws of Utah 1996

11 *Be it enacted by the Legislature of the state of Utah:*

12 Section 1. Section **17A-2-1247** is amended to read:

13 **17A-2-1247. Tax increment financing authorized -- Division of tax revenues --**  
14 **Greater allocation allowed if authorized by taxing agency.**

15 (1) This section applies to projects for which a preliminary plan has been prepared prior  
16 to April 1, 1993, and for which all of the following have occurred prior to July 1, 1993: the agency  
17 blight study has been completed, and a hearing under Section 17A-2-1221 has in good faith been  
18 commenced by the agency.

19 (2) Any redevelopment plan may contain a provision that taxes, if any, levied upon taxable  
20 property in a redevelopment project each year by or for the benefit of the state, any city, county,  
21 city and county, district, or other public corporation (hereinafter sometimes called "taxing  
22 agencies") after the effective date of the ordinance approving the redevelopment plan, shall be  
23 divided as follows:

24 (a) That portion of the taxes which would be produced by the rate upon which the tax is  
25 levied each year by or for each of the taxing agencies upon the total sum of the taxable value of  
26 the taxable property in the redevelopment project as shown upon the assessment roll used in  
27 connection with the taxation of the property by the taxing agency, last equalized prior to the

1 effective date of the ordinance, shall be allocated to and when collected shall be paid into the funds  
2 of the respective taxing agencies as taxes by or for the taxing agencies on all other property are  
3 paid (for the purpose of allocating taxes levied by or for any taxing agency or agencies which did  
4 not include the territory in a redevelopment project on the effective date of the ordinance but to  
5 which the territory has been annexed or otherwise included after the effective date, the assessment  
6 roll of the county last equalized on the effective date of the ordinance shall be used in determining  
7 the taxable value of the taxable property in the project on the effective date).

8 (b) In a redevelopment project with a redevelopment plan adopted before April 1, 1983,  
9 that portion of the levied taxes each year in excess of the amount allocated to and when collected  
10 paid into the funds of the respective taxing agencies under Subsection (2)(a) shall be allocated to  
11 and when collected shall be paid into a special fund of the redevelopment agency to pay the  
12 principal of and interest on loans, moneys advanced to, or indebtedness (whether funded, refunded,  
13 assumed, or otherwise) incurred by the redevelopment agency before April 1, 1983, to finance or  
14 refinance, in whole or in part, the redevelopment project. Payment of tax revenues to the  
15 redevelopment agency shall be subject to and shall except uncollected or delinquent taxes in the  
16 same manner as payments of taxes to other taxing agencies are subject to collection. Unless and  
17 until the total taxable value of the taxable property in a redevelopment project exceeds the total  
18 taxable value of the taxable property in the project as shown by the last equalized assessment roll  
19 referred to in Subsection (2)(a), all of the taxes levied and collected upon the taxable property in  
20 the redevelopment project shall be paid into the funds of the respective taxing agencies. When  
21 the loans, advances, and indebtedness, if any, and any interest have been paid, all moneys received  
22 from taxes upon the taxable property in the redevelopment project shall be paid into the funds of  
23 the respective taxing agencies as taxes on all other property are paid.

24 (c) Notwithstanding the provisions of Subsections (2)(a) and (e), Subsection  
25 17A-2-1210(5), or any other provision of this part, any loans, moneys advanced to, or indebtedness  
26 (whether funded, refunded, assumed, or otherwise) issued prior to April 1, 1983, may be  
27 refinanced and repaid from 100% of that portion of the levied taxes paid into the special fund of  
28 the redevelopment agency each year in excess of the amount allocated to and when collected paid  
29 into the funds of the respective taxing agencies under Subsection (2)(a) if the principal amount of  
30 loans, moneys advanced to, or indebtedness is not increased in the refinancing.

31 (d) In a redevelopment project with a redevelopment plan adopted before April 1, 1983,

1 that portion of the levied taxes each year in excess of the amount allocated to and when collected  
2 paid into the funds of the respective taxing agencies under Subsection (2)(a) shall be allocated to  
3 and when collected shall be paid into a special fund of the redevelopment agency according to the  
4 limits established in Subsection (2)(f) to pay the principal of and interest on loans, moneys  
5 advanced to, or indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the  
6 redevelopment agency after April 1, 1983, to finance or refinance, in whole or in part, the  
7 redevelopment project. Payment of tax revenues to the redevelopment agency shall be subject to  
8 and shall except uncollected or delinquent taxes in the same manner as payments of taxes to other  
9 taxing agencies are subject to collection. Unless and until the total taxable value of the taxable  
10 property in a redevelopment project exceeds the total taxable value of the taxable property in the  
11 project as shown by the last equalized assessment roll referred to in Subsection (2)(a), all of the  
12 taxes levied and collected upon the taxable property in the redevelopment project shall be paid into  
13 the funds of the respective taxing agencies. When the loans, advances, and indebtedness, if any,  
14 and any interest have been paid, all moneys received from taxes upon the taxable property in the  
15 redevelopment project shall be paid into the funds of the respective taxing agencies as taxes on all  
16 other property are paid.

17 (e) In a redevelopment project with a redevelopment plan adopted after April 1, 1983, that  
18 portion of the levied taxes each year in excess of the amount allocated to and when collected paid  
19 into the funds of the respective taxing agencies under Subsection (2)(a) shall be allocated to and  
20 when collected shall be paid into a special fund of the redevelopment agency according to the  
21 limits established in Subsection (2)(f) to pay the principal of and interest on loans, moneys  
22 advanced to, or indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the  
23 redevelopment agency after April 1, 1983, to finance or refinance, in whole or in part, the  
24 redevelopment project. Payment of tax revenues to the redevelopment agency shall be subject to  
25 and shall except uncollected or delinquent taxes in the same manner as payments of taxes to other  
26 taxing agencies are subject to collection. Unless and until the total taxable value of the taxable  
27 property in a redevelopment project exceeds the total taxable value of the taxable property in the  
28 project as shown by the last equalized assessment roll referred to in Subsection (2)(a), all of the  
29 taxes levied and collected upon the taxable property in the redevelopment project shall be paid into  
30 the funds of the respective taxing agencies. When the loans, advances, and indebtedness, if any,  
31 and any interest have been paid, all moneys received from taxes upon the taxable property in the

1 redevelopment project shall be paid into the funds of the respective taxing agencies as taxes on all  
2 other property are paid.

3 (f) For purposes of Subsections (2)(d) and (e), the maximum amounts which shall be  
4 allocated to and when collected shall be paid into the special fund of a redevelopment agency may  
5 not exceed the following percentages:

6 (i) for a period of the first five tax years commencing from the first tax year a  
7 redevelopment agency accepts an amount allocated to and when collected paid into a special fund  
8 of the redevelopment agency to pay the principal of and interest on loans, moneys advanced to,  
9 or indebtedness (whether funded, refunded, assumed, or otherwise) which loans, advances, or  
10 indebtedness are incurred by the redevelopment agency after April 1, 1983, 100% of that portion  
11 of the levied taxes each year in excess of the amount allocated to and when collected paid into the  
12 funds of the respective taxing agencies under Subsection (2)(a);

13 (ii) for a period of the next five tax years 80% of that portion of the levied taxes each year  
14 in excess of the amount allocated to and when collected paid into the funds of the respective taxing  
15 agencies under Subsection (2)(a);

16 (iii) for a period of the next five tax years 75% of that portion of the levied taxes each year  
17 in excess of the amount allocated to and when collected paid into the funds of the respective taxing  
18 agencies under Subsection (2)(a);

19 (iv) for a period of the next five tax years 70% of that portion of the levied taxes each year  
20 in excess of the amount allocated to and when collected paid into the funds of the respective taxing  
21 agencies under Subsection (2)(a); and

22 (v) for a period of the next five tax years 60% of that portion of the levied taxes each year  
23 in excess of the amount allocated to and when collected paid into the funds of the respective taxing  
24 agencies under Subsection (2)(a).

25 (g) (i) In addition to the maximum amounts [~~which shall be~~] allocated to and when  
26 collected [~~shall be~~] paid into the special fund of a redevelopment agency [~~as described in~~] under  
27 Subsection (2)(f), a redevelopment agency [~~established by the governing body of a first class city~~]  
28 may receive [~~the following~~] an additional [~~percentages (which shall be allocated to and when~~  
29 collected shall be paid into the special fund of a redevelopment agency) which are] percentage  
30 greater than those described in Subsection (2)(f) if the amount of the tax increment funding  
31 received from the greater percentage is used;

1 (A) for an agency established by the governing body of a first class city, solely to pay all  
2 or part of the value of the land for and the cost of the installation and construction of any building,  
3 facility, structure, or other improvement of a publicly or privately owned convention center or  
4 sports complex, including parking and infrastructure improvements related to such convention  
5 center or sports complex[:]; or

6 (B) for any agency, to pay all or part of the cost of the ~~h~~ [remediation of an environmental  
7 cleanup site that is being addressed as part of the "brownfield" program of the United States  
8 Environmental Protection Agency] INSTALLATION, CONSTRUCTION, OR RECONSTRUCTION OF THE  
8a 100th SOUTH UNDERPASS OR THE 114th SOUTH OR 123rd SOUTH INTERCHANGE ON I-15 IN SALT  
8b LAKE COUNTY ~~h~~ .

9 (ii) The additional percentage a redevelopment agency may receive under Subsection  
10 (2)(g)(i) shall be:

11 (A) 100% of that portion of the levied taxes each year in excess of the amount allocated  
12 to and when collected paid into the funds of the respective taxing agencies under Subsection (2)(a);  
13 and

14 (B) paid for a period of the first 32 years commencing from the first tax year a  
15 redevelopment agency accepts an amount allocated to and when collected paid into a special fund  
16 of the redevelopment agency to pay the principal of and interest on loans, moneys advanced to,  
17 or indebtedness, [(whether funded, refunded, assumed, or otherwise)] which loans, advances, or  
18 indebtedness], that are incurred by the redevelopment agency after April 1, 1983[~~, 100% of that~~  
19 portion of the levied taxes each year in excess of the amount allocated to and when collected paid  
20 into the funds of the respective taxing agencies under Subsection (a)].

21 ~~h~~ [(ii) (iii) h This Subsection (2)(g) applies only to a redevelopment agency in whose project  
21a area

22 construction has begun on a building, facility, structure, or other improvement of a publicly or  
23 privately owned convention center or sports complex, including parking and infrastructure  
24 improvements related to such convention center or sports complex, on or before June 30, 1997,  
25 or in whose project area ~~h~~ [remediation] THE INSTALLATION, CONSTRUCTION, OR

25a RECONSTRUCTION OF THE 100th SOUTH UNDERPASS OR THE 114th SOUTH OR 123rd SOUTH  
25b INTERCHANGE ON I-15 IN SALT LAKE COUNTY ~~h~~ has begun on or before June 30, 1998 ~~h~~ [~~, on an~~  
25c environmental

26 cleanup site that is being addressed as part of the "brownfield" program of the United States  
27 Environmental Protection Agency] ~~h~~ .

28            ~~h [(iii)]~~ **(iv)** ~~h~~ If any additional amount described in Subsection (2)(g)(i) is not pledged to pay  
28a all or  
29 part of the value of the land for and the cost of the installation and construction of any building,  
30 facility, structure, or other improvement described in Subsection (2)(g)(i)(A) on or before June 30,  
31 1997, or is not pledged on or before June 30, 1998, to pay all or part of the cost of the  
31a ~~h~~ **[remediation]** ~~h~~

1 h [of an environmental cleanup site that is being addressed as part of the "brownfield" program of the  
 2 United States Environmental Protection Agency] INSTALLATION, CONSTRUCTION, OR RECONSTRUCTION  
 3a OF THE 100th SOUTH UNDERPASS OR THE 114th SOUTH OR 123rd SOUTH INTERCHANGE ON I-15 IN  
 2b SALT LAKE COUNTY h as provided in Subsection (2)(g)(i)(B), such  
 3 additional amount may no longer be allocated to or used by the redevelopment agency,  
 4 notwithstanding any other law to the contrary.

5 (3) Nothing contained in Subsections (2)(d), (e), (f), and (g) prevents an agency from  
 6 receiving a greater percentage than those established in Subsections (2)(f) and (g) of the levied  
 7 taxes of any local taxing agency each year in excess of the amount allocated to and when collected  
 8 paid into the funds of the respective local taxing agency if the governing body of the local taxing  
 9 agency consents in writing.

10 Section 2. **Effective date.**

11 If approved by two-thirds of all the members elected to each house, this act takes effect  
 12 upon approval by the governor, or the day following the constitutional time limit of Utah  
 13 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto, the  
 14 date of veto override.

14a h Section 3. Coordination clause.

14b IF THIS BILL AND S.B. 212, TAX INCREMENT FINANCING OF REDEVELOPMENT AGENCIES, BOTH  
 14c PASS, IT IS THE INTENT OF THE LEGISLATURE THAT SUBSECTION 17A-2-1247(2)(g) h [(i)] h READ:

14d (g) (i) In addition to the maximum amounts [which shall be] allocated to and when collected [shall  
 14e be] paid into the special fund of a redevelopment agency [as described in] UNDER Subsection (2)(f), a  
 14f redevelopment agency [established by the governing body of a first class city] may receive [the following]  
 14g AN additional [percentages (which shall be allocated to and when collected shall be paid into the special  
 14h fund of a redevelopment agency) which are] PERCENTAGE greater than those described in Subsection  
 (2)(f)

14i if the amount of the tax increment funding received from the greater percentage is used:

14j (A) FOR AN AGENCY ESTABLISHED BY THE GOVERNING BODY OF A FIRST CLASS CITY:

14k (I) solely to pay all or part of the value of the land for and the cost of the installation and  
 14l construction of any building, facility, structure, or other improvement of a publicly or privately-owned  
 14m convention center or sports complex, including parking and infrastructure improvements related to such  
 14n convention center or sports complex[:]; OR h

14o h (II) SOLELY TO PAY ALL OR PART OF THE COST OF THE INSTALLATION AND CONSTRUCTION  
14p OF AN UNDERPASS THAT HAS NOT RECEIVED FUNDING FROM THE CENTENNIAL HIGHWAY TRUST  
14q FUND UNDER SECTION 63-49-22 AS PART OF THE CONSTRUCTION OF INTERSTATE 15; OR

14r (B) FOR ANY AGENCY, TO PAY ALL OR PART OF THE COST OF THE INSTALLATION,  
14s CONSTRUCTION, OR RECONSTRUCTION OF THE 100th SOUTH UNDERPASS OR THE 114th SOUTH OR  
14t 123rd SOUTH INTERCHANGE ON I-15 IN SALT LAKE COUNTY.

14u (ii) THE ADDITIONAL PERCENTAGE A REDEVELOPMENT AGENCY MAY RECEIVE UNDER  
14v SUBSECTION (2)(g)(i) SHALL BE:

14w (A) 100% OF THAT PORTION OF THE LEVIED TAXES EACH YEAR IN EXCESS OF THE AMOUNT  
14x ALLOCATED TO AND WHEN COLLECTED PAID INTO THE FUNDS OF THE RESPECTIVE TAXING  
AGENCIES

14y UNDER SUBSECTION (2)(a); AND

14z (B) PAID for a period of the first 32 years commencing from the first tax year a redevelopment  
14aa agency accepts an amount allocated to and when collected paid into a special fund of the redevelopment  
14ab agency to pay the principal of and interest on loans, moneys advanced to, or indebtedness, ~~[(i)whether~~  
14ac ~~funded, refunded, assumed, or otherwise]~~ which loans, advances, or indebtedness], THAT are incurred  
by  
14ad the redevelopment agency after April 1, 1983~~[-100% of that portion of the levied taxes each year in excess~~  
14ae ~~of the amount allocated to and when collected paid into the funds of the respective taxing agencies under~~  
14af Subsection (a)].

14ag ~~[(ii)] (iii) This Subsection (2)(g) applies only to a redevelopment agency in whose project area:~~

14ah (A) construction has begun on a building, facility, structure, or other improvement of a publicly  
or  
14ai privately-owned convention center or sports complex, including parking and infrastructure improvements  
14aj related to such convention center or sports complex, on or before June 30, 1997;

14ak (B) CONSTRUCTION HAS BEGUN ON OR BEFORE JUNE 30, 1998, ON AN UNDERPASS THAT HAS  
14al NOT RECEIVED FUNDING FROM THE CENTENNIAL HIGHWAY TRUST FUND UNDER SECTION 63-49-22  
AS

14am PART OF THE CONSTRUCTION OF INTERSTATE 15; OR

14an (C) THE INSTALLATION, CONSTRUCTION, OR RECONSTRUCTION OF THE 100th SOUTH  
14ao UNDERPASS OR THE 114th SOUTH OR 123rd SOUTH INTERCHANGE ON I-15 IN SALT LAKE COUNTY HAS  
14ap BEGUN ON OR BEFORE JUNE 30, 1998.

14aq ~~[(iii)] (iv) [If any] AN additional amount described in Subsection (2)(g)(i) MAY NO LONGER BE~~  
14ar ALLOCATED TO OR USED BY THE REDEVELOPMENT AGENCY, NOTWITHSTANDING ANY OTHER h

14as **ĥ LAW TO THE CONTRARY, IF THE ADDITIONAL AMOUNT is not pledged:**

14at **(A) to pay all or part of the value of the land for and the cost of the installation and construction**

14au **of**

14av **any building, facility, structure, or other improvement described in Subsection (2)(g)(i)(A)(I) on or**

14aw **before June 30, 1997~~[, such additional amount may no longer be allocated to or used by the~~**

14ax **redevelopment agency, notwithstanding any other law to the contrary]~~;~~**

14ay **(B) ON OR BEFORE JUNE 30, 1998, TO PAY ALL OR PART OF THE COST OF THE INSTALLATION**

14az **AND CONSTRUCTION OF AN UNDERPASS THAT HAS NOT RECEIVED FUNDING FROM THE CENTENNIAL**

14ba **HIGHWAY TRUST FUND UNDER SECTION 63-49-22 AS PART OF THE CONSTRUCTION OF INTERSTATE**

14bb **15;**

14bc **OR**

14bd **(C) ON OR BEFORE JUNE 30, 1998, TO PAY ALL OR PART OF THE COST OF THE INSTALLATION,**

14be **CONSTRUCTION, OR RECONSTRUCTION OF THE 100th SOUTH UNDERPASS OR THE 114th SOUTH OR**

14bf **123rd SOUTH INTERCHANGE ON I-15 IN SALT LAKE COUNTY. ĥ**

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**Legislative Review Note**  
**as of 2-3-98 6:53 AM**

A limited legal review of this bill raises no obvious constitutional or statutory concerns.

**Office of Legislative Research and General Counsel**

