

1 **COMMUNITY DEVELOPMENT AND RENEWAL AGENCIES**

2 **ACT REVISIONS**

3 2016 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Wayne A. Harper**

6 House Sponsor: Stephen G. Handy

7

8 **LONG TITLE**

9 **General Description:**

10 This bill amends provisions related to community development and renewal agencies.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ defines terms;
- 14 ▶ beginning May 10, 2016:
- 15 • provides a process for a community to create a community reinvestment agency;
 - 16 • allows an agency to create a community reinvestment project area; and
 - 17 • prohibits an agency from creating an urban renewal project area, an economic
- 18 development project area, or a community development project area;
- 19 ▶ amends the required contents of an agency's annual report;
- 20 ▶ for an agency that creates a community reinvestment project area:
- 21 • authorizes an agency to fund a community reinvestment project area with tax
 - 22 increment or sales and use tax revenue that is subject to an interlocal agreement;
 - 23 • requires the agency to conduct a blight study, make a blight determination, and
 - 24 create a taxing entity committee if the agency plans to conduct certain activities
 - 25 within a community reinvestment area, including eminent domain;
 - 26 • prohibits an agency from adopting a proposed community reinvestment project
 - 27 area plan if 51% of the property owners within the proposed community



- 28 reinvestment project area object to the plan; and
- 29 • requires the agency to adopt a community reinvestment project area budget;
- 30 ▶ clarifies how a project area's incremental value is factored into the new growth
- 31 calculation; and
- 32 ▶ makes technical and conforming changes.

33 Money Appropriated in this Bill:

34 None

35 Other Special Clauses:

36 None

37 Utah Code Sections Affected:

38 AMENDS:

- 39 **10-1-203**, as last amended by Laws of Utah 2014, Chapter 189
- 40 **10-3-1303**, as last amended by Laws of Utah 2011, Chapter 40
- 41 **10-9a-508**, as last amended by Laws of Utah 2013, Chapter 309
- 42 **11-25-2**, as last amended by Laws of Utah 2006, Chapter 359
- 43 **11-25-3**, as last amended by Laws of Utah 2010, Chapter 279
- 44 **11-27-2**, as last amended by Laws of Utah 2010, Chapter 279
- 45 **11-31-2**, as last amended by Laws of Utah 2010, Chapter 378
- 46 **11-32-2**, as last amended by Laws of Utah 2008, Chapter 360
- 47 **11-34-1**, as last amended by Laws of Utah 2010, Chapter 378
- 48 **11-49-102**, as enacted by Laws of Utah 2012, Chapter 202
- 49 **11-50-102**, as enacted by Laws of Utah 2013, Chapter 367
- 50 **11-52-102**, as enacted by Laws of Utah 2013, Chapter 347
- 51 **14-1-18**, as last amended by Laws of Utah 2012, Chapter 347
- 52 **15-7-2**, as last amended by Laws of Utah 2007, Chapter 329
- 53 **17C-1-101**, as last amended by Laws of Utah 2010, Chapter 279
- 54 **17C-1-102**, as last amended by Laws of Utah 2015, Chapter 397
- 55 **17C-1-103**, as renumbered and amended by Laws of Utah 2006, Chapter 359
- 56 **17C-1-202**, as renumbered and amended by Laws of Utah 2006, Chapter 359
- 57 **17C-1-203**, as last amended by Laws of Utah 2008, Chapter 125
- 58 **17C-1-204**, as last amended by Laws of Utah 2012, Chapter 212

- 59 **17C-1-205**, as renumbered and amended by Laws of Utah 2006, Chapter 359
60 **17C-1-207**, as last amended by Laws of Utah 2012, Chapter 235
61 **17C-1-208**, as renumbered and amended by Laws of Utah 2006, Chapter 359
62 **17C-1-302**, as renumbered and amended by Laws of Utah 2006, Chapter 359
63 **17C-1-402**, as last amended by Laws of Utah 2013, Chapter 80
64 **17C-1-403**, as last amended by Laws of Utah 2013, Chapter 80
65 **17C-1-404**, as renumbered and amended by Laws of Utah 2006, Chapter 359
66 **17C-1-405**, as last amended by Laws of Utah 2009, Chapter 387
67 **17C-1-406**, as enacted by Laws of Utah 2006, Chapter 359
68 **17C-1-407**, as last amended by Laws of Utah 2013, Chapter 80
69 **17C-1-408**, as last amended by Laws of Utah 2008, Chapters 61, 231, and 236
70 **17C-1-409**, as last amended by Laws of Utah 2011, Chapter 43
71 **17C-1-410**, as last amended by Laws of Utah 2007, Chapter 364
72 **17C-1-411**, as last amended by Laws of Utah 2009, Chapter 387
73 **17C-1-412**, as last amended by Laws of Utah 2012, Chapter 212
74 **17C-1-413**, as renumbered and amended by Laws of Utah 2006, Chapter 359
75 **17C-1-502**, as renumbered and amended by Laws of Utah 2006, Chapter 359
76 **17C-1-504**, as renumbered and amended by Laws of Utah 2006, Chapter 359
77 **17C-1-505**, as renumbered and amended by Laws of Utah 2006, Chapter 359
78 **17C-1-506**, as renumbered and amended by Laws of Utah 2006, Chapter 359
79 **17C-1-507**, as renumbered and amended by Laws of Utah 2006, Chapter 359
80 **17C-1-508**, as renumbered and amended by Laws of Utah 2006, Chapter 359
81 **17C-1-602**, as renumbered and amended by Laws of Utah 2006, Chapter 359
82 **17C-1-603**, as last amended by Laws of Utah 2011, Chapter 43
83 **17C-1-605**, as renumbered and amended by Laws of Utah 2006, Chapter 359
84 **17C-1-606**, as renumbered and amended by Laws of Utah 2006, Chapter 359
85 **17C-1-607**, as enacted by Laws of Utah 2006, Chapter 359
86 **17C-2-102**, as last amended by Laws of Utah 2008, Chapter 125
87 **17C-2-103**, as last amended by Laws of Utah 2006, Chapters 254, 292 and renumbered
88 and amended by Laws of Utah 2006, Chapter 359
89 **17C-2-105**, as renumbered and amended by Laws of Utah 2006, Chapter 359

- 90 **17C-2-106**, as last amended by Laws of Utah 2007, Chapter 364
- 91 **17C-2-108**, as last amended by Laws of Utah 2010, Chapter 279
- 92 **17C-2-109**, as renumbered and amended by Laws of Utah 2006, Chapter 359
- 93 **17C-2-110**, as last amended by Laws of Utah 2010, Chapter 279
- 94 **17C-2-201**, as last amended by Laws of Utah 2013, Chapter 80
- 95 **17C-2-203**, as renumbered and amended by Laws of Utah 2006, Chapter 359
- 96 **17C-2-204**, as renumbered and amended by Laws of Utah 2006, Chapter 359
- 97 **17C-2-206**, as last amended by Laws of Utah 2011, Chapter 43
- 98 **17C-2-207**, as enacted by Laws of Utah 2011, Chapter 43
- 99 **17C-2-303**, as last amended by Laws of Utah 2011, Chapter 43
- 100 **17C-3-102**, as enacted by Laws of Utah 2006, Chapter 359
- 101 **17C-3-103**, as enacted by Laws of Utah 2006, Chapter 359
- 102 **17C-3-105**, as enacted by Laws of Utah 2006, Chapter 359
- 103 **17C-3-107**, as last amended by Laws of Utah 2010, Chapter 279
- 104 **17C-3-108**, as enacted by Laws of Utah 2006, Chapter 359
- 105 **17C-3-109**, as last amended by Laws of Utah 2010, Chapter 279
- 106 **17C-3-201**, as last amended by Laws of Utah 2013, Chapter 80
- 107 **17C-3-203**, as last amended by Laws of Utah 2009, Chapter 387
- 108 **17C-3-205**, as last amended by Laws of Utah 2011, Chapter 43
- 109 **17C-3-206**, as enacted by Laws of Utah 2011, Chapter 43
- 110 **17C-4-102**, as enacted by Laws of Utah 2006, Chapter 359
- 111 **17C-4-103**, as enacted by Laws of Utah 2006, Chapter 359
- 112 **17C-4-104**, as enacted by Laws of Utah 2006, Chapter 359
- 113 **17C-4-106**, as last amended by Laws of Utah 2009, Chapter 388
- 114 **17C-4-107**, as enacted by Laws of Utah 2006, Chapter 359
- 115 **17C-4-108**, as last amended by Laws of Utah 2015, Chapter 302
- 116 **17C-4-109**, as enacted by Laws of Utah 2015, Chapter 302
- 117 **17C-4-201**, as last amended by Laws of Utah 2010, Chapter 279
- 118 **17C-4-202**, as last amended by Laws of Utah 2014, Chapter 189
- 119 **17C-4-203**, as last amended by Laws of Utah 2009, Chapter 387
- 120 **17C-4-204**, as last amended by Laws of Utah 2011, Chapter 43

121 **20A-7-613**, as last amended by Laws of Utah 2015, Chapter 258
122 **35A-8-504**, as last amended by Laws of Utah 2012, Chapter 347 and renumbered and
123 amended by Laws of Utah 2012, Chapter 212
124 **38-1b-102**, as enacted by Laws of Utah 2012, Chapter 278
125 **53-3-207**, as last amended by Laws of Utah 2015, Chapter 412
126 **53A-16-106**, as last amended by Laws of Utah 2008, Chapters 61, 231, and 236
127 **53A-16-113**, as last amended by Laws of Utah 2013, Chapter 287
128 **53A-17a-133**, as last amended by Laws of Utah 2015, Chapter 287
129 **53A-17a-164**, as last amended by Laws of Utah 2013, Chapters 178 and 313
130 **53A-19-105**, as last amended by Laws of Utah 2009, Chapter 204
131 **59-2-913**, as last amended by Laws of Utah 2014, Chapter 279
132 **59-2-924**, as last amended by Laws of Utah 2014, Chapter 270
133 **59-2-924.2**, as last amended by Laws of Utah 2015, Chapter 224
134 **59-2-924.3**, as last amended by Laws of Utah 2011, Chapter 371
135 **59-7-614.2**, as last amended by Laws of Utah 2015, Chapter 283
136 **59-12-603**, as last amended by Laws of Utah 2011, Chapter 309
137 **63G-7-102**, as renumbered and amended by Laws of Utah 2008, Chapter 382
138 **63G-9-201**, as renumbered and amended by Laws of Utah 2008, Chapter 382
139 **63I-1-259**, as last amended by Laws of Utah 2015, Chapters 224, 275, and 467
140 **63N-2-103**, as last amended by Laws of Utah 2015, Chapter 344 and renumbered and
141 amended by Laws of Utah 2015, Chapter 283 and last amended by Coordination
142 Clause, Laws of Utah 2015, Chapter 344
143 **63N-2-104**, as last amended by Laws of Utah 2015, Chapter 344 and renumbered and
144 amended by Laws of Utah 2015, Chapter 283
145 **63N-2-105**, as last amended by Laws of Utah 2015, Chapter 344 and renumbered and
146 amended by Laws of Utah 2015, Chapter 283
147 **63N-2-107**, as last amended by Laws of Utah 2015, Chapter 344 and renumbered and
148 amended by Laws of Utah 2015, Chapter 283
149 **63N-2-108**, as renumbered and amended by Laws of Utah 2015, Chapter 283
150 **63N-2-502**, as last amended by Laws of Utah 2015, Chapter 417 and renumbered and
151 amended by Laws of Utah 2015, Chapter 283

152 **63N-2-505**, as last amended by Laws of Utah 2015, Chapter 417 and renumbered and
153 amended by Laws of Utah 2015, Chapter 283

154 **63N-2-507**, as last amended by Laws of Utah 2015, Chapter 417 and renumbered and
155 amended by Laws of Utah 2015, Chapter 283

156 **63N-2-508**, as last amended by Laws of Utah 2015, Chapter 417 and renumbered and
157 amended by Laws of Utah 2015, Chapter 283

158 **67-1a-6.5**, as last amended by Laws of Utah 2013, Chapters 42 and 371

159 **72-1-208**, as last amended by Laws of Utah 2010, Chapter 279

160 ENACTS:

161 **17C-1-102.5**, Utah Code Annotated 1953

162 **17C-1-201.1**, Utah Code Annotated 1953

163 **17C-1-209**, Utah Code Annotated 1953

164 **17C-1-301.1**, Utah Code Annotated 1953

165 **17C-1-401.1**, Utah Code Annotated 1953

166 **17C-1-501.1**, Utah Code Annotated 1953

167 **17C-1-601.1**, Utah Code Annotated 1953

168 **17C-1-701.1**, Utah Code Annotated 1953

169 **17C-1-702**, Utah Code Annotated 1953

170 **17C-1-801**, Utah Code Annotated 1953

171 **17C-1-901**, Utah Code Annotated 1953

172 **17C-2-101.1**, Utah Code Annotated 1953

173 **17C-2-101.2**, Utah Code Annotated 1953

174 **17C-3-101.1**, Utah Code Annotated 1953

175 **17C-3-101.2**, Utah Code Annotated 1953

176 **17C-4-101.1**, Utah Code Annotated 1953

177 **17C-4-101.2**, Utah Code Annotated 1953

178 **17C-5-101**, Utah Code Annotated 1953

179 **17C-5-102**, Utah Code Annotated 1953

180 **17C-5-103**, Utah Code Annotated 1953

181 **17C-5-104**, Utah Code Annotated 1953

182 **17C-5-105**, Utah Code Annotated 1953

- 183 **17C-5-106**, Utah Code Annotated 1953
- 184 **17C-5-107**, Utah Code Annotated 1953
- 185 **17C-5-108**, Utah Code Annotated 1953
- 186 **17C-5-109**, Utah Code Annotated 1953
- 187 **17C-5-110**, Utah Code Annotated 1953
- 188 **17C-5-111**, Utah Code Annotated 1953
- 189 **17C-5-112**, Utah Code Annotated 1953
- 190 **17C-5-113**, Utah Code Annotated 1953
- 191 **17C-5-201**, Utah Code Annotated 1953
- 192 **17C-5-202**, Utah Code Annotated 1953
- 193 **17C-5-203**, Utah Code Annotated 1953
- 194 **17C-5-204**, Utah Code Annotated 1953
- 195 **17C-5-205**, Utah Code Annotated 1953
- 196 **17C-5-206**, Utah Code Annotated 1953
- 197 **17C-5-301**, Utah Code Annotated 1953
- 198 **17C-5-302**, Utah Code Annotated 1953
- 199 **17C-5-303**, Utah Code Annotated 1953
- 200 **17C-5-304**, Utah Code Annotated 1953
- 201 **17C-5-305**, Utah Code Annotated 1953
- 202 **17C-5-306**, Utah Code Annotated 1953
- 203 **17C-5-307**, Utah Code Annotated 1953
- 204 **17C-5-401**, Utah Code Annotated 1953
- 205 **17C-5-402**, Utah Code Annotated 1953
- 206 **17C-5-403**, Utah Code Annotated 1953
- 207 **17C-5-404**, Utah Code Annotated 1953
- 208 **17C-5-405**, Utah Code Annotated 1953
- 209 **17C-5-406**, Utah Code Annotated 1953

210 RENUMBERS AND AMENDS:

- 211 **17C-1-201.5**, (Renumbered from 17C-1-201, as last amended by Laws of Utah 2012,
- 212 Chapter 235)
- 213 **17C-1-301.5**, (Renumbered from 17C-1-301, as renumbered and amended by Laws of

214 Utah 2006, Chapter 359)
215 **17C-1-401.5**, (Renumbered from 17C-1-401, as last amended by Laws of Utah 2012,
216 Chapter 235)
217 **17C-1-501.5**, (Renumbered from 17C-1-501, as renumbered and amended by Laws of
218 Utah 2006, Chapter 359)
219 **17C-1-601.5**, (Renumbered from 17C-1-601, as last amended by Laws of Utah 2010,
220 Chapter 90)
221 **17C-1-701.5**, (Renumbered from 17C-1-701, as last amended by Laws of Utah 2009,
222 Chapter 350)
223 **17C-1-802**, (Renumbered from 17C-2-401, as renumbered and amended by Laws of
224 Utah 2006, Chapter 359)
225 **17C-1-803**, (Renumbered from 17C-2-402, as renumbered and amended by Laws of
226 Utah 2006, Chapter 359)
227 **17C-1-804**, (Renumbered from 17C-2-403, as last amended by Laws of Utah 2010,
228 Chapter 90)
229 **17C-1-805**, (Renumbered from 17C-2-501, as renumbered and amended by Laws of
230 Utah 2006, Chapter 359)
231 **17C-1-806**, (Renumbered from 17C-2-502, as last amended by Laws of Utah 2010,
232 Chapter 279)
233 **17C-1-807**, (Renumbered from 17C-2-503, as last amended by Laws of Utah 2007,
234 Chapter 379)
235 **17C-1-808**, (Renumbered from 17C-2-504, as renumbered and amended by Laws of
236 Utah 2006, Chapter 359)
237 **17C-1-809**, (Renumbered from 17C-2-505, as renumbered and amended by Laws of
238 Utah 2006, Chapter 359)
239 **17C-1-902**, (Renumbered from 17C-1-206, as last amended by Laws of Utah 2007,
240 Chapter 379)
241 **17C-1-903**, (Renumbered from 17C-2-602, as last amended by Laws of Utah 2008,
242 Chapter 382)
243 **17C-1-904**, (Renumbered from 17C-2-601, as last amended by Laws of Utah 2012,
244 Chapter 235)

245 **17C-1-905**, (Renumbered from 17C-2-603, as enacted by Laws of Utah 2007, Chapter
246 379)

247 **17C-2-101.5**, (Renumbered from 17C-2-101, as renumbered and amended by Laws of
248 Utah 2006, Chapter 359)

249 **17C-3-101.5**, (Renumbered from 17C-3-101, as enacted by Laws of Utah 2006,
250 Chapter 359)

251 **17C-4-101.5**, (Renumbered from 17C-4-101, as enacted by Laws of Utah 2006,
252 Chapter 359)

253 REPEALS:

254 **17C-1-303**, as last amended by Laws of Utah 2010, Chapter 279

255 **17C-3-301**, as enacted by Laws of Utah 2006, Chapter 359

256 **17C-3-302**, as enacted by Laws of Utah 2006, Chapter 359

257 **17C-3-303**, as last amended by Laws of Utah 2009, Chapter 388

258 **17C-3-401**, as enacted by Laws of Utah 2006, Chapter 359

259 **17C-3-402**, as last amended by Laws of Utah 2010, Chapter 279

260 **17C-3-403**, as enacted by Laws of Utah 2006, Chapter 359

261 **17C-3-404**, as enacted by Laws of Utah 2006, Chapter 359

262 **17C-4-301**, as enacted by Laws of Utah 2006, Chapter 359

263 **17C-4-302**, as last amended by Laws of Utah 2010, Chapter 90

264 **17C-4-401**, as enacted by Laws of Utah 2006, Chapter 359

265 **17C-4-402**, as last amended by Laws of Utah 2010, Chapter 279

266

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

268 Section 1. Section **10-1-203** is amended to read:

269 **10-1-203. License fees and taxes -- Application information to be transmitted to**
270 **the county assessor.**

271 (1) As used in this section:

272 (a) "Business" means any enterprise carried on for the purpose of gain or economic
273 profit, except that the acts of employees rendering services to employers are not included in
274 this definition.

275 (b) "Telecommunications provider" [~~is as~~] means the same as that term is defined in

276 Section 10-1-402.

277 (c) "Telecommunications tax or fee" [~~is as~~] means the same as that term is defined in
278 Section 10-1-402.

279 (2) Except as provided in Subsections (3) through (5), the legislative body of a
280 municipality may license for the purpose of regulation and revenue any business within the
281 limits of the municipality and may regulate that business by ordinance.

282 (3) (a) The legislative body of a municipality may raise revenue by levying and
283 collecting a municipal energy sales or use tax as provided in Part 3, Municipal Energy Sales
284 and Use Tax Act, except a municipality may not levy or collect a franchise tax or fee on an
285 energy supplier other than the municipal energy sales and use tax provided in Part 3, Municipal
286 Energy Sales and Use Tax Act.

287 (b) (i) Subsection (3)(a) does not affect the validity of a franchise agreement as defined
288 in Subsection 10-1-303(6), that is in effect on July 1, 1997, or a future franchise.

289 (ii) A franchise agreement as defined in Subsection 10-1-303(6) in effect on January 1,
290 1997, or a future franchise shall remain in full force and effect.

291 (c) A municipality that collects a contractual franchise fee pursuant to a franchise
292 agreement as defined in Subsection 10-1-303(6) with an energy supplier that is in effect on July
293 1, 1997, may continue to collect that fee as provided in Subsection 10-1-310(2).

294 (d) (i) Subject to the requirements of Subsection (3)(d)(ii), a franchise agreement as
295 defined in Subsection 10-1-303(6) between a municipality and an energy supplier may contain
296 a provision that:

297 (A) requires the energy supplier by agreement to pay a contractual franchise fee that is
298 otherwise prohibited under Part 3, Municipal Energy Sales and Use Tax Act; and

299 (B) imposes the contractual franchise fee on or after the day on which Part 3,
300 Municipal Energy Sales and Use Tax Act is:

301 (I) repealed, invalidated, or the maximum allowable rate provided in Section 10-1-305
302 is reduced; and

303 (II) is not superseded by a law imposing a substantially equivalent tax.

304 (ii) A municipality may not charge a contractual franchise fee under the provisions
305 permitted by Subsection (3)(b)(i) unless the municipality charges an equal contractual franchise
306 fee or a tax on all energy suppliers.

307 (4) (a) Subject to Subsection (4)(b), beginning July 1, 2004, the legislative body of a
308 municipality may raise revenue by levying and providing for the collection of a municipal
309 telecommunications license tax as provided in Part 4, Municipal Telecommunications License
310 Tax Act.

311 (b) A municipality may not levy or collect a telecommunications tax or fee on a
312 telecommunications provider except as provided in Part 4, Municipal Telecommunications
313 License Tax Act.

314 (5) (a) (i) The legislative body of a municipality may by ordinance raise revenue by
315 levying and collecting a license fee or tax on:

316 (A) a parking service business in an amount that is less than or equal to:

317 (I) \$1 per vehicle that parks at the parking service business; or

318 (II) 2% of the gross receipts of the parking service business;

319 (B) a public assembly or other related facility in an amount that is less than or equal to
320 \$5 per ticket purchased from the public assembly or other related facility; and

321 (C) subject to the limitations of Subsections (5)(c) and (d):

322 (I) a business that causes disproportionate costs of municipal services; or

323 (II) a purchaser from a business for which the municipality provides an enhanced level
324 of municipal services.

325 (ii) Nothing in this Subsection (5)(a) may be construed to authorize a municipality to
326 levy or collect a license fee or tax on a public assembly or other related facility owned and
327 operated by another political subdivision other than a community [~~development and renewal~~]
328 reinvestment agency without the written consent of the other political subdivision.

329 (b) As used in this Subsection (5):

330 (i) "Municipal services" includes:

331 (A) public utilities; and

332 (B) services for:

333 (I) police;

334 (II) fire;

335 (III) storm water runoff;

336 (IV) traffic control;

337 (V) parking;

338 (VI) transportation;

339 (VII) beautification; or

340 (VIII) snow removal.

341 (ii) "Parking service business" means a business:

342 (A) that primarily provides off-street parking services for a public facility that is

343 wholly or partially funded by public money;

344 (B) that provides parking for one or more vehicles; and

345 (C) that charges a fee for parking.

346 (iii) "Public assembly or other related facility" means an assembly facility that:

347 (A) is wholly or partially funded by public money;

348 (B) is operated by a business; and

349 (C) requires a person attending an event at the assembly facility to purchase a ticket.

350 (c) (i) Before the legislative body of a municipality imposes a license fee on a business

351 that causes disproportionate costs of municipal services under Subsection (5)(a)(i)(C)(I), the

352 legislative body of the municipality shall adopt an ordinance defining for purposes of the tax

353 under Subsection (5)(a)(i)(C)(I):

354 (A) the costs that constitute disproportionate costs; and

355 (B) the amounts that are reasonably related to the costs of the municipal services

356 provided by the municipality.

357 (ii) The amount of a fee under Subsection (5)(a)(i)(C)(I) shall be reasonably related to

358 the costs of the municipal services provided by the municipality.

359 (d) (i) Before the legislative body of a municipality imposes a license fee on a

360 purchaser from a business for which it provides an enhanced level of municipal services under

361 Subsection (5)(a)(i)(C)(II), the legislative body of the municipality shall adopt an ordinance

362 defining for purposes of the fee under Subsection (5)(a)(i)(C)(II):

363 (A) the level of municipal services that constitutes the basic level of municipal services

364 in the municipality; and

365 (B) the amounts that are reasonably related to the costs of providing an enhanced level

366 of municipal services in the municipality.

367 (ii) The amount of a fee under Subsection (5)(a)(i)(C)(II) shall be reasonably related to

368 the costs of providing an enhanced level of the municipal services.

369 (6) All license fees and taxes shall be uniform in respect to the class upon which they
370 are imposed.

371 (7) The municipality shall transmit the information from each approved business
372 license application to the county assessor within 60 days following the approval of the
373 application.

374 (8) If challenged in court, an ordinance enacted by a municipality before January 1,
375 1994, imposing a business license fee on rental dwellings under this section shall be upheld
376 unless the business license fee is found to impose an unreasonable burden on the fee payer.

377 Section 2. Section **10-3-1303** is amended to read:

378 **10-3-1303. Definitions.**

379 As used in this part:

380 (1) "Appointed officer" means any person appointed to any statutory office or position
381 or any other person appointed to any position of employment with a city or with a community
382 [~~development and renewal~~] reinvestment agency under Title 17C, Limited Purpose Local
383 Government Entities - Community [~~Development and Renewal Agencies~~] Reinvestment
384 Agency Act. Appointed officers include, but are not limited to, persons serving on special,
385 regular, or full-time committees, agencies, or boards whether or not such persons are
386 compensated for their services. The use of the word "officer" in this part is not intended to
387 make appointed persons or employees "officers" of the municipality.

388 (2) "Assist" means to act, or offer or agree to act, in such a way as to help, represent,
389 aid, advise, furnish information to, or otherwise provide assistance to a person or business
390 entity, believing that such action is of help, aid, advice, or assistance to such person or business
391 entity and with the intent to assist such person or business entity.

392 (3) "Business entity" means a sole proprietorship, partnership, association, joint
393 venture, corporation, firm, trust, foundation, or other organization or entity used in carrying on
394 a business.

395 (4) "Compensation" means anything of economic value, however designated, which is
396 paid, loaned, granted, given, donated, or transferred to any person or business entity by anyone
397 other than the governmental employer for or in consideration of personal services, materials,
398 property, or any other thing whatsoever.

399 (5) "Elected officer" means a person:

400 (a) elected or appointed to the office of mayor, commissioner, or council member; or

401 (b) who is considered to be elected to the office of mayor, commissioner, or council
402 member by a municipal legislative body in accordance with Section 20A-1-206.

403 (6) "Improper disclosure" means disclosure of private, controlled, or protected
404 information to any person who does not have both the right and the need to receive the
405 information.

406 (7) "Municipal employee" means a person who is not an elected or appointed officer
407 who is employed on a full- or part-time basis by a municipality or by a community
408 [~~development and renewal~~] reinvestment agency under Title 17C, Limited Purpose Local
409 Government Entities - Community [~~Development and Renewal Agencies~~] Reinvestment
410 Agency Act.

411 (8) "Private, controlled, or protected information" means information classified as
412 private, controlled, or protected under Title 63G, Chapter 2, Government Records Access and
413 Management Act, or other applicable provision of law.

414 (9) "Substantial interest" means the ownership, either legally or equitably, by an
415 individual, the individual's spouse, or the individual's minor children, of at least 10% of the
416 outstanding shares of a corporation or 10% interest in any other business entity.

417 Section 3. Section 10-9a-508 is amended to read:

418 **10-9a-508. Exactions -- Exaction for water interest -- Requirement to offer to**
419 **original owner property acquired by exaction.**

420 (1) A municipality may impose an exaction or exactions on development proposed in a
421 land use application, including, subject to Subsection (3), an exaction for a water interest, if:

422 (a) an essential link exists between a legitimate governmental interest and each
423 exaction; and

424 (b) each exaction is roughly proportionate, both in nature and extent, to the impact of
425 the proposed development.

426 (2) If a land use authority imposes an exaction for another governmental entity:

427 (a) the governmental entity shall request the exaction; and

428 (b) the land use authority shall transfer the exaction to the governmental entity for
429 which it was exacted.

430 (3) (a) (i) A municipality shall base any exaction for a water interest on the culinary

431 water authority's established calculations of projected water interest requirements.

432 (ii) Upon an applicant's request, the culinary water authority shall provide the applicant
433 with the basis for the culinary water authority's calculations under Subsection (3)(a)(i) on
434 which an exaction for a water interest is based.

435 (b) A municipality may not impose an exaction for a water interest if the culinary water
436 authority's existing available water interests exceed the water interests needed to meet the
437 reasonable future water requirement of the public, as determined under Subsection
438 73-1-4(2)(f).

439 (4) (a) If a municipality plans to dispose of surplus real property that was acquired
440 under this section and has been owned by the municipality for less than 15 years, the
441 municipality shall first offer to reconvey the property, without receiving additional
442 consideration, to the person who granted the property to the municipality.

443 (b) A person to whom a municipality offers to reconvey property under Subsection
444 (4)(a) has 90 days to accept or reject the municipality's offer.

445 (c) If a person to whom a municipality offers to reconvey property declines the offer,
446 the municipality may offer the property for sale.

447 (d) Subsection (4)(a) does not apply to the disposal of property acquired by exaction by
448 a community [~~development and renewal~~] reinvestment agency.

449 Section 4. Section 11-25-2 is amended to read:

450 **11-25-2. Legislative findings -- Liberal construction.**

451 The Legislature finds and declares that it is necessary for the welfare of the state and its
452 inhabitants that community [~~development and renewal~~] reinvestment agencies be authorized
453 within cities, towns or counties, or cities or towns and counties to make long-term, low-interest
454 loans to finance residential rehabilitation in selected residential areas in order to encourage the
455 upgrading of property in those areas. Unless such agencies provide some form of assistance to
456 finance residential rehabilitation, many residential areas will deteriorate at an accelerated pace.
457 This act shall be liberally construed to effect its purposes.

458 Section 5. Section 11-25-3 is amended to read:

459 **11-25-3. Definitions.**

460 As used in this chapter:

461 [(4)] (1) "Agency" means a community [~~development and renewal~~] reinvestment

462 agency functioning pursuant to Title 17C, Limited Purpose Local Government Entities -
463 Community [~~Development and Renewal Agencies~~] Reinvestment Agency Act.

464 [~~(1)~~] (2) "Bonds" mean any bonds, notes, interim certificates, debentures, or other
465 obligations issued by an agency pursuant to this part and which are payable exclusively from
466 the revenues, as defined in Subsection (9), and from any other funds specified in this part upon
467 which the bonds may be made a charge and from which they are payable.

468 [~~(2)~~] (3) (a) "Citizen participation" means action by the agency to provide persons who
469 will be affected by residential rehabilitation financed under the provisions of this part with
470 opportunities to be involved in planning and carrying out the residential rehabilitation program.
471 "Citizen participation" shall include, but not be limited to, all of the following:

472 (i) Holding a public meeting prior to considering selection of the area for designation.

473 (ii) Consultation with representatives of owners of property in, and residents of, a
474 residential rehabilitation area, in developing plans for public improvements and
475 implementation of the residential rehabilitation program.

476 (iii) Dissemination of information relating to the time and location of meetings,
477 boundaries of the proposed residential rehabilitation area, and a general description of the
478 proposed residential rehabilitation program.

479 (b) (i) Public meetings and consultations described in Subsection (2)(a) shall be
480 conducted by an official designated by the agency.

481 (ii) Public meetings shall be held at times and places convenient to residents and
482 property owners.

483 [~~(3)~~] (4) "Financing" means the lending of money or any other thing of value for the
484 purpose of residential rehabilitation.

485 (5) "Participating party" means any person, company, corporation, partnership, firm,
486 agency, political subdivision of the state, or other entity or group of entities requiring financing
487 for residential rehabilitation pursuant to the provisions of this part. No elective officer of the
488 state or any of its political subdivisions shall be eligible to be a participating party under the
489 provision of this part.

490 [~~(8)~~] (6) "Rehabilitation standards" mean the applicable local or state standards for the
491 rehabilitation of buildings located in residential rehabilitation areas, including any higher
492 standards adopted by the agency as part of its residential rehabilitation financing program.

493 (7) "Residence" means a residential structure in residential rehabilitation areas. It also
494 means a commercial structure which, in the judgment of the agency, is an integral part of a
495 residential neighborhood.

496 ~~[(6)]~~ (8) "Residential rehabilitation" means the construction, reconstruction,
497 renovation, replacement, extension, repair, betterment, equipping, developing, embellishing, or
498 otherwise improving residences consistent with standards of strength, effectiveness, fire
499 resistance, durability, and safety, so that the structures are satisfactory and safe to occupy for
500 residential purposes and are not conducive to ill health, transmission of disease, infant
501 mortality, juvenile delinquency, or crime because of any one or more of the following factors:

- 502 (a) defective design and character of physical construction;
503 (b) faulty interior arrangement and exterior spacing;
504 (c) high density of population and overcrowding;
505 (d) inadequate provision for ventilation, light, sanitation, open spaces, and recreation
506 facilities;
507 (e) age, obsolescence, deterioration, dilapidation, mixed character, or shifting of uses;
508 and
509 (f) economic dislocation, deterioration, or disuse, resulting from faulty planning.

510 ~~[(10)]~~ (9) "Residential rehabilitation area" means the geographical area designated by
511 the agency as one for inclusion in a comprehensive residential rehabilitation financing program
512 pursuant to the provisions of this chapter.

513 ~~[(9)]~~ (10) "Revenues" mean all amounts received as repayment of principal, interest,
514 and all other charges received for, and all other income and receipts derived by, the agency
515 from the financing of residential rehabilitation, including money deposited in a sinking,
516 redemption, or reserve fund or other fund to secure the bonds or to provide for the payment of
517 the principal of, or interest on, the bonds and such other money as the legislative body may, in
518 its discretion, make available therefor.

519 Section 6. Section **11-27-2** is amended to read:

520 **11-27-2. Definitions.**

521 As used in this chapter:

522 (1) "Advance refunding bonds" means refunding bonds issued for the purpose of
523 refunding outstanding bonds in advance of their maturity.

524 (2) "Assessments" means a special tax levied against property within a special
525 improvement district to pay all or a portion of the costs of making improvements in the district.

526 (3) "Bond" means any revenue bond, general obligation bond, tax increment bond,
527 special improvement bond, local building authority bond, or refunding bond.

528 (4) "General obligation bond" means any bond, note, warrant, certificate of
529 indebtedness, or other obligation of a public body payable in whole or in part from revenues
530 derived from ad valorem taxes and that constitutes an indebtedness within the meaning of any
531 applicable constitutional or statutory debt limitation.

532 (5) "Governing body" means the council, commission, county legislative body, board
533 of directors, board of trustees, board of education, board of regents, or other legislative body of
534 a public body designated in this chapter that is vested with the legislative powers of the public
535 body, and, with respect to the state, the State Bonding Commission created by Section
536 [63B-1-201](#).

537 (6) "Government obligations" means:

538 (a) direct obligations of the United States of America, or other securities, the principal
539 of and interest on which are unconditionally guaranteed by the United States of America; or

540 (b) obligations of any state, territory, or possession of the United States, or of any of
541 the political subdivisions of any state, territory, or possession of the United States, or of the
542 District of Columbia described in Section 103(a), Internal Revenue Code of 1986.

543 (7) "Issuer" means the public body issuing any bond or bonds.

544 (8) "Public body" means the state or any agency, authority, instrumentality, or
545 institution of the state, or any municipal or quasi-municipal corporation, political subdivision,
546 agency, school district, local district, special service district, or other governmental entity now
547 or hereafter existing under the laws of the state.

548 (9) "Refunding bonds" means bonds issued under the authority of this chapter for the
549 purpose of refunding outstanding bonds.

550 (10) "Resolution" means a resolution of the governing body of a public body taking
551 formal action under this chapter.

552 (11) "Revenue bond" means any bond, note, warrant, certificate of indebtedness, or
553 other obligation for the payment of money issued by a public body or any predecessor of any
554 public body and that is payable from designated revenues not derived from ad valorem taxes or

555 from a special fund composed of revenues not derived from ad valorem taxes, but excluding all
556 of the following:

557 (a) any obligation constituting an indebtedness within the meaning of any applicable
558 constitutional or statutory debt limitation;

559 (b) any obligation issued in anticipation of the collection of taxes, where the entire
560 issue matures not later than one year from the date of the issue; and

561 (c) any special improvement bond.

562 (12) "Special improvement bond" means any bond, note, warrant, certificate of
563 indebtedness, or other obligation of a public body or any predecessor of any public body that is
564 payable from assessments levied on benefitted property and from any special improvement
565 guaranty fund.

566 (13) "Special improvement guaranty fund" means any special improvement guaranty
567 fund established under Title 10, Chapter 6, Uniform Fiscal Procedures Act for Utah Cities;
568 Title 11, Chapter 42, Assessment Area Act; or any predecessor or similar statute.

569 (14) "Tax increment bond" means any bond, note, warrant, certificate of indebtedness,
570 or other obligation of a public body issued under authority of Title 17C, Limited Purpose Local
571 Government Entities - Community [~~Development and Renewal Agencies~~] Reinvestment
572 Agency Act.

573 Section 7. Section **11-31-2** is amended to read:

574 **11-31-2. Definitions.**

575 As used in this chapter:

576 (1) "Bonds" means any evidence or contract of indebtedness that is issued or
577 authorized by a public body, including, without limitation, bonds, refunding bonds, advance
578 refunding bonds, bond anticipation notes, tax anticipation notes, notes, certificates of
579 indebtedness, warrants, commercial paper, contracts, and leases, whether they are general
580 obligations of the issuing public body or are payable solely from a specified source, including
581 annual appropriations by the public body.

582 (2) "Legislative body" means, with respect to any action to be taken by a public body
583 with respect to bonds, the board, commission, council, agency, or other similar body authorized
584 by law to take legislative action on behalf of the public body, and in the case of the state, the
585 Legislature, the state treasurer, the commission created under Section [63B-1-201](#), and any other

586 entities the Legislature designates.

587 (3) "Public body" means the state and any public department, public agency, or other
588 public entity existing under the laws of the state, including, without limitation, any agency,
589 authority, instrumentality, or institution of the state, and any county, city, town, municipal
590 corporation, quasi-municipal corporation, state university or college, school district, special
591 service district, local district, separate legal or administrative entity created under the Interlocal
592 Cooperation Act or other joint agreement entity, community [~~development and renewal~~
593 reinvestment agency, and any other political subdivision, public authority, public agency, or
594 public trust existing under the laws of the state.

595 Section 8. Section **11-32-2** is amended to read:

596 **11-32-2. Definitions.**

597 As used in this chapter:

598 (1) "Assignment agreement" means the agreement, security agreement, indenture, or
599 other documentation by which the county transfers the delinquent tax receivables to the
600 authority in consideration of the amounts paid by the authority under the assignment
601 agreement, as provided in this chapter.

602 (2) "Bonds" means any bonds, notes, or other evidence of indebtedness of the financing
603 authority issued under this chapter.

604 (3) "Delinquent tax receivables" means those ad valorem tangible property taxes levied
605 within any county, for any year, which remain unpaid and owing the participant members
606 within the county, as of January 15 of the following year, plus any interest and penalties
607 accruing or assessed to them.

608 (4) "Financing authority" or "authority" means a nonprofit corporation organized under
609 this chapter by a county on behalf of the participant members within the county as the
610 financing authority for the participant members solely for the purpose of financing the
611 assignment of the delinquent tax receivables of the participant members for which it was
612 created.

613 (5) "Governing body" means the council, commission, county legislative body, board
614 of education, board of trustees, or any other governing entity of a public body in which the
615 legislative powers of the public body are vested.

616 (6) "Participant members" means those public bodies, including the county, the

617 governing bodies of which approve the creation of an authority as provided in Section 11-32-3
618 and on whose behalf the authority acts.

619 (7) "Public body" means any city, town, county, school district, special service district,
620 local district, community [~~development and renewal~~] reinvestment agency, or any other entity
621 entitled to receive ad valorem property taxes, existing under the laws of the state.

622 Section 9. Section 11-34-1 is amended to read:

623 **11-34-1. Definitions.**

624 As used in this chapter:

625 (1) "Bonds" means any evidence or contract of indebtedness that is issued or
626 authorized by a public body, including, without limitation, bonds, refunding bonds, advance
627 refunding bonds, bond anticipation notes, tax anticipation notes, notes, certificates of
628 indebtedness, warrants, commercial paper, contracts, and leases, whether they are general
629 obligations of the issuing public body or are payable solely from a specified source, including
630 annual appropriations by the public body.

631 (2) "Public body" means the state and any public department, public agency, or other
632 public entity existing under the laws of the state, including, without limitation, any agency,
633 authority, instrumentality, or institution of the state, and any county, city, town, municipal
634 corporation, quasi-municipal corporation, state university or college, school district, special
635 service district, local district, separate legal or administrative entity created under the Interlocal
636 Cooperation Act or other joint agreement entity, community [~~development and renewal~~]
637 reinvestment agency, and any other political subdivision, public authority, public agency, or
638 public trust existing under the laws of this state.

639 Section 10. Section 11-49-102 is amended to read:

640 **11-49-102. Definitions.**

641 (1) "Commission" means the Political Subdivisions Ethics Review Commission
642 established in Section 11-49-201.

643 (2) "Complainant" means a person who files a complaint in accordance with Section
644 11-49-501.

645 (3) "Ethics violation" means a violation of:

- 646 (a) Title 10, Chapter 3, Part 13, Municipal Officers' and Employees' Ethics Act;
- 647 (b) Title 17, Chapter 16a, County Officers and Employees Disclosure Act; or

- 648 (c) Title 67, Chapter 16, Utah Public Officers' and Employees' Ethics Act.
- 649 (4) "Local political subdivision ethics commission" means an ethics commission
- 650 established by a political subdivision within the political subdivision or with another political
- 651 subdivision by interlocal agreement in accordance with Section [11-49-103](#).
- 652 (5) "Political subdivision" means a county, municipality, school district, community
- 653 [~~development and renewal~~] reinvestment agency, local district, special service district, an entity
- 654 created by an interlocal agreement adopted under Title 11, Chapter 13, Interlocal Cooperation
- 655 Act, a local building authority, or any other governmental subdivision or public corporation.
- 656 (6) (a) "Political subdivision employee" means a person who is:
- 657 (i) (A) in a municipality, employed as a city manager or non-elected chief executive on
- 658 a full or part-time basis; or
- 659 (B) employed as the non-elected chief executive by a political subdivision other than a
- 660 municipality on a full or part-time basis; and
- 661 (ii) subject to:
- 662 (A) Title 10, Chapter 3, Part 13, Municipal Officers' and Employees' Ethics Act;
- 663 (B) Title 17, Chapter 16a, County Officers and Employees Disclosure Act; or
- 664 (C) Title 67, Chapter 16, Utah Public Officers' and Employees' Ethics Act.
- 665 (b) "Political subdivision employee" does not include:
- 666 (i) a person who is a political subdivision officer;
- 667 (ii) an employee of a state entity; or
- 668 (iii) a legislative employee as defined in Section [67-16-3](#).
- 669 (7) "Political subdivision governing body" means:
- 670 (a) for a county, the county legislative body as defined in Section [68-3-12.5](#);
- 671 (b) for a municipality, the council of the city or town;
- 672 (c) for a school district, the local board of education described in Section [53A-3-101](#);
- 673 (d) for a community [~~development and renewal~~] reinvestment agency, the agency board
- 674 described in Section [17C-1-203](#);
- 675 (e) for a local district, the board of trustees described in Section [17B-1-301](#);
- 676 (f) for a special service district:
- 677 (i) the legislative body of the county, city, or town that established the special service
- 678 district, if no administrative control board has been appointed under Section [17D-1-301](#); or

679 (ii) the administrative control board of the special service district, if an administrative
680 control board has been appointed under Section 17D-1-301;

681 (g) for an entity created by an interlocal agreement, the governing body of an interlocal
682 entity, as defined in Section 11-13-103;

683 (h) for a local building authority, the governing body, as defined in Section 17D-2-102,
684 that creates the local building authority; or

685 (i) for any other governmental subdivision or public corporation, the board or other
686 body authorized to make executive and management decisions for the subdivision or public
687 corporation.

688 (8) (a) "Political subdivision officer" means a person elected in a political subdivision
689 who is subject to:

690 (i) Title 10, Chapter 3, Part 13, Municipal Officers' and Employees' Ethics Act;

691 (ii) Title 17, Chapter 16a, County Officers and Employees Disclosure Act; or

692 (iii) Title 67, Chapter 16, Utah Public Officers' and Employees' Ethics Act.

693 (b) "Political subdivision officer" does not include:

694 (i) a person elected or appointed to a state entity;

695 (ii) the governor;

696 (iii) the lieutenant governor;

697 (iv) a member or member-elect of either house of the Legislature; or

698 (v) a member of Utah's congressional delegation.

699 (9) "Respondent" means a person who files a response in accordance with Section
700 11-49-604.

701 Section 11. Section 11-50-102 is amended to read:

702 **11-50-102. Definitions.**

703 As used in this chapter:

704 (1) "Annual financial report" means a comprehensive annual financial report or similar
705 financial report required by Section 51-2a-201.

706 (2) "Chief administrative officer" means the chief administrative officer designated in
707 accordance with Section 11-50-202.

708 (3) "Chief financial officer" means the chief financial officer designated in accordance
709 with Section 11-50-202.

- 710 (4) "Governing body" means:
- 711 (a) for a county, city, or town, the legislative body of the county, city, or town;
- 712 (b) for a local district, the board of trustees of the local district;
- 713 (c) for a school district, the local board of education; or
- 714 (d) for a special service district under Title 17D, Chapter 1, Special Service District

715 Act:

- 716 (i) the governing body of the county or municipality that created the special service
- 717 district, if no administrative control board has been established under Section 17D-1-301; or
- 718 (ii) the administrative control board, if one has been established under Section
- 719 17D-1-301.

720 (5) (a) "Political subdivision" means any county, city, town, school district, community

721 ~~[development and renewal]~~ reinvestment agency, special improvement or taxing district, local

722 district, special service district, an entity created by an interlocal agreement adopted under Title

723 11, Chapter 13, Interlocal Cooperation Act, or other governmental subdivision or public

724 corporation.

725 (b) Notwithstanding Subsection (5)(a), "political subdivision" does not mean a project

726 entity, as defined in Section 11-13-103.

727 Section 12. Section 11-52-102 is amended to read:

728 **11-52-102. Definitions.**

729 As used in this chapter:

730 (1) "Federal receipts" means the federal financial assistance, as defined in 31 U.S.C.

731 Sec. 7501, that is reported as part of a single audit.

732 (2) "Political subdivision" means:

- 733 (a) a county, as defined in Section 17-50-101;
- 734 (b) a municipality, as defined in Section 10-1-104;
- 735 (c) a local district, as defined in Section 17B-1-102;
- 736 (d) a special service district, as defined in Section 17D-1-102;
- 737 (e) an interlocal entity, as defined in Section 11-13-103;

738 (f) a community ~~[development and renewal]~~ reinvestment agency created under Title

739 17C, Limited Purpose Local Government Entities - Community ~~[Development and Renewal~~

740 ~~Agencies]~~ Reinvestment Agency Act;

- 741 (g) a local building authority, as defined in Section 17D-2-102; or
- 742 (h) a conservation district, as defined in Section 17D-3-102.
- 743 (3) "Single audit" has the same meaning as defined in 31 U.S.C. Sec. 7501.

744 Section 13. Section 14-1-18 is amended to read:

745 **14-1-18. Definitions -- Application of Procurement Code to payment and**
746 **performance bonds.**

747 (1) (a) For purposes of this chapter, "political subdivision" means any county, city,
748 town, school district, local district, special service district, community [~~development and~~
749 ~~renewal~~] reinvestment agency, public corporation, institution of higher education of the state,
750 public agency of any political subdivision, and, to the extent provided by law, any other entity
751 which expends public funds for construction.

752 (b) For purposes of applying Section 63G-6a-1103 to a political subdivision, "state"
753 includes "political subdivision."

754 (2) Notwithstanding any provision of Title 63G, Chapter 6a, Utah Procurement Code,
755 to the contrary, Section 63G-6a-1103 applies to all contracts for the construction, alteration, or
756 repair of any public building or public work of the state or a political subdivision of the state.

757 Section 14. Section 15-7-2 is amended to read:

758 **15-7-2. Definitions.**

759 As used in this chapter:

760 (1) "Authorized officer" means any individual required or permitted by any law or by
761 the issuing public entity to execute on behalf of the public entity, a certificated registered
762 public obligation or a writing relating to an uncertificated registered public obligation.

763 (2) "Certificated registered public obligation" means a registered public obligation
764 which is represented by an instrument.

765 (3) "Code" means the Internal Revenue Code of 1954.

766 (4) "Facsimile seal" means the reproduction by engraving, imprinting, stamping, or
767 other means of the seal of the issuer, official, or official body.

768 (5) "Facsimile signature" means the reproduction by engraving, imprinting, stamping,
769 or other means of a manual signature.

770 (6) "Financial intermediary" means a bank, broker, clearing corporation or other
771 person, or the nominee of any of them, which in the ordinary course of its business maintains

772 registered public obligation accounts for its customers.

773 (7) "Issuer" means a public entity which issues an obligation.

774 (8) "Obligation" means an agreement by a public entity to pay principal and any
775 interest on the obligation, whether in the form of a contract to repay borrowed money, a lease,
776 an installment purchase agreement, or otherwise, and includes a share, participation, or other
777 interest in any such agreement.

778 ~~[(10)]~~ (9) "Official" or "official body" means the person or group of persons that is
779 empowered to provide for the original issuance of an obligation of the issuer, by defining the
780 obligation and its terms, conditions, and other incidents, or to perform duties with respect to a
781 registered public obligation and any successor of such person or group of persons.

782 ~~[(9)]~~ (10) "Official actions" means the actions by statute, order, ordinance, resolution,
783 contract, or other authorized means by which the issuer provides for issuance of a registered
784 public obligation.

785 (11) "Public entity" means any entity, department, or agency which is empowered
786 under the laws of one or more states, territories, possessions of the United States or the District
787 of Columbia, including this state, to issue obligations any interest with respect to which may,
788 under any provision of law, be provided an exemption from the income tax referred to in the
789 Code. The term "public entity" includes, without limitation, this state, an entity deriving
790 powers from and acting pursuant to a state constitution or legislative act, a county, city, town, a
791 municipal corporation, a quasi-municipal corporation, a state university or college, a school
792 district, a special service district, a local district, a separate legal or administrative entity
793 created under the Interlocal Cooperation Act or other joint agreement entity, a community
794 ~~[development and renewal]~~ reinvestment agency, any other political subdivision, a public
795 authority or public agency, a public trust, a nonprofit corporation, or other organizations.

796 (12) "Registered public obligation" means an obligation issued by a public entity which
797 is issued pursuant to a system of registration.

798 (13) "System of registration" and its variants means a plan that provides:

799 (a) with respect to a certificated registered public obligation, that:

800 (i) the certificated registered public obligation specifies a person entitled to the
801 registered public obligation and the rights it represents; and

802 (ii) transfer of the certificated registered public obligation and the rights it represents

803 may be registered upon books maintained for that purpose by or on behalf of the issuer; and

804 (b) with respect to an uncertificated registered public obligation, that:

805 (i) books maintained by or on behalf of the issuer for the purpose of registration of the
806 transfer of a registered public obligation specify a person entitled to the registered public
807 obligation and the rights evidenced by it; and

808 (ii) transfer of the uncertificated registered public obligation and the rights evidenced
809 by it be registered upon such books.

810 (14) "Uncertificated registered public obligation" means a registered public obligation
811 which is not represented by an instrument.

812 Section 15. Section 17C-1-101 is amended to read:

813 **TITLE 17C. LIMITED PURPOSE LOCAL GOVERNMENT ENTITIES -**
814 **COMMUNITY REINVESTMENT AGENCY ACT**

815 **CHAPTER 1. AGENCY OPERATIONS**

816 **Part 1. General Provisions**

817 **17C-1-101. Title.**

818 (1) This title is known as the "Limited Purpose Local Government Entities -
819 Community [~~Development and Renewal Agencies~~] Reinvestment Agency Act."

820 (2) This chapter is known as "Agency Operations."

821 (3) This part is known as "General Provisions."

822 Section 16. Section 17C-1-102 is amended to read:

823 **17C-1-102. Definitions.**

824 As used in this title:

825 (1) "Active project area" means a project area that has not been dissolved in accordance
826 with Section 17C-1-702.

827 [(+)] (2) "Adjusted tax increment" means the percentage of tax increment, if less than
828 100%, that an agency is authorized to receive:

829 [~~(a) for tax increment under a pre-July 1, 1993, project area plan, tax increment under~~
830 ~~Section 17C-1-403, excluding tax increment under Subsection 17C-1-403(3); and]~~

831 [~~(b) for tax increment under a post-June 30, 1993, project area plan, tax increment~~
832 ~~under Section 17C-1-404, excluding tax increment under Section 17C-1-406.]~~

833 (a) for a pre-July 1, 1993, project area plan, under Section 17C-1-403, excluding tax

834 increment under Subsection 17C-1-403(3);

835 (b) for a post-June 30, 1993, project area plan, under Section 17C-1-404, excluding tax
836 increment under Section 17C-1-406;

837 (c) under a project area budget approved by a taxing entity committee; or

838 (d) under an interlocal agreement that authorizes the agency to receive a taxing entity's
839 tax increment.

840 ~~[(2)]~~ (3) "Affordable housing" means housing ~~[to be]~~ owned or occupied by ~~[persons~~
841 ~~and families of low or moderate income]~~ a low or moderate income family, as determined by
842 resolution of the agency.

843 ~~[(3)]~~ (4) "Agency" or "community ~~[development and renewal]~~ reinvestment agency"
844 means a separate body corporate and politic, created under Section ~~[17C-1-201]~~ 17C-1-201.5
845 or as a redevelopment agency or community development and renewal agency under previous
846 law~~[-];~~:

847 (a) that is a political subdivision of the state~~[-];~~

848 (b) that is created to undertake or promote ~~[urban renewal, economic development, or~~
849 ~~community development, or any combination of them;]~~ project area development as provided
850 in this title~~[-];~~ and

851 (c) whose geographic boundaries are coterminous with:

852 ~~[(a)]~~ (i) for an agency created by a county, the unincorporated area of the county; and

853 ~~[(b)]~~ (ii) for an agency created by a ~~[city or town]~~ municipality, the boundaries of the
854 ~~[city or town]~~ municipality.

855 (5) "Agency funds" means money that an agency collects or receives for the purpose of
856 implementing a project area plan, including:

857 (a) project area funds;

858 (b) income, proceeds, revenue, or property derived from or held in connection with the
859 agency's undertaking and implementation of project area development; or

860 (c) a contribution, loan, grant, or other financial assistance from any public or private
861 source.

862 ~~[(4)]~~ (6) "Annual income" ~~[has the meaning as]~~ means the same as that term is defined
863 [under] in regulations of the United States Department of Housing and Urban Development, 24
864 C.F.R. Sec. 5.609, as amended or as superseded by replacement regulations.

865 ~~[(5)]~~ (7) "Assessment roll" ~~[has the meaning as]~~ means the same as that term is defined
 866 in Section 59-2-102.

867 ~~[(6)]~~ (8) "Base taxable value" means~~[:]~~, unless otherwise adjusted in accordance with
 868 provisions of this title, a property's taxable value as shown upon the assessment roll last
 869 equalized during the base year.

870 ~~[(a) unless otherwise designated by the taxing entity committee in accordance with~~
 871 ~~Subsection 17C-1-402(4)(b)(ix), for an urban renewal or economic development project area,~~
 872 ~~the taxable value of the property within a project area from which tax increment will be~~
 873 ~~collected, as shown upon the assessment roll last equalized before:]~~

874 ~~[(i) for a pre-July 1, 1993, project area plan, the effective date of the project area plan;]~~

875 ~~[(ii) for a post-June 30, 1993, project area plan:]~~

876 ~~[(A) the date of the taxing entity committee's approval of the first project area budget;~~

877 ~~or]~~

878 ~~[(B) if no taxing entity committee approval is required for the project area budget, the~~
 879 ~~later of:]~~

880 ~~[(F) the date the project area plan is adopted by the community legislative body; and]~~

881 ~~[(H) the date the agency adopts the first project area budget;]~~

882 ~~[(iii) for a project on an inactive industrial site, a year after the date on which the~~
 883 ~~inactive industrial site is sold for remediation and development; or]~~

884 ~~[(iv) for a project on an inactive airport site, a year after the later of:]~~

885 ~~[(A) the date on which the inactive airport site is sold for remediation and~~
 886 ~~development; and]~~

887 ~~[(B) the date on which the airport that had been operated on the inactive airport site~~
 888 ~~ceased operations; and]~~

889 ~~[(b) for a community development project area, the agreed value specified in a~~
 890 ~~resolution or interlocal agreement under Subsection 17C-4-201(2).]~~

891 (9) "Base year" means the year during which the assessment roll is last equalized:

892 (a) unless otherwise designated by a taxing entity committee in accordance with
 893 provisions of this title:

894 (i) for a pre-July 1, 1993, urban renewal or economic development project area plan,
 895 before the project area plan's effective date; or

896 (ii) for a post-June 30, 1993, urban renewal or economic development project area
 897 plan, or a community reinvestment project area plan that is subject to a taxing entity
 898 committee:

899 (A) before the date on which the taxing entity committee approves the project area
 900 budget; or

901 (B) if taxing entity committee approval is not required for the project area budget,
 902 before the date on which the community legislative body adopts the project area plan;

903 (b) for a project on an inactive airport site, after the later of:

904 (i) the date on which the inactive airport site is sold for remediation and development;
 905 or

906 (ii) the date on which the airport that operated on the inactive airport site ceased
 907 operations; or

908 (c) for a community development project area plan or a community reinvestment
 909 project area plan that is subject to an interlocal agreement, as described in the interlocal
 910 agreement.

911 ~~[(7)]~~ (10) "Basic levy" means the portion of a school district's tax levy constituting the
 912 minimum basic levy under Section [59-2-902](#).

913 ~~[(8)]~~ (11) "Blight" or "blighted" means the condition of an area that meets the
 914 requirements ~~[of]~~ described in Subsection [17C-2-303\(1\)](#) for an urban renewal project area or
 915 Section [17C-5-405](#) for a community reinvestment project area.

916 ~~[(9)]~~ (12) "Blight hearing" means a public hearing regarding whether blight exists
 917 within a proposed:

918 (a) urban renewal project area under Subsection [17C-2-102\(1\)\(a\)\(i\)\(C\)](#) and Section
 919 [17C-2-302](#); ~~or [regarding the existence or nonexistence of blight within the proposed urban~~
 920 ~~renewal project area.]~~

921 (b) community reinvestment project area under Section [17C-5-405](#).

922 ~~[(10)]~~ (13) "Blight study" means a study to determine ~~[the existence or nonexistence of~~
 923 ~~blight]~~ whether blight exists within a survey area as ~~[provided]~~ described in Section [17C-2-301](#)
 924 for an urban renewal project area or Section [17C-5-403](#) for a community reinvestment project
 925 area.

926 ~~[(11)]~~ (14) "Board" means the governing body of an agency, as ~~[provided]~~ described in

927 Section 17C-1-203.

928 ~~[(12)]~~ (15) "Budget hearing" means the public hearing on a ~~[draft]~~ proposed project
 929 area budget required under Subsection 17C-2-201(2)(d) for an urban renewal project area
 930 budget ~~[or]~~, Subsection 17C-3-201(2)(d) for an economic development project area budget, or
 931 Subsection 17C-5-302(2)(e) for a community reinvestment project area budget.

932 ~~[(13)]~~ (16) "Closed military base" means land within a former military base that the
 933 Defense Base Closure and Realignment Commission has voted to close or realign when that
 934 action has been sustained by the president of the United States and Congress.

935 ~~[(14)]~~ (17) "Combined incremental value" means the combined total of all incremental
 936 values from all ~~[urban renewal]~~ project areas, except project areas that contain some or all of a
 937 military installation or inactive industrial site, within the agency's boundaries under ~~[adopted]~~
 938 project area plans and ~~[adopted]~~ project area budgets at the time that a project area budget for a
 939 new ~~[urban renewal]~~ project area is being considered.

940 ~~[(15)]~~ (18) "Community" means a county~~[, city, or town]~~ or municipality.

941 ~~[(16) "Community development" means development activities within a community,~~
 942 ~~including the encouragement, promotion, or provision of development.]~~

943 (19) "Community development project area plan" means a project area plan adopted
 944 under Chapter 4, Part 1, Community Development Project Area Plan.

945 (20) "Community legislative body" means the legislative body of the community that
 946 created the agency.

947 (21) "Community reinvestment project area plan" means a project area plan adopted
 948 under Chapter 5, Part 1, Community Reinvestment Project Area Plan.

949 ~~[(17)]~~ (22) "Contest" means to file a written complaint in the district court of the
 950 county in which ~~[the person filing the complaint resides]~~ the agency is located.

951 ~~[(18) "Economic development" means to promote the creation or retention of public or~~
 952 ~~private jobs within the state through:]~~

953 ~~[(a) planning, design, development, construction, rehabilitation, business relocation, or~~
 954 ~~any combination of these, within a community; and]~~

955 ~~[(b) the provision of office, industrial, manufacturing, warehousing, distribution,~~
 956 ~~parking, public, or other facilities, or other improvements that benefit the state or a~~
 957 ~~community.]~~

958 (23) "Economic development project area plan" means a project area plan adopted
959 under Chapter 3, Part 1, Economic Development Project Area Plan.

960 ~~[(19)]~~ (24) "Fair share ratio" means the ratio derived by:

961 (a) for a ~~[city or town]~~ municipality, comparing the percentage of all housing units
962 within the ~~[city or town]~~ municipality that are publicly subsidized income targeted housing
963 units to the percentage of all housing units within the ~~[whole]~~ county in which the municipality
964 is located that are publicly subsidized income targeted housing units; or

965 (b) for the unincorporated part of a county, comparing the percentage of all housing
966 units within the unincorporated county that are publicly subsidized income targeted housing
967 units to the percentage of all housing units within the whole county that are publicly subsidized
968 income targeted housing units.

969 ~~[(20)]~~ (25) "Family" ~~[has the meaning as]~~ means the same as that term is defined
970 [under] in regulations of the United States Department of Housing and Urban Development, 24
971 C.F.R. Section 5.403, as amended or as superseded by replacement regulations.

972 ~~[(21)]~~ (26) "Greenfield" means land not developed beyond agricultural, range, or
973 forestry use.

974 ~~[(22)]~~ (27) "Hazardous waste" means any substance defined, regulated, or listed as a
975 hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant,
976 or toxic substance, or identified as hazardous to human health or the environment, under state
977 or federal law or regulation.

978 ~~[(23)] "Housing funds" means the funds allocated in an urban renewal project area~~
979 ~~budget under Section 17C-2-203 for the purposes provided in Subsection 17C-1-412(1).]~~

980 (28) "Housing allocation" means tax increment allocated for housing under Section
981 17C-2-203, 17C-3-202, or 17C-5-307 for the purposes described in Section 17C-1-412.

982 (29) "Housing fund" means a fund created by an agency for purposes described in
983 Section 17C-1-411 or 17C-1-412 that is comprised of:

984 (a) project area funds allocated for the purposes described in Section 17C-1-411; or

985 (b) an agency's housing allocation.

986 ~~[(24)]~~ (30) (a) "Inactive airport site" means land that:

987 (i) consists of at least 100 acres;

988 (ii) is occupied by an airport:

989 (A) (I) that is no longer in operation as an airport; or
 990 (II) (Aa) that is scheduled to be decommissioned; and
 991 (Bb) for which a replacement commercial service airport is under construction; and
 992 (B) that is owned or was formerly owned and operated by a public entity; and
 993 (iii) requires remediation because:
 994 (A) of the presence of hazardous waste or solid waste; or
 995 (B) the site lacks sufficient public infrastructure and facilities, including public roads,
 996 electric service, water system, and sewer system, needed to support development of the site.

997 (b) "Inactive airport site" includes a perimeter of up to 2,500 feet around the land
 998 described in Subsection ~~[(24)]~~ (30)(a).

999 ~~[(25)]~~ (31) (a) "Inactive industrial site" means land that:

1000 (i) consists of at least 1,000 acres;
 1001 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial
 1002 facility; and
 1003 (iii) requires remediation because of the presence of hazardous waste or solid waste.

1004 (b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land
 1005 described in Subsection ~~[(25)]~~ (31)(a).

1006 ~~[(26)]~~ (32) "Income targeted housing" means housing ~~[to be]~~ that is owned or occupied
 1007 by a family whose annual income is at or below 80% of the median annual income for a family
 1008 within the county in which the housing is located.

1009 ~~[(27)]~~ (33) "Incremental value" means a figure derived by multiplying the marginal
 1010 value of the property located within ~~[an urban renewal]~~ a project area on which tax increment
 1011 is collected by a number that represents the ~~[percentage of]~~ adjusted tax increment from that
 1012 project area that is paid to the agency.

1013 ~~[(28)]~~ (34) "Loan fund board" means the Olene Walker Housing Loan Fund Board,
 1014 established under Title 35A, Chapter 8, Part 5, Olene Walker Housing Loan Fund.

1015 ~~[(31)]~~ (35) (a) "~~[Municipal]~~ Local government building" means a building owned and
 1016 operated by a ~~[municipality]~~ community for the purpose of providing one or more primary
 1017 ~~[municipal]~~ community functions, including:

1018 (i) a fire station;
 1019 (ii) a police station;

1020 (iii) a city hall; or

1021 (iv) a court or other judicial building.

1022 (b) "~~[Municipal]~~ Local government building" does not include a building the primary
1023 purpose of which is cultural or recreational in nature.

1024 ~~[(29)]~~ (36) "Marginal value" means the difference between actual taxable value and
1025 base taxable value.

1026 ~~[(30)]~~ (37) "Military installation project area" means a project area or a portion of a
1027 project area located within a federal military installation ordered closed by the federal Defense
1028 Base Realignment and Closure Commission.

1029 (38) "Municipality" means a city, town, or metro township as defined in Section
1030 [10-2a-403](#).

1031 (39) "Participant" means one or more persons that enter into a participation agreement
1032 with an agency.

1033 (40) "Participation agreement" means a written agreement between a person and an
1034 agency that:

1035 (a) includes a description of:

1036 (i) the project area development that the person will undertake;

1037 (ii) the amount of project area funds the person may receive; and

1038 (iii) the terms and conditions under which the person may receive project area funds;

1039 and

1040 (b) is approved by resolution of the board.

1041 ~~[(32)]~~ (41) "Plan hearing" means the public hearing on a ~~[draft]~~ proposed project area
1042 plan required under Subsection [17C-2-102\(1\)\(a\)\(vi\)](#) for an urban renewal project area plan,
1043 Subsection [17C-3-102\(1\)\(d\)](#) for an economic development project area plan, ~~[and]~~ Subsection
1044 [17C-4-102\(1\)\(d\)](#) for a community development project area plan, or Subsection
1045 [17C-5-104\(3\)\(e\)](#) for a community reinvestment project area plan.

1046 ~~[(33)]~~ (42) "Post-June 30, 1993, project area plan" means a project area plan adopted
1047 on or after July 1, 1993, and before May 10, 2016, whether or not amended subsequent to ~~[its]~~
1048 the project area plan's adoption.

1049 ~~[(34)]~~ (43) "Pre-July 1, 1993, project area plan" means a project area plan adopted
1050 before July 1, 1993, whether or not amended subsequent to ~~[its]~~ the project area plan's

1051 adoption.

1052 ~~[(35)]~~ (44) "Private," with respect to real property, means:

1053 (a) not owned by ~~[the United States or any agency of the federal government,]~~ a public
1054 entity~~[-]~~ or any other governmental entity; and

1055 (b) not dedicated to public use.

1056 ~~[(36)]~~ (45) "Project area" means the geographic area described in a project area plan ~~[or~~
1057 ~~draft project area plan where the urban renewal, economic development, or community~~
1058 ~~development, as the case may be, set forth in the project area plan or draft project area plan~~
1059 ~~takes place or is proposed to take place]~~ within which the project area development described
1060 in the project area plan takes place or is proposed to take place.

1061 ~~[(37)]~~ (46) "Project area budget" means a multiyear projection of annual or cumulative
1062 revenues and expenses and other fiscal matters pertaining to a ~~[urban renewal or economic~~
1063 ~~development]~~ project area prepared in accordance with:

1064 (a) for an urban renewal project area, Section [17C-2-202](#);

1065 (b) for an economic development project area, Section [17C-3-202](#);

1066 (c) for a community development project area, Section [17C-4-204](#); or

1067 (d) for a community reinvestment project area, Section [17C-5-302](#). ~~[that includes:]~~

1068 ~~[(a) the base taxable value of property in the project area;]~~

1069 ~~[(b) the projected tax increment expected to be generated within the project area;]~~

1070 ~~[(c) the amount of tax increment expected to be shared with other taxing entities;]~~

1071 ~~[(d) the amount of tax increment expected to be used to implement the project area~~
1072 ~~plan, including the estimated amount of tax increment to be used for land acquisition, public~~
1073 ~~improvements, infrastructure improvements, and loans, grants, or other incentives to private~~
1074 ~~and public entities;]~~

1075 ~~[(e) the tax increment expected to be used to cover the cost of administering the project~~
1076 ~~area plan;]~~

1077 ~~[(f) if the area from which tax increment is to be collected is less than the entire project~~
1078 ~~area;]~~

1079 ~~[(i) the tax identification numbers of the parcels from which tax increment will be~~
1080 ~~collected; or]~~

1081 ~~[(ii) a legal description of the portion of the project area from which tax increment will~~

1082 ~~be collected;]~~
1083 ~~[(g) for property that the agency owns and expects to sell, the expected total cost of the~~
1084 ~~property to the agency and the expected selling price; and]~~
1085 ~~[(h) (i) for an urban renewal project area, the information required under Subsection~~
1086 ~~17C-2-201(1)(b); and]~~
1087 ~~[(ii) for an economic development project area, the information required under~~
1088 ~~Subsection 17C-3-201(1)(b).]~~
1089 (47) "Project area development" means activity within a project area that encourages,
1090 promotes, or provides development or redevelopment for the purpose of implementing a
1091 project area plan, including:
1092 (a) promoting, creating, or retaining public or private jobs within the state or a
1093 community;
1094 (b) providing office, manufacturing, warehousing, distribution, parking, or other
1095 facilities or improvements;
1096 (c) planning, designing, demolishing, clearing, constructing, rehabilitating, or
1097 remediating environmental issues;
1098 (d) providing residential, commercial, industrial, public, or other structures or spaces,
1099 including recreational and other facilities incidental or appurtenant to the structures or spaces;
1100 (e) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating
1101 existing structures;
1102 (f) providing open space, including streets or other public grounds or space around
1103 buildings;
1104 (g) providing public or private buildings, infrastructure, structures, or improvements;
1105 (h) relocating a business;
1106 (i) improving public or private recreation areas or other public grounds;
1107 (j) eliminating blight or the causes of blight;
1108 (k) redevelopment as defined under the law in effect before May 1, 2006; or
1109 (l) any activity described in Subsections (47)(a) through (k) outside of a project area
1110 that the board determines to be a benefit to the project area.
1111 (48) "Project area funds" means tax increment or sales and use tax revenue that an
1112 agency receives under a project area budget adopted by a taxing entity committee or an

1113 interlocal agreement.

1114 (49) "Project area funds collection period" means the period of time that:

1115 (a) begins the day on which an agency receives the first payment of project area funds
 1116 from a taxing entity under a project area budget adopted by a taxing entity committee or an
 1117 interlocal agreement; and

1118 (b) ends the day on which an agency receives the last payment of project area funds
 1119 from a taxing entity under a project area budget adopted by a taxing entity committee or an
 1120 interlocal agreement.

1121 ~~[(38)]~~ (50) "Project area plan" means [a written plan under Chapter 2, Part 1, Urban
 1122 Renewal Project Area Plan, Chapter 3, Part 1, Economic Development Project Area Plan, or
 1123 Chapter 4, Part 1, Community Development Project Area Plan, as the case may be;] an urban
 1124 renewal project area plan, an economic development project area plan, a community
 1125 development project area plan, or a community reinvestment project area plan that, after [its]
 1126 the project area plan's effective date, guides and controls the [urban renewal, economic
 1127 development, or community development activities within a project area] project area
 1128 development.

1129 ~~[(39)]~~ (51) (a) "Property tax" [includes privilege tax and each levy on an ad valorem
 1130 basis on tangible or intangible personal or real property.] means each levy on an ad valorem
 1131 basis on tangible or intangible personal or real property.

1132 (b) "Property tax" includes a privilege tax imposed under Title 59, Chapter 4, Privilege
 1133 Tax.

1134 ~~[(40)]~~ (52) "Public entity" means:

1135 (a) the United States, including an agency of the United States;

1136 ~~[(a)]~~ (b) the state, including any of [its] the state's departments or agencies; or

1137 ~~[(b)]~~ (c) a political subdivision of the state, including a county, [city, town,]
 1138 municipality, school district, local district, special service district, or interlocal cooperation
 1139 entity.

1140 ~~[(41)]~~ (53) "Publicly owned infrastructure and improvements" means water, sewer,
 1141 storm drainage, electrical, [and] natural gas, telecommunication, or other similar systems and
 1142 lines, streets, roads, curb, gutter, sidewalk, walkways, parking facilities, public transportation
 1143 facilities, [and] or other facilities, infrastructure, and improvements benefitting the public and

1144 to be publicly owned or publicly maintained or operated.

1145 ~~[(42)]~~ (54) "Record property owner" or "record owner of property" means ~~[the owner~~
1146 ~~of real property as shown on the records of the recorder of the county in which the property is~~
1147 ~~located and includes a purchaser under a real estate contract if the contract is recorded in the~~
1148 ~~office of the recorder of the county in which the property is located or the purchaser gives~~
1149 ~~written notice of the real estate contract to the agency.]~~ the owner of real property, as shown on
1150 the records of the county in which the property is located, to whom the property's tax notice is
1151 sent.

1152 (55) "Sales and use tax revenue" means revenue that is:

1153 (a) generated from a tax imposed under Title 59, Chapter 12, Sales and Use Tax Act;

1154 and

1155 (b) distributed to a taxing entity in accordance with Sections [59-12-204](#) and [59-12-205](#).

1156 ~~[(43)]~~ (56) "Superfund site":

1157 (a) means an area included in the National Priorities List under the Comprehensive
1158 Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sec. 9605; and

1159 (b) includes an area formerly included in the National Priorities List, as described in
1160 Subsection ~~[(43)]~~ (56)(a), but removed from the list following remediation that leaves on site
1161 the waste that caused the area to be included in the National Priorities List.

1162 ~~[(44)]~~ (57) "Survey area" means ~~[an]~~ a geographic area designated for study by a
1163 survey area resolution ~~[for study]~~ to determine whether one or more ~~[urban renewal projects]~~
1164 project areas within the survey area are feasible.

1165 ~~[(45)]~~ (58) "Survey area resolution" means a resolution adopted by ~~[the agency]~~ a
1166 board under Subsection ~~[[17C-2-101\(1\)\(a\)](#)]~~ [17C-2-101.5\(1\)](#) or [17C-5-103\(1\)](#) designating a
1167 survey area.

1168 ~~[(46)]~~ (59) "Taxable value" means ~~[the value of property as shown on the last~~
1169 ~~equalized assessment roll as certified by the county assessor.];~~

1170 (a) the taxable value of all real property a county assessor assesses in accordance with
1171 Title 59, Chapter 2, Part 3, County Assessment, for the current year;

1172 (b) the taxable value of all real and personal property the commission assesses in
1173 accordance with Title 59, Chapter 2, Part 2, Assessment of Property, for the current year; and

1174 (c) the year end taxable value of all personal property a county assessor assesses in

1175 accordance with Title 59, Chapter 2, Part 3, County Assessment, contained on the prior year's
 1176 tax rolls of the taxing entity.

1177 ~~[(47) (a) Except as provided in Subsection (47) (b),]~~

1178 (60) (a) "Tax increment" means the difference between:

1179 (i) the amount of property tax ~~[revenues]~~ revenue generated each tax year by ~~[a]~~ a
 1180 taxing ~~[entities]~~ entity from the area within a project area designated in the project area plan as
 1181 the area from which tax increment is to be collected~~[(A)]~~, using the current assessed value of
 1182 the property; and

1183 ~~[(B) that are paid to the agency from funds from all of the tax levies used in~~
 1184 ~~establishing the certified tax rate in accordance with Section 59-2-924 of the taxing entity~~
 1185 ~~within which the agency is located, including funds that are restricted for a particular use by~~
 1186 ~~statute to the extent bond covenants are not impaired; and]~~

1187 (ii) the amount of property tax ~~[revenues]~~ revenue that would be generated from that
 1188 same area using the base taxable value of the property.

1189 (b) "Tax increment" does not include taxes levied and collected under Section
 1190 59-2-1602 on or after January 1, 1994, upon the taxable property in the project area unless:

1191 (i) the project area plan was adopted before May 4, 1993, whether or not the project
 1192 area plan was subsequently amended; and

1193 (ii) the taxes were pledged to support bond indebtedness or other contractual
 1194 obligations of the agency.

1195 ~~[(48)]~~ (61) "Taxing entity" means a public entity that ~~[levies]~~ is authorized to:

1196 (a) levy a tax on ~~[a parcel or parcels of]~~ property located within a ~~[community:]~~ project
 1197 area; or

1198 (b) impose a sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act.

1199 ~~[(49)]~~ (62) "Taxing entity committee" means a committee representing the interests of
 1200 taxing entities, created ~~[as provided]~~ in accordance with Section 17C-1-402.

1201 ~~[(50)]~~ (63) "Unincorporated" means not within a ~~[city or town]~~ municipality.

1202 ~~[(51) (a) "Urban renewal" means the development activities under a project area plan~~
 1203 ~~within an urban renewal project area, including:]~~

1204 ~~[(i) planning, design, development, demolition, clearance, construction, rehabilitation,~~
 1205 ~~environmental remediation, or any combination of these, of part or all of a project area;]~~

1206 ~~[(ii) the provision of residential, commercial, industrial, public, or other structures or~~
 1207 ~~spaces, including recreational and other facilities incidental or appurtenant to them;]~~

1208 ~~[(iii) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating,~~
 1209 ~~or any combination of these, existing structures in a project area;]~~

1210 ~~[(iv) providing open space, including streets and other public grounds and space~~
 1211 ~~around buildings;]~~

1212 ~~[(v) providing public or private buildings, infrastructure, structures, and improvements;~~
 1213 ~~and]~~

1214 ~~[(vi) providing improvements of public or private recreation areas and other public~~
 1215 ~~grounds.]~~

1216 ~~[(b) "Urban renewal" means "redevelopment," as defined under the law in effect before~~
 1217 ~~May 1, 2006, if the context requires.]~~

1218 (64) "Urban renewal project area plan" means a project area plan adopted under
 1219 Chapter 2, Part 1, Urban Renewal Project Area Plan.

1220 Section 17. Section **17C-1-102.5** is enacted to read:

1221 **17C-1-102.5. Project area created on or after May 10, 2016.**

1222 Beginning on May 10, 2016, an agency:

1223 (1) may create a community reinvestment project area under Chapter 5, Community
 1224 Reinvestment;

1225 (2) except as provided in Subsection (3), may not create:

1226 (a) an urban renewal project area under Chapter 2, Urban Renewal;

1227 (b) an economic development project area under Chapter 3, Economic Development;

1228 or

1229 (c) a community development project area under Chapter 4, Community Development;

1230 and

1231 (3) may create an urban renewal project area, an economic development project area,
 1232 or a community development project area if:

1233 (a) before April 1, 2016, the agency adopts a resolution in accordance with:

1234 (i) Section [17C-2-101.5](#) for an urban renewal project area;

1235 (ii) Section [17C-3-101](#) for an economic development project area; or

1236 (iii) Section [17C-4-102](#) for a community development project area; and

1237 (b) the urban renewal project area, economic development project area, or community
1238 development project area is effective before September 1, 2016.

1239 Section 18. Section **17C-1-103** is amended to read:

1240 **17C-1-103. Limitations on applicability of title -- Amendment of previously**
1241 **adopted project area plan.**

1242 (1) [~~Nothing~~] Except where expressly provided, nothing in this title may be construed
1243 to:

1244 (a) impose a requirement or obligation on an agency, with respect to a project area plan
1245 adopted or an agency action taken, that was not imposed by the law in effect at the time the
1246 project area plan was adopted or the action taken;

1247 (b) prohibit an agency from taking an action that:

1248 (i) was allowed by the law in effect immediately before an applicable amendment to
1249 this title;

1250 (ii) is permitted or required under the project area plan adopted before the amendment;
1251 and

1252 (iii) is not explicitly prohibited under this title;

1253 (c) revive any right to challenge any action of the agency that had already expired; or

1254 (d) require a project area plan to contain a provision that was not required by the law in
1255 effect at the time the project area plan was adopted.

1256 (2) (a) A project area plan adopted before an amendment to this title becomes effective
1257 may be amended as provided in this title.

1258 (b) Unless explicitly prohibited by this title, an amendment under Subsection (2)(a)
1259 may include a provision that is allowed under this title but that was not required or allowed by
1260 the law in effect before the applicable amendment.

1261 Section 19. Section **17C-1-201.1** is enacted to read:

1262 **Part 2. Agency Creation, Powers, and Board**

1263 **17C-1-201.1. Title.**

1264 This part is known as "Agency Creation, Powers, and Board."

1265 Section 20. Section **17C-1-201.5**, which is renumbered from Section 17C-1-201 is
1266 renumbered and amended to read:

1267 [~~17C-1-201~~]. **17C-1-201.5. Creation of agency -- Name change.**

1268 (1) A community [~~may, by ordinance adopted by its legislative body, approve the~~
1269 ~~creation of a community development and renewal agency.~~] legislative body may, by
1270 ordinance, create a community reinvestment agency.

1271 (2) (a) The community legislative body shall:

1272 (i) after adopting an ordinance under Subsection (1), file with the lieutenant governor a
1273 copy of a notice, subject to Subsection (2)(b), of an impending boundary action, as defined in
1274 Section 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3); and

1275 (ii) upon the lieutenant governor's issuance of a certificate of creation under Section
1276 67-1a-6.5, submit to the recorder of the county in which the agency is located:

1277 (A) the original notice of an impending boundary action;

1278 (B) the original certificate of creation; and

1279 (C) a certified copy of the ordinance approving the creation of the community
1280 [~~development and renewal~~] reinvestment agency.

1281 (b) The notice required under Subsection (2)(a)(i) shall state that the agency's
1282 boundaries are, and shall always be, coterminous with the boundaries of the community that
1283 created the agency.

1284 (c) Upon the lieutenant governor's issuance of the certificate of creation under Section
1285 67-1a-6.5, the agency is created and incorporated.

1286 (d) Until the documents listed in Subsection (2)(a)(ii) are recorded in the office of the
1287 recorder of the county in which the [~~property~~] agency is located, an agency may not receive or
1288 spend [~~tax increment~~] agency funds.

1289 (3) (a) An agency may [~~approve a~~] change [~~in its~~] the agency's name [~~, whether to~~
1290 ~~indicate it is a community development and renewal agency or otherwise,~~] by:

1291 (i) adopting a resolution approving a name change; and

1292 (ii) filing with the lieutenant governor a copy of a notice of an impending name
1293 change, as defined in Section 67-1a-6.7, that meets the requirements of Subsection
1294 67-1a-6.7(3).

1295 (b) (i) Upon the lieutenant governor's issuance of a certificate of name change under
1296 Section 67-1a-6.7, the agency shall file with the recorder of the county in which the agency is
1297 located:

1298 (A) the original notice of an impending name change;

- 1299 (B) the original certificate of name change; and
- 1300 (C) a certified copy of the resolution approving a name change.
- 1301 (ii) Until the documents listed in Subsection (3)(b)(i) are recorded in the office of the
- 1302 county recorder, the agency may not operate under the new name.
- 1303 Section 21. Section **17C-1-202** is amended to read:
- 1304 **17C-1-202. Agency powers.**
- 1305 (1) [~~A community development and renewal~~] An agency may:
- 1306 (a) sue and be sued;
- 1307 (b) enter into contracts generally;
- 1308 (c) buy, obtain an option upon, or otherwise acquire any interest in real or personal
- 1309 property;
- 1310 (d) sell, convey, grant, [~~dispose of by~~] gift, or otherwise dispose of any interest in real
- 1311 or personal property;
- 1312 (e) enter into a lease agreement on real or personal property, either as lessee or lessor;
- 1313 (f) provide for [~~urban renewal, economic development, and community~~] project area
- 1314 development as provided in this title;
- 1315 (g) receive [~~tax increment~~] and use agency funds as provided in this title;
- 1316 (h) if disposing of or leasing land, retain controls or establish restrictions and
- 1317 covenants running with the land consistent with the project area plan;
- 1318 (i) accept financial or other assistance from any public or private source for the
- 1319 agency's activities, powers, and duties, and expend any funds [~~so received for any of the~~
- 1320 ~~purposes of~~] the agency receives for any purpose described in this title;
- 1321 (j) borrow money or accept financial or other assistance from [~~the federal government,~~]
- 1322 a public entity, or any other source for any of the purposes of this title and comply with any
- 1323 conditions of [~~the~~] any loan or assistance;
- 1324 (k) issue bonds to finance the undertaking of any [~~urban renewal, economic~~
- 1325 ~~development, or community~~] project area development or for any of the agency's other
- 1326 purposes, including:
- 1327 (i) reimbursing an advance made by the agency or by a public entity [~~or the federal~~
- 1328 ~~government~~] to the agency;
- 1329 (ii) refunding bonds to pay or retire bonds previously issued by the agency; and

1330 (iii) refunding bonds to pay or retire bonds previously issued by the community that
 1331 created the agency for expenses associated with [~~an urban renewal, economic development, or~~
 1332 ~~community development project; and~~] project area development;

1333 (l) pay an impact fee, exaction, or other fee imposed by a community in connection
 1334 with land development; or

1335 [~~(t)~~] (m) transact other business and exercise all other powers [~~provided for~~] described
 1336 in this title.

1337 (2) The establishment of controls or restrictions and covenants under Subsection (1)(h)
 1338 is a public purpose.

1339 Section 22. Section **17C-1-203** is amended to read:

1340 **17C-1-203. Agency board -- Quorum.**

1341 (1) The governing body of an agency is a board consisting of the current members of
 1342 the community legislative body [~~of the community that created the agency~~].

1343 (2) A majority of board members constitutes a quorum for the transaction of agency
 1344 business.

1345 (3) [~~An agency~~] A board may not adopt a resolution, pass a motion, or take any other
 1346 official board action without the concurrence of at least a majority of the board members
 1347 present at a meeting at which a quorum is present.

1348 (4) (a) The mayor or the mayor's designee of a municipality operating under a
 1349 council-mayor form of government, as defined in Section [10-3b-102](#):

1350 [~~(a)~~] (i) serves as the executive director of an agency created by the municipality; and

1351 [~~(b)~~] (ii) exercises the [~~executive powers of the agency~~] agency's executive powers.

1352 (b) The county executive or the county executive's designee of a county operating
 1353 under a county executive-council form of government, as described in Section [17-52-504](#):

1354 (i) serves as the executive director of an agency created by the county; and

1355 (ii) exercises the agency's executive powers.

1356 Section 23. Section **17C-1-204** is amended to read:

1357 **17C-1-204. Project area development by an adjoining agency -- Requirements.**

1358 [~~(1) An agency or community may, by resolution of its board or legislative body,~~

1359 ~~respectively, authorize an agency to conduct urban renewal, economic development, or~~

1360 ~~community development activities in a project area that includes an area within the authorizing~~

1361 agency's boundaries or within the boundaries of the authorizing community if the project area
1362 or community is contiguous to the boundaries of the other agency.]

1363 ~~[(2) If an agency board or community legislative body adopts a resolution under~~
1364 ~~Subsection (1) authorizing another agency to undertake urban renewal, economic development,~~
1365 ~~or community development activities in the authorizing agency's project area or within the~~
1366 ~~boundaries of the authorizing community:]~~

1367 (1) (a) A community that has not created an agency may enter into an interlocal
1368 agreement with an agency located in the same or an abutting county that authorizes the agency
1369 to exercise all the powers granted to an agency under this title within the community.

1370 (b) The agency and the community shall adopt an interlocal agreement described in
1371 Subsection (1)(a) by resolution.

1372 (2) If an agency and a community enter into an interlocal agreement under Subsection
1373 (1):

1374 (a) the [other] agency may act in all respects as if [the] a project area [were] within the
1375 community were within [its own] the agency's boundaries;

1376 (b) the board [of the other agency] has all the rights, powers, and privileges with
1377 respect to [the] a project area within the community as if [it were] the project area were within
1378 [its own] the agency's boundaries; [and]

1379 (c) the [other] agency may be paid [tax increment] project area funds to the same extent
1380 as if [the] a project area [were] within the community were within [its own] the agency's
1381 boundaries[-]; and

1382 (d) the community legislative body shall adopt, by ordinance, each project area plan
1383 within the community approved by the agency.

1384 ~~[(3) Each project area plan approved by the other agency for the project area that is the~~
1385 ~~subject of a resolution under Subsection (1) shall be adopted by ordinance of the legislative~~
1386 ~~body of the community in which the project area is located.]~~

1387 (3) If an agency's project area abuts another agency's project area, the agencies may
1388 coordinate with each other in order to assist and cooperate in the planning, undertaking,
1389 construction, or operation of project area development located within each agency's project
1390 area.

1391 (4) (a) As used in this Subsection (4):

- 1392 (i) "County agency" means an agency that ~~[was]~~ is created by a county.
- 1393 (ii) "Industrial property" means private real property:
- 1394 (A) over half of which is located within the boundary of a town, as defined in Section
- 1395 10-1-104; and
- 1396 (B) comprises some or all of an inactive industrial site.
- 1397 (iii) "Perimeter portion" means the portion of an inactive industrial site that is:
- 1398 (A) part of the inactive industrial site because ~~[it]~~ the site lies within the perimeter
- 1399 described in ~~[Subsection]~~ Section 17C-1-102~~[(24)(b)]~~; and
- 1400 (B) located within the boundary of a city, as defined in Section 10-1-104.
- 1401 (b) (i) Subject to Subsection (4)(b)(ii), a county agency may undertake ~~[urban renewal,~~
- 1402 ~~economic development, or community]~~ project area development on industrial property if the
- 1403 record property owner of the industrial property submits a written request to the county agency
- 1404 to do so.
- 1405 (ii) A county agency may not include a perimeter portion within a project area without
- 1406 the approval of the city in which the perimeter portion is located.
- 1407 (c) If a county agency undertakes ~~[urban renewal, economic development, or~~
- 1408 ~~community]~~ project area development on industrial property:
- 1409 (i) the county agency may act in all respects as if the project area that includes the
- 1410 industrial property were within the county agency's boundary;
- 1411 (ii) the board of the county agency has each right, power, and privilege with respect to
- 1412 the project area as if the project area were within the county agency's boundary; and
- 1413 (iii) the county agency may be paid ~~[tax increment]~~ project area funds to the same
- 1414 extent as if the project area were within the county agency's boundary.
- 1415 (d) A project area plan for a project on industrial property that is approved by the
- 1416 county agency shall be adopted by ordinance of the legislative body of the county in which the
- 1417 project area is located.

Section 24. Section **17C-1-205** is amended to read:

17C-1-205. Transfer of project area from one community to another.

- 1420 (1) ~~[For purposes of]~~ As used in this section:
- 1421 (a) "New agency" means the agency created by the new community.
- 1422 (b) "New community" means the community in which the relocated project area is

1423 located after the change in community boundaries takes place.

1424 (c) "Original agency" means the agency created by the original community.

1425 (d) "Original community" means the community that adopted the project area plan that
1426 created the project area that has been relocated.

1427 (e) "Relocated" means that a project area under a project area plan adopted by the
1428 original community has ceased to be located within that community and has become part of a
1429 new community because of a change in community boundaries through:

1430 (i) a county or municipal annexation;

1431 (ii) the creation of a new county;

1432 (iii) a municipal incorporation, consolidation, dissolution, or boundary adjustment; or

1433 (iv) any other action resulting in a change in community boundaries.

1434 (2) ~~[If a]~~ A relocated project area ~~[under a project area plan adopted by a community~~
1435 ~~becomes relocated, the project area]~~ shall, for purposes of this title, be considered to remain in
1436 the original community until ~~[(a) the new community has created an agency; (b) the original~~
1437 ~~agency has transferred or assigned]~~ the original agency and the new agency enter into an
1438 interlocal agreement, adopted by resolution of the original agency's and the new agency's board,
1439 that authorizes the original agency to transfer or assign to the new agency the original agency's
1440 real property, rights, indebtedness, obligations, tax increment, ~~[and]~~ or other assets and
1441 liabilities ~~[related to]~~ resulting from the relocated project area~~;~~.

1442 ~~[(c) the new agency by resolution approves the original agency's project area plan as~~
1443 ~~the project area plan of the new agency; and]~~

1444 ~~[(d) the new community by ordinance adopts the project area plan that was approved~~
1445 ~~by the new agency;]~~

1446 Section 25. Section **17C-1-207** is amended to read:

1447 **17C-1-207. Public entities may assist with project area development.**

1448 (1) In order to assist and cooperate in the planning, undertaking, construction, or
1449 operation of ~~[urban renewal, economic development, or community]~~ project area development
1450 within ~~[the]~~ an area in which ~~[it]~~ the public entity is authorized to act, a public entity may:

1451 (a) (i) provide or cause to be furnished:

1452 (A) parks, playgrounds, or other recreational facilities;

1453 (B) community, educational, water, sewer, or drainage facilities; or

1454 (C) any other works which the public entity is otherwise empowered to undertake;
1455 (ii) provide, furnish, dedicate, close, vacate, pave, install, grade, regrade, plan, or
1456 replan streets, roads, roadways, alleys, sidewalks, or other places;
1457 (iii) in any part of the project area:
1458 (A) (I) plan or replan any property within the project area;
1459 (II) plat or replat any property within the project area;
1460 (III) vacate a plat;
1461 (IV) amend a plat; or
1462 (V) zone or rezone any property within the project area; and
1463 (B) make any legal exceptions from building regulations and ordinances;
1464 (iv) purchase or legally invest in any of the bonds of an agency and exercise all of the
1465 rights of any holder of the bonds;
1466 (v) enter into an agreement with another public entity concerning action to be taken
1467 pursuant to any of the powers granted in this title;
1468 (vi) do [~~any and all things~~] anything necessary to aid or cooperate in the planning or
1469 [~~carrying out~~] implementation of the [~~urban renewal, economic development, or community~~]
1470 project area development;
1471 (vii) in connection with the project area plan, become obligated to the extent
1472 authorized and funds have been made available to make required improvements or construct
1473 required structures; and
1474 (viii) lend, grant, or contribute funds to an agency for [~~an urban renewal, economic~~
1475 ~~development, or community development project~~] project area development; and
1476 (b) 15 days after posting public notice:
1477 (i) purchase or otherwise acquire property or lease property from [~~an~~] the agency; or
1478 (ii) sell, grant, convey, or otherwise dispose of the public entity's property or lease the
1479 public entity's property to [~~an~~] the agency.
1480 (2) Notwithstanding any law to the contrary, an agreement under Subsection (1)(a)(v)
1481 may extend over any period.
1482 (3) A grant or contribution of funds from a public entity to an agency, or from an
1483 agency under a project area plan or project area budget, is not subject to the requirements of
1484 Section [10-8-2](#).

1485 Section 26. Section **17C-1-208** is amended to read:

1486 **17C-1-208. Agency funds.**

1487 (1) Agency funds shall be accounted for separately from the funds of the community
1488 that created the agency.

1489 (2) An agency may accumulate retained earnings or fund balances, as appropriate, in
1490 any fund.

1491 Section 27. Section **17C-1-209** is enacted to read:

1492 **17C-1-209. Agency records.**

1493 An agency shall maintain the agency's minutes, resolutions, and other records separate
1494 from those of the community that created the agency.

1495 Section 28. Section **17C-1-301.1** is enacted to read:

1496 **17C-1-301.1. Title.**

1497 This part is known as "Agency Property."

1498 Section 29. Section **17C-1-301.5**, which is renumbered from Section 17C-1-301 is
1499 renumbered and amended to read:

1500 **Part 3. Agency Property**

1501 ~~[17C-1-301].~~ **17C-1-301.5. Agency property exempt from taxation --**

1502 **Exception.**

1503 (1) Agency property acquired or held for purposes of this title is ~~[declared to be]~~ public
1504 property used for essential public and governmental purposes and, subject to Subsection (2), is
1505 exempt from ~~[all taxes of a public]~~ taxation by a taxing entity.

1506 (2) The exemption in Subsection (1) does not apply to property that the agency leases
1507 to a lessee ~~[that is not]~~ unless the lessee is entitled to a tax exemption with respect to the
1508 property.

1509 Section 30. Section **17C-1-302** is amended to read:

1510 **17C-1-302. Agency property exempt from levy and execution sale -- Judgment**
1511 **against community or agency.**

1512 (1) (a) (i) All agency property, including funds the agency owns or holds for purposes
1513 of this title, is exempt from levy and execution sale, and no execution or judicial process may
1514 issue against ~~[agency]~~ the property.

1515 (ii) A judgment against an agency may not be a charge or lien upon agency property.

1516 (b) Subsection (1)(a) does not apply to or limit the right of ~~[obligees]~~ an obligee to
1517 pursue any ~~[remedies]~~ remedy for the enforcement of any pledge or lien given by an agency on
1518 ~~[its]~~ the agency's funds or revenues.

1519 (2) A judgment against the community that created the agency may not be a charge or
1520 lien upon agency property.

1521 (3) A judgment against an agency may not be a charge or lien upon property of the
1522 community that created the agency.

1523 Section 31. Section ~~17C-1-401.1~~ is enacted to read:

1524 **Part 4. Project Area Funds**

1525 **17C-1-401.1. Title.**

1526 This part is known as "Project Area Funds."

1527 Section 32. Section ~~17C-1-401.5~~, which is renumbered from Section 17C-1-401 is
1528 renumbered and amended to read:

1529 ~~[17C-1-401].~~ **17C-1-401.5. Agency receipt and use of project area funds --**
1530 **Distribution of project area funds.**

1531 (1) An agency may receive and use ~~[tax increment and sales tax, as provided in this~~
1532 ~~part]~~ project area funds in accordance with this title.

1533 (2) (a) A county that collects property tax on property located within a project area
1534 shall, in accordance with Section ~~59-12-1365~~, distribute to an agency any tax increment that the
1535 agency is authorized to receive.

1536 (b) Tax increment distributed to an agency in accordance with Subsection (2)(a) is not
1537 revenue of the taxing entity.

1538 ~~[(2)]~~ (3) (a) The ~~[applicable length of time or number of years for which an agency is~~
1539 ~~to be paid tax increment or sales tax under this part]~~ project area funds collection period shall
1540 be measured:

1541 (i) for a pre-July 1, 1993, project area plan, from the first tax year regarding which the
1542 agency accepts tax increment from the project area;

1543 (ii) for a post-June 30, 1993, urban renewal or economic development project area
1544 plan:

1545 (A) with respect to tax increment, from the first tax year for which the agency receives
1546 tax increment under the project area budget; or

1547 (B) with respect to sales and use tax revenue, as indicated in the interlocal agreement
 1548 between the agency and the taxing entity that [~~established the agency's right to receive sales~~
 1549 ~~tax; or~~] authorizes the agency to receive the taxing entity's sales and use tax revenue;

1550 (iii) for a community development project area plan, as indicated in the resolution or
 1551 interlocal agreement of a taxing entity that [~~establishes the agency's right to receive tax~~
 1552 ~~increment or sales tax.~~] authorizes the agency to receive the taxing entity's project area funds;

1553 (iv) for a community reinvestment project area plan that is subject to a taxing entity
 1554 committee:

1555 (A) with respect to tax increment, from the first tax year for which the agency receives
 1556 tax increment under the project area budget; or

1557 (B) with respect to sales and use tax revenue, in accordance with the interlocal
 1558 agreement between the agency and the taxing entity that authorizes the agency to receive the
 1559 taxing entity's sales and use tax revenue; or

1560 (v) for a community reinvestment project area plan that is subject to an interlocal
 1561 agreement, in accordance with the interlocal agreement between the agency and the taxing
 1562 entity that authorizes the agency to receive the taxing entity's project area funds.

1563 (b) Unless otherwise provided in a project area budget that is approved by a taxing
 1564 entity committee, or in an interlocal agreement [~~or resolution~~] adopted by a taxing entity, tax
 1565 increment may not be paid to an agency for a tax year [~~prior to~~] before the tax year following:

1566 (i) for an urban renewal [~~or~~] project area plan, an economic development project area
 1567 plan, or a community reinvestment project area plan that is subject to a taxing entity
 1568 committee, the effective date of the project area plan; and

1569 (ii) for a community development project area plan or a community reinvestment
 1570 project area plan that is subject to an interlocal agreement, the effective date of the interlocal
 1571 agreement that [~~establishes the agency's right~~] authorizes the agency to receive tax increment.

1572 [~~(3)~~] (4) With respect to a community development project area plan or a community
 1573 reinvestment project area plan that is subject to an interlocal agreement:

1574 (a) a taxing entity [~~or public entity~~] may, [~~by resolution or~~] through interlocal
 1575 agreement, authorize an agency to be paid any or all of [~~that taxing entity or public entity's tax~~
 1576 ~~increment or sales tax~~] the taxing entity's project area funds for any period of time; and

1577 (b) the [~~resolution or~~] interlocal agreement authorizing the agency to be paid [~~tax~~

1578 ~~increment or sales tax~~ project area funds shall specify:

1579 (i) the base taxable value of the project area; and

1580 (ii) the method of calculating the amount of ~~[tax increment or sales tax]~~ project area
1581 funds to be paid to the agency.

1582 ~~[(4)]~~ (5) (a) (i) The boundaries of one project area may overlap and include the
1583 boundaries of an existing project area.

1584 (ii) If a taxing entity committee is required to approve the project area budget of an
1585 overlapping project area described in Subsection ~~[(4)]~~ (5)(a)(i), the agency shall, before the first
1586 meeting of the taxing entity committee at which the project area budget will be considered,
1587 inform each taxing entity of the location of the overlapping boundaries.

1588 (b) (i) Before an agency may ~~collect~~ receive tax increment from the newly created
1589 overlapping portion of a project area, the agency shall inform the county auditor regarding the
1590 respective amount of tax increment that the agency is authorized to receive from the
1591 overlapping portion of each of the project areas.

1592 (ii) The combined amount of tax increment described in Subsection ~~[(4)]~~ (5)(b)(i) may
1593 not exceed 100% of the tax increment generated from a property located within the overlapping
1594 boundaries.

1595 (c) Nothing in this Subsection ~~[(4) shall give]~~ (5) gives an agency a right to ~~collect or~~
1596 receive ~~[tax increment or sales tax]~~ project area funds that ~~[an]~~ the agency is not otherwise
1597 ~~[entitled to collect]~~ authorized to receive under this title.

1598 (d) The collection of ~~[tax increment or sales tax]~~ project area funds from an
1599 overlapping project area described in Subsection ~~[(4)]~~ (5)(a) does not affect ~~[in any way]~~ an
1600 agency's use of ~~[tax increment or sales tax]~~ project area funds within the other overlapping
1601 project area.

1602 ~~[(5)]~~ (6) With the written consent of a taxing entity, an agency may be paid tax
1603 increment, from ~~[that]~~ the taxing entity's property tax ~~[revenues]~~ revenue only, in a higher
1604 percentage or for a longer period of time, or both, than otherwise authorized under this title.

1605 ~~[(6)(a)]~~ (7) Subject to Section [17C-1-407](#), an agency is ~~[entitled]~~ authorized to receive
1606 tax increment as ~~[authorized by]~~ described in:

1607 ~~[(i)]~~ (a) for a pre-July 1, 1993, project area plan, Section [17C-1-403](#);

1608 ~~[(ii)]~~ (b) for a post-June 30, 1993, project area plan:

1609 ~~[(A)]~~ (i) Section [17C-1-404](#) under a project area budget adopted by the agency in
1610 accordance with this title;

1611 ~~[(B)]~~ (ii) a project area budget approved by the taxing entity committee and adopted by
1612 the agency in accordance with this title; or

1613 ~~[(C)]~~ (iii) Section [17C-1-406](#); ~~[or]~~

1614 ~~[(iii)]~~ (c) a resolution or interlocal agreement entered into under Section [17C-2-207](#),
1615 [17C-3-206](#), [17C-4-201](#), or [17C-4-202](#)~~[-]~~;

1616 (d) for a community reinvestment project area plan that is subject to a taxing entity
1617 committee, a project area budget approved by the taxing entity committee and adopted by the
1618 agency in accordance with this title; or

1619 (e) for a community reinvestment project area plan that is subject to an interlocal
1620 agreement, an interlocal agreement entered into under Section [17C-5-204](#).

1621 ~~[(b) A county that collects property tax on property located within a project area shall~~
1622 ~~pay and distribute any tax increment.]~~

1623 ~~[(i) to an agency that the agency is entitled to collect; and]~~

1624 ~~[(ii) in accordance with Section [59-2-1365](#).]~~

1625 Section 33. Section [17C-1-402](#) is amended to read:

1626 **[17C-1-402. Taxing entity committee.](#)**

1627 ~~[(1) Each agency that adopts or proposes to adopt a post-June 30, 1993, urban renewal~~
1628 ~~or economic development project area plan shall, and any other agency may, cause a taxing~~
1629 ~~entity committee to be created.]~~

1630 (1) The provisions of this section apply to a taxing entity committee that is created by
1631 an agency for:

1632 (a) a post-June 30, 1993, urban renewal project area plan or economic development
1633 project area plan;

1634 (b) any other project area plan adopted before May 10, 2016, for which the agency
1635 created a taxing entity committee; and

1636 (c) a community reinvestment project area plan that is subject to a taxing entity
1637 committee.

1638 (2) (a) (i) Each taxing entity committee shall be composed of:

1639 (A) two school district representatives appointed ~~[as provided in]~~ in accordance with

1640 Subsection (2)(a)(ii);

1641 (B) (I) in a county of the second, third, fourth, fifth, or sixth class, two representatives
1642 appointed by resolution of the legislative body of the county in which the agency is located; or

1643 (II) in a county of the first class, one representative appointed by the county executive
1644 and one representative appointed by the legislative body of the county in which the agency is
1645 located;

1646 (C) if the agency [~~was~~] is created by a [~~city or town~~] municipality, two representatives
1647 appointed by resolution of the legislative body of [~~that city or town~~] the municipality;

1648 (D) one representative appointed by the State Board of Education; and

1649 (E) one representative selected by majority vote of the legislative bodies or governing
1650 boards of all other taxing entities that levy a tax on property within the agency's boundaries, to
1651 represent the interests of those taxing entities on the taxing entity committee.

1652 (ii) (A) If the agency boundaries include only one school district, that school district
1653 shall appoint the two school district representatives under Subsection (2)(a)(i)(A).

1654 (B) If the agency boundaries include more than one school district, those school
1655 districts shall jointly appoint the two school district representatives under Subsection
1656 (2)(a)(i)(A).

1657 (b) (i) Each taxing entity committee representative [~~under~~] described in Subsection
1658 (2)(a) shall be appointed within 30 days after the day on which the agency provides notice of
1659 the creation of the taxing entity committee.

1660 (ii) If a representative is not appointed within the time required under Subsection
1661 (2)(b)(i), the [~~agency~~] board may appoint [~~a person~~] an individual to serve on the taxing entity
1662 committee in the place of the missing representative until that representative is appointed.

1663 (c) (i) A taxing entity committee representative may be appointed for a set term or
1664 period of time, as determined by the appointing authority under Subsection (2)(a)(i).

1665 (ii) Each taxing entity committee representative shall serve until a successor is
1666 appointed and qualified.

1667 (d) (i) Upon the appointment of each representative under Subsection (2)(a)(i), whether
1668 an initial appointment or an appointment to replace an already serving representative, the
1669 appointing authority shall:

1670 (A) notify the agency in writing of the name and address of the newly appointed

1671 representative; and

1672 (B) provide the agency a copy of the resolution making the appointment or, if the
1673 appointment is not made by resolution, other evidence of the appointment.

1674 (ii) Each appointing authority of a taxing entity committee representative under
1675 Subsection (2)(a)(i) shall notify the agency in writing of any change of address of a
1676 representative appointed by that appointing authority.

1677 (3) At ~~[its]~~ a taxing entity committee's first meeting, ~~[a]~~ the taxing entity committee
1678 shall adopt an organizing resolution that:

1679 (a) ~~[designating]~~ designates a chair and a secretary of the taxing entity committee; and

1680 (b) if the taxing entity committee considers it appropriate, ~~[governing]~~ governs the use
1681 of electronic meetings under Section [52-4-207](#).

1682 (4) (a) A taxing entity committee represents all taxing entities regarding:

1683 (i) an urban renewal project area plan; ~~[or]~~

1684 (ii) an economic development project area~~[-]~~ plan; or

1685 (iii) a community reinvestment project area plan that is subject to a taxing entity
1686 committee.

1687 (b) A taxing entity committee may:

1688 (i) cast votes that ~~[will be]~~ are binding on all taxing entities;

1689 (ii) negotiate with the agency concerning a ~~[draft]~~ proposed project area plan;

1690 (iii) approve or disapprove:

1691 (A) an urban renewal project area budget as ~~[provided]~~ described in Section
1692 [17C-2-204](#); ~~[or]~~

1693 (B) an economic development project area budget as ~~[provided]~~ described in Section
1694 [17C-3-203](#); or

1695 (C) for a community reinvestment project area plan that is subject to a taxing entity
1696 committee, a community reinvestment project area budget as described in Section [17C-5-302](#);

1697 (iv) approve or disapprove ~~[amendments]~~ an amendment to a project area budget as
1698 ~~[provided in:]~~ described in Section [17C-2-206](#), [17C-3-205](#), or [17C-5-306](#);

1699 ~~[(A) Section [17C-2-206](#) for an urban renewal project area budget; or]~~

1700 ~~[(B) Section [17C-3-205](#) for an economic development project area budget;]~~

1701 (v) approve ~~[exceptions]~~ an exception to the limits on the value and size of a project

1702 area imposed under this title;

1703 (vi) approve:

1704 (A) [~~exceptions~~] an exception to the percentage of tax increment to be paid to the
1705 agency;

1706 (B) [~~the period of time that tax increment is to be paid to the agency~~] each project area
1707 funds collection period; and

1708 (C) [~~exceptions~~] an exception to the requirement for an urban renewal [~~or~~] project area
1709 budget, an economic development project area budget, or a community reinvestment project
1710 area budget to include a maximum cumulative dollar amount of tax increment that the agency
1711 may receive;

1712 (vii) approve the use of tax increment for publicly owned infrastructure and
1713 improvements outside of [~~an urban renewal or economic development~~] a project area that the
1714 agency and community legislative body determine to be of benefit to the [~~urban renewal or~~
1715 ~~economic development~~] project area, as [~~provided~~] described in Subsection
1716 17C-1-409(1)(a)(iii)(D);

1717 (viii) waive the restrictions [~~imposed by~~] described in Subsection 17C-2-202(1);

1718 (ix) subject to Subsection (4)(c), designate [~~in an approved urban renewal or economic~~
1719 ~~development project area budget~~] the base taxable value for [~~that~~] a project area budget; and

1720 (x) give other taxing entity committee approval or consent required or allowed under
1721 this title.

1722 (c) [~~The~~] Unless otherwise approved by a taxing entity committee or an interlocal
1723 agreement, the base year used for calculation of the base taxable value in Subsection (4)(b)(ix)
1724 may not be a year that is earlier than:

1725 (i) the year during which the project area plan [~~became~~] becomes effective[-]; or

1726 (ii) five years before the beginning of a project area funds collection period.

1727 (5) A quorum of a taxing entity committee consists of:

1728 (a) if the project area is located within a [~~city or town~~] municipality, five members; or

1729 (b) if the project area is not located within a [~~city or town~~] municipality, four members.

1730 (6) Taxing entity committee approval, consent, or other action requires:

1731 (a) the affirmative vote of a majority of all members present at a taxing entity
1732 committee meeting;

- 1733 (i) at which a quorum is present; and
- 1734 (ii) considering an action relating to a project area budget for, or approval of a finding
- 1735 of blight within, a project area or proposed project area that contains:
- 1736 (A) an inactive industrial site;
- 1737 (B) an inactive airport site; or
- 1738 (C) a closed military base; or
- 1739 (b) for any other action not described in Subsection (6)(a)(ii), the affirmative vote of
- 1740 two-thirds of all members present at a taxing entity committee meeting at which a quorum is
- 1741 present.
- 1742 (7) (a) An agency may call a meeting of the taxing entity committee by sending written
- 1743 notice to the members of the taxing entity committee at least 10 days before the date of the
- 1744 meeting.
- 1745 (b) Each notice under Subsection (7)(a) shall be accompanied by:
- 1746 (i) the proposed agenda for the taxing entity committee meeting; and
- 1747 (ii) if not previously provided and if ~~they~~ the documents exist and are to be
- 1748 considered at the meeting:
- 1749 (A) the project area plan or proposed project area plan;
- 1750 (B) the project area budget or proposed project area budget;
- 1751 (C) the analysis required under Subsection 17C-2-103(2) [~~or~~], 17C-3-103(2), or
- 1752 17C-5-105(2);
- 1753 (D) the blight study;
- 1754 (E) the agency's resolution making a finding of blight under Subsection
- 1755 17C-2-102(1)(a)(ii)(B) or Subsection 17C-5-402(1)(c)(ii); and
- 1756 (F) other documents to be considered by the taxing entity committee at the meeting.
- 1757 (c) (i) An agency may not schedule a taxing entity committee meeting [~~to meet~~] on a
- 1758 day on which the Legislature is in session.
- 1759 (ii) Notwithstanding Subsection (7)(c)(i), ~~the~~ a taxing entity committee may, by
- 1760 unanimous consent, waive the scheduling restriction described in Subsection (7)(c)(i).
- 1761 (8) (a) A taxing entity committee may not vote on a proposed project area budget or
- 1762 proposed amendment to a project area budget at the first meeting at which the proposed project
- 1763 area budget or amendment is considered unless all members of the taxing entity committee

1764 present at the meeting consent.

1765 (b) A second taxing entity committee meeting to consider a proposed project area
 1766 budget or a proposed amendment to a project area budget may not be held within 14 days after
 1767 the first meeting unless all members of the taxing entity committee present at the first meeting
 1768 consent.

1769 (9) (a) Except as provided in Subsection (9)(b), each taxing entity committee shall
 1770 meet at least annually during [~~the time that the agency receives tax increment~~] a project area
 1771 funds collection period under an urban renewal [~~or~~], an economic development, or a
 1772 community reinvestment project area budget [~~in order~~] to review the status of the project area.

1773 (b) A taxing entity committee is not required [~~under Subsection (9)(a)~~] to meet in
 1774 accordance with Subsection (9)(a) if the agency [~~submits~~] prepares and distributes on or before
 1775 November 1 of each year [~~to the county auditor, the State Tax Commission, the State Board of~~
 1776 ~~Education, and each taxing entity that levies a tax on property from which the agency collects~~
 1777 ~~tax increment, a report containing the following:~~] a report as described in Section 17C-1-603.

1778 [(i) ~~an assessment of growth of incremental values for each active project area,~~
 1779 ~~including:~~]

1780 [(A) ~~the base year assessed value;~~]

1781 [(B) ~~the prior year's assessed value;~~]

1782 [(C) ~~the estimated current year assessed value for the project area; and]~~

1783 [(D) ~~a narrative description of the relative growth in assessed value within the project~~
 1784 ~~area;~~]

1785 [(ii) ~~a description of the amount of tax increment received by the agency and passed~~
 1786 ~~through to other taxing entities from each active project area, including:~~]

1787 [(A) ~~a comparison of the original forecasted amount of tax increment to actual~~
 1788 ~~receipts;~~]

1789 [(B) ~~a narrative discussion regarding the use of tax increment; and]~~

1790 [(C) ~~a description of the benefits derived by the taxing entities;~~]

1791 [(iii) ~~a description of activity within each active project area, including:~~]

1792 [(A) ~~a narrative of any significant development activity, including infrastructure~~
 1793 ~~development, site development, and vertical construction within the project area; and]~~

1794 [(B) ~~a narrative discussion regarding the status of any agreements for development~~

- 1795 ~~within the project area;]~~
- 1796 ~~[(iv) a revised multi-year tax increment budget related to each active project area,~~
- 1797 ~~including:]~~
- 1798 ~~[(A) the prior year's tax increment receipts;]~~
- 1799 ~~[(B) the base year value and adjusted base year value, as applicable;]~~
- 1800 ~~[(C) the applicable tax rates within the project area; and]~~
- 1801 ~~[(D) a description of private and public investment within the project area;]~~
- 1802 ~~[(v) an estimate of the tax increment to be paid to the agency for the calendar years~~
- 1803 ~~ending December 31 and beginning the next January 1; and]~~
- 1804 ~~[(vi) any other project highlights included by the agency.]~~
- 1805 (10) Each taxing entity committee shall be governed by Title 52, Chapter 4, Open and
- 1806 Public Meetings Act.
- 1807 (11) A taxing entity committee's records shall be:
- 1808 (a) considered the records of the agency that created the taxing entity committee; and
- 1809 (b) maintained by the agency in accordance with Section [17C-1-209](#).
- 1810 ~~[(11)]~~ (12) Each time a school district representative or a representative of the State
- 1811 Board of Education votes as a member of a taxing entity committee to allow an agency to ~~[be~~
- 1812 ~~paid]~~ receive tax increment [or], to increase the amount ~~[or length of time that an agency may~~
- 1813 ~~be paid tax increment]~~ of tax increment the agency receives, or to extend a project area funds
- 1814 collection period, that representative shall, within 45 days after the vote, provide to the
- 1815 representative's respective school board an explanation in writing of the representative's vote
- 1816 and the reasons for the vote.
- 1817 ~~[(12)]~~ (13) (a) The auditor of each county in which ~~[the]~~ an agency is located shall
- 1818 provide a written report to the taxing entity committee stating, with respect to property within
- 1819 each ~~[urban renewal and economic development]~~ project area:
- 1820 (i) the base taxable value, as adjusted by any adjustments under Section [17C-1-408](#);
- 1821 and
- 1822 (ii) the assessed value.
- 1823 (b) With respect to the information required under Subsection ~~[(12)]~~ (13)(a), the
- 1824 auditor shall provide:
- 1825 (i) actual amounts for each year from the adoption of the project area plan to the time

1826 of the report; and

1827 (ii) estimated amounts for each year beginning the year after the time of the report and
1828 ending the time that [~~the agency expects no longer to be paid tax increment from property~~
1829 ~~within the urban renewal and economic development project area~~] each project area funds
1830 collection period ends.

1831 (c) The auditor of the county in which the agency is located shall provide a report
1832 under this Subsection [~~(12)~~] (13):

1833 (i) at least annually; and

1834 (ii) upon request of the taxing entity committee, before a taxing entity committee
1835 meeting at which the committee [~~will consider~~] considers whether to allow the agency to [~~be~~
1836 ~~paid~~] receive tax increment [~~or~~], to increase the amount of tax increment that the agency [~~may~~
1837 ~~be paid or the length of time that the agency may be paid tax increment~~] receives, or to extend a
1838 project area funds collection period.

1839 [~~(13)~~] (14) This section does not apply to:

1840 (a) a community development project area plan[-]; or

1841 (b) a community reinvestment project area plan that is subject to an interlocal
1842 agreement.

1843 [~~(14)~~] (15) (a) A taxing entity committee resolution[~~, whether adopted before, on, or~~
1844 ~~after May 10, 2011,~~] approving a blight finding, approving a project area budget, or approving
1845 an amendment to a project area budget:

1846 [~~(a)~~] (i) is final; and

1847 [~~(b)~~] (ii) is not subject to repeal, amendment, or reconsideration unless the agency first
1848 consents by resolution to the proposed repeal, amendment, or reconsideration.

1849 (b) The provisions of Subsection (15)(a) apply regardless of when the resolution is
1850 adopted.

1851 Section 34. Section **17C-1-403** is amended to read:

1852 **17C-1-403. Tax increment under a pre-July 1, 1993, project area plan.**

1853 (1) Notwithstanding any other provision of law, this section applies retroactively to tax
1854 increment under all pre-July 1, 1993, project area plans, regardless of when the applicable
1855 project area was created or the applicable project area plan was adopted.

1856 (2) (a) Beginning with the first tax year after April 1, 1983, for which an agency

1857 accepts tax increment, an agency is [~~entitled to be paid~~] authorized to receive:

1858 (i) (A) for the first through the fifth tax years, 100% of tax increment;

1859 (B) for the sixth through the tenth tax years, 80% of tax increment;

1860 (C) for the eleventh through the fifteenth tax years, 75% of tax increment;

1861 (D) for the sixteenth through the twentieth tax years, 70% of tax increment; and

1862 (E) for the twenty-first through the twenty-fifth tax years, 60% of tax increment; or

1863 (ii) for an agency that has caused a taxing entity committee to be created under

1864 Subsection [17C-1-402\(1\)\(a\)](#), any percentage of tax increment up to 100% and for any length of

1865 time that the taxing entity committee approves.

1866 (b) Notwithstanding any other provision of this section:

1867 (i) an agency is [~~entitled to be paid~~] authorized to receive 100% of tax increment from

1868 a project area for 32 years after April 1, 1983, to pay principal and interest on agency

1869 indebtedness incurred before April 1, 1983, even though the size of the project area from which

1870 tax increment is paid to the agency exceeds 100 acres of privately owned property under a

1871 project area plan adopted on or before April 1, 1983; and

1872 (ii) for up to 32 years after April 1, 1983, an agency debt incurred before April 1, 1983,

1873 may be refinanced and paid from 100% of tax increment if the principal amount of the debt is

1874 not increased in the refinancing.

1875 (3) (a) For purposes of this Subsection (3), "additional tax increment" means the

1876 difference between 100% of tax increment for a tax year and the amount of tax increment an

1877 agency is paid for that tax year under the percentages and time periods specified in Subsection

1878 (2)(a).

1879 (b) Notwithstanding the tax increment percentages and time periods in Subsection

1880 (2)(a), an agency is [~~entitled to be paid~~] authorized to receive additional tax increment for a

1881 period ending 32 years after the first tax year after April 1, 1983, for which the agency receives

1882 tax increment from the project area if:

1883 (i) (A) the additional tax increment is used solely to pay all or part of the value of the

1884 land for and the cost of the installation and construction of a publicly or privately owned

1885 convention center or sports complex or any building, facility, structure, or other improvement

1886 related to the convention center or sports complex, including parking and infrastructure

1887 improvements;

1888 (B) construction of the convention center or sports complex or related building,
1889 facility, structure, or other improvement is commenced on or before June 30, 2002;

1890 (C) the additional tax increment is pledged to pay all or part of the value of the land for
1891 and the cost of the installation and construction of the convention center or sports complex or
1892 related building, facility, structure, or other improvement; and

1893 (D) the [agency] board and the community legislative body have determined by
1894 resolution that the convention center or sports complex is:

1895 (I) within and a benefit to a project area;

1896 (II) not within but still a benefit to a project area; or

1897 (III) within a project area in which substantially all of the land is publicly owned and a
1898 benefit to the community; or

1899 (ii) (A) the additional tax increment is used to pay some or all of the cost of the land
1900 for and installation and construction of a recreational facility, as defined in Section 59-12-702,
1901 or a cultural facility, including parking and infrastructure improvements related to the
1902 recreational or cultural facility, whether or not the facility is located within a project area;

1903 (B) construction of the recreational or cultural facility is commenced on or before
1904 December 31, 2005; and

1905 (C) the additional tax increment is pledged on or before July 1, 2005, to pay all or part
1906 of the cost of the land for and the installation and construction of the recreational or cultural
1907 facility, including parking and infrastructure improvements related to the recreational or
1908 cultural facility.

1909 (c) Notwithstanding Subsection (3)(b)(ii), a school district may not, without [its] the
1910 school district's consent, be paid less tax increment because of application of Subsection
1911 (3)(b)(ii) than it would have been paid without that subsection.

1912 (4) Notwithstanding any other provision of this section, an agency may use tax
1913 increment received under Subsection (2) for any of the uses indicated in Subsection (3).

1914 Section 35. Section 17C-1-404 is amended to read:

1915 **17C-1-404. Tax increment under a post-June 30, 1993, project area plan.**

1916 (1) This section applies to tax increment under a post-June 30, 1993, project area plan
1917 adopted before May 1, 2006, only.

1918 (2) [~~An agency~~] A board may provide in the project area budget for the agency to be

1919 paid:

1920 (a) if 20% of the project area budget is allocated for housing under Section 17C-2-203:

1921 (i) 100% of annual tax increment for 15 years;

1922 (ii) 75% of annual tax increment for 24 years; or

1923 (iii) if approved by the taxing entity committee, any percentage of tax increment up to

1924 100%, or any specified dollar amount, for any period of time; or

1925 (b) if 20% of the project area budget is not allocated for housing under Section

1926 17C-2-203:

1927 (i) 100% of annual tax increment for 12 years;

1928 (ii) 75% of annual tax increment for 20 years; or

1929 (iii) if approved by the taxing entity committee, any percentage of tax increment up to

1930 100%, or any specified dollar amount, for any period of time.

1931 Section 36. Section 17C-1-405 is amended to read:

1932 **17C-1-405. Tax increment under a project area plan adopted on or after May 1,**

1933 **2006.**

1934 (1) This section applies to tax increment under a project area plan adopted on or after

1935 May 1, 2006, and before May 10, 2016.

1936 (2) Subject to the approval of the taxing entity committee, ~~[an agency]~~ a board may

1937 provide in the urban renewal or economic development project area budget for the agency to be

1938 paid:

1939 (a) for an urban renewal project area plan that proposes development of an inactive

1940 industrial site or inactive airport site, at least 60% of tax increment for at least 20 years; or

1941 (b) for each other project, any percentage of tax increment up to 100% or any specified

1942 dollar amount of tax increment for any period of time.

1943 (3) A resolution or interlocal agreement relating to an agency's use of tax increment for

1944 a community development project area plan may provide for the agency to be paid any

1945 percentage of tax increment up to 100% or any specified dollar amount of tax increment for

1946 any period of time.

1947 Section 37. Section 17C-1-406 is amended to read:

1948 **17C-1-406. Additional tax increment under certain post-June 30, 1993, project**

1949 **area plans.**

1950 (1) This section applies to a post-June 30, 1993, project area plan adopted before May
1951 1, 2006.

1952 (2) An agency may, without the approval of the taxing entity committee, elect to be
1953 paid 100% of annual tax increment for each year beyond the periods specified in Subsection
1954 17C-1-404(2) to a maximum of 25 years, including the years the agency is paid tax increment
1955 under Subsection 17C-1-404(2), if:

1956 (a) for an agency in a city in which is located all or a portion of an interchange on I-15
1957 or that would directly benefit from an interchange on I-15:

1958 (i) the tax increment paid to the agency during the additional years is used to pay some
1959 or all of the cost of the installation, construction, or reconstruction of:

1960 (A) an interchange on I-15, whether or not the interchange is located within a project
1961 area; or

1962 (B) frontage and other roads connecting to the interchange, as determined by the
1963 Department of Transportation created under Section 72-1-201 and the Transportation
1964 Commission created under Section 72-1-301, whether or not the frontage or other road is
1965 located within a project area; and

1966 (ii) the installation, construction, or reconstruction of the interchange or frontage and
1967 other roads has begun on or before June 30, 2002; or

1968 (b) for an agency in a city of the first or second class:

1969 (i) the tax increment paid to the agency during the additional years is used to pay some
1970 or all of the cost of the land for and installation and construction of a recreational facility, as
1971 defined in Section 59-12-702, or a cultural facility, including parking and infrastructure
1972 improvements related to the recreational or cultural facility, whether or not the facility is
1973 located within a project area; and

1974 (ii) the installation or construction of the recreational or cultural facility has begun on
1975 or before June 30, 2002.

1976 (3) Notwithstanding any other provision of this section, an agency may use tax
1977 increment received under Subsection 17C-1-404(2) for any of the uses indicated in this section.

1978 (4) Notwithstanding Subsection (2), a school district may not, without [its] the school
1979 district's consent, receive less tax increment because of application of Subsection (2) than it
1980 would have received without that subsection.

1981 Section 38. Section **17C-1-407** is amended to read:

1982 **17C-1-407. Limitations on tax increment.**

1983 (1) (a) If the development of retail sales [~~of goods~~] is the primary objective of an urban
1984 renewal project area, tax increment from the urban renewal project area may not be paid to or
1985 used by an agency unless a finding of blight is made under Chapter 2, Part 3, Blight
1986 Determination in Urban Renewal Project Areas.

1987 (b) Development of retail sales [~~of goods~~] does not disqualify an agency from receiving
1988 tax increment.

1989 (c) After July 1, 2005, an agency may not [~~be paid~~] receive or use tax increment
1990 generated from the value of property within an economic development project area that is
1991 attributable to the development of retail sales [~~of goods~~], unless the tax increment was
1992 previously pledged to pay for bonds or other contractual obligations of the agency.

1993 (2) (a) An agency may not be paid any portion of a taxing entity's taxes resulting from
1994 an increase in the taxing entity's tax rate that occurs after the taxing entity committee approves
1995 the project area budget unless, at the time the taxing entity committee approves the project area
1996 budget, the taxing entity committee approves payment of those increased taxes to the agency.

1997 (b) If the taxing entity committee does not approve [~~of~~] payment of the increased taxes
1998 to the agency under Subsection (2)(a), the county shall distribute to the taxing entity the taxes
1999 attributable to the tax rate increase in the same manner as other property taxes.

2000 (c) Notwithstanding any other provision of this section, if, [~~prior to~~] before tax year
2001 2013, increased taxes are paid to an agency without the approval of the taxing entity
2002 committee, and notwithstanding the law at the time that the tax was collected or increased:

2003 (i) the State Tax Commission, the county as the collector of the taxes, a taxing entity,
2004 or any other person or entity may not recover, directly or indirectly, the increased taxes from
2005 the agency by adjustment of a tax rate used to calculate tax increment or otherwise;

2006 (ii) the county is not liable to a taxing entity or any other person or entity for the
2007 increased taxes that were paid to the agency; and

2008 (iii) tax increment, including the increased taxes, shall continue to be paid to the
2009 agency subject to the same number of tax years, percentage of tax increment, and cumulative
2010 dollar amount of tax increment as approved in the project area budget and previously paid to
2011 the agency.

2012 (3) Except as the taxing entity committee otherwise agrees, an agency may not receive
2013 tax increment under an urban renewal or economic development project area budget adopted
2014 on or after March 30, 2009:

2015 (a) that exceeds the percentage of tax increment or cumulative dollar amount of tax
2016 increment specified in the project area budget; or

2017 (b) for more tax years than specified in the project area budget.

2018 Section 39. Section **17C-1-408** is amended to read:

2019 **17C-1-408. Base taxable value to be adjusted to reflect other changes.**

2020 (1) (a) (i) As used in this Subsection (1), "qualifying decrease" means:

2021 (A) a decrease of more than 20% from the previous tax year's levy; or

2022 (B) a cumulative decrease over a consecutive five-year period of more than 100% from
2023 the levy in effect at the beginning of the five-year period.

2024 (ii) The year in which a qualifying decrease under Subsection (1)(a)(i)(B) occurs is the
2025 fifth year of the five-year period.

2026 (b) If there is a qualifying decrease in the minimum basic school levy under Section
2027 [59-2-902](#) that would result in a reduction of the amount of tax increment to be paid to an
2028 agency:

2029 (i) the base taxable value [~~of taxable property within the project area~~] shall be reduced
2030 in the year of the qualifying decrease to the extent necessary, even if below zero, to provide the
2031 agency with approximately the same amount of tax increment that would have been paid to the
2032 agency each year had the qualifying decrease not occurred; and

2033 (ii) the amount of tax increment paid to the agency each year for the payment of bonds
2034 and indebtedness may not be less than what would have been paid to the agency if there had
2035 been no qualifying decrease.

2036 (2) (a) The [~~amount of the~~] base taxable value to be used in determining tax increment
2037 shall be:

2038 (i) increased or decreased by the amount of an increase or decrease that results from:

2039 (A) a statute enacted by the Legislature or by the people through an initiative;

2040 (B) a judicial decision;

2041 (C) an order from the State Tax Commission to a county to adjust or factor [~~its~~] the
2042 county's assessment rate under Subsection [59-2-704\(2\)](#);

2043 (D) a change in exemption provided in Utah Constitution Article XIII, Section 2, or
 2044 Section 59-2-103; or

2045 (E) an increase or decrease in the percentage of fair market value, as defined under
 2046 Section 59-2-102; and

2047 (ii) reduced for any year to the extent necessary, even if below zero, to provide an
 2048 agency with approximately the same amount of money the agency would have received without
 2049 a reduction in the county's certified tax rate if:

2050 (A) in that year there is a decrease in the county's certified tax rate under Subsection
 2051 59-2-924.2(2) or (3)(a);

2052 (B) the amount of the decrease is more than 20% of the county's certified tax rate of the
 2053 previous year; and

2054 (C) the decrease would result in a reduction of the amount of tax increment to be paid
 2055 to the agency.

2056 (b) Notwithstanding an increase or decrease under Subsection (2)(a), the amount of tax
 2057 increment paid to an agency each year for payment of bonds or other indebtedness may not be
 2058 less than would have been paid to the agency each year if there had been no increase or
 2059 decrease under Subsection (2)(a).

2060 Section 40. Section 17C-1-409 is amended to read:

2061 **17C-1-409. Allowable uses of agency funds.**

2062 (1) (a) An agency may use [~~tax increment and sales tax proceeds received from a~~
 2063 ~~taxing entity~~] agency funds:

2064 (i) for any [~~of the purposes for which the use of tax increment is~~] purpose authorized
 2065 under this title;

2066 (ii) for administrative, overhead, legal, [~~and~~] or other operating expenses of the agency,
 2067 including consultant fees and expenses under Subsection 17C-2-102(1)(b)(ii)(B) or funding for
 2068 a business resource center;

2069 (iii) to pay for, including financing or refinancing, all or part of:

2070 (A) [~~urban renewal activities~~] project area development in [~~the~~] a project area [~~from~~
 2071 ~~which the tax increment funds are collected~~], including environmental remediation activities
 2072 occurring before or after adoption of the project area plan;

2073 [~~(B) economic development or community development activities, including~~

2074 ~~environmental remediation activities occurring before or after adoption of the project area plan,~~
 2075 ~~in the project area from which the tax increment funds are collected;]~~

2076 ~~[(C) housing]~~ (B) housing-related expenditures, projects, or programs as ~~[provided]~~
 2077 described in Section [17C-1-411](#) or [17C-1-412](#);

2078 (C) an incentive or other consideration paid to a participant under a participation
 2079 agreement;

2080 (D) subject to Subsections (1)(c) and ~~[(6)]~~ (4), the value of the land for and the cost of
 2081 the installation and construction of any publicly owned building, facility, structure,
 2082 landscaping, or other improvement within the project area from which the ~~[tax increment]~~
 2083 project area funds ~~[were]~~ are collected; ~~[and]~~ or

2084 (E) ~~[subject to Subsection (1)(d);]~~ the cost of the installation of publicly owned
 2085 infrastructure and improvements outside the project area from which the ~~[tax increment]~~
 2086 project area funds ~~[were]~~ are collected if the ~~[agency]~~ board and the community legislative
 2087 body determine by resolution that the publicly owned infrastructure and improvements ~~[are of]~~
 2088 benefit ~~[to]~~ the project area; or

2089 (iv) in an urban renewal project area that includes some or all of an inactive industrial
 2090 site and subject to Subsection (1)~~[(f)]~~(e), to reimburse the Department of Transportation
 2091 created under Section [72-1-201](#), or a public transit district created under Title 17B, Chapter 2a,
 2092 Part 8, Public Transit District Act, for the cost of:

2093 (A) construction of a public road, bridge, or overpass;

2094 (B) relocation of a railroad track within the urban renewal project area; or

2095 (C) relocation of a railroad facility within the urban renewal project area.

2096 (b) The determination of the ~~[agency]~~ board and the community legislative body under
 2097 Subsection (1)(a)(iii)(E) regarding benefit to the project area shall be final and conclusive.

2098 (c) An agency may not use ~~[tax increment or sales tax proceeds]~~ project area funds
 2099 received from a taxing entity for the purposes stated in Subsection (1)(a)(iii)(D) under an urban
 2100 renewal ~~[or]~~ project area plan, an economic development project area plan, or a community
 2101 reinvestment project area plan without ~~[the consent of]~~ the community legislative ~~[body]~~ body's
 2102 consent.

2103 ~~[(d) An agency may not use tax increment or sales tax proceeds received from a taxing~~
 2104 ~~entity for the purposes stated in Subsection (1)(a)(iii)(E) under an urban renewal or economic~~

2105 ~~development project area plan without the consent of the community legislative body and the~~
 2106 ~~taxing entity committee.]~~

2107 ~~[(e)] (d) (i) Subject to Subsection (1)[(e)](d)(ii), an agency may loan [tax increment or~~
 2108 ~~sales tax proceeds, or a combination of tax increment and sales tax proceeds,] project area~~
 2109 ~~funds from a project area fund to another project area fund if:~~

2110 (A) the ~~[agency's]~~ board approves; and

2111 (B) the community legislative body ~~[of each community that created the agency]~~
 2112 approves.

2113 (ii) An agency may not loan ~~[tax increment or sales tax proceeds, or a combination of~~
 2114 ~~tax increment and sales tax proceeds,] project area funds under Subsection (1)[(e)](d)(i) unless~~
 2115 the projections for ~~[the future tax increment or sales tax proceeds of the borrowing project~~
 2116 ~~area] agency funds are sufficient to repay the loan amount [prior to when the tax increment or~~
 2117 ~~sales tax proceeds are intended for use under the loaning project area's plan].~~

2118 ~~[(iii) If a borrowing project area's funds are not sufficient to repay a loan made under~~
 2119 ~~Subsection (1)(e)(i) prior to when the tax increment or sales tax proceeds are intended for use~~
 2120 ~~under the loaning project area's plan, the community that created the agency shall repay the~~
 2121 ~~loan to the loaning project area's fund prior to when the tax increment or sales tax proceeds are~~
 2122 ~~intended for use under the loaning project area's plan, unless the taxing entity committee adopts~~
 2123 ~~a resolution to waive this requirement.]~~

2124 ~~[(iii) A loan described in Subsection (1)(d) is not subject to Title 10, Chapter 5,~~
 2125 ~~Uniform Fiscal Procedures Act for Utah Towns, Title 10, Chapter 6, Uniform Fiscal~~
 2126 ~~Procedures Act for Utah Cities, or Title 17B, Chapter 1, Part 6, Fiscal Procedures for Local~~
 2127 ~~Districts.~~

2128 ~~[(f)] (e) Before an agency may pay any tax increment or sales tax revenue under~~
 2129 ~~Subsection (1)(a)(iv), the agency shall enter into an interlocal agreement defining the terms of~~
 2130 ~~the reimbursement with:~~

2131 (i) the Department of Transportation; or

2132 (ii) a public transit district.

2133 (2) ~~[Sales tax proceeds] (a) Sales and use tax revenue~~ that an agency receives from
 2134 ~~[another public entity are] a taxing entity is not subject to the prohibition or limitations of Title~~
 2135 ~~11, Chapter 41, Prohibition on Sales and Use Tax Incentive Payments Act.~~

2136 ~~[(3)]~~ (b) An agency may use ~~[sales tax proceeds it]~~ sales and use tax revenue that the
2137 agency receives under [a resolution or] an interlocal agreement under Section 17C-4-201 or
2138 17C-5-204 for the uses authorized in the ~~[resolution or]~~ interlocal agreement.

2139 ~~[(4)]~~ (3) (a) An agency may contract with the community that created the agency or
2140 another public entity to use ~~[tax increment]~~ agency funds to reimburse the cost of items
2141 authorized by this title to be paid by the agency that ~~[have been or will be]~~ are paid by the
2142 community or other public entity.

2143 (b) If land ~~[has been or will be]~~ is acquired or the cost of an improvement ~~[has been or~~
2144 ~~will be]~~ is paid by another public entity and the land or improvement ~~[has been or will be]~~ is
2145 leased to the community, an agency may contract with and make reimbursement from ~~[tax~~
2146 ~~increment]~~ agency funds to the community.

2147 ~~[(5) An agency created by a city of the first or second class may use tax increment from~~
2148 ~~one project area in another project area to pay all or part of the value of the land for and the~~
2149 ~~cost of the installation and construction of a publicly or privately owned convention center or~~
2150 ~~sports complex or any building, facility, structure, or other improvement related to the~~
2151 ~~convention center or sports complex, including parking and infrastructure improvements, if:]~~

2152 ~~[(a) construction of the convention center or sports complex or related building,~~
2153 ~~facility, structure, or other improvement is commenced on or before December 31, 2012; and]~~

2154 ~~[(b) the tax increment is pledged to pay all or part of the value of the land for and the~~
2155 ~~cost of the installation and construction of the convention center or sports complex or related~~
2156 ~~building, facility, structure, or other improvement.]~~

2157 ~~[(6) Notwithstanding any other provision of this title, an agency may not use tax~~
2158 ~~increment to construct municipal buildings unless the taxing entity committee adopts a~~
2159 ~~resolution to waive this requirement.]~~

2160 ~~[(7) Notwithstanding any other provision of this title, an agency may not use tax~~
2161 ~~increment under an urban renewal or economic development project area plan, to pay any of~~
2162 ~~the cost of the land, infrastructure, or construction of a stadium or arena constructed after~~
2163 ~~March 1, 2005, unless the tax increment has been pledged for that purpose before February 15,~~
2164 ~~2005.]~~

2165 ~~[(8) (a) An agency may not use tax increment to pay the debt service of or any other~~
2166 ~~amount related to a bond issued or other obligation incurred if the bond was issued or the~~

2167 ~~obligation was incurred:]~~

2168 ~~[(i) by an interlocal entity created under Title 11, Chapter 13, Interlocal Cooperation~~
2169 ~~Act;]~~

2170 ~~[(ii) on or after March 30, 2009; and]~~

2171 ~~[(iii) to finance a telecommunication facility.]~~

2172 ~~[(b) Subsection (8)(a) may not be construed to prohibit the refinancing, restatement, or~~
2173 ~~refunding of a bond issued before March 30, 2009.]~~

2174 (4) Notwithstanding any other provision of this title, an agency may not use project
2175 area funds to construct a local government building unless the taxing entity committee or each
2176 taxing entity party to the interlocal agreement with the agency consents.

2177 Section 41. Section **17C-1-410** is amended to read:

2178 **17C-1-410. Agency may make payments to other taxing entities.**

2179 (1) Subject to Subsection (3), an agency may grant ~~[tax increment or other]~~ agency
2180 funds to a taxing entity to offset some or all of the tax ~~[revenues]~~ revenue that the taxing entity
2181 did not receive because of tax increment paid to the agency.

2182 (2) (a) Subject to Subsection (3), an agency may use ~~[tax increment or other]~~ agency
2183 funds to pay to a school district an amount of money that the agency determines to be
2184 appropriate to alleviate a financial burden or detriment borne by the school district because of
2185 the ~~[urban renewal, economic development, or community]~~ project area development.

2186 (b) Each agency that agrees to pay money to a school district under ~~[the authority of]~~
2187 Subsection (2)(a) shall provide a copy of ~~[that]~~ the agreement to the State Board of Education.

2188 (3) (a) If an agency intends to pay agency funds to one or more taxing entities under
2189 Subsection (1) or (2) but does not intend to pay funds to all taxing entities in proportionally
2190 equal amounts, the agency shall provide written notice to each taxing entity of ~~[its]~~ the agency's
2191 intent.

2192 (b) (i) A taxing entity ~~[receiving]~~ that receives notice under Subsection (3)(a) may elect
2193 not to have ~~[its]~~ the taxing entity's tax increment collected and used to pay funds to other taxing
2194 entities under this section.

2195 (ii) Each election under Subsection (3)(b)(i) shall be:

2196 (A) in writing; and

2197 (B) delivered to the agency within 30 days after the taxing entity's receipt of the notice

2198 under Subsection (3)(a).

2199 (c) If a taxing entity makes an election under Subsection (3)(b), the portion of ~~[that]~~ the
 2200 taxing entity's tax increment that would have been used by the agency to pay funds under this
 2201 section to one or more other taxing entities may not be collected by the agency.

2202 Section 42. Section **17C-1-411** is amended to read:

2203 **17C-1-411. Use of project area funds for housing-related improvements and for**
 2204 **relocating mobile home park residents -- Funds to be held in separate accounts.**

2205 (1) An agency may use project area funds:

2206 (a) ~~[use tax increment from a project area]~~ to pay all or part of the value of the land for
 2207 and the cost of installation, construction, ~~[and]~~ or rehabilitation of any housing-related
 2208 building, facility, structure, or other housing improvement, including infrastructure
 2209 improvements related to housing, located in any project area within the agency's boundaries;
 2210 ~~[and]~~

2211 (b) ~~[use up to 20% of tax increment: (i)]~~ outside of ~~[project areas]~~ a project area for the
 2212 purpose of:

2213 ~~[(A)]~~ (i) replacing housing units lost by ~~[urban renewal, economic development, or~~
 2214 ~~community]~~ project area development; or

2215 ~~[(B)]~~ (ii) increasing, improving, ~~[and]~~ or preserving ~~[generally]~~ the affordable housing
 2216 supply within the boundary of the agency; or

2217 ~~[(ii)]~~ (c) for relocating mobile home park residents displaced by project area
 2218 development, whether inside or outside a project area.

2219 (2) (a) Each agency shall create a housing fund and separately account for ~~[funds]~~
 2220 project area funds allocated under this section.

2221 (b) Interest earned by the housing fund described in Subsection (2)(a), and any
 2222 payments or repayments made to the agency for loans, advances, or grants of any kind from the
 2223 housing fund, shall accrue to the housing fund.

2224 (c) ~~[Each]~~ An agency ~~[designating]~~ that designates a housing fund under this section
 2225 shall use the housing fund for~~[-(i)]~~ the purposes set forth in this section~~[:]~~ or Section
 2226 17C-1-412.

2227 ~~[(ii) the purposes set forth in this title relating to the urban renewal, economic~~
 2228 ~~development, or community development project area from which the funds originated.]~~

2229 (3) An agency may lend, grant, or contribute funds from the housing fund to a person,
2230 public entity, housing authority, private entity or business, or nonprofit corporation for
2231 affordable housing or homeless assistance.

2232 Section 43. Section **17C-1-412** is amended to read:

2233 **17C-1-412. Use of housing allocation -- Separate accounting required -- Issuance**
2234 **of bonds for housing -- Action to compel agency to provide housing allocation.**

2235 (1) (a) ~~[Each]~~ An agency shall use ~~[all funds allocated for housing under Section~~
2236 ~~17C-2-203 or 17C-3-202]~~ the agency's housing allocation, if applicable, to:

2237 (i) pay part or all of the cost of land or construction of income targeted housing within
2238 the boundary of the agency, if practicable in a mixed income development or area;

2239 (ii) pay part or all of the cost of rehabilitation of income targeted housing within the
2240 boundary of the agency;

2241 (iii) lend, grant, or contribute money to a person, public entity, housing authority,
2242 private entity or business, or nonprofit corporation for income targeted housing within the
2243 boundary of the agency;

2244 (iv) plan or otherwise promote income targeted housing within the boundary of the
2245 agency;

2246 (v) pay part or all of the cost of land or installation, construction, or rehabilitation of
2247 any building, facility, structure, or other housing improvement, including infrastructure
2248 improvements, related to housing located in a project area where blight has been found to exist;

2249 (vi) replace housing units lost as a result of the ~~[urban renewal, economic development,~~
2250 ~~or community]~~ project area development;

2251 (vii) make payments on or establish a reserve fund for bonds:

2252 (A) issued by the agency, the community, or the housing authority that provides
2253 income targeted housing within the community; and

2254 (B) all or part of the proceeds of which are used within the community for the purposes
2255 stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);

2256 (viii) if the community's fair share ratio at the time of the first adoption of the project
2257 area budget is at least 1.1 to 1.0, make payments on bonds:

2258 (A) that were previously issued by the agency, the community, or the housing authority
2259 that provides income targeted housing within the community; and

2260 (B) all or part of the proceeds of which were used within the community for the
2261 purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi); or
2262 (ix) relocate mobile home park residents displaced by ~~[an urban renewal, economic~~
2263 ~~development, or community development project]~~ project area development.

2264 (b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all or
2265 any portion of the agency's housing [funds] allocation to:

2266 (i) the community for use as ~~[provided under]~~ described in Subsection (1)(a);
2267 (ii) ~~[the]~~ a housing authority that provides income targeted housing within the
2268 community for use in providing income targeted housing within the community; [or]
2269 (iii) a housing authority established by the county in which the agency is located for
2270 providing:

2271 (A) income targeted housing within the county;
2272 (B) permanent housing, permanent supportive housing, or a transitional facility, as
2273 defined in Section [35A-5-302](#), within the county; or
2274 (C) homeless assistance within the county; or
2275 ~~[(iii)]~~ (iv) the Olene Walker Housing Loan Fund, established under Title 35A, Chapter
2276 8, Part 5, Olene Walker Housing Loan Fund, for use in providing income targeted housing
2277 within the community.

2278 (2) The agency ~~[or community]~~ shall create a housing fund and separately account for
2279 the agency's housing [funds] allocation, together with all interest earned by the housing ~~[funds]~~
2280 allocation and all payments or repayments for loans, advances, or grants from the housing
2281 ~~[funds]~~ allocation.

2282 (3) An agency may:

2283 (a) issue bonds ~~[from time to time]~~ to finance a ~~[housing undertaking]~~ housing-related
2284 project under this section, including the payment of principal and interest upon advances for
2285 surveys and plans or preliminary loans; and

2286 (b) issue refunding bonds for the payment or retirement of bonds under Subsection
2287 (3)(a) previously issued by the agency.

2288 ~~[(4) An agency:]~~

2289 (4) (a) Except as provided in Subsection (4)(b), an agency shall allocate [housing
2290 funds] money to the housing fund each year in which the agency receives sufficient tax

2291 increment to make a housing allocation required by the project area budget~~[-and]~~.

2292 (b) ~~[is relieved, to the extent tax increment is insufficient in a year, of an obligation to~~
 2293 ~~allocate housing funds for the year]~~ Subsection (4)(a) does not apply in a year in which tax
 2294 increment is insufficient.

2295 (5) (a) Except as provided in Subsection (4)(b), if an agency fails to provide a housing
 2296 ~~[funds]~~ allocation in accordance with the project area budget and, if applicable, the housing
 2297 plan adopted under Subsection 17C-2-204(2), the loan fund board may bring legal action to
 2298 compel the agency to provide the housing ~~[funds]~~ allocation.

2299 (b) In an action under Subsection (5)(a), the court:

2300 (i) shall award the loan fund board reasonable attorney fees, unless the court finds that
 2301 the action was frivolous; and

2302 (ii) may not award the agency ~~[its]~~ the agency's attorney fees, unless the court finds that
 2303 the action was frivolous.

2304 Section 44. Section ~~17C-1-413~~ is amended to read:

2305 **17C-1-413. Base taxable value for new tax.**

2306 For purposes of calculating tax increment with respect to a tax that a taxing entity levies
 2307 for the first time after the effective date of ~~[the]~~ a project area plan, the base taxable value shall
 2308 be used, subject to any adjustments under Section 17C-1-408.

2309 Section 45. Section ~~17C-1-501.1~~ is enacted to read:

2310 **Part 5. Agency Bonds**

2311 **17C-1-501.1. Title.**

2312 This part is known as "Agency Bonds."

2313 Section 46. Section ~~17C-1-501.5~~, which is renumbered from Section 17C-1-501 is
 2314 renumbered and amended to read:

2315 ~~[17C-1-501].~~ **17C-1-501.5. Resolution authorizing issuance of agency**
 2316 **bonds -- Characteristics of bonds.**

2317 (1) An agency may not issue ~~[bonds]~~ a bond under this part unless the ~~[agency]~~ board
 2318 first adopts a resolution authorizing ~~[their]~~ the bond issuance.

2319 (2) (a) As provided in the agency resolution authorizing the issuance of ~~[bonds]~~ a bond
 2320 under this part or the trust indenture under which the ~~[bonds are]~~ bond is issued, ~~[bonds]~~ a
 2321 bond issued under this part may be issued in one or more series and may be sold at public or

2322 private sale and in the manner provided in the resolution or indenture.

2323 (b) [~~Bonds~~] A bond issued by an agency under this part shall bear the date, be payable
2324 at the time, bear interest at the rate, be in the denomination and in the form, carry the
2325 conversion or registration privileges, have the rank or priority, be executed in the manner, be
2326 subject to the terms of redemption or tender, with or without premium, be payable in the
2327 medium of payment and at the place, and have other characteristics as provided in the agency
2328 resolution authorizing [~~their~~] the bond issuance or the trust indenture under which [~~they are~~]
2329 the bond is issued.

2330 Section 47. Section **17C-1-502** is amended to read:

2331 **17C-1-502. Sources from which bonds may be made payable -- Agency powers**
2332 **regarding bonds.**

2333 (1) The principal and interest on [~~bonds~~] a bond issued by an agency may be [~~made~~
2334 ~~payable~~] paid from:

2335 (a) the income and revenues of the [~~projects~~] project area development financed with
2336 the proceeds of the [~~bonds~~] bond;

2337 (b) the income and [~~revenues~~] revenue of certain designated [~~projects whether or not~~
2338 ~~they were~~] project area development regardless of whether the project area development is
2339 financed in whole or in part with the proceeds of the [~~bonds~~] bond;

2340 (c) the income, proceeds, [~~revenues~~] revenue, property, [~~and funds of the~~] or agency
2341 funds derived from or held in connection with [~~its~~] the agency's undertaking and [~~carrying out~~
2342 ~~urban renewal, economic development, or community~~] implementation of project area
2343 development;

2344 (d) [~~tax increment~~] project area funds;

2345 (e) agency revenues generally;

2346 (f) a contribution, loan, grant, or other financial assistance from [~~the federal~~
2347 ~~government or~~] a public entity in aid of [~~urban renewal, economic development, or community~~]
2348 project area development; or

2349 (g) funds derived from any combination of the methods listed in Subsections (1)(a)
2350 through (f).

2351 (2) In connection with the issuance of [~~agency bonds~~] an agency bond, an agency may:

2352 (a) pledge all or any part of [~~its~~] the agency's gross or net rents, fees, or revenues to

2353 which ~~[its]~~ the agency's right then exists or may thereafter come into existence;

2354 (b) encumber by mortgage, deed of trust, or otherwise all or any part of ~~[its]~~ the
2355 agency's real or personal property, then owned or thereafter acquired; and

2356 (c) make the covenants and take the action that:

2357 (i) may be necessary, convenient, or desirable to secure ~~[its bonds, or,]~~ the bond; or

2358 (ii) except as otherwise provided in this chapter, ~~[that]~~ will tend to make the ~~[bonds]~~
2359 bond more marketable, even though such covenants or actions are not specifically enumerated
2360 in this chapter.

2361 Section 48. Section **17C-1-504** is amended to read:

2362 **17C-1-504. Contesting the legality of resolution authorizing bonds -- Time limit --**
2363 **Presumption.**

2364 (1) Any person may contest the legality of the resolution authorizing issuance of the
2365 ~~[bonds]~~ bond or any provisions for the security and payment of the ~~[bonds]~~ bond for a period of
2366 30 days after:

2367 (a) publication of the resolution authorizing the ~~[bonds]~~ bond; or

2368 (b) publication of a notice of ~~[bonds]~~ bond containing substantially the items required
2369 under Subsection [11-14-316](#)(2).

2370 (2) After the 30-day period ~~[under]~~ described in Subsection (1), no person may bring a
2371 lawsuit or other proceeding ~~[may be brought]~~ contesting the regularity, formality, or legality of
2372 the ~~[bonds]~~ bond for any reason.

2373 (3) In a lawsuit or other proceeding involving the question of whether a bond issued
2374 under this part is valid or enforceable or involving the security for a bond, if a bond recites that
2375 the agency issued the bond in connection with ~~[an urban renewal, economic development, or~~
2376 ~~community development project]~~ project area development:

2377 (a) the bond shall be conclusively presumed to have been issued for that purpose; and

2378 (b) the project area plan and project area shall be conclusively presumed to have been
2379 properly formed, adopted, planned, located, and ~~[carried out]~~ implemented in accordance with
2380 this title.

2381 Section 49. Section **17C-1-505** is amended to read:

2382 **17C-1-505. Authority to purchase agency bonds.**

2383 (1) Any person, firm, corporation, association, political subdivision of the state, or

2384 other entity or public or private officer may purchase [~~bonds~~] a bond issued by an agency under
2385 this part with funds owned or controlled by the purchaser.

2386 (2) Nothing in this section may be construed to relieve a purchaser of [~~agency bonds~~]
2387 an agency bond of any duty to exercise reasonable care in selecting securities.

2388 Section 50. Section **17C-1-506** is amended to read:

2389 **17C-1-506. Those executing bonds not personally liable -- Limitation of**
2390 **obligations under bonds -- Negotiability.**

2391 (1) A member of [~~an agency~~] a board or other person executing an agency bond is not
2392 liable personally on the bond.

2393 (2) (a) A bond issued by an agency is not a general obligation or liability of the
2394 community, the state, or any of [~~its~~] the state's political subdivisions and does not constitute a
2395 charge against their general credit or taxing powers.

2396 (b) A bond issued by an agency is not payable out of any funds or properties other than
2397 those of the agency.

2398 (c) The community, the state, and [~~its~~] the state's political subdivisions may not be
2399 liable on a bond issued by an agency.

2400 (d) A bond issued by an agency does not constitute indebtedness within the meaning of
2401 any constitutional or statutory debt limitation.

2402 (3) A bond issued by an agency under this part is fully negotiable.

2403 Section 51. Section **17C-1-507** is amended to read:

2404 **17C-1-507. Obligee rights -- Board may confer other rights.**

2405 (1) In addition to all other rights that are conferred on an obligee of a bond issued by an
2406 agency under this part and subject to contractual restrictions binding on the obligee, an obligee
2407 may:

2408 (a) by mandamus, suit, action, or other proceeding, compel an agency and [~~its~~] the
2409 agency's board, officers, agents, or employees to perform every term, provision, and covenant
2410 contained in any contract of the agency with or for the benefit of the obligee, and require the
2411 agency to carry out the covenants and agreements of the agency and to fulfill all duties imposed
2412 on the agency by this part; and

2413 (b) by suit, action, or other proceeding [~~in equity~~], enjoin any acts or things that may be
2414 unlawful or violate the rights of the obligee.

2415 (2) (a) In a board resolution authorizing the issuance of [~~bonds~~] a bond or in a trust
 2416 indenture, mortgage, lease, or other contract, [~~an agency~~] a board may confer upon an obligee
 2417 holding or representing a specified amount in bonds, the rights described in Subsection (2)(b),
 2418 to accrue upon the happening of an event or default prescribed in the resolution, indenture,
 2419 mortgage, lease, or other contract, and to be exercised by suit, action, or proceeding in any
 2420 court of competent jurisdiction.

2421 (b) (i) The rights that the board may confer under Subsection (2)(a) are the rights to:

2422 (A) cause possession of all or part of [~~an urban renewal, economic development, or~~
 2423 ~~community development project~~] the project area development to be surrendered to an obligee;

2424 (B) obtain the appointment of a receiver of all or part of an agency's [~~urban renewal,~~
 2425 ~~economic development, or community development project~~] project area development and of
 2426 the rents and profits from [~~it~~] the project area development; and

2427 (C) require the agency and [~~its~~] the board and employees to account as if the agency
 2428 and the board and employees were the trustees of an express trust.

2429 (ii) If a receiver is appointed through the exercise of a right granted under Subsection
 2430 (2)(b)(i)(B), the receiver:

2431 (A) may enter and take possession of the [~~urban renewal, economic development, or~~
 2432 ~~community development project~~] project area development or any part of [~~it~~] the project area
 2433 development, operate and maintain [~~it~~] the project area development, and collect and receive
 2434 all fees, rents, revenues, or other charges arising from [~~it~~] the project area development after the
 2435 receiver's appointment; and

2436 (B) shall keep money collected as receiver for the agency in [~~separate accounts~~] a
 2437 separate account and apply [~~it~~] the money pursuant to the agency obligations as the court
 2438 directs.

2439 Section 52. Section **17C-1-508** is amended to read:

2440 **17C-1-508. Bonds exempt from taxes -- Agency may purchase an agency's own**
 2441 **bonds.**

2442 (1) A bond issued by an agency under this part is issued for an essential public and
 2443 governmental purpose and is, together with interest on the bond and income from it, exempt
 2444 from all state taxes except the corporate franchise tax.

2445 (2) An agency may purchase [~~its~~] the agency's own bonds at a price that [~~its~~] the board

2446 determines.

2447 (3) Nothing in this section may be construed to limit the right of an obligee to pursue a
2448 remedy for the enforcement of a pledge or lien given under this part by an agency on ~~[its]~~ the
2449 agency's rents, fees, grants, properties, or revenues.

2450 Section 53. Section **17C-1-601.1** is enacted to read:

2451 **Part 6. Agency Annual Report, Budget, and Audit Requirements**

2452 **17C-1-601.1. Title.**

2453 This part is known as "Agency Annual Report, Budget, and Audit Requirements."

2454 Section 54. Section **17C-1-601.5**, which is renumbered from Section 17C-1-601 is
2455 renumbered and amended to read:

2456 ~~[**17C-1-601.**]~~ **17C-1-601.5. Annual agency budget -- Fiscal year -- Public**
2457 **hearing required -- Auditor forms -- Requirement to file form.**

2458 (1) Each agency shall prepare ~~[and its board adopt]~~ an annual budget of the agency's
2459 revenues and expenditures ~~[for the agency]~~ for each fiscal year.

2460 (2) ~~[Each annual agency budget shall be adopted]~~ The board shall adopt each agency
2461 budget:

2462 (a) for an agency created by a ~~[city or town]~~ municipality, before June 22; or

2463 (b) for an agency created by a county, before December 15.

2464 (3) The agency's fiscal year shall be the same as the fiscal year of the community that
2465 created the agency.

2466 (4) (a) Before adopting an annual budget, each ~~[agency]~~ board shall hold a public
2467 hearing on the annual budget.

2468 (b) Each agency shall provide notice of the public hearing on the annual budget by:

2469 (i) (A) publishing at least one notice in a newspaper of general circulation within the
2470 agency boundaries, one week before the public hearing; or

2471 (B) if there is no newspaper of general circulation within the agency boundaries,
2472 posting a notice of the public hearing in at least three public places within the agency
2473 boundaries; and

2474 (ii) publishing notice on the Utah Public Notice Website created in Section **63F-1-701**,
2475 at least one week before the public hearing.

2476 (c) Each agency shall make the annual budget available for public inspection at least

2477 three days before the date of the public hearing.

2478 (5) The state auditor shall prescribe the budget forms and the categories to be contained
2479 in each [agency] annual budget, including:

2480 (a) revenues and expenditures for the budget year;

2481 (b) legal fees; and

2482 (c) administrative costs, including rent, supplies, and other materials, and salaries of
2483 agency personnel.

2484 (6) (a) Within 90 days after adopting an annual budget, each [agency] board shall file a
2485 copy of the annual budget with the auditor of the county in which the agency is located, the
2486 State Tax Commission, the state auditor, the State Board of Education, and each taxing entity
2487 [that levies a tax on property] from which the agency [collects tax increment] receives project
2488 area funds.

2489 (b) The requirement of Subsection (6)(a) to file a copy of the annual budget with the
2490 state as a taxing entity is met if the agency files a copy with the State Tax Commission and the
2491 state auditor.

2492 Section 55. Section **17C-1-602** is amended to read:

2493 **17C-1-602. Amending the agency annual budget.**

2494 (1) ~~[An agency]~~ A board may by resolution amend an annual [agency] budget.

2495 (2) An amendment ~~[of the]~~ to an annual [agency] budget that would increase the total
2496 expenditures may be made only after a public hearing ~~[by notice published as required for~~
2497 ~~initial adoption of the annual budget]~~ is held in accordance with Subsection [17C-1-601.5\(4\)](#).

2498 (3) An agency may not make expenditures in excess of the total expenditures
2499 established in the annual budget as ~~[it]~~ the annual budget is adopted or amended.

2500 Section 56. Section **17C-1-603** is amended to read:

2501 **17C-1-603. Annual report.**

2502 ~~[(1) (a) Unless an agency submits a report to the county auditor, the State Tax~~
2503 ~~Commission, the State Board of Education, and each taxing entity that levies a tax on property~~
2504 ~~from which the agency collects tax increment as provided under Subsection [17C-1-402\(9\)\(b\)](#),~~
2505 ~~on or before November 1 of each year, each agency shall prepare and file a report with the~~
2506 ~~county auditor, the State Tax Commission, the State Board of Education, and each taxing entity~~
2507 ~~that levies a tax on property from which the agency collects tax increment.]~~

2508 ~~[(b) The requirement of Subsection (1)(a) to file a copy of the report with the state as a~~
2509 ~~taxing entity is met if the agency files a copy with the State Tax Commission and the state~~
2510 ~~auditor.]~~

2511 ~~[(2) Each report under Subsection (1) shall contain:]~~

2512 ~~[(a) an estimate of the tax increment to be paid to the agency for the calendar year~~
2513 ~~ending December 31;]~~

2514 ~~[(b) an estimate of the tax increment to be paid to the agency for the calendar year~~
2515 ~~beginning the next January 1;]~~

2516 ~~[(c) a narrative description of each active project area within the agency's boundaries;]~~

2517 ~~[(d) a narrative description of any significant activity related to each active project area~~
2518 ~~that occurred during the immediately preceding fiscal year;]~~

2519 ~~[(e) a summary description of the overall project timeline for each active project area;]~~

2520 ~~[(f) any other information specifically requested by the taxing entity committee or~~
2521 ~~required by the project area plan or budget; and]~~

2522 ~~[(g) any other information included by the agency.]~~

2523 (1) Beginning in 2016, on or before November 1 of each year, an agency shall:

2524 (a) prepare an annual report as described in Subsection (2); and

2525 (b) submit the annual report electronically to the county auditor, the State Tax
2526 Commission, the State Board of Education, and each taxing entity from which the agency
2527 receives project area funds.

2528 (2) The annual report shall, for each active project area, contain the following
2529 information:

2530 (a) an assessment of the change in marginal value, including:

2531 (i) the base taxable value;

2532 (ii) the prior year's assessed value;

2533 (iii) the estimated current assessed value; and

2534 (iv) a narrative description of the relative growth in assessed value;

2535 (b) the amount of project area funds the agency received, including:

2536 (i) a comparison of the actual project area funds received for the previous year to the
2537 amount of project area funds forecasted when the project area was created, if available;

2538 (ii) (A) the agency's historical receipts of project area funds, including the tax year for

2539 which the agency first received project area funds from the project area; or

2540 (B) if the agency has not yet received project area funds from the project area, the year

2541 in which the agency expects each project area funds collection period to begin;

2542 (iii) a list of each taxing entity that levies or imposes a tax within the project area and a

2543 description of the benefits that each taxing entity receives from the project area; and

2544 (iv) the amount paid to other taxing entities under Section 17C-1-410, if applicable;

2545 (c) a description of current and anticipated project area development, including:

2546 (i) a narrative of any significant project area development, including infrastructure

2547 development, site development, participation agreements, or vertical construction; and

2548 (ii) other details of development within the project area, including total developed

2549 acreage and total undeveloped acreage;

2550 (d) the project area budget, if applicable, or other project area funds analysis,

2551 including:

2552 (i) each project area funds collection period;

2553 (ii) the number of years remaining in each project area funds collection period;

2554 (iii) the total amount of project area funds the agency is authorized to receive from the

2555 project area cumulatively and from each taxing entity; and

2556 (iv) the remaining amount of project area funds the agency is authorized to receive

2557 from the project area cumulatively and from each taxing entity;

2558 (e) the estimated amount of project area funds that the agency is authorized to receive

2559 from the project area for the current calendar year;

2560 (f) the estimated amount of project area funds to be paid to the agency for the next

2561 calendar year;

2562 (g) a map of the project area; and

2563 (h) any other relevant information the agency elects to provide.

2564 (3) A report prepared in accordance with this section:

2565 (a) is for informational purposes only; and

2566 (b) does not alter the amount of ~~[tax increment]~~ project area funds that an agency is

2567 ~~[entitled to collect]~~ authorized to receive from a project area.

2568 (4) The provisions of this section apply regardless of when the agency is created.

2569 Section 57. Section 17C-1-605 is amended to read:

2570 **17C-1-605. Audit report.**

2571 (1) Each agency required to be audited under Section 17C-1-604 shall, within 180 days
 2572 after the end of the agency's fiscal year, file a copy of the audit report with the county auditor,
 2573 the State Tax Commission, the State Board of Education, and each taxing entity [~~that levies a~~
 2574 ~~tax on property~~] from which the agency [~~collects~~] receives tax increment.

2575 (2) Each audit report under Subsection (1) shall include:

2576 (a) the tax increment collected by the agency for each project area;

2577 (b) the amount of tax increment paid to each taxing entity under Section 17C-1-410;

2578 (c) the outstanding principal amount of bonds issued or other loans incurred to finance
 2579 the costs associated with the agency's project areas; and

2580 (d) the actual amount expended for:

2581 (i) acquisition of property;

2582 (ii) site improvements or site preparation costs;

2583 (iii) installation of public utilities or other public improvements; and

2584 (iv) administrative costs of the agency.

2585 Section 58. Section 17C-1-606 is amended to read:

2586 **17C-1-606. County auditor report on project areas.**

2587 (1) (a) On or before March 31 of each year, the auditor of each county in which an
 2588 agency is located shall prepare a report on the project areas within each agency.

2589 (b) The county auditor shall send a copy of each report under Subsection (1)(a) to the
 2590 agency that is the subject of the report, the State Tax Commission, the State Board of
 2591 Education, and each taxing entity [~~that levies a tax on property~~] from which the agency
 2592 [~~collects~~] receives tax increment.

2593 (2) Each report under Subsection (1)(a) shall report:

2594 (a) the total assessed property value within each project area for the previous tax year;

2595 (b) the base taxable value of [~~property within~~] each project area for the previous tax
 2596 year;

2597 (c) the tax increment available to be paid to the agency for the previous tax year;

2598 (d) the tax increment requested by the agency for the previous tax year; and

2599 (e) the tax increment paid to the agency for the previous tax year.

2600 (3) Within 30 days after a request by an agency, the State Tax Commission, the State

2601 Board of Education, or any taxing entity [~~that levies a tax on property~~] from which the agency
 2602 receives tax increment, the county auditor or the county assessor shall provide access to:

2603 (a) the county auditor's method and calculations used to make adjustments under
 2604 Section 17C-1-408;

2605 (b) the unequalized assessed valuation of an existing or proposed project area, or any
 2606 parcel or parcels within an existing or proposed project area, if the equalized assessed valuation
 2607 has not yet been determined for that year;

2608 (c) the most recent equalized assessed valuation of an existing or proposed project area
 2609 or any parcel or parcels within an existing or proposed project area; and

2610 (d) the tax rate of each taxing entity adopted as of November 1 for the previous tax
 2611 year.

2612 (4) Each report described in Subsection (1)(a) shall include:

2613 (a) sufficient detail regarding the calculations performed by a county auditor so that an
 2614 agency or other interested party could repeat and verify the calculations; and

2615 (b) a detailed explanation of any adjustments made to the base taxable value of each
 2616 project area.

2617 Section 59. Section **17C-1-607** is amended to read:

2618 **17C-1-607. State Tax Commission and county assessor required to account for**
 2619 **new growth.**

2620 Upon the expiration of a project area funds collection period, the State Tax
 2621 Commission and the assessor of each county in which [~~an urban renewal, economic~~
 2622 ~~development, or community development~~] a project area is located shall count as new growth
 2623 the assessed value of property with respect to which the taxing entity is receiving taxes or
 2624 increased taxes for the first time.

2625 Section 60. Section **17C-1-701.1** is enacted to read:

2626 **Part 7. Agency and Project Area Dissolution**

2627 **17C-1-701.1. Title.**

2628 This part is known as "Agency and Project Area Dissolution."

2629 Section 61. Section **17C-1-701.5**, which is renumbered from Section 17C-1-701 is
 2630 renumbered and amended to read:

2631 [~~17C-1-701~~]. **17C-1-701.5. Agency dissolution -- Restrictions -- Notice --**

2632 **Recording requirements -- Agency records -- Dissolution expenses.**

2633 (1) (a) Subject to Subsection (1)(b), the community legislative body [~~of the community~~
2634 ~~that created an agency~~] may, by ordinance, [~~approve the deactivation and dissolution of the~~
2635 dissolve an agency].

2636 (b) [~~At~~] A community legislative body may adopt an ordinance [~~under~~] described in
2637 Subsection (1)(a) [~~approving the deactivation and dissolution of an agency may not be~~
2638 ~~adopted unless~~] only if the agency has no outstanding bonded indebtedness, other unpaid loans,
2639 indebtedness, or advances, and no legally binding contractual obligations with [~~persons or~~
2640 entities] a person other than the community.

2641 (2) (a) The community legislative body shall:

2642 (i) within 10 days after adopting an ordinance [~~under~~] described in Subsection (1), file
2643 with the lieutenant governor a copy of a notice of an impending boundary action, as defined in
2644 Section 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3); and

2645 (ii) upon the lieutenant governor's issuance of a certificate of dissolution under Section
2646 67-1a-6.5, submit to the recorder of the county in which the agency is located:

2647 (A) the original notice of an impending boundary action;

2648 (B) the original certificate of dissolution; and

2649 (C) a certified copy of the ordinance [~~approving the deactivation and dissolution of~~
2650 that dissolves the agency.

2651 (b) Upon the lieutenant governor's issuance of the certificate of dissolution under
2652 Section 67-1a-6.5, the agency is dissolved.

2653 (c) Within 10 days after receiving the certificate of dissolution from the lieutenant
2654 governor under Section 67-1a-6.5, the community legislative body shall send a copy of the
2655 certificate of dissolution and the ordinance adopted under Subsection (1) to the State Board of
2656 Education, and each taxing entity.

2657 (d) The community legislative body shall publish a notice of dissolution in a
2658 newspaper of general circulation in the county in which the dissolved agency is located.

2659 (3) The books, documents, records, papers, and seal of each dissolved agency shall be
2660 deposited for safekeeping and reference with the recorder of the community that dissolved the
2661 agency.

2662 (4) The agency shall pay all expenses of the [~~deactivation and~~] dissolution.

2663 Section 62. Section 17C-1-702 is enacted to read:

2664 **17C-1-702. Project area dissolution.**

2665 (1) Regardless of when a project area funds collection period ends, the project area
2666 remains in existence until:

2667 (a) the agency adopts a resolution dissolving the project area; and

2668 (b) the community legislative body adopts an ordinance dissolving the project area.

2669 (2) The ordinance described in Subsection (1)(b) shall include:

2670 (a) the name of the project area; and

2671 (b) a project area map or boundary description.

2672 (3) Within 30 days after the day on which the community legislative body adopts an
2673 ordinance described in Subsection (1)(b), the community legislative body shall:

2674 (a) submit a copy of the ordinance to the county recorder of the county in which the
2675 dissolved project area is located; and

2676 (b) mail or electronically submit a copy of the ordinance to the county auditor, the State
2677 Tax Commission, the State Board of Education, and each taxing entity that levies or imposes a
2678 tax dissolved project area.

2679 Section 63. Section 17C-1-801 is enacted to read:

2680 **Part 8. Hearing and Notice Requirements**

2681 **17C-1-801. Title.**

2682 This part is known as "Hearing and Notice Requirements."

2683 Section 64. Section 17C-1-802, which is renumbered from Section 17C-2-401 is
2684 renumbered and amended to read:

2685 ~~[17C-2-401].~~ **17C-1-802. Combining hearings.**

2686 A board may combine any combination of a blight hearing, a plan hearing, and a budget
2687 hearing.

2688 Section 65. Section 17C-1-803, which is renumbered from Section 17C-2-402 is
2689 renumbered and amended to read:

2690 ~~[17C-2-402].~~ **17C-1-803. Continuing a hearing.**

2691 Subject to Section ~~[17C-2-403]~~ 17C-1-804, the board may continue ~~[from time to time~~
2692 ~~a]~~:

2693 (1) a blight hearing;

- 2694 (2) a plan hearing;
- 2695 (3) a budget hearing; or
- 2696 (4) a combined hearing under Section [~~17C-2-401~~] [17C-1-802](#).

2697 Section 66. Section **17C-1-804**, which is renumbered from Section 17C-2-403 is
 2698 renumbered and amended to read:

2699 ~~[17C-2-403]~~. **17C-1-804**. **Notice required for continued hearing.**

2700 The board shall give notice of a hearing continued under Section [~~17C-2-402~~]
 2701 [17C-1-802](#) by announcing at the hearing:

- 2702 (1) the date, time, and place the hearing will be resumed; or
- 2703 (2) (a) that [~~it~~] the hearing is being continued to a later time; and [~~causing~~]
- 2704 (b) that the board will cause a notice of the continued hearing to be[:(a) (i) ~~published~~
 2705 ~~once in a newspaper of general circulation within the agency boundaries at least seven days~~
 2706 ~~before the hearing is scheduled to resume; or(ii) if there is no newspaper of general circulation,~~
 2707 ~~posted in at least three conspicuous places within the boundaries of the agency in which the~~
 2708 ~~project area or proposed project area is located; and (b)] published on the Utah Public Notice~~
 2709 Website created in Section [63F-1-701](#), at least seven days before the day on which the hearing
 2710 is [~~schedule~~] scheduled to resume.

2711 Section 67. Section **17C-1-805**, which is renumbered from Section 17C-2-501 is
 2712 renumbered and amended to read:

2713 ~~[17C-2-501]~~. **17C-1-805**. **Agency to provide notice of hearings.**

2714 (1) Each agency shall provide notice, [~~as provided~~] in accordance with this part, of
 2715 each:

- 2716 (a) blight hearing;
- 2717 (b) plan hearing; [~~and~~] or
- 2718 (c) budget hearing.
- 2719 (2) The notice required under Subsection (1) [~~for any of the hearings listed in that~~
 2720 ~~subsection~~] may be combined with the notice required for any of the other hearings if the
 2721 hearings are combined under Section [~~17C-2-401~~] [17C-1-802](#).

2722 Section 68. Section **17C-1-806**, which is renumbered from Section 17C-2-502 is
 2723 renumbered and amended to read:

2724 ~~[17C-2-502]~~. **17C-1-806**. **Requirements for notice provided by agency.**

- 2725 (1) The notice required by Section [~~17C-2-501~~] 17C-1-805 shall be given by:
- 2726 (a) (i) publishing one notice, excluding the map referred to in Subsection (3)(b), in a
- 2727 newspaper of general circulation within the county in which the project area or proposed
- 2728 project area is located, at least 14 days before the hearing;
- 2729 (ii) if there is no newspaper of general circulation, posting notice at least 14 days
- 2730 before the day of the hearing in at least three conspicuous places within the county in which the
- 2731 project area or proposed project area is located; or
- 2732 (iii) posting notice, excluding the map described in Subsection (3)(b), at least 14 days
- 2733 before the day on which the hearing is held on:
- 2734 (A) the Utah Public Notice Website described in Section 63F-1-701; and
- 2735 (B) the public website of a community located within the boundaries of the project
- 2736 area; and
- 2737 (b) at least 30 days before the hearing, mailing notice to:
- 2738 (i) [~~mailing notice to~~] each record owner of property located within the project area or
- 2739 proposed project area; [~~and~~]
- 2740 [~~(ii) mailing notice to~~];
- 2741 [~~(A)~~] (ii) the State Tax Commission;
- 2742 [~~(B)~~] (iii) the assessor and auditor of the county in which the project area or proposed
- 2743 project area is located; and
- 2744 [~~(C)~~]~~(F)~~ (iv) (A) each member of the taxing entity committee, if applicable; or
- 2745 [~~(H)~~] (B) if a taxing entity committee has not [~~yet~~] been formed, the State Board of
- 2746 Education and the legislative body or governing board of each taxing entity.
- 2747 (2) The mailing of the notice to record property owners required under Subsection
- 2748 (1)(b)(i) shall be conclusively considered to have been properly completed if:
- 2749 (a) the agency mails the notice to the property owners as shown in the records,
- 2750 including an electronic database, of the county recorder's office and at the addresses shown in
- 2751 those records; and
- 2752 (b) the county recorder's office records used by the agency in identifying owners to
- 2753 whom the notice is mailed and their addresses were obtained or accessed from the county
- 2754 recorder's office no earlier than 30 days before the mailing.
- 2755 (3) The agency shall include in each notice required under Section [~~17C-2-501~~]

2756 [17C-1-805](#):

2757 (a) (i) a [~~specific description of the boundaries~~] boundary description of the project
2758 area or proposed project area; or

2759 (ii) (A) a mailing address or telephone number where a person may request that a copy
2760 of the boundary description be sent at no cost to the person by mail, email, or facsimile
2761 transmission; and

2762 (B) if the agency or community has an Internet website, an Internet address where a
2763 person may gain access to an electronic, printable copy of the boundary description and other
2764 related information;

2765 (b) a map of the boundaries of the project area or proposed project area;

2766 (c) an explanation of the purpose of the hearing; and

2767 (d) a statement of the date, time, and location of the hearing.

2768 (4) The agency shall include in each notice under Subsection (1)(b)[~~(ii)~~]:

2769 (a) a statement that property tax revenues resulting from an increase in valuation of
2770 property within the project area or proposed project area will be paid to the agency for [~~urban~~
2771 ~~renewal purposes~~] project area development rather than to the taxing entity to which the tax
2772 revenues would otherwise have been paid if:

2773 (i) the taxing entity committee consents to the project area budget; and

2774 (ii) the project area plan provides for the agency to receive tax increment; and

2775 (b) an invitation to the recipient of the notice to submit to the agency comments
2776 concerning the subject matter of the hearing before the date of the hearing.

2777 (5) An agency may include in a notice under Subsection (1) any other information the
2778 agency considers necessary or advisable, including the public purpose [~~erved~~] achieved by the
2779 project area development and any future tax benefits expected to result from the project area
2780 development.

2781 Section 69. Section **17C-1-807**, which is renumbered from Section 17C-2-503 is
2782 renumbered and amended to read:

2783 [~~17C-2-503~~]. **17C-1-807. Additional requirements for notice of a blight**
2784 **hearing.**

2785 Each notice under Section [~~17C-2-502~~] [17C-1-806](#) for a blight hearing shall also
2786 include:

2787 (1) a statement that:

2788 (a) [~~an urban renewal~~] a project area is being proposed;

2789 (b) the proposed [~~urban renewal~~] project area may be declared to have blight;

2790 (c) the record owner of property within the proposed project area has the right to

2791 present evidence at the blight hearing contesting the existence of blight;

2792 (d) except for a hearing continued under Section [~~17C-2-402~~] 17C-1-803, the agency

2793 will notify the record owner of property [~~owners~~] referred to in Subsection [~~17C-2-502~~]

2794 17C-1-806(1)(b)(i) of each additional public hearing held by the agency concerning the [~~urban~~

2795 ~~renewal project prior to~~] proposed project area before the adoption of the [~~urban renewal~~]

2796 project area plan; and

2797 (e) [~~persons~~] a person contesting the existence of blight in the proposed [~~urban~~

2798 ~~renewal~~] project area may appear before the [~~agency~~] board and show cause why the proposed

2799 [~~urban renewal~~] project area should not be designated as [~~an urban renewal~~] a project area; and

2800 (2) if the agency anticipates acquiring property in an urban renewal project area or a

2801 community reinvestment project area by eminent domain, a clear and plain statement that:

2802 (a) the project area plan may require the agency to use eminent domain; and

2803 (b) the proposed use of eminent domain will be discussed at the blight hearing.

2804 Section 70. Section **17C-1-808**, which is renumbered from Section 17C-2-504 is

2805 renumbered and amended to read:

2806 [~~17C-2-504~~]. **17C-1-808. Additional requirements for notice of a plan**

2807 **hearing.**

2808 Each notice under Section [~~17C-2-502~~] 17C-1-806 of a plan hearing shall also include:

2809 (1) a statement that any person objecting to the [~~draft~~] proposed project area plan or

2810 contesting the regularity of any of the proceedings to adopt [~~it~~] the proposed project area plan

2811 may appear before the [~~agency~~] board at the hearing to show cause why the [~~draft~~] proposed

2812 project area plan should not be adopted; and

2813 (2) a statement that the proposed project area plan is available for inspection at the

2814 agency offices.

2815 Section 71. Section **17C-1-809**, which is renumbered from Section 17C-2-505 is

2816 renumbered and amended to read:

2817 [~~17C-2-505~~]. **17C-1-809. Additional requirements for notice of a budget**

2818 **hearing.**

2819 Each notice under Section [~~17C-2-502~~] 17C-1-806 of a budget hearing shall contain:

2820 (1) the following statement:

2821 "The (name of agency) has requested \$_____ in property tax revenues that will be
2822 generated by development within the (name of project area) to fund a portion of project costs
2823 within the (name of project area). These property tax revenues will be used for the following:
2824 (list major budget categories and amounts). These property taxes will be taxes levied by the
2825 following governmental entities, and, assuming current tax rates, the taxes paid to the agency
2826 for this project area from each taxing entity will be as follows: (list each taxing entity levying
2827 taxes and the amount of total taxes that would be paid from each taxing entity). All of the
2828 property taxes to be paid to the agency for the development in the project area are taxes that
2829 will be generated only if the project area is developed.

2830 All concerned citizens are invited to attend the project area budget hearing scheduled
2831 for (date, time, and place of hearing). A copy of the (name of project area) project area budget
2832 is available at the offices of (name of agency and office address)."; and

2833 (2) other information that the agency considers appropriate.

2834 Section 72. Section **17C-1-901** is enacted to read:

2835 **Part 9. Eminent Domain**

2836 **17C-1-901. Title.**

2837 This part is known as "Eminent Domain."

2838 Section 73. Section **17C-1-902**, which is renumbered from Section 17C-1-206 is
2839 renumbered and amended to read:

2840 [~~17C-1-206~~]. **17C-1-902. Use of eminent domain -- Conditions.**

2841 (1) Except as provided in Subsection (2), an agency may not use eminent domain to
2842 acquire property.

2843 (2) [~~An~~] Subject to the provisions of this part, an agency may, in accordance with Title
2844 78B, Chapter 6, Part 5, Eminent Domain, use eminent domain to acquire an interest in
2845 property:

2846 (a) [~~any interest in property~~] within an urban renewal project area[~~, subject to Chapter~~
2847 ~~2, Part 6, Eminent Domain in an Urban Renewal Project Area; and] if:~~

2848 (i) the board makes a finding of blight under Chapter 2, Part 3, Blight Determination in

2849 Urban Renewal Project Areas; and

2850 (ii) the urban renewal project area plan provides for the use of eminent domain;

2851 [(b) any interest in property that is owned by an agency board member or officer and
 2852 located within a project area, if the board member or officer consents.]

2853 (b) within a community reinvestment project area if:

2854 (i) the board makes a finding of blight under Section [17C-5-405](#);

2855 (ii) the community reinvestment project area plan provides for the use of eminent
 2856 domain; and

2857 (iii) the agency creates a taxing entity committee in accordance with Section
 2858 [17C-1-402](#); or

2859 (c) that, subject to Subsection (3):

2860 (i) is owned by a participant or a property owner that is entitled to receive tax
 2861 increment or other assistance from the agency;

2862 (ii) is within a project area for which the agency made a finding of blight under Section
 2863 [17C-2-102](#) or [17C-5-405](#); and

2864 (iii) (A) the participant or property owner described in Subsection (2)(c)(i) fails to
 2865 develop or improve in accordance with the participation agreement or the project area plan; or

2866 (B) for a period of 36 months does not generate the amount of tax increment that the
 2867 agency projected to receive under the project area budget.

2868 (3) An agency may use eminent domain to acquire an interest in property described in
 2869 Subsection (2)(c) only if the conditions that formed the basis for the finding of blight exist at
 2870 the time the agency exercises eminent domain.

2871 (4) An agency shall commence the acquisition of property by eminent domain within
 2872 five years after the day on which the project area plan is effective.

2873 Section 74. Section **17C-1-903**, which is renumbered from Section 17C-2-602 is
 2874 renumbered and amended to read:

2875 ~~[17C-2-602].~~ **17C-1-903. Prerequisites to the acquisition of property by**
 2876 **eminent domain -- Civil action authorized -- Record of good faith negotiations to be**
 2877 **retained.**

2878 (1) Before an agency may acquire property by eminent domain, the agency shall:

2879 (a) negotiate in good faith with the affected record property owner;

2880 (b) provide to each affected record property owner a written declaration that includes:

2881 (i) an explanation of the eminent domain process and the reasons for using it,

2882 including:

2883 (A) the need for the agency to obtain an independent appraisal that indicates the fair

2884 market value of the property and how the fair market value was determined;

2885 (B) a statement that the agency may adopt a resolution authorizing the agency to make

2886 an offer to the record property owner to purchase the property for the fair market value amount

2887 determined by the appraiser and that, if the offer is rejected, the agency has the right to acquire

2888 the property through an eminent domain proceeding; and

2889 (C) a statement that the agency will prepare an offer that will include the price the

2890 agency is offering for the property, an explanation of how the agency determined the price

2891 being offered, the legal description of the property, conditions of the offer, and the time at

2892 which the offer will expire;

2893 (ii) an explanation of the record property owner's relocation rights under Title 57,

2894 Chapter 12, Utah Relocation Assistance Act, and how to receive relocation assistance; and

2895 (iii) a statement that the owner has the right to receive just compensation and an

2896 explanation of how to obtain it; and

2897 (c) provide to the affected record property owner or the owner's designated

2898 representative a notice that is printed in a type size of at least ten-point type that contains:

2899 (i) a description of the property to be acquired;

2900 (ii) the name of the agency acquiring the property and the agency's contact person and

2901 telephone number; and

2902 (iii) a copy of Title 57, Chapter 12, Utah Relocation Assistance Act.

2903 (2) A person may bring a civil action against an agency for a violation of Subsection

2904 (1)(b) that results in damage to that person.

2905 (3) Each agency shall keep a record and evidence of the good faith negotiations

2906 required under Subsection (1)(a) and retain the record and evidence as provided in:

2907 (a) Title 63G, Chapter 2, Government Records Access and Management Act; or

2908 (b) an ordinance or policy that the agency had adopted under Section [63G-2-701](#).

2909 (4) A record property owner whose property is being taken by an agency through the

2910 exercise of eminent domain may elect to receive for the real property being taken:

2911 (a) fair market value; or

2912 (b) replacement property under Section [57-12-7](#).

2913 Section 75. Section **17C-1-904**, which is renumbered from Section 17C-2-601 is

2914 renumbered and amended to read:

2915 ~~[17C-2-601].~~ **17C-1-904. Acquiring single family owner occupied**

2916 **residential property or commercial property -- Acquiring property already devoted to a**

2917 **public use -- Relocation assistance requirement.**

2918 ~~[(1) Subject to Section [17C-2-602](#), an agency may use eminent domain to acquire~~

2919 ~~property:]~~

2920 ~~[(a) within an urban renewal project area if:]~~

2921 ~~[(i) the agency board makes a finding of blight under Part 3, Blight Determination in~~

2922 ~~Urban Renewal Project Areas;]~~

2923 ~~[(ii) the urban renewal project area plan provides for the use of eminent domain; and]~~

2924 ~~[(iii) the agency commences the acquisition of the property within five years after the~~

2925 ~~effective date of the urban renewal project area plan; or]~~

2926 ~~[(b) within a project area established after December 31, 2001 but before April 30,~~

2927 ~~2007 if:]~~

2928 ~~[(i) the agency board made a finding of blight with respect to the project area as~~

2929 ~~provided under the law in effect at the time of the finding;]~~

2930 ~~[(ii) the project area plan provides for the use of eminent domain; and]~~

2931 ~~[(iii) the agency commences the acquisition of the property before January 1, 2010.]~~

2932 ~~[(2) (a) As used in this Subsection (2):]~~

2933 ~~[(i) "Commercial property" means a property used, in whole or in part, by the owner or~~

2934 ~~possessor of the property for a commercial, industrial, retail, or other business purpose,~~

2935 ~~regardless of the identity of the property owner.]~~

2936 ~~[(ii) "Owner occupied property" means private real property:]~~

2937 ~~[(A) whose use is single-family residential or commercial; and]~~

2938 ~~[(B) that is occupied by the owner of the property.]~~

2939 ~~[(iii) "Relevant area" means:]~~

2940 ~~[(A) except as provided in Subsection (2)(a)(iii)(B), the project area; or]~~

2941 ~~[(B) the area included within a phase of a project under a project area plan if the phase~~

2942 and the area included within the phase are described in the project area plan.]

2943 ~~[(b) For purposes of each provision of this Subsection (2) relating to the submission of~~
2944 ~~a petition by the owners of property, a parcel of real property is included in the calculation of~~
2945 ~~the applicable percentage if the petition is signed by:]~~

2946 ~~[(i) except as provided in Subsection (2)(b)(ii), owners representing a majority~~
2947 ~~ownership interest in that parcel; or]~~

2948 ~~[(ii) if the parcel is owned by joint tenants or tenants by the entirety, 50% of the~~
2949 ~~number of owners of that parcel.]~~

2950 ~~[(c) An agency may not acquire by eminent domain single-family residential owner~~
2951 ~~occupied property unless:]~~

2952 ~~[(i) the owner consents; or]~~

2953 ~~[(ii) (A) a written petition requesting the agency to use eminent domain to acquire the~~
2954 ~~property is submitted by the owners of at least 80% of the owner occupied property within the~~
2955 ~~relevant area representing at least 70% of the value of owner occupied property within the~~
2956 ~~relevant area; and]~~

2957 ~~[(B) 2/3 of all agency board members vote in favor of using eminent domain to acquire~~
2958 ~~the property.]~~

2959 ~~[(d) An agency may not acquire commercial property by eminent domain unless:]~~

2960 ~~[(i) the owner consents; or]~~

2961 ~~[(ii) (A) a written petition requesting the agency to use eminent domain to acquire the~~
2962 ~~property is submitted by the owners of at least 75% of the commercial property within the~~
2963 ~~relevant area representing at least 60% of the value of commercial property within the relevant~~
2964 ~~area; and]~~

2965 ~~[(B) 2/3 of all agency board members vote in favor of using eminent domain to acquire~~
2966 ~~the property.]~~

2967 ~~[(3) An agency may not acquire any real property on which an existing building is to be~~
2968 ~~continued on its present site and in its present form and use unless:]~~

2969 ~~[(a) the owner consents; or]~~

2970 ~~[(b) (i) the building requires structural alteration, improvement, modernization, or~~
2971 ~~rehabilitation;]~~

2972 ~~[(ii) the site or lot on which the building is situated requires modification in size;~~

2973 ~~shape, or use; or]~~

2974 ~~[(iii) (A) it is necessary to impose upon the property any of the standards, restrictions,~~
 2975 ~~and controls of the project area plan; and]~~

2976 ~~[(B) the owner fails or refuses to agree to participate in the project area plan.]~~

2977 ~~[(4) (a) Subject to Subsection (4)(b), an agency may acquire by eminent domain~~
 2978 ~~property that is already devoted to a public use and located in:]~~

2979 ~~[(i) an urban renewal project area; or]~~

2980 ~~[(ii) a project area described in Subsection (1)(b).]~~

2981 ~~[(b) An agency may not acquire property of a public entity under Subsection (4)(a)~~
 2982 ~~without the public entity's consent.]~~

2983 (1) As used in this section:

2984 (a) "Commercial property" means real property used, in whole or in part, by the owner
 2985 or possessor of the property for a commercial, industrial, retail, or other business purpose,
 2986 regardless of the identity of the property owner.

2987 (b) "Owner occupied property" means private real property that is:

2988 (i) used for a single-family residential or commercial purpose; and

2989 (ii) occupied by the owner of the property.

2990 (c) "Relevant area" means:

2991 (i) except as provided in Subsection (1)(c)(ii), the project area; or

2992 (ii) the area included within a phase of a project under a project area plan if the phase
 2993 and the area included within the phase are described in the project area plan.

2994 (2) An agency may not acquire by eminent domain a residential owner occupied
 2995 property unless:

2996 (a) (i) a written petition requesting the agency to use eminent domain to acquire the
 2997 property is submitted by the owners of at least 80% of the residential owner occupied property
 2998 within the relevant area representing at least 70% of the value of residential owner occupied
 2999 property within the relevant area; or

3000 (ii) a written petition of 90% of the owners of real property, including property owned
 3001 by the agency or a public entity within the project area is submitted to the agency, requesting
 3002 the use of eminent domain to acquire the property; and

3003 (b) at least two-thirds of all board members vote in favor of using eminent domain to

3004 acquire the property.

3005 (3) An agency may not acquire commercial owner occupied property by eminent
3006 domain unless:

3007 (a) a written petition requesting the agency to use eminent domain to acquire the
3008 property is submitted by the owners of at least 75% of the commercial property within the
3009 relevant area representing at least 60% of the value of commercial property within the relevant
3010 area; and

3011 (b) at least two-thirds of all board members vote in favor of using eminent domain to
3012 acquire the property.

3013 (4) For purposes of this section an owner is considered to have signed a petition if:

3014 (a) owners representing a majority ownership interest in the property sign the petition;
3015 or

3016 (b) if the property is owned by joint tenants or tenants by the entirety, 50% of the
3017 number of owners of the property sign the petition.

3018 (5) An agency may not acquire by eminent domain any real property on which an
3019 existing building is to be continued on the building's present site and in the building's present
3020 form and use unless:

3021 (a) the building requires structural alteration, improvement, modernization, or
3022 rehabilitation;

3023 (b) the site or lot on which the building is situated requires modification in size, shape,
3024 or use; or

3025 (c) (i) it is necessary to impose upon the property a standard, restriction, or control of
3026 the project area plan; and

3027 (ii) the owner fails or refuses to agree to participate in the project area plan.

3028 [~~5~~] (6) An agency that acquires property by eminent domain shall comply with
3029 Title 57, Chapter 12, Utah Relocation Assistance Act.

3030 Section 76. Section **17C-1-905**, which is renumbered from Section 17C-2-603 is
3031 renumbered and amended to read:

3032 [~~17C-2-603~~]. **17C-1-905. Court award for court costs and attorney fees,**
3033 **relocation expenses, and damage to fixtures or personal property.**

3034 [~~If a property owner brings an action in district court contesting an agency's exercise of]~~

3035 In an eminent domain [against that owner's property] action under this part, the court may
3036 award:

3037 (1) [~~award court~~] costs and [a] reasonable attorney [~~fee, as determined by the court, to~~
3038 ~~the owner;~~] fees to the condemnee if the amount of the court or jury award for the property
3039 exceeds the amount offered by the agency;

3040 (2) [~~award~~] a reasonable sum, as determined by the court or jury, as compensation for
3041 any costs [~~and~~] or expenses [of] relating to relocating:

3042 (a) an owner who occupied the acquired property[;];

3043 (b) a party conducting a business on the acquired property[;]; or

3044 (c) a person displaced from the property, as permitted by Title 57, Chapter 12, Utah
3045 Relocation Assistance Act; and

3046 (3) [~~award~~] an amount[~~, as determined by the court or jury,~~] to compensate for any
3047 fixtures or personal property that is:

3048 (a) owned by the owner of the acquired property or by a person conducting a business
3049 on the acquired property; and

3050 (b) damaged as a result of the acquisition or relocation.

3051 Section 77. Section **17C-2-101.1** is enacted to read:

3052 **CHAPTER 2. URBAN RENEWAL**

3053 **17C-2-101.1. Title.**

3054 This chapter is known as "Urban Renewal."

3055 Section 78. Section **17C-2-101.2** is enacted to read:

3056 **17C-2-101.2. Applicability of chapter.**

3057 This chapter applies to an urban renewal project area that is effective:

3058 (1) before May 10, 2016; or

3059 (2) before September 1, 2016, if an agency adopted a resolution in accordance with
3060 Section [17C-2-101.5](#) before April 1, 2016.

3061 Section 79. Section **17C-2-101.5**, which is renumbered from Section 17C-2-101 is
3062 renumbered and amended to read:

3063 [~~17C-2-101~~]. **17C-2-101.5. Resolution designating survey area -- Request**
3064 **to adopt resolution.**

3065 (1) [~~An agency~~] A board may begin the process of adopting an urban renewal project

3066 area plan by adopting a resolution that:

3067 (a) designates an area located within the agency's boundaries as a survey area;

3068 (b) contains a statement that the survey area requires study to determine whether:

3069 (i) one or more urban renewal [~~projects~~] project areas within the survey area are

3070 feasible; and

3071 (ii) blight exists within the survey area; and

3072 (c) contains a boundary description or map [~~of the boundaries~~] of the survey area.

3073 (2) (a) Any person or any group, association, corporation, or other entity may submit a

3074 written request to the board to adopt a resolution under Subsection (1).

3075 (b) A request under Subsection (2)(a) may include plans showing the [~~urban renewal~~]

3076 project area development proposed for an area within the agency's boundaries.

3077 (c) The board may, in [its] the board's sole discretion, grant or deny a request under

3078 Subsection (2)(a).

3079 Section 80. Section **17C-2-102** is amended to read:

3080 **17C-2-102. Process for adopting urban renewal project area plan -- Prerequisites**

3081 **-- Restrictions.**

3082 (1) (a) In order to adopt an urban renewal project area plan, after adopting a resolution
3083 under Subsection [~~17C-2-101~~] 17C-2-101.5(1) the agency shall:

3084 (i) unless a finding of blight is based on a finding made under Subsection

3085 17C-2-303(1)(b) relating to an inactive industrial site or inactive airport site:

3086 (A) cause a blight study to be conducted within the survey area as provided in Section

3087 17C-2-301;

3088 (B) provide notice of a blight hearing as required under [~~Part 5, Urban Renewal~~]

3089 Chapter 1, Part 8, Hearing and Notice Requirements; and

3090 (C) hold a blight hearing as [~~provided~~] described in Section 17C-2-302;

3091 (ii) after the blight hearing has been held or, if no blight hearing is required under

3092 Subsection (1)(a)(i), after adopting a resolution under Subsection [~~17C-2-101~~] 17C-2-101.5(1),

3093 hold a board meeting at which the board shall:

3094 (A) consider:

3095 (I) the issue of blight and the evidence and information relating to the existence or

3096 nonexistence of blight; and

3097 (II) whether adoption of one or more urban renewal project area plans should be
3098 pursued; and

3099 (B) by resolution:

3100 (I) make a finding regarding the existence of blight in the proposed urban renewal
3101 project area;

3102 (II) select one or more project areas comprising part or all of the survey area; and

3103 (III) authorize the preparation of a ~~[draft]~~ proposed project area plan for each project
3104 area;

3105 (iii) prepare a ~~[draft of a]~~ proposed project area plan and conduct any examination,
3106 investigation, and negotiation regarding the project area plan that the agency considers
3107 appropriate;

3108 (iv) make the ~~[draft]~~ proposed project area plan available to the public at the agency's
3109 offices during normal business hours;

3110 (v) provide notice of the plan hearing ~~[as provided]~~ in accordance with Sections
3111 ~~[17C-2-502 and 17C-2-504]~~ 17C-1-806 and 17C-1-808;

3112 (vi) hold a ~~[public]~~ plan hearing on the ~~[draft]~~ proposed project area plan and, at ~~[that~~
3113 ~~public]~~ the plan hearing:

3114 (A) allow public comment on:

3115 (I) the ~~[draft]~~ proposed project area plan; and

3116 (II) whether the ~~[draft]~~ proposed project area plan should be revised, approved, or
3117 rejected; and

3118 (B) receive all written and hear all oral objections to the ~~[draft]~~ proposed project area
3119 plan;

3120 (vii) before holding the plan hearing, provide an opportunity for the State Board of
3121 Education and each taxing entity that levies a tax on property within the proposed project area
3122 to consult with the agency regarding the ~~[draft]~~ proposed project area plan;

3123 (viii) if applicable, hold the election required under Subsection 17C-2-105(3);

3124 (ix) after holding the plan hearing, at the same meeting or at a subsequent meeting
3125 consider:

3126 (A) the oral and written objections to the ~~[draft]~~ proposed project area plan and
3127 evidence and testimony for and against adoption of the ~~[draft]~~ proposed project area plan; and

3128 (B) whether to revise, approve, or reject the [~~draft~~] proposed project area plan;
3129 (x) approve the [~~draft~~] proposed project area plan, with or without revisions, as the
3130 project area plan by a resolution that complies with Section 17C-2-106; and
3131 (xi) submit the project area plan to the community legislative body for adoption.
3132 (b) (i) If an agency makes a finding under Subsection (1)(a)(ii)(B) that blight exists in
3133 the proposed urban renewal project area, the agency may not adopt the project area plan until
3134 the taxing entity committee approves the finding of blight.
3135 (ii) (A) A taxing entity committee may not disapprove an agency's finding of blight
3136 unless the committee demonstrates that the conditions the agency found to exist in the urban
3137 renewal project area that support the agency's finding of blight under Section 17C-2-303:
3138 (I) do not exist; or
3139 (II) do not constitute blight.
3140 (B) (I) If the taxing entity committee questions or disputes the existence of some or all
3141 of the blight conditions that the agency found to exist in the urban renewal project area or that
3142 those conditions constitute blight, the taxing entity committee may hire a consultant, mutually
3143 agreed upon by the taxing entity committee and the agency, with the necessary expertise to
3144 assist the taxing entity committee to make a determination as to the existence of the questioned
3145 or disputed blight conditions.
3146 (II) The agency shall pay the fees and expenses of each consultant hired under
3147 Subsection (1)(b)(ii)(B)(I).
3148 (III) The findings of a consultant under this Subsection (1)(b)(ii)(B) shall be binding on
3149 the taxing entity committee and the agency.
3150 (2) An agency may not propose a project area plan under Subsection (1) unless the
3151 community in which the proposed project area is located:
3152 (a) has a planning commission; and
3153 (b) has adopted a general plan under:
3154 (i) if the community is a [~~city or town~~] municipality, Title 10, Chapter 9a, Part 4,
3155 General Plan; or
3156 (ii) if the community is a county, Title 17, Chapter 27a, Part 4, General Plan.
3157 (3) (a) Subject to Subsection (3)(b), [~~an agency~~] a board may not approve a project area
3158 plan more than one year after adoption of a resolution making a finding of blight under

3159 Subsection (1)(a)(ii)(B).

3160 (b) If a project area plan is submitted to an election under Subsection 17C-2-105(3),
3161 the time between the plan hearing and the date of the election does not count for purposes of
3162 calculating the year period under Subsection (3)(a).

3163 (4) (a) Except as provided in Subsection (4)(b), a [draft] proposed project area plan
3164 may not be modified to add real property to the proposed project area unless the board holds a
3165 plan hearing to consider the addition and gives notice of the plan hearing as required under
3166 Sections [~~17C-2-502 and 17C-2-504~~] 17C-1-806 and 17C-1-808.

3167 (b) The notice and hearing requirements under Subsection (4)(a) do not apply to a
3168 [draft] proposed project area plan being modified to add real property to the proposed project
3169 area if:

3170 (i) the property is contiguous to the property already included in the proposed project
3171 area under the [draft] proposed project area plan;

3172 (ii) the record owner of the property consents to adding the real property to the
3173 proposed project area; and

3174 (iii) the property is located within the survey area.

3175 Section 81. Section 17C-2-103 is amended to read:

3176 **17C-2-103. Urban renewal project area plan requirements.**

3177 (1) Each urban renewal project area plan and [draft] proposed project area plan shall:

3178 (a) describe the boundaries of the project area, subject to Section 17C-1-414, if
3179 applicable;

3180 (b) contain a general statement of the land uses, layout of principal streets, population
3181 densities, and building intensities of the project area and how they will be affected by the
3182 [~~urban renewal~~] project area development;

3183 (c) state the standards that will guide the [~~urban renewal~~] project area development;

3184 (d) show how the purposes of this title will be attained by the [~~urban renewal~~] project
3185 area development;

3186 (e) be consistent with the general plan of the community in which the project area is
3187 located and show that the [~~urban renewal~~] project area development will conform to the
3188 community's general plan;

3189 (f) describe how the [~~urban renewal~~] project area development will reduce or eliminate

3190 blight in the project area;

3191 (g) describe any specific project or projects that are the object of the proposed [~~urban~~
3192 ~~renewal~~] project area development;

3193 (h) identify how [~~private developers, if any,~~] a participant will be selected to undertake
3194 the [~~urban renewal~~] project area development and identify each [~~private developer~~] participant
3195 currently involved in the [~~urban renewal process~~] project area development;

3196 (i) state the reasons for the selection of the project area;

3197 (j) describe the physical, social, and economic conditions existing in the project area;

3198 (k) describe any tax incentives offered private entities for facilities located in the
3199 project area;

3200 (l) include the analysis described in Subsection (2);

3201 (m) if any of the existing buildings or uses in the project area are included in or eligible
3202 for inclusion in the National Register of Historic Places or the State Register, state that the
3203 agency shall comply with Section 9-8-404 as though the agency were a state agency; and

3204 (n) include other information that the agency determines to be necessary or advisable.

3205 (2) Each analysis under Subsection (1)(l) shall consider:

3206 (a) the benefit of any financial assistance or other public subsidy proposed to be
3207 provided by the agency, including:

3208 (i) an evaluation of the reasonableness of the costs of the [~~urban renewal~~] project area
3209 development;

3210 (ii) efforts the agency or [~~developer~~] participant has made or will make to maximize
3211 private investment;

3212 (iii) the rationale for use of tax increment, including an analysis of whether the
3213 proposed project area development might reasonably be expected to occur in the foreseeable
3214 future solely through private investment; and

3215 (iv) an estimate of the total amount of tax increment that will be expended in
3216 undertaking [~~urban renewal~~] project area development and the [~~length of time for which it will~~
3217 ~~be expended~~] project area funds collection period; and

3218 (b) the anticipated public benefit to be derived from the [~~urban renewal~~] project area
3219 development, including:

3220 (i) the beneficial influences upon the tax base of the community;

3221 (ii) the associated business and economic activity likely to be stimulated; and
3222 (iii) whether adoption of the project area plan is necessary and appropriate to reduce or
3223 eliminate blight.

3224 Section 82. Section **17C-2-105** is amended to read:

3225 **17C-2-105. Objections to urban renewal project area plan -- Owners' alternative**
3226 **project area plan -- Election if 40% of property owners object.**

3227 (1) At any time before the plan hearing, any person may file with the agency a written
3228 statement of objections to the [~~draft~~] proposed urban renewal project area plan.

3229 (2) If the record owners of property of a majority of the private real property included
3230 within the proposed urban renewal project area file a written petition before or at the plan
3231 hearing, proposing an alternative project area plan, the agency shall consider that proposed plan
3232 in conjunction with the project area plan proposed by the agency.

3233 (3) (a) If the record property owners of at least 40% of the private land area within the
3234 proposed urban renewal project area object [~~in writing~~] to the [~~draft~~] proposed project area plan
3235 before or at the plan hearing, either in writing or orally, and do not withdraw their objections,
3236 an agency may not approve the project area plan until approved by voters within the boundaries
3237 of the agency in which the proposed project area is located at an election as provided in
3238 Subsection (3)(b).

3239 (b) (i) Except as provided in this section, each election required under Subsection
3240 (3)(a) shall comply with Title 20A, Election Code.

3241 (ii) An election under Subsection (3)(a) may be held on the same day and with the
3242 same election officials as an election held by the community in which the proposed project area
3243 is located.

3244 (iii) If a majority of those voting on the proposed project area plan vote in favor of it,
3245 the project area plan shall be considered approved and the agency shall confirm the approval by
3246 resolution.

3247 (4) If the record property owners of 2/3 of the private land area within the proposed
3248 project area object in writing to the [~~draft~~] proposed project area plan before or at the plan
3249 hearing and do not withdraw their objections, the project area plan may not be adopted and the
3250 agency may not reconsider the project area plan for three years.

3251 Section 83. Section **17C-2-106** is amended to read:

3252 **17C-2-106. Board resolution approving urban renewal project area plan --**
3253 **Requirements.**

3254 Each board resolution approving a [~~draft~~] proposed urban renewal project area plan as
3255 the project area plan under Subsection [17C-2-102\(1\)\(a\)\(x\)](#) shall contain:

- 3256 (1) a [~~legal~~] boundary description of the boundaries of the project area that is the
3257 subject of the project area plan;
- 3258 (2) the agency's purposes and intent with respect to the project area;
- 3259 (3) the project area plan incorporated by reference;
- 3260 (4) a statement that the board previously made a finding of blight within the project
3261 area and the date of the board's finding of blight; and
- 3262 (5) the board findings and determinations that:
 - 3263 (a) there is a need to effectuate a public purpose;
 - 3264 (b) there is a public benefit under the analysis described in Subsection [17C-2-103\(2\)](#);
 - 3265 (c) it is economically sound and feasible to adopt and carry out the project area plan;
 - 3266 (d) the project area plan conforms to the community's general plan; and
 - 3267 (e) carrying out the project area plan will promote the public peace, health, safety, and
3268 welfare of the community in which the project area is located.

3269 Section 84. Section **17C-2-108** is amended to read:

3270 **17C-2-108. Notice of urban renewal project area plan adoption -- Effective date**
3271 **of plan -- Contesting the formation of the plan.**

3272 (1) (a) Upon the community legislative body's adoption of an urban renewal project
3273 area plan, or an amendment to a project area plan under Section [17C-2-110](#), the community
3274 legislative body shall provide notice as provided in Subsection (1)(b) by:

- 3275 (i) (A) publishing or causing to be published a notice in a newspaper of general
3276 circulation within the agency's boundaries; or
- 3277 (B) if there is no newspaper of general circulation within the agency's boundaries,
3278 causing a notice to be posted in at least three public places within the agency's boundaries; and

3279 (ii) posting a notice on the Utah Public Notice Website described in Section
3280 [63F-1-701](#).

3281 (b) Each notice under Subsection (1)(a) shall:

- 3282 (i) set forth the community legislative body's ordinance adopting the project area plan

3283 or a summary of the ordinance; and

3284 (ii) include a statement that the project area plan is available for general public
3285 inspection and the hours for inspection.

3286 (2) The project area plan shall become effective on the date of:

3287 (a) if notice was published under Subsection (1)(a), publication of the notice; or

3288 (b) if notice was posted under Subsection (1)(a), posting of the notice.

3289 (3) (a) For a period of 30 days after the effective date of the project area plan under
3290 Subsection (2), any person [~~in interest~~] may contest the project area plan or the procedure used
3291 to adopt the project area plan if the plan or procedure fails to comply with applicable statutory
3292 requirements.

3293 (b) After the 30-day period under Subsection (3)(a) expires, [~~no~~] a person may not
3294 contest the project area plan or procedure used to adopt the project area plan for any cause.

3295 (4) Upon adoption of the project area plan by the [~~community's~~] community legislative
3296 body, the agency may carry out the project area plan.

3297 (5) Each agency shall make the [~~adopted~~] project area plan available to the general
3298 public at [~~its offices~~] the agency's office during normal business hours.

3299 Section 85. Section **17C-2-109** is amended to read:

3300 **17C-2-109. Agency required to transmit and record documents after adoption of**
3301 **an urban renewal project area plan.**

3302 Within 30 days after the community legislative body adopts, under Section **17C-2-107**,
3303 an urban renewal project area plan, the agency shall:

3304 (1) record with the recorder of the county in which the project area is located a
3305 document containing:

3306 (a) a description of the land within the project area;

3307 (b) a statement that the project area plan for the project area has been adopted; and

3308 (c) the date of adoption;

3309 (2) transmit a copy of the description of the land within the project area and an accurate
3310 map or plat indicating the boundaries of the project area to the Automated Geographic

3311 Reference Center created under Section **63F-1-506**; and

3312 (3) for a project area plan that provides for the payment of tax increment to the agency,
3313 transmit a copy of the description of the land within the project area, a copy of the community

3314 legislative body ordinance adopting the project area plan, and a map or plat indicating the
3315 boundaries of the project area to:

3316 (a) the auditor, recorder, attorney, surveyor, and assessor of each county in which any
3317 part of the project area is located;

3318 (b) the officer or officers performing the function of auditor or assessor for each taxing
3319 entity that does not use the county assessment roll or collect [its] the taxing entity's taxes
3320 through the county;

3321 (c) the legislative body or governing board of each taxing entity;

3322 (d) the State Tax Commission; and

3323 (e) the State Board of Education.

3324 Section 86. Section **17C-2-110** is amended to read:

3325 **17C-2-110. Amending an urban renewal project area plan.**

3326 (1) An [~~adopted~~] urban renewal project area plan may be amended as provided in this
3327 section.

3328 (2) If an agency proposes to amend [~~an adopted~~] an urban renewal project area plan to
3329 enlarge the project area:

3330 (a) subject to Subsection (2)(e), the requirements under this part that apply to adopting
3331 a project area plan apply equally to the proposed amendment as if it were a proposed project
3332 area plan;

3333 (b) for a pre-July 1, 1993 project area plan, the base year [~~taxable value~~] for the new
3334 area added to the project area shall be determined under Subsection **17C-1-102**[~~(6)~~](9)(a)(i)
3335 using the effective date of the amended project area plan;

3336 (c) for a post-June 30, 1993 project area plan:

3337 (i) the base year [~~taxable value~~] for the new area added to the project area shall be
3338 determined under Subsection **17C-1-102**[~~(6)~~](9)(a)(ii) using the date of the taxing entity
3339 committee's consent referred to in Subsection (2)(c)(ii); and

3340 (ii) the agency shall obtain the consent of the taxing entity committee before the agency
3341 may collect tax increment from the area added to the project area by the amendment;

3342 (d) the agency shall make a finding regarding the existence of blight in the area
3343 proposed to be added to the project area by following the procedure set forth in Subsections
3344 **17C-2-102**(1)(a)(i) and (ii); and

3345 (e) the agency need not make a finding regarding the existence of blight in the project
3346 area as described in the original project area plan, if the agency made a finding of the existence
3347 of blight regarding that project area in connection with adoption of the original project area
3348 plan.

3349 (3) If a proposed amendment does not propose to enlarge an urban renewal project
3350 area, ~~[an agency]~~ a board may adopt a resolution approving an amendment to ~~[an adopted]~~ a
3351 project area plan after:

3352 (a) the agency gives notice, as provided in Section ~~[17C-2-502]~~ 17C-1-806, of the
3353 proposed amendment and of the public hearing required by Subsection (3)(b);

3354 (b) the ~~[agency]~~ board holds a public hearing on the proposed amendment that meets
3355 the requirements of a plan hearing;

3356 (c) the agency obtains the taxing entity committee's consent to the amendment, if the
3357 amendment proposes:

3358 (i) to enlarge the area within the project area from which tax increment is collected;

3359 (ii) to permit the agency to receive a greater percentage of tax increment or to ~~[receive~~
3360 ~~tax increment for a longer period of time]~~ extend the project area funds collection period, or
3361 both, than allowed under the adopted project area plan; or

3362 (iii) for an amendment to a project area plan that was adopted before April 1, 1983, to
3363 expand the area from which tax increment is collected to exceed 100 acres of private property;
3364 and

3365 (d) the agency obtains the consent of the legislative body or governing board of each
3366 taxing entity affected, if the amendment proposes to permit the agency to receive, from less
3367 than all taxing entities, a greater percentage of tax increment or to ~~[receive tax increment for a~~
3368 ~~longer period of time]~~ extend the project area funds collection period, or both, than allowed
3369 under the adopted project area plan.

3370 (4) (a) An ~~[adopted]~~ urban renewal project area plan may be amended without
3371 complying with the notice and public hearing requirements of Subsections (2)(a) and (3)(a) and
3372 (b) and without obtaining taxing entity committee approval under Subsection (3)(c) if the
3373 amendment:

3374 (i) makes a minor adjustment in the ~~[legal]~~ boundary description of a project area
3375 boundary requested by a county assessor or county auditor to avoid inconsistent property

3376 boundary lines; or

3377 (ii) subject to Subsection (4)(b), removes a parcel [~~of real property~~] from a project area
3378 because the agency determines that the parcel is:

3379 [~~(A) the parcel is no longer blighted; or~~]

3380 [~~(B) inclusion of the parcel is no longer necessary or desirable to the project area.~~]

3381 (A) no longer blighted;

3382 (B) tax exempt; or

3383 (C) no longer necessary or desirable to the project area.

3384 (b) An amendment removing a parcel [~~of real property~~] from a project area under
3385 Subsection (4)(a)(ii) may not be made without the consent of the record property owner of the
3386 parcel being removed.

3387 (5) (a) An amendment approved by board resolution under this section may not take
3388 effect until adopted by ordinance of the legislative body of the community in which the project
3389 area that is the subject of the project area plan being amended is located.

3390 (b) Upon a community legislative body passing an ordinance adopting an amendment
3391 to a project area plan, the agency whose project area plan was amended shall comply with the
3392 requirements of Sections 17C-2-108 and 17C-2-109 to the same extent as if the amendment
3393 were a project area plan.

3394 Section 87. Section 17C-2-201 is amended to read:

3395 **17C-2-201. Project area budget -- Requirements for adopting -- Contesting the**
3396 **budget or procedure -- Time limit.**

3397 (1) (a) If an agency anticipates funding all or a portion of a post-June 30, 1993 urban
3398 renewal project area plan with tax increment, the agency shall, subject to Section 17C-2-202,
3399 adopt a project area budget as provided in this part.

3400 (b) An urban renewal project area budget adopted on or after March 30, 2009 shall
3401 specify:

3402 (i) for a project area budget adopted on or after March 30, 2009:

3403 (A) the [~~number of tax years for which the agency will be allowed to receive tax~~
3404 ~~increment from the project area~~] project area funds collection period; and

3405 (B) the percentage of tax increment the agency is [~~entitled~~] authorized to receive from
3406 the project area under the project area budget; and

3407 (ii) for a project area budget adopted on or after March 30, 2013, unless approval is
3408 obtained under Subsection 17C-1-402(4)(b)(vi)(C), the maximum cumulative dollar amount of
3409 tax increment that the agency may receive from the project area under the project area budget.

3410 (2) To adopt an urban renewal project area budget, the agency shall:

3411 (a) prepare a [~~draft of a~~] proposed project area budget;

3412 (b) make a copy of the [~~draft~~] proposed project area budget available to the public at
3413 the agency's offices during normal business hours;

3414 (c) provide notice of the budget hearing as required by [~~Part 5, Urban Renewal Notice~~
3415 ~~Requirements~~] Chapter 1, Part 8, Hearing and Notice Requirements;

3416 (d) hold a public hearing on the [~~draft~~] proposed project area budget and, at that public
3417 hearing, allow public comment on:

3418 (i) the [~~draft~~] proposed project area budget; and

3419 (ii) whether the [~~draft~~] proposed project area budget should be revised, adopted, or
3420 rejected;

3421 (e) (i) if required under Subsection 17C-2-204(1), obtain the approval of the taxing
3422 entity committee on the [~~draft~~] proposed project area budget or a revised version of the [~~draft~~]
3423 proposed project area budget; or

3424 (ii) if applicable, comply with the requirements of Subsection 17C-2-204(2);

3425 (f) if approval of the taxing entity committee is required under Subsection (2)(e)(i),
3426 obtain a written certification, signed by an attorney licensed to practice law in this state, stating
3427 that the taxing entity committee followed the appropriate procedures to approve the project
3428 area budget; and

3429 (g) after the budget hearing, hold a board meeting in the same meeting as the public
3430 hearing or in a subsequent meeting to:

3431 (i) consider comments made and information presented at the public hearing relating to
3432 the [~~draft~~] proposed project area budget; and

3433 (ii) adopt by resolution the [~~draft~~] proposed project area budget, with any revisions, as
3434 the project area budget.

3435 (3) (a) For a period of 30 days after the agency's adoption of the project area budget
3436 under Subsection (2)(g), any person [~~in interest~~] may contest the project area budget or the
3437 procedure used to adopt the project area budget if the budget or procedure fails to comply with

3438 applicable statutory requirements.

3439 (b) After the 30-day period under Subsection (3)(a) expires, a person, [~~for any cause,~~]
3440 may not contest:

3441 (i) the project area budget or procedure used by either the taxing entity committee or
3442 the agency to approve and adopt the project area budget;

3443 (ii) a payment to the agency under the project area budget; or

3444 (iii) the agency's use of tax increment under the project area budget.

3445 Section 88. Section **17C-2-203** is amended to read:

3446 **17C-2-203. Part of tax increment funds in urban renewal project area budget to**
3447 **be used for housing -- Waiver of requirement.**

3448 (1) (a) Except as provided in Subsection (1)(b), each urban renewal project area budget
3449 adopted on or after May 1, 2000₂ that provides for more than \$100,000 of annual tax increment
3450 to be paid to the agency shall allocate at least 20% of the tax increment for housing as provided
3451 in Section [17C-1-412](#).

3452 (b) The 20% requirement of Subsection (1)(a) may be waived in part or whole by the
3453 [~~mutual consent of the loan fund board and the~~] taxing entity committee if [~~they determine~~] the
3454 taxing entity committee determines that 20% of tax increment is more than is needed to address
3455 the community's need for income targeted housing.

3456 (2) An urban renewal project area budget not required under Subsection (1)(a) to
3457 allocate tax increment for housing may allocate 20% of tax increment payable to the agency
3458 over the life of the project area for housing as provided in Section [17C-1-412](#) if the project area
3459 budget is under a project area plan that is adopted on or after July 1, 1998.

3460 Section 89. Section **17C-2-204** is amended to read:

3461 **17C-2-204. Consent of taxing entity committee required for urban renewal**
3462 **project area budget -- Exception.**

3463 (1) (a) Except as provided in Subsection (1)(b) and subject to Subsection (2), each
3464 agency shall obtain the consent of the taxing entity committee for each urban renewal project
3465 area budget under a post-June 30, 1993 project area plan before the agency may [~~collect~~]
3466 receive any tax increment from the urban renewal project area.

3467 (b) For an urban renewal project area budget adopted from July 1, 1998 through May 1,
3468 2000 that allocates 20% or more of the tax increment for housing as provided in Section

3469 17C-1-412, an agency:

3470 (i) need not obtain the consent of the taxing entity committee for the project area

3471 budget; and

3472 (ii) may not [~~collect~~] receive any tax increment from all or part of the project area until

3473 after:

3474 (A) the loan fund board has certified the project area budget as complying with the

3475 requirements of Section 17C-1-412; and

3476 (B) the [agency] board has approved and adopted the project area budget by a

3477 two-thirds vote.

3478 (2) (a) Before a taxing entity committee may consent to an urban renewal project area

3479 budget adopted on or after May 1, 2000 that is required under Subsection 17C-2-203(1)(a) to

3480 allocate 20% of tax increment for housing, the agency shall:

3481 (i) adopt a housing plan showing the uses for the housing funds; and

3482 (ii) provide a copy of the housing plan to the taxing entity committee and the loan fund

3483 board.

3484 (b) If an agency amends a housing plan prepared under Subsection (2)(a), the agency

3485 shall provide a copy of the amendment to the taxing entity committee and the loan fund board.

3486 Section 90. Section 17C-2-206 is amended to read:

3487 **17C-2-206. Amending an urban renewal project area budget.**

3488 (1) An agency may by resolution amend an urban renewal project area budget as

3489 provided in this section.

3490 (2) To amend an adopted urban renewal project area budget, the agency shall:

3491 (a) advertise and hold one public hearing on the proposed amendment as provided in

3492 Subsection (3);

3493 (b) if approval of the taxing entity committee was required for adoption of the original

3494 project area budget, obtain the approval of the taxing entity committee to the same extent that

3495 the agency was required to obtain the consent of the taxing entity committee for the project

3496 area budget as originally adopted;

3497 (c) if approval of the taxing entity committee is required under Subsection (2)(b),

3498 obtain a written certification, signed by an attorney licensed to practice law in this state, stating

3499 that the taxing entity committee followed the appropriate procedures to approve the project

3500 area budget; and

3501 (d) adopt a resolution amending the project area budget.

3502 (3) The public hearing required under Subsection (2)(a) shall be conducted according
3503 to the procedures and requirements of Subsections 17C-2-201(2)(c) and (d), except that if the
3504 amended project area budget proposes that the agency be paid a greater proportion of tax
3505 increment from a project area than was to be paid under the previous project area budget, the
3506 notice shall state the percentage paid under the previous project area budget and the percentage
3507 proposed under the amended project area budget.

3508 (4) If the removal of a parcel under Subsection 17C-2-110(4)(a)(ii) reduces the base
3509 taxable value of the project area, an agency may amend the project area budget to conform with
3510 the new base taxable value without:

3511 (a) complying with Subsections (2)(a) and (3); and

3512 (b) if applicable, obtaining taxing entity committee approval described in Subsection
3513 (2)(b).

3514 [(4)] (5) If a proposed amendment is not adopted, the agency shall continue to operate
3515 under the previously adopted project area budget without the proposed amendment.

3516 [(5)] (6) (a) A person may contest the agency's adoption of a budget amendment within
3517 30 days after the day on which the agency adopts the amendment.

3518 (b) A person who fails to contest a budget amendment under Subsection [(5)] (6)(a):

3519 (i) forfeits any claim against an agency's adoption of the amendment; and

3520 (ii) may not contest:

3521 (A) a payment to the agency under the budget amendment; or

3522 (B) an agency's use of a tax increment under the budget amendment.

3523 Section 91. Section 17C-2-207 is amended to read:

3524 **17C-2-207. Extending collection of tax increment in an urban renewal project**
3525 **area budget.**

3526 (1) An [~~amendment or~~] extension approved by a taxing entity or taxing entity
3527 committee before May 10, 2011, is not subject to this section.

3528 (2) (a) An agency's collection of tax increment under an [~~adopted~~] urban renewal
3529 project area budget may be extended by:

3530 (i) following the project area budget amendment procedures outlined in Section

3531 ~~17C-2-206~~; or

3532 (ii) following the procedures outlined in this section.

3533 (b) The base taxable value for an urban renewal project area budget may not be altered

3534 as a result of an extension under this section unless otherwise expressly provided for in an

3535 interlocal agreement adopted in accordance with Subsection (3)(a).

3536 (3) To extend under this section the [~~agency's collection of tax increment from a taxing~~

3537 ~~entity~~] project area funds collection period under a previously approved project area budget, the

3538 agency shall:

3539 (a) obtain the approval of the taxing entity through an interlocal agreement;

3540 (b) (i) hold a public hearing on the proposed extension in accordance with Subsection

3541 ~~17C-2-201~~(2)(d) in the same manner as required for a [~~draft~~] proposed project area budget; and

3542 (ii) provide notice of the hearing:

3543 (A) as required by [~~Part 5, Urban Renewal~~] Chapter 1, Part 8, Hearing and Notice

3544 Requirements; and

3545 (B) including the proposed [~~period of extension of the project area budget~~] project area

3546 budget's extension period; and

3547 (c) after obtaining the [~~approval of the taxing entity~~] taxing entity's approval in

3548 accordance with Subsection (3)(a), at or after the public hearing, adopt a resolution approving

3549 the extension.

3550 (4) After the [~~expiration of a project area budget~~] project area funds collection period

3551 expires, an agency may continue to receive [~~tax increment~~] project area funds from those

3552 taxing entities that [~~have agreed~~] agree to an extension through an interlocal agreement in

3553 accordance with Subsection (3)(a).

3554 (5) (a) A person may contest the agency's adoption of [~~a budget~~] an extension within 30

3555 days after the day on which the agency adopts the resolution providing for the extension.

3556 (b) A person who fails to contest [~~a budget~~] an extension under Subsection (5)(a):

3557 (i) shall forfeit any claim against the agency's adoption of the extension; and

3558 (ii) may not contest:

3559 (A) a payment to the agency under the budget, as extended; or

3560 (B) an agency's use of tax increment under the budget, as extended.

3561 Section 92. Section ~~17C-2-303~~ is amended to read:

3562 **17C-2-303. Conditions on board determination of blight -- Conditions of blight**
3563 **caused by the participant.**

3564 (1) [~~An agency~~] A board may not make a finding of blight in a resolution under
3565 Subsection 17C-2-102(1)(a)(ii)(B) unless the board finds that:

3566 (a) (i) the proposed project area consists predominantly of nongreenfield parcels;

3567 (ii) the proposed project area is currently zoned for urban purposes and generally
3568 served by utilities;

3569 (iii) at least 50% of the parcels within the proposed project area contain nonagricultural
3570 or nonaccessory buildings or improvements used or intended for residential, commercial,
3571 industrial, or other urban purposes, or any combination of those uses;

3572 (iv) the present condition or use of the proposed project area substantially impairs the
3573 sound growth of the municipality, retards the provision of housing accommodations, or
3574 constitutes an economic liability or is detrimental to the public health, safety, or welfare, as
3575 shown by the existence within the proposed project area of at least four of the following
3576 factors:

3577 (A) one of the following, although sometimes interspersed with well maintained
3578 buildings and infrastructure:

3579 (I) substantial physical dilapidation, deterioration, or defective construction of
3580 buildings or infrastructure; or

3581 (II) significant noncompliance with current building code, safety code, health code, or
3582 fire code requirements or local ordinances;

3583 (B) unsanitary or unsafe conditions in the proposed project area that threaten the
3584 health, safety, or welfare of the community;

3585 (C) environmental hazards, as defined in state or federal law, that require remediation
3586 as a condition for current or future use and development;

3587 (D) excessive vacancy, abandoned buildings, or vacant lots within an area zoned for
3588 urban use and served by utilities;

3589 (E) abandoned or outdated facilities that pose a threat to public health, safety, or
3590 welfare;

3591 (F) criminal activity in the project area, higher than that of comparable nonblighted
3592 areas in the municipality or county; and

3593 (G) defective or unusual conditions of title rendering the title nonmarketable; and
 3594 (v) (A) at least 50% of the privately-owned parcels within the proposed project area are
 3595 affected by at least one of the factors, but not necessarily the same factor, listed in Subsection
 3596 (1)(a)(iv); and

3597 (B) the affected parcels comprise at least 66% of the privately-owned acreage of the
 3598 proposed project area; or

3599 (b) the proposed project area includes some or all of a superfund site, inactive
 3600 industrial site, or inactive airport site.

3601 (2) No single parcel comprising 10% or more of the acreage of the proposed project
 3602 area may be counted as satisfying Subsection (1)(a)(iii) or (iv) unless at least 50% of the area of
 3603 that parcel is occupied by buildings or improvements.

3604 (3) (a) For purposes of Subsection (1), if a [~~developer~~] participant involved in the
 3605 [~~urban renewal~~] project area development has caused a condition listed in Subsection (1)(a)(iv)
 3606 within the proposed project area, that condition may not be used in the determination of blight.

3607 (b) Subsection (3)(a) does not apply to a condition that was caused by an owner or
 3608 tenant who becomes a [~~developer~~] participant.

3609 Section 93. Section **17C-3-101.1** is enacted to read:

3610 **CHAPTER 3. ECONOMIC DEVELOPMENT**

3611 **17C-3-101.1. Title.**

3612 This chapter is known as "Economic Development."

3613 Section 94. Section **17C-3-101.2** is enacted to read:

3614 **17C-3-101.2. Applicability of chapter.**

3615 This chapter applies to an economic development project area that is effective:

3616 (1) before May 10, 2016; or

3617 (2) before September 1, 2016, if an agency adopted a resolution in accordance with

3618 Section [17C-3-101](#) before April 1, 2016.

3619 Section 95. Section **17C-3-101.5**, which is renumbered from Section 17C-3-101 is
 3620 renumbered and amended to read:

3621 [~~17C-3-101~~]. **17C-3-101.5. Resolution authorizing the preparation of a**

3622 **proposed economic development project area plan -- Request to adopt resolution.**

3623 (1) [~~An agency~~] A board may begin the process of adopting an economic development

3624 project area plan by adopting a resolution that authorizes the preparation of a ~~draft~~ proposed
3625 project area plan.

3626 (2) (a) Any person or any group, association, corporation, or other entity may submit a
3627 written request to the board to adopt a resolution under Subsection (1).

3628 (b) A request under Subsection (2)(a) may include plans showing the ~~economic~~
3629 project area development proposed for an area within the agency's boundaries.

3630 (c) The board may, in ~~its~~ the board's sole discretion, grant or deny a request under
3631 Subsection (2)(a).

3632 Section 96. Section **17C-3-102** is amended to read:

3633 **17C-3-102. Process for adopting an economic development project area plan --**
3634 **Prerequisites -- Restrictions.**

3635 (1) In order to adopt an economic development project area plan, after adopting a
3636 resolution under Subsection ~~[17C-3-101]~~ 17C-3-101.5(1) the agency shall:

3637 (a) prepare a ~~draft of an~~ proposed economic development project area plan and
3638 conduct any examination, investigation, and negotiation regarding the project area plan that the
3639 agency considers appropriate;

3640 (b) make the ~~draft~~ proposed project area plan available to the public at the agency's
3641 offices during normal business hours;

3642 (c) provide notice of the plan hearing as provided in ~~[Part 4, Economic Development~~
3643 ~~Notice Requirements]~~ Chapter 1, Part 8, Hearing and Notice Requirements;

3644 (d) hold a public hearing on the ~~draft~~ proposed project area plan and, at that public
3645 hearing:

3646 (i) allow public comment on:

3647 (A) the ~~draft~~ proposed project area plan; and

3648 (B) whether the ~~draft~~ proposed project area plan should be revised, approved, or
3649 rejected; and

3650 (ii) receive all written and hear all oral objections to the ~~draft~~ proposed project area
3651 plan;

3652 (e) before holding the plan hearing, provide an opportunity for the State Board of
3653 Education and each taxing entity ~~[that levies a tax on property]~~ within the proposed project area
3654 to consult with the agency regarding the ~~draft~~ proposed project area plan;

3655 (f) after holding the plan hearing, at the same meeting or at a subsequent meeting
3656 consider:

3657 (i) the oral and written objections to the ~~[draft]~~ proposed project area plan and evidence
3658 and testimony for or against adoption of the ~~[draft]~~ proposed project area plan; and

3659 (ii) whether to revise, approve, or reject the ~~[draft]~~ proposed project area plan;

3660 (g) approve the ~~[draft]~~ proposed project area plan, with or without revisions, as the
3661 project area plan by a resolution that complies with Section 17C-3-105; and

3662 (h) submit the project area plan to the community legislative body for adoption.

3663 (2) An agency may not propose a project area plan under Subsection (1) unless the
3664 community in which the proposed project area is located:

3665 (a) has a planning commission; and

3666 (b) has adopted a general plan under:

3667 (i) if the community is a ~~[city or town]~~ municipality, Title 10, Chapter 9a, Part 4,
3668 General Plan; or

3669 (ii) if the community is a county, Title 17, Chapter 27a, Part 4, General Plan.

3670 (3) ~~[An agency]~~ A board may not approve a project area plan more than one year after
3671 the date of the plan hearing.

3672 (4) (a) Except as provided in Subsection (4)(b), a ~~[draft]~~ proposed project area plan
3673 may not be modified to add ~~[real property]~~ one or more parcels to the proposed project area
3674 unless the board holds a plan hearing to consider the addition and gives notice of the plan
3675 hearing as required under ~~[Part 4, Economic Development]~~ Chapter 1, Part 8, Hearing and
3676 Notice Requirements.

3677 (b) The notice and hearing requirements under Subsection (4)(a) do not apply to a
3678 ~~[draft]~~ proposed project area plan being modified to add ~~[real property]~~ one or more parcels to
3679 the proposed project area if:

3680 (i) the ~~[property]~~ parcel is contiguous to the ~~[property]~~ parcels already included in the
3681 proposed project area under the ~~[draft]~~ proposed project area plan; and

3682 (ii) the record owner of the property consents to adding the ~~[real property]~~ parcel to the
3683 proposed project area.

3684 Section 97. Section 17C-3-103 is amended to read:

3685 **17C-3-103. Economic development project area plan requirements.**

3686 (1) Each economic development project area plan and ~~[draft]~~ proposed project area
3687 plan shall:

3688 (a) describe the boundaries of the project area, subject to Section [17C-1-414](#), if
3689 applicable;

3690 (b) contain a general statement of the land uses, layout of principal streets, population
3691 densities, and building intensities of the project area and how they will be affected by the
3692 ~~[economic]~~ project area development;

3693 (c) state the standards that will guide the ~~[economic]~~ project area development;

3694 (d) show how the purposes of this title will be attained by the ~~[economic]~~ project area
3695 development;

3696 (e) be consistent with the general plan of the community in which the project area is
3697 located and show that the ~~[economic]~~ project area development will conform to the
3698 community's general plan;

3699 (f) describe how the ~~[economic]~~ project area development will create additional jobs;

3700 (g) describe any specific project or projects that are the object of the proposed
3701 ~~[economic]~~ project area development;

3702 (h) identify how ~~[private developers, if any,]~~ a participant will be selected to undertake
3703 the ~~[economic]~~ project area development and identify each ~~[private developer]~~ participant
3704 currently involved in the ~~[economic]~~ project area development ~~[process]~~;

3705 (i) state the reasons for the selection of the project area;

3706 (j) describe the physical, social, and economic conditions existing in the project area;

3707 (k) describe any tax incentives offered private entities for facilities located in the
3708 project area;

3709 (l) include an analysis, as provided in Subsection (2), of whether adoption of the
3710 project area plan is beneficial under a benefit analysis;

3711 (m) if any of the existing buildings or uses in the project area are included in or eligible
3712 for inclusion in the National Register of Historic Places or the State Register, state that the
3713 agency shall comply with Subsection [9-8-404](#)(1) as though the agency were a state agency; and

3714 (n) include other information that the agency determines to be necessary or advisable.

3715 (2) Each analysis under Subsection (1)(l) shall consider:

3716 (a) the benefit of any financial assistance or other public subsidy proposed to be

3717 provided by the agency, including:

3718 (i) an evaluation of the reasonableness of the costs of [economic] project area
3719 development;

3720 (ii) efforts the agency or [developer] participant has made or will make to maximize
3721 private investment;

3722 (iii) the rationale for use of tax increment, including an analysis of whether the
3723 proposed project area development might reasonably be expected to occur in the foreseeable
3724 future solely through private investment; and

3725 (iv) an estimate of the total amount of tax increment that will be expended in
3726 undertaking [economic] project area development and the length of time for which it will be
3727 expended; and

3728 (b) the anticipated public benefit to be derived from the [economic] project area
3729 development, including:

3730 (i) the beneficial influences upon the tax base of the community;

3731 (ii) the associated business and economic activity likely to be stimulated; and

3732 (iii) the number of jobs or employment anticipated to be generated or preserved.

3733 Section 98. Section **17C-3-105** is amended to read:

3734 **17C-3-105. Board resolution approving an economic development project area**
3735 **plan -- Requirements.**

3736 Each board resolution approving a [draft] proposed economic development project area
3737 plan as the project area plan under Subsection **17C-3-102(1)(g)** shall contain:

3738 (1) a [legal] boundary description of the boundaries of the project area that is the
3739 subject of the project area plan;

3740 (2) the agency's purposes and intent with respect to the project area;

3741 (3) the project area plan incorporated by reference; and

3742 (4) the board findings and determinations that:

3743 (a) there is a need to effectuate a public purpose;

3744 (b) there is a public benefit under the analysis described in Subsection **17C-3-103(2)**;

3745 (c) it is economically sound and feasible to adopt and carry out the project area plan;

3746 (d) the project area plan conforms to the community's general plan; and

3747 (e) carrying out the project area plan will promote the public peace, health, safety, and

3748 welfare of the community in which the project area is located.

3749 Section 99. Section **17C-3-107** is amended to read:

3750 **17C-3-107. Notice of economic development project area plan adoption --**

3751 **Effective date of plan -- Contesting the formation of the plan.**

3752 (1) (a) Upon the community legislative body's adoption of an economic development
3753 project area plan, or an amendment to the project area plan under Section **17C-3-109** that
3754 requires notice, the legislative body shall provide notice as provided in Subsection (1)(b) by:

3755 (i) publishing or causing to be published a notice:

3756 (A) in a newspaper of general circulation within the agency's boundaries; or

3757 (B) if there is no newspaper of general circulation within the agency's boundaries,

3758 causing a notice to be posted in at least three public places within the agency's boundaries; and

3759 (ii) on the Utah Public Notice Website described in Section **63F-1-701**.

3760 (b) Each notice under Subsection (1)(a) shall:

3761 (i) set forth the community legislative body's ordinance adopting the project area plan
3762 or a summary of the ordinance; and

3763 (ii) include a statement that the project area plan is available for ~~[general]~~ public
3764 inspection and the hours for inspection.

3765 (2) The project area plan shall become effective on the date of:

3766 (a) if notice was published under Subsection (1)(a), publication of the notice; or

3767 (b) if notice was posted under Subsection (1)(a), posting of the notice.

3768 (3) (a) For a period of 30 days after the effective date of the project area plan under
3769 Subsection (2), any person ~~[in interest]~~ may contest the project area plan or the procedure used
3770 to adopt the project area plan if the plan or procedure fails to comply with applicable statutory
3771 requirements.

3772 (b) After the 30-day period under Subsection (3)(a) expires, ~~[no]~~ a person may not
3773 contest the project area plan or procedure used to adopt the project area plan for any cause.

3774 (4) Upon adoption of the economic development project area plan by the
3775 ~~[community's]~~ community legislative body, the agency may ~~[carry out]~~ implement the project
3776 area plan.

3777 (5) Each agency shall make the ~~[adopted]~~ economic development project area plan
3778 available to the general public at ~~[its offices]~~ the agency's office during normal business hours.

3779 Section 100. Section **17C-3-108** is amended to read:

3780 **17C-3-108. Agency required to transmit and record documents after adoption of**
3781 **economic development project area plan.**

3782 Within 30 days after the community legislative body adopts, under Section **17C-3-106**,
3783 an economic development project area plan, the agency shall:

3784 (1) record with the recorder of the county in which the economic development project
3785 area is located a document containing:

3786 (a) a description of the land within the project area;

3787 (b) a statement that the project area plan for the project area has been adopted; and

3788 (c) the date of adoption;

3789 (2) transmit a copy of the description of the land within the project area and an accurate
3790 map or plat indicating the boundaries of the project area to the Automated Geographic
3791 Reference Center created under Section **63F-1-506**; and

3792 (3) for a project area plan that provides for the payment of tax increment to the agency,
3793 transmit a copy of the description of the land within the project area, a copy of the community
3794 legislative body ordinance adopting the project area plan, and a map or plat indicating the
3795 boundaries of the project area to:

3796 (a) the auditor, recorder, attorney, surveyor, and assessor of each county in which any
3797 part of the project area is located;

3798 (b) the officer or officers performing the function of auditor or assessor for each taxing
3799 entity that does not use the county assessment roll or collect ~~[its]~~ the taxing entity's taxes
3800 through the county;

3801 (c) the legislative body or governing board of each taxing entity;

3802 (d) the State Tax Commission; and

3803 (e) the State Board of Education.

3804 Section 101. Section **17C-3-109** is amended to read:

3805 **17C-3-109. Amending an economic development project area plan.**

3806 (1) An ~~[adopted]~~ economic development project area plan may be amended as
3807 provided in this section.

3808 (2) If an agency proposes to amend an ~~[adopted]~~ economic development project area
3809 plan to enlarge the project area:

3810 (a) the requirements under this part that apply to adopting a project area plan apply
3811 equally to the proposed amendment as if it were a proposed project area plan;

3812 (b) the base year [~~taxable value~~] for the new area added to the project area shall be
3813 determined under Subsection ~~17C-1-102~~~~(6)~~(9)(a)(ii) using the date of the taxing entity
3814 committee's consent referred to in Subsection (2)(c); and

3815 (c) the agency shall obtain the consent of the taxing entity committee before the agency
3816 may collect tax increment from the area added to the project area by the amendment.

3817 (3) If a proposed amendment does not propose to enlarge an economic development
3818 project area, [~~an agency~~] a board may adopt a resolution approving an amendment to an
3819 [~~adopted~~] economic development project area plan after:

3820 (a) the agency gives notice, as provided in [~~Section 17C-3-402~~] Chapter 1, Part 8,
3821 Hearing and Notice Requirement, of the proposed amendment and of the public hearing
3822 required by Subsection (3)(b);

3823 (b) the [~~agency~~] board holds a public hearing on the proposed amendment that meets
3824 the requirements of a plan hearing;

3825 (c) the agency obtains the taxing entity committee's consent to the amendment, if the
3826 amendment proposes:

3827 (i) to enlarge the area within the project area from which tax increment is [~~collected~~]
3828 received; or

3829 (ii) to permit the agency to receive a greater percentage of tax increment or to [~~receive~~
3830 ~~tax increment for a longer period of time than allowed~~] extend the project area funds collection
3831 period under the [~~adopted~~] economic development project area plan; and

3832 (d) the agency obtains the consent of the legislative body or governing board of each
3833 taxing entity affected, if the amendment proposes to permit the agency to receive, from less
3834 than all taxing entities, a greater percentage of tax increment or to [~~receive tax increment for a~~
3835 ~~longer period of time~~] extend the project area funds collection period, or both, than allowed
3836 under the [~~adopted~~] economic development project area plan.

3837 (4) (a) An [~~adopted~~] economic development project area plan may be amended without
3838 complying with the notice and public hearing requirements of Subsections (2)(a) and (3)(a) and
3839 (b) and without obtaining taxing entity committee approval under Subsection (3)(c) if the
3840 amendment:

3841 (i) makes a minor adjustment in the ~~[legal]~~ boundary description of a project area
3842 boundary requested by a county assessor or county auditor to avoid inconsistent property
3843 boundary lines; or

3844 (ii) subject to Subsection (4)(b), removes a parcel ~~[of real property]~~ from a project area
3845 because the agency determines that ~~[inclusion of the parcel is no longer necessary or desirable~~
3846 ~~to the project area]~~ the parcel is:

3847 (A) tax exempt; or

3848 (B) no longer necessary or desirable to the project area.

3849 (b) An amendment removing a parcel ~~[of real property]~~ from a project area under
3850 Subsection (4)(a) may not be made without the consent of the record property owner of the
3851 parcel being removed.

3852 (5) (a) An amendment approved by board resolution under this section may not take
3853 effect until adopted by ordinance of the legislative body of the community in which the project
3854 area that is the subject of the project area plan being amended is located.

3855 (b) Upon a community legislative body passing an ordinance adopting an amendment
3856 to a project area plan, the agency whose project area plan was amended shall comply with the
3857 requirements of Sections [17C-3-107](#) and [17C-3-108](#) to the same extent as if the amendment
3858 were a project area plan.

3859 Section 102. Section [17C-3-201](#) is amended to read:

3860 **[17C-3-201. Economic development project area budget -- Requirements for](#)**
3861 **[adopting -- Contesting the budget or procedure -- Time limit.](#)**

3862 (1) (a) If an agency anticipates funding all or a portion of a post-June 30, 1993
3863 economic development project area plan with tax increment, the agency shall, subject to
3864 Section [17C-3-202](#), adopt a project area budget as provided in this part.

3865 (b) An economic development project area budget adopted on or after March 30, 2009
3866 shall specify:

3867 (i) for a project area budget adopted on or after March 30, 2009:

3868 (A) the ~~[number of tax years for which the agency will be allowed to receive tax~~
3869 ~~increment from the project area]~~ project area funds collection period; and

3870 (B) the percentage of tax increment the agency is ~~[entitled]~~ authorized to receive from
3871 the project area under the project area budget; and

3872 (ii) for a project area budget adopted on or after March 30, 2013, unless approval is
3873 obtained under Subsection 17C-1-402(4)(b)(vi)(C), the maximum cumulative dollar amount of
3874 tax increment that the agency may receive from the project area under the project area budget.

3875 (2) To adopt an economic development project area budget, the agency shall:

3876 (a) prepare a [~~draft of an~~] proposed economic development project area budget;

3877 (b) make a copy of the [~~draft~~] proposed project area budget available to the public at
3878 the agency's offices during normal business hours;

3879 (c) provide notice of the budget hearing as required by [~~Part 4, Economic~~
3880 ~~Development~~] Chapter 1, Part 8, Hearing and Notice Requirements;

3881 (d) hold a public hearing on the [~~draft~~] proposed project area budget and, at that public
3882 hearing, allow public comment on:

3883 (i) the [~~draft~~] proposed project area budget; and

3884 (ii) whether the [~~draft~~] proposed project area budget should be revised, adopted, or
3885 rejected;

3886 (e) (i) if required under Subsection 17C-3-203(1), obtain the approval of the taxing
3887 entity committee on the [~~draft~~] proposed project area budget or a revised version of the [~~draft~~]
3888 proposed project area budget; or

3889 (ii) if applicable, comply with the requirements of Subsection 17C-3-203(2);

3890 (f) if approval of the taxing entity committee is required under Subsection (2)(e)(i),
3891 obtain a written certification, signed by an attorney licensed to practice law in this state, stating
3892 that the taxing entity committee followed the appropriate procedures to approve the project
3893 area budget; and

3894 (g) after the budget hearing, hold a board meeting in the same meeting as the public
3895 hearing or in a subsequent meeting to:

3896 (i) consider comments made and information presented at the public hearing relating to
3897 the [~~draft~~] proposed project area budget; and

3898 (ii) adopt by resolution the [~~draft~~] proposed project area budget, with any revisions, as
3899 the project area budget.

3900 (3) (a) For a period of 30 days after the agency's adoption of the project area budget
3901 under Subsection (2)(g), any person [~~in interest~~] may contest the project area budget or the
3902 procedure used to adopt the project area budget if the budget or procedure fails to comply with

3903 applicable statutory requirements.

3904 (b) After the 30-day period under Subsection (3)(a) expires, a person~~[, for any cause,]~~
3905 may not contest:

3906 (i) the project area budget or procedure used by either the taxing entity committee or
3907 the agency to approve and adopt the project area budget;

3908 (ii) a payment to the agency under the project area budget; or

3909 (iii) the agency's use of tax increment under the project area budget.

3910 Section 103. Section **17C-3-203** is amended to read:

3911 **17C-3-203. Consent of taxing entity committee required for economic**
3912 **development project area budget -- Exception.**

3913 (1) (a) Except as provided in Subsection (1)(b) and subject to Subsection (2), each
3914 agency shall obtain the consent of the taxing entity committee for each economic development
3915 project area budget under a post-June 30, 1993 economic development project area plan before
3916 the agency may collect any tax increment from the project area.

3917 (b) For an economic development project area budget adopted from July 1, 1998
3918 through May 1, 2000 that allocates 20% or more of the tax increment for housing as provided
3919 in Section [17C-1-412](#), an agency:

3920 (i) need not obtain the consent of the taxing entity committee for the project area
3921 budget; and

3922 (ii) may not ~~collect~~ receive any tax increment from all or part of the project area until
3923 after:

3924 (A) the loan fund board has certified the project area budget as complying with the
3925 requirements of Section [17C-1-412](#); and

3926 (B) the ~~agency~~ board has approved and adopted the project area budget by a
3927 two-thirds vote.

3928 (2) (a) Before a taxing entity committee may consent to an economic development
3929 project area budget adopted on or after May 1, 2000 that allocates 20% of tax increment for
3930 housing under Subsection [17C-3-202](#)(2)(a) or (3), the agency shall:

3931 (i) adopt a housing plan showing the uses for the housing funds; and

3932 (ii) provide a copy of the housing plan to the taxing entity committee and the loan fund
3933 board.

3934 (b) If an agency amends a housing plan prepared under Subsection (2)(a), the agency
3935 shall provide a copy of the amendment to the taxing entity committee and the loan fund board.

3936 Section 104. Section 17C-3-205 is amended to read:

3937 **17C-3-205. Amending an economic development project area budget.**

3938 (1) An agency may by resolution amend an economic development project area budget
3939 as provided in this section.

3940 (2) To amend an adopted economic development project area budget, the agency shall:

3941 (a) advertise and hold one public hearing on the proposed amendment as provided in
3942 Subsection (3);

3943 (b) if approval of the taxing entity committee was required for adoption of the original
3944 project area budget, obtain the approval of the taxing entity committee to the same extent that
3945 the agency was required to obtain the consent of the taxing entity committee for the project
3946 area budget as originally adopted;

3947 (c) if approval of the taxing entity committee is required under Subsection (2)(b),
3948 obtain a written certification, signed by an attorney licensed to practice law in this state, stating
3949 that the taxing entity committee followed the appropriate procedures to approve the project
3950 area budget; and

3951 (d) adopt a resolution amending the project area budget.

3952 (3) The public hearing required under Subsection (2)(a) shall be conducted according
3953 to the procedures and requirements of Section 17C-3-201, except that if the amended project
3954 area budget proposes that the agency be paid a greater proportion of tax increment from a
3955 project area than was to be paid under the previous project area budget, the notice shall state
3956 the percentage paid under the previous project area budget and the percentage proposed under
3957 the amended project area budget.

3958 (4) If the removal of a parcel under Subsection 17C-3-109(4)(a)(ii) reduces the base
3959 taxable value of the project area, an agency may amend the project area budget to conform with
3960 the new base taxable value without:

3961 (a) complying with Subsections (2)(a) and (3); and

3962 (b) if applicable, obtaining taxing entity committee approval described in Subsection
3963 (2)(b).

3964 [~~4~~] (5) If a proposed amendment is not adopted, the agency shall continue to operate

3965 under the previously adopted economic development project area budget without the proposed
3966 amendment.

3967 [(5)] (6) (a) A person may contest the agency's adoption of a budget amendment within
3968 30 days after the day on which the agency adopts the amendment.

3969 (b) A person who fails to contest a budget amendment under Subsection [(5)] (6)(a):

3970 (i) forfeits any claim against an agency's adoption of the amendment; and

3971 (ii) may not contest:

3972 (A) a payment to the agency under the budget amendment; or

3973 (B) an agency's use of a tax increment under a budget amendment.

3974 Section 105. Section **17C-3-206** is amended to read:

3975 **17C-3-206. Extending collection of tax increment under an economic**
3976 **development project area budget.**

3977 (1) An amendment or extension approved by a taxing entity or taxing entity committee
3978 before May 10, 2011, is not subject to this section.

3979 (2) (a) An agency's collection of tax increment under an adopted economic
3980 development project area budget may be extended by:

3981 (i) following the project area budget amendment procedures outlined in Section
3982 **17C-3-205**; or

3983 (ii) following the procedures outlined in this section.

3984 (b) The base taxable value for an urban renewal project area budget may not be altered
3985 as a result of an extension under this section unless otherwise expressly provided for in an
3986 interlocal agreement adopted in accordance with Subsection (3)(a).

3987 (3) To extend under this section the agency's collection of tax increment from a taxing
3988 entity under a previously approved project area budget, the agency shall:

3989 (a) obtain the approval of the taxing entity through an interlocal agreement;

3990 (b) (i) hold a public hearing on the proposed extension in accordance with Subsection
3991 **17C-2-201**(2)(d) in the same manner as required for a [draft] proposed project area budget; and

3992 (ii) provide notice of the hearing:

3993 (A) as required by [~~Part 4, Economic Development~~] Chapter 1, Part 8, Hearing and
3994 Notice Requirements; and

3995 (B) including the proposed period of extension of the project area budget; and

3996 (c) after obtaining the approval of the taxing entity in accordance with Subsection
3997 (3)(a), at or after the public hearing, adopt a resolution approving the extension.

3998 (4) After the expiration of a project area budget, an agency may continue to receive tax
3999 increment from those taxing entities that have agreed to an extension through an interlocal
4000 agreement in accordance with Subsection (3)(a).

4001 (5) (a) A person may contest the agency's adoption of a budget extension within 30
4002 days after the day on which the agency adopts the resolution providing for the extension.

4003 (b) A person who fails to contest a budget extension under Subsection (5)(a):

4004 (i) shall forfeit any claim against the agency's adoption of the extension; and

4005 (ii) may not contest:

4006 (A) a payment to the agency under the budget, as extended; or

4007 (B) an agency's use of tax increment under the budget, as extended.

4008 Section 106. Section **17C-4-101.1** is enacted to read:

4009 **CHAPTER 4. COMMUNITY DEVELOPMENT**

4010 **17C-4-101.1. Title.**

4011 This chapter is known as "Community Development."

4012 Section 107. Section **17C-4-101.2** is enacted to read:

4013 **17C-4-101.2. Applicability of chapter.**

4014 This chapter applies to a community development project area that is effective:

4015 (1) before May 10, 2016; or

4016 (2) before September 1, 2016, if an agency adopted a resolution in accordance with

4017 Section **17C-4-102** before April 1, 2016.

4018 Section 108. Section **17C-4-101.5**, which is renumbered from Section 17C-4-101 is
4019 renumbered and amended to read:

4020 ~~**[17C-4-101].**~~ **17C-4-101.5. Resolution authorizing the preparation of a**
4021 **community development proposed project area plan -- Request to adopt resolution.**

4022 (1) ~~[An agency]~~ A board may begin the process of adopting a community development
4023 project area plan by adopting a resolution that authorizes the preparation of a ~~[draft]~~ proposed
4024 community development project area plan.

4025 (2) (a) Any person or any group, association, corporation, or other entity may submit a
4026 written request to the board to adopt a resolution under Subsection (1).

4027 (b) A request under Subsection (2)(a) may include plans showing the [community]
4028 project area development proposed for an area within the agency's boundaries.

4029 (c) The board may, in [its] the board's sole discretion, grant or deny a request under
4030 Subsection (2)(a).

4031 Section 109. Section **17C-4-102** is amended to read:

4032 **17C-4-102. Process for adopting a community development project area plan --**
4033 **Prerequisites -- Restrictions.**

4034 (1) In order to adopt a community development project area plan, after adopting a
4035 resolution under Subsection [~~17C-4-101~~] 17C-4-101.5(1) the agency shall:

4036 (a) prepare a [~~draft of a~~] proposed community development project area plan and
4037 conduct any examination, investigation, and negotiation regarding the project area plan that the
4038 agency considers appropriate;

4039 (b) make the [~~draft~~] proposed project area plan available to the public at the agency's
4040 offices during normal business hours;

4041 (c) provide notice of the plan hearing as [~~provided in Section 17C-4-402~~] described in
4042 Chapter 1, Part 8, Hearing and Notice Requirements;

4043 (d) hold a public hearing on the [~~draft~~] proposed project area plan and, at that public
4044 hearing:

4045 (i) allow public comment on:

4046 (A) the [~~draft~~] proposed project area plan; and

4047 (B) whether the [~~draft~~] proposed project area plan should be revised, approved, or
4048 rejected; and

4049 (ii) receive all written and hear all oral objections to the [~~draft~~] proposed project area
4050 plan;

4051 (e) after holding the plan hearing, at the same meeting or at one or more subsequent
4052 meetings consider:

4053 (i) the oral and written objections to the [~~draft~~] proposed project area plan and evidence
4054 and testimony for or against adoption of the [~~draft~~] proposed project area plan; and

4055 (ii) whether to revise, approve, or reject the [~~draft~~] proposed project area plan;

4056 (f) approve the [~~draft~~] proposed project area plan, with or without revisions, as the
4057 project area plan by a resolution that complies with Section 17C-4-104; and

4058 (g) submit the project area plan to the community legislative body for adoption.
4059 (2) An agency may not propose a community development project area plan under
4060 Subsection (1) unless the community in which the proposed project area is located:
4061 (a) has a planning commission; and
4062 (b) has adopted a general plan under:
4063 (i) if the community is a ~~[city or town]~~ municipality, Title 10, Chapter 9a, Part 4,
4064 General Plan; or
4065 (ii) if the community is a county, Title 17, Chapter 27a, Part 4, General Plan.
4066 (3) (a) Except as provided in Subsection (3)(b), a ~~[draft]~~ proposed project area plan
4067 may not be modified to add ~~[real property]~~ a parcel to the proposed project area unless the
4068 board holds a plan hearing to consider the addition and gives notice of the plan hearing as
4069 required under ~~[Section 17C-4-402]~~ Chapter 1, Part 8, Hearing and Notice Requirements.
4070 (b) The notice and hearing requirements under Subsection (3)(a) do not apply to a
4071 ~~[draft]~~ proposed project area plan being modified to add ~~[real property]~~ a parcel to the proposed
4072 project area if:
4073 (i) the ~~[property]~~ parcel is contiguous to ~~[the property]~~ one or more parcels already
4074 included in the proposed project area under the ~~[draft]~~ proposed project area plan; and
4075 (ii) the record owner of the property consents to adding the ~~[real property]~~ parcel to the
4076 proposed project area.
4077 Section 110. Section ~~17C-4-103~~ is amended to read:
4078 **17C-4-103. Community development project area plan requirements.**
4079 Each community development project area plan and ~~[draft]~~ proposed project area plan
4080 shall:
4081 (1) describe the boundaries of the project area, subject to Section ~~17C-1-414~~, if
4082 applicable;
4083 (2) contain a general statement of the land uses, layout of principal streets, population
4084 densities, and building intensities of the project area and how they will be affected by the
4085 community development;
4086 (3) state the standards that will guide the ~~[community]~~ project area development;
4087 (4) show how the purposes of this title will be attained by the ~~[community]~~ project area
4088 development;

4089 (5) be consistent with the general plan of the community in which the project area is
 4090 located and show that the [community] project area development will conform to the
 4091 community's general plan;

4092 (6) describe any specific project or projects that are the object of the proposed
 4093 [community] project area development;

4094 (7) identify how [~~private developers, if any,~~] a participant will be selected to undertake
 4095 the [community] project area development and identify each [~~private developer~~] participant
 4096 currently involved in the [community] project area development [~~process~~];

4097 (8) state the reasons for the selection of the project area;

4098 (9) describe the physical, social, and economic conditions existing in the project area;

4099 (10) describe any tax incentives offered private entities for facilities located in the
 4100 project area;

4101 (11) include an analysis or description of the anticipated public benefit to be derived
 4102 from the [community] project area development, including:

4103 (a) the beneficial influences upon the tax base of the community; and

4104 (b) the associated business and economic activity likely to be stimulated; and

4105 (12) include other information that the agency determines to be necessary or advisable.

4106 Section 111. Section **17C-4-104** is amended to read:

4107 **17C-4-104. Board resolution approving a community development project area**
 4108 **plan -- Requirements.**

4109 Each board resolution approving a [~~draft~~] proposed community development project
 4110 area plan as the project area plan under Subsection **17C-4-102**(1)(f) shall contain:

4111 (1) a [~~legal~~] boundary description of the boundaries of the project area that is the
 4112 subject of the project area plan;

4113 (2) the agency's purposes and intent with respect to the project area;

4114 (3) the project area plan incorporated by reference; and

4115 (4) the board findings and determinations that adoption of the community development
 4116 project area plan will:

4117 (a) satisfy a public purpose;

4118 (b) provide a public benefit as shown by the analysis described in Subsection

4119 **17C-4-103**(11);

- 4120 (c) be economically sound and feasible;
- 4121 (d) conform to the community's general plan; and
- 4122 (e) promote the public peace, health, safety, and welfare of the community in which the
- 4123 project area is located.

4124 Section 112. Section 17C-4-106 is amended to read:

4125 **17C-4-106. Notice of community development project area plan adoption --**
4126 **Effective date of plan -- Contesting the formation of the plan.**

4127 (1) (a) Upon the community legislative body's adoption of a community development
4128 project area plan, the community legislative body shall provide notice as provided in
4129 Subsection (1)(b) by:

- 4130 (i) (A) publishing or causing to be published a notice in a newspaper of general
- 4131 circulation within the agency's boundaries; or
- 4132 (B) if there is no newspaper of general circulation within the agency's boundaries,
- 4133 causing a notice to be posted in at least three public places within the agency's boundaries; and

4134 (ii) publishing or causing to be published in accordance with Section 45-1-101.

4135 (b) Each notice under Subsection (1)(a) shall:

- 4136 (i) set forth the community legislative body's ordinance adopting the community
- 4137 development project area plan or a summary of the ordinance; and
- 4138 (ii) include a statement that the project area plan is available for general public
- 4139 inspection and the hours for inspection.

4140 (2) The community development project area plan shall become effective on the date
4141 of:

- 4142 (a) if notice was published under Subsection (1)(a), publication of the notice; or
- 4143 (b) if notice was posted under Subsection (1)(a), posting of the notice.

4144 (3) (a) For a period of 30 days after the effective date of the community development
4145 project area plan under Subsection (2), any person [~~in interest~~] may contest the project area
4146 plan or the procedure used to adopt the project area plan if the plan or procedure fails to
4147 comply with applicable statutory requirements.

4148 (b) After the 30-day period under Subsection (3)(a) expires, [~~no~~] a person may not
4149 contest the community development project area plan or procedure used to adopt the project
4150 area plan for any cause.

4151 (4) Upon adoption of the community development project area plan by the
4152 [~~community's~~] community legislative body, the agency may carry out the project area plan.

4153 (5) Each agency shall make the adopted project area plan available to the [~~general~~]
4154 public at [~~its offices~~] the agency's office during normal business hours.

4155 Section 113. Section **17C-4-107** is amended to read:

4156 **17C-4-107. Agency required to transmit and record documents after adoption of**
4157 **community development project area plan.**

4158 Within 30 days after the community legislative body adopts, under Section **17C-4-105**,
4159 a community development project area plan, the agency shall:

4160 (1) record with the recorder of the county in which the project area is located a
4161 document containing:

- 4162 (a) a description of the land within the project area;
- 4163 (b) a statement that the project area plan for the project area has been adopted; and
- 4164 (c) the date of adoption;

4165 (2) transmit a copy of the description of the land within the project area and an accurate
4166 map or plat indicating the boundaries of the project area to the Automated Geographic
4167 Reference Center created under Section **63F-1-506**; and

4168 (3) for a project area plan that provides for the payment of tax increment to the agency,
4169 transmit a copy of the description of the land within the project area, a copy of the community
4170 legislative body ordinance adopting the project area plan, and a map or plat indicating the
4171 boundaries of the project area to:

4172 (a) the auditor, recorder, attorney, surveyor, and assessor of each county in which any
4173 part of the project area is located;

4174 (b) the officer or officers performing the function of auditor or assessor for each taxing
4175 entity that does not use the county assessment roll or collect [~~its~~] the taxing entity's taxes
4176 through the county;

4177 (c) the legislative body or governing board of each taxing entity;

4178 (d) the State Tax Commission; and

4179 (e) the State Board of Education.

4180 Section 114. Section **17C-4-108** is amended to read:

4181 **17C-4-108. Amending a community development project area plan.**

4182 (1) Except as provided in Subsection (2) and Section 17C-4-109, the requirements
4183 under this part that apply to adopting a community development project area plan apply equally
4184 to a proposed amendment of a community development project area plan as though the
4185 amendment were a proposed project area plan.

4186 (2) (a) Notwithstanding Subsection (1), ~~[an adopted]~~ a community development project
4187 area plan may be amended without complying with the [notice and public hearing]
4188 requirements of [this part] Chapter 1, Part 8, Hearing and Notice Requirements, if the proposed
4189 amendment:

4190 (i) makes a minor adjustment in the ~~[legal]~~ boundary description of a project area
4191 boundary requested by a county assessor or county auditor to avoid inconsistent property
4192 boundary lines; or

4193 (ii) subject to Subsection (2)(b), removes a parcel ~~[of real property]~~ from a project area
4194 because the agency determines that ~~[inclusion of the parcel is no longer necessary or desirable~~
4195 ~~to the project area.]~~ the parcel is:

4196 (A) tax exempt; or

4197 (B) no longer necessary or desirable to the project area.

4198 (b) An amendment removing a parcel ~~[of real property]~~ from a community
4199 development project area under Subsection (2)(a)(ii) may not be made without the consent of
4200 the record property owner of the parcel being removed.

4201 (3) (a) An amendment approved by board resolution under this section may not take
4202 effect until adopted by ordinance of the legislative body of the community in which the project
4203 area that is the subject of the project area plan being amended is located.

4204 (b) Upon a community legislative body passing an ordinance adopting an amendment
4205 to a community development project area plan, the agency whose project area plan was
4206 amended shall comply with the requirements of Sections 17C-4-106 and 17C-4-107 to the
4207 same extent as if the amendment were a project area plan.

4208 Section 115. Section 17C-4-109 is amended to read:

4209 **17C-4-109. Expedited community development project area plan.**

4210 (1) As used in this section, "tax increment incentive" means the portion of tax
4211 increment awarded to an industry or business.

4212 (2) A community development project area plan may be adopted or amended without

4213 complying with the notice and public hearing requirements of this part and [Section
4214 ~~17C-4-402~~] Chapter 1, Part 8, Hearing and Notice Requirements, if the following requirements
4215 are met:

4216 (a) the agency determines by resolution adopted in an open and public meeting the
4217 need to create or amend a project area plan on an expedited basis, which resolution shall
4218 include a description of why expedited action is needed;

4219 (b) a public hearing on the amendment or adoption of the project area plan is held by
4220 the agency;

4221 (c) notice of the public hearing is published at least 14 days before the public hearing
4222 on:

4223 (i) the website of the community that created the agency; and

4224 (ii) the Utah Public Notice Website created in Section 63F-1-701;

4225 (d) written consent to the amendment or adoption of the project area plan is given by
4226 all record property owners within the existing or proposed project area;

4227 (e) each taxing entity [~~and public entity~~] that will be affected by the tax increment
4228 incentive [~~enter~~] enters into or [~~amend~~] amends an interlocal agreement in accordance with
4229 Title 11, Chapter 13, Interlocal Cooperation Act, and Sections 17C-4-201, 17C-4-203, and
4230 17C-4-204;

4231 (f) the primary market for the goods or services that will be created by the industry or
4232 business entity that will receive a tax increment incentive from the amendment or adoption of
4233 the project area plan is outside of the state;

4234 (g) the industry or business entity that will receive a tax increment incentive from the
4235 amendment or adoption of the project area plan is not primarily engaged in retail trade; and

4236 (h) a tax increment incentive is only provided to an industry or business entity:

4237 (i) on a postperformance basis as described in Subsection (3); and

4238 (ii) on an annual basis after the tax increment is received by the agency.

4239 (3) An industry or business entity may only receive a tax increment incentive under this
4240 section after entering into an agreement with the agency that sets postperformance targets that
4241 shall be met before the industry or business entity may receive the tax increment incentive,
4242 including annual targets for:

4243 (a) capital investment in the project area;

- 4244 (b) the increase in the taxable value of the project area;
- 4245 (c) the number of new jobs created in the project area;
- 4246 (d) the average wages of the jobs created, which shall be at least 110% of the
- 4247 prevailing wage of the county where the project area is located; and
- 4248 (e) the amount of local vendor opportunity generated by the industry or business entity.

4249 Section 116. Section 17C-4-201 is amended to read:

4250 **17C-4-201. Consent of a taxing entity to an agency receiving tax increment or**
4251 **sales tax funds for community development project.**

4252 (1) An agency may negotiate with a taxing entity [~~and public entity~~] for the taxing
4253 entity's [~~or public entity's~~] consent to the agency receiving the taxing entity's [~~or public entity's~~
4254 ~~tax increment or sales tax revenues, or both,~~] project area funds for the purpose of providing
4255 [~~funds~~] money to carry out a proposed or adopted community development project area plan.

4256 (2) The consent of a taxing entity [~~or public entity~~] under Subsection (1) may be
4257 expressed in:

- 4258 (a) a resolution adopted by the taxing entity [~~or public entity~~]; or
- 4259 (b) an interlocal agreement, under Title 11, Chapter 13, Interlocal Cooperation Act,
4260 between the taxing entity [~~or public entity~~] and the agency.

4261 (3) Before an agency may use [~~tax increment or sales tax revenues collected~~] project
4262 area funds received under a resolution or interlocal agreement adopted for the purpose of
4263 providing [~~funds~~] money to [~~carry out~~] implement a proposed or adopted community
4264 development project area plan, the agency shall:

4265 (a) obtain a written certification, signed by an attorney licensed to practice law in this
4266 state, stating that the agency and the taxing entity have each followed all legal requirements
4267 relating to the adoption of the resolution or interlocal agreement, respectively; and

4268 (b) provide a signed copy of the certification described in Subsection (3)(a) to the
4269 appropriate taxing entity.

4270 (4) A resolution adopted or interlocal agreement entered under Subsection (2) on or
4271 after March 30, 2009 shall specify:

4272 (a) if the resolution or interlocal agreement provides for the agency to be paid tax
4273 increment:

4274 (i) the method of calculating the amount of the taxing entity's tax increment from the

4275 project area that will be paid to the agency, including the agreed base year and agreed base
4276 taxable value;

4277 (ii) the ~~[number of tax years that the agency will be paid the taxing entity's tax~~
4278 ~~increment from the project area]~~ project area funds collection period; and

4279 (iii) the percentage of the taxing entity's tax increment or maximum cumulative dollar
4280 amount of the taxing entity's tax increment that the agency will be paid; and

4281 (b) if the resolution or interlocal agreement provides for the agency to be paid a
4282 ~~[public]~~ taxing entity's sales and use tax revenue:

4283 (i) the method of calculating the amount of the ~~[public]~~ taxing entity's sales and use tax
4284 revenue that the agency will be paid;

4285 (ii) ~~[the number of tax years that the agency will be paid the sales tax revenue]~~ the
4286 project area funds collection period; and

4287 (iii) the percentage of sales tax revenue or the maximum cumulative dollar amount of
4288 sales and use tax revenue that the agency will be paid.

4289 (5) (a) Unless the taxing entity otherwise agrees, an agency may not be paid a taxing
4290 entity's tax increment:

4291 (i) that exceeds the percentage or maximum cumulative dollar amount of tax increment
4292 specified in the resolution or interlocal agreement under Subsection (2); or

4293 (ii) for more tax years than specified in the resolution or interlocal agreement under
4294 Subsection (2).

4295 (b) Unless the ~~[public]~~ taxing entity otherwise agrees, an agency may not be paid a
4296 ~~[public]~~ taxing entity's sales and use tax revenue:

4297 (i) that exceeds the percentage or maximum cumulative dollar amount of sales and use
4298 tax revenue specified in the resolution or interlocal agreement under Subsection (2); or

4299 (ii) for more tax years than specified in the resolution or interlocal agreement under
4300 Subsection (2).

4301 (6) A school district may consent to an agency receiving tax increment from the school
4302 district's basic levy only to the extent that the school district also consents to the agency
4303 receiving tax increment from the school district's local levy.

4304 (7) (a) A resolution or interlocal agreement under this section may be amended from
4305 time to time.

4306 (b) Each amendment of a resolution or interlocal agreement shall be subject to and
4307 receive the benefits of the provisions of this part to the same extent as if the amendment were
4308 an original resolution or interlocal agreement.

4309 (8) A taxing entity's [~~or public entity's~~] consent to an agency receiving funds under this
4310 section is not subject to the requirements of Section 10-8-2.

4311 (9) (a) For purposes of this Subsection (9), "successor taxing entity" means any taxing
4312 entity that:

4313 (i) is created after the date of adoption of a resolution or execution of an interlocal
4314 agreement under this section; and

4315 (ii) levies a tax on any parcel of property located within the project area that is the
4316 subject of the resolution or the interlocal agreement described in Subsection (9)(a)(i).

4317 (b) A resolution or interlocal agreement executed by a taxing entity under this section
4318 may be enforced by or against any successor taxing entity.

4319 Section 117. Section 17C-4-202 is amended to read:

4320 **17C-4-202. Resolution or interlocal agreement to provide project area funds for**
4321 **the community development project area plan -- Notice -- Effective date of resolution or**
4322 **interlocal agreement -- Time to contest resolution or interlocal agreement -- Availability**
4323 **of resolution or interlocal agreement.**

4324 (1) The approval and adoption of each resolution or interlocal agreement under
4325 Subsection 17C-4-201(2) shall be in an open and public meeting.

4326 (2) (a) Upon the adoption of a resolution or interlocal agreement under Section
4327 17C-4-201, the agency shall provide notice as provided in Subsection (2)(b) by:

4328 (i) (A) publishing or causing to be published a notice in a newspaper of general
4329 circulation within the agency's boundaries; or

4330 (B) if there is no newspaper of general circulation within the agency's boundaries,
4331 causing a notice to be posted in at least three public places within the agency's boundaries; and

4332 (ii) publishing or causing to be published a notice on the Utah Public Notice Website
4333 created in Section 63F-1-701.

4334 (b) Each notice under Subsection (2)(a) shall:

4335 (i) set forth a summary of the resolution or interlocal agreement; and

4336 (ii) include a statement that the resolution or interlocal agreement is available for

4337 [~~general~~] public inspection and the hours of inspection.

4338 (3) The resolution or interlocal agreement shall become effective on the date of:

4339 (a) if notice was published under Subsection (2)(a)(i)(A) or (2)(a)(ii), publication of the
4340 notice; or

4341 (b) if notice was posted under Subsection (2)(a)(i)(B), posting of the notice.

4342 (4) (a) For a period of 30 days after the effective date of the resolution or interlocal
4343 agreement under Subsection (3), any person [~~in interest~~] may contest the resolution or
4344 interlocal agreement or the procedure used to adopt the resolution or interlocal agreement if the
4345 resolution or interlocal agreement or procedure fails to comply with applicable statutory
4346 requirements.

4347 (b) After the 30-day period under Subsection (4)(a) expires, a person may not~~[, for any~~
4348 ~~cause,]~~ contest:

4349 (i) the resolution or interlocal agreement;

4350 (ii) a payment to the agency under the resolution or interlocal agreement; or

4351 (iii) the agency's use of [~~tax increment~~] project area funds under the resolution or
4352 interlocal agreement.

4353 (5) Each agency that is to receive project area funds under a resolution or interlocal
4354 agreement under Section 17C-4-201 and each taxing entity [~~or public entity~~] that approves a
4355 resolution or enters into an interlocal agreement under Section 17C-4-201 shall make the
4356 resolution or interlocal agreement, as the case may be, available at [~~its~~] the taxing entity's
4357 offices to the [~~general~~] public for inspection and copying during normal business hours.

4358 Section 118. Section 17C-4-203 is amended to read:

4359 **17C-4-203. Requirement to file a copy of the resolution or interlocal agreement --**
4360 **County payment of tax increment to the agency.**

4361 (1) Each agency that is to receive funds under a resolution or interlocal agreement
4362 under Section 17C-4-201 shall, within 30 days after the effective date of the resolution or
4363 interlocal agreement, file a copy of it with:

4364 (a) the State Tax Commission, the State Board of Education, and the state auditor; and

4365 (b) the auditor of the county in which the project area is located, if the resolution or
4366 interlocal agreement provides for the agency to receive tax increment from the taxing entity [~~or~~
4367 ~~public entity~~] that adopted the resolution or entered into the interlocal agreement.

4368 (2) Each county that collects property tax on property within a community
 4369 development project area shall, in the manner and at the time provided in Section 59-2-1365,
 4370 pay and distribute to the agency the tax increment that the agency is [entitled] authorized to
 4371 receive under a resolution approved or an interlocal agreement adopted under Section
 4372 17C-4-201.

4373 Section 119. Section **17C-4-204** is amended to read:

4374 **17C-4-204. Adoption of a budget for a community development project area plan**
 4375 **-- Amendment.**

4376 (1) An agency may prepare and, by resolution adopted at a regular or special meeting
 4377 of the [agency] board, adopt a community development project area budget setting forth:

4378 (a) the anticipated costs, including administrative costs, of implementing the
 4379 community development project area plan; and

4380 (b) the tax increment, sales and use tax revenue, and other revenue the agency
 4381 anticipates receiving to fund the project.

4382 (2) An agency may, by resolution adopted at a regular or special meeting of the
 4383 [agency] board, amend a budget adopted under Subsection (1).

4384 (3) Each resolution to adopt or amend a budget under this section shall appear as an
 4385 item on the agenda for the regular or special [agency] board meeting at which the resolution is
 4386 adopted without additional required notice.

4387 (4) An agency is not required to obtain approval of the taxing entity committee for a
 4388 community development project area budget.

4389 Section 120. Section **17C-5-101** is enacted to read:

4390 **CHAPTER 5. COMMUNITY REINVESTMENT**

4391 **Part 1. Community Reinvestment Project Area Plan**

4392 **17C-5-101. Title.**

4393 (1) This chapter is known as "Community Reinvestment."

4394 (2) This part is known as "Community Reinvestment Project Area Plan."

4395 Section 121. Section **17C-5-102** is enacted to read:

4396 **17C-5-102. Applicability of chapter.**

4397 This chapter applies to a community reinvestment project area created on or after May
 4398 10, 2016.

4399 Section 122. Section **17C-5-103** is enacted to read:

4400 **17C-5-103. Initiating a community reinvestment project area plan.**

4401 (1) A board shall initiate the process of adopting a community reinvestment project
4402 area plan by adopting a survey area resolution that:

4403 (a) designates a geographic area located within the agency's boundaries as a survey
4404 area;

4405 (b) contains a description or map of the boundaries of the survey area;

4406 (c) contains a statement that the survey area requires study to determine whether
4407 project area development is feasible within one or more proposed community reinvestment
4408 project areas within the survey area; and

4409 (d) authorizes the agency to:

4410 (i) prepare a proposed community reinvestment project area plan for each proposed
4411 community reinvestment project area; and

4412 (ii) conduct any examination, investigation, or negotiation regarding the proposed
4413 community reinvestment project area that the agency considers appropriate.

4414 (2) If an agency anticipates an activity described in Subsection [17C-5-402](#)(1) within the
4415 survey area, the resolution described in Subsection (1) shall include:

4416 (a) a statement that the survey area requires study to determine whether blight exists
4417 within the survey area; and

4418 (b) authorization for the agency to conduct a blight study in accordance with Section
4419 [17C-5-403](#).

4420 Section 123. Section **17C-5-104** is enacted to read:

4421 **17C-5-104. Process for adopting a community reinvestment project area plan --**

4422 **Prerequisites -- Restrictions.**

4423 (1) An agency may not propose a community reinvestment project area plan unless the
4424 community in which the proposed community reinvestment project area plan is located:

4425 (a) has a planning commission; and

4426 (b) has adopted a general plan under:

4427 (i) if the community is a municipality, Title 10, Chapter 9a, Part 4, General Plan; or

4428 (ii) if the community is a county, Title 17, Chapter 27a, Part 4, General Plan.

4429 (2) (a) Before an agency may adopt a proposed community reinvestment project area

4430 plan, the agency shall make a blight determination in accordance with Section 17C-5-402 if the
4431 agency anticipates an activity described in Subsection 17C-5-402(1) for which a blight
4432 determination is required.

4433 (b) If applicable, an agency may not approve a community reinvestment project area
4434 plan more than one year after the adoption of a resolution making a finding of blight under
4435 Section 17C-5-402.

4436 (3) To adopt a community reinvestment project area plan, an agency shall:

4437 (a) prepare a proposed community reinvestment project area plan in accordance with
4438 Section 17C-5-105;

4439 (b) make the proposed community reinvestment project area plan available to the
4440 public at the agency's office during normal business hours for at least 30 days before the plan
4441 hearing described in Subsection (3)(e);

4442 (c) before holding the plan hearing described in Subsection (3)(e), provide an
4443 opportunity for the State Board of Education and each taxing entity that levies or imposes a tax
4444 within the proposed community reinvestment project area to consult with the agency regarding
4445 the proposed community reinvestment project area plan;

4446 (d) provide notice of the plan hearing in accordance with Chapter 1, Part 8, Hearing
4447 and Notice Requirements;

4448 (e) hold a plan hearing on the proposed community reinvestment project area plan and,
4449 at the plan hearing:

4450 (i) allow public comment on:

4451 (A) the proposed community reinvestment project area plan; and

4452 (B) whether the agency should revise, approve, or reject the proposed community
4453 reinvestment project area plan; and

4454 (ii) receive all written and oral objections to the proposed community reinvestment
4455 project area plan; and

4456 (f) following the plan hearing described in Subsection (3)(e), or at a subsequent agency
4457 meeting:

4458 (i) consider:

4459 (A) the oral and written objections to the proposed community reinvestment project
4460 area plan and evidence and testimony for and against adoption of the proposed community

4461 reinvestment project area plan; and

4462 (B) whether to revise, approve, or reject the proposed community reinvestment project
4463 area plan;

4464 (ii) adopt a resolution in accordance with Section 17C-5-108 that approves the
4465 proposed community reinvestment project area plan, with or without revisions, as the
4466 community reinvestment project area plan; and

4467 (iii) submit the community reinvestment project area plan to the community legislative
4468 body for adoption.

4469 (4) (a) Except as provided in Subsection (4)(b), an agency may not modify a proposed
4470 community reinvestment project area plan to add a parcel to the proposed community
4471 reinvestment project area unless the agency holds a plan hearing to consider the addition and
4472 gives notice of the plan hearing in accordance with Chapter 1, Part 8, Hearing and Notice
4473 Requirements.

4474 (b) The notice and hearing requirements described in Subsection (4)(a) do not apply to
4475 a proposed community reinvestment project area plan being modified to add a parcel to the
4476 proposed community reinvestment project area if:

4477 (i) the parcel is contiguous to one or more parcels already included in the proposed
4478 community reinvestment project area under the proposed community reinvestment project area
4479 plan;

4480 (ii) the record owner of the parcel consents to adding the parcel to the proposed
4481 community reinvestment project area; and

4482 (iii) the parcel is located within the survey area.

4483 Section 124. Section 17C-5-105 is enacted to read:

4484 **17C-5-105. Community reinvestment project area plan requirements.**

4485 (1) Each community reinvestment project area plan and proposed community
4486 reinvestment project area plan shall:

4487 (a) subject to Section 17C-1-414, if applicable, include a boundary description and a
4488 map of the community reinvestment project area;

4489 (b) contain a general statement of the existing land uses, layout of principal streets,
4490 population densities, and building intensities of the community reinvestment project area and
4491 how each will be affected by the project area development;

- 4492 (c) state the standards that will guide the project area development;
- 4493 (d) show how the project area development will further purposes of this title;
- 4494 (e) be consistent with the general plan of the community in which the community
- 4495 reinvestment project area is located and show that the project area development will conform to
- 4496 the community's general plan;
- 4497 (f) if applicable, describe how project area development will eliminate or reduce blight
- 4498 in the community reinvestment project area;
- 4499 (g) describe any specific project area development that is the object of the community
- 4500 reinvestment project area plan;
- 4501 (h) if applicable, explain how the agency plans to select a participant;
- 4502 (i) state each reason the agency selected the community reinvestment project area;
- 4503 (j) describe the physical, social, and economic conditions that exist in the community
- 4504 reinvestment project area;
- 4505 (k) describe each type of financial assistance that the agency anticipates offering a
- 4506 participant;
- 4507 (l) report the results of the public benefit analysis described in Subsection (2);
- 4508 (m) if applicable, state that the agency shall comply with Section [9-8-404](#) as required
- 4509 under Section [17C-5-106](#);
- 4510 (n) state whether the community reinvestment project area plan or proposed
- 4511 community reinvestment project area plan is subject to a taxing entity committee or an
- 4512 interlocal agreement; and
- 4513 (o) include other information that the agency determines to be necessary or advisable.
- 4514 (2) (a) An agency shall conduct an analysis in accordance with Subsection (2)(b) to
- 4515 determine whether the proposed community reinvestment project area plan will provide a
- 4516 public benefit.
- 4517 (b) The analysis described in Subsection (2)(a) shall consider:
- 4518 (i) the benefit of any financial assistance or other public subsidy proposed to be
- 4519 provided by the agency, including:
- 4520 (A) an evaluation of the reasonableness of the costs of the proposed project area
- 4521 development;
- 4522 (B) efforts that have been, or will be made, to maximize private investment;

4523 (C) the rationale for use of project area funds, including an analysis of whether the
4524 proposed project area development might reasonably be expected to occur in the foreseeable
4525 future solely through private investment; and

4526 (D) an estimate of the total amount of project area funds that the agency intends to
4527 spend on project area development and the length of time over which the project area funds
4528 will be spent; and

4529 (ii) the anticipated public benefit derived from the proposed project area development,
4530 including:

4531 (A) the beneficial influences on the community's tax base;

4532 (B) the associated business and economic activity the proposed project area
4533 development will likely stimulate; and

4534 (C) whether adoption of the proposed community reinvestment project area plan is
4535 necessary and appropriate to undertake the proposed project area development.

4536 Section 125. Section **17C-5-106** is enacted to read:

4537 **17C-5-106. Existing and historic buildings and uses in a community reinvestment**
4538 **project area.**

4539 An agency shall comply with Section [9-8-404](#) as though the agency is a state agency if:

4540 (1) any of the existing buildings or uses in a community reinvestment project area are
4541 included in, or eligible for inclusion in, the National Register of Historic Places or the State
4542 Register; and

4543 (2) the agency spends agency funds on the demolition or rehabilitation of existing
4544 buildings described in Subsection (1).

4545 Section 126. Section **17C-5-107** is enacted to read:

4546 **17C-5-107. Objections to a community reinvestment project area plan.**

4547 (1) At any time before or during a plan hearing, a person may object in writing or
4548 orally to a proposed community reinvestment project area plan.

4549 (2) An agency may not approve a proposed community reinvestment project area plan
4550 if, after receiving public comment at a plan hearing in accordance with Subsection
4551 [17C-5-104](#)(3)(e)(i), the record property owners of at least 51% of the private land area within
4552 the proposed community reinvestment project area object to the proposed community
4553 reinvestment project area plan.

4554 Section 127. Section **17C-5-108** is enacted to read:

4555 **17C-5-108. Board resolution approving a community reinvestment project area**
4556 **plan -- Requirements.**

4557 A board resolution approving a proposed community reinvestment area plan as the
4558 community reinvestment project area plan under Section [17C-5-104](#) shall contain:

4559 (1) a boundary description of the community reinvestment project area that is the
4560 subject of the community reinvestment project area plan;

4561 (2) the agency's purposes and intent with respect to the community reinvestment
4562 project area;

4563 (3) the proposed community reinvestment project area plan incorporated by reference;

4564 (4) the board findings and determinations that the proposed community reinvestment
4565 project area plan:

4566 (a) serves a public purpose;

4567 (b) produces a public benefit as demonstrated by the analysis described in Subsection
4568 [17C-5-105](#)(2);

4569 (c) is economically sound and feasible;

4570 (d) conforms to the community's general plan; and

4571 (e) promotes the public peace, health, safety, and welfare of the community in which
4572 the proposed community reinvestment project area is located; and

4573 (5) if the board made a finding of blight under Section [17C-5-402](#), a statement that the
4574 board made a finding of blight within the proposed community reinvestment project area and
4575 the date on which the board made the finding of blight.

4576 Section 128. Section **17C-5-109** is enacted to read:

4577 **17C-5-109. Community reinvestment project area plan to be adopted by**
4578 **community legislative body.**

4579 (1) A proposed community reinvestment project area plan approved by board
4580 resolution under Section [17C-5-104](#) may not take effect until the community legislative body:

4581 (a) by ordinance, adopts the proposed community reinvestment project area plan; and

4582 (b) provides notice in accordance with Section [17C-5-110](#).

4583 (2) An ordinance described in Subsection (1)(a) shall designate the community

4584 reinvestment project area plan as the official plan of the community reinvestment project area.

4585 Section 129. Section **17C-5-110** is enacted to read:

4586 **17C-5-110. Notice of community reinvestment project area plan adoption --**
4587 **Effective date of plan -- Contesting the formation of the plan.**

4588 (1) (a) Upon a community legislative body's adoption of a community reinvestment
4589 project area plan in accordance with Section [17C-5-109](#), or an amendment to a community
4590 reinvestment project area plan in accordance with Section [17C-5-112](#), the community
4591 legislative body shall provide notice of the adoption or amendment in accordance with
4592 Subsection (1)(b) by:

4593 (i) (A) causing a notice to be published in a newspaper of general circulation within the
4594 community; or

4595 (B) if there is no newspaper of general circulation within the community, causing a
4596 notice to be posted in at least three public places within the community; and

4597 (ii) posting a notice on the Utah Public Notice Website described in Section
4598 [63F-1-701](#).

4599 (b) A notice described in Subsection (1)(a) shall include:

4600 (i) a copy of the community legislative body's ordinance, or a summary of the
4601 ordinance, that adopts the community reinvestment project area plan; and

4602 (ii) a statement that the community reinvestment project area plan is available for
4603 public inspection and the hours for inspection.

4604 (2) A community reinvestment project area plan is effective on the day on which notice
4605 of adoption is published or posted in accordance with Subsection (1)(a).

4606 (3) A community reinvestment project area is considered created the day on which the
4607 community reinvestment project area plan becomes effective as described in Subsection (2).

4608 (4) (a) Within 30 days after the day on which a community reinvestment project area
4609 plan is effective, a person may contest the community reinvestment project area plan or the
4610 procedure used to adopt the community reinvestment project area plan if the community
4611 reinvestment project area plan or the procedure fails to comply with a provision of this title.

4612 (b) After the 30-day period described in Subsection (4)(a) expires, a person may not
4613 contest the community reinvestment project area plan or the procedure used to adopt the
4614 community reinvestment project area plan.

4615 (5) Upon adoption of a community reinvestment project area plan by the community

4616 legislative body, the agency may implement the community reinvestment project area plan.

4617 (6) The agency shall make the community reinvestment project area plan available to
4618 the public at the agency's office during normal business hours.

4619 Section 130. Section **17C-5-111** is enacted to read:

4620 **17C-5-111. Agency required to transmit and record documentation after adoption**
4621 **of community reinvestment project area plan.**

4622 Within 30 days after the day on which a community legislative body adopts a
4623 community reinvestment project area plan under Section [17C-5-109](#), the agency shall:

4624 (1) record with the recorder of the county in which the community reinvestment project
4625 area is located a document containing:

4626 (a) the name of the community reinvestment project area;

4627 (b) a boundary description of the community reinvestment project area; and

4628 (c) (i) a statement that the community legislative body adopted the community
4629 reinvestment project area plan; and

4630 (ii) the day on which the community legislative body adopted the community
4631 reinvestment project area plan;

4632 (2) transmit a copy of a description of the land within the community reinvestment
4633 project area and an accurate map or plat indicating the boundaries of the community
4634 reinvestment project area to the Automated Geographic Reference Center created in Section
4635 [63F-1-506](#); and

4636 (3) for a community reinvestment project area plan that provides for the payment of tax
4637 increment to the agency, transmit a copy of a description of the land within the community
4638 reinvestment project area, a copy of the community legislative body ordinance adopting the
4639 community reinvestment project area plan, and an accurate map or plat indicating the
4640 boundaries of the community reinvestment project area to:

4641 (a) the auditor, recorder, county or district attorney, surveyor, and assessor of each
4642 county in which any part of the community reinvestment project area is located;

4643 (b) the officer or officers performing the function of auditor or assessor for each taxing
4644 entity that does not use the county assessment roll or collect the taxing entity's taxes through
4645 the county;

4646 (c) the legislative body or governing board of each taxing entity;

4647 (d) the State Tax Commission; and

4648 (e) the State Board of Education.

4649 Section 131. Section **17C-5-112** is enacted to read:

4650 **17C-5-112. Amending a community reinvestment area plan.**

4651 (1) An agency may amend a community reinvestment project area plan in accordance
4652 with this section.

4653 (2) (a) If an amendment proposes to enlarge a community reinvestment project area's
4654 geographic area, the agency shall:

4655 (i) comply with this part as though the agency were creating a community reinvestment
4656 project area;

4657 (ii) if the agency anticipates receiving project area funds from the area proposed to be
4658 added to the community reinvestment project area, before the agency may collect project area
4659 funds:

4660 (A) for a community reinvestment project area plan that is subject to a taxing entity
4661 committee, obtain approval to receive tax increment from the taxing entity committee; or

4662 (B) for a community reinvestment project area plan that is subject to an interlocal
4663 agreement, obtain the approval of the taxing entity that is a party to the interlocal agreement;
4664 and

4665 (iii) if the agency anticipates activity within the area proposed to be added to the
4666 community reinvestment project area that requires a finding of blight under Subsection
4667 [17C-5-402](#)(2), follow the procedures described in Section [17C-5-402](#).

4668 (b) The base year for the area proposed to be added to the community reinvestment
4669 project area shall be determined using the date of:

4670 (i) the taxing entity committee's consent as described in Subsection (2)(a)(ii)(A); or

4671 (ii) the taxing entity's consent as described in Subsection (2)(a)(ii)(B).

4672 (3) If an amendment does not propose to enlarge a community reinvestment project
4673 area's geographic area, the board may adopt a resolution approving the amendment after the
4674 agency:

4675 (a) if the amendment does not propose to allow the agency to receive a greater amount
4676 of project area funds or to extend a project area funds collection period:

4677 (i) gives notice in accordance with Section [17C-1-806](#); and

4678 (ii) holds a public hearing on the proposed amendment that meets the requirements
4679 described in Subsection 17C-5-104(2); or

4680 (b) if the amendment proposes to also allow the agency to receive a greater amount of
4681 project area funds or to extend a project area funds collection period:

4682 (i) complies with Subsection (3)(a)(i) and (ii); and

4683 (ii) (A) for a community reinvestment project area plan that is subject to a taxing entity
4684 committee, obtains approval from the taxing entity committee; or

4685 (B) for a community reinvestment project area plan that is subject to an interlocal
4686 agreement, obtains approval to receive project area funds from the taxing entity that is a party
4687 to the interlocal agreement.

4688 (4) An agency may amend a community reinvestment project area plan without
4689 obtaining the consent of a taxing entity or a taxing entity committee and without providing
4690 notice or holding a public hearing if the amendment:

4691 (a) makes a minor adjustment in the community reinvestment project area boundary
4692 that is requested by a county assessor or county auditor to avoid inconsistent property boundary
4693 lines; or

4694 (b) removes a parcel from a community reinvestment project area because the agency
4695 determines that the parcel is:

4696 (i) no longer blighted;

4697 (ii) tax exempt; or

4698 (iii) no longer necessary or desirable to the project area.

4699 (5) (a) An amendment approved by board resolution under this section may not take
4700 effect until the community legislative body adopts an ordinance approving the amendment.

4701 (b) Upon the community legislative body adopting an ordinance approving an
4702 amendment under Subsection (5)(a), the agency shall comply with the requirements described
4703 in Sections 17C-5-110 and 17C-5-111 as if the amendment were a community reinvestment
4704 project area plan.

4705 Section 132. Section 17C-5-113 is enacted to read:

4706 **17C-5-113. Expedited community reinvestment project area plan.**

4707 (1) As used in this section:

4708 (a) "Qualified business entity" means a business entity that:

4709 (i) has a primary market for the qualified business entity's goods or services outside of
4710 the state; and

4711 (ii) is not primarily engaged in retail sales.

4712 (b) "Tax increment incentive" means the portion of an agency's tax increment that is
4713 paid to a qualified business entity for the purpose of implementing a community reinvestment
4714 project area plan.

4715 (2) An agency and a qualified business entity may, in accordance with Subsection (3),
4716 enter into an agreement that allows the qualified business entity to receive a tax increment
4717 incentive.

4718 (3) An agreement described in Subsection (2) shall set annual postperformance targets
4719 for:

4720 (a) capital investment within the community reinvestment project area;

4721 (b) the number of new jobs created within the community reinvestment project area;

4722 (c) the average wage of the jobs described in Subsection (3)(b) that is at least 110% of
4723 the prevailing wage of the county within which the community reinvestment project area is
4724 located; and

4725 (d) the amount of local vendor opportunity generated by the qualified business entity.

4726 (4) A qualified business entity may only receive a tax increment incentive:

4727 (a) if the qualified business entity complies with the agreement described in Subsection
4728 (3);

4729 (b) on a postperformance basis; and

4730 (c) on an annual basis after the agency receives tax increment from a taxing entity.

4731 (5) An agency may create or amend a community reinvestment project area plan for the
4732 purpose of providing a tax increment incentive without complying with the requirements
4733 described in Chapter 1, Part 8, Hearing and Notice Requirements, if:

4734 (a) the agency:

4735 (i) holds a public hearing to consider the need to create or amend a community
4736 reinvestment project area plan on an expedited basis;

4737 (ii) posts notice at least 14 days before the day on which the public hearing described
4738 in Subsection (5)(a)(i) is held on:

4739 (A) the community's website; and

4740 (B) the Utah Public Notice Website as described in Section [63F-1-701](#); and
4741 (iii) at the hearing described in Subsection (5)(a)(i), adopts a resolution to create or
4742 amend the community reinvestment project area plan on an expedited basis;

4743 (b) all record property owners within the existing or proposed community reinvestment
4744 project area plan give written consent; and

4745 (c) each taxing entity affected by the tax increment incentive consents and enters into
4746 an interlocal agreement with the agency authorizing the agency to pay a tax increment incentive
4747 to the qualified business entity.

4748 Section 133. Section **17C-5-201** is enacted to read:

4749 **Part 2. Community Reinvestment Project Area Funds**

4750 **17C-5-201. Title.**

4751 This part is known as "Community Reinvestment Project Area Funds."

4752 Section 134. Section **17C-5-202** is enacted to read:

4753 **17C-5-202. Community reinvestment project area funding options.**

4754 (1) (a) Except as provided in Subsection (1)(b), for the purpose of funding project area
4755 development within a community reinvestment project area, an agency shall negotiate and enter
4756 into an interlocal agreement with a taxing entity in accordance with Section [17C-5-204](#) to
4757 receive all or a portion of the taxing entity's tax increment or sales and use tax revenue in
4758 accordance with the interlocal agreement.

4759 (b) If an agency plans to use eminent domain to acquire property within a community
4760 reinvestment project area, the agency shall create a taxing entity committee as described in
4761 Section [17C-1-402](#) and receive tax increment in accordance with Section [17C-5-203](#).

4762 (2) An agency shall comply with Chapter 5, Part 3, Community Reinvestment Project
4763 Area Budget, regardless of whether an agency enters into an interlocal agreement under
4764 Subsection (1)(a) or creates a taxing entity committee under Subsection (1)(b).

4765 Section 135. Section **17C-5-203** is enacted to read:

4766 **17C-5-203. Community reinvestment project area subject to taxing entity**
4767 **committee -- Tax increment.**

4768 (1) This section applies to a community reinvestment project area that is subject to a
4769 taxing entity committee under Subsection [17C-5-202](#)(1)(b).

4770 (2) Subject to the taxing entity committee's approval of a community reinvestment

4771 project area budget under Section 17C-5-304, and for the purpose of implementing a
4772 community reinvestment project area plan, an agency may receive up to 100% of a taxing
4773 entity's tax increment, or any specified dollar amount of tax increment, for any period of time.

4774 (3) Notwithstanding Subsection (2), an agency that adopts a community reinvestment
4775 project area plan that is subject to a taxing entity committee may negotiate and enter into an
4776 interlocal agreement with a taxing entity and receive all or a portion of the taxing entity's sales
4777 and use tax revenue for any period of time.

4778 Section 136. Section 17C-5-204 is enacted to read:

4779 **17C-5-204. Community reinvestment project area subject to interlocal agreement**
4780 **-- Consent of a taxing entity to an agency receiving project area funds.**

4781 (1) As used in this section, "successor taxing entity" means a taxing entity that:

4782 (a) is created after the day on which an interlocal agreement is executed to allow an
4783 agency to receive a taxing entity's project area funds; and

4784 (b) levies or imposes a tax within the community reinvestment project area.

4785 (2) This section applies to a community reinvestment project area that is subject to an
4786 interlocal agreement under Subsection 17C-5-202(1)(a).

4787 (3) For the purpose of implementing a community reinvestment project area plan, an
4788 agency may negotiate with a taxing entity for all or a portion of the taxing entity's project area
4789 funds.

4790 (4) A taxing entity may agree to pay an agency the taxing entity's project area funds by
4791 executing an interlocal agreement with the agency in accordance with Title 11, Chapter 13,
4792 Interlocal Cooperation Act.

4793 (5) Before an agency may use project area funds received under an interlocal
4794 agreement described in Subsection (4), the agency shall:

4795 (a) obtain a written certification, signed by an attorney licensed to practice law in the
4796 state, stating that the agency and the taxing entity have each followed all legal requirements
4797 relating to the adoption of the interlocal agreement; and

4798 (b) provide a signed copy of the certification described in Subsection (5)(a) to the
4799 taxing entity.

4800 (6) An interlocal agreement described in Subsection (4) shall:

4801 (a) if the interlocal agreement provides for the taxing entity to pay the agency tax

4802 increment, state:

4803 (i) the method of calculating the amount of the taxing entity's tax increment from the
4804 community reinvestment project area that the taxing entity will pay to the agency, including the
4805 base year and base taxable value;

4806 (ii) the project area funds collection period; and

4807 (iii) the percentage of the taxing entity's tax increment or the maximum cumulative
4808 dollar amount of the taxing entity's tax increment that the taxing entity will pay the agency;

4809 (b) if the interlocal agreement provides for the taxing entity to pay the agency the
4810 taxing entity's sales and use tax revenue, state:

4811 (i) the method of calculating the amount of the taxing entity's sales and use tax revenue
4812 that the taxing entity will pay the agency;

4813 (ii) the project area funds collection period; and

4814 (iii) the percentage of sales tax revenue or the maximum cumulative dollar amount of
4815 sales and use tax revenue that the taxing entity will pay the agency; and

4816 (c) include a copy of the community reinvestment project area budget.

4817 (7) A school district may consent to pay an agency tax increment from the school
4818 district's basic levy only to the extent that the school district also consents to pay the agency tax
4819 increment from the school district's local levy.

4820 (8) The parties may amend an interlocal agreement under this section by mutual
4821 consent.

4822 (9) A taxing entity's consent to pay an agency project area funds under this section is
4823 not subject to the requirements of Section [10-8-2](#).

4824 (10) An interlocal agreement executed by a taxing entity under this section may be
4825 enforced by or against any successor taxing entity.

4826 Section 137. Section **17C-5-205** is enacted to read:

4827 **17C-5-205. Interlocal agreement to provide project area funds for the community**
4828 **reinvestment project area subject to interlocal agreement -- Notice -- Effective date of**
4829 **interlocal agreement -- Time to contest interlocal agreement -- Availability of interlocal**
4830 **agreement.**

4831 (1) The agency shall approve and adopt an interlocal agreement described in Section
4832 [17C-5-204](#) at an open and public meeting.

4833 (2) (a) Upon the execution of an interlocal agreement described in Section 17C-5-204,
4834 the agency shall provide notice of the execution by:

4835 (i) (A) publishing or causing to be published a notice in a newspaper of general
4836 circulation within the agency's boundaries; or

4837 (B) if there is no newspaper of general circulation within the agency's boundaries,
4838 causing the notice to be posted in at least three public places within the agency's boundaries;
4839 and

4840 (ii) publishing or causing the notice to be published on the Utah Public Notice Website
4841 created in Section 63F-1-701.

4842 (b) A notice described in Subsection (2)(a) shall include:

4843 (i) a summary of the interlocal agreement; and

4844 (ii) a statement that the interlocal agreement is available for public inspection and the
4845 hours for inspection.

4846 (3) An interlocal agreement described in Section 17C-5-204 is effective the day on
4847 which the notice described in Subsection (2) is published or posted in accordance with
4848 Subsection (2)(a).

4849 (4) (a) Within 30 days after the day on which the interlocal agreement is effective, a
4850 person may contest the interlocal agreement or the procedure used to adopt the interlocal
4851 agreement if the interlocal agreement or procedure fails to comply with a provision of this title.

4852 (b) After the 30-day period described in Subsection (4)(a) expires, a person may not
4853 contest:

4854 (i) the interlocal agreement;

4855 (ii) a payment to the agency under the interlocal agreement; or

4856 (iii) the agency's use of project area funds under the interlocal agreement.

4857 (5) A taxing entity that enters into an interlocal agreement under Section 17C-5-204
4858 shall make a copy of the interlocal agreement available to the public at the taxing entity's office
4859 for inspection and copying during normal business hours.

4860 Section 138. Section 17C-5-206 is enacted to read:

4861 **17C-5-206. Requirement to file a copy of the interlocal agreement -- County**
4862 **payment of tax increment.**

4863 (1) An agency that receives project area funds under an interlocal agreement shall,

4864 within 30 days after the day on which the interlocal agreement is effective, file a copy of the
4865 interlocal agreement with:

4866 (a) the State Tax Commission, the State Board of Education, and the state auditor; and

4867 (b) the auditor of the county in which the community reinvestment project area is

4868 located, if the interlocal agreement authorizes the agency to receive tax increment.

4869 (2) A county that collects property tax on property within a community reinvestment

4870 project area that is subject to an interlocal agreement shall, in accordance with Section

4871 59-2-1365, pay and distribute to the agency the tax increment that the agency is authorized to

4872 receive under the interlocal agreement.

4873 Section 139. Section **17C-5-301** is enacted to read:

4874 **Part 3. Community Reinvestment Project Area Budget**

4875 **17C-5-301. Title.**

4876 This part is known as "Community Reinvestment Project Area Budget."

4877 Section 140. Section **17C-5-302** is enacted to read:

4878 **17C-5-302. Procedure for adopting a community reinvestment project area**

4879 **budget -- Contesting the budget -- Time limit.**

4880 (1) An agency shall adopt a community reinvestment project area budget in accordance
4881 with this part.

4882 (2) To adopt a community reinvestment project area budget, an agency shall:

4883 (a) prepare a proposed community reinvestment project area budget in accordance with

4884 Section [17C-5-303](#);

4885 (b) obtain the consent of the taxing entity committee or taxing entity in accordance

4886 with Section [17C-5-304](#);

4887 (c) make a copy of the proposed community reinvestment project area budget available

4888 to the public at the agency's office during normal business hours for at least 30 days before the

4889 budget hearing described in Subsection (2)(e);

4890 (d) provide notice of the budget hearing in accordance with Chapter 1, Part 8, Hearing

4891 and Notice Requirements;

4892 (e) hold a budget hearing on the proposed community reinvestment project area budget

4893 and, at the budget hearing, allow public comment on:

4894 (i) the proposed community reinvestment project area budget; and

- 4895 (ii) whether the agency should revise, adopt, or reject the proposed community
4896 reinvestment project area budget; and
- 4897 (f) after the budget hearing described in Subsection (2)(e), or at a subsequent meeting:
4898 (i) consider the comments and information from the budget hearing relating to the
4899 proposed community reinvestment project area budget; and
- 4900 (ii) reject or adopt by resolution the proposed community reinvestment project area
4901 budget, with any revisions, as the community reinvestment project area budget.
- 4902 (3) (a) Within 30 days after the day on which the agency adopts a community
4903 reinvestment project area budget, a person may contest the community reinvestment project
4904 area budget or the procedure used to adopt the community reinvestment project area budget if
4905 the community reinvestment project area budget or procedure fails to comply with a provision
4906 of this title.
- 4907 (b) After the 30-day period described in Subsection (3)(a) expires, a person may not
4908 contest:
- 4909 (i) the community reinvestment project area budget or the procedure used by the taxing
4910 entity, the taxing entity committee, or the agency to adopt the community reinvestment project
4911 area budget;
- 4912 (ii) a payment to the agency under the community reinvestment project area budget; or
4913 (iii) the agency's use of project area funds under the community reinvestment project
4914 area budget.
- 4915 Section 141. Section **17C-5-303** is enacted to read:
- 4916 **17C-5-303. Community reinvestment project area budget -- Requirements.**
- 4917 A community reinvestment project area budget shall include:
- 4918 (1) if the agency receives tax increment:
- 4919 (a) the base taxable value;
- 4920 (b) the projected amount of tax increment to be generated within the community
4921 reinvestment project area;
- 4922 (c) each project area funds collection period;
- 4923 (d) if applicable, the projected amount of tax increment to be paid to other taxing
4924 entities in accordance with Section [17C-1-410](#);
- 4925 (e) if the area from which tax increment is collected is less than the entire community

4926 reinvestment project area:

4927 (i) a boundary description of the portion or portions of the community reinvestment
4928 project area from which the agency receives tax increment; and

4929 (ii) for each portion described in Subsection (1)(e)(i), the period of time during which
4930 tax increment is collected;

4931 (f) the percentage of tax increment the agency is authorized to receive from the
4932 community reinvestment project area; and

4933 (g) the maximum cumulative dollar amount of tax increment the agency is authorized
4934 to receive from the community reinvestment project area;

4935 (2) if the agency receives sales and use tax revenue:

4936 (a) the percentage and total amount of sales and use tax revenue to be paid to the
4937 agency; and

4938 (b) each project area funds collection period;

4939 (3) the amount of project area funds the agency will use to implement the community
4940 reinvestment project area plan, including the estimated amount of project area funds that will
4941 be used for land acquisition, public improvements, infrastructure improvements, or any loans,
4942 grants, or other incentives to private or public entities;

4943 (4) the agency's combined incremental value;

4944 (5) the amount of project area funds that will be used to cover the cost of administering
4945 the community reinvestment project area plan; and

4946 (6) for property that the agency owns and expects to sell, the expected total cost of the
4947 property to the agency and the expected sale price.

4948 Section 142. Section **17C-5-304** is enacted to read:

4949 **17C-5-304. Consent of each taxing entity or taxing entity committee required for**
4950 **community reinvestment project area budget.**

4951 Before an agency may collect any project area funds from a community reinvestment
4952 project area, the agency shall obtain consent for each community reinvestment project area
4953 budget from:

4954 (1) for a community reinvestment project area that is subject to an interlocal
4955 agreement, each taxing entity that is a party to an interlocal agreement; or

4956 (2) for a community reinvestment project area that is subject to a taxing entity

4957 committee, the taxing entity committee.

4958 Section 143. Section **17C-5-305** is enacted to read:

4959 **17C-5-305. Filing a copy of the community reinvestment project area budget.**

4960 Within 30 days after the day on which an agency adopts a community reinvestment
4961 project area budget, the agency shall file a copy of the community reinvestment project area
4962 budget with:

4963 (1) the State Tax Commission;

4964 (2) the State Board of Education;

4965 (3) the state auditor;

4966 (4) the auditor of the county in which the community reinvestment project area is
4967 located; and

4968 (5) each taxing entity affected by the agency's collection of project area funds under the
4969 community reinvestment project area budget.

4970 Section 144. Section **17C-5-306** is enacted to read:

4971 **17C-5-306. Amending a community reinvestment project area budget.**

4972 (1) Before a project area funds collection period ends, an agency may amend a
4973 community reinvestment project area budget in accordance with this section.

4974 (2) To amend a community reinvestment project area budget, an agency shall:

4975 (a) provide notice and hold a public hearing on the proposed amendment in accordance
4976 with Chapter 1, Part 8, Hearing and Notice Requirements;

4977 (b) (i) if the community reinvestment project area budget required approval from a
4978 taxing entity committee, obtain the taxing entity committee's approval; or

4979 (ii) if the community reinvestment project area budget required an interlocal agreement
4980 with a taxing entity, obtain approval from the taxing entity that is a party to the interlocal
4981 agreement; and

4982 (c) at the public hearing described in Subsection (2)(a) or at a subsequent board
4983 meeting, by resolution, adopt the community reinvestment project area budget amendment.

4984 (3) If an agency proposes a community reinvestment project area budget amendment
4985 under which the agency is paid a greater proportion of tax increment from the community
4986 reinvestment project area than provided under the community reinvestment project area budget,
4987 the notice described in Subsection (2)(a) shall state:

4988 (a) the percentage of tax increment paid under the community reinvestment project
4989 area budget; and

4990 (b) the proposed percentage of tax increment paid under the community reinvestment
4991 project area budget amendment.

4992 (4) (a) If an agency proposes a community reinvestment project area budget
4993 amendment that extends a project area funds collection period, before a taxing entity
4994 committee or taxing entity may provide the taxing entity committee's or taxing entity's approval
4995 described in Subsection (2)(b), the agency shall provide to the taxing entity committee or
4996 taxing entity:

4997 (i) the reasons why the extension is required;

4998 (ii) a description of the project area development for which project area funds received
4999 by the agency under the extension will be used;

5000 (iii) a statement of whether the project area funds received by the agency under the
5001 extension will be used within an active project area or a proposed project area; and

5002 (iv) a revised community reinvestment project area budget that includes:

5003 (A) the annual and total amounts of project area funds that the agency receives under
5004 the extension; and

5005 (B) the number of years that are added to each project area funds collection period
5006 under the extension.

5007 (b) With respect to an amendment described in Subsection (4)(a), a taxing entity
5008 committee or taxing entity may consent to:

5009 (i) allow an agency to use project area funds received under an extension within a
5010 different project area from which the project area funds are generated; or

5011 (ii) alter the base taxable value in connection with a community reinvestment project
5012 area budget extension.

5013 (5) If an agency proposes a community reinvestment project area budget amendment
5014 that reduces the base taxable value of the project area due to the removal of a parcel under
5015 Subsection [17C-5-112\(4\)\(b\)](#), an agency may amend a project area budget without:

5016 (a) complying with Subsection (2)(a); and

5017 (b) obtaining taxing entity committee or taxing entity approval described in Subsection
5018 (2)(b).

5019 (6) (a) A person may contest an agency's adoption of a community reinvestment project
5020 area budget amendment within 30 days after the day on which the agency adopts the
5021 community reinvestment project area budget amendment.

5022 (b) After the 30-day period described in Subsection (6)(a), a person may not contest:

5023 (i) the agency's adoption of the community reinvestment project area budget
5024 amendment;

5025 (ii) a payment to the agency under the community reinvestment project area budget
5026 amendment; or

5027 (iii) the agency's use of project area funds received under the community reinvestment
5028 project area budget amendment.

5029 Section 145. Section **17C-5-307** is enacted to read:

5030 **17C-5-307. Allocating project area funds for housing.**

5031 (1) (a) For a community reinvestment project area that is subject to a taxing entity
5032 committee, an agency shall allocate at least 20% of the agency's annual tax increment for
5033 housing in accordance with Section [17C-1-412](#) if the community reinvestment project area
5034 budget provides for more than \$100,000 of annual tax increment to be paid to the agency.

5035 (b) The taxing entity committee may waive the 20% allocation described in Subsection
5036 (1)(a) in part or whole if the taxing entity committee determines that 20% of tax increment is
5037 more than is needed to address the community's need for income targeted housing or homeless
5038 assistance.

5039 (2) For a community reinvestment project area that is subject to an interlocal
5040 agreement, the agency and the taxing entity that is a party to the interlocal agreement shall
5041 determine whether to allocate a portion of the project area funds under a community
5042 reinvestment project area budget for housing in accordance with Section [17C-1-411](#) or
5043 [17C-1-412](#).

5044 Section 146. Section **17C-5-401** is enacted to read:

5045 **Part 4. Blight Determination in a Community Reinvestment Project Area**
5046 **17C-5-401. Title.**

5047 This part is known as "Blight Determination in a Community Reinvestment Project
5048 Area."

5049 Section 147. Section **17C-5-402** is enacted to read:

5050 17C-5-402. Blight determination in a community reinvestment project area --
5051 **Prerequisites -- Restrictions.**

5052 (1) An agency shall comply with the provisions of this section before the agency may
5053 use eminent domain to acquire property under Chapter 1, Part 9, Eminent Domain.

5054 (2) An agency shall, after adopting a survey area resolution as described in Section
5055 17C-5-103:

5056 (a) cause a blight study to be conducted within the survey area in accordance with
5057 Section 17C-5-403;

5058 (b) provide notice and hold a blight hearing in accordance with Chapter 1, Part 8,
5059 Hearing and Notice Requirements; and

5060 (c) after the blight hearing, at the same or at a subsequent meeting:

5061 (i) consider:

5062 (A) the issue of blight and the evidence and information relating to the existence or
5063 nonexistence of blight; and

5064 (B) whether the agency should pursue adoption of one or more community
5065 reinvestment project area plans; and

5066 (ii) by resolution, make a finding regarding whether blight exists in the proposed
5067 community reinvestment project area.

5068 (3) (a) If an agency makes a finding of blight under Subsection (2), the agency may not
5069 adopt the community reinvestment project area plan until the taxing entity committee approves
5070 the finding of blight.

5071 (b) (i) A taxing entity committee shall approve an agency's finding of blight unless the
5072 taxing entity committee demonstrates that the conditions the agency found to exist in the
5073 community reinvestment project area that support the agency's finding of blight:

5074 (A) do not exist; or

5075 (B) do not constitute blight under Section 17C-5-405.

5076 (ii) (A) If the taxing entity committee questions or disputes the existence of some or all
5077 of the blight conditions that the agency found to exist in the proposed community reinvestment
5078 area, the taxing entity committee may hire a consultant, mutually agreed upon by the taxing
5079 entity committee and the agency, with the necessary expertise to assist the taxing entity
5080 committee in making a determination as to the existence of the questioned or disputed blight

5081 conditions.

5082 (B) The agency shall pay the fees and expenses of each consultant hired under
5083 Subsection (3)(b)(ii)(A).

5084 (C) The findings of a consultant hired under Subsection (3)(b)(ii)(A) are binding on the
5085 taxing entity committee and the agency.

5086 Section 148. Section **17C-5-403** is enacted to read:

5087 **17C-5-403. Blight study -- Requirements -- Deadline.**

5088 (1) A blight study shall:

5089 (a) undertake a parcel by parcel survey of the survey area;

5090 (b) provide data so the board and taxing entity committee may determine:

5091 (i) whether the conditions described in Subsection [17C-5-405](#):

5092 (A) exist in part or all of the survey area; and

5093 (B) meet the qualifications for a finding of blight in all or part of the survey area; and

5094 (ii) whether the survey area contains all or part of a superfund site;

5095 (c) include a written report that states:

5096 (i) the conclusions reached;

5097 (ii) any area within the survey area that meets the statutory criteria of blight under

5098 Section [17C-5-405](#); and

5099 (iii) any other information requested by the agency to determine whether blight exists
5100 within the survey area; and

5101 (d) be completed within one year after the day on which the survey area resolution is
5102 adopted.

5103 (2) (a) If a blight study is not completed within the time described in Subsection (1)(d),
5104 the agency may not approve a community reinvestment project area plan based on a blight
5105 study unless the agency first adopts a new resolution under Subsection [17C-5-103](#)(1).

5106 (b) A new resolution described in Subsection (2)(a) shall in all respects be considered
5107 to be a resolution under Subsection [17C-5-103](#)(1) adopted for the first time, except that any
5108 actions taken toward completing a blight study under the resolution that the new resolution
5109 replaces shall be considered to have been taken under the new resolution.

5110 (3) (a) For the purpose of making a blight determination under Subsection
5111 [17C-5-402](#)(2)(c)(ii), a blight study is valid for one year from the day on which the blight study

5112 is completed.

5113 (b) (i) Except as provided in Subsection (3)(b)(ii), an agency that makes a blight
5114 determination under a valid blight study and subsequently adopts a community reinvestment
5115 project area plan in accordance with Section 17C-5-104 may amend the community
5116 reinvestment project area plan without conducting a new blight study.

5117 (ii) An agency shall conduct a new blight study if the agency proposes an amendment
5118 to a community reinvestment project area plan that:

5119 (A) increases the community reinvestment project area's geographic boundary and the
5120 area proposed to be added was not included in the original blight study; and

5121 (B) provides for the use of eminent domain within the area proposed to be added to the
5122 community reinvestment project area.

5123 Section 149. Section 17C-5-404 is enacted to read:

5124 **17C-5-404. Blight hearing -- Owners may review evidence of blight.**

5125 (1) In a hearing required under Subsection 17C-5-402(2)(b), an agency shall:

5126 (a) permit all evidence of the existence or nonexistence of blight within the survey area
5127 to be presented; and

5128 (b) permit each record owner of property located within the survey area or the record
5129 property owner's representative the opportunity to:

5130 (i) examine and cross-examine each witness that provides evidence of the existence or
5131 nonexistence of blight; and

5132 (ii) present evidence and testimony, including expert testimony, concerning the
5133 existence or nonexistence of blight.

5134 (2) An agency shall allow each record owner of property located within a survey area
5135 the opportunity, for at least 30 days before the day on which the hearing takes place, to review
5136 the evidence of blight compiled by the agency or by the person or firm conducting the blight
5137 study for the agency, including any expert report.

5138 Section 150. Section 17C-5-405 is enacted to read:

5139 **17C-5-405. Conditions on board determination of blight -- Conditions of blight**
5140 **caused by a participant.**

5141 (1) A board may not make a finding of blight in a resolution under Subsection
5142 17C-5-402(2)(c)(ii) unless the board finds that:

- 5143 (a) (i) the survey area consists predominantly of nongreenfield parcels;
5144 (ii) the survey area is currently zoned for urban purposes and generally served by
5145 utilities;
5146 (iii) at least 50% of the parcels within the survey area contain nonagricultural or
5147 nonaccessory buildings or improvements used or intended for residential, commercial,
5148 industrial, or other urban purposes;
5149 (iv) the present condition or use of the survey area substantially impairs the sound
5150 growth of the community, delays the provision of housing accommodations, constitutes an
5151 economic liability, or is detrimental to the public health, safety, or welfare, as shown by the
5152 existence within the survey area of at least four of the following factors:
5153 (A) although sometimes interspersed with well maintained buildings and infrastructure,
5154 substantial physical dilapidation, deterioration, or defective construction of buildings or
5155 infrastructure, or significant noncompliance with current building code, safety code, health
5156 code, or fire code requirements or local ordinances;
5157 (B) unsanitary or unsafe conditions in the survey area that threaten the health, safety, or
5158 welfare of the community;
5159 (C) environmental hazards, as defined in state or federal law, which require
5160 remediation as a condition for current or future use and development;
5161 (D) excessive vacancy, abandoned buildings, or vacant lots within an area zoned for
5162 urban use and served by utilities;
5163 (E) abandoned or outdated facilities that pose a threat to public health, safety, or
5164 welfare;
5165 (F) criminal activity in the survey area, higher than that of comparable nonblighted
5166 areas in the municipality or county; and
5167 (G) defective or unusual conditions of title rendering the title nonmarketable; and
5168 (v) (A) at least 50% of the privately owned parcels within the survey area are affected
5169 by at least one of the factors, but not necessarily the same factor, listed in Subsection (1)(a)(iv);
5170 and
5171 (B) the affected parcels comprise at least 66% of the privately owned acreage within
5172 the survey area; or
5173 (b) the survey area includes some or all of a superfund site, inactive industrial site, or

5174 inactive airport site.

5175 (2) A single parcel comprising 10% or more of the acreage within the survey area may
5176 not be counted as satisfying the requirement described in Subsection (1)(a)(iii) or (iv) unless at
5177 least 50% of the area of the parcel is occupied by buildings or improvements.

5178 (3) (a) Except as provided in Subsection (3)(b), for purposes of Subsection (1), if a
5179 participant or proposed participant involved in the project area development has caused a
5180 condition listed in Subsection (1)(a)(iv) within the survey area, that condition may not be used
5181 in the determination of blight.

5182 (b) Subsection (3)(a) does not apply to a condition that was caused by an owner or
5183 tenant who later becomes a participant.

5184 Section 151. Section **17C-5-406** is enacted to read:

5185 **17C-5-406. Challenging a finding of blight -- Time limit -- De novo review.**

5186 (1) If a board makes a finding of blight under Subsection [17C-5-402\(2\)\(c\)\(ii\)](#) and the
5187 finding is approved by resolution adopted by the taxing entity committee, a record owner of
5188 property located within the survey area may challenge the finding by filing an action in the
5189 district court in the county in which the property is located.

5190 (2) A person shall file an action under Subsection (1) no later than 30 days after the day
5191 on which the taxing entity committee approves the board's finding of blight.

5192 (3) In an action under this section, the district court shall review the finding of blight
5193 under the standards of review provided in Subsection [10-9a-801\(3\)](#).

5194 Section 152. Section **20A-7-613** is amended to read:

5195 **20A-7-613. Property tax referendum petition.**

5196 (1) As used in this section:

5197 (a) "Certified tax rate" [~~is-as~~] means the same as that term is defined in Subsection
5198 [59-2-924\(3\)\(5\)\(a\)](#).

5199 (b) "Fiscal year taxing entity" means a taxing entity that operates under a fiscal year
5200 that begins on July 1 and ends on June 30.

5201 (2) Except as provided in this section, the requirements of this part apply to a
5202 referendum petition challenging a fiscal year taxing entity's legislative body's vote to impose a
5203 tax rate that exceeds the certified tax rate.

5204 (3) Notwithstanding Subsection [20A-7-604\(5\)](#), the local clerk shall number each of the

5205 referendum packets and return them to the sponsors within two working days.

5206 (4) Notwithstanding Subsection 20A-7-606(1), the sponsors shall deliver each signed
5207 and verified referendum packet to the county clerk of the county in which the packet was
5208 circulated no later than 40 days after the day on which the local clerk complies with Subsection
5209 (3).

5210 (5) Notwithstanding Subsections 20A-7-606(2) and (3), the county clerk shall take the
5211 actions required in Subsections 20A-7-606(2) and (3) within 10 working days after the day on
5212 which the county clerk receives the signed and verified referendum packet as described in
5213 Subsection (4).

5214 (6) The local clerk shall take the actions required by Section 20A-7-607 within two
5215 working days after the day on which the local clerk receives the referendum packets from the
5216 county clerk.

5217 (7) Notwithstanding Subsection 20A-7-608(2), the local attorney shall prepare the
5218 ballot title within two working days after the day on which the referendum petition is declared
5219 sufficient for submission to a vote of the people.

5220 (8) Notwithstanding Subsection 20A-7-609(2)(c), a referendum that qualifies for the
5221 ballot under this section shall appear on the ballot for the earlier of the next regular general
5222 election or the next municipal general election unless a special election is called.

5223 (9) Notwithstanding the requirements related to absentee ballots under this title:

5224 (a) the election officer shall prepare absentee ballots for those voters who have
5225 requested an absentee ballot as soon as possible after the ballot title is prepared as described in
5226 Subsection (7); and

5227 (b) the election officer shall mail absentee ballots on a referendum under this section
5228 the later of:

5229 (i) the time provided in Section 20A-3-305 or 20A-16-403; or

5230 (ii) the time that absentee ballots are prepared for mailing under this section.

5231 (10) Section 20A-7-402 does not apply to a referendum described in this section.

5232 (11) (a) If a majority of voters does not vote against imposing the tax at a rate
5233 calculated to generate the increased revenue budgeted, adopted, and approved by the fiscal year
5234 taxing entity's legislative body:

5235 (i) the certified tax rate for the fiscal year during which the referendum petition is filed

5236 is its most recent certified tax rate; and

5237 (ii) the proposed increased revenues for purposes of establishing the certified tax rate
5238 for the fiscal year after the fiscal year described in Subsection (11)(a)(i) are the proposed
5239 increased revenues budgeted, adopted, and approved by the fiscal year taxing entity's legislative
5240 body before the filing of the referendum petition.

5241 (b) If a majority of voters votes against imposing a tax at the rate established by the
5242 vote of the fiscal year taxing entity's legislative body, the certified tax rate for the fiscal year
5243 taxing entity is its most recent certified tax rate.

5244 (c) If the tax rate is set in accordance with Subsection (11)(a)(ii), a fiscal year taxing
5245 entity is not required to comply with the notice and public hearing requirements of Section
5246 [59-2-919](#) if the fiscal year taxing entity complies with those notice and public hearing
5247 requirements before the referendum petition is filed.

5248 (12) The ballot title shall, at a minimum, include in substantially this form the
5249 following: "Shall the [name of the taxing entity] be authorized to levy a tax rate in the amount
5250 sufficient to generate an increased property tax revenue of [amount] for fiscal year [year] as
5251 budgeted, adopted, and approved by the [name of the taxing entity]".

5252 (13) A fiscal year taxing entity shall pay the county the costs incurred by the county
5253 that are directly related to meeting the requirements of this section and that the county would
5254 not have incurred but for compliance with this section.

5255 (14) (a) An election officer shall include on a ballot a referendum that has not yet
5256 qualified for placement on the ballot, if:

5257 (i) sponsors file an application for a referendum described in this section;

5258 (ii) the ballot will be used for the election for which the sponsors are attempting to
5259 qualify the referendum; and

5260 (iii) the deadline for qualifying the referendum for placement on the ballot occurs after
5261 the day on which the ballot will be printed.

5262 (b) If an election officer includes on a ballot a referendum described in Subsection
5263 (14)(a), the ballot title shall comply with Subsection (12).

5264 (c) If an election officer includes on a ballot a referendum described in Subsection
5265 (14)(a) that does not qualify for placement on the ballot, the election officer shall inform the
5266 voters by any practicable method that the referendum has not qualified for the ballot and that

5267 votes cast in relation to the referendum will not be counted.

5268 Section 153. Section **35A-8-504** is amended to read:

5269 **35A-8-504. Distribution of fund money.**

5270 (1) The executive director shall:

5271 (a) make grants and loans from the fund for any of the activities authorized by Section
5272 **35A-8-505**, as directed by the board;

5273 (b) establish the criteria with the approval of the board by which loans and grants will
5274 be made; and

5275 (c) determine with the approval of the board the order in which projects will be funded.

5276 (2) The executive director shall distribute, as directed by the board, any federal money
5277 contained in the fund according to the procedures, conditions, and restrictions placed upon the
5278 use of the money by the federal government.

5279 (3) (a) The executive director shall distribute, as directed by the board, any funds
5280 received under Section **17C-1-412** to pay the costs of providing income targeted housing within
5281 the community that created the community [~~development and renewal~~] reinvestment agency
5282 under Title 17C, Limited Purpose Local Government Entities - Community [~~Development and~~
5283 ~~Renewal Agencies~~] Reinvestment Agency Act.

5284 (b) As used in Subsection (3)(a):

5285 (i) "Community" [~~has the meaning as~~] means the same as that term is defined in
5286 Section **17C-1-102**.

5287 (ii) "Income targeted housing" [~~has the meaning as~~] means the same as that term is
5288 defined in Section **17C-1-102**.

5289 (4) Except for federal money and money received under Section **17C-1-412**, the
5290 executive director shall distribute, as directed by the board, money from the fund according to
5291 the following requirements:

5292 (a) Not less than 30% of all fund money shall be distributed to rural areas of the state.

5293 (b) At least 50% of the money in the fund shall be distributed as loans to be repaid to
5294 the fund by the entity receiving them.

5295 (i) (A) Of the fund money distributed as loans, at least 50% shall be distributed to
5296 benefit persons whose annual income is at or below 50% of the median family income for the
5297 state.

5298 (B) The remaining loan money shall be distributed to benefit persons whose annual
5299 income is at or below 80% of the median family income for the state.

5300 (ii) The executive director or the executive director's designee shall lend money in
5301 accordance with this Subsection (4) at a rate based upon the borrower's ability to pay.

5302 (c) Any fund money not distributed as loans shall be distributed as grants.

5303 (i) At least 90% of the fund money distributed as grants shall be distributed to benefit
5304 persons whose annual income is at or below 50% of the median family income for the state.

5305 (ii) The remaining fund money distributed as grants may be used by the executive
5306 director to obtain federal matching funds or for other uses consistent with the intent of this part,
5307 including the payment of reasonable loan servicing costs, but no more than 3% of the revenues
5308 of the fund may be used to offset other department or board administrative expenses.

5309 (5) The executive director may with the approval of the board:

5310 (a) enact rules to establish procedures for the grant and loan process by following the
5311 procedures and requirements of Title 63G, Chapter 3, Utah Administrative Rulemaking Act;
5312 and

5313 (b) service or contract, under Title 63G, Chapter 6a, Utah Procurement Code, for the
5314 servicing of loans made by the fund.

5315 Section 154. Section **38-1b-102** is amended to read:

5316 **38-1b-102. Definitions.**

5317 As used in this chapter:

5318 (1) "Alternate means" [~~has the same meaning as~~] means the same as that term is
5319 defined in Section [38-1a-102](#).

5320 (2) "Construction project" [~~has the same meaning as~~] means the same as that term is
5321 defined in Section [38-1a-102](#).

5322 (3) "Construction work" [~~has the same meaning as~~] means the same as that term is
5323 defined in Section [38-1a-102](#).

5324 (4) "Designated agent" [~~has the same meaning as~~] means the same as that term is
5325 defined in Section [38-1a-102](#).

5326 (5) "Division" means the Division of Occupational and Professional Licensing created
5327 in Section [58-1-103](#).

5328 (6) "Government project" means a construction project undertaken by or for:

- 5329 (a) the state, including a department, division, or other agency of the state; or
 5330 (b) a county, city, town, school district, local district, special service district,
 5331 community [~~development and renewal~~] reinvestment agency, or other political subdivision of
 5332 the state.
- 5333 (7) "Government project-identifying information" means:
 5334 (a) the lot or parcel number of each lot included in the project property that has a lot or
 5335 parcel number; or
 5336 (b) the unique project number assigned by the designated agent.
- 5337 (8) "Original contractor" [~~has the same meaning as~~] means the same as that term is
 5338 defined in Section 38-1a-102.
- 5339 (9) "Owner" [~~has the same meaning as~~] means the same as that term is defined in
 5340 Section 38-1a-102.
- 5341 (10) "Owner-builder" [~~has the same meaning as~~] means the same as that term is
 5342 defined in Section 38-1a-102.
- 5343 (11) "Private project" means a construction project that is not a government project.
- 5344 (12) "Project property" [~~has the same meaning as~~] means the same as that term is
 5345 defined in Section 38-1a-102.
- 5346 (13) "Registry" [~~has the same meaning as~~] means the same as that term is defined in
 5347 Section 38-1a-102.
- 5348 Section 155. Section 53-3-207 is amended to read:
- 5349 **53-3-207. License certificates or driving privilege cards issued to drivers by class**
 5350 **of motor vehicle -- Contents -- Release of anatomical gift information -- Temporary**
 5351 **licenses or driving privilege cards -- Minors' licenses, cards, and permits -- Violation.**
- 5352 (1) As used in this section:
 5353 (a) "Driving privilege" means the privilege granted under this chapter to drive a motor
 5354 vehicle.
 5355 (b) "Governmental entity" means the state and its political subdivisions as defined in
 5356 this Subsection (1).
 5357 (c) "Political subdivision" means any county, city, town, school district, public transit
 5358 district, community [~~development and renewal~~] reinvestment agency, special improvement or
 5359 taxing district, local district, special service district, an entity created by an interlocal

5360 agreement adopted under Title 11, Chapter 13, Interlocal Cooperation Act, or other
5361 governmental subdivision or public corporation.

5362 (d) "State" means this state, and includes any office, department, agency, authority,
5363 commission, board, institution, hospital, college, university, children's justice center, or other
5364 instrumentality of the state.

5365 (2) (a) The division shall issue to every person privileged to drive a motor vehicle, a
5366 regular license certificate, a limited-term license certificate, or a driving privilege card
5367 indicating the type or class of motor vehicle the person may drive.

5368 (b) A person may not drive a class of motor vehicle unless granted the privilege in that
5369 class.

5370 (3) (a) Every regular license certificate, limited-term license certificate, or driving
5371 privilege card shall bear:

5372 (i) the distinguishing number assigned to the person by the division;

5373 (ii) the name, birth date, and Utah residence address of the person;

5374 (iii) a brief description of the person for the purpose of identification;

5375 (iv) any restrictions imposed on the license under Section 53-3-208;

5376 (v) a photograph of the person;

5377 (vi) a photograph or other facsimile of the person's signature;

5378 (vii) an indication whether the person intends to make an anatomical gift under Title
5379 26, Chapter 28, Revised Uniform Anatomical Gift Act, unless the driving privilege is extended
5380 under Subsection 53-3-214(3); and

5381 (viii) except as provided in Subsection (3)(b), if the person states that the person is a
5382 veteran of the United States military on the application for a driver license in accordance with
5383 Section 53-3-205 and provides verification that the person was granted an honorable or general
5384 discharge from the United States Armed Forces, an indication that the person is a United States
5385 military veteran for a regular license certificate or limited-term license certificate issued on or
5386 after July 1, 2011.

5387 (b) A regular license certificate or limited-term license certificate issued to any person
5388 younger than 21 years on a portrait-style format as required in Subsection (5)(b)(i) is not
5389 required to include an indication that the person is a United States military veteran under
5390 Subsection (3)(a)(viii).

5391 (c) A new license certificate issued by the division may not bear the person's Social
5392 Security number.

5393 (d) (i) The regular license certificate, limited-term license certificate, or driving
5394 privilege card shall be of an impervious material, resistant to wear, damage, and alteration.

5395 (ii) Except as provided under Subsection (4)(b), the size, form, and color of the regular
5396 license certificate, limited-term license certificate, or driving privilege card shall be as
5397 prescribed by the commissioner.

5398 (iii) The commissioner may also prescribe the issuance of a special type of limited
5399 regular license certificate, limited-term license certificate, or driving privilege card under
5400 Subsection [53-3-220](#)(4).

5401 (4) (a) (i) The division, upon determining after an examination that an applicant is
5402 mentally and physically qualified to be granted a driving privilege, may issue to an applicant a
5403 receipt for the fee if the applicant is eligible for a regular license certificate or limited-term
5404 license certificate.

5405 (ii) (A) The division shall issue a temporary regular license certificate or temporary
5406 limited-term license certificate allowing the person to drive a motor vehicle while the division
5407 is completing its investigation to determine whether the person is entitled to be granted a
5408 driving privilege.

5409 (B) A temporary regular license certificate or a temporary limited-term license
5410 certificate issued under this Subsection (4) shall be recognized and have the same rights and
5411 privileges as a regular license certificate or a limited-term license certificate.

5412 (b) The temporary regular license certificate or temporary limited-term license
5413 certificate shall be in the person's immediate possession while driving a motor vehicle, and it is
5414 invalid when the person's regular license certificate or limited-term license certificate has been
5415 issued or when, for good cause, the privilege has been refused.

5416 (c) The division shall indicate on the temporary regular license certificate or temporary
5417 limited-term license certificate a date after which it is not valid as a temporary license.

5418 (d) (i) Except as provided in Subsection (4)(d)(ii), the division may not issue a
5419 temporary driving privilege card or other temporary permit to an applicant for a driving
5420 privilege card.

5421 (ii) The division may issue a learner permit issued in accordance with Section

5422 [53-3-210.5](#) to an applicant for a driving privilege card.

5423 (5) (a) The division shall distinguish learner permits, temporary permits, regular
5424 license certificates, limited-term license certificates, and driving privilege cards issued to any
5425 person younger than 21 years of age by use of plainly printed information or the use of a color
5426 or other means not used for other regular license certificates, limited-term license certificates,
5427 or driving privilege cards.

5428 (b) The division shall distinguish a regular license certificate, limited-term license
5429 certificate, or driving privilege card issued to any person:

5430 (i) younger than 21 years of age by use of a portrait-style format not used for other
5431 regular license certificates, limited-term license certificates, or driving privilege cards and by
5432 plainly printing the date the regular license certificate, limited-term license certificate, or
5433 driving privilege card holder is 21 years of age, which is the legal age for purchasing an
5434 alcoholic beverage or alcoholic product under Section [32B-4-403](#); and

5435 (ii) younger than 19 years of age, by plainly printing the date the regular license
5436 certificate, limited-term license certificate, or driving privilege card holder is 19 years of age,
5437 which is the legal age for purchasing tobacco products under Section [76-10-104](#).

5438 (6) The division shall distinguish a limited-term license certificate by clearly indicating
5439 on the document:

5440 (a) that it is temporary; and

5441 (b) its expiration date.

5442 (7) (a) The division shall only issue a driving privilege card to a person whose privilege
5443 was obtained without providing evidence of lawful presence in the United States as required
5444 under Subsection [53-3-205](#)(8).

5445 (b) The division shall distinguish a driving privilege card from a license certificate by:

5446 (i) use of a format, color, font, or other means; and

5447 (ii) clearly displaying on the front of the driving privilege card a phrase substantially
5448 similar to "FOR DRIVING PRIVILEGES ONLY -- NOT VALID FOR IDENTIFICATION".

5449 (8) The provisions of Subsection (5)(b) do not apply to a learner permit, temporary
5450 permit, temporary regular license certificate, temporary limited-term license certificate, or any
5451 other temporary permit.

5452 (9) The division shall issue temporary license certificates of the same nature, except as

5453 to duration, as the license certificates that they temporarily replace, as are necessary to
5454 implement applicable provisions of this section and Section 53-3-223.

5455 (10) (a) A governmental entity may not accept a driving privilege card as proof of
5456 personal identification.

5457 (b) A driving privilege card may not be used as a document providing proof of a
5458 person's age for any government required purpose.

5459 (11) A person who violates Subsection (2)(b) is guilty of an infraction.

5460 (12) Unless otherwise provided, the provisions, requirements, classes, endorsements,
5461 fees, restrictions, and sanctions under this code apply to a:

5462 (a) driving privilege in the same way as a license or limited-term license issued under
5463 this chapter; and

5464 (b) limited-term license certificate or driving privilege card in the same way as a
5465 regular license certificate issued under this chapter.

5466 Section 156. Section 53A-16-106 is amended to read:

5467 **53A-16-106. Annual certification of tax rate proposed by local school board --**
5468 **Inclusion of school district budget -- Modified filing date.**

5469 (1) Prior to June 22 of each year, each local school board shall certify to the county
5470 legislative body in which the district is located, on forms prescribed by the State Tax
5471 Commission, the proposed tax rate approved by the local school board.

5472 (2) A copy of the district's budget, including items under Section 53A-19-101, and a
5473 certified copy of the local school board's resolution which approved the budget and set the tax
5474 rate for the subsequent school year beginning July 1 shall accompany the tax rate.

5475 (3) If the tax rate approved by the board is in excess of the "certified tax rate" as
5476 defined under Subsection 59-2-924~~(3)~~(5)(a), the date for filing the tax rate and budget
5477 adopted by the board shall be that established under Section 59-2-919.

5478 Section 157. Section 53A-16-113 is amended to read:

5479 **53A-16-113. Capital local levy -- First class county required levy -- Allowable**
5480 **uses of collected revenue.**

5481 (1) (a) Subject to the other requirements of this section, a local school board may levy a
5482 tax to fund the school district's capital projects.

5483 (b) A tax rate imposed by a school district pursuant to this section may not exceed

5484 .0030 per dollar of taxable value in any calendar year.

5485 (2) A school district that imposes a capital local levy in the calendar year beginning on
5486 January 1, 2012, is exempt from the public notice and hearing requirements of Section
5487 59-2-919 if the school district budgets an amount of ad valorem property tax revenue equal to
5488 or less than the sum of the following amounts:

5489 (a) the amount of revenue generated during the calendar year beginning on January 1,
5490 2011, from the sum of the following levies of a school district:

5491 (i) a capital outlay levy imposed under Section 53A-16-107; and

5492 (ii) the portion of the 10% of basic levy described in Section 53A-17a-145 that is
5493 budgeted for debt service or capital outlay; and

5494 (b) revenue from new growth as defined in Subsection 59-2-924[(4)(c)](1).

5495 (3) Beginning January 1, 2012, in order to qualify for receipt of the state contribution
5496 toward the minimum school program described in Section 53A-17a-103, a local school board
5497 in a county of the first class shall impose a capital local levy of at least .0006 per dollar of
5498 taxable value.

5499 (4) (a) The county treasurer of a county of the first class shall distribute revenues
5500 generated by the .0006 portion of the capital local levy required in Subsection (2) to school
5501 districts within the county in accordance with Section 53A-16-114.

5502 (b) If a school district in a county of the first class imposes a capital local levy pursuant
5503 to this section that exceeds .0006 per dollar of taxable value, the county treasurer shall
5504 distribute revenues generated by the portion of the capital local levy that exceeds .0006 to the
5505 school district imposing the levy.

5506 (5) (a) Subject to Subsections (5)(b), (c), and (d), for fiscal year 2013-14, a local school
5507 board may utilize the proceeds of a maximum of .0024 per dollar of taxable value of the local
5508 school board's annual capital local levy for general fund purposes if the proceeds are not
5509 committed or dedicated to pay debt service or bond payments.

5510 (b) If a local school board uses the proceeds described in Subsection (5)(a) for general
5511 fund purposes, the local school board shall notify the public of the local school board's use of
5512 the capital local levy proceeds for general fund purposes:

5513 (i) prior to the local school board's budget hearing in accordance with the notification
5514 requirements described in Section 53A-19-102; and

5515 (ii) at a budget hearing required in Section 53A-19-102.

5516 (c) A local school board may not use the proceeds described in Subsection (5)(a) to
5517 fund the following accounting function classifications as provided in the Financial Accounting
5518 for Local and State School Systems guidelines developed by the National Center for Education
5519 Statistics:

5520 (i) 2300 Support Services - General District Administration; or

5521 (ii) 2500 Support Services - Central Services.

5522 (d) A local school board may not use the proceeds from a distribution described in
5523 Subsection (4) for general fund purposes.

5524 Section 158. Section 53A-17a-133 is amended to read:

5525 **53A-17a-133. State-supported voted local levy authorized -- Election**
5526 **requirements -- State guarantee -- Reconsideration of the program.**

5527 (1) As used in this section, "voted and board local levy funding balance" means the
5528 difference between:

5529 (a) the amount appropriated for the voted and board local levy program in a fiscal year;
5530 and

5531 (b) the amount necessary to provide the state guarantee per weighted pupil unit as
5532 determined under this section and Section 53A-17a-164 in the same fiscal year.

5533 (2) An election to consider adoption or modification of a voted local levy is required if
5534 initiative petitions signed by 10% of the number of electors who voted at the last preceding
5535 general election are presented to the local school board or by action of the board.

5536 (3) (a) (i) To impose a voted local levy, a majority of the electors of a district voting at
5537 an election in the manner set forth in Subsections (9) and (10) must vote in favor of a special
5538 tax.

5539 (ii) The tax rate may not exceed .002 per dollar of taxable value.

5540 (b) Except as provided in Subsection (3)(c), in order to receive state support the first
5541 year, a district must receive voter approval no later than December 1 of the year prior to
5542 implementation.

5543 (c) Beginning on or after January 1, 2012, a school district may receive state support in
5544 accordance with Subsection (4) without complying with the requirements of Subsection (3)(b)
5545 if the local school board imposed a tax in accordance with this section during the taxable year

5546 beginning on January 1, 2011, and ending on December 31, 2011.

5547 (4) (a) In addition to the revenue a school district collects from the imposition of a levy
5548 pursuant to this section, the state shall contribute an amount sufficient to guarantee \$33.27 per
5549 weighted pupil unit for each .0001 of the first .0016 per dollar of taxable value.

5550 (b) The same dollar amount guarantee per weighted pupil unit for the .0016 per dollar
5551 of taxable value under Subsection (4)(a) shall apply to the portion of the board local levy
5552 authorized in Section 53A-17a-164, so that the guarantee shall apply up to a total of .002 per
5553 dollar of taxable value if a school district levies a tax rate under both programs.

5554 (c) (i) Beginning July 1, 2015, the \$33.27 guarantee under Subsections (4)(a) and (b)
5555 shall be indexed each year to the value of the weighted pupil unit for the grades 1 through 12
5556 program by making the value of the guarantee equal to .011194 times the value of the prior
5557 year's weighted pupil unit for the grades 1 through 12 program.

5558 (ii) The guarantee shall increase by .0005 times the value of the prior year's weighted
5559 pupil unit for the grades 1 through 12 program for each succeeding year subject to the
5560 Legislature appropriating funds for an increase in the guarantee.

5561 (d) (i) The amount of state guarantee money to which a school district would otherwise
5562 be entitled to receive under this Subsection (4) may not be reduced for the sole reason that the
5563 district's levy is reduced as a consequence of changes in the certified tax rate under Section
5564 59-2-924 pursuant to changes in property valuation.

5565 (ii) Subsection (4)(d)(i) applies for a period of five years following any such change in
5566 the certified tax rate.

5567 (e) The guarantee provided under this section does not apply to the portion of a voted
5568 local levy rate that exceeds the voted local levy rate that was in effect for the previous fiscal
5569 year, unless an increase in the voted local levy rate was authorized in an election conducted on
5570 or after July 1 of the previous fiscal year and before December 2 of the previous fiscal year.

5571 (f) (i) If a voted and board local levy funding balance exists for the prior fiscal year, the
5572 State Board of Education shall:

5573 (A) use the voted and board local levy funding balance to increase the value of the state
5574 guarantee per weighted pupil unit described in Subsection (4)(c) in the current fiscal year; and

5575 (B) distribute the state contribution to the voted and board local levy programs to
5576 school districts based on the increased value of the state guarantee per weighted pupil unit

5577 described in Subsection (4)(f)(i)(A).

5578 (ii) The State Board of Education shall report action taken under this Subsection (4)(f)
5579 to the Office of the Legislative Fiscal Analyst and the Governor's Office of Planning and
5580 Budget.

5581 (5) (a) An election to modify an existing voted local levy is not a reconsideration of the
5582 existing authority unless the proposition submitted to the electors expressly so states.

5583 (b) A majority vote opposing a modification does not deprive the district of authority to
5584 continue the levy.

5585 (c) If adoption of a voted local levy is contingent upon an offset reducing other local
5586 school board levies, the board must allow the electors, in an election, to consider modifying or
5587 discontinuing the imposition of the levy prior to a subsequent increase in other levies that
5588 would increase the total local school board levy.

5589 (d) Nothing contained in this section terminates, without an election, the authority of a
5590 school district to continue imposing an existing voted local levy previously authorized by the
5591 voters as a voted leeway program.

5592 (6) Notwithstanding Section 59-2-919, a school district may budget an increased
5593 amount of ad valorem property tax revenue derived from a voted local levy imposed under this
5594 section in addition to revenue from new growth as defined in Subsection 59-2-924[(4)](1),
5595 without having to comply with the notice requirements of Section 59-2-919, if:

5596 (a) the voted local levy is approved:

5597 (i) in accordance with Subsections (9) and (10) on or after January 1, 2003; and

5598 (ii) within the four-year period immediately preceding the year in which the school
5599 district seeks to budget an increased amount of ad valorem property tax revenue derived from
5600 the voted local levy; and

5601 (b) for a voted local levy approved or modified in accordance with this section on or
5602 after January 1, 2009, the school district complies with the requirements of Subsection (8).

5603 (7) Notwithstanding Section 59-2-919, a school district may levy a tax rate under this
5604 section that exceeds the certified tax rate without having to comply with the notice
5605 requirements of Section 59-2-919 if:

5606 (a) the levy exceeds the certified tax rate as the result of a school district budgeting an
5607 increased amount of ad valorem property tax revenue derived from a voted local levy imposed

5608 under this section;

5609 (b) the voted local levy was approved:

5610 (i) in accordance with Subsections (9) and (10) on or after January 1, 2003; and

5611 (ii) within the four-year period immediately preceding the year in which the school
5612 district seeks to budget an increased amount of ad valorem property tax revenue derived from
5613 the voted local levy; and

5614 (c) for a voted local levy approved or modified in accordance with this section on or
5615 after January 1, 2009, the school district complies with requirements of Subsection (8).

5616 (8) For purposes of Subsection (6)(b) or (7)(c), the proposition submitted to the
5617 electors regarding the adoption or modification of a voted local levy shall contain the following
5618 statement:

5619 "A vote in favor of this tax means that (name of the school district) may increase
5620 revenue from this property tax without advertising the increase for the next five years."

5621 (9) (a) Before imposing a property tax levy pursuant to this section, a school district
5622 shall submit an opinion question to the school district's registered voters voting on the
5623 imposition of the tax rate so that each registered voter has the opportunity to express the
5624 registered voter's opinion on whether the tax rate should be imposed.

5625 (b) The election required by this Subsection (9) shall be held:

5626 (i) at a regular general election conducted in accordance with the procedures and
5627 requirements of Title 20A, Election Code, governing regular elections;

5628 (ii) at a municipal general election conducted in accordance with the procedures and
5629 requirements of Section [20A-1-202](#); or

5630 (iii) at a local special election conducted in accordance with the procedures and
5631 requirements of Section [20A-1-203](#).

5632 (c) Notwithstanding the requirements of Subsections (9)(a) and (b), beginning on or
5633 after January 1, 2012, a school district may levy a tax rate in accordance with this section
5634 without complying with the requirements of Subsections (9)(a) and (b) if the school district
5635 imposed a tax in accordance with this section at any time during the taxable year beginning on
5636 January 1, 2011, and ending on December 31, 2011.

5637 (10) If a school district determines that a majority of the school district's registered
5638 voters voting on the imposition of the tax rate have voted in favor of the imposition of the tax

5639 rate in accordance with Subsection (9), the school district may impose the tax rate.

5640 Section 159. Section **53A-17a-164** is amended to read:

5641 **53A-17a-164. Board local levy -- State guarantee.**

5642 (1) Subject to the other requirements of this section, for a calendar year beginning on
5643 or after January 1, 2012, a local school board may levy a tax to fund the school district's
5644 general fund.

5645 (2) (a) Except as provided in Subsection (2)(b), a tax rate imposed by a school district
5646 pursuant to this section may not exceed .0018 per dollar of taxable value in any calendar year.

5647 (b) A tax rate imposed by a school district pursuant to this section may not exceed
5648 .0025 per dollar of taxable value in any calendar year if, during the calendar year beginning on
5649 January 1, 2011, the school district's combined tax rate for the following levies was greater
5650 than .0018 per dollar of taxable value:

5651 (i) a recreation levy imposed under Section [11-2-7](#);

5652 (ii) a transportation levy imposed under Section [53A-17a-127](#);

5653 (iii) a board-authorized levy imposed under Section [53A-17a-134](#);

5654 (iv) an impact aid levy imposed under Section [53A-17a-143](#);

5655 (v) the portion of a 10% of basic levy imposed under Section [53A-17a-145](#) that is
5656 budgeted for purposes other than capital outlay or debt service;

5657 (vi) a reading levy imposed under Section [53A-17a-151](#); and

5658 (vii) a tort liability levy imposed under Section [63G-7-704](#).

5659 (3) (a) In addition to the revenue a school district collects from the imposition of a levy
5660 pursuant to this section, the state shall contribute an amount sufficient to guarantee that each
5661 .0001 of the first .0004 per dollar of taxable value generates an amount equal to the state
5662 guarantee per weighted pupil unit described in Subsection [53A-17a-133](#)(4).

5663 (b) (i) The amount of state guarantee money to which a school district would otherwise
5664 be entitled to under this Subsection (3) may not be reduced for the sole reason that the district's
5665 levy is reduced as a consequence of changes in the certified tax rate under Section [59-2-924](#)
5666 pursuant to changes in property valuation.

5667 (ii) Subsection (3)(b)(i) applies for a period of five years following any changes in the
5668 certified tax rate.

5669 (4) A school district that imposes a board local levy in the calendar year beginning on

5670 January 1, 2012, is exempt from the public notice and hearing requirements of Section
5671 59-2-919 if the school district budgets an amount of ad valorem property tax revenue equal to
5672 or less than the sum of the following amounts:

5673 (a) the amount of revenue generated during the calendar year beginning on January 1,
5674 2011, from the sum of the following levies of a school district:

5675 (i) a recreation levy imposed under Section 11-2-7;

5676 (ii) a transportation levy imposed under Section 53A-17a-127;

5677 (iii) a board-authorized levy imposed under Section 53A-17a-134;

5678 (iv) an impact aid levy imposed under Section 53A-17a-143;

5679 (v) the portion of a 10% of basic levy imposed under Section 53A-17a-145 that is
5680 budgeted for purposes other than capital outlay or debt service;

5681 (vi) a reading levy imposed under Section 53A-17a-151; and

5682 (vii) a tort liability levy imposed under Section 63G-7-704; and

5683 (b) revenue from new growth as defined in Subsection 59-2-924~~(4)(c)~~(1).

5684 Section 160. Section 53A-19-105 is amended to read:

5685 **53A-19-105. School district interfund transfers.**

5686 (1) A school district shall spend revenues only within the fund for which they were
5687 originally authorized, levied, collected, or appropriated.

5688 (2) Except as otherwise provided in this section, school district interfund transfers of
5689 residual equity are prohibited.

5690 (3) The State Board of Education may authorize school district interfund transfers of
5691 residual equity when a district states its intent to create a new fund or expand, contract, or
5692 liquidate an existing fund.

5693 (4) The State Board of Education may also authorize school district interfund transfers
5694 of residual equity for a financially distressed district if the board determines the following:

5695 (a) the district has a significant deficit in its maintenance and operations fund caused
5696 by circumstances not subject to the administrative decisions of the district;

5697 (b) the deficit cannot be reasonably reduced under Section 53A-19-104; and

5698 (c) without the transfer, the school district will not be capable of meeting statewide
5699 educational standards adopted by the State Board of Education.

5700 (5) The board shall develop standards for defining and aiding financially distressed

5701 school districts under this section in accordance with Title 63G, Chapter 3, Utah
5702 Administrative Rulemaking Act.

5703 (6) (a) All debt service levies not subject to certified tax rate hearings shall be recorded
5704 and reported in the debt service fund.

5705 (b) Debt service levies under Subsection 59-2-924~~(3)~~(5)(e)(iii) that are not subject to
5706 the public hearing provisions of Section 59-2-919 may not be used for any purpose other than
5707 retiring general obligation debt.

5708 (c) Amounts from these levies remaining in the debt service fund at the end of a fiscal
5709 year shall be used in subsequent years for general obligation debt retirement.

5710 (d) Any amounts left in the debt service fund after all general obligation debt has been
5711 retired may be transferred to the capital projects fund upon completion of the budgetary hearing
5712 process required under Section 53A-19-102.

5713 Section 161. Section 59-2-913 is amended to read:

5714 **59-2-913. Definitions -- Statement of amount and purpose of levy -- Contents of**
5715 **statement -- Filing with county auditor -- Transmittal to commission -- Calculations for**
5716 **establishing tax levies -- Format of statement.**

5717 (1) As used in this section, "budgeted property tax revenues" does not include property
5718 tax revenue received by a taxing entity from personal property that is:

5719 (a) assessed by a county assessor in accordance with Part 3, County Assessment; and
5720 (b) semiconductor manufacturing equipment.

5721 (2) (a) The legislative body of each taxing entity shall file a statement as provided in
5722 this section with the county auditor of the county in which the taxing entity is located.

5723 (b) The auditor shall annually transmit the statement to the commission:

5724 (i) before June 22; or

5725 (ii) with the approval of the commission, on a subsequent date prior to the date
5726 required by Section 59-2-1317 for the county treasurer to provide the notice under Section
5727 59-2-1317.

5728 (c) The statement shall contain the amount and purpose of each levy fixed by the
5729 legislative body of the taxing entity.

5730 (3) For purposes of establishing the levy set for each of a taxing entity's applicable
5731 funds, the legislative body of the taxing entity shall calculate an amount determined by dividing

5732 the budgeted property tax revenues, specified in a budget [~~which~~] that has been adopted and
 5733 approved prior to setting the levy, by the amount calculated under Subsections
 5734 [59-2-924](#)~~(3)~~(5)(c)(ii)(A) through (C).

5735 (4) The format of the statement under this section shall:

5736 (a) be determined by the commission; and

5737 (b) cite any applicable statutory provisions that:

5738 (i) require a specific levy; or

5739 (ii) limit the property tax levy for any taxing entity.

5740 (5) The commission may require certification that the information submitted on a
 5741 statement under this section is true and correct.

5742 Section 162. Section [59-2-924](#) is amended to read:

5743 **[59-2-924. Report of valuation of property to county auditor and commission --](#)**

5744 **[Transmittal by auditor to governing bodies -- Certified tax rate -- Calculation of certified](#)**
 5745 **[tax rate -- Rulemaking authority -- Adoption of tentative budget.](#)**

5746 (1) (a) Subject to Subsection (2), "new growth" means:

5747 (i) the difference between the taxable value of the following property of the taxing
 5748 entity from the previous calendar year to the current year:

5749 (A) real property assessed by a county assessor in accordance with Part 3, County
 5750 Assessment; and

5751 (B) property assessed by the commission under Section [59-2-201](#); plus

5752 (ii) the difference between the taxable year end value of personal property of the taxing
 5753 entity for:

5754 (A) the calendar year immediately preceding the previous calendar year; and

5755 (B) the previous calendar year; minus

5756 (iii) the amount of an increase in taxable value described in Subsection (2)(b).

5757 (b) Except as provided in Subsection (1)(c), new growth shall equal the greater of:

5758 (i) the amount calculated under Subsection (1)(a); or

5759 (ii) zero.

5760 (c) (i) When a project area funds collection period as defined in Section [17C-1-102](#)
 5761 ends, the project area's incremental value as defined in Section [17C-1-102](#) shall be:

5762 (A) considered new growth; and

- 5763 (B) added to the amount described in Subsection (1)(b).
- 5764 (ii) The amount calculated in Subsection (1)(c)(i)(B) shall not equal less than zero.
- 5765 (2) (a) For purposes of Subsection (1)(a)(ii), taxable value of personal property of the
- 5766 taxing entity does not include the taxable value of personal property that is:
- 5767 (i) contained on the tax rolls of the taxing entity if that property is assessed by a county
- 5768 assessor in accordance with Part 3, County Assessment; and
- 5769 (ii) semiconductor manufacturing equipment.
- 5770 (b) Subsection (1)(a)(iii) applies to the following increases in taxable value:
- 5771 (i) the amount of increase to locally assessed real property taxable values resulting
- 5772 from factoring, reappraisal, or any other adjustments; or
- 5773 (ii) the amount of an increase in the taxable value of property assessed by the
- 5774 commission under Section 59-2-201 resulting from a change in the method of apportioning the
- 5775 taxable value prescribed by:
- 5776 (A) the Legislature;
- 5777 (B) a court;
- 5778 (C) the commission in an administrative rule; or
- 5779 (D) the commission in an administrative order.
- 5780 [(+)] (3) Before June 1 of each year, the county assessor of each county shall deliver to
- 5781 the county auditor and the commission the following statements:
- 5782 (a) a statement containing the aggregate valuation of all taxable real property assessed
- 5783 by a county assessor in accordance with Part 3, County Assessment, for each taxing entity; and
- 5784 (b) a statement containing the taxable value of all personal property assessed by a
- 5785 county assessor in accordance with Part 3, County Assessment, from the prior year end values.
- 5786 [(-)] (4) The county auditor shall, on or before June 8, transmit to the governing body
- 5787 of each taxing entity:
- 5788 (a) the statements described in Subsections [(+)] (3)(a) and (b);
- 5789 (b) an estimate of the revenue from personal property;
- 5790 (c) the certified tax rate; and
- 5791 (d) all forms necessary to submit a tax levy request.
- 5792 [(3)] (5) (a) The "certified tax rate" means a tax rate that will provide the same ad
- 5793 valorem property tax revenues for a taxing entity as were budgeted by that taxing entity for the

5794 prior year.

5795 (b) For purposes of this Subsection [~~(3)~~] (5):

5796 (i) "Ad valorem property tax revenues" do not include:

5797 (A) interest;

5798 (B) penalties; and

5799 (C) revenue received by a taxing entity from personal property that is:

5800 (I) assessed by a county assessor in accordance with Part 3, County Assessment; and

5801 (II) semiconductor manufacturing equipment.

5802 (ii) "Aggregate taxable value of all property taxed" means:

5803 (A) the aggregate taxable value of all real property assessed by a county assessor in

5804 accordance with Part 3, County Assessment, for the current year;

5805 (B) the aggregate taxable year end value of all personal property assessed by a county

5806 assessor in accordance with Part 3, County Assessment, for the prior year; and

5807 (C) the aggregate taxable value of all real and personal property assessed by the

5808 commission in accordance with Part 2, Assessment of Property, for the current year.

5809 (c) (i) Except as otherwise provided in this section, the certified tax rate shall be

5810 calculated by dividing the ad valorem property tax revenues budgeted for the prior year by the

5811 taxing entity by the amount calculated under Subsection [~~(3)~~] (5)(c)(ii).

5812 (ii) For purposes of Subsection [~~(3)~~] (5)(c)(i), the legislative body of a taxing entity

5813 shall calculate an amount as follows:

5814 (A) calculate for the taxing entity the difference between:

5815 (I) the aggregate taxable value of all property taxed; and

5816 (II) any redevelopment adjustments for the current calendar year;

5817 (B) after making the calculation required by Subsection [~~(3)~~] (5)(c)(ii)(A), calculate an

5818 amount determined by increasing or decreasing the amount calculated under Subsection [~~(3)~~]

5819 (5)(c)(ii)(A) by the average of the percentage net change in the value of taxable property for the

5820 equalization period for the three calendar years immediately preceding the current calendar

5821 year;

5822 (C) after making the calculation required by Subsection [~~(3)~~] (5)(c)(ii)(B), calculate the

5823 product of:

5824 (I) the amount calculated under Subsection [~~(3)~~] (5)(c)(ii)(B); and

5825 (II) the percentage of property taxes collected for the five calendar years immediately
5826 preceding the current calendar year; and

5827 (D) after making the calculation required by Subsection [~~(3)~~] (5)(c)(ii)(C), calculate an
5828 amount determined by subtracting from the amount calculated under Subsection [~~(3)~~]

5829 (5)(c)(ii)(C) any new growth as defined in this section:

5830 (I) within the taxing entity; and

5831 (II) for the following calendar year:

5832 (Aa) for new growth from real property assessed by a county assessor in accordance
5833 with Part 3, County Assessment and all property assessed by the commission in accordance
5834 with Section 59-2-201, the current calendar year; and

5835 (Bb) for new growth from personal property assessed by a county assessor in
5836 accordance with Part 3, County Assessment, the prior calendar year.

5837 (iii) For purposes of Subsection [~~(3)~~] (5)(c)(ii)(A), the aggregate taxable value of all
5838 property taxed:

5839 (A) except as provided in Subsection [~~(3)~~] (5)(c)(iii)(B) or [~~(3)~~] (5)(c)(ii)(C), is as
5840 defined in Subsection [~~(3)~~] (5)(b)(ii);

5841 (B) does not include the total taxable value of personal property contained on the tax
5842 rolls of the taxing entity that is:

5843 (I) assessed by a county assessor in accordance with Part 3, County Assessment; and

5844 (II) semiconductor manufacturing equipment; and

5845 (C) for personal property assessed by a county assessor in accordance with Part 3,
5846 County Assessment, the taxable value of personal property is the year end value of the personal
5847 property contained on the prior year's tax rolls of the entity.

5848 (iv) For purposes of Subsection [~~(3)~~] (5)(c)(ii)(B), for calendar years beginning on or
5849 after January 1, 2007, the value of taxable property does not include the value of personal
5850 property that is:

5851 (A) within the taxing entity assessed by a county assessor in accordance with Part 3,
5852 County Assessment; and

5853 (B) semiconductor manufacturing equipment.

5854 (v) For purposes of Subsection [~~(3)~~] (5)(c)(ii)(C)(II), for calendar years beginning on or
5855 after January 1, 2007, the percentage of property taxes collected does not include property taxes

5856 collected from personal property that is:

5857 (A) within the taxing entity assessed by a county assessor in accordance with Part 3,
5858 County Assessment; and

5859 (B) semiconductor manufacturing equipment.

5860 (vi) For purposes of Subsection ~~[(3)]~~ (5)(c)(ii)(B), for calendar years beginning on or
5861 after January 1, 2009, the value of taxable property does not include the value of personal
5862 property that is within the taxing entity assessed by a county assessor in accordance with Part 3,
5863 County Assessment.

5864 (vii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
5865 the commission may prescribe rules for calculating redevelopment adjustments for a calendar
5866 year.

5867 (viii) (A) Except as provided in Subsections ~~[(3)]~~ (5)(c)(ix) and (x), for purposes of
5868 Subsection ~~[(3)]~~ (5)(c)(i), a taxing entity's ad valorem property tax revenues budgeted for the
5869 prior year shall be decreased by an amount of revenue equal to the five-year average of the
5870 most recent prior five years of redemptions adjusted by the five-year average redemption
5871 calculated for the prior year as reported on the county treasurer's final annual settlement
5872 required under Subsection 59-2-1365(2).

5873 (B) A decrease under Subsection ~~[(3)]~~ (5)(c)(viii)(A) does not apply to the multicounty
5874 assessing and collecting levy authorized in Subsection 59-2-1602(2)(a), the certified revenue
5875 levy, or the minimum basic tax rate established in Section 53A-17a-135.

5876 (ix) As used in Subsection ~~[(3)]~~ (5)(c)(x):

5877 (A) "One-fourth of qualifying redemptions excess amount" means a qualifying
5878 redemptions excess amount divided by four.

5879 (B) "Qualifying redemptions" means that, for a calendar year, a taxing entity's total
5880 amount of redemptions is greater than three times the five-year average of the most recent prior
5881 five years of redemptions calculated for the prior year under Subsection ~~[(3)]~~ (5)(c)(viii)(A).

5882 (C) "Qualifying redemptions base amount" means an amount equal to three times the
5883 five-year average of the most recent prior five years of redemptions for a taxing entity, as
5884 reported on the county treasurer's final annual settlement required under Subsection
5885 59-2-1365(2).

5886 (D) "Qualifying redemptions excess amount" means the amount by which a taxing

5887 entity's qualifying redemptions for a calendar year exceed the qualifying redemptions base
5888 amount for that calendar year.

5889 (x) (A) If, for a calendar year, a taxing entity has qualifying redemptions, the
5890 redemption amount for purposes of calculating the five-year redemption average required by
5891 Subsection ~~[(3)]~~ (5)(c)(viii)(A) is as provided in Subsections ~~[(3)]~~ (5)(c)(x)(B) and (C).

5892 (B) For the initial calendar year a taxing entity has qualifying redemptions, the taxing
5893 entity's redemption amount for that calendar year is the qualifying redemptions base amount.

5894 (C) For each of the four calendar years after the calendar year described in Subsection
5895 ~~[(3)]~~ (5)(c)(x)(B), one-fourth of the qualifying redemptions excess amount shall be added to the
5896 redemption amount.

5897 (d) (i) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
5898 the commission shall make rules determining the calculation of ad valorem property tax
5899 revenues budgeted by a taxing entity.

5900 (ii) For purposes of Subsection ~~[(3)]~~ (5)(d)(i), ad valorem property tax revenues
5901 budgeted by a taxing entity shall be calculated in the same manner as budgeted property tax
5902 revenues are calculated for purposes of Section 59-2-913.

5903 (e) The certified tax rates for the taxing entities described in this Subsection ~~[(3)]~~ (5)(e)
5904 shall be calculated as follows:

5905 (i) except as provided in Subsection ~~[(3)]~~ (5)(e)(ii), for new taxing entities the certified
5906 tax rate is zero;

5907 (ii) for each municipality incorporated on or after July 1, 1996, the certified tax rate is:

5908 (A) in a county of the first, second, or third class, the levy imposed for municipal-type
5909 services under Sections 17-34-1 and 17-36-9; and

5910 (B) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
5911 purposes and such other levies imposed solely for the municipal-type services identified in
5912 Section 17-34-1 and Subsection 17-36-3(22); and

5913 (iii) for debt service voted on by the public, the certified tax rate shall be the actual
5914 levy imposed by that section, except that the certified tax rates for the following levies shall be
5915 calculated in accordance with Section 59-2-913 and this section:

5916 (A) school levies provided for under Sections 53A-16-113, 53A-17a-133, and
5917 53A-17a-164; and

5918 (B) levies to pay for the costs of state legislative mandates or judicial or administrative
5919 orders under Section 59-2-1602.

5920 (f) (i) A judgment levy imposed under Section 59-2-1328 or 59-2-1330 shall be
5921 established at that rate which is sufficient to generate only the revenue required to satisfy one
5922 or more eligible judgments, as defined in Section 59-2-102.

5923 (ii) The ad valorem property tax revenue generated by the judgment levy shall not be
5924 considered in establishing the taxing entity's aggregate certified tax rate.

5925 (g) The ad valorem property tax revenue generated by the capital local levy described
5926 in Section 53A-16-113 within a taxing entity in a county of the first class:

5927 (i) may not be considered in establishing the school district's aggregate certified tax
5928 rate; and

5929 (ii) shall be included by the commission in establishing a certified tax rate for that
5930 capital outlay levy determined in accordance with the calculation described in Subsection
5931 59-2-913(3).

5932 ~~[(4)]~~ (6) (a) For the purpose of calculating the certified tax rate, the county auditor shall
5933 use:

5934 (i) the taxable value of real property assessed by a county assessor contained on the
5935 assessment roll;

5936 (ii) the taxable value of real and personal property assessed by the commission; and

5937 (iii) the taxable year end value of personal property assessed by a county assessor
5938 contained on the prior year's assessment roll.

5939 (b) For purposes of Subsection ~~[(4)]~~ (6)(a)(i), the taxable value of real property on the
5940 assessment roll does not include new growth as defined in Subsection ~~[(4)(c)]~~ (1).

5941 ~~[(c) "New growth" means:]~~

5942 ~~[(i) the difference between the increase in taxable value of the following property of
5943 the taxing entity from the previous calendar year to the current year:]~~

5944 ~~[(A) real property assessed by a county assessor in accordance with Part 3, County
5945 Assessment; and]~~

5946 ~~[(B) property assessed by the commission under Section 59-2-201; plus]~~

5947 ~~[(ii) the difference between the increase in taxable year end value of personal property
5948 of the taxing entity from the year prior to the previous calendar year to the previous calendar~~

5949 year; minus]

5950 [~~(iii) the amount of an increase in taxable value described in Subsection (4)(e).]~~

5951 [~~(d) For purposes of Subsection (4)(c)(ii), the taxable value of personal property of the~~

5952 ~~taxing entity does not include the taxable value of personal property that is:]~~

5953 [~~(i) contained on the tax rolls of the taxing entity if that property is assessed by a~~

5954 ~~county assessor in accordance with Part 3, County Assessment; and]~~

5955 [~~(ii) semiconductor manufacturing equipment.]~~

5956 [~~(e) Subsection (4)(c)(iii) applies to the following increases in taxable value:]~~

5957 [~~(i) the amount of increase to locally assessed real property taxable values resulting~~

5958 ~~from factoring, reappraisal, or any other adjustments; or]~~

5959 [~~(ii) the amount of an increase in the taxable value of property assessed by the~~

5960 ~~commission under Section 59-2-201 resulting from a change in the method of apportioning the~~

5961 ~~taxable value prescribed by:]~~

5962 [~~(A) the Legislature;]~~

5963 [~~(B) a court;]~~

5964 [~~(C) the commission in an administrative rule; or]~~

5965 [~~(D) the commission in an administrative order.]~~

5966 [~~(F)~~ (c) For purposes of Subsection [(4)] (6)(a)(ii), the taxable year end value of

5967 personal property on the prior year's assessment roll does not include:

5968 (i) new growth as defined in Subsection [(4)(e)] (1); or

5969 (ii) the total taxable year end value of personal property contained on the prior year's

5970 tax rolls of the taxing entity that is:

5971 (A) assessed by a county assessor in accordance with Part 3, County Assessment; and

5972 (B) semiconductor manufacturing equipment.

5973 [(5)] (7) (a) On or before June 22, each taxing entity shall annually adopt a tentative

5974 budget.

5975 (b) If the taxing entity intends to exceed the certified tax rate, it shall notify the county

5976 auditor of:

5977 (i) its intent to exceed the certified tax rate; and

5978 (ii) the amount by which it proposes to exceed the certified tax rate.

5979 (c) The county auditor shall notify property owners of any intent to levy a tax rate that

5980 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.

5981 Section 163. Section 59-2-924.2 is amended to read:

5982 **59-2-924.2. Adjustments to the calculation of a taxing entity's certified tax rate.**

5983 (1) For purposes of this section, "certified tax rate" means a certified tax rate calculated
5984 in accordance with Section 59-2-924.

5985 (2) Beginning January 1, 1997, if a taxing entity receives increased revenues from
5986 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,
5987 59-2-405.2, or 59-2-405.3 as a result of any county imposing a sales and use tax under Chapter
5988 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax
5989 rate to offset the increased revenues.

5990 (3) (a) Beginning July 1, 1997, if a county has imposed a sales and use tax under
5991 Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:

5992 (i) decreased on a one-time basis by the amount of the estimated sales and use tax
5993 revenue to be distributed to the county under Subsection 59-12-1102(3); and

5994 (ii) increased by the amount necessary to offset the county's reduction in revenue from
5995 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,
5996 59-2-405.2, or 59-2-405.3 as a result of the decrease in the certified tax rate under Subsection
5997 (3)(a)(i).

5998 (b) The commission shall determine estimates of sales and use tax distributions for
5999 purposes of Subsection (3)(a).

6000 (4) Beginning January 1, 1998, if a municipality has imposed an additional resort
6001 communities sales and use tax under Section 59-12-402, the municipality's certified tax rate
6002 shall be decreased on a one-time basis by the amount necessary to offset the first 12 months of
6003 estimated revenue from the additional resort communities sales and use tax imposed under
6004 Section 59-12-402.

6005 (5) (a) This Subsection (5) applies to each county that:

6006 (i) establishes a countywide special service district under Title 17D, Chapter 1, Special
6007 Service District Act, to provide jail service, as provided in Subsection 17D-1-201(10); and

6008 (ii) levies a property tax on behalf of the special service district under Section
6009 17D-1-105.

6010 (b) (i) The certified tax rate of each county to which this Subsection (5) applies shall be

6011 decreased by the amount necessary to reduce county revenues by the same amount of revenues
6012 that will be generated by the property tax imposed on behalf of the special service district.

6013 (ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the
6014 levy on behalf of the special service district under Section 17D-1-105.

6015 (6) (a) As used in this Subsection (6):

6016 (i) "Annexing county" means a county whose unincorporated area is included within a
6017 public safety district by annexation.

6018 (ii) "Annexing municipality" means a municipality whose area is included within a
6019 public safety district by annexation.

6020 (iii) "Equalized public safety protection tax rate" means the tax rate that results from:

6021 (A) calculating, for each participating county and each participating municipality, the
6022 property tax revenue necessary:

6023 (I) in the case of a fire district, to cover all of the costs associated with providing fire
6024 protection, paramedic, and emergency services:

6025 (Aa) for a participating county, in the unincorporated area of the county; and

6026 (Bb) for a participating municipality, in the municipality; or

6027 (II) in the case of a police district, to cover all the costs:

6028 (Aa) associated with providing law enforcement service:

6029 (Ii) for a participating county, in the unincorporated area of the county; and

6030 (IIii) for a participating municipality, in the municipality; and

6031 (Bb) that the police district board designates as the costs to be funded by a property
6032 tax; and

6033 (B) adding all the amounts calculated under Subsection (6)(a)(iii)(A) for all
6034 participating counties and all participating municipalities and then dividing that sum by the
6035 aggregate taxable value of the property, as adjusted in accordance with Section 59-2-913:

6036 (I) for participating counties, in the unincorporated area of all participating counties;
6037 and

6038 (II) for participating municipalities, in all the participating municipalities.

6039 (iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service
6040 Area Act:

6041 (A) created to provide fire protection, paramedic, and emergency services; and

6042 (B) in the creation of which an election was not required under Subsection
6043 17B-1-214(3)(c).

6044 (v) "Participating county" means a county whose unincorporated area is included
6045 within a public safety district at the time of the creation of the public safety district.

6046 (vi) "Participating municipality" means a municipality whose area is included within a
6047 public safety district at the time of the creation of the public safety district.

6048 (vii) "Police district" means a service area under Title 17B, Chapter 2a, Part 9, Service
6049 Area Act, within a county of the first class:

6050 (A) created to provide law enforcement service; and

6051 (B) in the creation of which an election was not required under Subsection
6052 17B-1-214(3)(c).

6053 (viii) "Public safety district" means a fire district or a police district.

6054 (ix) "Public safety service" means:

6055 (A) in the case of a public safety district that is a fire district, fire protection,
6056 paramedic, and emergency services; and

6057 (B) in the case of a public safety district that is a police district, law enforcement
6058 service.

6059 (b) In the first year following creation of a public safety district, the certified tax rate of
6060 each participating county and each participating municipality shall be decreased by the amount
6061 of the equalized public safety tax rate.

6062 (c) In the first budget year following annexation to a public safety district, the certified
6063 tax rate of each annexing county and each annexing municipality shall be decreased by an
6064 amount equal to the amount of revenue budgeted by the annexing county or annexing
6065 municipality:

6066 (i) for public safety service; and

6067 (ii) in:

6068 (A) for a taxing entity operating under a January 1 through December 31 fiscal year,
6069 the prior calendar year; or

6070 (B) for a taxing entity operating under a July 1 through June 30 fiscal year, the prior
6071 fiscal year.

6072 (d) Each tax levied under this section by a public safety district shall be considered to

6073 be levied by:

6074 (i) each participating county and each annexing county for purposes of the county's tax
6075 limitation under Section 59-2-908; and

6076 (ii) each participating municipality and each annexing municipality for purposes of the
6077 municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a
6078 city.

6079 (e) The calculation of a public safety district's certified tax rate for the year of
6080 annexation shall be adjusted to include an amount of revenue equal to one half of the amount
6081 of revenue budgeted by the annexing entity for public safety service in the annexing entity's
6082 prior fiscal year if:

6083 (i) the public safety district operates on a January 1 through December 31 fiscal year;

6084 (ii) the public safety district approves an annexation of an entity operating on a July 1
6085 through June 30 fiscal year; and

6086 (iii) the annexation described in Subsection (6)(e)(ii) takes effect on July 1.

6087 (7) (a) The base taxable value under [~~Subsection~~] Section 17C-1-102~~[(6)]~~ shall be
6088 reduced for any year to the extent necessary to provide a community [~~development and~~
6089 ~~renewal~~] reinvestment agency established under Title 17C, Limited Purpose Local Government
6090 Entities - Community [~~Development and Renewal Agencies~~] Reinvestment Agency Act, with
6091 approximately the same amount of money the agency would have received without a reduction
6092 in the county's certified tax rate, calculated in accordance with Section 59-2-924, if:

6093 (i) in that year there is a decrease in the certified tax rate under Subsection (2) or (3)(a);

6094 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of the
6095 previous year; and

6096 (iii) the decrease results in a reduction of the amount to be paid to the agency under
6097 Section 17C-1-403 or 17C-1-404.

6098 (b) The base taxable value under [~~Subsection~~] Section 17C-1-102~~[(6)]~~ shall be
6099 increased in any year to the extent necessary to provide a community [~~development and~~
6100 ~~renewal~~] reinvestment agency with approximately the same amount of money as the agency
6101 would have received without an increase in the certified tax rate that year if:

6102 (i) in that year the base taxable value under [~~Subsection~~] Section 17C-1-102~~[(6)]~~ is
6103 reduced due to a decrease in the certified tax rate under Subsection (2) or (3)(a); and

6104 (ii) the certified tax rate of a city, school district, local district, or special service
6105 district increases independent of the adjustment to the taxable value of the base year.

6106 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a),
6107 the amount of money allocated and, when collected, paid each year to a community
6108 [~~development and renewal~~] reinvestment agency established under Title 17C, Limited Purpose
6109 Local Government Entities - Community [~~Development and Renewal Agencies~~] Reinvestment
6110 Agency Act, for the payment of bonds or other contract indebtedness, but not for administrative
6111 costs, may not be less than that amount would have been without a decrease in the certified tax
6112 rate under Subsection (2) or (3)(a).

6113 (8) (a) For the calendar year beginning on January 1, 2014, the calculation of a county
6114 assessing and collecting levy shall be adjusted by the amount necessary to offset:

6115 (i) any change in the certified tax rate that may result from amendments to Part 16,
6116 Multicounty Assessing and Collecting Levy, in Laws of Utah 2014, Chapter 270, Section 3;
6117 and

6118 (ii) the difference in the amount of revenue a taxing entity receives from or contributes
6119 to the Property Tax Valuation Agency Fund, created in Section [59-2-1602](#), that may result from
6120 amendments to Part 16, Multicounty Assessing and Collecting Levy, in Laws of Utah 2014,
6121 Chapter 270, Section 3.

6122 (b) A taxing entity is not required to comply with the notice and public hearing
6123 requirements in Section [59-2-919](#) for an adjustment to the county assessing and collecting levy
6124 described in Subsection (8)(a).

6125 (9) (a) For the calendar year beginning on January 1, 2017, the commission shall
6126 increase or decrease a school district's certified tax rate to offset a change in revenues from the
6127 calendar year beginning on January 1, 2016, to the calendar year beginning on January 1, 2017,
6128 as follows:

6129 (i) the commission shall increase a school district's certified tax rate by the amount
6130 necessary to offset a decrease in revenues that may result from the repeal of Section [59-2-924.3](#)
6131 on December 31, 2016; and

6132 (ii) the commission shall decrease a school district's certified tax rate by the amount
6133 necessary to offset an increase in revenues that may result from the repeal of Section
6134 [59-2-924.3](#) on December 31, 2016.

6135 (b) (i) A school district is not required to comply with the notice and public hearing
6136 requirements of Section 59-2-919 for an offset to the certified tax rate described in Subsection
6137 (9)(a).

6138 (ii) If a school district's certified tax rate is increased in accordance with Subsection
6139 (9)(a)(i), the school district shall:

6140 (A) on or before June 15, 2017, publish the statement provided in Subsection (9)(c)
6141 one or more times in a newspaper or combination of newspapers of general circulation in the
6142 taxing entity, in a portion of the newspaper where legal notices and classified advertisements
6143 do not appear;

6144 (B) on or before June 30, 2017, read the statement provided in Subsection (9)(c) at a
6145 public meeting of the school district; and

6146 (C) if the school district maintains a database containing electronic mail addresses of
6147 one or more persons who reside within the school district boundaries, send the statement
6148 provided in Subsection (9)(c) to those electronic mail addresses.

6149 (c) For purposes of Subsection (9)(b)(ii), the statement is: "For calendar year 2017, the
6150 State Tax Commission is required to increase a property tax rate of this school district to offset
6151 a loss in revenue due to the repeal of a statute to equalize certain school district property taxes.
6152 This offset may result in an increase in your property taxes."

6153 Section 164. Section 59-2-924.3 is amended to read:

6154 **59-2-924.3. Adjustment of the calculation of the certified tax rate for a school**
6155 **district imposing a capital local levy in a county of the first class.**

6156 (1) As used in this section:

6157 (a) "Capital local levy increment" means the amount of revenue equal to the difference
6158 between:

6159 (i) the amount of revenue generated by a levy of .0006 per dollar of taxable value
6160 within a school district during a fiscal year; and

6161 (ii) the amount of revenue the school district received during the same fiscal year from
6162 the distribution described in Section 53A-16-114.

6163 (b) "Contributing school district" means a school district in a county of the first class
6164 that in a fiscal year receives less revenue from the distribution described in Section
6165 53A-16-114 than it would have received during the same fiscal year from a levy imposed

6166 within the school district of .0006 per dollar of taxable value.

6167 (c) "Receiving school district" means a school district in a county of the first class that
6168 in a fiscal year receives more revenue from the distribution described in Section 53A-16-114
6169 than it would have received during the same fiscal year from a levy imposed within the school
6170 district of .0006 per dollar of taxable value.

6171 (2) A receiving school district shall decrease its capital local levy certified tax rate
6172 under Subsection 59-2-924~~(3)~~(5)(g)(ii) by the amount required to offset the receiving school
6173 district's estimated capital local levy increment for the prior fiscal year.

6174 (3) A contributing school district is exempt from the notice and public hearing
6175 provisions of Section 59-2-919 for the school district's capital local levy certified tax rate
6176 calculated pursuant to Subsection 59-2-924~~(3)~~(5)(g)(ii) if:

6177 (a) the contributing school district budgets an increased amount of ad valorem property
6178 tax revenue exclusive of new growth as defined in Subsection 59-2-924~~(4)~~(1) for the capital
6179 local levy described in Section 53A-16-113; and

6180 (b) the increased amount of ad valorem property tax revenue described in Subsection
6181 (3)(a) is less than or equal to the difference between:

6182 (i) the amount of revenue generated by a levy of .0006 per dollar of taxable value
6183 imposed within the contributing school district during the current taxable year; and

6184 (ii) the amount of revenue generated by a levy of .0006 per dollar of taxable value
6185 imposed within the contributing school district during the prior taxable year.

6186 (4) Regardless of the amount a school district receives from the revenue collected from
6187 the .0006 portion of the capital local levy required in Section 53A-16-113, the revenue
6188 generated within the school district from the .0006 portion of the capital local levy required in
6189 Section 53A-16-113 shall be considered to be budgeted ad valorem property tax revenues of
6190 the school district that levies the .0006 portion of the capital local levy for purposes of
6191 calculating the school district's certified tax rate in accordance with Subsection
6192 59-2-924~~(3)~~(5)(g)(ii).

6193 Section 165. Section 59-7-614.2 is amended to read:

6194 **59-7-614.2. Refundable economic development tax credit.**

6195 (1) As used in this section:

6196 (a) "Business entity" means a taxpayer that meets the definition of "business entity" as

6197 defined in Section [63N-2-103](#).

6198 (b) "Community [~~development and renewal~~] reinvestment agency" is as defined in
6199 Section [17C-1-102](#).

6200 (c) "Local government entity" is as defined in Section [63N-2-103](#).

6201 (d) "Office" means the Governor's Office of Economic Development.

6202 (2) Subject to the other provisions of this section, a business entity, local government
6203 entity, or community [~~development and renewal~~] reinvestment agency may claim a refundable
6204 tax credit for economic development.

6205 (3) The tax credit under this section is the amount listed as the tax credit amount on the
6206 tax credit certificate that the office issues to the business entity, local government entity, or
6207 community [~~development and renewal~~] reinvestment agency for the taxable year.

6208 (4) A community [~~development and renewal~~] reinvestment agency may claim a tax
6209 credit under this section only if a local government entity assigns the tax credit to the
6210 community [~~development and renewal~~] reinvestment agency in accordance with Section
6211 [63N-2-104](#).

6212 (5) (a) In accordance with any rules prescribed by the commission under Subsection
6213 (5)(b), the commission shall make a refund to the following that claim a tax credit under this
6214 section:

6215 (i) a local government entity;

6216 (ii) a community [~~development and renewal~~] reinvestment agency; or

6217 (iii) a business entity if the amount of the tax credit exceeds the business entity's tax
6218 liability for a taxable year.

6219 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
6220 commission may make rules providing procedures for making a refund to a business entity,
6221 local government entity, or community [~~development and renewal~~] reinvestment agency as
6222 required by Subsection (5)(a).

6223 (6) (a) On or before October 1, 2013, and every five years after October 1, 2013, the
6224 Revenue and Taxation Interim Committee shall study the tax credit allowed by this section and
6225 make recommendations to the Legislative Management Committee concerning whether the tax
6226 credit should be continued, modified, or repealed.

6227 (b) For purposes of the study required by this Subsection (6), the office shall provide

6228 the following information to the Revenue and Taxation Interim Committee:

6229 (i) the amount of tax credit that the office grants to each business entity, local
6230 government entity, or community [~~development and renewal~~] reinvestment agency for each
6231 calendar year;

6232 (ii) the criteria that the office uses in granting a tax credit;

6233 (iii) (A) for a business entity, the new state revenues generated by the business entity
6234 for the calendar year; or

6235 (B) for a local government entity, regardless of whether the local government entity
6236 assigns the tax credit in accordance with Section 63N-2-104, the new state revenues generated
6237 as a result of a new commercial project within the local government entity for each calendar
6238 year;

6239 (iv) the information contained in the office's latest report to the Legislature under
6240 Section 63N-2-106; and

6241 (v) any other information that the Revenue and Taxation Interim Committee requests.

6242 (c) The Revenue and Taxation Interim Committee shall ensure that its
6243 recommendations under Subsection (6)(a) include an evaluation of:

6244 (i) the cost of the tax credit to the state;

6245 (ii) the purpose and effectiveness of the tax credit; and

6246 (iii) the extent to which the state benefits from the tax credit.

6247 Section 166. Section 59-12-603 is amended to read:

6248 **59-12-603. County tax -- Bases -- Rates -- Use of revenues -- Adoption of**
6249 **ordinance required -- Advisory board -- Administration -- Collection -- Administrative**
6250 **charge -- Distribution -- Enactment or repeal of tax or tax rate change -- Effective date --**
6251 **Notice requirements.**

6252 (1) (a) In addition to any other taxes, a county legislative body may, as provided in this
6253 part, impose a tax as follows:

6254 (i) (A) a county legislative body of any county may impose a tax of not to exceed 3%
6255 on all short-term leases and rentals of motor vehicles not exceeding 30 days, except for leases
6256 and rentals of motor vehicles made for the purpose of temporarily replacing a person's motor
6257 vehicle that is being repaired pursuant to a repair or an insurance agreement; and

6258 (B) beginning on or after January 1, 1999, a county legislative body of any county

6259 imposing a tax under Subsection (1)(a)(i)(A) may, in addition to imposing the tax under
6260 Subsection (1)(a)(i)(A), impose a tax of not to exceed 4% on all short-term leases and rentals
6261 of motor vehicles not exceeding 30 days, except for leases and rentals of motor vehicles made
6262 for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant
6263 to a repair or an insurance agreement;

6264 (ii) a county legislative body of any county may impose a tax of not to exceed 1% of all
6265 sales of the following that are sold by a restaurant:

6266 (A) alcoholic beverages;

6267 (B) food and food ingredients; or

6268 (C) prepared food; and

6269 (iii) a county legislative body of a county of the first class may impose a tax of not to
6270 exceed .5% on charges for the accommodations and services described in Subsection

6271 [59-12-103\(1\)\(i\)](#).

6272 (b) A tax imposed under Subsection (1)(a) is subject to the audit provisions of Section
6273 [17-31-5.5](#).

6274 (2) (a) Subject to Subsection (2)(b), revenue from the imposition of the taxes provided
6275 for in Subsections (1)(a)(i) through (iii) may be used for:

6276 (i) financing tourism promotion; and

6277 (ii) the development, operation, and maintenance of:

6278 (A) an airport facility;

6279 (B) a convention facility;

6280 (C) a cultural facility;

6281 (D) a recreation facility; or

6282 (E) a tourist facility.

6283 (b) A county of the first class shall expend at least \$450,000 each year of the revenues
6284 from the imposition of a tax authorized by Subsection (1)(a)(iii) within the county to fund a
6285 marketing and ticketing system designed to:

6286 (i) promote tourism in ski areas within the county by persons that do not reside within
6287 the state; and

6288 (ii) combine the sale of:

6289 (A) ski lift tickets; and

6290 (B) accommodations and services described in Subsection 59-12-103(1)(i).

6291 (3) A tax imposed under this part may be pledged as security for bonds, notes, or other
6292 evidences of indebtedness incurred by a county, city, or town under Title 11, Chapter 14, Local
6293 Government Bonding Act, or a community [~~development and renewal~~] reinvestment agency
6294 under Title 17C, Chapter 1, Part 5, Agency Bonds, to finance:

- 6295 (a) an airport facility;
- 6296 (b) a convention facility;
- 6297 (c) a cultural facility;
- 6298 (d) a recreation facility; or
- 6299 (e) a tourist facility.

6300 (4) (a) In order to impose the tax under Subsection (1), each county legislative body
6301 shall adopt an ordinance imposing the tax.

6302 (b) The ordinance under Subsection (4)(a) shall include provisions substantially the
6303 same as those contained in Part 1, Tax Collection, except that the tax shall be imposed only on
6304 those items and sales described in Subsection (1).

6305 (c) The name of the county as the taxing agency shall be substituted for that of the state
6306 where necessary, and an additional license is not required if one has been or is issued under
6307 Section 59-12-106.

6308 (5) In order to maintain in effect its tax ordinance adopted under this part, each county
6309 legislative body shall, within 30 days of any amendment of any applicable provisions of Part 1,
6310 Tax Collection, adopt amendments to its tax ordinance to conform with the applicable
6311 amendments to Part 1, Tax Collection.

6312 (6) (a) Regardless of whether a county of the first class creates a tourism tax advisory
6313 board in accordance with Section 17-31-8, the county legislative body of the county of the first
6314 class shall create a tax advisory board in accordance with this Subsection (6).

6315 (b) The tax advisory board shall be composed of nine members appointed as follows:

6316 (i) four members shall be appointed by the county legislative body of the county of the
6317 first class as follows:

- 6318 (A) one member shall be a resident of the unincorporated area of the county;
- 6319 (B) two members shall be residents of the incorporated area of the county; and
- 6320 (C) one member shall be a resident of the unincorporated or incorporated area of the

6321 county; and

6322 (ii) subject to Subsections (6)(c) and (d), five members shall be mayors of cities or
6323 towns within the county of the first class appointed by an organization representing all mayors
6324 of cities and towns within the county of the first class.

6325 (c) Five members of the tax advisory board constitute a quorum.

6326 (d) The county legislative body of the county of the first class shall determine:

6327 (i) terms of the members of the tax advisory board;

6328 (ii) procedures and requirements for removing a member of the tax advisory board;

6329 (iii) voting requirements, except that action of the tax advisory board shall be by at
6330 least a majority vote of a quorum of the tax advisory board;

6331 (iv) chairs or other officers of the tax advisory board;

6332 (v) how meetings are to be called and the frequency of meetings; and

6333 (vi) the compensation, if any, of members of the tax advisory board.

6334 (e) The tax advisory board under this Subsection (6) shall advise the county legislative
6335 body of the county of the first class on the expenditure of revenues collected within the county
6336 of the first class from the taxes described in Subsection (1)(a).

6337 (7) (a) (i) Except as provided in Subsection (7)(a)(ii), a tax authorized under this part
6338 shall be administered, collected, and enforced in accordance with:

6339 (A) the same procedures used to administer, collect, and enforce the tax under:

6340 (I) Part 1, Tax Collection; or

6341 (II) Part 2, Local Sales and Use Tax Act; and

6342 (B) Chapter 1, General Taxation Policies.

6343 (ii) A tax under this part is not subject to Section [59-12-107.1](#) or [59-12-123](#) or
6344 Subsections [59-12-205](#)(2) through (6).

6345 (b) Except as provided in Subsection (7)(c):

6346 (i) for a tax under this part other than the tax under Subsection (1)(a)(i)(B), the
6347 commission shall distribute the revenues to the county imposing the tax; and

6348 (ii) for a tax under Subsection (1)(a)(i)(B), the commission shall distribute the revenues
6349 according to the distribution formula provided in Subsection (8).

6350 (c) The commission shall retain and deposit an administrative charge in accordance
6351 with Section [59-1-306](#) from the revenues the commission collects from a tax under this part.

6352 (8) The commission shall distribute the revenues generated by the tax under Subsection
6353 (1)(a)(i)(B) to each county collecting a tax under Subsection (1)(a)(i)(B) according to the
6354 following formula:

6355 (a) the commission shall distribute 70% of the revenues based on the percentages
6356 generated by dividing the revenues collected by each county under Subsection (1)(a)(i)(B) by
6357 the total revenues collected by all counties under Subsection (1)(a)(i)(B); and

6358 (b) the commission shall distribute 30% of the revenues based on the percentages
6359 generated by dividing the population of each county collecting a tax under Subsection
6360 (1)(a)(i)(B) by the total population of all counties collecting a tax under Subsection (1)(a)(i)(B).

6361 (9) (a) For purposes of this Subsection (9):

6362 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,
6363 County Annexation.

6364 (ii) "Annexing area" means an area that is annexed into a county.

6365 (b) (i) Except as provided in Subsection (9)(c), if, on or after July 1, 2004, a county
6366 enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal, or
6367 change shall take effect:

6368 (A) on the first day of a calendar quarter; and

6369 (B) after a 90-day period beginning on the date the commission receives notice meeting
6370 the requirements of Subsection (9)(b)(ii) from the county.

6371 (ii) The notice described in Subsection (9)(b)(i)(B) shall state:

6372 (A) that the county will enact or repeal a tax or change the rate of a tax under this part;

6373 (B) the statutory authority for the tax described in Subsection (9)(b)(ii)(A);

6374 (C) the effective date of the tax described in Subsection (9)(b)(ii)(A); and

6375 (D) if the county enacts the tax or changes the rate of the tax described in Subsection
6376 (9)(b)(ii)(A), the rate of the tax.

6377 (c) (i) The enactment of a tax or a tax rate increase shall take effect on the first day of
6378 the first billing period:

6379 (A) that begins after the effective date of the enactment of the tax or the tax rate
6380 increase; and

6381 (B) if the billing period for the transaction begins before the effective date of the
6382 enactment of the tax or the tax rate increase imposed under Subsection (1).

6383 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last
6384 billing period:

6385 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;
6386 and

6387 (B) if the billing period for the transaction begins before the effective date of the repeal
6388 of the tax or the tax rate decrease imposed under Subsection (1).

6389 (d) (i) Except as provided in Subsection (9)(e), if, for an annexation that occurs on or
6390 after July 1, 2004, the annexation will result in the enactment, repeal, or change in the rate of a
6391 tax under this part for an annexing area, the enactment, repeal, or change shall take effect:

6392 (A) on the first day of a calendar quarter; and

6393 (B) after a 90-day period beginning on the date the commission receives notice meeting
6394 the requirements of Subsection (9)(d)(ii) from the county that annexes the annexing area.

6395 (ii) The notice described in Subsection (9)(d)(i)(B) shall state:

6396 (A) that the annexation described in Subsection (9)(d)(i) will result in an enactment,
6397 repeal, or change in the rate of a tax under this part for the annexing area;

6398 (B) the statutory authority for the tax described in Subsection (9)(d)(ii)(A);

6399 (C) the effective date of the tax described in Subsection (9)(d)(ii)(A); and

6400 (D) if the county enacts the tax or changes the rate of the tax described in Subsection
6401 (9)(d)(ii)(A), the rate of the tax.

6402 (e) (i) The enactment of a tax or a tax rate increase shall take effect on the first day of
6403 the first billing period:

6404 (A) that begins after the effective date of the enactment of the tax or the tax rate
6405 increase; and

6406 (B) if the billing period for the transaction begins before the effective date of the
6407 enactment of the tax or the tax rate increase imposed under Subsection (1).

6408 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last
6409 billing period:

6410 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;
6411 and

6412 (B) if the billing period for the transaction begins before the effective date of the repeal
6413 of the tax or the tax rate decrease imposed under Subsection (1).

6414 Section 167. Section **63G-7-102** is amended to read:

6415 **63G-7-102. Definitions.**

6416 As used in this chapter:

6417 (1) "Claim" means any asserted demand for or cause of action for money or damages,
6418 whether arising under the common law, under state constitutional provisions, or under state
6419 statutes, against a governmental entity or against an employee in the employee's personal
6420 capacity.

6421 (2) (a) "Employee" includes:

6422 (i) a governmental entity's officers, employees, servants, trustees, or commissioners;

6423 (ii) members of a governing body;

6424 (iii) members of a government entity board;

6425 (iv) members of a government entity commission;

6426 (v) members of an advisory body, officers, and employees of a Children's Justice
6427 Center created in accordance with Section [67-5b-104](#);

6428 (vi) student teachers holding a letter of authorization in accordance with Sections
6429 [53A-6-103](#) and [53A-6-104](#);

6430 (vii) educational aides;

6431 (viii) students engaged in providing services to members of the public in the course of
6432 an approved medical, nursing, or other professional health care clinical training program;

6433 (ix) volunteers as defined by Subsection [67-20-2\(3\)](#); and

6434 (x) tutors.

6435 (b) "Employee" includes all of the positions identified in Subsection (2)(a), whether or
6436 not the individual holding that position receives compensation.

6437 (c) "Employee" does not include an independent contractor.

6438 (3) "Governmental entity" means the state and its political subdivisions as both are
6439 defined in this section.

6440 (4) (a) "Governmental function" means each activity, undertaking, or operation of a
6441 governmental entity.

6442 (b) "Governmental function" includes each activity, undertaking, or operation
6443 performed by a department, agency, employee, agent, or officer of a governmental entity.

6444 (c) "Governmental function" includes a governmental entity's failure to act.

6445 (5) "Injury" means death, injury to a person, damage to or loss of property, or any other
6446 injury that a person may suffer to the person or estate, that would be actionable if inflicted by a
6447 private person or the private person's agent.

6448 (6) "Personal injury" means an injury of any kind other than property damage.

6449 (7) "Political subdivision" means any county, city, town, school district, community
6450 [~~development and renewal~~] reinvestment agency, special improvement or taxing district, local
6451 district, special service district, an entity created by an interlocal agreement adopted under Title
6452 11, Chapter 13, Interlocal Cooperation Act, or other governmental subdivision or public
6453 corporation.

6454 (8) "Property damage" means injury to, or loss of, any right, title, estate, or interest in
6455 real or personal property.

6456 (9) "State" means the state of Utah, and includes each office, department, division,
6457 agency, authority, commission, board, institution, hospital, college, university, Children's
6458 Justice Center, or other instrumentality of the state.

6459 (10) "Willful misconduct" means the intentional doing of a wrongful act, or the
6460 wrongful failure to act, without just cause or excuse, where the actor is aware that the actor's
6461 conduct will probably result in injury.

6462 Section 168. Section **63G-9-201** is amended to read:

6463 **63G-9-201. Members -- Functions.**

6464 (1) As used in this chapter:

6465 (a) "Political subdivision" means any county, city, town, school district, community
6466 [~~development and renewal~~] reinvestment agency, special improvement or taxing district, local
6467 district, special service district, an entity created by an interlocal agreement adopted under Title
6468 11, Chapter 13, Interlocal Cooperation Act, or other governmental subdivision or public
6469 corporation.

6470 (b) "State" means the state of Utah, and includes each office, department, division,
6471 agency, authority, commission, board, institution, college, university, Children's Justice Center,
6472 or other instrumentality of the state.

6473 (2) The governor, the state auditor, and the attorney general shall constitute a Board of
6474 Examiners, with power to examine all claims against the state or a political subdivision, for the
6475 payment of which funds appropriated by the Legislature or derived from any other source are

6476 not available.

6477 (3) No claim against the state or a political subdivision, for the payment of which
6478 specifically designated funds are required to be appropriated by the Legislature shall be passed
6479 upon by the Legislature without having been considered and acted upon by the Board of
6480 Examiners.

6481 (4) The governor shall be the president, and the state auditor shall be the secretary of
6482 the board, and in the absence of either an officer pro tempore may be elected from among the
6483 members of the board.

6484 Section 169. Section **63I-1-259** is amended to read:

6485 **63I-1-259. Repeal dates, Title 59.**

6486 (1) Subsection ~~59-2-924~~(~~3~~)(5)(g) is repealed on December 31, 2016.

6487 (2) Subsection ~~59-2-924.2~~(9) is repealed on December 31, 2017.

6488 (3) Section ~~59-2-924.3~~ is repealed on December 31, 2016.

6489 (4) Section ~~59-7-618~~ is repealed July 1, 2020.

6490 (5) Section ~~59-9-102.5~~ is repealed December 31, 2020.

6491 (6) Section ~~59-10-1033~~ is repealed July 1, 2020.

6492 (7) Subsection ~~59-12-2219~~(10) is repealed on June 30, 2020.

6493 Section 170. Section **63N-2-103** is amended to read:

6494 **63N-2-103. Definitions.**

6495 As used in this part:

6496 (1) "Business entity" means a person that enters into an agreement with the office to
6497 initiate a new commercial project in Utah that will qualify the person to receive a tax credit
6498 under Section ~~59-7-614.2~~ or ~~59-10-1107~~.

6499 (2) "Community [~~development and renewal~~] reinvestment agency" has the same
6500 meaning as that term is defined in Section ~~17C-1-102~~.

6501 (3) "Development zone" means an economic development zone created under Section
6502 ~~63N-2-104~~.

6503 (4) "High paying jobs" means:

6504 (a) with respect to a business entity, the aggregate average annual gross wages, not
6505 including healthcare or other paid or unpaid benefits, of newly created full-time employment
6506 positions in a business entity that are at least 110% of the average wage of a community in

6507 which the employment positions will exist;

6508 (b) with respect to a county, the aggregate average annual gross wages, not including
6509 healthcare or other paid or unpaid benefits, of newly created full-time employment positions in
6510 a new commercial project within the county that are at least 110% of the average wage of the
6511 county in which the employment positions will exist; or

6512 (c) with respect to a city or town, the aggregate average annual gross wages, not
6513 including healthcare or other paid or unpaid benefits of newly created full-time employment
6514 positions in a new commercial project within the city or town that are at least 110% of the
6515 average wages of the city or town in which the employment positions will exist.

6516 (5) "Local government entity" means a county, city, or town that enters into an
6517 agreement with the office to have a new commercial project that:

6518 (a) is initiated within the county's, city's, or town's boundaries; and

6519 (b) qualifies the county, city, or town to receive a tax credit under Section 59-7-614.2.

6520 (6) (a) "New commercial project" means an economic development opportunity that
6521 involves new or expanded industrial, manufacturing, distribution, or business services in Utah.

6522 (b) "New commercial project" does not include retail business.

6523 (7) (a) "New incremental jobs" means full-time employment positions that are filled by
6524 employees who work at least 30 hours per week and that are:

6525 (i) with respect to a business entity, created in addition to the baseline count of
6526 employment positions that existed within the business entity before the new commercial
6527 project;

6528 (ii) with respect to a county, created as a result of a new commercial project with
6529 respect to which the county or a community development and renewal agency seeks to claim a
6530 tax credit under Section 59-7-614.2; or

6531 (iii) with respect to a city or town, created as a result of a new commercial project with
6532 respect to which the city, town, or a community development and renewal agency seeks to
6533 claim a tax credit under Section 59-7-614.2.

6534 (b) "New incremental jobs" may include full-time equivalent positions that are filled by
6535 more than one employee, if each employee who works less than 30 hours per week is provided
6536 benefits comparable to a full-time employee.

6537 (c) "New incremental jobs" does not include jobs that are shifted from one jurisdiction

6538 in the state to another jurisdiction in the state.

6539 (8) "New state revenues" means:

6540 (a) with respect to a business entity:

6541 (i) incremental new state sales and use tax revenues that a business entity pays under
6542 Title 59, Chapter 12, Sales and Use Tax Act, as a result of a new commercial project in a
6543 development zone;

6544 (ii) incremental new state tax revenues that a business entity pays as a result of a new
6545 commercial project in a development zone under:

6546 (A) Title 59, Chapter 7, Corporate Franchise and Income Taxes;

6547 (B) Title 59, Chapter 10, Part 1, Determination and Reporting of Tax Liability and
6548 Information;

6549 (C) Title 59, Chapter 10, Part 2, Trusts and Estates;

6550 (D) Title 59, Chapter 10, Part 4, Withholding of Tax; or

6551 (E) a combination of Subsections (8)(a)(ii)(A) through (D);

6552 (iii) incremental new state tax revenues paid as individual income taxes under Title 59,
6553 Chapter 10, Part 1, Determination and Reporting of Tax Liability and Information, by
6554 employees of a new or expanded industrial, manufacturing, distribution, or business service
6555 within a new commercial project as evidenced by payroll records that indicate the amount of
6556 employee income taxes withheld and transmitted to the State Tax Commission by the new or
6557 expanded industrial, manufacturing, distribution, or business service within the new
6558 commercial project; or

6559 (iv) a combination of Subsections (8)(a)(i) through (iii); or

6560 (b) with respect to a local government entity:

6561 (i) incremental new state sales and use tax revenues that are collected under Title 59,
6562 Chapter 12, Sales and Use Tax Act, as a result of a new commercial project in a development
6563 zone;

6564 (ii) incremental new state tax revenues that are collected as a result of a new
6565 commercial project in a development zone under:

6566 (A) Title 59, Chapter 7, Corporate Franchise and Income Taxes;

6567 (B) Title 59, Chapter 10, Part 1, Determination and Reporting of Tax Liability and
6568 Information;

- 6569 (C) Title 59, Chapter 10, Part 2, Trusts and Estates;
- 6570 (D) Title 59, Chapter 10, Part 4, Withholding of Tax; or
- 6571 (E) a combination of Subsections (8)(b)(ii)(A) through (D);
- 6572 (iii) incremental new state tax revenues paid as individual income taxes under Title 59,
- 6573 Chapter 10, Part 1, Determination and Reporting of Tax Liability and Information, by
- 6574 employees of a new or expanded industrial, manufacturing, distribution, or business service
- 6575 within a new commercial project as evidenced by payroll records that indicate the amount of
- 6576 employee income taxes withheld and transmitted to the State Tax Commission by the new or
- 6577 expanded industrial, manufacturing, distribution, or business service within the new
- 6578 commercial project; or
- 6579 (iv) a combination of Subsections (8)(b)(i) through (iii).
- 6580 (9) "Significant capital investment" means an amount of at least \$10,000,000 to
- 6581 purchase capital or fixed assets, which may include real property, personal property, and other
- 6582 fixtures related to a new commercial project:
- 6583 (a) that represents an expansion of existing operations in the state; or
- 6584 (b) that maintains or increases the business entity's existing work force in the state.
- 6585 (10) "Tax credit" means an economic development tax credit created by Section
- 6586 [59-7-614.2](#) or [59-10-1107](#).
- 6587 (11) "Tax credit amount" means the amount the office lists as a tax credit on a tax
- 6588 credit certificate for a taxable year.
- 6589 (12) "Tax credit certificate" means a certificate issued by the office that:
- 6590 (a) lists the name of the business entity, local government entity, or community
- 6591 development and renewal agency to which the office authorizes a tax credit;
- 6592 (b) lists the business entity's, local government entity's, or community development and
- 6593 renewal agency's taxpayer identification number;
- 6594 (c) lists the amount of tax credit that the office authorizes the business entity, local
- 6595 government entity, or community development and renewal agency for the taxable year; and
- 6596 (d) may include other information as determined by the office.
- 6597 Section 171. Section **63N-2-104** is amended to read:
- 6598 **63N-2-104. Creation of economic development zones -- Tax credits -- Assignment**
- 6599 **of tax credit.**

6600 (1) The office, with advice from the board, may create an economic development zone
6601 in the state if the following requirements are satisfied:

6602 (a) the area is zoned commercial, industrial, manufacturing, business park, research
6603 park, or other appropriate business related use in a community-approved master plan;

6604 (b) the request to create a development zone has first been approved by an appropriate
6605 local government entity; and

6606 (c) local incentives have been or will be committed to be provided within the area.

6607 (2) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
6608 the office shall make rules establishing the requirements for a business entity or local
6609 government entity to qualify for a tax credit for a new commercial project in a development
6610 zone under this part.

6611 (b) The office shall ensure that the requirements described in Subsection (2)(a) include
6612 the following:

6613 (i) the new commercial project is within the development zone;

6614 (ii) the new commercial project includes direct investment within the geographic
6615 boundaries of the development zone;

6616 (iii) the new commercial project brings new incremental jobs to Utah;

6617 (iv) the new commercial project includes the creation of high paying jobs in the state,
6618 significant capital investment in the state, or significant purchases from vendors and providers
6619 in the state, or a combination of these three economic factors;

6620 (v) the new commercial project generates new state revenues; and

6621 (vi) a business entity, a local government entity, or a community [~~development and~~
6622 ~~renewal~~] reinvestment agency to which a local government entity assigns a tax credit under this
6623 section meets the requirements of Section [63N-2-105](#).

6624 (3) (a) The office, after consultation with the board, may enter into a written agreement
6625 with a business entity or local government entity authorizing a tax credit to the business entity
6626 or local government entity if the business entity or local government entity meets the
6627 requirements described in this section.

6628 (b) (i) With respect to a new commercial project, the office may authorize a tax credit
6629 to a business entity or a local government entity, but not both.

6630 (ii) In determining whether to authorize a tax credit with respect to a new commercial

6631 project to a business entity or a local government entity, the office shall authorize the tax credit
6632 in a manner that the office determines will result in providing the most effective incentive for
6633 the new commercial project.

6634 (c) (i) Except as provided in Subsection (3)(c)(ii), the office may not authorize or
6635 commit to authorize a tax credit that exceeds:

6636 (A) 50% of the new state revenues from the new commercial project in any given year;

6637 or

6638 (B) 30% of the new state revenues from the new commercial project over the lesser of
6639 the life of a new commercial project or 20 years.

6640 (ii) If the eligible business entity makes capital expenditures in the state of
6641 \$1,500,000,000 or more associated with a new commercial project, the office may:

6642 (A) authorize or commit to authorize a tax credit not exceeding 60% of new state
6643 revenues over the lesser of the life of the project or 20 years, if the other requirements of this
6644 part are met;

6645 (B) establish the year that state revenues and incremental jobs baseline data are
6646 measured for purposes of an incentive under this Subsection (3)(c)(ii); and

6647 (C) offer an incentive under this Subsection (3)(c)(ii) or modify an existing incentive
6648 previously granted under Subsection (3)(c)(i) that is based on the baseline measurements
6649 described in Subsection (3)(c)(ii)(B), except that the incentive may not authorize or commit to
6650 authorize a tax credit of more than 60% of new state revenues in any one year.

6651 (d) (i) A local government entity may by resolution assign a tax credit authorized by
6652 the office to a community [~~development and renewal~~] reinvestment agency.

6653 (ii) The local government entity shall provide a copy of the resolution described in
6654 Subsection (3)(d)(i) to the office.

6655 (iii) If a local government entity assigns a tax credit to a community [~~development and
6656 renewal~~] reinvestment agency, the written agreement described in Subsection (3)(a) shall:

6657 (A) be between the office, the local government entity, and the community
6658 [~~development and renewal~~] reinvestment agency;

6659 (B) establish the obligations of the local government entity and the community
6660 [~~development and renewal~~] reinvestment agency; and

6661 (C) establish the extent to which any of the local government entity's obligations are

6662 transferred to the community [~~development and renewal~~] reinvestment agency.

6663 (iv) If a local government entity assigns a tax credit to a community [~~development and~~
6664 ~~renewal~~] reinvestment agency:

6665 (A) the community [~~development and renewal~~] reinvestment agency shall retain
6666 records as described in Subsection (4)(d); and

6667 (B) a tax credit certificate issued in accordance with Section 63N-2-106 shall list the
6668 community [~~development and renewal~~] reinvestment agency as the named applicant.

6669 (4) The office shall ensure that the written agreement described in Subsection (3):

6670 (a) specifies the requirements that the business entity or local government entity shall
6671 meet to qualify for a tax credit under this part;

6672 (b) specifies the maximum amount of tax credit that the business entity or local
6673 government entity may be authorized for a taxable year and over the life of the new commercial
6674 project;

6675 (c) establishes the length of time the business entity or local government entity may
6676 claim a tax credit;

6677 (d) requires the business entity or local government entity to retain records supporting a
6678 claim for a tax credit for at least four years after the business entity or local government entity
6679 claims a tax credit under this part; and

6680 (e) requires the business entity or local government entity to submit to audits for
6681 verification of the tax credit claimed.

6682 Section 172. Section 63N-2-105 is amended to read:

6683 **63N-2-105. Qualifications for tax credit -- Procedure.**

6684 (1) The office shall certify a business entity's or local government entity's eligibility for
6685 a tax credit as provided in this part.

6686 (2) A business entity or local government entity seeking to receive a tax credit as
6687 provided in this part shall provide the office with:

6688 (a) an application for a tax credit certificate, including a certification, by an officer of
6689 the business entity, of any signature on the application;

6690 (b) (i) for a business entity, documentation of the new state revenues from the business
6691 entity's new commercial project that were paid during the preceding calendar year; or

6692 (ii) for a local government entity, documentation of the new state revenues from the

6693 new commercial project within the area of the local government entity that were paid during
6694 the preceding calendar year;

6695 (c) known or expected detriments to the state or existing businesses in the state;

6696 (d) if a local government entity seeks to assign the tax credit to a community
6697 [~~development and renewal~~] reinvestment agency as described in Section 63N-2-104, a
6698 statement providing the name and taxpayer identification number of the community
6699 [~~development and renewal~~] reinvestment agency to which the local government entity seeks to
6700 assign the tax credit;

6701 (e) (i) with respect to a business entity, a document that expressly directs and
6702 authorizes the State Tax Commission to disclose to the office the business entity's returns and
6703 other information that would otherwise be subject to confidentiality under Section 59-1-403 or
6704 Section 6103, Internal Revenue Code;

6705 (ii) with respect to a local government entity that seeks to claim the tax credit:

6706 (A) a document that expressly directs and authorizes the State Tax Commission to
6707 disclose to the office the local government entity's returns and other information that would
6708 otherwise be subject to confidentiality under Section 59-1-403 or Section 6103, Internal
6709 Revenue Code; and

6710 (B) if the new state revenues collected as a result of a new commercial project are
6711 attributable in whole or in part to a new or expanded industrial, manufacturing, distribution, or
6712 business service within a new commercial project within the area of the local government
6713 entity, a document signed by an authorized representative of the new or expanded industrial,
6714 manufacturing, distribution, or business service that:

6715 (I) expressly directs and authorizes the State Tax Commission to disclose to the office
6716 the returns of the new or expanded industrial, manufacturing, distribution, or business service
6717 and other information that would otherwise be subject to confidentiality under Section
6718 59-1-403 or Section 6103, Internal Revenue Code; and

6719 (II) lists the taxpayer identification number of the new or expanded industrial,
6720 manufacturing, distribution, or business service; or

6721 (iii) with respect to a local government entity that seeks to assign the tax credit to a
6722 community [~~development and renewal~~] reinvestment agency:

6723 (A) a document signed by the members of the governing body of the community

6724 [~~development and renewal~~] reinvestment agency that expressly directs and authorizes the State
6725 Tax Commission to disclose to the office the returns of the community [~~development and~~
6726 ~~renewal~~] reinvestment agency and other information that would otherwise be subject to
6727 confidentiality under Section 59-1-403 or Section 6103, Internal Revenue Code; and

6728 (B) if the new state revenues collected as a result of a new commercial project are
6729 attributable in whole or in part to a new or expanded industrial, manufacturing, distribution, or
6730 business service within a new commercial project within the community [~~development and~~
6731 ~~renewal~~] reinvestment agency, a document signed by an authorized representative of the new or
6732 expanded industrial, manufacturing, distribution, or business service that:

6733 (I) expressly directs and authorizes the State Tax Commission to disclose to the office
6734 the returns of the new or expanded industrial, manufacturing, distribution, or business service
6735 and other information that would otherwise be subject to confidentiality under Section
6736 59-1-403 or Section 6103, Internal Revenue Code; and

6737 (II) lists the taxpayer identification number of the new or expanded industrial,
6738 manufacturing, distribution, or business service; and

6739 (f) for a business entity only, documentation that the business entity has satisfied the
6740 performance benchmarks outlined in the written agreement described in Subsection
6741 63N-2-104(3)(a), including:

6742 (i) the creation of new incremental jobs that are also high paying jobs;

6743 (ii) significant capital investment;

6744 (iii) significant purchases from Utah vendors and providers; or

6745 (iv) a combination of these benchmarks.

6746 (3) (a) The office shall submit the documents described in Subsection (2)(e) to the
6747 State Tax Commission.

6748 (b) Upon receipt of a document described in Subsection (2)(e), the State Tax
6749 Commission shall provide the office with the returns and other information requested by the
6750 office that the State Tax Commission is directed or authorized to provide to the office in
6751 accordance with Subsection (2)(e).

6752 (4) If, after review of the returns and other information provided by the State Tax
6753 Commission, or after review of the ongoing performance of the business entity or local
6754 government entity, the office determines that the returns and other information are inadequate

6755 to provide a reasonable justification for authorizing or continuing a tax credit, the office shall:

6756 (a) (i) deny the tax credit; or

6757 (ii) terminate the agreement described in Subsection 63N-2-104(3)(a) for failure to
6758 meet the performance standards established in the agreement; or

6759 (b) inform the business entity or local government entity that the returns or other
6760 information were inadequate and ask the business entity or local government entity to submit
6761 new documentation.

6762 (5) If after review of the returns and other information provided by the State Tax
6763 Commission, the office determines that the returns and other information provided by the
6764 business entity or local government entity provide reasonable justification for authorizing a tax
6765 credit, the office shall, based upon the returns and other information:

6766 (a) determine the amount of the tax credit to be granted to the business entity, local
6767 government entity, or if the local government entity assigns the tax credit as described in
6768 Section 63N-2-104, to the community [~~development and renewal~~] reinvestment agency to
6769 which the local government entity assigns the tax credit;

6770 (b) issue a tax credit certificate to the business entity, local government entity, or if the
6771 local government entity assigns the tax credit as described in Section 63N-2-104, to the
6772 community [~~development and renewal~~] reinvestment agency to which the local government
6773 entity assigns the tax credit; and

6774 (c) provide a duplicate copy of the tax credit certificate to the State Tax Commission.

6775 (6) A business entity, local government entity, or community [~~development and~~
6776 ~~renewal~~] reinvestment agency may not claim a tax credit unless the business entity, local
6777 government entity, or community [~~development and renewal~~] reinvestment agency has a tax
6778 credit certificate issued by the office.

6779 (7) (a) A business entity, local government entity, or community [~~development and~~
6780 ~~renewal~~] reinvestment agency may claim a tax credit in the amount listed on the tax credit
6781 certificate on its tax return.

6782 (b) A business entity, local government entity, or community [~~development and~~
6783 ~~renewal~~] reinvestment agency that claims a tax credit under this section shall retain the tax
6784 credit certificate in accordance with Section 59-7-614.2 or 59-10-1107.

6785 Section 173. Section 63N-2-107 is amended to read:

6786 **63N-2-107. Reports of new state revenues, partial rebates, and tax credits.**

6787 (1) Before October 1 of each year, the office shall submit a report to the Governor's
6788 Office of Management and Budget, the Office of Legislative Fiscal Analyst, and the Division
6789 of Finance identifying:

6790 (a) (i) the total estimated amount of new state revenues created from new commercial
6791 projects in development zones;

6792 (ii) the estimated amount of new state revenues from new commercial projects in
6793 development zones that will be generated from:

6794 (A) sales tax;

6795 (B) income tax; and

6796 (C) corporate franchise and income tax; and

6797 (iii) the minimum number of new incremental jobs and high paying jobs that will be
6798 created before any tax credit is awarded; and

6799 (b) the total estimated amount of tax credits that the office projects that business
6800 entities, local government entities, or community [~~development and renewal~~] reinvestment
6801 agencies will qualify to claim under this part.

6802 (2) By the first business day of each month, the office shall submit a report to the
6803 Governor's Office of Management and Budget, the Office of Legislative Fiscal Analyst, and the
6804 Division of Finance identifying:

6805 (a) each new agreement entered into by the office since the last report;

6806 (b) the estimated amount of new state revenues that will be generated under each
6807 agreement;

6808 (c) the estimated maximum amount of tax credits that a business entity, local
6809 government entity, or community [~~development and renewal~~] reinvestment agency could
6810 qualify for under each agreement; and

6811 (d) the minimum number of new incremental jobs and high paying jobs that will be
6812 created before any tax credit is awarded.

6813 (3) At the reasonable request of the Governor's Office of Management and Budget, the
6814 Office of Legislative Fiscal Analyst, or the Division of Finance, the office shall provide
6815 additional information about the tax credit, new incremental jobs and high paying jobs, costs,
6816 and economic benefits related to this part, if the information is part of a public record as

6817 defined in Section [63G-2-103](#).

6818 Section 174. Section **63N-2-108** is amended to read:

6819 **63N-2-108. Expenditure of amounts received by a local government entity or**
6820 **community reinvestment agency as a tax credit -- Commingling of tax credit amounts**
6821 **with certain other amounts.**

6822 (1) Subject to Subsections (2) and (3), a local government entity or community
6823 [~~development and renewal~~] reinvestment agency may expend amounts the local government
6824 entity or community [~~development and renewal~~] reinvestment agency receives as a tax credit
6825 under Section [59-7-614.2](#):

6826 (a) for infrastructure, including real property or personal property, if that infrastructure
6827 is related to the new commercial project with respect to which the local government entity or
6828 community [~~development and renewal~~] reinvestment agency claims the tax credit under
6829 Section [59-7-614.2](#); or

6830 (b) for another economic development purpose related to the new commercial project
6831 with respect to which the local government entity or community [~~development and renewal~~]
6832 reinvestment agency claims the tax credit under Section [59-7-614.2](#).

6833 (2) A local government entity may:

6834 (a) commingle amounts the local government entity receives as a tax credit under
6835 Section [59-7-614.2](#) with amounts the local government entity receives under Title 63N,
6836 Chapter 3, Part 1, Industrial Assistance Account; and

6837 (b) expend the commingled amounts described in Subsection (2)(a) for a purpose
6838 described in Title 63N, Chapter 3, Part 1, Industrial Assistance Account, if that purpose is
6839 related to the new commercial project with respect to which the local government entity claims
6840 the tax credit under Section [59-7-614.2](#).

6841 (3) A community [~~development and renewal~~] reinvestment agency may:

6842 (a) commingle amounts the community [~~development and renewal~~] reinvestment
6843 agency receives as a tax credit under Section [59-7-614.2](#) with amounts the community
6844 [~~development and renewal~~] reinvestment agency receives under Title 17C, Chapter 1, Part 4,
6845 [~~Tax Increment and Sales Tax~~] Project Area Funds; and

6846 (b) expend the commingled amounts described in Subsection (3)(a) for a purpose
6847 described in Title 17C, Chapter 1, Part 4, [~~Tax Increment and Sales Tax~~] Project Area Funds, if

6848 that purpose is related to the new commercial project with respect to which the community
6849 [~~development and renewal~~] reinvestment agency claims the tax credit under Section
6850 59-7-614.2.

6851 Section 175. Section **63N-2-502** is amended to read:

6852 **63N-2-502. Definitions.**

6853 As used in this part:

6854 (1) "Agreement" means an agreement described in Section 63N-2-503.

6855 (2) "Base taxable value" means the value of hotel property before the construction on a
6856 qualified hotel begins, as that value is established by the county in which the hotel property is
6857 located, using a reasonable valuation method that may include the value of the hotel property
6858 on the county assessment rolls the year before the year during which construction on the
6859 qualified hotel begins.

6860 (3) "Certified claim" means a claim that the office has approved and certified as
6861 provided in Section 63N-2-505.

6862 (4) "Claim" means a written document submitted by a qualified hotel owner or host
6863 local government to request a convention incentive.

6864 (5) "Claimant" means the qualified hotel owner or host local government that submits a
6865 claim under Subsection 63N-2-505(1)(a) for a convention incentive.

6866 (6) "Commission" means the Utah State Tax Commission.

6867 (7) "Community [~~development and renewal~~] reinvestment agency" means the same as
6868 that term is defined in Section 17C-1-102.

6869 (8) "Construction revenue" means revenue generated from state taxes and local taxes
6870 imposed on transactions occurring during the eligibility period as a result of the construction of
6871 the hotel property, including purchases made by a qualified hotel owner and its subcontractors.

6872 (9) "Convention incentive" means an incentive for the development of a qualified
6873 hotel, in the form of payment from the incentive fund as provided in this part, as authorized in
6874 an agreement.

6875 (10) "Eligibility period" means:

6876 (a) the period that:

6877 (i) begins the date construction of a qualified hotel begins; and

6878 (ii) ends:

6879 (A) for purposes of the state portion, 20 years after the date of initial occupancy of that
6880 qualified hotel; or

6881 (B) for purposes of the local portion and incremental property tax revenue, 25 years
6882 after the date of initial occupancy of that hotel; or

6883 (b) as provided in an agreement between the office and a qualified hotel owner or host
6884 local government, a period that:

6885 (i) begins no earlier than the date construction of a qualified hotel begins; and

6886 (ii) is shorter than the period described in Subsection (10)(a).

6887 (11) "Endorsement letter" means a letter:

6888 (a) from the county in which a qualified hotel is located or is proposed to be located;

6889 (b) signed by the county executive; and

6890 (c) expressing the county's endorsement of a developer of a qualified hotel as meeting
6891 all the county's criteria for receiving the county's endorsement.

6892 (12) "Host agency" means the community [~~development and renewal~~] reinvestment
6893 agency of the host local government.

6894 (13) "Host local government" means:

6895 (a) a county that enters into an agreement with the office for the construction of a
6896 qualified hotel within the unincorporated area of the county; or

6897 (b) a city or town that enters into an agreement with the office for the construction of a
6898 qualified hotel within the boundary of the city or town.

6899 (14) "Hotel property" means a qualified hotel and any property that is included in the
6900 same development as the qualified hotel, including convention, exhibit, and meeting space,
6901 retail shops, restaurants, parking, and other ancillary facilities and amenities.

6902 (15) "Incentive fund" means the Convention Incentive Fund created in Section
6903 [63N-2-503.5](#).

6904 (16) "Incremental property tax revenue" means the amount of property tax revenue
6905 generated from hotel property that equals the difference between:

6906 (a) the amount of property tax revenue generated in any tax year by all taxing entities
6907 from hotel property, using the current assessed value of the hotel property; and

6908 (b) the amount of property tax revenue that would be generated that tax year by all
6909 taxing entities from hotel property, using the hotel property's base taxable value.

6910 (17) "Local portion" means the portion of new tax revenue that is generated by local
6911 taxes.

6912 (18) "Local taxes" means a tax imposed under:

6913 (a) Section 59-12-204;

6914 (b) Section 59-12-301;

6915 (c) Sections 59-12-352 and 59-12-353;

6916 (d) Subsection 59-12-603(1)(a)(i)(A);

6917 (e) Subsection 59-12-603(1)(a)(i)(B);

6918 (f) Subsection 59-12-603(1)(a)(ii);

6919 (g) Subsection 59-12-603(1)(a)(iii); or

6920 (h) Section 59-12-1102.

6921 (19) "New tax revenue" means construction revenue, offsite revenue, and onsite
6922 revenue.

6923 (20) "Offsite revenue" means revenue generated from state taxes and local taxes
6924 imposed on transactions by a third-party seller occurring other than on hotel property during the
6925 eligibility period, if:

6926 (a) the transaction is subject to a tax under Title 59, Chapter 12, Sales and Use Tax
6927 Act; and

6928 (b) the third-party seller voluntarily consents to the disclosure of information to the
6929 office, as provided in Subsection 63N-2-505(2)(b)(i)(E).

6930 (21) "Onsite revenue" means revenue generated from state taxes and local taxes
6931 imposed on transactions occurring on hotel property during the eligibility period.

6932 (22) "Public infrastructure" means:

6933 (a) water, sewer, storm drainage, electrical, telecommunications, and other similar
6934 systems and lines;

6935 (b) streets, roads, curbs, gutters, sidewalks, walkways, parking facilities, and public
6936 transportation facilities; and

6937 (c) other buildings, facilities, infrastructure, and improvements that benefit the public.

6938 (23) "Qualified hotel" means a full-service hotel development constructed in the state
6939 on or after July 1, 2014 that:

6940 (a) requires a significant capital investment;

6941 (b) includes at least 85 square feet of convention, exhibit, and meeting space per guest
6942 room; and

6943 (c) is located within 1,000 feet of a convention center that contains at least 500,000
6944 square feet of convention, exhibit, and meeting space.

6945 (24) "Qualified hotel owner" means a person who owns a qualified hotel.

6946 (25) "Review committee" means the independent review committee established under
6947 Section [63N-2-504](#).

6948 (26) "Significant capital investment" means an amount of at least \$200,000,000.

6949 (27) "State portion" means the portion of new tax revenue that is generated by state
6950 taxes.

6951 (28) "State taxes" means a tax imposed under Subsection [59-12-103](#)(2)(a)(i), (2)(b)(i),
6952 (2)(c)(i), or (2)(d)(i)(A).

6953 (29) "Third-party seller" means a person who is a seller in a transaction:

6954 (a) occurring other than on hotel property;

6955 (b) that is:

6956 (i) the sale, rental, or lease of a room or of convention or exhibit space or other
6957 facilities on hotel property; or

6958 (ii) the sale of tangible personal property or a service that is part of a bundled
6959 transaction, as defined in Section [59-12-102](#), with a sale, rental, or lease described in
6960 Subsection (29)(b)(i); and

6961 (c) that is subject to a tax under Title 59, Chapter 12, Sales and Use Tax Act.
6962 Section 176. Section [63N-2-505](#) is amended to read:

6963 **[63N-2-505](#). Submission of written claim for convention incentive -- Disclosure of**
6964 **tax returns and other information -- Determination of claim.**

6965 (1) The office may not pay any money from the incentive fund to a qualified hotel
6966 owner or host local government unless:

6967 (a) the qualified hotel owner or host local government submits a claim and other
6968 required documentation, as provided in this section; and

6969 (b) the office approves and certifies the claim, as provided in this section.

6970 (2) A qualified hotel owner or host local government that desires to qualify for a
6971 convention incentive shall submit to the office:

- 6972 (a) a written claim for a convention incentive;
- 6973 (b) (i) for a claim submitted by a qualified hotel owner:
 - 6974 (A) a certification by the individual signing the claim that the individual is duly
 - 6975 authorized to sign the claim on behalf of the qualified hotel owner;
 - 6976 (B) documentation of the new tax revenue previously generated, itemized by
 - 6977 construction revenue, offsite revenue, onsite revenue, type of sales or use tax, and the location
 - 6978 of the transaction generating the new tax revenue as determined under Sections [59-12-211](#),
 - 6979 [59-12-211.1](#), [59-12-212](#), [59-12-213](#), [59-12-214](#), and [59-12-215](#);
 - 6980 (C) the identity of sellers collecting onsite revenue and the date the sellers will begin
 - 6981 collecting onsite revenue;
 - 6982 (D) a document in which the qualified hotel owner expressly directs and authorizes the
 - 6983 commission to disclose to the office the qualified hotel owner's tax returns and other
 - 6984 information that would otherwise be subject to confidentiality under Section [59-1-403](#) or
 - 6985 Section 6103, Internal Revenue Code;
 - 6986 (E) a document in which the qualified hotel's direct vendors, lessees, or subcontractors,
 - 6987 as applicable, expressly direct and authorize the commission to disclose to the office the tax
 - 6988 returns and other information of those vendors, lessees, or subcontractors that would otherwise
 - 6989 be subject to confidentiality under Section [59-1-403](#) or Section 6103, Internal Revenue Code;
 - 6990 (F) a document in which a third-party seller expressly and voluntarily directs and
 - 6991 authorizes the commission to disclose to the office the third-party seller's tax returns and other
 - 6992 information that would otherwise be subject to confidentiality under Section [59-1-403](#) or
 - 6993 Section 6103, Internal Revenue Code;
 - 6994 (G) documentation verifying that the qualified hotel owner is in compliance with the
 - 6995 terms of the agreement; and
 - 6996 (H) any other documentation that the agreement or office requires; and
 - 6997 (ii) for an application submitted by a host local government, documentation of the new
 - 6998 tax revenue generated during the preceding year;
 - 6999 (c) if the host local government intends to assign the convention incentive to a
 - 7000 community [~~development and renewal~~] reinvestment agency, a document signed by the
 - 7001 governing body members of the community [~~development and renewal~~] reinvestment agency
 - 7002 that expressly directs and authorizes the commission to disclose to the office the agency's tax

7003 returns and other information that would otherwise be subject to confidentiality under Section
7004 [59-1-403](#) or Section 6103, Internal Revenue Code; and

7005 (d) an audit level attestation, or other level of review approved by the office, from an
7006 independent certified public accountant, hired by the claimant, attesting to the accuracy and
7007 validity of the amount of the state portion and the local portion being claimed by the claimant.

7008 (3) (a) The office shall submit to the commission the documents described in
7009 Subsections (2)(b)(i)(C), (D), and (E) and (2)(c) authorizing disclosure of the tax returns and
7010 other information.

7011 (b) Upon receipt of the documents described in Subsection (3)(a), the commission shall
7012 provide to the office the tax returns and other information described in those documents.

7013 (4) If the office determines that the tax returns and other information are inadequate to
7014 enable the office to approve and certify a claim, the office shall inform the claimant that the tax
7015 returns and other information were inadequate and request the tax credit applicant to submit
7016 additional documentation to validate the claim.

7017 (5) If the office determines that the returns and other information, including any
7018 additional documentation provided under Subsection (4), comply with applicable requirements
7019 and provide reasonable justification to approve and certify the claim, the office shall:

7020 (a) approve and certify the claim;

7021 (b) determine the amount of the certified claim; and

7022 (c) disburse money from the incentive fund to pay the certified claim as provided in
7023 Subsection (6).

7024 (6) The office shall pay claims from available money in the incentive fund at least
7025 annually.

7026 (7) For each certified claim, the office shall provide the commission:

7027 (a) for onsite revenue:

7028 (i) the identity of sellers operating upon the hotel property;

7029 (ii) the date that the commission is to begin depositing or transferring onsite revenue
7030 under Section [63N-2-503.5](#) for each seller operating upon the hotel property;

7031 (iii) the date that the commission is to stop depositing or transferring onsite revenue to
7032 the incentive fund under Section [63N-2-503.5](#) for each seller operating upon the hotel property;
7033 and

7034 (iv) the type of sales or use tax subject to the commission's deposit or transfer to the
7035 incentive fund under Section 63N-2-503.5;

7036 (b) for construction revenue and offsite revenue:

7037 (i) the amount of new tax revenue authorized under the agreement constituting
7038 construction revenue or offsite revenue;

7039 (ii) the location of the transactions generating the construction revenue and offsite
7040 revenue, as determined under Sections 59-12-211, 59-12-211.1, 59-12-212, 59-12-213,
7041 59-12-214, and 59-12-215; and

7042 (iii) the type of sales or use tax that constitutes the construction revenue of offsite
7043 revenue described in Subsection (7)(b)(ii); and

7044 (c) any other information the commission requires.

7045 Section 177. Section 63N-2-507 is amended to read:

7046 **63N-2-507. Assigning convention incentive.**

7047 (1) A host local government that enters into an agreement with the office may, by
7048 resolution, assign a convention incentive to a community [~~development and renewal~~
7049 reinvestment] agency, in accordance with rules adopted by the office.

7050 (2) A host local government that adopts a resolution assigning a convention incentive
7051 under Subsection (1) shall provide a copy of the resolution to the office.

7052 Section 178. Section 63N-2-508 is amended to read:

7053 **63N-2-508. Payment of incremental property tax revenue.**

7054 (1) As used in this section:

7055 (a) "Displaced tax increment" means the amount of tax increment that a county would
7056 have paid to the host agency, except for Subsection (2)(b), from tax increment revenue
7057 generated from the project area in which the hotel property is located.

7058 (b) "Secured obligations" means bonds or other obligations of a host agency for the
7059 payment of which the host agency has, before March 13, 2015, pledged tax increment
7060 generated from the project area in which the hotel property is located.

7061 (c) "Tax increment" means the same as that term is defined in Section 17C-1-102.

7062 (d) "Tax increment shortfall" means the amount of displaced tax increment a host
7063 agency needs to receive, in addition to any other tax increment the host agency receives from
7064 the project area in which the hotel property is located, to provide the host agency sufficient tax

7065 increment funds to be able to pay the debt service on its secured obligations.

7066 (2) (a) In accordance with rules adopted by the office and subject to Subsection (5), a
7067 county in which a qualified hotel is located shall retain incremental property tax revenue during
7068 the eligibility period.

7069 (b) The amount of incremental property tax revenue that a county retains under
7070 Subsection (2)(a) for a taxable year reduces by that amount any tax increment that the county
7071 would otherwise have paid to the host agency for that year, subject to Subsection (5).

7072 (c) For any taxable year in which a reduction of tax increment occurs as provided in
7073 Subsection (2)(b), the county shall provide the host agency a notice that:

7074 (i) states the amount of displaced tax increment for that year;

7075 (ii) states the number of years remaining in the eligibility period;

7076 (iii) provides a detailed accounting of how the displaced tax increment was used; and

7077 (iv) explains how the displaced tax increment will be used in the following taxable
7078 year.

7079 (3) Incremental property tax revenue may be used only for:

7080 (a) the purchase of or payment for, or reimbursement of a previous purchase of or
7081 payment for:

7082 (i) tangible personal property used in the construction of convention, exhibit, or
7083 meeting space on hotel property;

7084 (ii) tangible personal property that, upon the construction of hotel property, becomes
7085 affixed to hotel property as real property; or

7086 (iii) any labor and overhead costs associated with the construction described in
7087 Subsections (3)(a)(i) and (ii); and

7088 (b) public infrastructure.

7089 (4) (a) Incremental property tax:

7090 (i) is not tax increment; and

7091 (ii) is not subject to:

7092 (A) Title 17C, Limited Purpose Local Government Entities - Community

7093 [~~Development and Renewal Agencies~~] Reinvestment Agency Act; or

7094 (B) any other law governing tax increment, except as provided in Subsection (4)(c).

7095 (b) The payment and use of incremental property tax, as provided in this part, is not

7096 subject to the approval of any taxing entity, as defined in Section 17C-1-102.

7097 (c) Revenue from an increase in the taxable value of hotel property is considered to be
7098 a redevelopment adjustment for purposes of calculating the certified tax rate under Section
7099 59-2-924.

7100 (5) (a) Subject to Subsection (5)(b), a county may not spend the portion of incremental
7101 property tax revenue that is displaced tax increment until after 30 days after the county
7102 provides the notice required under Subsection (2)(c).

7103 (b) If, within 30 days after the county provides the notice required under Subsection
7104 (2)(c), a host agency provides written notice to the county that the host agency will experience
7105 a tax increment shortfall, the county shall, unless the host agency agrees otherwise, pay to the
7106 host agency displaced tax increment in the amount of the tax increment shortfall.

7107 Section 179. Section 67-1a-6.5 is amended to read:

7108 **67-1a-6.5. Certification of local entity boundary actions -- Definitions -- Notice**
7109 **requirements -- Electronic copies -- Filing.**

7110 (1) As used in this section:

7111 (a) "Applicable certificate" means:

7112 (i) for the impending incorporation of a city, town, local district, conservation district,
7113 or incorporation of a local district from a reorganized special service district, a certificate of
7114 incorporation;

7115 (ii) for the impending creation of a county, school district, special service district,
7116 community [~~development and renewal~~] reinvestment agency, or interlocal entity, a certificate
7117 of creation;

7118 (iii) for the impending annexation of territory to an existing local entity, a certificate of
7119 annexation;

7120 (iv) for the impending withdrawal or disconnection of territory from an existing local
7121 entity, a certificate of withdrawal or disconnection, respectively;

7122 (v) for the impending consolidation of multiple local entities, a certificate of
7123 consolidation;

7124 (vi) for the impending division of a local entity into multiple local entities, a certificate
7125 of division;

7126 (vii) for the impending adjustment of a common boundary between local entities, a

- 7127 certificate of boundary adjustment; and
- 7128 (viii) for the impending dissolution of a local entity, a certificate of dissolution.
- 7129 (b) "Approved final local entity plat" means a final local entity plat, as defined in
- 7130 Section 17-23-20, that has been approved under Section 17-23-20 as a final local entity plat by
- 7131 the county surveyor.
- 7132 (c) "Approving authority" has the same meaning as defined in Section 17-23-20.
- 7133 (d) "Boundary action" has the same meaning as defined in Section 17-23-20.
- 7134 (e) "Center" means the Automated Geographic Reference Center created under Section
- 7135 63F-1-506.
- 7136 (f) "Community [~~development and renewal~~] reinvestment agency" has the same
- 7137 meaning as defined in Section 17C-1-102.
- 7138 (g) "Conservation district" has the same meaning as defined in Section 17D-3-102.
- 7139 (h) "Interlocal entity" has the same meaning as defined in Section 11-13-103.
- 7140 (i) "Local district" has the same meaning as defined in Section 17B-1-102.
- 7141 (j) "Local entity" means a county, city, town, school district, local district, community
- 7142 [~~development and renewal~~] reinvestment agency, special service district, conservation district,
- 7143 or interlocal entity.
- 7144 (k) "Notice of an impending boundary action" means a written notice, as described in
- 7145 Subsection (3), that provides notice of an impending boundary action.
- 7146 (l) "Special service district" has the same meaning as defined in Section 17D-1-102.
- 7147 (2) Within 10 days after receiving a notice of an impending boundary action, the
- 7148 lieutenant governor shall:
- 7149 (a) (i) issue the applicable certificate, if:
- 7150 (A) the lieutenant governor determines that the notice of an impending boundary action
- 7151 meets the requirements of Subsection (3); and
- 7152 (B) except in the case of an impending local entity dissolution, the notice of an
- 7153 impending boundary action is accompanied by an approved final local entity plat;
- 7154 (ii) send the applicable certificate to the local entity's approving authority;
- 7155 (iii) return the original of the approved final local entity plat to the local entity's
- 7156 approving authority;
- 7157 (iv) send a copy of the applicable certificate and approved final local entity plat to:

- 7158 (A) the State Tax Commission;
- 7159 (B) the center; and
- 7160 (C) the county assessor, county surveyor, county auditor, and county attorney of each
- 7161 county in which the property depicted on the approved final local entity plat is located; and
- 7162 (v) send a copy of the applicable certificate to the state auditor, if the boundary action
- 7163 that is the subject of the applicable certificate is:
 - 7164 (A) the incorporation or creation of a new local entity;
 - 7165 (B) the consolidation of multiple local entities;
 - 7166 (C) the division of a local entity into multiple local entities; or
 - 7167 (D) the dissolution of a local entity; or
- 7168 (b) (i) send written notification to the approving authority that the lieutenant governor
- 7169 is unable to issue the applicable certificate, if:
 - 7170 (A) the lieutenant governor determines that the notice of an impending boundary action
 - 7171 does not meet the requirements of Subsection (3); or
 - 7172 (B) the notice of an impending boundary action is:
 - 7173 (I) not accompanied by an approved final local entity plat; or
 - 7174 (II) accompanied by a plat or final local entity plat that has not been approved as a final
 - 7175 local entity plat by the county surveyor under Section [17-23-20](#); and
 - 7176 (ii) explain in the notification under Subsection (2)(b)(i) why the lieutenant governor is
 - 7177 unable to issue the applicable certificate.
- 7178 (3) Each notice of an impending boundary action shall:
 - 7179 (a) be directed to the lieutenant governor;
 - 7180 (b) contain the name of the local entity or, in the case of an incorporation or creation,
 - 7181 future local entity, whose boundary is affected or established by the boundary action;
 - 7182 (c) describe the type of boundary action for which an applicable certificate is sought;
 - 7183 (d) be accompanied by a letter from the Utah State Retirement Office, created under
 - 7184 Section [49-11-201](#), to the approving authority that identifies the potential provisions under
 - 7185 Title 49, Utah State Retirement and Insurance Benefit Act, that the local entity shall comply
 - 7186 with, related to the boundary action, if the boundary action is an impending incorporation or
 - 7187 creation of a local entity that may result in the employment of personnel; and
 - 7188 (e) (i) contain a statement, signed and verified by the approving authority, certifying

7189 that all requirements applicable to the boundary action have been met; or

7190 (ii) in the case of the dissolution of a municipality, be accompanied by a certified copy
7191 of the court order approving the dissolution of the municipality.

7192 (4) The lieutenant governor may require the approving authority to submit a paper or
7193 electronic copy of a notice of an impending boundary action and approved final local entity plat
7194 in conjunction with the filing of the original of those documents.

7195 (5) (a) The lieutenant governor shall:

7196 (i) keep, index, maintain, and make available to the public each notice of an impending
7197 boundary action, approved final local entity plat, applicable certificate, and other document that
7198 the lieutenant governor receives or generates under this section;

7199 (ii) make a copy of each document listed in Subsection (5)(a)(i) available on the
7200 Internet for 12 months after the lieutenant governor receives or generates the document;

7201 (iii) furnish a paper copy of any of the documents listed in Subsection (5)(a)(i) to any
7202 person who requests a paper copy; and

7203 (iv) furnish a certified copy of any of the documents listed in Subsection (5)(a)(i) to
7204 any person who requests a certified copy.

7205 (b) The lieutenant governor may charge a reasonable fee for a paper copy or certified
7206 copy of a document that the lieutenant governor provides under this Subsection (5).

7207 Section 180. Section **72-1-208** is amended to read:

7208 **72-1-208. Cooperation with counties, cities, towns, the federal government, and**
7209 **all state departments -- Inspection of work done by a public transit district.**

7210 (1) The department shall cooperate with the counties, cities, towns, and community
7211 [~~development and renewal~~] reinvestment agencies in the construction, maintenance, and use of
7212 the highways and in all related matters, and may provide services to the counties, cities, towns,
7213 and community [~~development and renewal~~] reinvestment agencies on terms mutually agreed
7214 upon.

7215 (2) The department, with the approval of the governor, shall cooperate with the federal
7216 government in all federal-aid projects and with all state departments in all matters in
7217 connection with the use of the highways.

7218 (3) The department:

7219 (a) shall inspect all work done by a public transit district under Title 17B, Chapter 2a,

7220 Part 8, Public Transit District Act, relating to safety appliances and procedures; and
7221 (b) may make further additions or changes necessary for the purpose of safety to
7222 employees and the general public.

7223 Section 181. **Repealer.**

7224 This bill repeals:

7225 Section **17C-1-303, Summary of sale or other disposition of agency property --**
7226 **Publication of summary.**

7227 Section **17C-3-301, Combining hearings.**

7228 Section **17C-3-302, Continuing a hearing.**

7229 Section **17C-3-303, Notice required for continued hearing.**

7230 Section **17C-3-401, Agency to provide notice of hearings.**

7231 Section **17C-3-402, Requirements for notice provided by agency.**

7232 Section **17C-3-403, Additional requirements for notice of a plan hearing.**

7233 Section **17C-3-404, Additional requirements for notice of a budget hearing.**

7234 Section **17C-4-301, Continuing a plan hearing.**

7235 Section **17C-4-302, Notice required for continued hearing.**

7236 Section **17C-4-401, Agency required to provide notice of plan hearing.**

7237 Section **17C-4-402, Requirements for notice provided by agency.**

Legislative Review Note
Office of Legislative Research and General Counsel