

1                                   **REVISIONS TO REDEVELOPMENT AGENCY**

2   **LAWS**

3   2002 GENERAL SESSION

4   STATE OF UTAH

5   **Sponsor: Wayne A. Harper**

6 **This act modifies the Redevelopment Agencies Act by making minor changes and technical**  
7 **corrections throughout the act. The act resolves internal inconsistencies and makes related**  
8 **changes within the redevelopment agencies code relating to plan hearings, survey areas,**  
9 **owner participation, relocation plan requirements, time limits for use of tax increment,**  
10 **benefit analysis, and publication requirements. The act amends the requirements for blight**  
11 **findings when expanding a redevelopment project.**

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

13 AMENDS:

14           **17B-4-102**, as enacted by Chapter 133, Laws of Utah 2001

15           **17B-4-201**, as enacted by Chapter 133, Laws of Utah 2001

16           **17B-4-302**, as enacted by Chapter 133, Laws of Utah 2001

17           **17B-4-402**, as enacted by Chapter 133, Laws of Utah 2001

18           **17B-4-403**, as enacted by Chapter 133, Laws of Utah 2001

19           **17B-4-406**, as enacted by Chapter 133, Laws of Utah 2001

20           **17B-4-407**, as enacted by Chapter 133, Laws of Utah 2001

21           **17B-4-411**, as enacted by Chapter 133, Laws of Utah 2001

22           **17B-4-603**, as enacted by Chapter 133, Laws of Utah 2001

23           **17B-4-702**, as enacted by Chapter 133, Laws of Utah 2001

24           **17B-4-703**, as enacted by Chapter 133, Laws of Utah 2001

25           **17B-4-705**, as enacted by Chapter 133, Laws of Utah 2001

26           **17B-4-802**, as enacted by Chapter 133, Laws of Utah 2001

27           **17B-4-1001**, as enacted by Chapter 133, Laws of Utah 2001



28 17B-4-1002, as enacted by Chapters 103 and 133, Laws of Utah 2001

29 17B-4-1004, as enacted by Chapter 133, Laws of Utah 2001

30 17B-4-1007, as enacted by Chapter 133, Laws of Utah 2001

31 17B-4-1010, as enacted by Chapter 133, Laws of Utah 2001

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

33 Section 1. Section 17B-4-102 is amended to read:

34 **17B-4-102. Definitions.**

35 (1) "Agency" means a separate body corporate and politic, created under Section  
36 17B-4-201 or previous law, that is a political subdivision of the state, that is created to undertake  
37 or promote redevelopment, economic development, or education housing development, or any  
38 combination of them, as provided in this chapter, and whose geographic boundaries are  
39 coterminous with:

40 (a) for an agency created by a county, the unincorporated area of the county; and

41 (b) for an agency created by a city or town, the boundaries of the city or town.

42 (2) "Assessment property owner" or "assessment owner of property" means the owner of  
43 real property as shown on the assessment roll of the county in which the property is located,  
44 equalized as of the previous November 1.

45 (3) "Assessment roll" has the meaning as defined in Section 59-2-102.

46 (4) "Base taxable value" means the taxable value of the property within a project area from  
47 which tax increment will be collected, as shown upon the assessment roll last equalized before:

48 (a) for a pre-July 1, 1993 project area plan, the effective date of the project area plan; or

49 (b) for a post-June 30, 1993 project area plan:

50 (i) the date of the taxing entity committee's approval of the first project area budget; or

51 (ii) if no taxing entity committee approval is required for the project area budget, the later

52 of:

53 (A) the date the project area plan is adopted by the community legislative body; and

54 (B) the date the agency adopts the first project area budget.

55 (5) "Blight" or "blighted" means the condition of an area that meets the requirements of  
56 Subsection 17B-4-604(1).

57 (6) "Blight hearing" means a public hearing under Subsection 17B-4-601(3) and Section  
58 17B-4-603 regarding the existence or nonexistence of blight within the proposed redevelopment

59 project area.

60 (7) "Blight study" means a study to determine the existence or nonexistence of blight  
61 within a survey area as provided in Section 17B-4-602.

62 (8) "Board" means the governing body of an agency, as provided in Section 17B-4-203.

63 (9) "Budget hearing" means the public hearing on a draft project area budget required  
64 under Subsection 17B-4-501(2)(e).

65 (10) "Community" means a county, city, or town.

66 (11) "Economic development" means to promote the creation or retention of public or  
67 private jobs within the state through:

68 (a) planning, design, development, construction, rehabilitation, business relocation, or any  
69 combination of these, within part or all of a project area; and

70 (b) the provision of office, industrial, manufacturing, warehousing, distribution, parking,  
71 public, or other facilities, or other improvements that benefit the state or a community.

72 (12) "Education housing development" means the provision of high density housing within  
73 a project area that is adjacent to a public or private institution of higher education.

74 (13) "Plan hearing" means the public hearing on a draft project area plan required under  
75 Subsection 17B-4-402(1)(e).

76 (14) "Post-June 30, 1993 project area plan" means a redevelopment, economic  
77 development, or education housing development project area plan adopted on or after July 1, 1993,  
78 whether or not amended subsequent to its adoption.

79 (15) "Pre-July 1, 1993 project area plan" means a redevelopment project area plan adopted  
80 before July 1, 1993, whether or not amended subsequent to its adoption.

81 (16) "Private," with respect to real property, means:

82 (a) not owned by the United States or any agency of the federal government, a public  
83 entity, or any other governmental entity; and

84 (b) not dedicated to public use.

85 (17) "Project area" means the geographic area described in a project area plan or draft  
86 project area plan where the redevelopment, economic development, or education housing  
87 development set forth in the project area plan or draft project area plan takes place or is proposed  
88 to take place.

89 (18) "Project area budget" means a multiyear projection of annual or cumulative revenues

90 and expenses and other fiscal matters pertaining to a redevelopment, economic development, or  
91 education housing development project area that includes:

- 92 (a) the base taxable value of property in the project area;
- 93 (b) the projected tax increment expected to be generated within the project area;
- 94 (c) the amount of tax increment expected to be shared with other taxing entities;
- 95 (d) the amount of tax increment expected to be used to implement the project area plan,  
96 including the estimated amount of tax increment to be used for land acquisition, public  
97 improvements, infrastructure improvements, and loans, grants, or other incentives to private and  
98 public entities;
- 99 (e) the tax increment expected to be used to cover the cost of administering the project area  
100 plan;
- 101 (f) if the area from which tax increment is to be collected is less than the entire project  
102 area, a legal description of the portion of the project area from which tax increment will be  
103 collected; and
- 104 (g) for property that the agency owns and expects to sell, the expected total cost of the  
105 property to the agency and the expected selling price.

106 (19) "Project area plan" means a written plan under Part 4, Project Area Plan, that, after  
107 its effective date, guides and controls the redevelopment, economic development, or education  
108 housing development activities within the project area.

109 (20) "Property tax" includes privilege tax and each levy on an ad valorem basis on tangible  
110 or intangible personal or real property.

111 (21) "Public entity" means:

- 112 (a) the state, including any of its departments or agencies; or
- 113 (b) a political subdivision of the state, including a county, city, town, school district,  
114 special district, local district, or interlocal cooperation entity.

115 (22) "Public input hearing" means the public hearing required under Subsection  
116 17B-4-402(1)(h)(ii) regarding a proposed redevelopment project.

117 (23) "Record property owner" or "record owner of property" means the owner of real  
118 property as shown on the records of the recorder of the county in which the property is located and  
119 includes a purchaser under a real estate contract if the contract is recorded in the office of the  
120 recorder of the county in which the property is located or the purchaser gives written notice of the

121 real estate contract to the agency.

122 (24) "Redevelopment" means the development activities under a project area plan within  
123 a redevelopment project area, including:

124 (a) planning, design, development, demolition, clearance, construction, rehabilitation, or  
125 any combination of these, of part or all of a project area;

126 (b) the provision of residential, commercial, industrial, public, or other structures or  
127 spaces, including recreational and other facilities incidental or appurtenant to them;

128 (c) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating, or any  
129 combination of these, existing structures in a project area;

130 (d) providing open space, including streets and other public grounds and space around  
131 buildings;

132 (e) providing public or private buildings, infrastructure, structures, and improvements; and

133 (f) providing improvements of public or private recreation areas and other public grounds.

134 (25) "Survey area" means an area designated by a survey area resolution for study to  
135 determine whether one or more redevelopment projects within the area are feasible.

136 (26) "Survey area resolution" means a resolution adopted by the agency board under  
137 Subsection 17B-4-401(1)(a) designating a survey area.

138 (27) (a) "Tax increment" means, except as provided in Subsection (27)(b), the difference  
139 between:

140 (i) the amount of property tax revenues generated each tax year by all taxing entities from  
141 the area within a project area designated in the project area plan as the area from which tax  
142 increment is to be collected, using the current assessed value of the property; and

143 (ii) the amount of property tax revenues that would be generated from that same area using  
144 the base taxable value of the property.

145 (b) "Tax increment" does not include taxes levied and collected under Section 59-2-906.1  
146 on or after January 1, 1994 upon the taxable property in the project area unless:

147 (i) the project area plan was adopted before May 4, 1993, whether or not the project area  
148 plan was subsequently amended; and

149 (ii) the taxes were pledged to support bond indebtedness or other contractual obligations  
150 of the agency.

151 (28) "Taxing entity" means a public entity that levies a tax on property within a project

152 area or proposed project area.

153 (29) "Taxing entity committee" means a committee representing the interests of taxing  
154 entities, created as provided in Section 17B-4-1002.

155 (30) "Trust fund board" means the Olene Walker Housing Trust Fund Board, established  
156 under Title 9, Chapter 4, Part 7, Olene Walker Housing Trust Fund.

157 Section 2. Section 17B-4-201 is amended to read:

158 **17B-4-201. Creation of agency -- Certification of incorporation -- Notice of creation.**

159 (1) Subject to Subsection (2), a community may, by ordinance adopted by its legislative  
160 body, create an agency.

161 (2) (a) Within ten days after adopting [~~a resolution~~] an ordinance under Subsection (1),  
162 the community legislative body shall cause a notice of the adoption of the [~~resolution~~] ordinance,  
163 with a copy of the [~~resolution~~] ordinance, to be filed with the lieutenant governor.

164 (b) Within ten days after receiving the notice under Subsection (2)(a), the lieutenant  
165 governor shall issue a certificate of incorporation for the agency and send a copy of the certificate  
166 to the community legislative body.

167 (c) Upon the lieutenant governor's issuance of the certificate of incorporation, the agency  
168 is created and incorporated.

169 (3) Within 20 days after the issuance of the certificate of incorporation, the agency shall  
170 cause a notice of the agency's creation and incorporation, with a copy of the certificate of  
171 incorporation attached, to be filed with the State Tax Commission and the state auditor.

172 Section 3. Section 17B-4-302 is amended to read:

173 **17B-4-302. Agency property exempt from levy and execution sale -- Judgment**  
174 **against community or agency.**

175 (1) (a) All agency property, including funds the agency owns or holds for purposes of this  
176 chapter, are exempt from levy and execution sale, and no execution or judicial process may issue  
177 against agency property. A judgment against an agency may not be a charge or lien upon agency  
178 property.

179 (b) Subsection (1)(a) does not apply to or limit the right of obligees to pursue any remedies  
180 for the enforcement of any pledge or lien given by an agency on its funds or revenues.

181 (2) A judgment against the community that created the agency may not be a charge or lien  
182 upon agency property.

183 (3) A judgment against an agency may not be a charge or lien upon property of the  
184 community that created the agency.

185 Section 4. Section **17B-4-402** is amended to read:

186 **17B-4-402. Process for adopting project area plan -- Prerequisites -- Restrictions.**

187 (1) In order to adopt a project area plan, after adopting a resolution under Subsection  
188 17B-4-401(1) the agency shall:

189 (a) prepare a draft of a project area plan and conduct any examination, investigation, and  
190 negotiation regarding the project area plan that the agency considers appropriate;

191 (b) request input on the draft project area plan from the planning commission of the  
192 community in which the proposed project area is located;

193 (c) make the draft project area plan available to the public at the agency's offices during  
194 normal business hours;

195 (d) provide notice of the plan hearing as provided in Sections 17B-4-702 and 17B-4-704;

196 (e) hold a public hearing on the draft project area plan and, at that public hearing:

197 (i) allow public comment on:

198 (A) the draft project area plan; and

199 (B) whether the draft project area plan should be revised, approved, or rejected; and

200 (ii) receive all written and hear all oral objections to the draft project area plan;

201 (f) before holding the plan hearing, provide an opportunity for the State Board of  
202 Education and each taxing entity that levies a tax on property within the proposed project area to  
203 consult with the agency regarding the draft project area plan;

204 (g) if applicable, hold the election required under Subsection 17B-4-406(3);

205 (h) for a redevelopment project area plan:

206 (i) comply with the requirements of Part 6, Blight Determination in Redevelopment Project  
207 Areas;

208 (ii) before providing notice of the plan hearing, hold at least one public hearing to:

209 (A) inform the public about each area being considered for a redevelopment project area;

210 and

211 (B) allow public input into agency deliberations on proposing each redevelopment project  
212 area;

213 (iii) select one or more project areas comprising part or all of the survey area; and

214 (iv) before sending the first notice to assessment owners of property for a public input  
215 hearing, blight hearing, or combined public input and blight hearing, prepare and adopt guidelines  
216 setting forth and governing the reasonable opportunities of record property owners and tenants to  
217 participate in the redevelopment;

218 (i) after holding the plan hearing, at the same meeting or at a subsequent meeting consider:

219 (i) the oral and written objections to the draft project area plan and evidence and testimony  
220 for or against adoption of the draft project area plan; and

221 (ii) whether to revise, approve, or reject the draft project area plan;

222 (j) approve the draft project area plan, with or without revisions, as the project area plan  
223 by a resolution that complies with Section 17B-4-407; and

224 (k) submit the project area plan to the community legislative body for adoption.

225 (2) An agency may not propose a project area plan under Subsection (1) unless the  
226 community in which the proposed project area is located:

227 (a) has a planning commission; and

228 (b) has adopted a general plan under:

229 (i) if the community is a city or town, Title 10, Chapter 9, Part 3, General Plan; or

230 (ii) if the community is a county, Title 17, Chapter 27, Part 3, General Plan.

231 (3) (a) Subject to Subsection (3)(b), an agency board may not approve a project area plan  
232 more than one year after:

233 (i) for a redevelopment project area plan involving the use of eminent domain, adoption  
234 of a resolution making a finding of blight under Subsection 17B-4-601(4)(b); or

235 (ii) for an economic development or education housing development project area plan, the  
236 date of the plan hearing.

237 (b) If a project area plan is submitted to an election under Subsection 17B-4-406(3), the  
238 time between the plan hearing and the date of the election does not count for purposes of  
239 calculating the year period under Subsection (3)(a).

240 (4) (a) Except as provided in Subsection (4)(b), a draft project area plan may not be  
241 modified to add real property to the proposed project area unless the board holds ~~[an additional]~~  
242 a plan hearing to consider the addition and gives notice of the ~~[additional]~~ plan hearing as required  
243 under Sections 17B-4-702 and 17B-4-704.

244 (b) The notice and hearing requirements under Subsection (4)(a) do not apply to a draft

245 project area plan being modified to add real property to the proposed project area if:

246 (i) the property is ~~is~~: ~~(A) located within the survey area; and (B)~~ contiguous to the  
 247 property already included in the proposed project area under the draft project area plan; ~~and]~~

248 (ii) the record owner of the property consents to adding the real property to the proposed  
 249 project area~~[-]; and~~

250 (iii) for a redevelopment project area, the property is located within the survey area.

251 Section 5. Section **17B-4-403** is amended to read:

252 **17B-4-403. Project area plan requirements.**

253 (1) Each project area plan and draft project area plan shall:

254 (a) describe the boundaries of the project area;

255 (b) contain a general statement of the land uses, layout of principal streets, population  
 256 densities, and building intensities of the project area and how they will be affected by the  
 257 redevelopment, economic development, or education housing development;

258 (c) state the standards that will guide the redevelopment, economic development, or  
 259 education housing development;

260 (d) show how the purposes of this chapter will be attained by the redevelopment, economic  
 261 development, or education housing development;

262 (e) be consistent with the general plan of the community in which the project area is  
 263 located and show that the redevelopment, economic development, or education housing  
 264 development will conform to the community's general plan;

265 (f) if the agency board made a finding of blight under Subsection 17B-4-601(4)(b):

266 (i) describe how the redevelopment will reduce or eliminate blight in the project area; and

267 (ii) if the agency is to have the power of eminent domain under the project area plan:

268 ~~[(ii)]~~ (A) provide record owners of property located within the redevelopment project area  
 269 and their tenants reasonable opportunities to participate in the redevelopment if the record property  
 270 owner or tenant enters into a participation agreement with the agency; ~~and]~~

271 ~~[(iii)]~~ (B) state that the agency has adopted or will adopt guidelines setting forth and  
 272 governing the opportunities of record property owners and tenants to participate in the  
 273 redevelopment, as required by Subsection 17B-4-402(1)(h)(iv); and

274 (C) include a plan for the relocation of any families and persons who will be temporarily  
 275 or permanently displaced from housing facilities in the redevelopment project area;

276 (g) if the project area plan is for economic development, describe how the economic  
277 development will create additional jobs;

278 (h) if the project area plan is for education housing development, describe how the  
279 education housing development will meet the needs of the community in which the project area  
280 is located;

281 (i) describe any specific project or projects that are the object of the proposed  
282 redevelopment, economic development, or education housing development;

283 (j) identify how private developers, if any, will be selected to undertake the redevelopment,  
284 economic development, or education housing development and identify each private developer  
285 currently involved in the redevelopment, economic development, or education housing  
286 development process;

287 (k) contain a time limit of no more than three years after adoption of the project area plan  
288 for the agency to commence implementation of the project area plan, unless the project area plan  
289 is adopted again as if it were an amended project area plan under Section 17B-4-411;

290 (l) if the project area plan authorizes the use of eminent domain, contain a time limit of  
291 no more than five years after the effective date of the project area plan for the agency to commence  
292 acquisition of property through the use of eminent domain;

293 (m) if the project area plan provides for tax increment to be paid to the agency:

294 (i) contain a time limit of no more than 25 years [~~after adoption of the project area plan~~]  
295 for tax increment to be paid to the agency from the project area unless the taxing entity committee  
296 consents to a longer period; and

297 (ii) contain a provision that the project area may not exceed 100 acres of private real  
298 property unless the agency obtains the consent of the taxing entity committee;

299 (n) state the reasons for the selection of the project area;

300 (o) describe the physical, social, and economic conditions existing in the project area;

301 (p) provide a financial analysis describing the proposed method of financing the proposed  
302 redevelopment, economic development, or education housing development;

303 (q) describe any tax incentives offered private entities for facilities located in the project  
304 area;

305 [~~(r) include a plan for the relocation of any families and persons who will be temporarily  
306 or permanently displaced from housing facilities in the project area;~~]

307           ~~[(s)]~~ (r) contain the report and state any recommendations of the community's planning  
308 commission;

309           ~~[(t)]~~ (s) include an analysis, as provided in Subsection (2), of whether adoption of the  
310 project area plan is:

311           (i) for a redevelopment project area plan, necessary and appropriate to reduce or eliminate  
312 blight; or

313           (ii) for an economic development or education housing development project area plan,  
314 beneficial under a benefit analysis;

315           ~~[(w)]~~ (t) if any of the existing buildings or uses in the project area are included in or eligible  
316 for inclusion in the National Register of Historic Places or the State Register, state that the agency  
317 shall comply with Subsection 9-8-404(1) as though the agency were a state agency; and

318           ~~[(v)]~~ (u) include other information that the agency determines to be necessary or advisable.

319           (2) Each analysis under Subsection ~~[(1)(t)]~~ (1)(s)(ii) shall consider:

320           (a) the benefit of any financial assistance or other public subsidy proposed to be provided  
321 by the agency, including:

322           (i) an evaluation of the reasonableness of the costs of ~~[redevelopment,]~~ economic  
323 development~~;~~ or education housing development;

324           (ii) efforts the agency has made or will make to maximize private investment;

325           (iii) the rationale for use of tax increment, including an analysis of whether the proposed  
326 development might reasonably be expected to occur in the foreseeable future solely through private  
327 investment; and

328           (iv) an estimate of the total amount of tax increment that will be expended in undertaking  
329 redevelopment, economic development, or education housing development and the length of time  
330 for which it will be expended; and

331           (b) the anticipated public benefit to be derived from the redevelopment, economic  
332 development, or education housing development, including:

333           (i) the beneficial influences upon the tax base of the community;

334           (ii) in the case of economic development or education housing development, the associated  
335 business and economic activity likely to be stimulated; and

336           (iii) in the case of economic development, the number of jobs or employment anticipated  
337 to be generated or preserved.

338 Section 6. Section **17B-4-406** is amended to read:

339 **17B-4-406. Objections to project area plan -- Owners' alternative project area plan**  
340 **-- Election if 40% of property owners object.**

341 (1) At any time before the plan hearing [~~or, if applicable, the additional plan hearing under~~  
342 ~~Subsection 17B-4-402(4)(a)~~], any person may file with the agency a written statement of  
343 objections to the draft project area plan.

344 (2) If the record owners of property of a majority of the private real property included  
345 within the proposed project area file a written petition before or at the plan hearing [~~or, if~~  
346 ~~applicable, the additional plan hearing under Subsection 17B-4-402(4)(a)~~], proposing an  
347 alternative project area plan, the agency shall consider that proposed plan in conjunction with the  
348 project area plan proposed by the agency.

349 (3) (a) If the record property owners of at least 40% of the private land area within the  
350 proposed project area object in writing to the draft project area plan before or at the plan hearing  
351 [~~or, if applicable, the additional plan hearing under Subsection 17B-4-402(4)(a)~~] and do not  
352 withdraw their objections, an agency may not approve the project area plan until approved by  
353 voters within the boundaries of the agency in which the proposed project area is located at an  
354 election as provided in Subsection (3)(b).

355 (b) (i) Except as provided in this section, each election required under Subsection (3)(a)  
356 shall comply with Title 20A, Election Code.

357 (ii) An election under Subsection (3)(a) may be held on the same day and with the same  
358 election officials as an election held by the community in which the proposed project area is  
359 located.

360 (iii) If a majority of those voting on the proposed project area plan vote in favor of it, the  
361 project area plan shall be considered approved and the agency shall confirm the approval by  
362 resolution.

363 (4) If the record property owners of 2/3 of the private land area within the proposed project  
364 area object in writing to the draft project area plan before or at the plan hearing [~~or, if applicable,~~  
365 ~~the additional plan hearing under Subsection 17B-4-402(4)(a)~~] and do not withdraw their  
366 objections, the project area plan may not be adopted and the agency may not reconsider the project  
367 area plan for three years.

368 Section 7. Section **17B-4-407** is amended to read:

369           **17B-4-407. Board resolution approving project area plan -- Requirements --**  
370 **Additional requirements for redevelopment project area plan.**

371           (1) Each board resolution approving a draft redevelopment, economic development, or  
372 education housing development project area plan as the project area plan under Subsection  
373 17B-4-402(1)(j) shall contain:

374           (a) a legal description of the boundaries of the project area that is the subject of the project  
375 area plan;

376           (b) the agency's purposes and intent with respect to the project area;

377           (c) the project area plan incorporated by reference;

378           (d) the board findings and determinations that:

379           (i) there is a need to effectuate a public purpose;

380           (ii) there is a public benefit under the analysis described in Subsections 17B-4-403(1)(t)  
381 and (2);

382           (iii) it is economically sound and feasible to adopt and carry out the project area plan;

383           (iv) the project area plan conforms to the community's general plan; and

384           (v) carrying out the project area plan will promote the public peace, health, safety, and  
385 welfare of the community in which the project area is located.

386           (2) (a) As used in this Subsection (2), "comparable dwellings" means residential housing  
387 facilities that are:

388           (i) within the project area or in other areas not generally less desirable in regard to public  
389 utilities and public and commercial facilities;

390           (ii) at rents or prices within the financial means of the families and persons displaced from  
391 the project area; and

392           (iii) decent, safe, and sanitary and equal in number and available to displaced families and  
393 persons and reasonably accessible to their places of employment.

394           (b) In addition to the requirements under Subsection (1), each board resolution approving  
395 a redevelopment project area plan shall:

396           (i) ~~[recite the board's previous]~~ state that the board previously made a finding of blight  
397 within the project area and the date of the board's finding of blight; and

398           (ii) contain the board's findings and determinations that:

399           (A) if the use of eminent domain is provided for in the redevelopment project area plan:

400 (I) the use of eminent domain is or may be necessary to the execution of the redevelopment  
401 project area plan; and

402 (II) adequate provisions have been made for just compensation for property acquired by  
403 eminent domain; and

404 (B) if the project area plan may result in the temporary or permanent displacement of any  
405 residential occupants in the project area:

406 (I) the agency has a feasible method or plan for the relocation of families and persons  
407 displaced from the project area;

408 (II) comparable dwellings exist or will be provided to the families and persons displaced  
409 by the project area plan; and

410 (III) the board is satisfied that permanent housing facilities will be available within three  
411 years from the time occupants of the project area are displaced and, pending the development of  
412 these housing facilities, there will be available to the displaced occupants adequate temporary  
413 housing facilities at rents comparable to those in the community at the time of their displacement.

414 Section 8. Section **17B-4-411** is amended to read:

415 **17B-4-411. Amending the project area plan.**

416 (1) An adopted project area plan may be amended as provided in this section.

417 (2) If an agency proposes to amend an adopted project area plan to enlarge a project area:

418 (a) subject to Subsection (2)(c), the requirements under this part that apply to adopting a  
419 project area plan apply equally to the proposed amendment as if it were a project area plan[-];

420 (b) if the amended plan is to authorize the use of eminent domain within a new area to be  
421 added to the project area:

422 (i) before adopting the amended project area plan the agency must make a finding  
423 regarding the existence of blight in the new area proposed to be added, following the procedures  
424 set forth in Part 6 of this chapter; and

425 (ii) for the new area added, the time limit of Subsection 17B-4-403(1)(l) may be measured  
426 from the effective date of the amendment to the project area plan; and

427 (c) if the agency made a finding of the existence of blight regarding the project area as  
428 originally adopted:

429 (i) it is not necessary to repeat the requirements of Part 6 of this chapter for the original  
430 area; and

431 (ii) regarding the area described in the project area plan as originally adopted, the time  
432 limit established by Subsection 17B-4-403(1)(l) for the agency to commence acquisition of  
433 property through the use of eminent domain shall not be affected or changed by the amendment.

434 (3) If a proposed amendment does not propose to enlarge a project area, an agency board  
435 may adopt a resolution approving an amendment to an adopted project area plan after:

436 (a) the agency gives notice, as provided in Section 17B-4-702, of the proposed amendment  
437 and of the public hearing required by Subsection (3)(b);

438 (b) the agency board holds a public hearing on the proposed amendment that meets the  
439 requirements of a plan hearing;

440 (c) the agency obtains the taxing entity committee's consent to the amendment, if the  
441 amendment proposes:

442 (i) to enlarge the area within the project area from which tax increment is collected; or

443 (ii) to permit the agency to receive a greater percentage of tax increment or to receive tax  
444 increment for a longer period of time than allowed under the adopted project area plan; and

445 (iii) for an amendment to a project area plan that was adopted before April 1, 1983, to  
446 expand the area from which tax increment is collected to exceed 100 acres of private real property;  
447 and

448 (d) the agency obtains the consent of the legislative body or governing board of each  
449 taxing entity affected, if the amendment proposes to permit the agency to receive, from less than  
450 all taxing entities, a greater percentage of tax increment or to receive tax increment for a longer  
451 period of time, or both, than allowed under the adopted project area plan.

452 (4) (a) Notwithstanding Subsection (3) an adopted project area plan may be amended  
453 without complying with the notice and public hearing requirements of Subsections (3)(a) and (b)  
454 and without obtaining taxing entity committee approval under Subsection (3)(c)(i) if the  
455 amendment:

456 (i) makes a minor adjustment in the legal description of a project area boundary requested  
457 by a county assessor or county auditor to avoid inconsistent property boundary lines; or

458 (ii) subject to Subsection (4)(b), removes a parcel of real property from a project area  
459 because the agency determines that:

460 (A) the parcel is no longer blighted; or

461 (B) inclusion of the parcel is no longer necessary or desirable to the project area; and

462 (b) An amendment removing a parcel of real property from a project area under Subsection  
463 (4)(a)(ii) may not be made without the consent of the record property owner of the parcel being  
464 removed.

465 (5) (a) An amendment approved by board resolution under this section may not take effect  
466 until adopted by ordinance of the legislative body of the community in which the project area that  
467 is the subject of the project area plan being amended is located.

468 (b) Upon a community legislative body passing an ordinance adopting an amendment to  
469 a project area plan, the agency whose project area plan was amended shall comply with the  
470 requirements of Section 17B-4-410 to the same extent as if the amendment were a project area  
471 plan.

472 Section 9. Section **17B-4-603** is amended to read:

473 **17B-4-603. Blight hearing -- Owners may review evidence of blight.**

474 (1) In each hearing required under Subsection 17B-4-601(3), the agency shall:

475 (a) permit all evidence of the existence or nonexistence of blight within the proposed  
476 redevelopment project area to be presented; and

477 (b) permit each record owner of property located within the proposed redevelopment  
478 project area or the record property owner's representative the opportunity to:

479 (i) examine and cross-examine witnesses providing evidence of the existence or  
480 nonexistence of blight; and

481 (ii) present evidence and testimony, including expert testimony, concerning the existence  
482 or nonexistence of blight.

483 (2) The [~~board~~] agency shall allow record owners of property located within a proposed  
484 redevelopment project area the opportunity, for at least 30 days before the hearing, to review the  
485 evidence of blight compiled by the agency or by the person or firm conducting the blight study for  
486 the agency, including any expert report.

487 Section 10. Section **17B-4-702** is amended to read:

488 **17B-4-702. Requirements for notice provided by agency.**

489 (1) The notice required by Section 17B-4-701 shall be given by:

490 (a) (i) publishing notice, excluding the map referred to in Subsection (2)(b), in a  
491 newspaper of general circulation within the county in which the project area or proposed project  
492 area is located, at least once a week for the four successive weeks immediately preceding the

- 493 hearing; or
- 494 (ii) if there is no newspaper of general circulation, posting notice in at least three
- 495 conspicuous places within the county in which the project area or proposed project area is located;
- 496 (b) at least 30 days before the hearing:
- 497 (i) sending notice by certified mail to:
- 498 (A) each assessment owner of property located within the project area or proposed project
- 499 area; and
- 500 (B) each assessment owner of property located outside but within 300 feet of the project
- 501 area or proposed project area;
- 502 (ii) mailing notice to:
- 503 (A) the State Tax Commission;
- 504 (B) the assessor and auditor of the county in which the project area or proposed project
- 505 area is located; and
- 506 (C) (I) each member of the taxing entity committee; or
- 507 (II) if a taxing entity committee has not yet been formed, the State Board of Education and
- 508 the legislative body or governing board of each taxing entity.
- 509 (2) The agency shall include in each notice required under Section 17B-4-701:
- 510 (a) a specific description of the boundaries of the project area or proposed project area;
- 511 (b) a map of the boundaries of the project area or proposed project area;
- 512 (c) an explanation of the purpose of the hearing;
- 513 (d) a statement of the date, time, and location of the hearing.
- 514 (3) The agency shall include in each notice under Subsection (1)(b)(ii):
- 515 (a) a statement that property tax revenues resulting from an increase in valuation of
- 516 property within the project area or proposed project area will be paid to the agency for
- 517 redevelopment, economic development, or education housing development purposes rather than
- 518 to the taxing entity to which the tax revenues would otherwise have been paid if:
- 519 (i) a majority of the taxing entity committee consents to the project area budget; and
- 520 (ii) the project area plan provides for the agency to receive tax increment; and
- 521 (b) an invitation to the recipient of the notice to submit to the agency comments
- 522 concerning the subject matter of the hearing before the date of the hearing.
- 523 (4) An agency may include in a notice under Subsection (1) any other information the

524 agency considers necessary or advisable, including the public purpose served by the project and  
525 any future tax benefits expected to result from the project.

526 Section 11. Section **17B-4-703** is amended to read:

527 **17B-4-703. Additional requirements for notices relating to redevelopment.**

528 (1) The first notice to an assessment owner of property within a proposed redevelopment  
529 project area for a public input hearing, blight hearing, or combined public input and blight hearing  
530 under Subsection 17B-4-801(1) shall include the statement required by Section 17B-4-902.

531 (2) Each notice under Section 17B-4-702 for a blight hearing shall include a statement  
532 that:

533 (a) a redevelopment project area is being proposed;

534 (b) the proposed redevelopment project area may be declared to have blight;

535 (c) the record owner of property within the proposed project area has the right to present  
536 evidence at the blight hearing contesting the existence of blight;

537 (d) the agency will notify the assessment property ~~[owner]~~ owners referred to in  
538 Subsection 17B-4-702(1)(b)(i) of each additional public hearing held by the agency concerning the  
539 redevelopment project prior to the adoption of the redevelopment project area plan; and

540 (e) persons contesting the existence of blight in the proposed redevelopment project area  
541 may appear before the agency board and show cause why the proposed redevelopment project area  
542 should not be designated as a redevelopment project area.

543 Section 12. Section **17B-4-705** is amended to read:

544 **17B-4-705. Notice required for continued hearing.**

545 The board shall give notice of a hearing continued under Section 17B-4-802 by~~[-(1)]~~  
546 announcing at the hearing:

547 (1) the date, time, and place the hearing will be resumed; or

548 (2) that it is being continued to a later time and causing a notice of the continued hearing  
549 to be:

550 (a) published once in a newspaper of general circulation within the agency boundaries at  
551 least seven days before the hearing is scheduled to resume; or

552 (b) if there is no newspaper of general circulation, posted in at least three conspicuous  
553 places within the boundaries of the agency in which the project area or proposed project area is  
554 located.

555 Section 13. Section **17B-4-802** is amended to read:

556 **17B-4-802. Continuing a hearing.**

557 [~~By announcing at the hearing that it is being continued to a later date~~] Pursuant to the  
558 provisions of Section 17B-4-705, the board may continue from time to time a:

559 (1) blight hearing;

560 (2) public input hearing;

561 (3) combined blight hearing and plan hearing under Subsection 17B-4-801(1);

562 (4) plan hearing;

563 (5) budget hearing; or

564 (6) combined plan hearing and budget hearing under Subsection 17B-4-801(2).

565 Section 14. Section **17B-4-1001** is amended to read:

566 **17B-4-1001. Agency receipt and use of tax increment -- Distribution of tax**  
567 **increment.**

568 (1) An agency may receive and use tax increment, as provided in this part.

569 (2) (a) The applicable length of time or number of years for which an agency is to be paid  
570 tax increment under this part shall be measured:

571 (i) for a pre-July 1, 1993 project area plan, from the first tax year regarding which the  
572 agency accepts tax increment from the project area[-]; or

573 (ii) for a post-June 30, 1993 project area plan, from the first tax year the agency is to  
574 receive tax increment as shown in the project area budget.

575 (b) Tax increment may not be paid to an agency for a tax year prior to the tax year  
576 following the effective date of the project area plan.

577 (3) With the written consent of a taxing entity, an agency may be paid tax increment, from  
578 that taxing entity's tax revenues only, in a higher percentage or for a longer period of time, or both,  
579 than otherwise authorized under this chapter.

580 (4) Each county that collects property tax on property within a project area shall pay and  
581 distribute to the agency the tax increment that the agency is entitled to collect under this chapter,  
582 in the manner and at the time provided in Section 59-2-1365.

583 Section 15. Section **17B-4-1002** is amended to read:

584 **17B-4-1002. Taxing entity committee.**

585 (1) Each agency that adopts or proposes to adopt a post-June 30, 1993 project area plan

586 shall, and any other agency may, cause a taxing entity committee to be created.

587 (2) (a) (i) Each taxing entity committee shall be composed of:

588 (A) two school district representatives appointed as provided in Subsection (2)(a)(ii);

589 (B) two representatives appointed by resolution of the legislative body of the county in  
590 which the agency is located;

591 (C) if the agency was created by a city or town, two representatives appointed by resolution  
592 of the legislative body of that city or town;

593 (D) one representative appointed by the State Board of Education; and

594 (E) one representative selected by majority vote of the legislative bodies or governing  
595 boards of all other taxing entities that levy a tax on property within the agency's boundaries, to  
596 represent the interests of those taxing entities on the taxing entity committee.

597 (ii) (A) If the agency boundaries include only one school district, that school district shall  
598 appoint the two school district representatives under Subsection (2)(a)(i)(A).

599 (B) If the agency boundaries include more than one school district, those school districts  
600 shall jointly appoint the two school district representatives under Subsection (2)(a)(i)(A).

601 (b) (i) Each taxing entity committee representative under Subsection (2) shall be appointed  
602 within 30 days after the agency provides notice of the creation of the taxing entity committee.

603 (ii) If a representative is not appointed within the time required under Subsection (2)(b)(i),  
604 the agency board may appoint a person to serve on the taxing entity committee in the place of the  
605 missing representative until that representative is appointed.

606 (c) (i) A taxing entity committee representative may be appointed for a set term or period  
607 of time, as determined by the appointing authority under Subsection (2)(a)(i).

608 (ii) Each taxing entity committee representative shall serve until a successor is appointed  
609 and qualified.

610 (d) (i) Upon the appointment of each representative under Subsection (2)(a)(i), whether  
611 an initial appointment or an appointment to replace an already serving representative, the  
612 appointing authority shall:

613 (A) notify the agency in writing of the name and address of the newly appointed  
614 representative; and

615 (B) provide the agency a copy of the resolution making the appointment or, if the  
616 appointment is not made by resolution, other evidence of the appointment.

617 (ii) Each appointing authority of a taxing entity committee representative under Subsection  
618 (2)(a)(i) shall notify the agency in writing of any change of address of a representative appointed  
619 by that appointing authority.

620 (3) A taxing entity committee represents all taxing entities regarding a project area and  
621 may:

622 (a) cast votes that will be binding on all taxing entities;

623 (b) negotiate with the agency concerning a draft project area plan;

624 (c) approve or disapprove a project area budget as provided in Section 17B-4-505;

625 (d) approve or disapprove amendments to a project area budget as provided in Section  
626 17B-4-507;

627 (e) approve exceptions to the limits on the value and size of a project area imposed under  
628 this chapter;

629 (f) approve exceptions to the percentage of tax increment and the period of time that tax  
630 increment is paid to the agency as provided in this part;

631 (g) approve the use of tax increment for access and utilities outside of a project area that  
632 the agency and community legislative body determine to be of benefit to the project area, as  
633 provided in Subsection 17B-4-1007(1)(a)(ii)(D);

634 (h) waive the restrictions imposed by Subsection 17B-4-503(2)(a); and

635 (i) give other taxing entity committee approval or consent required or allowed under this  
636 chapter.

637 (4) A quorum of a taxing entity committee consists of:

638 (a) except as provided in Subsection (4)(b):

639 (i) if the project area is located within a city or town, five members; or

640 (ii) if the project area is not located within a city or town, four members; or

641 (b) for an education housing development project area as to which the school district has  
642 elected under Subsection 17B-4-1004(5) not to allow the agency to be paid tax increment from  
643 school district tax revenues:

644 (i) if the project area is located within a city or town, three members; or

645 (ii) if the project area is not located within a city or town, two members.

646 (5) Taxing entity committee approval, consent, or other action requires the affirmative vote  
647 of a majority of a quorum present at a taxing entity committee meeting.

648 (6) Each taxing entity committee shall be governed by Title 52, Chapter 4, Open and  
649 Public Meetings.

650 (7) Each time a school district representative or a representative of the State Board of  
651 Education votes as a member of a taxing entity committee to allow an agency to be paid tax  
652 increment or to increase the amount or length of time that an agency may be paid tax increment,  
653 that representative shall, within 45 days after the vote, provide to the representative's respective  
654 school board an explanation in writing of the representative's vote and the reasons for the vote.

655 (8) (a) The assessor of each county in which the agency is located shall provide a written  
656 report to the taxing entity committee stating, with respect to property within each project area:

- 657 (i) the base taxable value, as adjusted by any adjustments under Section 17B-4-1006; and
- 658 (ii) the assessed value.

659 (b) With respect to the information required under Subsection (8)(a), the [agency] assessor  
660 shall provide:

661 (i) actual amounts for each year from the adoption of the project area plan to the time of  
662 the report; and

663 (ii) estimated amounts for each year beginning the year after the time of the report and  
664 ending the time that the agency expects no longer to be paid tax increment from property within  
665 the project area.

666 (c) The assessor of the county in which the agency is located shall provide a report under  
667 this Subsection (8):

- 668 (i) at least annually; and
- 669 (ii) upon request of the taxing entity committee, before a taxing entity committee meeting  
670 at which the committee will consider whether to allow the agency to be paid tax increment or to  
671 increase the amount or length of time that the agency may be paid tax increment.

672 Section 16. Section **17B-4-1004** is amended to read:

673 **17B-4-1004. Tax increment under a post-June 30, 1993 project area plan.**

674 (1) This section applies to tax increment under a post-June 30, 1993 project area plan only.

675 (2) An agency board may provide in the project area budget for the agency to be paid:

676 (a) if 20% of the project area budget is allocated for housing under Section 17B-4-504:

- 677 (i) 100% of annual tax increment for 15 years;
- 678 (ii) 75% of annual tax increment for 24 years; or

679 (iii) if approved by the taxing entity committee, any percentage of tax increment up to  
680 100%, or any specified dollar amount, for any period of time; or

681 (b) if 20% of the project area budget is not allocated for housing under Section 17B-4-504:

682 (i) 100% of annual tax increment for 12 years;

683 (ii) 75% of annual tax increment for 20 years; or

684 (iii) if approved by the taxing entity committee, any percentage of tax increment up to  
685 100%, or any specified dollar amount, for any period of time.

686 (3) (a) An agency may, without the approval of the taxing entity committee, elect to be  
687 paid 100% of annual tax increment for each year beyond the periods specified in Subsection (2)  
688 to a maximum of 25 years, including the years the agency is paid tax increment under Subsection  
689 (2), if:

690 (i) for an agency in a city in which is located all or a portion of an interchange on I-15 or  
691 that would directly benefit from an interchange on I-15:

692 (A) the tax increment paid to the agency during the additional years is used to pay some  
693 or all of the cost of the installation, construction, or reconstruction of:

694 (I) an interchange on I-15, whether or not the interchange is located within a project area;

695 or

696 (II) frontage and other roads connecting to the interchange, as determined by the  
697 Department of Transportation created under Section 72-1-201 and the Transportation Commission  
698 created under Section 72-1-301, whether or not the frontage or other road is located within a  
699 project area; and

700 (B) the installation, construction, or reconstruction of the interchange or frontage and other  
701 roads has begun on or before June 30, 2002;

702 (ii) for an agency in a city of the first or second class:

703 (A) the tax increment paid to the agency during the additional years is used to pay some  
704 or all of the cost of the land for and installation and construction of a recreational facility, as  
705 defined in [~~Subsection 59-19-702(3)~~] Section 59-12-702, or a cultural facility, including parking  
706 and infrastructure improvements related to the recreational or cultural facility, whether or not the  
707 facility is located within a project area; and

708 (B) the installation or construction of the recreational or cultural facility has begun on or  
709 before June 30, 2002.

710 (b) Notwithstanding any other provision of this section, an agency may use tax increment  
711 received under Subsection (2) for any of the uses indicated in this Subsection (3).

712 [~~(b)~~] (c) Notwithstanding Subsection (3)(a), a school district may not, without its consent,  
713 receive less tax increment because of application of Subsection (3)(a) than it would have received  
714 without that subsection.

715 (4) Unless the taxing entity committee consents, an agency may not be paid tax increment  
716 from the project area for more than 25 years [~~after adoption of the project area plan~~].

717 (5) (a) A school district that levies a tax on property located within a project area under  
718 an education housing development project area plan may elect not to allow the agency to be paid  
719 tax increment from the property tax revenues generated by the school district.

720 (b) An election under Subsection (5)(a) shall be made in writing to the agency before the  
721 taxing entity committee's approval of the project area budget.

722 (c) If a school district makes an election under this Subsection (5):

723 (i) the agency may not be paid tax increment from property tax revenues generated by the  
724 school district; and

725 (ii) the school district representatives and the State Board of Education representative on  
726 the taxing entity committee may not vote on any matter concerning the education housing  
727 development project area or project area budget.

728 Section 17. Section **17B-4-1007** is amended to read:

729 **17B-4-1007. Allowable uses of tax increment.**

730 (1) (a) An agency may use tax increment:

731 (i) for any of the purposes for which the use of tax increment is authorized under this  
732 chapter;

733 (ii) to pay for, including financing or refinancing, all or part of:

734 (A) the redevelopment, economic development, or education housing development in the  
735 project area from which the tax increment funds were collected;

736 (B) housing expenditures, projects, or programs as provided in Section 17B-4-1009 or  
737 17B-4-1010;

738 (C) with the consent of the community legislative body and subject to Subsection [~~(3)~~] (4),  
739 the value of the land for and the cost of the installation and construction of any publicly owned  
740 building, facility, structure, landscaping, or other improvement within the project area from which

741 the tax increment funds were collected; and

742 (D) with the consent of the community legislative body and the taxing entity committee,  
743 the cost of the installation of publicly owned utilities and access outside the project area from  
744 which the tax increment funds were collected if the agency board and the community legislative  
745 body determine by resolution that the utilities and access are of benefit to the project area; or

746 (iii) for administrative, overhead, legal, and other operating expenses of the agency.

747 (b) The determination of the agency board and the community legislative body under  
748 Subsection (1)(a)(ii)(D) regarding benefit to the project area shall be final and conclusive.

749 (2) (a) An agency may contract with the community that created the agency or another  
750 public entity to use tax increment to reimburse the cost of items authorized by this chapter to be  
751 paid by the agency that have been or will be paid by the community or other public entity.

752 (b) If land has been or will be acquired or the cost of an improvement has been or will be  
753 paid by another public entity and the land or improvement has been or will be leased to the  
754 community, an agency may contract with and make reimbursement from tax increment funds to  
755 the community.

756 (3) An agency created by a city of the first or second class may use tax increment from one  
757 project area in another project area to pay all or part of the value of the land for and the cost of  
758 installation and construction of a publicly or privately owned convention center or sports complex  
759 or any building, facility, structure, or other improvement related to the convention center or sports  
760 complex, including parking and infrastructure improvements, if:

761 (a) construction on the convention center or sports complex or related building, facility,  
762 structure, or other improvement begins on or before June 30, 2002; and

763 (b) the tax increment is pledged to pay all or part of the value of the land for and the cost  
764 of the installation and construction of the convention center or sports complex or related building,  
765 facility, structure, or other improvement.

766 (4) Notwithstanding any other provision of this chapter, an agency may not use tax  
767 increment to construct municipal buildings, courts or other judicial buildings, or fire stations.

768 Section 18. Section **17B-4-1010** is amended to read:

769 **17B-4-1010. Income targeted housing -- Agency may use tax increment for income**  
770 **targeted housing.**

771 (1) As used in this section:

772 (a) "Annual income" has the meaning as defined under regulations of the U.S. Department  
773 of Housing and Urban Development, 24 CFR, Part 813, as amended or as superseded by  
774 replacement regulations.

775 (b) "Fair share ratio" means the ratio derived by:

776 (i) for a city or town, comparing the percentage of all housing units within the city or town  
777 that are publicly subsidized income targeted housing units to the percentage of all housing units  
778 within the whole county that are publicly subsidized income targeted housing units; or

779 (ii) for the unincorporated part of a county, comparing the percentage of all housing units  
780 within the unincorporated county that are publicly subsidized income targeted housing units to the  
781 percentage of all housing units within the whole county that are publicly subsidized income  
782 targeted housing units.

783 (c) "Family" has the meaning as defined under regulations of the U.S. Department of  
784 Housing and Urban Development, 24 CFR, Part 813, as amended or as superseded by replacement  
785 regulations.

786 (d) "Housing funds" means the funds allocated in the project area budget under Section  
787 17B-4-504 for the purposes provided in Subsection (2).

788 (e) "Income targeted housing" means housing to be owned or occupied by a family whose  
789 annual income is at or below 80% of the median annual income for the county in which the  
790 housing is located.

791 (f) "Unincorporated" means not within a city or town.

792 (2) (a) Each agency shall use all funds allocated for housing under this section to:

793 (i) pay part or all of the cost of land or construction of income targeted housing within the  
794 community that created the agency, if practicable in a mixed income development or area;

795 (ii) pay part or all of the cost of rehabilitation of income targeted housing within the  
796 community that created the agency;

797 (iii) pay part or all of the cost of land or installation, construction, or rehabilitation of any  
798 building, facility, structure, or other housing improvement, including infrastructure improvements,  
799 related to housing located in a project area where blight has been found to exist;

800 (iv) replace housing units lost as a result of the redevelopment, economic development,  
801 or education housing development;

802 (v) make payments on or establish a reserve fund for bonds:

803 (A) issued by the agency, the community, or the housing authority that provides income  
804 targeted housing within the community; and

805 (B) all or part of the proceeds of which are used within the community for the purposes  
806 stated in Subsection (2)(a)(i), (ii), (iii), or (iv); or

807 (vi) if the community's fair share ratio at the time of the first adoption of the project area  
808 budget is at least 1.1 to 1.0, make payments on bonds:

809 (A) that were previously issued by the agency, the community, or the housing authority  
810 that provides income targeted housing within the community; and

811 (B) all or part of the proceeds of which were used within the community for the purposes  
812 stated in Subsection (2)(a)(i), (ii), (iii), or (iv).

813 (b) As an alternative to the requirements of Subsection (2)(a), an agency may pay all or  
814 any portion of housing funds to:

815 (i) the community for use as provided under Subsection (2)(a);

816 (ii) the housing authority that provides income targeted housing within the community for  
817 use in providing income targeted housing within the community; or

818 (iii) the Olene Walker Housing Trust Fund, established under Title 9, Chapter 4, Part 7,  
819 Olene Walker Housing Trust Fund, for use in providing income targeted housing within the  
820 community.

821 (3) The agency or community shall separately account for the housing funds, together with  
822 all interest earned by the housing funds and all payments or repayments for loans, advances, or  
823 grants from the housing funds.

824 (4) In using housing funds under Subsection (2)(a), an agency may lend, grant, or  
825 contribute housing funds to a person, public body, housing authority, private entity or business,  
826 or nonprofit organization for use as provided in Subsection (2)(a).

827 (5) An agency may:

828 (a) issue bonds from time to time to finance a housing undertaking under this section,  
829 including the payment of principal and interest upon advances for surveys and plans or preliminary  
830 loans; and

831 (b) issue refunding bonds for the payment or retirement of bonds under Subsection (5)(a)  
832 previously issued by the agency.

833 (6) (a) If an agency fails to provide housing funds in accordance with the project area

834 budget and, if applicable, the housing plan adopted under Subsection 17B-4-505(2), the trust fund  
835 board may bring legal action to compel the agency to provide the housing funds.

836 (b) In an action under Subsection (6)(a), the court:

837 (i) shall award the trust fund board a reasonable attorney's fee, unless the court finds that  
838 the action was frivolous; and

839 (ii) may not award the agency its attorney's fees, unless the court finds that the action was  
840 frivolous.

---

---

**Legislative Review Note**  
**as of 11-14-01 5:35 PM**

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

**Office of Legislative Research and General Counsel**

**Committee Note**

The Political Subdivisions Interim Committee recommended this bill.