

**Senator Curtis S. Bramble** proposes the following substitute bill:

**REDEVELOPMENT AGENCY AMENDMENTS**

2005 GENERAL SESSION

STATE OF UTAH

**Sponsor: Curtis S. Bramble**

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**LONG TITLE**

**General Description:**

This bill modifies provisions of the Redevelopment Agencies Act.

**Highlighted Provisions:**

This bill:

- ▶ prohibits a redevelopment agency from adopting a project area plan for certain redevelopment project from July 1, 2005 through June 30, 2006 unless a blight study has been commissioned and completed by certain dates;
- ▶ eliminates a requirement for approval from affected taxing entities and the taxing entity committee for project area plan amendments that provide for tax increment to be paid for a longer period of time than allowed under the adopted project area plan;
- ▶ requires an agency's finding of blight to be approved by the taxing entity committee;
- ▶ shifts the authority to appoint one of the two taxing entity committee representatives in counties of the first class from the county executive to the county legislative body;
- ▶ prohibits a redevelopment agency from using eminent domain to acquire property, except when acquiring property from an agency board member or officer;
- ▶ modifies a date by which construction of a recreational or cultural facility must begin in order for an agency to be paid additional tax increment for the facility;
- ▶ eliminates provisions authorizing additional tax increment to be paid to an agency



26 to pay for a convention center or sports complex, cable television and public  
27 telecommunications service, an I-15 interchange, and the relocation of an agriculture related  
28 business;

29       ▶ prohibits an amendment to a project area plan that increases the size of the project  
30 area;

31       ▶ prohibits an amendment to a project area budget that lengthens the time that tax  
32 increment is to be paid to an agency;

33       ▶ prohibits tax increment under a post-June 30, 1993 project area plan from being  
34 paid to an agency for more than 25 years, eliminating taxing entity committee  
35 consent as a basis for allowing an agency to be paid tax increment for more than 25  
36 years;

37       ▶ modifies a provision regarding limitations on the applicability of provisions in the  
38 Redevelopment Agencies Act;

39       ▶ eliminates a provision that defines incidental or subordinate development of retail  
40 sales to include the development of retail sales of goods from a convention center or  
41 sports complex facilities;

42       ▶ prohibits agencies from receiving or using tax increment during a certain period if  
43 the tax increment is attributable to property devoted to the development of retail  
44 sales of goods in an economic development or education housing development  
45 project area;

46       ▶ eliminates a provision that allows a city of the first or second class to use tax  
47 increment from one project area in another project area to pay for a convention  
48 center or sports complex; and

49       ▶ prohibits an agency from using tax increment to pay for a stadium or arena.

50 **Monies Appropriated in this Bill:**

51       None

52 **Other Special Clauses:**

53       This bill provides an immediate effective date.

54       This bill provides revisor instructions.

55 **Utah Code Sections Affected:**

56 AMENDS:

- 57            **17B-4-102**, as last amended by Chapter 256, Laws of Utah 2003
- 58            **17B-4-105**, as enacted by Chapter 133, Laws of Utah 2001
- 59            **17B-4-202**, as enacted by Chapter 133, Laws of Utah 2001
- 60            **17B-4-206**, as enacted by Chapter 133, Laws of Utah 2001
- 61            **17B-4-402**, as last amended by Chapter 205, Laws of Utah 2002
- 62            **17B-4-403**, as last amended by Chapter 256, Laws of Utah 2003
- 63            **17B-4-407**, as last amended by Chapter 205, Laws of Utah 2002
- 64            **17B-4-411**, as last amended by Chapter 205, Laws of Utah 2002
- 65            **17B-4-507**, as enacted by Chapter 133, Laws of Utah 2001
- 66            **17B-4-601**, as enacted by Chapter 133, Laws of Utah 2001
- 67            **17B-4-602**, as last amended by Chapter 256, Laws of Utah 2003
- 68            **17B-4-603**, as last amended by Chapter 205, Laws of Utah 2002
- 69            **17B-4-604**, as last amended by Chapter 256, Laws of Utah 2003
- 70            **17B-4-605**, as enacted by Chapter 133, Laws of Utah 2001
- 71            **17B-4-1002**, as last amended by Chapter 205, Laws of Utah 2002
- 72            **17B-4-1003**, as last amended by Chapter 191, Laws of Utah 2003
- 73            **17B-4-1004**, as last amended by Chapter 205, Laws of Utah 2002
- 74            **17B-4-1005**, as enacted by Chapter 133, Laws of Utah 2001
- 75            **17B-4-1007**, as last amended by Chapter 205, Laws of Utah 2002
- 76            **17B-4-1101**, as enacted by Chapter 133, Laws of Utah 2001

77 REPEALS:

- 78            **17B-4-1102**, as last amended by Chapter 223, Laws of Utah 2004
- 79            **17B-4-1103**, as enacted by Chapter 133, Laws of Utah 2001



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

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

83            **17B-4-102. Definitions.**

84            (1) "Agency" means a separate body corporate and politic, created under Section

85 17B-4-201 or previous law, that is a political subdivision of the state, that is created to

86 undertake or promote redevelopment, economic development, or education housing

87 development, or any combination of them, as provided in this chapter, and whose geographic

88 boundaries are coterminous with:

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

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

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

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

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

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

99 or

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

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

102 (ii) if no taxing entity committee approval is required for the project area budget, the  
103 later of:

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

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

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

108 (6) "Blight hearing" means a public hearing under Subsection 17B-4-601~~(3)~~(1)(c) and  
109 Section 17B-4-603 regarding the existence or nonexistence of blight within the proposed  
110 redevelopment project area.

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

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

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

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

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

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

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

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

125 (13) "Loan fund board" means the Olene Walker Housing Loan Fund Board,  
126 established under Title 9, Chapter 4, Part 7, Olene Walker Housing Loan Fund.

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

129 (15) "Post-June 30, 1993 project area plan" means a redevelopment, economic  
130 development, or education housing development project area plan adopted on or after July 1,  
131 1993, whether or not amended subsequent to its adoption.

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

134 (17) "Private," with respect to real property, means:

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

137 (b) not dedicated to public use.

138 (18) "Project area" means the geographic area described in a project area plan or draft  
139 project area plan where the redevelopment, economic development, or education housing  
140 development set forth in the project area plan or draft project area plan takes place or is  
141 proposed to take place.

142 (19) "Project area budget" means a multiyear projection of annual or cumulative  
143 revenues and expenses and other fiscal matters pertaining to a redevelopment, economic  
144 development, or education housing development project area that includes:

145 (a) the base taxable value of property in the project area;

146 (b) the projected tax increment expected to be generated within the project area;

147 (c) the amount of tax increment expected to be shared with other taxing entities;

148 (d) the amount of tax increment expected to be used to implement the project area plan,  
149 including the estimated amount of tax increment to be used for land acquisition, public

150 improvements, infrastructure improvements, and loans, grants, or other incentives to private  
151 and public entities;

152 (e) the tax increment expected to be used to cover the cost of administering the project  
153 area plan;

154 (f) if the area from which tax increment is to be collected is less than the entire project  
155 area, a legal description of the portion of the project area from which tax increment will be  
156 collected; and

157 (g) for property that the agency owns and expects to sell, the expected total cost of the  
158 property to the agency and the expected selling price.

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

162 (21) "Property tax" includes privilege tax and each levy on an ad valorem basis on  
163 tangible or intangible personal or real property.

164 (22) "Public entity" means:

165 (a) the state, including any of its departments or agencies; or

166 (b) a political subdivision of the state, including a county, city, town, school district,  
167 special district, local district, or interlocal cooperation entity.

168 (23) "Public input hearing" means the public hearing required under Subsection  
169 17B-4-402(1)(h)(ii) regarding a proposed redevelopment project.

170 (24) "Record property owner" or "record owner of property" means the owner of real  
171 property as shown on the records of the recorder of the county in which the property is located  
172 and includes a purchaser under a real estate contract if the contract is recorded in the office of  
173 the recorder of the county in which the property is located or the purchaser gives written notice  
174 of the real estate contract to the agency.

175 (25) "Redevelopment" means the development activities under a project area plan  
176 within a redevelopment project area, including:

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

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

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

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

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

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

189 (26) "Superfund site":

190 (a) means an area included in the National Priorities List under the Comprehensive  
191 Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sec. 9605; and

192 (b) includes an area formerly included in the National Priorities List, as described in  
193 Subsection (26)(a), but removed from the list following remediation that leaves on site the  
194 waste that caused the area to be included in the National Priorities List.

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

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

199 (29) (a) "Tax increment" means, except as provided in Subsection (29)(b), the  
200 difference between:

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

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

206 (b) "Tax increment" does not include taxes levied and collected under Section  
207 59-2-906.1 on or after January 1, 1994 upon the taxable property in the project area unless:

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

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

212 (30) "Taxing entity" means a public entity that levies a tax on property within a project  
213 area or proposed project area.

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

216 Section 2. Section **17B-4-105** is amended to read:

217 **17B-4-105. Limitations on applicability of chapter -- Amendment of previously**  
218 **adopted project area plan.**

219 (1) Nothing in this chapter may be construed to:

220 (a) impose a requirement or obligation on an agency<sub>2</sub> with respect to a project area plan  
221 adopted or an agency action taken [~~before June 1, 2001~~]<sub>2</sub> that was not imposed by the law in  
222 effect at the time the project area plan was adopted or the action taken;

223 (b) prohibit an agency from taking an action [~~on or after June 1, 2001~~] that:

224 (i) was allowed by the law in effect immediately before [~~June 1, 2001~~] an applicable  
225 amendment to this chapter;

226 (ii) is permitted or required under the project area plan adopted before [~~June 1, 2001~~]  
227 the amendment; and

228 (iii) is not explicitly prohibited under this chapter;

229 (c) revive any right to challenge any action of the agency that had already expired; or

230 (d) require a project area plan [~~adopted before June 1, 2001~~] to contain a provision that  
231 was not required by the law in effect at the time the project area plan was adopted.

232 (2) (a) A project area plan adopted before [~~June 1, 2001~~] an amendment to this chapter  
233 becomes effective may be amended as provided in this chapter.

234 (b) Unless explicitly prohibited by this chapter, an amendment under Subsection (2)(a)  
235 may include a provision that is allowed under this chapter but that was not required or allowed  
236 by the law in effect before [~~June 1, 2001~~] the applicable amendment.

237 Section 3. Section **17B-4-202** is amended to read:

238 **17B-4-202. Agency powers.**

239 (1) An agency may:

240 (a) sue and be sued;

241 (b) enter into contracts generally;

242 (c) buy, obtain an option upon, or otherwise acquire any interest in real or personal

243 property[, including acquiring property by eminent domain as provided in this chapter];

244 (d) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real or  
245 personal property;

246 (e) enter into a lease agreement on real or personal property, either as lessee or lessor;

247 (f) provide for redevelopment, economic development, and education housing  
248 development as provided in this chapter;

249 (g) receive tax increment as provided in this chapter;

250 (h) encourage the continued use of existing buildings in the project area;

251 (i) if disposing of or leasing land, retain controls or establish restrictions and covenants  
252 running with the land consistent with the project area plan;

253 (j) accept financial or other assistance from any public or private source for the  
254 agency's activities, powers, and duties, and expend any funds so received for any of the  
255 purposes of this chapter;

256 (k) borrow money or accept financial or other assistance from the federal government,  
257 a public entity, or any other source for any of the purposes of this chapter and comply with any  
258 conditions of such loan or assistance; and

259 (l) issue bonds to finance the undertaking of any redevelopment, economic  
260 development, or education housing development or for any of the agency's other purposes,  
261 including:

262 (i) reimbursing an advance made by the agency or by a public entity or the federal  
263 government to the agency;

264 (ii) refunding bonds to pay or retire bonds previously issued by the agency; and

265 (iii) refunding bonds to pay or retire bonds previously issued by the community that  
266 created the agency for expenses associated with a redevelopment, economic development, or  
267 education housing development project; and

268 (m) transact other business and exercise all other powers provided for in this chapter.

269 (2) The establishment of controls or restrictions and covenants under Subsection (1)(i)  
270 is a public purpose.

271 Section 4. Section **17B-4-206** is amended to read:

272 **17B-4-206. Acquisition of property of an agency board member or officer -- Use**  
273 **of eminent domain.**

274 (1) An agency may not acquire property or an interest in property from an agency board  
275 member or officer unless:

- 276 (a) the board member or officer consents; and
- 277 (b) the agency uses eminent domain.

278 (2) ~~[(a) In addition to the power of eminent domain that an agency may exercise under~~  
279 ~~Part 11, Eminent Domain in Redevelopment Project Area, an] An~~ agency may use eminent  
280 domain to acquire any interest in property that is owned by an agency board member or officer  
281 and located within a redevelopment, economic development, or education housing  
282 development project area.

283 ~~[(b) The requirement under Subsection 17B-4-1101(1)(a) of a finding of blight does~~  
284 ~~not apply to an agency's acquisition through eminent domain of property or an interest in~~  
285 ~~property owned by an agency board member or officer in a redevelopment project area.]~~

286 Section 5. Section **17B-4-402** is amended to read:

287 **17B-4-402. Process for adopting project area plan -- Prerequisites -- Restrictions.**

288 (1) In order to adopt a project area plan, after adopting a resolution under Subsection  
289 17B-4-401(1) the agency shall:

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

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

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

296 (d) provide notice of the plan hearing as provided in Sections 17B-4-702 and  
297 17B-4-704;

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

299 (i) allow public comment on:

300 (A) the draft project area plan; and

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

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

303 (f) before holding the plan hearing, provide an opportunity for the State Board of

304 Education and each taxing entity that levies a tax on property within the proposed project area

305 to consult with the agency regarding the draft project area plan;

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

307 (h) for a redevelopment project area plan:

308 (i) comply with the requirements of Part 6, Blight Determination in Redevelopment

309 Project Areas;

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

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

312 area; and

313 (B) allow public input into agency deliberations on proposing each redevelopment

314 project area;

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

316 (iv) before sending the first notice to assessment owners of property for a public input

317 hearing, blight hearing, or combined public input and blight hearing, prepare and adopt

318 guidelines setting forth and governing the reasonable opportunities of record property owners

319 and tenants to participate in the redevelopment;

320 (i) after holding the plan hearing, at the same meeting or at a subsequent meeting

321 consider:

322 (i) the oral and written objections to the draft project area plan and evidence and

323 testimony for or against adoption of the draft project area plan; and

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

325 (j) subject to Subsection (5), approve the draft project area plan, with or without

326 revisions, as the project area plan by a resolution that complies with Section 17B-4-407; and

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

328 (2) An agency may not propose a project area plan under Subsection (1) unless the

329 community in which the proposed project area is located:

330 (a) has a planning commission; and

331 (b) has adopted a general plan under:

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

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

334 (3) (a) Subject to Subsection (3)(b), an agency board may not approve a project area

335 plan more than one year after:

336 (i) for a redevelopment project area plan [~~involving the use of eminent domain~~],  
337 adoption of a resolution making a finding of blight under Subsection  
338 17B-4-601[~~(4)(b)~~](1)(d)(ii); or

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

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

344 (4) (a) Except as provided in Subsection (4)(b), a draft project area plan may not be  
345 modified to add real property to the proposed project area unless the board holds a plan hearing  
346 to consider the addition and gives notice of the plan hearing as required under Sections  
347 17B-4-702 and 17B-4-704.

348 (b) The notice and hearing requirements under Subsection (4)(a) do not apply to a draft  
349 project area plan being modified to add real property to the proposed project area if:

350 (i) the property is contiguous to the property already included in the proposed project  
351 area under the draft project area plan;

352 (ii) the record owner of the property consents to adding the real property to the  
353 proposed project area; and

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

355 (5) From July 1, 2005, through June 30, 2006, an agency may not adopt a project area  
356 plan for a redevelopment project requiring a finding of blight unless:

357 (a) before February 15, 2005, the agency has authorized a blight study; and

358 (b) the blight study authorized before February 15, 2005, is completed before July 1,  
359 2005.

360 Section 6. Section **17B-4-403** is amended to read:

361 **17B-4-403. Project area plan requirements.**

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

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

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

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

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

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

374 (f) if the agency board made a finding of blight under Subsection 17B-4-601[(4)(b):  
375 (†)](1)(d)(ii), describe how the redevelopment will reduce or eliminate blight in the project  
376 area; [and]

377 [~~(ii) if the agency is to have the power of eminent domain under the project area plan:]~~

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

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

384 [~~(C) include a plan for the relocation of any families and persons who will be  
385 temporarily or permanently displaced from housing facilities in the redevelopment project  
386 area;]~~

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

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

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

394 (j) identify how private developers, if any, will be selected to undertake the  
395 redevelopment, economic development, or education housing development and identify each  
396 private developer currently involved in the redevelopment, economic development, or  
397 education housing development process;

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

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

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

405 (i) contain a time limit of no more than 25 years for tax increment to be paid to the  
406 agency from the project area unless the taxing entity committee consents to a longer period;  
407 and

408 (ii) contain a provision that the project area may not exceed 100 acres of private real  
409 property unless:

410 (A) the agency obtains the consent of the taxing entity committee; or

411 (B) the project area is a superfund site;

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

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

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

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

418 (r) contain the report and state any recommendations of the community's planning  
419 commission;

420 (s) include an analysis, as provided in Subsection (2), of whether adoption of the  
421 project area plan is:

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

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

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

429 (u) include other information that the agency determines to be necessary or advisable.

430 (2) Each analysis under Subsection (1)(s)(ii) shall consider:

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

433 (i) an evaluation of the reasonableness of the costs of economic development or  
434 education housing development;

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

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

439 (iv) an estimate of the total amount of tax increment that will be expended in  
440 undertaking economic development or education housing development and the length of time  
441 for which it will be expended; and

442 (b) the anticipated public benefit to be derived from the economic development or  
443 education housing development, including:

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

445 (ii) the associated business and economic activity likely to be stimulated; and

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

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

449 **17B-4-407. Board resolution approving project area plan -- Requirements --**  
450 **Additional requirements for redevelopment project area plan.**

451 (1) Each board resolution approving a draft redevelopment, economic development, or  
452 education housing development project area plan as the project area plan under Subsection  
453 17B-4-402(1)(j) shall contain:

454 (a) a legal description of the boundaries of the project area that is the subject of the  
455 project area plan;

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

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

458 (d) the board findings and determinations that:

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

460 (ii) there is a public benefit under the analysis described in Subsections  
 461 17B-4-403(1)(t) and (2);  
 462 (iii) it is economically sound and feasible to adopt and carry out the project area plan;  
 463 (iv) the project area plan conforms to the community's general plan; and  
 464 (v) carrying out the project area plan will promote the public peace, health, safety, and  
 465 welfare of the community in which the project area is located.

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

468 (i) within the project area or in other areas not generally less desirable in regard to  
 469 public utilities and public and commercial facilities;  
 470 (ii) at rents or prices within the financial means of the families and persons displaced  
 471 from the project area; and  
 472 (iii) decent, safe, and sanitary and equal in number and available to displaced families  
 473 and persons and reasonably accessible to their places of employment.

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

476 (i) state that the board previously made a finding of blight within the project area and  
 477 the date of the board's finding of blight; and

478 (ii) contain the board's findings and determinations that ~~[(A) if the use of eminent~~  
 479 ~~domain is provided for in the redevelopment project area plan: (I) the use of eminent domain is~~  
 480 ~~or may be necessary to the execution of the redevelopment project area plan; and (II) adequate~~  
 481 ~~provisions have been made for just compensation for property acquired by eminent domain;~~  
 482 ~~and (B)],~~ if the project area plan may result in the temporary or permanent displacement of any  
 483 residential occupants in the project area:

484 ~~[(A)]~~ (A) the agency has a feasible method or plan for the relocation of families and  
 485 persons displaced from the project area;

486 ~~[(B)]~~ (B) comparable dwellings exist or will be provided to the families and persons  
 487 displaced by the project area plan; and

488 ~~[(C)]~~ (C) the board is satisfied that permanent housing facilities will be available  
 489 within three years from the time occupants of the project area are displaced and, pending the  
 490 development of these housing facilities, there will be available to the displaced occupants

491 adequate temporary housing facilities at rents comparable to those in the community at the time  
492 of their displacement.

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

494 **17B-4-411. Amending the project area plan.**

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

496 ~~[(2) If an agency proposes to amend an adopted project area plan to enlarge a project  
497 area:]~~

498 ~~[(a) subject to Subsection (2)(e), the requirements under this part that apply to adopting  
499 a project area plan apply equally to the proposed amendment as if it were a project area plan;]~~

500 ~~[(b) for a pre-July 1, 1993 project area plan, the base year taxable value for the new  
501 area added to the project area shall be determined under Subsection 17B-4-102(4)(a) using the  
502 effective date of the amended project area plan;]~~

503 ~~[(c) for a post-June 30, 1993 project area plan, the base year taxable value for the new  
504 area added to the project area shall be determined under Subsection 17B-4-102(4)(b) using the  
505 date of the taxing entity committee's consent referred to in Subsection (2)(f);]~~

506 ~~[(d) if the amended plan is to authorize the use of eminent domain within a new area to  
507 be added to the project area:]~~

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

511 ~~[(ii) for the new area added, the time limit of Subsection 17B-4-403(1)(l) may be  
512 measured from the effective date of the amendment to the project area plan;]~~

513 ~~[(e) if the agency made a finding of the existence of blight regarding the project area as  
514 originally adopted:]~~

515 ~~[(i) it is not necessary to repeat the requirements of Part 6 of this chapter for the  
516 original area; and]~~

517 ~~[(ii) regarding the area described in the project area plan as originally adopted, the time  
518 limit established by Subsection 17B-4-403(1)(l) for the agency to commence acquisition of  
519 property through the use of eminent domain shall not be affected or changed by the  
520 amendment; and]~~

521 ~~[(f) for a post-June 30, 1993 project area plan, the agency shall obtain the consent of~~

522 the taxing entity committee before the agency may collect tax increment from the area added to  
523 the project area.]

524 (2) A project area plan may not be amended after the effective date of this Subsection  
525 (2) to enlarge or add to a project area.

526 (3) [~~If a proposed amendment does not propose to enlarge a project area, an~~] An  
527 agency board may adopt a resolution approving an amendment to an adopted project area plan  
528 after:

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

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

533 (c) the agency obtains the taxing entity committee's consent to the amendment, if the  
534 amendment proposes [~~(i) to enlarge the area within the project area from which tax increment~~  
535 ~~is collected; or (ii)] to permit the agency to receive a greater percentage of tax increment [~~or to~~  
536 ~~receive tax increment for a longer period of time]~~ than allowed under the adopted project area  
537 plan; and~~

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

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

545 (4) (a) [~~Notwithstanding Subsections (2)(a) and (3) an~~] An adopted project area plan  
546 may be amended without complying with the notice and public hearing requirements of  
547 Subsections [~~(2)(a) and~~] (3)(a) and (b) and without obtaining taxing entity committee approval  
548 under Subsection (3)(c)[~~(i)~~] if the amendment:

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

552 (ii) subject to Subsection (4)(b), removes a parcel of real property from a project area

553 because the agency determines that:

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

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

556 (b) An amendment removing a parcel of real property from a project area under

557 Subsection (4)(a)(ii) may not be made without the consent of the record property owner of the  
558 parcel being removed.

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

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

566 Section 9. Section **17B-4-507** is amended to read:

567 **17B-4-507. Amending the project area budget.**

568 (1) ~~[An]~~ Subject to Subsection (5), an agency may by resolution amend a project area  
569 budget as provided in this section.

570 (2) To amend an adopted project area budget, the agency shall:

571 (a) advertise and hold one public hearing on the proposed amendment as provided in  
572 Subsection (3);

573 (b) obtain the approval of the taxing entity committee if the agency was required under  
574 Section 17B-4-505 to obtain the consent of the taxing entity committee for the project area  
575 budget as originally adopted; and

576 (c) adopt a resolution amending the project area budget.

577 (3) The public hearing required under Subsection (2)(a) shall be conducted according  
578 to the procedures and requirements of Sections 17B-4-501 and 17B-4-502, except that if the  
579 amended project area budget proposes that the agency be paid a greater proportion of tax  
580 increment from a project area than was to be paid under the previous project area budget, the  
581 advertisement shall state the percentage paid under the previous project area budget and the  
582 percentage proposed under the amended project area budget.

583 (4) If a proposed amendment is not adopted, the agency shall continue to operate under

584 the previously adopted project area budget without the proposed amendment.

585 (5) A project area budget may not be amended after the effective date of this  
586 Subsection (5) if the amendment provides for the agency to receive tax increment for a longer  
587 period of time than allowed under the project area budget without the amendment.

588 Section 10. Section **17B-4-601** is amended to read:

589 **17B-4-601. Additional procedure for adopting a redevelopment project area**  
590 **plan.**

591 (1) In addition to other applicable requirements for adopting a project area plan, to  
592 adopt a redevelopment project area plan the agency shall:

593 [~~(1)~~] (a) cause a blight study to be conducted within the survey area as provided in  
594 Section 17B-4-602;

595 [~~(2)~~] (b) provide notice of a blight hearing as required under Part 7, Notice  
596 Requirements;

597 [~~(3)~~] (c) hold a blight hearing as provided in Section 17B-4-603; and

598 [~~(4)~~] (d) after the blight hearing has been held, hold a board meeting, either at the same  
599 time as the blight hearing or at a subsequent board meeting, at which the board shall:

600 [~~(a)~~] (i) consider:

601 [~~(i)~~] (A) the issue of blight and the evidence and information relating to the existence  
602 or nonexistence of blight; and

603 [~~(ii)~~] (B) whether adoption of one or more redevelopment project area plans should be  
604 pursued; and

605 [~~(b)~~] (ii) by resolution make a finding regarding the existence of blight in the proposed  
606 redevelopment project area.

607 (2) The agency's finding of blight under Subsection (1) has no effect until the taxing  
608 entity committee adopts a resolution approving the finding.

609 Section 11. Section **17B-4-602** is amended to read:

610 **17B-4-602. Blight study -- Requirements -- Deadline.**

611 (1) Each blight study required under Subsection 17B-4-601(1)(a) shall:

612 (a) provide data so the board and taxing entity committee may determine:

613 (i) whether the conditions described in Subsections 17B-4-604(1)(a)(i) and (ii) exist in  
614 part or all of the survey area;

615 (ii) whether the factors listed in Subsection 17B-4-604(1)(a)(iii) are present in the  
616 survey area; and

617 (iii) whether the survey area contains a superfund site;

618 (b) include a written report setting forth:

619 (i) the conclusions reached; and

620 (ii) any other information requested by the agency to determine whether a  
621 redevelopment project area is feasible; and

622 (c) be completed within one year after the adoption of the survey area resolution.

623 (2) (a) If a blight study is not completed within one year after the adoption of the  
624 resolution under Subsection 17B-4-401(1)(a) designating a survey area, the agency may not  
625 approve a redevelopment project area plan based on that blight study unless it first adopts a  
626 new resolution under Subsection 17B-4-401(1)(a).

627 (b) A new resolution under Subsection (2)(a) shall in all respects be considered to be a  
628 resolution under Subsection 17B-4-401(1)(a) adopted for the first time, except that any actions  
629 taken toward completing a blight study under the resolution that the new resolution replaces  
630 shall be considered to have been taken under the new resolution.

631 Section 12. Section **17B-4-603** is amended to read:

632 **17B-4-603. Blight hearing -- Owners may review evidence of blight.**

633 (1) In each hearing required under Subsection 17B-4-601[~~(3)~~](1)(c), the agency shall:

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

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

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

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

642 (2) The agency shall allow record owners of property located within a proposed  
643 redevelopment project area the opportunity, for at least 30 days before the hearing, to review  
644 the evidence of blight compiled by the agency or by the person or firm conducting the blight  
645 study for the agency, including any expert report.

646 Section 13. Section **17B-4-604** is amended to read:

647 **17B-4-604. Conditions on board determination of blight -- Conditions of blight**  
648 **caused by the developer.**

649 (1) An agency board may not make a finding of blight in a resolution under  
650 [~~Subsection~~] Section 17B-4-601[~~(4)(b)~~] unless the board finds that the redevelopment project  
651 area:

652 (a) (i) contains buildings or improvements used or intended to be used for residential,  
653 commercial, industrial, or other urban purposes, or any combination of those uses;

654 (ii) contains buildings or improvements on at least 50% of the number of parcels of  
655 private real property whose acreage is at least 50% of the acreage of the private real property  
656 within the proposed redevelopment project area; and

657 (iii) is unfit or unsafe to occupy or may be conducive to ill health, transmission of  
658 disease, infant mortality, juvenile delinquency, or crime because of any three or more of the  
659 following factors:

660 (A) defective character of physical construction;

661 (B) high density of population or overcrowding;

662 (C) inadequate ventilation, light, or spacing between buildings;

663 (D) mixed character and shifting of uses, resulting in obsolescence, deterioration, or  
664 dilapidation;

665 (E) economic deterioration or continued disuse;

666 (F) lots of irregular shape or inadequate size for proper usefulness and development, or  
667 laying out of lots in disregard of the contours and other physical characteristics of the ground  
668 and surrounding conditions;

669 (G) inadequate sanitation or public facilities which may include streets, open spaces,  
670 and utilities;

671 (H) areas that are subject to being submerged by water; and

672 (I) existence of any hazardous or solid waste, defined as any substance defined,  
673 regulated, or listed as a hazardous substance, hazardous material, hazardous waste, toxic waste,  
674 pollutant, contaminant, or toxic substance, or identified as hazardous to human health or the  
675 environment under state or federal law or regulation; or

676 (b) is a superfund site.

677 (2) (a) For purposes of Subsection (1), if a developer involved in the redevelopment  
 678 project causes a condition listed in Subsection (1)(a)(iii) within the project area, the condition  
 679 caused by the developer may not be used in the determination of blight.

680 (b) Subsection (2)(a) does not apply to a condition that was caused by an owner or  
 681 tenant who becomes a developer under Section 17B-4-901.

682 Section 14. Section **17B-4-605** is amended to read:

683 **17B-4-605. Challenging a finding of blight -- Time limit -- De novo review.**

684 (1) If the board makes a finding of blight under [~~Subsection~~] Section  
 685 17B-4-601[(4)(b)] and that finding is approved by resolution adopted by the taxing entity  
 686 committee, a record owner of property located within the proposed redevelopment project area  
 687 may challenge the finding by filing an action with the district court for the county in which the  
 688 property is located.

689 (2) Each challenge under Subsection (1) shall be filed within 30 days after the [~~board's~~  
 690 ~~adoption of the resolution containing the~~] taxing entity committee approves the board's finding  
 691 of blight.

692 (3) In each action under this section:

693 (a) the district court shall review de novo the finding of blight; and

694 (b) the agency maintains the burden of proof regarding the existence of blight.

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

696 **17B-4-1002. Taxing entity committee.**

697 (1) Each agency that adopts or proposes to adopt a post-June 30, 1993 project area plan  
 698 shall, and any other agency may, cause a taxing entity committee to be created.

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

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

701 (B) (I) in [~~counties~~] a county of the second, third, fourth, fifth, or sixth class, two  
 702 representatives appointed by resolution of the legislative body of the county in which the  
 703 agency is located; or

704 (II) in [~~counties~~] a county of the first class, [~~two representatives~~] one representative  
 705 appointed by the county executive and one representative appointed by the legislative body of  
 706 the county in which the agency is located;

707 (C) if the agency was created by a city or town, two representatives appointed by

708 resolution of the legislative body of that city or town;

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

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

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

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

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

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

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

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

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

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

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

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

738 (3) A taxing entity committee represents all taxing entities regarding a project area and

739 may:

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

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

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

743 (d) approve or disapprove amendments to a project area budget as provided in Section  
744 17B-4-507;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

768 (7) Each time a school district representative or a representative of the State Board of  
769 Education votes as a member of a taxing entity committee to allow an agency to be paid tax

770 increment or to increase the amount or length of time that an agency may be paid tax  
771 increment, that representative shall, within 45 days after the vote, provide to the  
772 representative's respective school board an explanation in writing of the representative's vote  
773 and the reasons for the vote.

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

777 (i) the base taxable value, as adjusted by any adjustments under Section 17B-4-1006;

778 and

779 (ii) the assessed value.

780 (b) With respect to the information required under Subsection (8)(a), the assessor shall  
781 provide:

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

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

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

789 (i) at least annually; and

790 (ii) upon request of the taxing entity committee, before a taxing entity committee  
791 meeting at which the committee will consider whether to allow the agency to be paid tax  
792 increment or to increase the amount [~~or length of time~~] of tax increment that the agency may be  
793 paid [~~tax increment~~].

794 Section 16. Section **17B-4-1003** is amended to read:

795 **17B-4-1003. Tax increment under a pre-July 1, 1993 project area plan.**

796 (1) This section applies to tax increment under a pre-July 1, 1993 project area plan  
797 only.

798 (2) (a) Beginning with the first tax year after April 1, 1983 for which an agency accepts  
799 tax increment, an agency may be paid:

800 (i) (A) for the first through the fifth tax years, 100% of tax increment;

801 (B) for the sixth through the tenth tax years, 80% of tax increment;  
802 (C) for the eleventh through the fifteenth tax years, 75% of tax increment;  
803 (D) for the sixteenth through the twentieth tax years, 70% of tax increment; and  
804 (E) for the twenty-first through the twenty-fifth tax years, 60% of tax increment; or  
805 (ii) for an agency that has caused a taxing entity committee to be created under  
806 Subsection 17B-4-1002(1), any percentage of tax increment up to 100% and for any length of  
807 time that the taxing entity committee approves.

808 (b) Notwithstanding any other provision of this section:

809 (i) an agency may be paid 100% of tax increment from a project area for 32 years after  
810 April 1, 1983 to pay principal and interest on agency indebtedness incurred before April 1,  
811 1983, even though the size of the project area from which tax increment is paid to the agency  
812 exceeds 100 acres of privately owned property under a project area plan adopted on or before  
813 April 1, 1983; and

814 (ii) for up to 32 years after April 1, 1983, an agency debt incurred before April 1, 1983  
815 may be refinanced and paid from 100% of tax increment if the principal amount of the debt is  
816 not increased in the refinancing.

817 (3) (a) For purposes of this Subsection (3), "additional tax increment" means the  
818 difference between 100% of tax increment for a tax year and the amount of tax increment an  
819 agency is paid for that tax year under the percentages and time periods specified in Subsection  
820 (2)(a).

821 (b) Notwithstanding the tax increment percentages and time periods in Subsection  
822 (2)(a) and Subsection 17B-4-403(1)(m)(i), an agency may be paid additional tax increment for  
823 a period ending 32 years after the first tax year after April 1, 1983 for which the agency  
824 receives tax increment from the project area if:

825 ~~[(i) (A) the additional tax increment is used solely to pay all or part of the value of the~~  
826 ~~land for and the cost of the installation and construction of a publicly or privately owned~~  
827 ~~convention center or sports complex or any building, facility, structure, or other improvement~~  
828 ~~related to the convention center or sports complex, including parking and infrastructure~~  
829 ~~improvements;]~~

830 ~~[(B) construction of the convention center or sports complex or related building,~~  
831 ~~facility, structure, or other improvement is commenced on or before June 30, 2002;]~~

832 ~~[(C) the additional tax increment is pledged to pay all or part of the value of the land~~  
833 ~~for and the cost of the installation and construction of the convention center or sports complex~~  
834 ~~or related building, facility, structure, or other improvement; and]~~

835 ~~[(D) the agency board and the community legislative body have determined by~~  
836 ~~resolution that the convention center or sports complex is:]~~

837 ~~[(F) within and a benefit to a project area;]~~

838 ~~[(H) not within but still a benefit to a project area; or]~~

839 ~~[(HH) within a project area in which substantially all of the land is publicly owned and a~~  
840 ~~benefit to the community;]~~

841 ~~[(ii)(A) (i) the additional tax increment is used to pay some or all of the cost of the~~  
842 ~~land for and installation and construction of a recreational facility, as defined in Section~~  
843 ~~59-12-702, or a cultural facility, including parking and infrastructure improvements related to~~  
844 ~~the recreational or cultural facility, whether or not the facility is located within a project area;~~

845 ~~[(B) (ii) construction of the recreational or cultural facility is commenced on or before~~  
846 ~~[June 30, 2006] December 31, 2005; and~~

847 ~~[(C) (iii) the additional tax increment is pledged on or before [June 30, 2006] July 1,~~  
848 ~~2005, to pay all or part of the cost of the land for and the installation and construction of the~~  
849 ~~recreational or cultural facility, including parking and infrastructure improvements related to~~  
850 ~~the recreational or cultural facility[;].~~

851 ~~[(iii) the additional tax increment is used to pay all or part of the cost of acquiring,~~  
852 ~~constructing, extending, maintaining, or repairing lines, facilities, and equipment for providing~~  
853 ~~cable television service and public telecommunications service, as defined in Section~~  
854 ~~10-18-102, whether or not the lines, facilities, and equipment are located within a project area~~  
855 ~~and subject to Subsection (3)(d);]~~

856 ~~[(iv)(A) the additional tax increment is used solely to pay all or part of the cost of the~~  
857 ~~installation, construction, or reconstruction of the 11400 South or 12300 South interchange on~~  
858 ~~I-15 in Salt Lake County, whether or not the interchange is located within a project area;]~~

859 ~~[(B) construction on the interchange is commenced on or before June 30, 2006; and]~~

860 ~~[(C) the additional tax increment is pledged on or before June 30, 2006 to pay all or~~  
861 ~~part of the cost of the installation, construction, or reconstruction of the interchange; or]~~

862 ~~[(v)(A) the additional tax increment is used solely to pay part of the cost of relocating~~

863 an agriculture related business, except a relocation resulting from the agency's exercise of  
864 eminent domain, from a city of the first class to another location within a county of the third,  
865 fourth, fifth, or sixth class, whether or not the agriculture related business is located within or is  
866 being relocated to a project area;]

867 [~~(B) the process of relocating the agriculture related business is commenced on or~~  
868 ~~before December 31, 2002; and]~~

869 [~~(C) the additional tax increment is pledged on or before December 31, 2002 to pay~~  
870 ~~part of the cost of relocating the agriculture related business.~~]

871 (c) Notwithstanding Subsection (3)(b), a school district may not, without its consent,  
872 be paid less tax increment because of application of Subsection (3)(b) than it would have been  
873 paid without that subsection.

874 [~~(d) (i) Notwithstanding Title 10, Chapter 18, Municipal Cable Television and Public~~  
875 ~~Telecommunications Services, an agency whose tax increment is used under Subsection~~  
876 ~~(3)(b)(iii) may not provide cable television service or public telecommunications service, as~~  
877 ~~defined in Section 10-18-102.]~~

878 [~~(ii) Each agency that uses tax increment under Subsection (3)(b)(iii) shall provide the~~  
879 ~~services it provides using that tax increment in a nonpreferential and nondiscriminatory~~  
880 ~~manner.]~~

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

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

884 **17B-4-1004. Tax increment under a post-June 30, 1993 project area plan.**

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

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

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

889 (i) 100% of annual tax increment for 15 years;

890 (ii) 75% of annual tax increment for 24 years; or

891 (iii) if approved by the taxing entity committee, any percentage of tax increment up to  
892 100%, or any specified dollar amount, for any period of time; or

893 (b) if 20% of the project area budget is not allocated for housing under Section

894 17B-4-504:

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

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

897 (iii) if approved by the taxing entity committee, any percentage of tax increment up to

898 100%, or any specified dollar amount, for any period of time.

899 (3) (a) An agency may, without the approval of the taxing entity committee, elect to be

900 paid 100% of annual tax increment for each year beyond the periods specified in Subsection (2)

901 to a maximum of 25 years, including the years the agency is paid tax increment under

902 Subsection (2), if:

903 (i) for an agency in a city in which is located all or a portion of an interchange on I-15

904 or that would directly benefit from an interchange on I-15:

905 (A) the tax increment paid to the agency during the additional years is used to pay

906 some or all of the cost of the installation, construction, or reconstruction of:

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

908 area; or

909 (II) frontage and other roads connecting to the interchange, as determined by the

910 Department of Transportation created under Section 72-1-201 and the Transportation

911 Commission created under Section 72-1-301, whether or not the frontage or other road is

912 located within a project area; and

913 (B) the installation, construction, or reconstruction of the interchange or frontage and

914 other roads has begun on or before June 30, 2002;

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

916 (A) the tax increment paid to the agency during the additional years is used to pay

917 some or all of the cost of the land for and installation and construction of a recreational facility,

918 as defined in Section 59-12-702, or a cultural facility, including parking and infrastructure

919 improvements related to the recreational or cultural facility, whether or not the facility is

920 located within a project area; and

921 (B) the installation or construction of the recreational or cultural facility has begun on

922 or before June 30, 2002.

923 (b) Notwithstanding any other provision of this section, an agency may use tax

924 increment received under Subsection (2) for any of the uses indicated in this Subsection (3).

925 (c) Notwithstanding Subsection (3)(a), a school district may not, without its consent,  
 926 receive less tax increment because of application of Subsection (3)(a) than it would have  
 927 received without that subsection.

928 (4) ~~[Unless the taxing entity committee consents, an]~~ An agency may not be paid tax  
 929 increment from the project area for more than 25 years.

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

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

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

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

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

941 Section 18. Section **17B-4-1005** is amended to read:

942 **17B-4-1005. Limitations on tax increment.**

943 (1) (a) If the development of retail sales of goods is the primary objective of the project  
 944 area, tax increment may not be paid to or used by an agency unless a finding of blight is made  
 945 under Part 6, Blight Determination in Redevelopment Project Areas.

946 (b) ~~[(†)]~~ Incidental or subordinate development of retail sales of goods does not  
 947 disqualify an agency from receiving tax increment.

948 ~~[(ii) Incidental or subordinate development of retail sales of goods includes the  
 949 development of retail sales of goods resulting from the installation and construction of any  
 950 building, facility, structure, or other improvement of a publicly or privately owned convention  
 951 center or sports complex, including parking and infrastructure improvements related to the  
 952 convention center or sports complex.]~~

953 (c) From July 1, 2005 through June 30, 2006, an agency may not be paid or use tax  
 954 increment generated from the value of property within an economic development or education  
 955 housing development project area that is attributable to the development of retail sales of

956 goods, unless the tax increment was previously pledged to pay for bonds or other contractual  
957 obligations of the agency.

958 (2) (a) An agency may not be paid any portion of a taxing entity's taxes resulting from  
959 an increase in the taxing entity's tax rate that occurs after the taxing entity committee approves  
960 the project area budget unless, at the time the taxing entity committee approves the project area  
961 budget, the taxing entity committee approves payment of those increased taxes to the agency.

962 (b) If the taxing entity committee does not approve of payment of the increased taxes to  
963 the agency under Subsection (2)(a), the county shall distribute to the taxing entity the taxes  
964 attributable to the tax rate increase in the same manner as other property taxes.

965 Section 19. Section **17B-4-1007** is amended to read:

966 **17B-4-1007. Allowable uses of tax increment.**

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

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

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

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

973 (B) housing expenditures, projects, or programs as provided in Section 17B-4-1009 or  
974 17B-4-1010;

975 (C) with the consent of the community legislative body and subject to Subsection [~~(4)~~]  
976 (3), the value of the land for and the cost of the installation and construction of any publicly  
977 owned building, facility, structure, landscaping, or other improvement within the project area  
978 from which the tax increment funds were collected; and

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

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

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

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

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

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

999 ~~[(a) construction on the convention center or sports complex or related building,~~  
1000 ~~facility, structure, or other improvement begins on or before June 30, 2002; and]~~

1001 ~~[(b) the tax increment is pledged to pay all or part of the value of the land for and the~~  
1002 ~~cost of the installation and construction of the convention center or sports complex or related~~  
1003 ~~building, facility, structure, or other improvement.]~~

1004 ~~[(4)]~~ (3) Notwithstanding any other provision of this chapter, an agency may not use  
1005 tax increment to construct municipal buildings, courts or other judicial buildings, or fire  
1006 stations.

1007 (4) Notwithstanding any other provision of this chapter, an agency may not use tax  
1008 increment to pay any of the cost of the land, infrastructure, or construction of a stadium or  
1009 arena constructed after March 1, 2005, unless the tax increment has been pledged for that  
1010 purpose before February 15, 2005.

1011 Section 20. Section **17B-4-1101** is amended to read:

1012 **17B-4-1101. Use of eminent domain prohibited.**

1013 ~~[(1) Subject to the provisions of this part;]~~ Except as provided in Section 17B-4-206,  
1014 an agency may not use eminent domain to acquire property [~~within a redevelopment project~~  
1015 ~~area if:].~~

1016 ~~[(a) the agency board makes a finding of blight under Part 6, Blight Determination in~~  
1017 ~~Redevelopment Project Areas;]~~

1018 ~~[(b) the redevelopment project area plan provides for the use of eminent domain; and]~~  
1019 ~~[(c) the agency commences the acquisition of the property within five years after the~~  
1020 ~~effective date of the redevelopment project area plan.]~~

1021 ~~[(2) (a) Subject to Subsection (2)(b), an agency may through eminent domain acquire~~  
1022 ~~property within the redevelopment project area already devoted to a public use.]~~

1023 ~~[(b) Property of a public entity within a redevelopment project area may not be~~  
1024 ~~acquired without the public entity's consent.]~~

1025 ~~[(3) Each agency that acquires real or personal property by eminent domain shall~~  
1026 ~~comply with Title 57, Chapter 12, Utah Relocation Assistance Act.]~~

1027 Section 21. **Repealer.**

1028 This bill repeals:

1029 Section **17B-4-1102, Prerequisites to exercise of eminent domain -- Civil action**  
1030 **authorized -- Record of good faith negotiations to be retained.**

1031 Section **17B-4-1103, Court award for court costs, attorney's fees, relocation**  
1032 **expenses, and damage to fixtures or personal property.**

1033 Section 22. **Effective date.**

1034 If approved by two-thirds of all the members elected to each house, this bill takes effect  
1035 upon approval by the governor, or the day following the constitutional time limit of Utah  
1036 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto,  
1037 the date of veto override.

1038 Section 23. **Revisor instructions.**

1039 It is the intent of the Legislature that, in preparing the Utah Code database for  
1040 publication, the Office of Legislative Research and General Counsel shall replace language  
1041 referring to the effective date of this bill or sections or subsections within this bill with the  
1042 actual effective date.

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**Fiscal Note**  
**Bill Number SB0184s02**

**Redevelopment Agency Amendments**

*28-Feb-05*

*9:56 AM*

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**State Impact**

Passage of this bill could enhance local revenues over time. There is also the potential that the supply of redevelopment properties will decrease over time. Currently about \$74,000,000 is identified as tax increment for Redevelopment Agencies.

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**Individual and Business Impact**

No significant fiscal impact.

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**Office of the Legislative Fiscal Analyst**