

59 (b) payable in part or in whole from assessments levied in an assessment area,  
60 improvement revenues, and a guaranty fund or reserve fund.

61 (4) "Assessment fund" means a special fund that a local entity establishes under  
62 Section 11-42-412.

63 (5) "Assessment lien" means a lien on property within an assessment area that arises  
64 from the levy of an assessment, as provided in Section 11-42-501.

65 (6) "Assessment method" means the method:

66 (a) by which an assessment is levied against property, whether by frontage, area,  
67 taxable value, fair market value, lot, parcel, number of connections, equivalent residential unit,  
68 any combination of these methods, or any other method; and

69 (b) that equitably reflects the direct benefit received from the improvement.

70 (7) "Assessment ordinance" means an ordinance adopted by a local entity under  
71 Section 11-42-404 that levies an assessment on benefitted property within an assessment area.

72 (8) "Assessment resolution" means a resolution adopted by a local entity under Section  
73 11-42-404 that levies an assessment on benefitted property within an assessment area.

74 (9) "Benefitted property" means property within an assessment area that ~~H→~~ :

74a (a) ~~←H~~ directly [~~or~~

75 ~~indirectly~~] benefits from improvements ~~H→~~ [;] or ~~←H~~ operation and maintenance ~~H→~~ [;] ; ~~←H~~ or

75a ~~H→~~ (b) directly or indirectly benefits from ~~←H~~ economic promotion

76 activities.

77 (10) "Bond anticipation notes" means notes issued under Section 11-42-602 in  
78 anticipation of the issuance of assessment bonds.

79 (11) "Bonds" means assessment bonds and refunding assessment bonds.

80 (12) "Commercial area" means an area in which at least 75% of the property is devoted  
81 to the interchange of goods or commodities.

82 (13) (a) "Commercial or industrial real property" means real property used directly  
82a ~~H→~~ [f] or

83 indirectly [f] ~~←H~~ or held for one of the following purposes or activities, regardless of whether the  
84 purpose or activity is for profit:

85 (i) commercial;

86 (ii) mining;

87 (iii) industrial;

88 (iv) manufacturing;

89 (v) governmental;

338 within the proposed assessment area;

339 (c) describe, in a general way, the improvements to be provided to the assessment area,  
340 including:

341 (i) the general nature of the improvements; and

342 (ii) the general location of the improvements, by reference to streets or portions or  
343 extensions of streets or by any other means that the governing body chooses that reasonably  
344 describes the general location of the improvements;

345 (d) state the estimated cost of the improvements as determined by a project engineer;

346 (e) state that the local entity proposes to levy an assessment on benefitted property  
347 within the assessment area to pay some or all of the cost of the improvements according to the  
348 estimated ~~H→~~ :

348a **(i) for an assessment for improvements or operation and maintenance, ←H** direct [and  
348b indirect] benefits to the property ~~H→~~ [from the improvements] ←H ; ~~H→~~ or

348c **(ii) for an assessment for economic promotion activities, direct or indirect benefits to the**  
348d **property; ←H**

349 (f) state the assessment method by which the governing body proposes to levy the  
350 assessment, including, if the local entity is a municipality or county, whether the assessment  
351 will be collected:

352 (i) by directly billing a property owner; or

353 (ii) by inclusion on a property tax notice issued in accordance with Section 59-2-1317;

354 (g) state:

355 (i) the date described in Section 11-42-203 and the location at which protests against  
356 designation of the proposed assessment area or of the proposed improvements are required to  
357 be filed; and

358 (ii) the method by which the governing body will determine the number of protests  
359 required to defeat the designation of the proposed assessment area or acquisition or  
360 construction of the proposed improvements;

361 (h) state the date, time, and place of the public hearing required in Section 11-42-204;

362 (i) if the governing body elects to create and fund a reserve fund under Section  
363 11-42-702, include a description of:

364 (i) how the reserve fund will be funded and replenished; and

365 (ii) how remaining money in the reserve fund is to be disbursed upon full payment of  
366 the bonds;

367 (j) if the governing body intends to designate a voluntary assessment area, include a  
368 property owner consent form that:

431 submitted an executed consent form consenting to inclusion of the owner's property in the  
432 proposed assessment area; and

433 (b) determine whether to designate a voluntary assessment area, after considering:

434 (i) the amount of the proposed assessment to be levied on the property within the  
435 voluntary assessment area; and

436 (ii) the benefits that property within the voluntary assessment area will receive from  
437 improvements proposed to be financed by assessments on the property.

438 (3) (a) If adequate protests have been filed, the governing body may not designate an  
439 assessment area as described in the notice under Section 11-42-202.

440 (b) If inadequate protests have been filed, the governing body may designate the  
441 described assessment area.

442 (c) If contestable protests have been filed, the governing body may not designate the  
443 described assessment area unless the governing body:

444 (i) (A) circulates a petition to designate the assessment area described in the notice  
445 under Section 11-42-202; and

446 (B) clearly indicates on the petition that it is a petition to designate the assessment area;

447 (ii) collects for the petition described in Subsection (3)(c)(i)(A):

448 (A) the signatures of owners of private real property that is located within the proposed  
449 assessment area;

450 (B) enough signatures to exceed the number of contestable protest signatures ~~H~~→ **received**  
450a **by the governing body protesting the described assessment area** ←~~H~~ by no less  
451 than 5% based on the same assessment method representation that was used to calculate the  
452 number of contestable protest signatures; and

453 (C) the necessary signatures described in Subsection (3)(c)(ii)(B) no later than 60 days  
454 after the day on which the public hearing described in Subsection (1)(a) is held;

455 (iii) submits the signatures on the petition to the county clerk, municipal clerk, or  
456 municipal recorder, respectively, for certification;

457 (iv) holds a public meeting after the county clerk, municipal clerk, or municipal  
458 recorder notifies the governing body that the clerk or recorder has certified the petition in  
459 accordance with Subsection (3)(e); and

460 (v) at the public meeting casts a unanimous vote to adopt a designation resolution or  
461 ordinance designating the assessment area.

493 **objections.**

494 (1) After preparing an assessment list under Subsection 11-42-401(2)(a)(i), the  
 495 governing body shall appoint a board of equalization.

496 (2) Each board of equalization under this section shall, at the option of the governing  
 497 body, consist of:

498 (a) three or more members of the governing body;

499 (b) (i) two members of the governing body; and

500 (ii) (A) a representative of the treasurer's office of the local entity; or

501 (B) a representative of the office of the local entity's engineer or the project engineer;

502 or

503 (c) (i) (A) one member of the governing body; or

504 (B) a representative of the governing body, whether or not a member of the governing  
 505 body, appointed by the governing body;

506 (ii) a representative of the treasurer's office of the local entity; and

507 (iii) a representative of the office of the local entity's engineer or the project engineer.

508 (3) (a) The board of equalization shall hold hearings on at least three consecutive days  
 509 for at least one hour per day between 9 a.m. and 9 p.m., as specified in the notice under Section  
 510 11-42-402.

511 (b) The board of equalization may continue a hearing from time to time to a specific  
 512 place and a specific hour and day until the board's work is completed.

513 (c) At each hearing, the board of equalization shall hear arguments from any person  
 514 who claims to be aggrieved, including arguments relating to:

515 (i) the direct [~~or indirect~~] benefits ~~H→~~, **or, if the assessment is for economic promotion**  
 515a **activities, the direct or indirect benefits, ←H** accruing to a tract, block, lot, or parcel of property in  
 516 the assessment area; or

517 (ii) the amount of the proposed assessment against the tract, block, lot, or parcel.

518 (4) (a) After the hearings under Subsection (3) are completed, the board of equalization  
 519 shall:

520 (i) consider all facts and arguments presented at the hearings; and

521 (ii) make any corrections to the proposed assessment list that the board considers just  
 522 and equitable.

523 (b) A correction under Subsection (4)(a)(ii) may:

524 (i) eliminate one or more pieces of property from the assessment list; or  
 525 (ii) increase or decrease the amount of the assessment proposed to be levied against a  
 526 parcel of property.

527 (c) (i) If the board of equalization makes a correction under Subsection (4)(a)(ii) that  
 528 results in an increase of a proposed assessment, the board shall, before approving a corrected  
 529 assessment list:

530 (A) give notice as provided in Subsection (4)(c)(ii);

531 (B) hold a hearing at which the owner whose assessment is proposed to be increased  
 532 may appear and object to the proposed increase; and

533 (C) after holding a hearing, make any further corrections that the board considers just  
 534 and equitable with respect to the proposed increased assessment.

535 (ii) Each notice required under Subsection (4)(c)(i)(A) shall:

536 (A) state:

537 (I) that the property owner's assessment is proposed to be increased;

538 (II) the amount of the proposed increased assessment;

539 (III) that a hearing will be held at which the owner may appear and object to the  
 540 increase; and

541 (IV) the date, time, and place of the hearing; and

542 (B) be mailed, at least 15 days before the date of the hearing, to each owner of property  
 543 as to which the assessment is proposed to be increased at the property owner's mailing address.

544 (5) (a) After the board of equalization has held all hearings required by this section and  
 545 has made all corrections the board considers just and equitable, the board shall report to the  
 546 governing body its findings that:

547 (i) each parcel of property within the assessment area will be directly [~~or indirectly~~]  
 548 benefitted ~~Ĥ~~→ , **or, if the assessment is for economic promotion activities, directly or indirectly**  
 548a **benefitted, ←Ĥ** in an amount not less than the assessment to be levied against the property; and

549 (ii) except as provided in Subsection 11-42-409(6), no parcel of property on the  
 550 assessment list will bear more than its proportionate share of the cost of the improvements  
 551 benefitting the property.

552 (b) The board of equalization shall, within 10 days after submitting its report to the  
 553 governing body, mail a copy of the board's final report to each property owner who objected at  
 554 the board hearings to the assessment proposed to be levied against the property owner's

586 (A) by adopting an assessment resolution or an ordinance in accordance with Section  
 587 11-42-404; and

588 (B) for a period of five years, beginning on the day on which the local entity adopts the  
 589 initial assessment resolution or ordinance described in Subsection (1)(a)(i)[-]; ~~§~~ **and** ~~§~~

590 (iii) may not levy an assessment on a residential property for the economic promotion  
 591 activities ~~§~~ [ ] ~~§~~

592 ~~§~~ **(iv) may not use taxable value as the assessment method; and**

593 ~~— (v) shall use an assessment method that fairly and equitably reflects the growth in~~  
 594 ~~economic activity received by the benefitted property.]~~ ~~§~~

595 (b) A governing body may not levy an additional assessment to pay for economic  
 596 promotion activities after the five-year period described in Subsection (1)(a)(ii)(B) unless the  
 597 governing body:

598 (i) designates a new assessment area in accordance with Part 2, Designating an  
 599 Assessment Area; and

600 (ii) adopts a new assessment resolution or ordinance in accordance with Section  
 601 11-42-404.

602 (2) If a local entity designates an assessment area for economic promotion activities,  
 603 the local entity:

604 (a) shall spend on economic promotion activities at least 70% of the money generated  
 605 from an assessment levied in the assessment area and from improvement revenues;

606 (b) may not spend more than 30% of the money generated from the assessment levied  
 607 in the assessment area and from improvement revenues on administrative costs, including  
 608 salaries, benefits, rent, travel, and costs incidental to publications; and

609 (c) in accordance with Subsection (3), shall publish a detailed report including the  
 610 following:

611 (i) an account of money deposited into the assessment fund described in Section  
 612 11-42-412;

613 (ii) an account of expenditures from the fund described in Section 11-42-412; and

614 (iii) a detailed account of whether each expenditure described in Subsection (2)(c)(ii)  
 615 was made for economic promotion activities described in Subsection (2)(a) or for  
 616 administrative costs described in Subsection (2)(b).

- 617 (3) A local entity shall publish a report required in Subsection (2)(c):
- 618 (a) on:
- 619 (i) if available, the local entity's public web site; and
- 620 (ii) if the local entity is not a county or municipality, on the public web site of any
- 621 county or municipality in which the local entity has jurisdiction;
- 622 (b) (i) within one year after the day on which the local entity adopts a new assessment
- 623 resolution or ordinance for economic promotion activities; and
- 624 (ii) each subsequent year that the economic promotion activities levy is assessed by
- 625 updating the information described in Subsection (2)(c); and
- 626 (c) for six months on a web site described in Subsection (3)(a) after the day on which
- 627 the report is initially published under Subsection (3)(b) or updated under Subsection (3)(b)(ii).

628 Section 7. Section **11-42-409** is amended to read:

629 **11-42-409. Assessment requirements.**

- 630 (1) (a) Each local entity that levies an assessment under this chapter shall levy the
- 631 assessment on each block, lot, tract, or parcel of property that [~~borders, is adjacent to, or~~]
- 632 benefits from an improvement:
- 633 (i) to the extent that the improvement directly [~~or indirectly~~] benefits the property; and
- 634 (ii) to whatever depth on the parcel of property that the governing body determines,
- 635 including the full depth.

636 (b) The validity of an otherwise valid assessment is not affected by the fact that the  
637 benefit to the property from the improvement ~~H→ [f] : [f]~~

637a (i) ~~←H~~ does not increase the fair market value of the  
638 property ~~H→ [f] ; or~~

638a (ii) in the case of an assessment for economic promotion activities, only indirectly  
638b benefits the property. ~~←H~~

- 639 [~~(i) is only indirect; or~~]
- 640 [~~(ii) does not increase the fair market value of the property.~~]

641 (2) [~~The~~] Subject to Section 11-42-406, the assessment method a governing body uses  
642 to calculate an assessment may be according to frontage, area, taxable value, fair market value,  
643 lot, number of connections, equivalent residential unit, or any combination of these methods, as  
644 the governing body considers fair and equitable.

- 645 (3) In calculating assessments, a governing body may:
- 646 (a) use different methods for different improvements in an assessment area; and
- 647 (b) assess different amounts in different zones, even when using the same method, if