

# SB0221S02 compared with SB0221S01

~~{Omitted text}~~ shows text that was in SB0221S01 but was omitted in SB0221S02

inserted text shows text that was not in SB0221S01 but was inserted into SB0221S02

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1                                   **Housing and Transit Reinvestment Zone Amendments**  
  2026 GENERAL SESSION  
  STATE OF UTAH  
  **Chief Sponsor: Wayne A. Harper**  
  House Sponsor: James A. Dunnigan



2  
3   **LONG TITLE**

4   **General Description:**

5       This bill amends provisions relating to a housing and transit reinvestment zone.

6   **Highlighted Provisions:**

7       This bill:

- 8           ▶ redefines the term "base year";
- 9           ▶ defines the term "extraterritorial affordable housing";
- 10          ▶ amends terms;
- 11          ▶ amends certain requirements and exceptions for boundary adjustments for certain investment zones;
- 13          ▶ modifies provisions regarding approval of certain investment zone proposals;
- 14          ▶ amends certain provisions regarding an existing community reinvestment project; ~~{and}~~
- 15          ▶ makes technical and conforming changes{;} and
- 16          ▶ includes a coordination clause to coordinate changes in this bill with S.B. 39, Investment

**Zones Amendments.**

18   **Money Appropriated in this Bill:**

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19 None

20 **Other Special Clauses:**

21 This bill provides a coordination clause.

22 **Utah Code Sections Affected:**

23 AMENDS:

24 **59-2-924 , as last amended by Laws of Utah 2025, First Special Session, Chapter 15**

25 **63N-3-602** , as last amended by Laws of Utah 2025, Chapter 29

26 **63N-3-603** , as last amended by Laws of Utah 2025, First Special Session, Chapter 15

27 **63N-3-603.1 , as enacted by Laws of Utah 2025, Chapter 29**

28 **63N-3-604** , as last amended by Laws of Utah 2025, Chapter 29

29 **63N-3-604.1** , as enacted by Laws of Utah 2025, Chapter 29

30 **63N-3-605** , as last amended by Laws of Utah 2025, Chapter 29

31 **63N-3-607** , as last amended by Laws of Utah 2025, Chapter 404

32 **63N-3-608** , as last amended by Laws of Utah 2025, Chapter 29

33 **63N-3-611** , as last amended by Laws of Utah 2025, Chapter 29

34 **63N-3-1601 , as last amended by Laws of Utah 2025, Chapter 440**

35 **63N-3-1603** , as enacted by Laws of Utah 2024, Chapter 537

36 **63N-3-1609** , as enacted by Laws of Utah 2024, Chapter 537

37 **Utah Code Sections affected by Coordination Clause:**

38 **59-2-924 (05/06/26)** , as last amended by Laws of Utah 2025, First Special Session, Chapter 15

40 **63N-3-602 (05/06/26)** , as last amended by Laws of Utah 2025, Chapter 29

41 **63N-3-603.1 (05/06/26)** , as enacted by Laws of Utah 2025, Chapter 29

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

45 **Section 1. Section 59-2-924 is amended to read:**

46 **59-2-924. Definitions -- Report of valuation of property to county auditor and commission  
-- Transmittal by auditor to governing bodies -- Calculation of certified tax rate -- Rulemaking  
authority -- Adoption of tentative budget -- Notice provided by the commission.**

50 (1) As used in this section:

51 (a)

(i) "Ad valorem property tax revenue" means revenue collected in accordance with this chapter.

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- 53 (ii) "Ad valorem property tax revenue" does not include:  
54 (A) interest;  
55 (B) penalties;  
56 (C) collections from redemptions; or  
57 (D) revenue received by a taxing entity from personal property that is semiconductor manufacturing  
equipment assessed by a county assessor in accordance with Part 3, County Assessment.
- 60 (b) "Adjusted tax increment" means the same as that term is defined in Section 17C-1-102.  
62 (c)
- (i) "Aggregate taxable value of all property taxed" means:  
63 (A) the aggregate taxable value of all real property a county assessor assesses in accordance with  
Part 3, County Assessment, for the current year;  
65 (B) the aggregate taxable value of all real and personal property the commission assesses in  
accordance with Part 2, Assessment of Property, for the current year; and  
68 (C) the aggregate year end taxable value of all personal property a county assessor assesses in  
accordance with Part 3, County Assessment, contained on the prior year's tax rolls of the taxing  
entity.
- 71 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate year end taxable  
value of personal property that is:  
73 (A) semiconductor manufacturing equipment assessed by a county assessor in accordance with Part 3,  
County Assessment; and  
75 (B) contained on the prior year's tax rolls of the taxing entity.  
76 (d) "Base taxable value" means:  
77 (i) for an authority created under Section 11-58-201, the same as that term is defined in Section  
11-58-102;  
79 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201, the same as that  
term is defined in Section ~~[11-59-207]~~ 11-59-208;  
81 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201, the  
same as that term is defined in Section 11-70-101;  
83 (iv) for an agency created under Section 17C-1-201.5, the same as that term is defined in Section  
17C-1-102;

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- (v) for an authority created under Section 63H-1-201, the same as that term is defined in Section 63H-1-102;
- 87 (vi) for a host local government, the same as that term is defined in Section 63N-2-502;
- 89 (vii) for a housing and transit reinvestment zone or convention center reinvestment zone created under Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 92 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part 5, Home Ownership Promotion Zone, a property's taxable value as shown upon the assessment roll last equalized during the base year, as that term is defined in Section 10-21-101 or Section 17-80-101;
- 97 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16, First Home Investment Zone Act, a property's taxable value as shown upon the assessment roll last equalized during the base year, as that term is defined in Section 63N-3-1601;
- 101 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, a property's taxable value as shown upon the assessment roll last equalized during the property tax base year, as that term is defined in Section 63N-3-1701; or
- 105 (xi) for an electrical energy development zone created under Section 79-6-1104, the value of the property within an electrical energy development zone, as shown on the assessment roll last equalized before the creation of the electrical development zone, as that term is defined in Section 79-6-1104.
- 109 (e) "Centrally assessed benchmark value" means an amount equal to the average year end taxable value of real and personal property the commission assesses in accordance with Part 2, Assessment of Property, for the previous three calendar years, adjusted for taxable value attributable to:
- 113 (i) an annexation to a taxing entity;
- 114 (ii) an incorrect allocation of taxable value of real or personal property the commission assesses in accordance with Part 2, Assessment of Property; or
- 116 (iii) a change in value as a result of a change in the method of apportioning the value prescribed by the Legislature, a court, or the commission in an administrative rule or administrative order.
- 119 (f) "Centrally assessed industry" means the following industry classes the commission assesses in accordance with Part 2, Assessment of Property:
- 121 (i) air carrier;

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- 122 (ii) coal;
- 123 (iii) coal load out property;
- 124 (iv) electric generation;
- 125 (v) electric rural;
- 126 (vi) electric utility;
- 127 (vii) gas utility;
- 128 (viii) ground access property;
- 129 (ix) land only property;
- 130 (x) liquid pipeline;
- 131 (xi) metalliferous mining;
- 132 (xii) nonmetalliferous mining;
- 133 (xiii) oil and gas gathering;
- 134 (xiv) oil and gas production;
- 135 (xv) oil and gas water disposal;
- 136 (xvi) railroad;
- 137 (xvii) sand and gravel; and
- 138 (xviii) uranium.
- 139 (g)
- (i) "Centrally assessed new growth" means the greater of:
- 140 (A) for each centrally assessed industry, zero; or
- 141 (B) the amount calculated by subtracting the centrally assessed benchmark value for each centrally assessed industry, adjusted for prior year end incremental value, from the taxable value of real and personal property the commission assesses in accordance with Part 2, Assessment of Property, for each centrally assessed industry for the current year, adjusted for current year incremental value.
- 147 (ii) "Centrally assessed new growth" does not include a change in value for a centrally assessed industry as a result of a change in the method of apportioning the value prescribed by the Legislature, a court, or the commission in an administrative rule or administrative order.
- 151 (h) "Certified tax rate" means a tax rate that will provide the same ad valorem property tax revenue for a taxing entity as was budgeted by that taxing entity for the prior year.
- 153 (i) "Community reinvestment agency" means the same as that term is defined in Section 17C-1-102.

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- 155 (j) "Eligible new growth" means the greater of:
- 156 (i) zero; or
- 157 (ii) the sum of:
- 158 (A) locally assessed new growth;
- 159 (B) centrally assessed new growth; and
- 160 (C) project area new growth or hotel property new growth.
- 161 (k) "Host local government" means the same as that term is defined in Section 63N-2-502.
- 163 (l) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 164 (m) "Hotel property new growth" means an amount equal to the incremental value that is no longer  
provided to a host local government as incremental property tax revenue.
- 166 (n) "Incremental property tax revenue" means the same as that term is defined in Section 63N-2-502.
- 168 (o) "Incremental value" means:
- 169 (i) for an authority created under Section 11-58-201, the amount calculated by multiplying:
- 171 (A) the difference between the taxable value and the base taxable value of the property that is located  
within a project area and on which property tax differential is collected; and
- 174 (B) the number that represents the percentage of the property tax differential that is paid to the  
authority;
- 176 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201, an amount  
calculated by multiplying:
- 178 (A) the difference between the current assessed value of the property and the base taxable value; and
- 180 (B) the number that represents the percentage of the property tax augmentation, as defined in Section  
[11-59-207] 11-59-208, that is paid to the Point of the Mountain State Land Authority;
- 183 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201, the  
amount calculated by multiplying:
- 185 (A) the difference between the taxable value for the current year and the base taxable value of the  
property that is located within a project area; and
- 187 (B) the number that represents the percentage of enhanced property tax revenue, as defined in Section  
11-70-101;
- 189 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by multiplying:
- 191 (A) the difference between the taxable value and the base taxable value of the property located within a  
project area and on which tax increment is collected; and

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- 194 (B) the number that represents the adjusted tax increment from that project area that is paid to the  
agency;
- 196 (v) for an authority created under Section 63H-1-201, the amount calculated by multiplying:
- 198 (A) the difference between the taxable value and the base taxable value of the property located within a  
project area and on which property tax allocation is collected; and
- 201 (B) the number that represents the percentage of the property tax allocation from that project area that is  
paid to the authority;
- 203 (vi) for a housing and transit reinvestment zone or convention center reinvestment zone created in  
accordance with Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, an  
amount calculated by multiplying:
- 206 (A) the difference between the taxable value and the base taxable value of the property that is located  
within a housing and transit reinvestment zone or convention center reinvestment zone and on which  
tax increment is collected; and
- 210 (B) the number that represents the percentage of the tax increment that is paid to the housing and transit  
reinvestment zone or convention center reinvestment zone;
- 213 (vii) for a host local government, an amount calculated by multiplying:
- 214 (A) the difference between the taxable value and the base taxable value of the hotel property on which  
incremental property tax revenue is collected; and
- 216 (B) the number that represents the percentage of the incremental property tax revenue from that hotel  
property that is paid to the host local government;
- 218 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5, Home  
Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part 5, Home Ownership  
Promotion Zone, an amount calculated by multiplying:
- 221 (A) the difference between the taxable value and the base taxable value of the property that is located  
within a home ownership promotion zone and on which tax increment is collected; and
- 224 (B) the number that represents the percentage of the tax increment that is paid to the home ownership  
promotion zone;
- 226 (ix) for a first home investment zone created in accordance with Title 63N, Chapter 3, Part 16, First  
Home Investment Zone Act, an amount calculated by multiplying:
- 228 (A) the difference between the taxable value and the base taxable value of the property that is located  
within a first home investment zone and on which tax increment is collected; and

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- 231 (B) the number that represents the percentage of the tax increment that is paid to the first home  
investment zone;
- 233 (x) for a major sporting event venue zone created [~~pursuant to~~] in accordance with Title 63N, Chapter 3,  
Part 17, Major Sporting Event Venue Zone Act, an amount calculated by multiplying:
- 236 (A) the difference between the taxable value and the base taxable value of the property located within  
a qualified development zone for a major sporting event venue zone and upon which property tax  
increment is collected; and
- 239 (B) the number that represents the percentage of tax increment that is paid to the major sporting event  
venue zone, as approved by a major sporting event venue zone committee described in Section  
63N-1a-1706; or
- 242 (xi) for an electrical energy development zone created under Section 79-6-1104, the amount calculated  
by multiplying:
- 244 (A) the difference between the taxable value and the base taxable value of the property that is located  
within the electrical energy developmental zone; and
- 246 (B) the number that represents the percentage of the tax increment that is paid to a community  
reinvestment agency and the Electrical Energy Development Investment Fund created in Section  
79-6-1105.
- 249 (p)
- (i) "Locally assessed new growth" means the greater of:
- 250 (A) zero; or
- 251 (B) the amount calculated by subtracting the year end taxable value of real property the county  
assessor assesses in accordance with Part 3, County Assessment, for the previous year, adjusted  
for prior year end incremental value from the taxable value of real property the county assessor  
assesses in accordance with Part 3, County Assessment, for the current year, adjusted for current  
year incremental value.
- 257 (ii) "Locally assessed new growth" does not include a change in:
- 258 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal, or another  
adjustment;
- 260 (B) assessed value based on whether a property is allowed a residential exemption for a primary  
residence under Section 59-2-103;
- 262 (C) assessed value based on whether a property is assessed under Part 5, Farmland Assessment Act; or

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- 264 (D) assessed value based on whether a property is assessed under Part 17, Urban Farming Assessment Act.
- 266 (q) "Project area" means:
- 267 (i) for an authority created under Section 11-58-201, the same as that term is defined in Section 11-58-102;
- 269 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201, the same as that term is defined in Section 11-70-101;
- 271 (iii) for an agency created under Section 17C-1-201.5, the same as that term is defined in Section 17C-1-102;
- 273 (iv) for an authority created under Section 63H-1-201, the same as that term is defined in Section 63H-1-102;
- 275 (v) for a housing and transit reinvestment zone ~~[or convention center reinvestment zone]~~ created under Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, the ~~[same as that term is]~~ housing and transit reinvestment zone, as defined in Section 63N-3-602;
- 279 ~~(vi)~~ (vii) for a convention center reinvestment zone created under Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, the convention center reinvestment zone, as defined in Section 63N-3-602;
- 282 ~~[(vi)]~~ (vii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part 5, Home Ownership Promotion Zone, the ~~[same as that term is]~~ the home ownership promotion zone, as defined in Section 10-21-101 or Section 17-80-101;
- 286 ~~[(vii)]~~ (viii) for a first home investment zone created under Title 63N, Chapter 3, Part 16, First Home Investment Zone Act, the same as that term is defined in Section 63N-3-1601; or
- 289 ~~[(viii)]~~ (ix) for a major sporting event venue zone established under Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, the qualified development zone, as defined in Section 63N-3-1701.
- 292 (r) "Project area new growth" means:
- 293 (i) for an authority created under Section 11-58-201, an amount equal to the incremental value that is no longer provided to an authority as property tax differential;
- 296

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- (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201, an amount equal to the incremental value that is no longer provided to the Point of the Mountain State Land Authority as property tax augmentation, as defined in Section ~~[11-59-207]~~ 11-59-208;
- 300 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201, an amount equal to the incremental value that is no longer provided to the Utah Fairpark Area Investment and Restoration District;
- 303 (iv) for an agency created under Section 17C-1-201.5, an amount equal to the incremental value that is no longer provided to an agency as tax increment;
- 305 (v) for an authority created under Section 63H-1-201, an amount equal to the incremental value that is no longer provided to an authority as property tax allocation;
- 308 (vi) for a housing and transit reinvestment zone or convention center reinvestment zone created under Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, an amount equal to the incremental value that is no longer provided to a housing and transit reinvestment zone or convention center reinvestment zone as tax increment;
- 313 (vii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part 5, Home Ownership Promotion Zone, an amount equal to the incremental value that is no longer provided to a home ownership promotion zone as tax increment;
- 317 (viii) for a first home investment zone created under Title 63N, Chapter 3, Part 16, First Home Investment Zone Act, an amount equal to the incremental value that is no longer provided to a first home investment zone as tax increment; or
- 320 (ix) for a major sporting event venue zone created under Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, an amount equal to the incremental value that is no longer provided to the creating entity of a major sporting event venue zone as property tax increment.
- 324 (s) "Project area incremental revenue" means the same as that term is defined in Section 17C-1-1001.
- 326 (t) "Property tax allocation" means the same as that term is defined in Section 63H-1-102.
- 327 (u) "Property tax differential" means the same as that term is defined in Sections 11-58-102 and 79-6-1104.
- 329 (v) "Tax increment" means:
- 330 (i) for a project created under Section 17C-1-201.5, the same as that term is defined in Section 17C-1-102;

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- 332 (ii) for a housing and transit reinvestment zone or convention center reinvestment zone created under  
Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, the same as the term  
"property tax increment" is defined in Section 63N-3-602;
- 336 (iii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5, Home Ownership  
Promotion Zone for Municipalities, or Title 17, Chapter 80, Part 5, Home Ownership Promotion  
Zone, the same as that term is defined in Section 10-21-101 or Section 17-80-101;
- 340 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16, First Home  
Investment Zone Act, the same as that term is defined in Section 63N-3-1601; or
- 343 (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part 17, Major Sporting  
Event Venue Zone Act, property tax increment, as that term is defined in Section 63N-3-1701.
- 346 (2) Before June 1 of each year, each county assessor shall deliver to the county auditor and the  
commission the following statements:
- 348 (a) a statement containing the aggregate valuation of all taxable real property a county assessor assesses  
in accordance with Part 3, County Assessment, for each taxing entity; and
- 351 (b) a statement containing the taxable value of all personal property a county assessor assesses in  
accordance with Part 3, County Assessment, from the prior year end values.
- 354 (3) The county auditor shall, on or before June 8, transmit to the governing body of each taxing entity:
- 356 (a) the statements described in Subsections (2)(a) and (b);
- 357 (b) an estimate of the revenue from personal property;
- 358 (c) the certified tax rate; and
- 359 (d) all forms necessary to submit a tax levy request.
- 360 (4)
- (a) Except as otherwise provided in this section, the certified tax rate shall be calculated by dividing  
the ad valorem property tax revenue that a taxing entity budgeted for the prior year by the amount  
calculated under Subsection (4)(b).
- 363 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall calculate an amount as  
follows:
- 365 (i) calculate for the taxing entity the difference between:
- 366 (A) the aggregate taxable value of all property taxed; and
- 367 (B) any adjustments for current year incremental value;
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- (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount determined by increasing or decreasing the amount calculated under Subsection (4)(b)(i) by the average of the percentage net change in the value of taxable property for the equalization period for the three calendar years immediately preceding the current calendar year;
- 373 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the product of:  
375 (A) the amount calculated under Subsection (4)(b)(ii); and  
376 (B) the percentage of property taxes collected for the five calendar years immediately preceding the current calendar year; and
- 378 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an amount determined by:  
380 (A) multiplying the percentage of property taxes collected for the five calendar years immediately preceding the current calendar year by eligible new growth; and  
383 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the amount calculated under Subsection (4)(b)(iii).
- 385 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated as follows:  
387 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified tax rate is zero;  
389 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:  
390 (i) in a county of the first, second, or third class, the levy imposed for municipal-type services under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services to Unincorporated Areas; and  
393 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county purposes and such other levies imposed solely for the municipal-type services identified in Section 17-78-501 and Subsection 17-63-101(23);
- 396 (c) for a community reinvestment agency that received all or a portion of a taxing entity's project area incremental revenue in the prior year under Title 17C, Chapter 1, Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in Subsection (4) except that the commission shall treat the total revenue transferred to the community reinvestment agency as ad valorem property tax revenue that the taxing entity budgeted for the prior year; and
- 402 (d) for debt service voted on by the public, the certified tax rate is the actual levy imposed by that section, except that a certified tax rate for the following levies shall be calculated in accordance with Section 59-2-913 and this section:  
405 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and  
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(ii) a levy to pay for the costs of state legislative mandates or judicial or administrative orders under Section 59-2-1602.

408 (6)

(a) A taxing entity may impose a judgment levy under Section 59-2-1328 or 59-2-1330 at a rate that is sufficient to generate only the revenue required to satisfy one or more eligible judgments.

411 (b) The ad valorem property tax revenue generated by a judgment levy described in Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate certified tax rate.

414 (7)

(a) For the purpose of calculating the certified tax rate, the county auditor shall use:

415 (i) the taxable value of real property:

416 (A) the county assessor assesses in accordance with Part 3, County Assessment; and

418 (B) contained on the assessment roll;

419 (ii) the year end taxable value of personal property:

420 (A) a county assessor assesses in accordance with Part 3, County Assessment; and

421 (B) contained on the prior year's assessment roll; and

422 (iii) the taxable value of real and personal property the commission assesses in accordance with Part 2, Assessment of Property.

424 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new growth.

426 (8)

(a) On or before June 30 of each year, a taxing entity shall adopt a tentative budget.

427 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall notify the county auditor of:

429 (i) the taxing entity's intent to exceed the certified tax rate; and

430 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.

431 (c) The county auditor shall notify property owners of any intent to levy a tax rate that exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.

433 (9)

(a) Subject to Subsection (9)(d), the commission shall provide notice, through electronic means on or before July 31, to a taxing entity and the Revenue and Taxation Interim Committee if:

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- 440 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end taxable value of  
the real and personal property the commission assesses in accordance with Part 2, Assessment  
of Property, for the previous year, adjusted for prior year end incremental value; and
- 443 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year end taxable  
value of the real and personal property of a taxpayer the commission assesses in accordance  
with Part 2, Assessment of Property, for the previous year.
- 449 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by subtracting the  
taxable value of real and personal property the commission assesses in accordance with Part 2,  
Assessment of Property, for the current year, adjusted for current year incremental value, from the  
year end taxable value of the real and personal property the commission assesses in accordance with  
Part 2, Assessment of Property, for the previous year, adjusted for prior year end incremental value.
- 455 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by subtracting  
the total taxable value of real and personal property of a taxpayer the commission assesses in  
accordance with Part 2, Assessment of Property, for the current year, from the total year end taxable  
value of the real and personal property of a taxpayer the commission assesses in accordance with  
Part 2, Assessment of Property, for the previous year.
- 458 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the requirement  
under Subsection (9)(a)(ii).

458 Section 2. Section **63N-3-602** is amended to read:

459 **63N-3-602. Definitions.**

As used in this part:

- 37 (1) "Affordable housing" means housing occupied or reserved for occupancy by households with a  
gross household income:
- 39 (a) equal to or less than 80% of the county median gross income for households of the same size, in  
certain circumstances as provided in this part; or
- 41 (b) equal to or less than 60% of the county median gross income for households of the same size, in  
certain circumstances as provided in this part.
- 43 (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- 44 (3) "Base taxable value" means a property's taxable value as shown upon the assessment roll last  
equalized during the base year.
- 46 (4)

## SB0221S01 compared with SB0221S02

(a) "Base year" means, [~~for each property tax increment collection period triggered within a proposed housing and transit reinvestment zone or convention center reinvestment zone project area, the calendar year prior to the calendar year the property tax increment begins to be collected for the parcels that are in a project that is triggered for that collection period] { for a proposed housing and transit reinvestment zone, convention center reinvestment zone project area, first home investment zone, or home ownership promotion zone. } the calendar year immediately preceding the calendar year in which the first year of property tax increment collection is triggered.~~

476 (b) "Base year" means, for a convention center reinvestment zone in a capital city, December 31, 2023.

54 (5) "Bus rapid transit" means a high-quality bus-based transit system that delivers fast and efficient service that may include dedicated lanes, busways, traffic signal priority, off-board fare collection, elevated platforms, and enhanced stations.

57 (6) "Bus rapid transit station" means an existing station, stop, or terminal, or a proposed station, stop, or terminal that is specifically identified as needed in phase one of a metropolitan planning organization's adopted long-range transportation plan[~~and in phase one of the relevant public transit district's adopted long-range transit plan~~]:

61 (a) along an existing bus rapid transit line; or

62 (b) along an extension to an existing bus rapid transit line or new bus rapid transit line.

63 (7) "Capital city" means the same as that term is defined in Section 17D-4-102.

64 (8)

(a) "Commuter rail" means a regional passenger rail transit facility operated by a large public transit district.

66 (b) "Commuter rail" does not include a light-rail passenger rail facility of a large public transit district.

68 (9) "Commuter rail station" means an existing station, stop, or terminal, or a proposed station, stop, or terminal, which has been specifically identified as needed in phase one of a metropolitan planning organization's adopted long-range transportation plan[~~and in phase one of the relevant public transit district's adopted long-range transit plan~~]:

72 (a) along an existing commuter rail line;

73 (b) along an extension to an existing commuter rail line or new commuter rail line;

74 (c) along a fixed guideway extension from an existing commuter rail line; or

75 (d) at the landing point of a pedestrian bridge or vehicle bridge extending from an existing commuter rail station.

## SB0221S01 compared with SB0221S02

- 77 (10) "Convention center" means a convention center owned by a county of the first class within a city  
of the first class.
- 79 (11) "Convention center revitalization project" means a project within a city of the first class within  
a county of the first class for the revitalization, activation, and modernization of a convention  
center and the surrounding area, including projects meeting the objectives described in Section  
63N-3-603.1.
- 83 (12) "Convention center reinvestment zone" means a convention center reinvestment zone created under  
this part.
- 85 (13)
- (a) "Developable area" means the portion of land within a housing and transit reinvestment zone  
available for development and construction of business and residential uses.
- 88 (b) "Developable area" does not include portions of land within a housing and transit reinvestment zone  
that are allocated to:
- 90 (i) parks;
- 91 (ii) recreation facilities;
- 92 (iii) open space;
- 93 (iv) trails;
- 94 (v) publicly-owned roadway facilities; or
- 95 (vi) other public facilities.
- 96 (14) "Dwelling unit" means one or more rooms arranged for the use of one or more individuals living  
together, as a single housekeeping unit normally having cooking, living, sanitary, and sleeping  
facilities.
- 99 (15) "Eligible municipality" means a city that:
- 100 (a)
- (i) is the county seat of a county of the first class; or
- 101 (ii) a city of the first class located in a county of the first class; and
- 102 (b) has a convention center within the boundary of the city.
- 103 (16) "Enhanced development" means the construction of mixed uses including housing, commercial  
uses, and related facilities.
- 105 (17) "Enhanced development costs" means extra costs associated with structured parking costs, vertical  
construction costs, horizontal construction costs, life safety costs, structural costs, conveyor or

## SB0221S01 compared with SB0221S02

elevator costs, and other costs incurred due to the increased height of buildings or enhanced development.

- 109 (18) "First home investment zone" means the same as that term is defined in Section 63N-3-1601.
- 111 (19) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 112 (20) "Horizontal construction costs" means the additional costs associated with earthwork, over excavation, utility work, transportation infrastructure, and landscaping to achieve enhanced development in the housing and transit reinvestment zone.
- 115 (21) "Housing and transit reinvestment zone" means a housing and transit reinvestment zone created ~~[pursuant to]~~ in accordance with this part.
- 117 (22) "Housing and transit reinvestment zone committee" means a housing and transit reinvestment zone committee created ~~[pursuant to]~~ in accordance with Section 63N-3-605.
- 119 (23) "Large public transit district" means the same as that term is defined in Section 17B-2a-802.
- 121 (24) "Light rail" means a passenger rail public transit system with right-of-way and fixed rails:
- 123 (a) dedicated to exclusive use by light-rail public transit vehicles;
- 124 (b) that may cross streets at grade; and
- 125 (c) that may share parts of surface streets.
- 126 (25) "Light rail station" means an existing station, stop, or terminal or a proposed station, stop, or terminal, which has been specifically identified as needed in phase one of a metropolitan planning organization's adopted long-range transportation plan~~[-and in phase one of the relevant public transit district's adopted long-range plan]:~~
- 130 (a) along an existing light rail line; or
- 131 (b) along an extension to an existing light rail line or new light rail line.
- 132 (26) "Metropolitan planning organization" means the same as that term is defined in Section 72-1-208.5.
- 134 (27) "Mixed use development" means development with a mix of:
- 135 (a) multi-family residential use; and
- 136 (b) at least one additional land use, which shall be a significant part of the overall development.
- 138 (28) "Municipality" means the same as that term is defined in Section 10-1-104.
- 139 (29) "Participant" means the same as that term is defined in Section 17C-1-102.
- 140 (30) "Participation agreement" means the same as that term is defined in Section 17C-1-102, except that the agency may not provide and the person may not receive a direct subsidy.

## SB0221S01 compared with SB0221S02

- 142 (31) "Project~~{-area}~~" means a housing and transit reinvestment zone~~{ or }~~ ~~;~~ convention center  
reinvestment zone ~~, or convention center reinvestment zone in a capital city~~ created under this  
~~{part}~~ ~~chapter~~.
- 145 (32) "Project area plan" means the same as that term is defined in Section 17C-1-102.
- 146 ~~[(32)]~~ (33)
- (a) "Property tax increment" means the difference between:
- 147 (i) the amount of property tax revenue generated each tax year by a taxing entity from the area  
within a housing and transit reinvestment zone~~[-or]~~ , convention center reinvestment zone, or  
convention center reinvestment zone in a capital city designated in the applicable reinvestment  
zone proposal as the area from which tax increment is to be collected, using the current assessed  
value and each taxing entity's current certified tax rate as defined in Section 59-2-924; and
- 153 (ii) the amount of property tax revenue that would be generated from that same area using the base  
taxable value and each taxing entity's current certified tax rate as defined in Section 59-2-924.
- 156 (b) "Property tax increment" does not include property tax revenue from:
- 157 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);
- 158 (ii) a county additional property tax described in Subsection 59-2-1602(4); or
- 159 (iii) a public library fund levy described in Subsection 9-7-501(2).
- 160 ~~[(33)]~~ (34) "Public transit county" means a county that has created a small public transit district.
- 162 ~~[(34)]~~ (35) "Public transit hub" means a public transit depot or station where four or more routes serving  
separate parts of the county-created transit district stop to transfer riders between routes.
- 165 ~~[(35)]~~ (36) "Sales and use tax base year" means:
- 166 (a) for a housing and transit reinvestment zone, a sales and use tax year determined by the first year  
pertaining to the tax imposed in Section 59-12-103 after the sales and use tax boundary for a  
housing and transit reinvestment zone is established; or
- 169 (b) for a convention center reinvestment zone, a sales and use tax year determined by the year specified  
in the approved proposal for a convention center reinvestment zone, pertaining to the taxes:
- 172 (i) imposed under Section 59-12-103;
- 173 (ii) imposed by a city of the first class in a county of the first class under Title 59, Chapter 12, Part 2,  
Local Sales and Use Tax Act;
- 175 (iii) imposed by a city of the first class in a county of the first class under Section 59-12-402.1;
- 177 (iv) imposed by a county of the first class under Section 59-12-1102; and

## SB0221S01 compared with SB0221S02

- 178 (v) imposed by a county of the first class under Title 59, Chapter 12, Part 22, Local Option Sales and  
Use Taxes for Transportation Act.
- 180 [~~(36)~~] (37) "Sales and use tax boundary" means:
- 181 (a) for a housing and transit reinvestment zone, a boundary created as described in Section 63N-3-604,  
based on state sales and use tax collection boundaries that correspond as closely as reasonably  
practicable to the housing and transit reinvestment zone boundary; or
- 185 (b) for a convention center reinvestment zone, a boundary created as described in Section 63N-3-604.1,  
based on state sales and use tax collection boundaries that correspond as closely as reasonably  
practicable to the convention center reinvestment zone boundary.
- 189 [~~(37)~~] (38) "Sales and use tax increment" means:
- 190 (a) for a housing and transit reinvestment zone, the difference between:
- 191 (i) the amount of state sales and use tax revenue generated each year following the sales and use tax  
base year by the sales and use tax from the area within a housing and transit reinvestment zone  
designated in the housing and transit reinvestment zone proposal as the area from which sales and  
use tax increment is to be collected; and
- 196 (ii) the amount of state sales and use tax revenue that was generated from that same area during the  
sales and use tax base year; or
- 198 (b) for a convention center reinvestment zone, the difference between:
- 199 (i) the amount of sales and use tax revenue generated each year following the sales and use tax base  
year by the sales and use tax from the area within a convention center reinvestment zone designated  
in the convention center reinvestment zone proposal as the area from which sales and use tax  
increment is to be collected; and
- 203 (ii) the amount of sales and use tax revenue that was generated from that same area during the sales and  
use tax base year.
- 205 [~~(38)~~] (39) "Sales and use tax revenue" means:
- 206 (a) for a housing and transit reinvestment zone, revenue that is generated from the tax imposed under  
Section 59-12-103; or
- 208 (b) for a convention center reinvestment zone, revenue that is generated from:
- 209 (i) the sales and use taxes imposed under Section 59-12-103; and
- 210 (ii) the sales and use taxes:
- 211

## SB0221S01 compared with SB0221S02

(A) imposed by a city of the first class in a county of the first class under Title 59, Chapter 12, Part 2, Local Sales and Use Tax Act;

213 (B) imposed by a city of the first class in a county of the first class under Section 59-12-402.1;

215 (C) imposed by a county of the first class under Section 59-12-1102; and

216 (D) imposed by a county of the first class under Title 59, Chapter 12, Part 22, Local Option Sales and Use Taxes for Transportation Act.

218 [~~(39)~~] (40) "Small public transit district" means the same as that term is defined in Section 17B-2a-802.

220 [~~(40)~~] (41) "Tax Commission" means the State Tax Commission created in Section 59-1-201.

221 [~~(41)~~] (42) "Taxing entity" means the same as that term is defined in Section 17C-1-102.

222 [~~(42)~~] (43) "Vertical construction costs" means the additional costs associated with construction above four stories and structured parking to achieve enhanced development in the housing and transit reinvestment zone.

648 Section 3. Section **63N-3-603** is amended to read:

649 **63N-3-603. Applicability, requirements, and limitations on a housing and transit reinvestment zone.**

228 (1) A housing and transit reinvestment zone proposal created under this part shall demonstrate how the proposal addresses the following objectives:

230 (a) higher utilization of public transit;

231 (b) increasing availability of housing, including affordable housing, and fulfillment of moderate income housing plans;

233 (c) promoting and encouraging development of owner-occupied housing;

234 (d) improving efficiencies in parking and transportation, including walkability of communities near public transit facilities;

236 (e) overcoming development impediments and market conditions that render a development cost prohibitive absent the proposal and incentives;

238 (f) conserving water resources through efficient land use;

239 (g) improving air quality by reducing fuel consumption and motor vehicle trips;

240 (h) encouraging transformative mixed-use development and investment in transportation and public transit infrastructure in strategic areas;

242 (i) strategic land use and municipal planning in major transit investment corridors as described in Subsection 10-20-404(2);

## SB0221S01 compared with SB0221S02

- 244 (j) increasing access to employment and educational opportunities; and  
245 (k) increasing access to child care.  
246 (2)
- (a) In order to accomplish the objectives described in Subsection (1), a municipality or public transit county that initiates the process to create a housing and transit reinvestment zone as described in this part shall ensure that the proposal for a housing and transit reinvestment zone includes:
- 250 (i) except as provided in Subsection (3), at least 12% of the proposed dwelling units within the housing and transit reinvestment zone are affordable housing units, with:
- 253 (A) up to 9% of the proposed dwelling units occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the county median gross income for households of the same size; and
- 256 (B) at least 3% of the proposed dwelling units occupied or reserved for occupancy by households with a gross household income equal to or less than 60% of the county median gross income for households of the same size;
- 259 (ii) except as provided in Subsection (2)(c), a housing and transit reinvestment zone shall include:
- 261 (A) at least 51% of the developable area within a housing and transit reinvestment zone as residential uses; and
- 263 (B) an average of at least 50 dwelling units per acre within the acreage of the housing and transit reinvestment zone dedicated to residential uses;
- 265 (iii) mixed-use development; and
- 266 (iv) a mix of dwelling units to ensure that at least 25% of the dwelling units have more than one bedroom.
- 268 (b)
- (i) If a housing and transit reinvestment zone is phased, a municipality or public transit county shall ensure that a housing and transit reinvestment zone is phased and developed to provide the required 12% of affordable housing units in each phase of development.
- 272 (ii) A municipality or public transit county may allow a housing and transit reinvestment zone to be phased and developed in a manner to provide more of the required affordable housing units in early phases of development.
- 275 (iii) A municipality or public transit county shall include in a housing and transit reinvestment zone proposal an affordable housing plan, which may include deed restrictions, to ensure the affordable

## SB0221S01 compared with SB0221S02

housing required in the proposal will continue to meet the definition of affordable housing at least throughout the entire term of the housing and transit reinvestment zone.

- 280 (c) For a housing and transit reinvestment zone proposed by a public transit county at a public transit  
hub, or for a housing and transit reinvestment zone proposed by a municipality at a bus rapid transit  
station, the housing and transit reinvestment zone shall include:
- 284 (i) at least 51% of the developable area within a housing and transit reinvestment zone as residential  
uses; and
- 286 (ii) an average of at least 39 dwelling units per acre within the acreage of the housing and transit  
reinvestment zone dedicated to residential uses.
- 288 (3) A municipality or public transit county that, at the time the housing and transit reinvestment zone  
proposal is approved by the housing and transit reinvestment zone committee, meets the affordable  
housing guidelines of the United States Department of Housing and Urban Development at 60%  
area median income is exempt from the requirement described in Subsection (2)(a).
- 293 (4)
- (a) A municipality may only propose a housing and transit reinvestment zone at a commuter rail station,  
and a public transit county may only propose a housing and transit reinvestment zone at a public  
transit hub, that:
- 296 (i) subject to Subsection (5)(a):
- 297 (A)
- (I) except as provided in Subsection (4)(a)(i)(A)(II), for a municipality, does not exceed a [~~1/3~~] one-  
third mile radius of a commuter rail station;
- 299 (II) for a municipality that is a city of the first or second class that is within a county of the first or  
second class, with an opportunity zone created in accordance with Section 1400Z-1, Internal  
Revenue Code, does not exceed a [~~1/2~~] one-half mile radius of a commuter rail station located  
within the opportunity zone; or
- 304 (III) for a public transit county, does not exceed a [~~1/3~~] one-third mile radius of a public transit hub; and
- 306 (B) has a total area of no more than 125 noncontiguous acres;
- 307 (ii) subject to Section 63N-3-607, proposes the capture of a maximum of 80% of each taxing  
entity's property tax increment above the base year for a term of no more than 25 consecutive  
years on each parcel within a 45-year period not to exceed the property tax increment amount  
approved in the housing and transit reinvestment zone proposal; and

## SB0221S01 compared with SB0221S02

- 312 (iii) the commencement of collection of property tax increment, for all or a portion of the housing  
and transit reinvestment zone project area, shall be triggered by providing notice as described in  
Subsection (6), but a housing and transit reinvestment zone proposal may not propose or include  
triggering more than [~~three~~] five property tax increment collection periods for the same project  
during the applicable 45-year period.
- 318 (b) A municipality or public transit county may only propose a housing and transit reinvestment zone at  
a light rail station or bus rapid transit station that:
- 320 (i) subject to Subsection (5):
- 321 (A) does not exceed:
- 322 (I) except as provided in Subsection (4)(b)(i)(A)(II), (III), or (4)(e), a [~~1/4~~] one-quarter mile radius of a  
bus rapid transit station or light rail station;
- 324 (II) for a municipality that is a city of the first class with a population greater than 150,000 that is within  
a county of the first class, a [~~1/2~~] one-half mile radius of a light rail station located in an opportunity  
zone created in accordance with Section 1400Z-1, Internal Revenue Code; or
- 327 [~~1400Z-1, Internal Revenue Code; or~~]
- 328 (III) a [~~1/2~~] one-half mile radius of a light rail station located within a master-planned development of  
500 acres or more; and
- 330 (B) has a total area of no more than 100 noncontiguous acres;
- 331 (ii) subject to Subsection (4)(c) and Section 63N-3-607, proposes the capture of a maximum of 80%  
of each taxing entity's property tax increment above the base year for a term of no more than 15  
consecutive years on each parcel within a 30-year period not to exceed the property tax increment  
amount approved in the housing and transit reinvestment zone proposal; and
- 336 (iii) the commencement of collection of property tax increment, for all or a portion of the housing  
and transit reinvestment zone project area, shall be triggered by providing notice as described in  
Subsection (6), but a housing and transit reinvestment zone proposal may not propose or include  
triggering more than [~~three~~] five property tax increment collection periods for the same project  
during the applicable 30-year period.
- 342 (c) For a housing and transit reinvestment zone proposed by a public transit county at a public transit  
hub, or for a housing and transit reinvestment zone proposed by a municipality at a bus rapid  
transit station, if the proposed housing density within the housing and transit reinvestment zone is

## SB0221S01 compared with SB0221S02

between 39 and 49 dwelling units per acre, the maximum capture of each taxing entity's property tax increment above the base year is 60%.

- 348 (d) A municipality that is a city of the first class with a population greater than 150,000 in a county of  
the first class as described in Subsections (4)(a)(i)(A)(II) and (4)(b)(i)(A)(II) may only propose one  
housing and transit reinvestment zone within an opportunity zone.
- 352 (e)
- (i) Subject to Subsection (4)(e)(ii), the radius restrictions described in Subsection (4)(b)(i) do not apply,  
and a housing and transit reinvestment zone may extend to an area between two or three light rail or  
bus rapid transit stations located within a city of the third or fourth class if the two or three light rail  
or bus rapid transit stations are within a .95 mile distance from the other light rail or bus rapid transit  
stations on the same light rail line or dedicated offset bus lane.
- 358 (ii) If a housing and transit reinvestment zone is extended to accommodate two light rail or bus rapid  
transit stations as described in Subsection (4)(e)(i):
- 360 (A) the housing and transit reinvestment zone is limited to a total area not to exceed 100 noncontiguous  
acres; and
- 362 (B) the housing and transit reinvestment zone may not exceed a [~~1~~/~~4~~] one-quarter mile radius from the  
light rail or bus rapid transit stations or any point on the light rail line or dedicated offset bus line  
between the two stations.
- 365 (iii) If a housing and transit reinvestment zone is extended to accommodate three light rail or bus rapid  
transit stations as described in Subsection (4)(e)(i):
- 367 (A) the housing and transit reinvestment zone is limited to a total area not to exceed 250 noncontiguous  
acres; and
- 369 (B) the housing and transit reinvestment zone may not exceed a one-quarter mile radius from the light  
rail or bus rapid transit stations or any point on the light rail line or dedicated offset bus line between  
the three stations.
- 372 (f) If a parcel within the housing and transit reinvestment zone is included as an area that is part of a  
project area, as that term is defined in Section 17C-1-102, and created under Title 17C, Chapter 1,  
Agency Operations, that parcel may not be triggered for collection unless the project area funds  
collection period, as that term is defined in Section 17C-1-102, has expired.
- 377 (5)

## SB0221S01 compared with SB0221S02

- (a) For a housing and transit reinvestment zone for a commuter rail station, if a parcel is intersected by the relevant radius limitation, the full parcel may be included as part of the housing and transit reinvestment zone area and will not count against the limitations described in Subsection (4)(a)(i).
- 381 (b) For a housing and transit reinvestment zone for a light rail or bus rapid transit station, if a parcel is intersected by the relevant radius limitation, the full parcel may be included as part of the housing and transit reinvestment zone area and will not count against the limitations described in Subsection (4)(b)(i).
- 385 (c) A housing and transit reinvestment zone may not be smaller than 10 acres.
- 386 (6)
- (a) The notice of commencement of collection of property tax increment required in Subsection (4)(a)(iii) or (4)(b)(iii) shall be sent by mail or electronically to the following entities no later than December 31 of the year before the year for which the property tax increment collection is proposed to commence:
- 390 (i) the State Tax Commission;
- 391 (ii) the State Board of Education;
- 392 (iii) the state auditor;
- 393 (iv) the auditor of the county in which the housing and transit reinvestment zone is located;
- 395 (v) each taxing entity affected by the collection of property tax increment from the housing and transit reinvestment zone; and
- 397 (vi) the Governor's Office of Economic Opportunity.
- 398 (b) The notice described in Subsection (4)(a)(iii) or (4)(b)(iii) may not be triggered until the date on which the housing and transit reinvestment zone proposal is approved by the housing and transit reinvestment zone committee.
- 824 (c)
- (i) For a convention center reinvestment zone in a capital city, a municipality or public infrastructure district may submit a notice of commencement of collection of property tax increment for each separate parcel or subarea within the convention center reinvestment zone in a capital city.
- 828 (ii) The collection of property tax increment described in Subsection (6)(a)(i) shall commence no later than five years from the day the convention center reinvestment zone in a capital city proposal is approved.
- 401 (7)

## SB0221S01 compared with SB0221S02

- (a) The maximum number of housing and transit reinvestment zones at light rail stations, not including a convention center reinvestment zone, is eight in any given county.
- 404 (b) Within a county of the first class, the maximum number of housing and transit reinvestment zones at bus rapid transit stations is three.
- 406 (c) Within a county of the first class, the maximum total combined number of housing and transit reinvestment zones described in Subsections (7)(a) and (b) and first home investment zones created under Part 16, First Home Investment Zone Act, is 11.
- 409 (8)
- (a) For purposes of this Subsection (8), "entitlement agreement" means:
- 410 (i) a land use application;
- 411 (ii) a rezone petition; or
- 412 (iii) a request, petition, or application to:
- 413 (A) enact or approve a development agreement; or
- 414 (B) to amend or modify a development agreement.
- 415 (b) This Subsection (8) applies to a specified county, as defined in Section 17-80-101, that has created a small public transit district on or before January 1, 2022.
- 417 (c) To accomplish the objectives described in Subsection (1), an owner of undeveloped property within an unincorporated county shall have the right to develop and build a mixed-use development if:
- 420 (i) the owner has submitted an entitlement agreement to the county on or before December 31, 2022, and is within a [~~1~~/~~3~~] one-third mile radius of a public transit hub in a county described in Subsection (8)(b), including parcels that are intersected by the [~~1~~/~~3~~] one-third mile radius; and
- 424 (ii) the county described in Subsection (8)(b) has failed to approve the entitlement agreement described in Subsection (8)(c)(i) by ordinance before December 31, 2022.
- 427 (d) The mixed use development described in Subsection (8)(c) shall include the following:
- 429 (i)
- (A)
- (I) a maximum number of dwelling units equal to 30 multiplied by the total acres of developable area within the mixed-use development dedicated exclusively to residential use; or
- 432 (II) a maximum number of dwelling units equal to 15 multiplied by the total acres of the mixed-use development; and
- 434 (B) at least 33% of the dwelling units as affordable housing;

## SB0221S01 compared with SB0221S02

- 435 (ii) commercial uses, including office, retail, educational, and healthcare in support of the mixed-use  
development constituting no more than [1/3] one-third of the total planned gross building square  
footage of the subject parcels; and
- 438 (iii) any other infrastructure element necessary or reasonable to support the mixed-use development,  
including:
- 440 (A) parking infrastructure;
- 441 (B) streets;
- 442 (C) sidewalks;
- 443 (D) parks; and
- 444 (E) trails.
- 445 (e)
- (i) The mixed-use development described in this Subsection (8) may qualify for a housing and transit  
reinvestment zone described in Subsection (4)(a).
- 447 (ii) The county described in Subsection (8)(b) may propose a housing and transit reinvestment zone in  
accordance with this part, if the housing and transit reinvestment zone includes:
- 450 (A)
- (I) an average of at least 30 dwelling units per acre within the acreage of the housing and transit  
reinvestment zone dedicated to residential use; or
- 452 (II) a minimum number of 14 dwelling units per acre on average within the acreage of the housing and  
transit reinvestment zone; and
- 454 (B) at least 33% of the dwelling units as affordable housing units.
- 455 (f) A county may not take an action or enforce an agreement, ordinance, regulation, or requirement that  
prevents or creates development impediments to the development of a mixed-use development as  
described in this Subsection (8).
- 458 (g) A county action to approve or implement the development of a mixed-use development as described  
in this Subsection (8) shall constitute an administrative action taken by the county and does not  
require county legislative action.

892 Section 4. Section 63N-3-603.1 is amended to read:

893 **63N-3-603.1. Applicability, requirements, and limitations on a convention center**  
reinvestment zone.

895

## SB0221S01 compared with SB0221S02

- (1) A convention center reinvestment zone proposal created under this part shall demonstrate how the proposal addresses the following objectives:
- 897 (a) redevelopment of a convention center and the surrounding area's infrastructure and assets;
- 899 (b) activation of unrealized economic opportunities related to the convention center and surrounding infrastructure and assets;
- 901 (c) modernization of infrastructure and design of the convention center and surrounding area and related public spaces;
- 903 (d) encouragement of transformative development and investment, including parking improvements;
- 905 (e) promotion of economic development and employment opportunities;
- 906 (f) improvement of the aesthetic, functionality, and walkability of the convention center and surrounding area;
- 908 (g) enhancement of tourism opportunities; and
- 909 (h) creation of outdoor event space to accommodate events or festivals open to the public.
- 911 (2) A convention center reinvestment zone in a capital city proposal created under this part shall also demonstrate how the proposal addresses the following objectives:
- 913 (a) redevelopment of a convention center and surrounding infrastructure and assets that directly serve the convention center, including parking facilities;
- 915 (b) modernization of infrastructure and design of the convention center; and
- 916 (c) improvement of the aesthetic, functionality, and walkability of the convention center.
- 917 (3) The Governor's Office of Economic Opportunity shall propose a convention center reinvestment zone to accomplish the objectives described in Subsections (1) and (2).
- 919 (4)
- (a)
- (i) A convention center reinvestment zone proposal may propose the capture of 100% of the property tax increment and 100% of the sales and use tax ~~[increment]~~ revenue described in Subsection ~~[63N-3-602(38)(b)(ii)]~~ 63N-3-602(39)(b)(ii) for a period of 30 years.
- 923 (ii) For a convention center reinvestment zone in a capital city, in addition to the proposed capture of property tax increment and sales and use tax increment described in Subsection (4)(a)(i), the convention center reinvestment zone may propose the capture of 50% of the sales and use tax ~~[increment]~~ revenue described in Subsection ~~[63N-3-602(38)(b)(i)]~~ 63N-3-602(39)(b)(i).

928

## SB0221S01 compared with SB0221S02

- (b) The convention center reinvestment zone proposal shall include the respective start date and base year date from which to calculate:
- 930 (i) the 30-year period of property tax increment; and  
931 (ii) the 30-year period of the sales and use tax increment.
- 932 (c) The convention center reinvestment zone proposal may not stagger the collection periods for the parcels within the convention center reinvestment zone boundary and the parcels within the convention center reinvestment zone boundary shall have the same 30-year collection period.
- 936 (d) The convention center reinvestment zone proposal start date for the 30-year period described in this Subsection (4), shall be no sooner than January 1 of the year of the identified tax collection year.
- 939 (e)
- (i) For a convention center reinvestment zone in a capital city, revenue from the property tax increment and sales and use tax increment shall be distributed directly to a convention center public infrastructure district in a capital city created as required in Subsection 63N-3-607(8)(b); and
- 943 (ii) For a convention center reinvestment zone in a city other than a capital city, revenue from the property tax increment and sales and use tax increment may be distributed directly to the municipality or public infrastructure district as described in the convention center reinvestment zone proposal.
- 947 (5) The Governor's Office of Economic Opportunity may only propose a convention center reinvestment zone:
- 949 (a) within the boundary of the eligible municipality;
- 950 (b) consisting of a total area:
- 951 (i) not to exceed 50 acres; or  
952 (ii) if greater than 50 acres, approved by the relevant eligible municipality;
- 953 (c) consisting only of contiguous parcels; and
- 954 (d) for a convention center reinvestment zone in a capital city, in an area that includes any portion of an existing convention center and any city block that is bordered by an existing convention center.
- 957 (6)
- (a) For a convention center reinvestment zone in a capital city, the Governor's Office of Economic Opportunity shall propose a convention center reinvestment zone on or before April 15, 2025.

960

## SB0221S01 compared with SB0221S02

(b) For a convention center reinvestment zone that is not in a capital city, the Governor's Office of Economic Opportunity shall propose a convention center reinvestment zone within 60 days after receiving a petition from the relevant city.

963 (7) A convention center reinvestment zone does not count toward the maximum of eight housing and  
transit reinvestment zones in a given county as provided in Subsection 63N-3-603(7)(a).

966 Section 5. Section **63N-3-604** is amended to read:

967 **63N-3-604. Process for a proposal of a housing and transit reinvestment zone -- Analysis.**

464 (1) Subject to approval of the housing and transit reinvestment zone committee as described in Section  
63N-3-605, in order to create a housing and transit reinvestment zone, a municipality or public  
transit county that has general land use authority over the housing and transit reinvestment zone  
area, shall:

468 (a) prepare a proposal for the housing and transit reinvestment zone that:

469 (i) demonstrates that the proposed housing and transit reinvestment zone will meet the objectives  
described in Subsection 63N-3-603(1);

471 (ii) explains how the municipality or public transit county will achieve the requirements of Subsection  
63N-3-603(2)(a)(i);

473 (iii) defines the specific transportation infrastructure needs, if any, and proposed improvements and  
estimated budgets;

475 (iv) defines the boundaries of:

476 (A) the housing and transit reinvestment zone; and

477 (B) the sales and use tax boundary corresponding to the housing and transit reinvestment zone  
boundary, as described in Section 63N-3-610;

479 (v) includes maps of the proposed housing and transit reinvestment zone to illustrate:

480 (A) the proposed boundary and radius from a public transit hub;

481 (B) proposed housing density within the housing and transit reinvestment zone; and

483 (C) existing zoning and proposed zoning changes related to the housing and transit reinvestment zone;

485 (vi) identifies any development impediments that prevent the development from being a market-rate  
investment, including proposed strategies and estimated budgets for addressing each one;

488 (vii) describes the proposed development plan and estimated budgets, including the requirements  
described in Subsections 63N-3-603(2) and (4);

490

## SB0221S01 compared with SB0221S02

- (viii) establishes a base year and collection period to calculate the property tax increment within the housing and transit reinvestment zone;
- 492 (ix) establishes a sales and use tax base year to calculate the sales and use tax increment within the housing and transit reinvestment zone in accordance with Section 63N-3-610;
- 495 (x) describes projected maximum revenues generated and the amount of property tax increment capture from each taxing entity and proposed expenditures of revenue derived from the housing and transit reinvestment zone;
- 498 (xi) includes an analysis of other applicable or eligible incentives, grants, or sources of revenue that can be used to reduce the finance gap;
- 500 (xii) estimates budgets and evaluates possible benefits to active and public transportation availability and impacts on air quality;
- 502 (xiii) proposes a finance schedule to align expected revenue with required financing costs and payments;
- 504 (xiv) provides a pro-forma for the planned development that:
- 505 (A) satisfies the requirements described in Subsections 63N-3-603(2), (3), and (4);
- 506 (B) includes data showing the cost difference between what type of development could feasibly be developed absent the housing and transit reinvestment zone property tax increment and the type of development that is proposed to be developed with the housing and transit reinvestment zone property tax increment; and
- 511 (C) provides estimated budgets and construction costs, anticipated revenue, financing, expenses, and other sources and uses of funds for the project area; and
- 514 (xv) for a housing and transit reinvestment zone at a commuter rail station, light rail station, or bus rapid transit station that is proposed and not in public transit service operation as of the date of submission of the proposal, demonstrates that the proposed station is:
- 518 (A) included [~~as needed in phase one of a~~] in a metropolitan planning organization's adopted long-range transportation plan [~~and in phase one of the relevant public transit district's adopted long-range plan~~]; and
- 521 (B) reasonably anticipated to be constructed in the near future; and
- 522 (b) submit the housing and transit reinvestment zone proposal to the Governor's Office of Economic Opportunity.

524

## SB0221S01 compared with SB0221S02

(2) As part of the proposal described in Subsection (1), a municipality or public transit county shall study and evaluate possible impacts of a proposed housing and transit reinvestment zone on parking within the city and housing and transit reinvestment zone.

527 (3)

(a) After receiving the proposal as described in Subsection (1)(b), the Governor's Office of Economic Opportunity shall:

529 (i) within 14 days after the date on which the Governor's Office of Economic Opportunity receives the proposal described in Subsection (1)(b), provide notice of the proposal to all affected taxing entities, including the State Tax Commission, cities, counties, school districts, metropolitan planning organizations, and the county assessor and county auditor of the county in which the housing and transit reinvestment zone is located; and

535 (ii) at the expense of the proposing municipality or public transit county as described in Subsection (5), contract with an independent entity to perform the financial gap analysis described in Subsection (3)(b).

538 (b) The gap analysis required in Subsection (3)(a)(ii) shall include:

539 (i) a description of the planned development;

540 (ii) a market analysis relative to other comparable project developments included in or adjacent to the municipality or public transit county absent the proposed housing and transit reinvestment zone;

543 (iii) an evaluation of the proposal to and a determination of the adequacy and efficiency of the proposal;

545 (iv) an evaluation of the proposed increment capture needed to cover the enhanced development costs associated with the housing and transit reinvestment zone proposal and enable the proposed development to occur; and

548 (v) based on the market analysis and other findings, an opinion relative to the appropriate amount of potential public financing reasonably determined to be necessary to achieve the objectives described in Subsection 63N-3-603(1).

551 (c) After receiving notice from the Governor's Office of Economic Opportunity of a proposed housing and transit reinvestment zone as described in Subsection (3)(a)(i), the State Tax Commission shall:

554 (i) evaluate the feasibility of administering the tax implications of the proposal; and

555 (ii) provide a letter to the Governor's Office of Economic Opportunity describing any challenges in the administration of the proposal, or indicating that the State Tax Commission can feasibly administer the proposal.

## SB0221S01 compared with SB0221S02

- 558 (4) After receiving the results from the analysis described in Subsection (3)(b), the municipality or  
public transit county proposing the housing and transit reinvestment zone may:
- 561 (a) amend the housing and transit reinvestment zone proposal based on the findings of the analysis  
described in Subsection (3)(b) and request that the Governor's Office of Economic Opportunity  
submit the amended housing and transit reinvestment zone proposal to the housing and transit  
reinvestment zone committee; or
- 565 (b) request that the Governor's Office of Economic Opportunity submit the original housing and transit  
reinvestment zone proposal to the housing and transit reinvestment zone committee.
- 568 (5)
- (a) The Governor's Office of Economic Opportunity may accept, as a dedicated credit, up to \$20,000  
from a municipality or public transit county for the costs of the gap analysis described in Subsection  
(3)(b).
- 571 (b) The Governor's Office of Economic Opportunity may expend funds received from a municipality  
or public transit county as dedicated credits to pay for the costs associated with the gap analysis  
described in Subsection (3)(b).
- 1079 Section 6. Section **63N-3-604.1** is amended to read:
- 1080 **63N-3-604.1. Process for proposing a convention center reinvestment zone.**
- 576 (1) To create a convention center reinvestment zone under this part, the Governor's Office of Economic  
Opportunity shall, after consulting with and giving notice to the related eligible municipality and  
county, provide a proposal for a convention center reinvestment zone to the housing and transit  
reinvestment zone committee.
- 580 (2)
- (a) The Governor's Office of Economic Opportunity shall ensure that a proposal for the creation of a  
convention center reinvestment zone includes the following information and data that:
- 583 (i) defines the boundary of the proposed convention center reinvestment zone;
- 584 (ii) describes generally the proposed development plan;
- 585 (iii) identifies a base year and collection period to calculate the property tax increment within the  
convention center reinvestment zone;
- 587 (iv) specifies a sales and use tax base year to calculate the sales and use tax increment within the  
convention center reinvestment zone in accordance with Section 63N-3-610.1;

590

## SB0221S01 compared with SB0221S02

(v) provides estimated project and investment objectives for the convention center reinvestment zone; and

592 (vi) outlines generally the impacts on transportation in and around the proposed convention center reinvestment zone.

594 (b)

(i) For a convention center reinvestment zone in a capital city, the proposal described in Subsection (2)(a) shall also provide estimated budgets and construction costs, anticipated revenue, financing, expenses, and other sources and uses of funds for the project area.

1103 (ii) The base year and collection period to calculate the property tax increment within the convention center reinvestment zone in a capital city shall be December 31, 2023.

598 (c) The proposal described in Subsection (2)(b) shall limit the use of funds to:

599 (i) a convention center;

600 (ii) a publicly owned entertainment venue;

601 (iii) parking; and

602 (iv) infrastructure related to the project.

603 (3) A proposal by the Governor's Office of Economic Opportunity for a convention center reinvestment zone shall demonstrate how the information and data provided in the proposal [~~pursuant to~~] described in Subsection (2) furthers the objectives described in Section 63N-3-603.1 and is in the public interest.

607 (4) After submitting the proposal as described in Subsection (2), the Governor's Office of Economic Opportunity shall provide notice of the proposal to all affected taxing entities, including the State Tax Commission, cities, counties, school districts, metropolitan planning organizations, and the county assessor and county auditor of the county in which the convention center reinvestment zone is located.

612 (5) After receiving notice from the Governor's Office of Economic Opportunity of a proposed convention center reinvestment zone as described in Subsection (4), the State Tax Commission shall, within 14 days:

615 (a) evaluate the feasibility of administering the tax implications of the proposal; and

616 (b) provide a letter to the Governor's Office of Economic Opportunity describing any challenges in the administration of the proposal, or indicating that the State Tax Commission can feasibly administer the proposal.

## SB0221S01 compared with SB0221S02

1127 Section 7. Section **63N-3-605** is amended to read:

1128 **63N-3-605. Housing and transit reinvestment zone committee -- Creation.**

- 621 (1) For any housing and transit reinvestment zone~~[-proposed under this part]~~, convention center  
reinvestment zone, convention center reinvestment zone in a capital city, or for a first home  
investment zone proposed [~~in accordance with Part 16, First Home Investment Zone Act]~~ under  
this chapter, there is created a housing and transit reinvestment zone committee with membership  
described in Subsection (2).
- 626 (2) Each housing and transit reinvestment zone committee shall consist of the following members:
- 628 (a) one representative from the Governor's Office of Economic Opportunity, designated by the  
executive director of the Governor's Office of Economic Opportunity;
- 630 (b) one representative from each municipality that is a party to the proposed housing and transit  
reinvestment zone or first home investment zone, designated by the chief executive officer of each  
respective municipality;
- 633 (c) a member of the Transportation Commission created in Section 72-1-301;
- 634 (d) a member of the board of trustees of a large public transit district;
- 635 (e) one individual from the Office of the State Treasurer, designated by the state treasurer;
- 637 (f) two members designated by the president of the Senate;
- 638 (g) two members designated by the speaker of the House of Representatives;
- 639 (h) one member designated by the chief executive officer of each county affected by the housing and  
transit reinvestment zone or first home investment zone;
- 641 (i) two representatives designated by the school superintendent from the school district affected by the  
housing and transit reinvestment zone or first home investment zone; and
- 644 (j) one representative, representing the largest participating local taxing entity, after the municipality,  
county, and school district.
- 646 (3) The individual designated by the Governor's Office of Economic Opportunity as described in  
Subsection (2)(a) shall serve as chair of the housing and transit reinvestment zone committee.
- 649 (4)
- (a) A majority of the members of the housing and transit reinvestment zone committee constitutes a  
quorum of the housing and transit reinvestment zone committee.
- 652 (b) An action by a majority of a quorum of the housing and transit reinvestment zone committee is an  
action of the housing and transit reinvestment zone committee.

## SB0221S01 compared with SB0221S02

- 654 (5)
- (a) After the Governor's Office of Economic Opportunity receives the results of the analysis described in Section 63N-3-604, and after the Governor's Office of Economic Opportunity has received a request from the submitting municipality or public transit county to submit the housing and transit reinvestment zone proposal to the housing and transit reinvestment zone committee, the Governor's Office of Economic Opportunity shall notify each of the entities described in Subsection (2) of the formation of the housing and transit reinvestment zone committee.
- 661 (b) For a first home investment zone, the housing and transit reinvestment zone committee shall follow the procedures described in Section 63N-3-1604.
- 663 (6)
- (a) The chair of the housing and transit reinvestment zone committee shall convene a public meeting to consider the proposed housing and transit reinvestment zone.
- 665 (b) A meeting of the housing and transit reinvestment zone committee is subject to Title 52, Chapter 4, Open and Public Meetings Act.
- 667 (7)
- (a) The proposing municipality or public transit county shall present the housing and transit reinvestment zone proposal to the housing and transit reinvestment zone committee in a public meeting.
- 670 (b) The housing and transit reinvestment zone committee shall, for a housing and transit reinvestment zone proposal:
- 672 (i) evaluate and verify whether the elements of a housing and transit reinvestment zone described in Subsections 63N-3-603(2) and (4) have been met; and
- 674 (ii) evaluate the proposed housing and transit reinvestment zone relative to the analysis described in Subsection 63N-3-604(2).
- 676 (c) The housing and transit reinvestment zone committee shall, for a convention center reinvestment zone proposal, evaluate and verify whether the objectives of a convention center reinvestment zone described in Section 63N-3-603.1 have been met.
- 680 (8)
- (a) Subject to Subsection (8)(b), the housing and transit reinvestment zone committee may:
- 682 (i)

## SB0221S01 compared with SB0221S02

- (A) for a housing and transit reinvestment zone, request changes to the housing and transit reinvestment zone proposal based on the analysis, characteristics, and criteria described in Section 63N-3-604; or
- 685 (B) for a convention center reinvestment zone, request changes to the convention center reinvestment zone proposal based on the characteristics and criteria described in Sections 63N-3-603.1 and 63N-3-604.1; or
- 688 (ii) vote to approve or deny the proposal.
- 689 (b) Before the housing and transit reinvestment zone committee may approve the housing and transit reinvestment zone proposal, the municipality or public transit county proposing the housing and transit reinvestment zone shall ensure that the area of the proposed housing and transit reinvestment zone is zoned in such a manner to accommodate the requirements of a housing and transit reinvestment zone described in this section and the proposed development.
- 695 (9) If a housing and transit reinvestment zone, convention center reinvestment zone, or first home investment zone is approved by the housing and transit reinvestment zone committee:
- 698 (a) the proposed housing and transit reinvestment zone, convention center reinvestment zone, or first home investment zone is established according to the terms of the housing and transit reinvestment zone proposal;
- 701 (b) the municipality or public transit county proposing the housing and transit reinvestment zone, convention center reinvestment zone, or first home investment zone:
- 704 (i) shall enter into {an entitlement agreement} **one or more entitlement agreements**, interlocal {agreement} **agreements**, development {agreement} **agreements**, or participation {agreement} **agreements** that {is} **are** necessary or required to implement **all or any portion of** the approved housing and transit reinvestment zone, convention center reinvestment zone, or first home investment zone proposal; {and}
- 708 (ii) may not reduce the density or alter other zoning uses that are permitted at the time the housing and transit reinvestment zone, convention center reinvestment zone, or first home investment zone proposal is approved, {unless} **in a manner that would cause the zone to fall below the zoning, density, {in accordance with Subsection (10):} or land use requirements in the proposal approved by the housing and transit reinvestment zone; and**
- 712 (A){(iii)} {the} **if a** municipality or public transit {**district presents an amendment to the**} **county has not entered into one or more agreements described in Subsection (9)(b)(i) implementing a housing and transit reinvestment zone{, convention center} **within two years after the approval****

## SB0221S01 compared with SB0221S02

of the housing and transit reinvestment zone ~~{, or first home investment zone proposal }~~ proposal,  
the municipality or public transit county shall submit a written report to the housing and transit  
reinvestment zone committee ~~{ that demonstrates a compelling public interest to alter the approved~~  
~~zoning; and }~~ describing:

717 (B){(A)} the ~~{housing and transit reinvestment zone committee approves to amend- }~~ status of the  
housing and transit reinvestment zone ~~{, convention center reinvestment zone, or first home~~  
~~investment zone proposal }~~ ;and

720 (c){(B)} the anticipated timeline for entering into one or more agreements described in Subsection (9)  
(b)(i);

1230 (c) ~~[affected-]~~ each affected local taxing ~~[entities-are]~~ entity is required to participate according to the  
terms of the housing and transit reinvestment zone proposal; and

722 ~~[(e)]~~ (d) each affected taxing entity is required to participate at the same rate.

723 (10) A housing and transit reinvestment zone, convention center reinvestment zone, or first home  
investment zone proposal may be amended by following the same procedure as approving a housing  
and transit reinvestment zone proposal.

726 ~~{(11) The housing and transit reinvestment zone committee may amend or terminate an established~~  
~~housing and transit reinvestment zone, convention center reinvestment zone, or first home~~  
~~investment zone if: }~~

729 ~~{(a) the municipality or public transit county fails to meet the objectives of the approved housing and~~  
~~transit reinvestment zone, convention center reinvestment zone, or first home investment zone~~  
~~proposal; or }~~

732 ~~{(b) the developer fails to meet the objectives of the approved housing and transit reinvestment zone,~~  
~~convention center reinvestment zone, or first home investment zone proposal within four years from~~  
~~the day the proposal is approved by the housing and transit reinvestment zone committee. }~~

736 ~~{(11){} {(12)} }~~

(a) The approval for a convention center reinvestment zone in a capital city may be completed with a  
condition that the relevant municipality also create a public infrastructure district as provided in  
Subsection 63N-3-607(8)(b).

739 (b) The approval described in Subsection ~~{(11)(a) }~~ (12)(a) shall verify that the requirements and  
limitations on use of funds is limited to the conditions described under Subsections 63N-3-604.1(2)  
(b) and (c).

## SB0221S01 compared with SB0221S02

1242 Section 8. Section **63N-3-607** is amended to read:

1243 **63N-3-607. Payment, use, and administration of revenue from a housing and transit  
reinvestment zone.**

745 (1) In accordance with this part:

746 (a) a municipality or public transit county may receive and use property tax increment and housing and  
transit reinvestment zone funds;

748 (b)

(i) a public infrastructure district shall use the funds from a convention center reinvestment zone in a  
capital city within or for the benefit of a convention center reinvestment zone in a capital city; and

751 (ii) funds from a convention center reinvestment zone in a capital city may be used outside of the  
capital city convention center reinvestment zone if the use meets the objectives described in Section  
63N-3-603.1 and is determined by the board of the public infrastructure district to be a direct benefit  
to the convention center reinvestment zone in a capital city; and

756 (c) a municipality or a public infrastructure district may receive and use property tax increment and  
convention center reinvestment zone funds for a convention center reinvestment zone that is not  
within a capital city.

759 (2)

(a) Except as provided in Subsection (3), a county that collects property tax on property located within a  
housing and transit reinvestment zone shall, in accordance with Section 59-2-1365, distribute to the  
municipality or public transit county any property tax increment the municipality or public transit  
county is authorized to receive up to the maximum approved by the housing and transit reinvestment  
zone committee.

765 (b) Property tax increment distributed to a municipality or public transit county in accordance with  
Subsection (2)(a) is not revenue of the taxing entity or municipality or public transit county.

768 (c)

(i) Property tax increment paid to the municipality or public transit county are housing and transit  
reinvestment zone funds and shall be administered by an agency created by the municipality or  
public transit county within which the housing and transit reinvestment zone is located.

772 (ii) Before an agency may receive housing and transit reinvestment zone funds from the municipality  
or public transit county, the municipality or public transit county and the agency shall enter into an  
interlocal agreement with terms that:

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- 775 (A) are consistent with the approval of the housing and transit reinvestment zone committee; and  
777 (B) meet the requirements of Section 63N-3-603 or, for a convention center reinvestment zone, the requirements of Section 63N-3-603.1.
- 779 (3)  
(a) A county that collects property tax on property located within a convention center reinvestment zone shall, in accordance with Section 59-2-1365, distribute to the relevant public infrastructure district created by the eligible municipality any property tax increment the public infrastructure district is authorized to receive up to the amounts approved by the housing and transit reinvestment zone committee.
- 784 (b) Property tax increment distributed to a public infrastructure district in accordance with Subsection (3)(a) is not revenue of the taxing entity or municipality.
- 786 (c) Property tax increment paid to the public infrastructure district are convention center reinvestment zone funds and shall be administered by the public infrastructure district within which the convention center reinvestment zone is located.
- 789 (4)  
(a)  
(i) A municipality or public transit county and agency shall use housing and transit reinvestment zone funds within, or for the direct benefit of, the housing and transit reinvestment zone.  
792 (ii) A public infrastructure district shall use convention center reinvestment zone funds within, or for the benefit of, the convention center reinvestment zone.
- 794 (b) If any housing and transit reinvestment zone funds will be used outside of the housing and transit reinvestment zone, there must be a finding in the approved proposal for a housing and transit reinvestment zone that the use of the housing and transit reinvestment zone funds outside of the housing and transit reinvestment zone will directly benefit the housing and transit reinvestment zone.
- 799 (5)  
(a) A municipality or public transit county shall use housing and transit reinvestment zone funds to achieve the purposes described in Subsections 63N-3-603(1) and (2), by paying all or part of the costs of any of the following:
- 802 (i) income targeted housing costs;  
803 (ii) structured parking within the housing and transit reinvestment zone;

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- 804 (iii) enhanced development costs;
- 805 (iv) horizontal construction costs;
- 806 (v) vertical construction costs;
- 807 (vi) property acquisition costs within the housing and transit reinvestment zone;
- 808 (vii) the costs of the municipality or public transit county to create and administer the housing  
and transit reinvestment zone, which may not exceed 2% of the total housing and transit  
reinvestment zone funds, plus the costs to complete the gap analysis described in Subsection  
63N-3-604(2); or
- 812 (viii) subject to Subsection (5)(b), costs for the construction or expansion of child care facilities  
within the boundary of the housing and transit reinvestment zone.
- 814 (b) A municipality or public transit county may not use more than 1% of the total housing and transit  
reinvestment zone funds to pay costs described in Subsection (5)(a)(viii).
- 817 (c) A public infrastructure district shall use convention center reinvestment zone funds to achieve the  
purposes described in Section 63N-3-603.1.
- 819 (d)
- (i) As used in this Subsection (5)(d), "extraterritorial affordable housing" means affordable housing, as  
that term is defined in Section 63N-3-1601, that:
- 821 (A) is located within the municipality proposing the housing and transit reinvestment zone but  
outside the boundary of the housing and transit reinvestment zone;
- 824 (B) is part of a development with a density of at least six units per acre;
- 825 (C) is required to be owner occupied for no less than 25 years; and
- 826 (D) has not been issued a building permit by the municipality as of the date of the approval of the  
housing and transit reinvestment zone.
- 828 (ii) A municipality or public district county may use housing and transit reinvestment zone funds on  
extraterritorial affordable housing costs if the municipality or public transit county satisfies the  
requirement described under Subsection (4)(b).
- 831 (iii) One hundred percent of extraterritorial affordable housing shall meet the affordable housing  
requirements described in Section 63N-3-1601.
- 833 (6) Housing and transit reinvestment zone funds may be paid to a participant, if the agency and  
participant enter into a participation agreement that requires the participant to utilize the housing and  
transit reinvestment zone funds as allowed in this section.

## SB0221S01 compared with SB0221S02

836 (7)

(a) Housing and transit reinvestment zone funds may be used to pay all of the costs of bonds issued by the municipality or public transit county in accordance with Title 17C, Chapter 1, Part 5, Agency Bonds, including the cost to issue and repay the bonds including interest.

840 (b) Convention center reinvestment zone funds may be used to pay all of the costs of debt incurred by the public infrastructure district, including the cost to issue and repay the debt including interest.

843 (8)

(a) A municipality or public transit county may create one or more public infrastructure districts within the housing and transit reinvestment zone under Title 17D, Chapter 4, Public Infrastructure District Act, and pledge and utilize the housing and transit reinvestment zone funds to guarantee the payment of public infrastructure bonds issued by a public infrastructure district.

848 (b) An eligible municipality that is a capital city shall create one or more public infrastructure districts within the convention center reinvestment zone under Title 17D, Chapter 4, Public Infrastructure District Act, and the convention center reinvestment zone funds may be used to pay all or any portion of debt incurred by the public infrastructure district, including the cost to issue and repay the debt including interest.

1354 Section 9. Section **63N-3-608** is amended to read:

1355 **63N-3-608. Applicability to an existing community reinvestment project.**

856 (1) For a housing and transit reinvestment zone created under this part that overlaps any portion of an existing inactive industrial site community reinvestment project area plan created in accordance with Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act:

860 (a) if the community reinvestment project area plan captures less than 80% of the property tax increment from a taxing entity, or if a taxing entity is not participating in the community reinvestment project area plan, the housing and transit reinvestment zone may capture the difference between:

864 (i) 80%; and

865 (ii) the percentage of property tax increment captured [~~pursuant to~~] in accordance with the community reinvestment project area plan; and

867 (b) if a community reinvestment project area plan expires before the housing and transit reinvestment zone, the housing and transit reinvestment zone may capture the property tax increment allocated to the community reinvestment project area plan for any remaining portion of the term of the housing

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and transit reinvestment zone and the base year shall be updated in accordance with Subsection 63N-3-602(4).

- 872 (2) ~~{For a housing and transit reinvestment zone created under this part that overlaps any portion~~  
~~of an existing community reinvestment project area plan created in accordance with Title 17C,~~  
~~Limited Purpose Local Government Entities - Community Reinvestment Agency Act, that~~  
~~includes a retail facility with a gross sales floor area greater than 140,000 square feet, and if the~~  
~~development includes at least one housing unit for every 1,250 square feet of retail space within the~~  
~~development:}~~
- 878 ~~{(a) if the community reinvestment project area captures less than 80% of the property tax increment~~  
~~from a taxing entity, or if a taxing entity is not participating in the community reinvestment project~~  
~~area plan, the housing and transit reinvestment zone may capture the difference between: }~~
- 882 ~~{(i) 80%; and }~~
- 883 ~~{(ii) the percentage of property tax increment captured in accordance with the community reinvestment~~  
~~project area plan; and }~~
- 885 ~~{(b) If a community reinvestment project area plan expires before the housing and transit reinvestment~~  
~~zone, the housing and transit reinvestment zone may not capture the property tax increment~~  
~~allocated to the community reinvestment project area plan for any remaining portion of the term~~  
~~of the housing and transit reinvestment zone and the base year shall be updated in accordance with~~  
~~Subsection 63N-3-602(4).}~~
- 890 ~~{(c) {The county assessor shall verify that the retail facility and housing unit requirements described in~~  
~~Subsection (2) are met before the housing and transit reinvestment zone may capture the property~~  
~~tax increment described in Subsection (2)(a).}~~
- 893 ~~{(3)}~~ For a convention center reinvestment zone created under this part that overlaps any portion of  
an existing community reinvestment project area created in accordance with Title 17C, Limited  
Purpose Local Government Entities - Community Reinvestment Agency Act:
- 897 (a) if the community reinvestment project area captures less than 100% of the property tax increment  
from a taxing entity, or if a taxing entity is not participating in the community reinvestment project  
area, the convention center reinvestment zone may capture the difference between:
- 901 (i) 100%; and
- 902 (ii) the percentage of property tax increment captured [~~pursuant to~~] in accordance with the community  
reinvestment project area for each taxing entity; and

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904 (b) if a community reinvestment project area plan expires before the convention center reinvestment zone, the convention center reinvestment zone may capture the property tax increment allocated to the community reinvestment project area for any remaining portion of the term of the convention center reinvestment zone with the base year relating back to the base year established by the community reinvestment project area.

1389 (3)

(a) For a housing and transit reinvestment zone created under this part that overlaps any portion of an existing community reinvestment project area plan created in accordance with Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act, that includes a retail facility with a gross sales floor area greater than 140,000 square feet, and if the development includes at least one housing unit for every 1,250 square feet of retail space within the development:

1396 (i) if the community reinvestment project area captures less than 80% of the property tax increment from a taxing entity, or if a taxing entity is not participating in the community reinvestment project area plan, the housing and transit reinvestment zone may capture the difference between:

1400 (A) 80%; and

1401 (B) the percentage of property tax increment captured in accordance with the community reinvestment project area plan; and

1403 (ii) if a community reinvestment project area plan expires before the housing and transit reinvestment zone, the housing and transit reinvestment zone may not capture the property tax increment allocated to the community reinvestment project area plan for any remaining portion of the term of the housing and transit reinvestment zone and the base year shall be updated in accordance with Subsection 63N-3-602(4).

1409 (b) The county assessor shall verify that the retail facility and housing unit requirements described in this Subsection (3) are met before the housing and transit reinvestment zone may capture the property tax increment described in Subsection (3)(a).

910 (4) Except as provided in this section, a housing and transit reinvestment zone may not overlap any portion of an existing community reinvestment project area plan created in accordance with Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act.

1416 Section 10. Section **63N-3-611** is amended to read:

1417 **63N-3-611. Boundary adjustments.**

[— If the relevant county assessor or county auditor adjusts parcel boundaries relevant

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to a housing and transit reinvestment zone or a convention center reinvestment zone, the municipality administering the property tax increment collected in the housing and transit reinvestment zone, or for a convention center reinvestment zone, the Governor's Office of Economic Opportunity may make corresponding adjustments to the boundary of the housing and transit reinvestment zone.]

922 (1)

(a) Subject to the requirements under this part, and after the housing and transit reinvestment zone committee approves a housing and transit reinvestment zone or a convention center reinvestment zone proposal in accordance with Section 63N-3-605, the Governor's Office of Economic Opportunity shall consult with the relevant county auditor to determine a boundary adjustment to a housing and transit reinvestment zone or a convention center reinvestment zone.

1430 (b)

(i) If a boundary adjustment under Subsection (1)(a) is requested, the Governor's Office of Economic Opportunity shall consult with the county assessor and county auditor to verify the adjustment meets the requirements under this part.

928 (b){(ii)} If {a} the boundary adjustment {under} described in Subsection ~~{(1)(a)}~~ (1)(b)(i) is {requested} approved, the {county assessor} Governor's office of Economic Opportunity shall request approval of the proposed boundary adjustment from the housing and transit reinvestment zone committee before approving the boundary adjustment.

931 (c) ~~{A}~~ Except as provided in Subsection (1)(d), a parcel may only be triggered for property tax increment collection on the legal parcel boundary drawn at the time the parcel is triggered for property tax increment collection.

1440 (d)

(i) A convention center reinvestment zone in a capital city may commence a property tax increment collection at different times for different parcels or subareas within the convention center reinvestment zone in a capital city.

1443 (ii) The property tax increment collection described in Subsection (1)(d)(i) shall use the base year of December 31, 2023 and commence no later than five years from the day that the convention center reinvestment zone in a capital city proposal is approved.

934 (2) A boundary adjustment that results in an area that does not fall within or bisect the radius requirements described in this part is allowed if:

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- 936 (a) the Governor's Office of Economic Opportunity determines that including the parcel in the housing and transit reinvestment zone or convention center reinvestment zone has a reasonable nexus to the purposes described in the relevant housing and transit reinvestment zone or convention center reinvestment zone proposal;
- 940 (b) the total number of acres within the housing and transit reinvestment zone or convention center reinvestment zone are equal to or less than the maximum number of acres allowed within a housing and transit reinvestment zone or convention center reinvestment zone described in this part; and
- 944 (c) the boundary adjustment does not create a parcel that is entirely located outside one-half mile from a transit station.
- 946 (3)
- (a) A housing and transit reinvestment zone or convention center reinvestment zone shall be governed by the law in effect on the date the application for the housing and transit reinvestment zone or convention center reinvestment zone was approved by the housing and transit reinvestment zone committee.
- 950 (b) Notwithstanding Subsection (3)(a), an approved housing and transit reinvestment zone proposal submitted before May 1, 2024, shall be governed by the base year and triggering defined in code before January 1, 2023.

1466 Section 11. Section 63N-3-1601 is amended to read:

1467 **63N-3-1601. Definitions.**

1468 (1) "Affordable housing" means:

1469 (a) for homes that are not owner occupied, housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the county median gross income for households of the same size; or

1472 (b)

(i) for homes that are owner occupied, housing that is priced at ~~80%~~ 120% of the ~~county median home price~~ area median income; or

1474 (ii) for homes that are owner occupied, housing that is priced at 80% of the zip code median home price if:

1476 (A) the proposal described in Section 63N-3-1603 demonstrates that a deviation from the county median home price will achieve the objectives described in Subsection 63N-3-1602(1); and

1479 (B) the zip code median home price is based upon county property tax assessment data.

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- 1481 (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- 1482 (3) "Base taxable value" means the same as that term is defined in Section 63N-3-602.
- 1483 (4) "Base year" means, for each tax increment collection period triggered within a proposed first home investment zone area, the calendar year prior to the calendar year the tax increment begins to be collected for those parcels triggered for that collection period.
- 1486 (5)
- (a) "Developable area" means the portion of land within a first home investment zone available for development and construction of business and residential uses.
- 1488 (b) "Developable area" does not include portions of land within a first home investment zone that are allocated to:
- 1490 (i) parks;
- 1491 (ii) recreation facilities;
- 1492 (iii) open spaces;
- 1493 (iv) trails;
- 1494 (v) parking;
- 1495 (vi) roadway facilities; or
- 1496 (vii) other public facilities.
- 1497 (6) "Dwelling unit" means the same as that term is defined in Section 63N-3-602.
- 1498 (7) "Extraterritorial home" means a dwelling unit that is included as part of the first home investment zone proposal that:
- 1500 (a) is located within the municipality proposing the first home investment zone but outside the boundary of the first home investment zone;
- 1502 (b) is part of a development with a density of at least six units per acre;
- 1503 (c) is not located within an existing housing and transit reinvestment zone or an area that could be included in a housing and transit reinvestment zone;
- 1505 (d) has not been issued a building permit by the municipality as of the date of the approval of the first home investment zone; and
- 1507 (e) is required to be owner occupied for no less than 25 years.
- 1508 (8) "First home investment zone" means a first home investment zone created in accordance with this part.
- 1510 (9) "Home" means a dwelling unit.

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- 1511 (10) "Housing and transit reinvestment zone" means the same as that term is defined in Section  
63N-3-602.
- 1513 (11) "Housing and transit reinvestment zone committee" means the housing and transit reinvestment  
zone committee described in Section 63N-3-605.
- 1515 (12) "Metropolitan planning organization" means the same as that term is defined in Section  
72-1-208.5.
- 1517 (13) "Mixed use development" means the same as that term is defined in Section 63N-3-603.
- 1518 (14) "Moderate income housing plan" means the same as that term is defined in Section 11-41-102.
- 1520 (15) "Municipality" means the same as that term is defined in Section 10-1-104.
- 1521 (16) "Owner occupied" means private real property that is:
- 1522 (a) used for a single-family residential purpose; and
- 1523 (b) required to be occupied by the owner of the real property for no less than 25 years.
- 1524 (17) "Project area" means the same as that term is defined in Section 17C-1-102.
- 1525 (18)
- (a) "Project improvements" means site improvements and facilities that are:
- 1526 (i) planned and designed to provide service for development resulting from a development activity;
- 1528 (ii) necessary for the use and convenience of the occupants or users of development resulting from  
a development activity; and
- 1530 (iii) not identified or reimbursed as a system improvement.
- 1531 (b) "Project improvements" does not mean system improvements.
- 1532 (19) "State Tax Commission" means the State Tax Commission created in Section 59-1-201.
- 1533 (20)
- (a) "System improvements" means existing and future public facilities that are designed to provide  
services to service areas within the community at large.
- 1535 (b) "System improvements" does not mean project improvements.
- 1536 (21)
- (a) "Tax increment" means the difference between:
- 1537 (i) the amount of property tax revenue generated each tax year by a taxing entity from the area  
within a first home investment zone designated in the first home investment zone proposal as  
the area from which tax increment is to be collected, using the current assessed value and each  
taxing entity's current certified tax rate as defined in Section 59-2-924; and

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- 1542 (ii) the amount of property tax revenue that would be generated from that same area using the base  
taxable value and each taxing entity's current certified tax rate as defined in Section 59-2-924.
- 1545 (b) "Tax increment" does not include property tax revenue from:
- 1546 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2); or
- 1548 (ii) a county additional property tax described in Subsection 59-2-1602(4).
- 1549 (22) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
- 1550 (23) "Unencumbered annual community reinvestment agency revenue" means tax increment revenue  
received by the agency for purposes identified in Title 17C, Limited Purpose Local Government  
Entities - Community Reinvestment Agency Act, that:
- 1553 (a) have not been designated or restricted for future qualified uses as approved by the agency board  
related to a specific project area; and
- 1555 (b) do not have a date certain by which the tax increment revenues will be used.
- 1556 Section 12. Section **63N-3-1603** is amended to read:
- 1557 **63N-3-1603. Process for a proposal of a first home investment zone.**
- 955 (1) Subject to approval of the housing and transit reinvestment zone committee as described in Section  
63N-3-1604, in order to create a first home investment zone, a municipality that has general land use  
authority over the first home investment zone area, shall:
- 958 (a) prepare a proposal for the first home investment zone that:
- 959 (i) demonstrates that the proposed first home investment zone will meet the objectives described in  
Subsection 63N-3-1602(1);
- 961 (ii) explains how the municipality will achieve the requirements of Subsection 63N-3-1602(2);
- 963 (iii) defines the specific infrastructure needs, if any, and proposed improvements;
- 964 (iv) demonstrates how the first home investment zone will ensure:
- 965 (A) sufficient pedestrian access to schools and other areas of community; and
- 966 (B) inclusion of child care facilities and access;
- 967 (v) defines the boundaries of the first home investment zone;
- 968 (vi) includes maps of the proposed first home investment zone to illustrate:
- 969 (A) proposed housing density within the first home investment zone;
- 970 (B) extraterritorial homes relevant to the first home investment zone, including density of the  
development of extraterritorial homes; and
- 972 (C) existing zoning and proposed zoning changes related to the first home investment zone;

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- 974 (vii) identifies any development impediments that prevent the development from being a market-rate  
investment and proposed strategies for addressing each one;
- 976 (viii) describes the proposed development plan, including the requirements described in Subsections  
63N-3-1602(2) and (4);
- 978 (ix) establishes the collection period or periods to calculate the tax increment;
- 979 (x) describes projected maximum revenues generated and the amount of tax increment capture from  
each taxing entity and proposed expenditures of revenue derived from the first home investment  
zone;
- 982 (xi) includes an analysis of other applicable or eligible incentives, grants, or sources of revenue that can  
be used to reduce the finance gap;
- 984 (xii) proposes a finance schedule to align expected revenue with required financing costs and payments;
- 986 (xiii) evaluates possible benefits to active transportation, public transportation availability and  
utilization, street connectivity, and air quality; and
- 988 (xiv) provides a pro forma for the planned development that:
- 989 (A) satisfies the requirements described in Subsections 63N-3-1602(2) and (4); and
- 990 (B) includes data showing the cost difference between what type of development could feasibly be  
developed absent the first home investment zone tax increment and the type of development that is  
proposed to be developed with the first home investment zone tax increment;
- 994 (b) submit the proposal to the relevant school district to discuss the requirements of the proposal and  
whether the proposal provides the benefits and achieves the objectives described in this part; and
- 997 (c) submit the first home investment zone proposal to the Governor's Office of Economic Opportunity.
- 999 (2) As part of the proposal described in Subsection (1), a municipality shall:
- 1000 (a) study and evaluate possible impacts of a proposed first home investment zone on parking and  
efficient use of land within the municipality and first home investment zone; and
- 1003 (b) include in the first home investment zone proposal the findings of the study described in Subsection  
(2)(a) and proposed strategies to efficiently address parking impacts.
- 1006 (3)
- (a) After receiving the proposal as described in Subsection (1)(c), the Governor's Office of Economic  
Opportunity shall:
- 1008 (i) within 14 days after the date on which the Governor's Office of Economic Opportunity receives  
the proposal described in Subsection (1)(c), provide notice of the proposal to all affected taxing

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entities, including the State Tax Commission, cities, counties, school districts, metropolitan planning organizations, and the county assessor and county auditor of the county in which the first home investment zone is located; and

- 1014 (ii) at the expense of the proposing municipality as described in Subsection (5), contract with an independent entity to:
- 1016 (A) perform the gap analysis described in Subsection (3)(b); and
- 1017 (B) perform an analysis of the pro-forma described in Subsection (1)(a)(xiv)(B) and the feasibility of the proposed development absent the tax increment.
- 1019 (b) The gap and pro-forma analysis required in Subsection (3)(a)(ii) shall include:
- 1020 (i) a description of the planned development;
- 1021 (ii) a market analysis relative to other comparable project developments included in or adjacent to the municipality absent the proposed first home investment zone;
- 1023 (iii) an evaluation of the proposal and a determination of the adequacy and efficiency of the proposal;
- 1025 (iv) an evaluation of the proposed tax increment capture needed to cover the system improvements and project improvements associated with the first home investment zone proposal and enable the proposed development to occur, and for the benefit of affordable housing projects; and
- 1029 (v) based on the market analysis and other findings, an opinion relative to the appropriate amount of potential public financing reasonably determined to be necessary to achieve the objectives described in Subsection 63N-3-1602(1).
- 1032 (c) After receiving notice from the Governor's Office of Economic Opportunity of a proposed first home investment zone as described in Subsection (3)(a)(i), the municipality, in consultation with the county assessor, the county auditor, and the State Tax Commission, shall:
- 1036 (i) evaluate the feasibility of administering the tax implications of the proposal; and
- 1037 (ii) provide a letter to the Governor's Office of Economic Opportunity describing any challenges in the administration of the proposal, or indicating that the county assessor can feasibly administer the proposal.
- 1040 (4) After receiving the results from the analysis described in Subsection (3)(b), the municipality proposing the first home investment zone may:
- 1042 (a) amend the first home investment zone proposal based on the findings of the analysis described in Subsection (3)(b) and request that the Governor's Office of Economic Opportunity submit

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the amended first home investment zone proposal to the housing and transit reinvestment zone committee; or

1046 (b) request that the Governor's Office of Economic Opportunity submit the original first home investment zone proposal to the housing and transit reinvestment zone committee.

1049 (5)

(a) The Governor's Office of Economic Opportunity may accept, as a dedicated credit, up to \$20,000 from a municipality for the costs of the gap analysis described in Subsection (3)(b).

1052 (b) The Governor's Office of Economic Opportunity may expend funds received from a municipality as dedicated credits to pay for the costs associated with the gap analysis described in Subsection (3)(b).

1658 Section 13. Section **63N-3-1609** is amended to read:

1659 **63N-3-1609. Boundary adjustments.**

[—If the relevant county assessor or county auditor adjusts parcel boundaries relevant to a first home investment zone, the municipality administering the tax increment collected in the first home investment zone may make corresponding adjustments to the boundary of the first home investment zone.]

1061 (1)

(a) Subject to the requirements under this part, and after the housing and transit reinvestment zone committee approves a first home investment zone proposal in accordance with Section 63N-3-1604, the Governor's Office of Economic Opportunity shall consult with the relevant county auditor to determine a boundary adjustment to parcel boundaries relevant to a first home investment zone.

1066 (b) If a boundary adjustment under Subsection (1)(a) is requested, the county assessor shall request approval of the proposed boundary adjustment from the housing and transit reinvestment zone committee before approving the boundary adjustment.

1069 (c) A parcel may only be triggered for property tax increment collection on the legal parcel boundary drawn at the time the parcel is triggered for property tax increment collection.

1072 (2) A boundary adjustment that results in an area that does not fall within or bisect the radius requirements described in this part is allowed if:

1074 (a) the Governor's Office of Economic Opportunity determines that including the parcel in the first home investment zone has a reasonable nexus to the purposes described in the relevant first home investment zone proposal;

1077

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- (b) the total number of acres within the first home investment zone is equal to or less than the maximum number of acres allowed within a first home investment zone described in this part; and
- 1080 (c) the boundary adjustment does not create a parcel that is entirely located outside one-half mile from a transit station.

1685 Section 14. **Effective date.**

Effective Date.

This bill takes effect on May 6, 2026.

1687 Section 15. **Coordinating S.B. 221 with S.B. 39.**

If S.B. 221, Housing and Transit Reinvestment Zone Amendments, and S.B. 39, Investment Zone Amendments, both pass and become law, the Legislature intends that, on May 6, 2026:

(1) Subsection 59-2-924(1)(q) in S.B. 39 and S.B. 221 be amended to read:

“(q) "Project area" means:

(i) for an authority created under Section 11-58-201, the same as that term is defined in Section 11-58-102;

(ii) for the Utah Fairpark Area Investment and Restoration District created in Section 11-70-201, the same as that term is defined in Section 11-70-101;

(iii) for an agency created under Section 17C-1-201.5, the same as that term is defined in Section 17C-1-102;

(iv) for an authority created under Section 63H-1-201, the same as that term is defined in Section 63H-1-102;

(v) for a housing and transit reinvestment zone~~[or convention center reinvestment zone created under Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602]~~, created under Title 63N, Chapter 23, Part 2, Housing and Transit Reinvestment Zone, as housing and transit reinvestment zone is defined in Section 63N-23-101;

(vi) for a convention center reinvestment zone, created under Title 63N, Chapter 23, Part 3, Convention Center Reinvestment Zone, as convention center reinvestment zone is defined in Section 63N-23-101;

(vii) for a convention center reinvestment zone in a capital city, created under Title 63N, Chapter 23, Part 4, Convention Center Reinvestment Zone in a Capital City, as convention

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center reinvestment zone in a capital city is defined in 63N-23-101;

~~[(vi)]~~ (viii) for a home ownership promotion zone ~~[created under Title 10, Chapter 21, Part 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part 5, Home Ownership Promotion Zone, the same as that term is defined in Section 10-21-101 or Section 17-80-101], created under Title 63N, Chapter 23, Part 5, Home Ownership Promotion Zone for Municipalities, or Title 63N, Chapter 23, Part 6, Home Ownership Promotion Zone for Counties, as homeownership promotion zone is defined in Section 63N-23-501 or 63N-23-601;~~

~~[(vii)]~~ (ix) for a first home investment zone~~[created under Title 63N, Chapter 3, Part 16, First Home Investment Zone Act, the same as that term is defined in Section 63N-3-1601], created under Title 63N, Chapter 23, Part 7, First Home Investment Zone, as first home investment zone is defined in 63N-23-101; or~~

~~[(viii)]~~ (x) for a major sporting event venue zone established under Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, the qualified development zone, as defined in Section 63N-3-1701.";

(2) The amendments to Subsection 63N-3-602(4) in S.B. 221 supersede the amendments to Subsection 63N-23-101(4) in S.B. 39;

(3) Subsection 63N-23-101(33) enacted in S.B. 39 be amended to read:

"(33) "Project area plan" means the same as that term is defined in Section 17C-1-102."; and

(4)(a) Subsection 63N-3-603.1(4)(a) in S.B. 221 and Subsection 63N-23-301(3)(a) in S.B. 39 be amended to read:

"~~[(4)(a)(i)]~~ (3)(a) A convention center reinvestment zone proposal may propose the capture of 100% of the property tax increment and 100% of the sales and use tax ~~[increment]~~ revenue described in Subsection ~~[63N-3-602(38)(b)(ii)]~~ 63N-23-101(40)(b)(ii) for a period of 30 years.

~~[(ii)]~~For a convention center reinvestment zone in a capital city, in addition to the proposed capture of property tax increment and sales and use tax increment described in Subsection (4)(a)(i), the convention center reinvestment zone may propose the capture of 50% of the sales and use tax increment described in Subsection 63N-3-602(38)(b)(i)."

(b) Subsections 63N-23-401(4)(a) and (b) enacted in S.B. 39 be amended to read:

"(4)(a) A convention center reinvestment zone in a capital city proposal may propose the capture of 100% of the property tax increment and 100% of the sales and use tax revenue described in Subsection 63N-23-101(40)(b)(ii) for a period of 30 years.

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(b) In addition to the proposed capture of property tax increment and sales and use tax revenue described in Subsection (4)(a), the convention center reinvestment zone in a capital city may propose the capture of 50% of the sales and use tax revenue described in Subsection 63N-23-101(40)(b)(i)."

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