

Effective 5/10/2016

Chapter 1 Agency Operations

Part 1 General Provisions

17C-1-101 Title.

- (1) This title is known as the "Limited Purpose Local Government Entities - Community Reinvestment Agency Act."
- (2) This chapter is known as "Agency Operations."
- (3) This part is known as "General Provisions."

Amended by Chapter 350, 2016 General Session

17C-1-102 Definitions.

As used in this title:

- (1) "Active project area" means a project area that has not been dissolved in accordance with Section 17C-1-702.
- (2) "Adjusted tax increment" means the percentage of tax increment, if less than 100%, that an agency is authorized to receive:
 - (a) for a pre-July 1, 1993, project area plan, under Section 17C-1-403, excluding tax increment under Subsection 17C-1-403(3);
 - (b) for a post-June 30, 1993, project area plan, under Section 17C-1-404, excluding tax increment under Section 17C-1-406;
 - (c) under a project area budget approved by a taxing entity committee; or
 - (d) under an interlocal agreement that authorizes the agency to receive a taxing entity's tax increment.
- (3) "Affordable housing" means housing owned or occupied by a low or moderate income family, as determined by resolution of the agency.
- (4) "Agency" or "community reinvestment agency" means a separate body corporate and politic, created under Section 17C-1-201.5 or as a redevelopment agency or community development and renewal agency under previous law:
 - (a) that is a political subdivision of the state;
 - (b) that is created to undertake or promote project area development as provided in this title; and
 - (c) whose geographic boundaries are coterminous with:
 - (i) for an agency created by a county, the unincorporated area of the county; and
 - (ii) for an agency created by a municipality, the boundaries of the municipality.
- (5) "Agency funds" means money that an agency collects or receives for agency operations, implementing a project area plan or an implementation plan as defined in Section 17C-1-1001, or other agency purposes, including:
 - (a) project area funds;
 - (b) income, proceeds, revenue, or property derived from or held in connection with the agency's undertaking and implementation of project area development or agency-wide project development as defined in Section 17C-1-1001;
 - (c) a contribution, loan, grant, or other financial assistance from any public or private source;
 - (d) project area incremental revenue as defined in Section 17C-1-1001; or

- (e) property tax revenue as defined in Section 17C-1-1001.
- (6) "Annual income" means the same as that term is defined in regulations of the United States Department of Housing and Urban Development, 24 C.F.R. Sec. 5.609, as amended or as superseded by replacement regulations.
- (7) "Assessment roll" means the same as that term is defined in Section 59-2-102.
- (8) "Base taxable value" means, unless otherwise adjusted in accordance with provisions of this title, a property's taxable value as shown upon the assessment roll last equalized during the base year.
- (9) "Base year" means, except as provided in Subsection 17C-1-402(4)(c), the year during which the assessment roll is last equalized:
 - (a) for a pre-July 1, 1993, urban renewal or economic development project area plan, before the project area plan's effective date;
 - (b) for a post-June 30, 1993, urban renewal or economic development project area plan, or a community reinvestment project area plan that is subject to a taxing entity committee:
 - (i) before the date on which the taxing entity committee approves the project area budget; or
 - (ii) if taxing entity committee approval is not required for the project area budget, before the date on which the community legislative body adopts the project area plan;
 - (c) for a project on an inactive airport site, after the later of:
 - (i) the date on which the inactive airport site is sold for remediation and development; or
 - (ii) the date on which the airport that operated on the inactive airport site ceased operations; or
 - (d) for a community development project area plan or a community reinvestment project area plan that is subject to an interlocal agreement, as described in the interlocal agreement.
- (10) "Basic levy" means the portion of a school district's tax levy constituting the minimum basic levy under Section 59-2-902.
- (11) "Board" means the governing body of an agency, as described in Section 17C-1-203.
- (12) "Budget hearing" means the public hearing on a proposed project area budget required under Subsection 17C-2-201(2)(d) for an urban renewal project area budget, Subsection 17C-3-201(2)(d) for an economic development project area budget, or Subsection 17C-5-302(2)(e) for a community reinvestment project area budget.
- (13) "Closed military base" means land within a former military base that the Defense Base Closure and Realignment Commission has voted to close or realign when that action has been sustained by the president of the United States and Congress.
- (14) "Combined incremental value" means the combined total of all incremental values from all project areas, except project areas that contain some or all of a military installation or inactive industrial site, within the agency's boundaries under project area plans and project area budgets at the time that a project area budget for a new project area is being considered.
- (15) "Community" means a county or municipality.
- (16) "Community development project area plan" means a project area plan adopted under Chapter 4, Part 1, Community Development Project Area Plan.
- (17) "Community legislative body" means the legislative body of the community that created the agency.
- (18) "Community reinvestment project area plan" means a project area plan adopted under Chapter 5, Part 1, Community Reinvestment Project Area Plan.
- (19) "Contest" means to file a written complaint in the district court of the county in which the agency is located.
- (20) "Development impediment" means a condition of an area that meets the requirements described in Section 17C-2-303 for an urban renewal project area or Section 17C-5-405 for a community reinvestment project area.

- (21) "Development impediment hearing" means a public hearing regarding whether a development impediment exists within a proposed:
- (a) urban renewal project area under Subsection 17C-2-102(1)(a)(i)(C) and Section 17C-2-302; or
 - (b) community reinvestment project area under Section 17C-5-404.
- (22) "Development impediment study" means a study to determine whether a development impediment exists within a survey area as described in Section 17C-2-301 for an urban renewal project area or Section 17C-5-403 for a community reinvestment project area.
- (23) "Economic development project area plan" means a project area plan adopted under Chapter 3, Part 1, Economic Development Project Area Plan.
- (24) "Fair share ratio" means the ratio derived by:
- (a) for a municipality, comparing the percentage of all housing units within the municipality that are publicly subsidized income targeted housing units to the percentage of all housing units within the county in which the municipality is located that are publicly subsidized income targeted housing units; or
 - (b) for the unincorporated part of a county, comparing the percentage of all housing units within the unincorporated county that are publicly subsidized income targeted housing units to the percentage of all housing units within the whole county that are publicly subsidized income targeted housing units.
- (25) "Family" means the same as that term is defined in regulations of the United States Department of Housing and Urban Development, 24 C.F.R. Section 5.403, as amended or as superseded by replacement regulations.
- (26) "Greenfield" means land not developed beyond agricultural, range, or forestry use.
- (27) "Hazardous waste" means any substance defined, regulated, or listed as a hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant, or toxic substance, or identified as hazardous to human health or the environment, under state or federal law or regulation.
- (28) "Housing allocation" means project area funds allocated for housing under Section 17C-2-203, 17C-3-202, or 17C-5-307 for the purposes described in Section 17C-1-412.
- (29) "Housing fund" means a fund created by an agency for purposes described in Section 17C-1-411 or 17C-1-412 that is comprised of:
- (a) project area funds, project area incremental revenue as defined in Section 17C-1-1001, or property tax revenue as defined in Section 17C-1-1001 allocated for the purposes described in Section 17C-1-411; or
 - (b) an agency's housing allocation.
- (30)
- (a) "Inactive airport site" means land that:
 - (i) consists of at least 100 acres;
 - (ii) is occupied by an airport:
 - (A)
 - (I) that is no longer in operation as an airport; or
 - (II)
 - (Aa) that is scheduled to be decommissioned; and
 - (Bb) for which a replacement commercial service airport is under construction; and
 - (B) that is owned or was formerly owned and operated by a public entity; and
 - (iii) requires remediation because:
 - (A) of the presence of hazardous waste or solid waste; or

- (B) the site lacks sufficient public infrastructure and facilities, including public roads, electric service, water system, and sewer system, needed to support development of the site.
- (b) "Inactive airport site" includes a perimeter of up to 2,500 feet around the land described in Subsection (30)(a).
- (31)
- (a) "Inactive industrial site" means land that:
- (i) consists of at least 1,000 acres;
 - (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial facility; and
 - (iii) requires remediation because of the presence of hazardous waste or solid waste.
- (b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land described in Subsection (31)(a).
- (32) "Income targeted housing" means housing that is owned or occupied by a family whose annual income is at or below 80% of the median annual income for a family within the county in which the housing is located.
- (33) "Incremental value" means a figure derived by multiplying the marginal value of the property located within a project area on which tax increment is collected by a number that represents the adjusted tax increment from that project area that is paid to the agency.
- (34) "Loan fund board" means the Olene Walker Housing Loan Fund Board, established under Title 35A, Chapter 8, Part 5, Olene Walker Housing Loan Fund.
- (35)
- (a) "Local government building" means a building owned and operated by a community for the primary purpose of providing one or more primary community functions, including:
- (i) a fire station;
 - (ii) a police station;
 - (iii) a city hall; or
 - (iv) a court or other judicial building.
- (b) "Local government building" does not include a building the primary purpose of which is cultural or recreational in nature.
- (36) "Major transit investment corridor" means the same as that term is defined in Section 10-9a-103.
- (37) "Marginal value" means the difference between actual taxable value and base taxable value.
- (38) "Military installation project area" means a project area or a portion of a project area located within a federal military installation ordered closed by the federal Defense Base Realignment and Closure Commission.
- (39) "Municipality" means a city, town, or metro township as defined in Section 10-2a-403.
- (40) "Participant" means one or more persons that enter into a participation agreement with an agency.
- (41) "Participation agreement" means a written agreement between a person and an agency that:
- (a) includes a description of:
 - (i) the project area development that the person will undertake;
 - (ii) the amount of project area funds the person may receive; and
 - (iii) the terms and conditions under which the person may receive project area funds; and
 - (b) is approved by resolution of the board.
- (42) "Plan hearing" means the public hearing on a proposed project area plan required under Subsection 17C-2-102(1)(a)(vi) for an urban renewal project area plan, Subsection 17C-3-102(1)(d) for an economic development project area plan, Subsection 17C-4-102(1)

- (d) for a community development project area plan, or Subsection 17C-5-104(3)(e) for a community reinvestment project area plan.
- (43) "Post-June 30, 1993, project area plan" means a project area plan adopted on or after July 1, 1993, and before May 10, 2016, whether or not amended subsequent to the project area plan's adoption.
- (44) "Pre-July 1, 1993, project area plan" means a project area plan adopted before July 1, 1993, whether or not amended subsequent to the project area plan's adoption.
- (45) "Private," with respect to real property, means property not owned by a public entity or any other governmental entity.
- (46) "Project area" means the geographic area described in a project area plan within which the project area development described in the project area plan takes place or is proposed to take place.
- (47) "Project area budget" means a multiyear projection of annual or cumulative revenues and expenses and other fiscal matters pertaining to a project area prepared in accordance with:
- (a) for an urban renewal project area, Section 17C-2-201;
 - (b) for an economic development project area, Section 17C-3-201;
 - (c) for a community development project area, Section 17C-4-204; or
 - (d) for a community reinvestment project area, Section 17C-5-302.
- (48) "Project area development" means activity within a project area that, as determined by the board, encourages, promotes, or provides development or redevelopment for the purpose of implementing a project area plan, including:
- (a) promoting, creating, or retaining public or private jobs within the state or a community;
 - (b) providing office, manufacturing, warehousing, distribution, parking, or other facilities or improvements;
 - (c) planning, designing, demolishing, clearing, constructing, rehabilitating, or remediating environmental issues;
 - (d) providing residential, commercial, industrial, public, or other structures or spaces, including recreational and other facilities incidental or appurtenant to the structures or spaces;
 - (e) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating existing structures;
 - (f) providing open space, including streets or other public grounds or space around buildings;
 - (g) providing public or private buildings, infrastructure, structures, or improvements;
 - (h) relocating a business;
 - (i) improving public or private recreation areas or other public grounds;
 - (j) eliminating a development impediment or the causes of a development impediment;
 - (k) redevelopment as defined under the law in effect before May 1, 2006; or
 - (l) any activity described in this Subsection (48) outside of a project area that the board determines to be a benefit to the project area.
- (49) "Project area funds" means tax increment or sales and use tax revenue that an agency receives under a project area budget adopted by a taxing entity committee or an interlocal agreement.
- (50) "Project area funds collection period" means the period of time that:
- (a) begins the day on which the first payment of project area funds is distributed to an agency under a project area budget approved by a taxing entity committee or an interlocal agreement; and
 - (b) ends the day on which the last payment of project area funds is distributed to an agency under a project area budget approved by a taxing entity committee or an interlocal agreement.

- (51) "Project area plan" means an urban renewal project area plan, an economic development project area plan, a community development project area plan, or a community reinvestment project area plan that, after the project area plan's effective date, guides and controls the project area development.
- (52)
- (a) "Property tax" means each levy on an ad valorem basis on tangible or intangible personal or real property.
 - (b) "Property tax" includes a privilege tax imposed under Title 59, Chapter 4, Privilege Tax.
- (53) "Public entity" means:
- (a) the United States, including an agency of the United States;
 - (b) the state, including any of the state's departments or agencies; or
 - (c) a political subdivision of the state, including a county, municipality, school district, special district, special service district, community reinvestment agency, or interlocal cooperation entity.
- (54) "Publicly owned infrastructure and improvements" means water, sewer, storm drainage, electrical, natural gas, telecommunication, or other similar systems and lines, streets, roads, curb, gutter, sidewalk, walkways, parking facilities, public transportation facilities, or other facilities, infrastructure, and improvements benefitting the public and to be publicly owned or publicly maintained or operated.
- (55) "Record property owner" or "record owner of property" means the owner of real property, as shown on the records of the county in which the property is located, to whom the property's tax notice is sent.
- (56) "Sales and use tax revenue" means revenue that is:
- (a) generated from a tax imposed under Title 59, Chapter 12, Sales and Use Tax Act; and
 - (b) distributed to a taxing entity in accordance with Sections 59-12-204 and 59-12-205.
- (57) "Superfund site":
- (a) means an area included in the National Priorities List under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sec. 9605; and
 - (b) includes an area formerly included in the National Priorities List, as described in Subsection (57)(a), but removed from the list following remediation that leaves on site the waste that caused the area to be included in the National Priorities List.
- (58) "Survey area" means a geographic area designated for study by a survey area resolution to determine whether:
- (a) one or more project areas within the survey area are feasible; or
 - (b) a development impediment exists within the survey area.
- (59) "Survey area resolution" means a resolution adopted by a board that designates a survey area.
- (60) "Taxable value" means:
- (a) the taxable value of all real property a county assessor assesses in accordance with Title 59, Chapter 2, Part 3, County Assessment, for the current year;
 - (b) the taxable value of all real and personal property the commission assesses in accordance with Title 59, Chapter 2, Part 2, Assessment of Property, for the current year; and
 - (c) the year end taxable value of all personal property a county assessor assesses in accordance with Title 59, Chapter 2, Part 3, County Assessment, contained on the prior year's tax rolls of the taxing entity.
- (61)
- (a) "Tax increment" means the difference between:

- (i) the amount of property tax revenue generated each tax year by a taxing entity from the area within a project area designated in the project area plan as the area from which tax increment is to be collected, using the current assessed value of the property and each taxing entity's current certified tax rate as defined in Section 59-2-924; and
- (ii) the amount of property tax revenue that would be generated from that same area using the base taxable value of the property and each taxing entity's current certified tax rate as defined in Section 59-2-924.
- (b) "Tax increment" does not include taxes levied and collected under Section 59-2-1602 on or after January 1, 1994, upon the taxable property in the project area unless:
 - (i) the project area plan was adopted before May 4, 1993, whether or not the project area plan was subsequently amended; and
 - (ii) the taxes were pledged to support bond indebtedness or other contractual obligations of the agency.
- (62) "Taxing entity" means a public entity that:
 - (a) levies a tax on property located within a project area; or
 - (b) imposes a sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act.
- (63) "Taxing entity committee" means a committee representing the interests of taxing entities, created in accordance with Section 17C-1-402.
- (64) "Unincorporated" means not within a municipality.
- (65) "Urban renewal project area plan" means a project area plan adopted under Chapter 2, Part 1, Urban Renewal Project Area Plan.

Amended by Chapter 15, 2023 General Session

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

Beginning on May 10, 2016, an agency:

- (1) may create a community reinvestment project area under Chapter 5, Community Reinvestment;
- (2) except as provided in Subsection (3), may not create:
 - (a) an urban renewal project area under Chapter 2, Urban Renewal;
 - (b) an economic development project area under Chapter 3, Economic Development; or
 - (c) a community development project area under Chapter 4, Community Development; and
- (3) may create an urban renewal project area, an economic development project area, or a community development project area if:
 - (a) before April 1, 2016, the agency adopts a resolution in accordance with:
 - (i) Section 17C-2-101.5 for an urban renewal project area;
 - (ii) Section 17C-3-101.5 for an economic development project area; or
 - (iii) Section 17C-4-101.5 for a community development project area; and
 - (b) the urban renewal project area, economic development project area, or community development project area is effective before September 1, 2016.

Enacted by Chapter 350, 2016 General Session

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

- (1) Except where expressly provided, nothing in this title may be construed to:
 - (a) impose a requirement or obligation on an agency, with respect to a project area plan adopted or an agency action taken, that was not imposed by the law in effect at the time the project area plan was adopted or the action taken;

- (b) prohibit an agency from taking an action that:
 - (i) was allowed by the law in effect immediately before an applicable amendment to this title;
 - (ii) is permitted or required under the project area plan adopted before the amendment; and
 - (iii) is not explicitly prohibited under this title;
 - (c) revive any right to challenge any action of the agency that had already expired; or
 - (d) require a project area plan to contain a provision that was not required by the law in effect at the time the project area plan was adopted.
- (2)
- (a) A project area plan adopted before an amendment to this title becomes effective may be amended as provided in this title.
 - (b) Unless explicitly prohibited by this title, an amendment under Subsection (2)(a) may include a provision that is allowed under this title but that was not required or allowed by the law in effect before the applicable amendment.
- (3) Except as expressly provided in this title, this title applies to all project areas, regardless of when the project area was created.

Amended by Chapter 480, 2019 General Session

17C-1-104 Actions not subject to land use laws.

- (1) An action taken under this title is not subject to Title 10, Chapter 9a, Municipal Land Use, Development, and Management Act or Title 17, Chapter 27a, County Land Use, Development, and Management Act.
- (2) An ordinance or resolution adopted under this title is not a land use regulation as defined in Sections 10-9a-103 and 17-27a-103.

Amended by Chapter 84, 2017 General Session

Part 2

Agency Creation, Powers, and Board

17C-1-201.1 Title.

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

Enacted by Chapter 350, 2016 General Session

17C-1-201.5 Creation of agency -- Name change.

- (1) A community legislative body may, by ordinance, create a community reinvestment agency.
- (2)
 - (a) The community legislative body shall:
 - (i) after adopting an ordinance under Subsection (1), file with the lieutenant governor a copy of a notice, subject to Subsection (2)(b), of an impending boundary action, as defined in Section 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3); and
 - (ii) upon the lieutenant governor's issuance of a certificate of creation under Section 67-1a-6.5, submit to the recorder of the county in which the agency is located:
 - (A) the original notice of an impending boundary action;
 - (B) the original certificate of creation; and

- (C) a certified copy of the ordinance approving the creation of the community reinvestment agency.
- (b) The notice required under Subsection (2)(a)(i) shall state that the agency's boundaries are, and shall always be, coterminous with the boundaries of the community that created the agency.
- (c) Upon the lieutenant governor's issuance of the certificate of creation under Section 67-1a-6.5, the agency is created and incorporated.
- (d) Until the documents listed in Subsection (2)(a)(ii) are recorded in the office of the recorder of the county in which the agency is located, an agency may not receive or spend agency funds.
- (3)
 - (a) An agency may change the agency's name by:
 - (i) adopting a resolution approving a name change; and
 - (ii) filing with the lieutenant governor a copy of a notice of an impending name change, as defined in Section 67-1a-6.7, that meets the requirements of Subsection 67-1a-6.7(3).
 - (b)
 - (i) Upon the lieutenant governor's issuance of a certificate of name change under Section 67-1a-6.7, the agency shall file with the recorder of the county in which the agency is located:
 - (A) the original notice of an impending name change;
 - (B) the original certificate of name change; and
 - (C) a certified copy of the resolution approving a name change.
 - (ii) Until the documents listed in Subsection (3)(b)(i) are recorded in the office of the county recorder, the agency may not operate under the new name.

Renumbered and Amended by Chapter 350, 2016 General Session

17C-1-202 Agency powers.

- (1) An agency may:
 - (a) sue and be sued;
 - (b) enter into contracts generally;
 - (c) buy, obtain an option upon, acquire by gift, or otherwise acquire any interest in real or personal property;
 - (d) hold, sell, convey, grant, gift, or otherwise dispose of any interest in real or personal property;
 - (e) own, hold, maintain, utilize, manage, or operate real or personal property, which may include the use of agency funds or the collection of revenue;
 - (f) enter into a lease agreement on real or personal property, either as lessee or lessor;
 - (g) provide for project area development as provided in this title;
 - (h) receive and use agency funds as provided in this title;
 - (i) if disposing of or leasing land, retain controls or establish restrictions and covenants running with the land consistent with the project area plan;
 - (j) accept financial or other assistance from any public or private source for the agency's activities, powers, and duties, and expend any funds the agency receives for any purpose described in this title;
 - (k) borrow money or accept financial or other assistance from a public entity or any other source for any of the purposes of this title and comply with any conditions of any loan or assistance;
 - (l) issue bonds to finance the undertaking of any project area development or for any of the agency's other purposes, including:
 - (i) reimbursing an advance made by the agency or by a public entity to the agency;

- (ii) refunding bonds to pay or retire bonds previously issued by the agency; and
 - (iii) refunding bonds to pay or retire bonds previously issued by the community that created the agency for expenses associated with project area development;
 - (m) pay an impact fee, exaction, or other fee imposed by a community in connection with land development;
 - (n) subject to Part 10, Agency Taxing Authority, levy a property tax; or
 - (o) transact other business and exercise all other powers described in this title.
- (2) The establishment of controls or restrictions and covenants under Subsection (1)(i) is a public purpose.
- (3) An agency may acquire real property under Subsection (1)(c) that is outside a project area only if the board determines that the property will benefit a project area.
- (4) An agency is not subject to Section 10-8-2 or 17-50-312.

Amended by Chapter 214, 2021 General Session

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

- (1) The governing body of an agency is a board consisting of the current members of the community legislative body.
- (2) A majority of board members constitutes a quorum for the transaction of agency business.
- (3) A board may not adopt a resolution, pass a motion, or take any other official board action without the concurrence of at least a majority of the board members present at a meeting at which a quorum is present.
- (4)
- (a) The mayor or the mayor's designee of a municipality operating under a council-mayor form of government, as defined in Section 10-3b-102:
 - (i) serves as the executive director of an agency created by the municipality; and
 - (ii) exercises the agency's executive powers.
 - (b) The county executive or the county executive's designee of a county operating under a county executive-council form of government, as described in Section 17-52a-203:
 - (i) serves as the executive director of an agency created by the county; and
 - (ii) exercises the agency's executive powers.

Amended by Chapter 68, 2018 General Session

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

- (1)
- (a) A community, regardless of whether the community has created an agency, may enter into an interlocal agreement with an agency located in the same or an abutting county that authorizes the agency to exercise all the powers granted to an agency under this title within all or a portion of the community.
 - (b) The agency and the community shall adopt an interlocal agreement described in Subsection (1)(a) by resolution.
- (2) If an agency and a community enter into an interlocal agreement under Subsection (1):
- (a) the agency may act in all respects as if a project area within the community were within the agency's boundaries;
 - (b) the board has all the rights, powers, and privileges with respect to a project area within the community as if the project area were within the agency's boundaries;

- (c) the agency may be paid project area funds to the same extent as if a project area within the community were within the agency's boundaries; and
 - (d) the community legislative body shall adopt, by ordinance, each project area plan within the community approved by the agency.
- (3) If an agency's project area abuts another agency's project area, the agencies may coordinate with each other in order to assist and cooperate in the planning, undertaking, construction, or operation of project area development located within each agency's project area.
- (4)
- (a) As used in this Subsection (4):
 - (i) "County agency" means an agency that is created by a county.
 - (ii) "Industrial property" means private real property:
 - (A) over half of which is located within the boundary of a town, as defined in Section 10-1-104; and
 - (B) comprises some or all of an inactive industrial site.
 - (iii) "Perimeter portion" means the portion of an inactive industrial site that is:
 - (A) part of the inactive industrial site because the site lies within the perimeter described in Section 17C-1-102; and
 - (B) located within the boundary of a city, as defined in Section 10-1-104.
 - (b)
 - (i) Subject to Subsection (4)(b)(ii), a county agency may undertake project area development on industrial property if the record property owner of the industrial property submits a written request to the county agency to do so.
 - (ii) A county agency may not include a perimeter portion within a project area without the approval of the city in which the perimeter portion is located.
 - (c) If a county agency undertakes project area development on industrial property:
 - (i) the county agency may act in all respects as if the project area that includes the industrial property were within the county agency's boundary;
 - (ii) the board of the county agency has each right, power, and privilege with respect to the project area as if the project area were within the county agency's boundary; and
 - (iii) the county agency may be paid project area funds to the same extent as if the project area were within the county agency's boundary.
 - (d) A project area plan for a project on industrial property that is approved by the county agency shall be adopted by ordinance of the legislative body of the county in which the project area is located.

Amended by Chapter 366, 2018 General Session

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

- (1) As used in this section:
- (a) "New agency" means the agency created by the new community.
 - (b) "New community" means the community in which the relocated project area is located after the change in community boundaries takes place.
 - (c) "Original agency" means the agency created by the original community.
 - (d) "Original community" means the community that adopted the project area plan that created the project area that has been relocated.
 - (e) "Relocated" means that a project area under a project area plan adopted by the original community has ceased to be located within that community and has become part of a new community because of a change in community boundaries through:

- (i) a county or municipal annexation;
 - (ii) the creation of a new county;
 - (iii) a municipal incorporation, consolidation, dissolution, or boundary adjustment; or
 - (iv) any other action resulting in a change in community boundaries.
- (2) A relocated project area shall, for purposes of this title, be considered to remain in the original community until the original agency and the new agency enter into an interlocal agreement, adopted by resolution of the original agency's and the new agency's board, that authorizes the original agency to transfer or assign to the new agency the original agency's real property, rights, indebtedness, obligations, tax increment, or other assets and liabilities resulting from the relocated project area.

Amended by Chapter 350, 2016 General Session

17C-1-207 Public entities may assist with project area development -- Notice requirements.

- (1) In order to assist and cooperate in the planning, undertaking, construction, or operation of project area development within an area in which the public entity is authorized to act, a public entity may:
- (a)
 - (i) provide or cause to be furnished:
 - (A) parks, playgrounds, or other recreational facilities;
 - (B) community, educational, water, sewer, or drainage facilities; or
 - (C) any other works which the public entity is otherwise empowered to undertake;
 - (ii) provide, furnish, dedicate, close, vacate, pave, install, grade, regrade, plan, or replan streets, roads, roadways, alleys, sidewalks, or other places;
 - (iii) in any part of the project area:
 - (A)
 - (I) plan or replan any property within the project area;
 - (II) plat or replat any property within the project area;
 - (III) vacate a plat;
 - (IV) amend a plat; or
 - (V) zone or rezone any property within the project area; and
 - (B) make any legal exceptions from building regulations and ordinances;
 - (iv) purchase or legally invest in any of the bonds of an agency and exercise all of the rights of any holder of the bonds;
 - (v) notwithstanding any law to the contrary, enter into an agreement for a period of time with another public entity concerning action to be taken pursuant to any of the powers granted in this title;
 - (vi) do anything necessary to aid or cooperate in the planning or implementation of the project area development;
 - (vii) in connection with the project area plan, become obligated to the extent authorized and funds have been made available to make required improvements or construct required structures; and
 - (viii) lend, grant, or contribute funds to an agency for project area development or proposed project area development, including assigning revenue or taxes in support of an agency bond or obligation; and
 - (b) for less than fair market value or for no consideration, and subject to Subsection (3):
 - (i) purchase or otherwise acquire property from an agency;
 - (ii) lease property from an agency;

- (iii) sell, grant, convey, donate, or otherwise dispose of the public entity's property to an agency;
or
 - (iv) lease the public entity's property to an agency.
- (2) The following are not subject to Section 10-8-2, 17-50-312, or 17-50-303:
- (a) project area development assistance that a public entity provides under this section; or
 - (b) a transfer of funds or property from an agency to a public entity.
- (3) A public entity may provide assistance described in Subsection (1)(b) no sooner than 15 days after the day on which the public entity completes the requirements for publishing notice of the assistance for the public entity's jurisdiction, as a class A notice under Section 63G-30-102, for at least 15 days.

Amended by Chapter 435, 2023 General Session

17C-1-208 Agency funds.

- (1) Agency funds shall be accounted for separately from the funds of the community that created the agency.
- (2) An agency may accumulate retained earnings or fund balances, as appropriate, in any fund.

Amended by Chapter 350, 2016 General Session

17C-1-209 Agency records.

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

Enacted by Chapter 350, 2016 General Session

Part 3

Agency Property

17C-1-301.1 Title.

This part is known as "Agency Property."

Enacted by Chapter 350, 2016 General Session

17C-1-301.5 Agency property exempt from taxation -- Exception.

- (1) Agency property acquired or held for purposes of this title is public property used for essential public and governmental purposes and, subject to Subsection (2), is exempt from taxation by a taxing entity.
- (2) The exemption in Subsection (1) does not apply to property that the agency leases to a lessee unless the lessee is entitled to a tax exemption with respect to the property.

Renumbered and Amended by Chapter 350, 2016 General Session

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

(1)

- (a)
 - (i) All agency property, including funds the agency owns or holds for purposes of this title, is exempt from levy and execution sale, and no execution or judicial process may issue against the property.
 - (ii) A judgment against an agency may not be a charge or lien upon agency property.
- (b) Subsection (1)(a) does not apply to or limit the right of an obligee to pursue any remedy for the enforcement of any pledge or lien given by an agency on the agency's funds or revenues.
- (2) A judgment against the community that created the agency may not be a charge or lien upon agency property.
- (3) A judgment against an agency may not be a charge or lien upon property of the community that created the agency.

Amended by Chapter 350, 2016 General Session

Part 4

Project Area Funds

17C-1-401.1 Title.

This part is known as "Project Area Funds."

Enacted by Chapter 350, 2016 General Session

17C-1-401.5 Agency receipt and use of project area funds -- Distribution of project area funds.

- (1) An agency may receive and use project area funds in accordance with this title.
- (2)
 - (a) A county that collects property tax on property located within a project area shall, in accordance with Section 59-2-1365, distribute to an agency any tax increment that the agency is authorized to receive.
 - (b) Tax increment distributed to an agency in accordance with Subsection (2)(a) is not revenue of the taxing entity.
- (3)
 - (a) The project area funds collection period shall be measured:
 - (i) for a pre-July 1, 1993, project area plan, from the first tax year regarding which the agency accepts tax increment from the project area;
 - (ii) for a post-June 30, 1993, urban renewal or economic development project area plan:
 - (A) with respect to tax increment, from the first tax year for which the agency receives tax increment under the project area budget; or
 - (B) with respect to sales and use tax revenue, as indicated in the interlocal agreement between the agency and the taxing entity that authorizes the agency to receive all or a portion of the taxing entity's sales and use tax revenue;
 - (iii) for a community development project area plan, as indicated in the resolution or interlocal agreement of a taxing entity that authorizes the agency to receive the taxing entity's project area funds;
 - (iv) for a community reinvestment project area plan that is subject to a taxing entity committee:

- (A) with respect to tax increment, from the first tax year for which the agency receives tax increment under the project area budget; or
- (B) with respect to sales and use tax revenue, in accordance with the interlocal agreement between the agency and the taxing entity that authorizes the agency to receive all or a portion of the taxing entity's sales and use tax revenue; or
- (v) for a community reinvestment project area plan that is subject to an interlocal agreement, in accordance with the interlocal agreement between the agency and the taxing entity that authorizes the agency to receive the taxing entity's project area funds.
- (b) Unless otherwise provided in a project area budget that is approved by a taxing entity committee, or in an interlocal agreement adopted by a taxing entity, tax increment may not be paid to an agency for a tax year before the tax year following:
 - (i) for an urban renewal project area plan, an economic development project area plan, or a community reinvestment project area plan that is subject to a taxing entity committee, the effective date of the project area plan; and
 - (ii) for a community development project area plan or a community reinvestment project area plan that is subject to an interlocal agreement, the effective date of the interlocal agreement that authorizes the agency to receive tax increment.
- (4) With respect to a community development project area plan or a community reinvestment project area plan that is subject to an interlocal agreement:
 - (a) a taxing entity may, through interlocal agreement, authorize an agency to be paid any or all of the taxing entity's project area funds for any period of time; and
 - (b) the interlocal agreement authorizing the agency to be paid project area funds shall specify:
 - (i) the base taxable value of the project area; and
 - (ii) the method of calculating the amount of project area funds to be paid to the agency.
- (5)
 - (a)
 - (i) The boundaries of one project area may overlap and include the boundaries of another project area.
 - (ii) If a taxing entity committee is required to approve the project area budget of an overlapping project area described in Subsection (5)(a)(i), the agency shall, before the first meeting of the taxing entity committee at which the project area budget will be considered, inform each taxing entity of the location of the overlapping boundaries.
 - (b)
 - (i) Before an agency may receive tax increment from the newly created overlapping portion of a project area, the agency shall inform the county auditor regarding the respective amount of tax increment that the agency is authorized to receive from the overlapping portion of each of the project areas.
 - (ii) The combined amount of tax increment described in Subsection (5)(b)(i) may not exceed 100% of the tax increment generated from a property located within the overlapping boundaries.
 - (c) Nothing in this Subsection (5) gives an agency a right to receive project area funds that the agency is not otherwise authorized to receive under this title.
 - (d) The collection of project area funds from an overlapping project area described in Subsection (5)(a) does not affect an agency's use of project area funds within the other overlapping project area.
- (6) With the written consent of a taxing entity, an agency may be paid tax increment, from the taxing entity's property tax revenue only, in a higher percentage or for a longer period of time, or both, than otherwise authorized under this title.

- (7) Subject to Section 17C-1-407, an agency is authorized to receive tax increment as described in:
- (a) for a pre-July 1, 1993, project area plan, Section 17C-1-403;
 - (b) for a post-June 30, 1993, project area plan:
 - (i) Section 17C-1-404 under a project area budget adopted by the agency in accordance with this title;
 - (ii) a project area budget approved by the taxing entity committee and adopted by the agency in accordance with this title; or
 - (iii) Section 17C-1-406;
 - (c) a resolution or interlocal agreement entered into under Section 17C-2-207, 17C-3-206, 17C-4-201, or 17C-4-202;
 - (d) for a community reinvestment project area plan that is subject to a taxing entity committee, a project area budget approved by the taxing entity committee and adopted by the agency in accordance with this title; or
 - (e) for a community reinvestment project area plan that is subject to an interlocal agreement, an interlocal agreement entered into under Section 17C-5-204.

Amended by Chapter 364, 2018 General Session

17C-1-402 Taxing entity committee.

- (1) The provisions of this section apply to a taxing entity committee that is created by an agency for:
- (a) a post-June 30, 1993, urban renewal project area plan or economic development project area plan;
 - (b) any other project area plan adopted before May 10, 2016, for which the agency created a taxing entity committee; and
 - (c) a community reinvestment project area plan adopted before May 14, 2019, that is subject to a taxing entity committee.
- (2)
- (a)
 - (i) Each taxing entity committee shall be composed of:
 - (A) two school district representatives appointed in accordance with Subsection (2)(a)(ii);
 - (B)
 - (I) in a county of the second, third, fourth, fifth, or sixth class, two representatives appointed by resolution of the legislative body of the county in which the agency is located; or
 - (II) in a county of the first class, one representative appointed by the county executive and one representative appointed by the legislative body of the county in which the agency is located;
 - (C) if the agency is created by a municipality, two representatives appointed by resolution of the legislative body of the municipality;
 - (D) one representative appointed by the State Board of Education; and
 - (E) one representative selected by majority vote of the legislative bodies or governing boards of all other taxing entities that levy a tax on property within the agency's boundaries, to represent the interests of those taxing entities on the taxing entity committee.
 - (ii)
 - (A) If the agency boundaries include only one school district, that school district shall appoint the two school district representatives under Subsection (2)(a)(i)(A).

- (B) If the agency boundaries include more than one school district, those school districts shall jointly appoint the two school district representatives under Subsection (2)(a)(i)(A).
- (b)
- (i) Each taxing entity committee representative described in Subsection (2)(a) shall be appointed within 30 days after the day on which the agency provides notice of the creation of the taxing entity committee.
 - (ii) If a representative is not appointed within the time required under Subsection (2)(b)(i), the board may appoint an individual to serve on the taxing entity committee in the place of the missing representative until that representative is appointed.
- (c)
- (i) A taxing entity committee representative may be appointed for a set term or period of time, as determined by the appointing authority under Subsection (2)(a)(i).
 - (ii) Each taxing entity committee representative shall serve until a successor is appointed and qualified.
- (d)
- (i) Upon the appointment of each representative under Subsection (2)(a)(i), whether an initial appointment or an appointment to replace an already serving representative, the appointing authority shall:
 - (A) notify the agency in writing of the name and address of the newly appointed representative; and
 - (B) provide the agency a copy of the resolution making the appointment or, if the appointment is not made by resolution, other evidence of the appointment.
 - (ii) Each appointing authority of a taxing entity committee representative under Subsection (2)(a)(i) shall notify the agency in writing of any change of address of a representative appointed by that appointing authority.
- (3) At a taxing entity committee's first meeting, the taxing entity committee shall adopt an organizing resolution that:
- (a) designates a chair and a secretary of the taxing entity committee; and
 - (b) if the taxing entity committee considers it appropriate, governs the use of electronic meetings under Section 52-4-207.
- (4)
- (a) A taxing entity committee represents all taxing entities regarding:
 - (i) an urban renewal project area plan;
 - (ii) an economic development project area plan; or
 - (iii) a community reinvestment project area plan that is subject to a taxing entity committee.
 - (b) A taxing entity committee may:
 - (i) cast votes that are binding on all taxing entities;
 - (ii) negotiate with the agency concerning a proposed project area plan;
 - (iii) approve or disapprove:
 - (A) an urban renewal project area budget as described in Section 17C-2-204;
 - (B) an economic development project area budget as described in Section 17C-3-203; or
 - (C) for a community reinvestment project area plan that is subject to a taxing entity committee, a community reinvestment project area budget as described in Section 17C-5-302;
 - (iv) approve or disapprove an amendment to a project area budget as described in Section 17C-2-206, 17C-3-205, or 17C-5-306;
 - (v) approve an exception to the limits on the value and size of a project area imposed under this title;

- (vi) approve:
 - (A) an exception to the percentage of tax increment to be paid to the agency;
 - (B) except for a project area funds collection period that is approved by an interlocal agreement, each project area funds collection period; and
 - (C) an exception to the requirement for an urban renewal project area budget, an economic development project area budget, or a community reinvestment project area budget to include a maximum cumulative dollar amount of tax increment that the agency may receive;
- (vii) approve the use of tax increment for publicly owned infrastructure and improvements outside of a project area that the agency and community legislative body determine to be of benefit to the project area, as described in Subsection 17C-1-409(1)(a)(iii)(E);
- (viii) waive the restrictions described in Subsection 17C-2-202(1);
- (ix) subject to Subsection (4)(c), designate the base taxable value for a project area budget; and
- (x) give other taxing entity committee approval or consent required or allowed under this title.
- (c)
 - (i) Except as provided in Subsection (4)(c)(ii), the base year may not be a year that is earlier than five years before the beginning of a project area funds collection period.
 - (ii) The taxing entity committee may approve a base year that is earlier than the year described in Subsection (4)(c)(i).
- (5) A quorum of a taxing entity committee consists of:
 - (a) if the project area is located within a municipality, five members; or
 - (b) if the project area is not located within a municipality, four members.
- (6) Taxing entity committee approval, consent, or other action requires:
 - (a) the affirmative vote of a majority of all members present at a taxing entity committee meeting:
 - (i) at which a quorum is present; and
 - (ii) considering an action relating to a project area budget for, or approval of a development impediment determination within, a project area or proposed project area that contains:
 - (A) an inactive industrial site;
 - (B) an inactive airport site; or
 - (C) a closed military base; or
 - (b) for any other action not described in Subsection (6)(a)(ii), the affirmative vote of two-thirds of all members present at a taxing entity committee meeting at which a quorum is present.
- (7)
 - (a) An agency may call a meeting of the taxing entity committee by sending written notice to the members of the taxing entity committee at least 10 days before the date of the meeting.
 - (b) Each notice under Subsection (7)(a) shall be accompanied by:
 - (i) the proposed agenda for the taxing entity committee meeting; and
 - (ii) if not previously provided and if the documents exist and are to be considered at the meeting:
 - (A) the project area plan or proposed project area plan;
 - (B) the project area budget or proposed project area budget;
 - (C) the analysis required under Subsection 17C-2-103(2), 17C-3-103(2), or 17C-5-105(12);
 - (D) the development impediment study;
 - (E) the agency's resolution making a development impediment determination under Subsection 17C-2-102(1)(a)(ii)(B) or 17C-5-402(2)(c)(ii); and
 - (F) other documents to be considered by the taxing entity committee at the meeting.
- (c)

- (i) An agency may not schedule a taxing entity committee meeting on a day on which the Legislature is in session.
 - (ii) Notwithstanding Subsection (7)(c)(i), a taxing entity committee may, by unanimous consent, waive the scheduling restriction described in Subsection (7)(c)(i).
- (8)
- (a) A taxing entity committee may not vote on a proposed project area budget or proposed amendment to a project area budget at the first meeting at which the proposed project area budget or amendment is considered unless all members of the taxing entity committee present at the meeting consent.
 - (b) A second taxing entity committee meeting to consider a proposed project area budget or a proposed amendment to a project area budget may not be held within 14 days after the first meeting unless all members of the taxing entity committee present at the first meeting consent.
- (9) Each taxing entity committee shall be governed by Title 52, Chapter 4, Open and Public Meetings Act.
- (10) A taxing entity committee's records shall be:
- (a) considered the records of the agency that created the taxing entity committee; and
 - (b) maintained by the agency in accordance with Section 17C-1-209.
- (11) Each time a school district representative or a representative of the State Board of Education votes as a member of a taxing entity committee to allow an agency to receive tax increment, to increase the amount of tax increment the agency receives, or to extend a project area funds collection period, that representative shall, within 45 days after the vote, provide to the representative's respective school board an explanation in writing of the representative's vote and the reasons for the vote.
- (12)
- (a) The auditor of each county in which an agency is located shall provide a written report to the taxing entity committee stating, with respect to property within each project area:
 - (i) the base taxable value, as adjusted by any adjustments under Section 17C-1-408; and
 - (ii) the assessed value.
 - (b) With respect to the information required under Subsection (12)(a), the auditor shall provide:
 - (i) actual amounts for each year from the adoption of the project area plan to the time of the report; and
 - (ii) estimated amounts for each year beginning the year after the time of the report and ending the time that each project area funds collection period ends.
 - (c) The auditor of the county in which the agency is located shall provide a report under this Subsection (12):
 - (i) at least annually; and
 - (ii) upon request of the taxing entity committee, before a taxing entity committee meeting at which the committee considers whether to allow the agency to receive tax increment, to increase the amount of tax increment that the agency receives, or to extend a project area funds collection period.
- (13) This section does not apply to:
- (a) a community development project area plan; or
 - (b) a community reinvestment project area plan that is subject to an interlocal agreement.
- (14)
- (a) A taxing entity committee resolution approving a development impediment determination, approving a project area budget, or approving an amendment to a project area budget:
 - (i) is final; and

- (ii) is not subject to repeal, amendment, or reconsideration unless the agency first consents by resolution to the proposed repeal, amendment, or reconsideration.
- (b) The provisions of Subsection (14)(a) apply regardless of when the resolution is adopted.

Amended by Chapter 214, 2021 General Session

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

- (1) Notwithstanding any other provision of law, this section applies retroactively to tax increment under all pre-July 1, 1993, project area plans, regardless of when the applicable project area was created or the applicable project area plan was adopted.
- (2)
 - (a) Beginning with the first tax year after April 1, 1983, for which an agency accepts tax increment, an agency is authorized to receive:
 - (i)
 - (A) for the first through the fifth tax years, 100% of tax increment;
 - (B) for the sixth through the tenth tax years, 80% of tax increment;
 - (C) for the eleventh through the fifteenth tax years, 75% of tax increment;
 - (D) for the sixteenth through the twentieth tax years, 70% of tax increment; and
 - (E) for the twenty-first through the twenty-fifth tax years, 60% of tax increment; or
 - (ii) for an agency that has caused a taxing entity committee to be created under Subsection 17C-1-402(1)(a), any percentage of tax increment up to 100% and for any length of time that the taxing entity committee approves.
 - (b) Notwithstanding any other provision of this section:
 - (i) an agency is authorized to receive 100% of tax increment from a project area for 32 years after April 1, 1983, to pay principal and interest on agency indebtedness incurred before April 1, 1983, even though the size of the project area from which tax increment is paid to the agency exceeds 100 acres of privately owned property under a project area plan adopted on or before April 1, 1983; and
 - (ii) for up to 32 years after April 1, 1983, an agency debt incurred before April 1, 1983, may be refinanced and paid from 100% of tax increment if the principal amount of the debt is not increased in the refinancing.
- (3)
 - (a) For purposes of this Subsection (3):
 - (i) "Additional tax increment" means the difference between 100% of tax increment for a tax year and the amount of tax increment an agency is paid for that tax year under the percentages and time periods specified in Subsection (2)(a).
 - (ii) "Pledged" means a commitment by a board or a community legislative body to pay the costs of bond indebtedness, an interfund loan, a reimbursement, or other contractual obligation of the board or the community legislative body related to a convention center or sports complex described in Subsection (3)(b).
 - (b) Notwithstanding the tax increment percentages and time periods in Subsection (2)(a), an agency is authorized to receive additional tax increment for a period ending 32 years after the first tax year after April 1, 1983, for which the agency receives tax increment from the project area if:
 - (i)
 - (A) the additional tax increment is used solely to pay all or part of the value of the land for and the cost of the installation and construction of a publicly or privately owned convention center or sports complex or any building, facility, structure, or other improvement

- related to the convention center or sports complex, including parking and infrastructure improvements;
- (B) construction of the convention center or sports complex or related building, facility, structure, or other improvement is commenced on or before June 30, 2002;
- (C) the additional tax increment is pledged to pay all or part of the value of the land for and the cost of the installation and construction of the convention center or sports complex or related building, facility, structure, or other improvement; and
- (D) the board and the community legislative body have determined by resolution that the convention center or sports complex is:
 - (I) within and a benefit to a project area;
 - (II) not within but still a benefit to a project area; or
 - (III) within a project area in which substantially all of the land is publicly owned and a benefit to the community; or
- (ii)
 - (A) the additional tax increment is used to pay some or all of the cost of the land for and installation and construction of a recreational facility, as defined in Section 59-12-702, or a cultural facility, including parking and infrastructure improvements related to the recreational or cultural facility, whether or not the facility is located within a project area;
 - (B) construction of the recreational or cultural facility is commenced on or before December 31, 2005; and
 - (C) the additional tax increment is pledged on or before July 1, 2005, to pay all or part of the cost of the land for and the installation and construction of the recreational or cultural facility, including parking and infrastructure improvements related to the recreational or cultural facility.
- (c) Notwithstanding Subsection (3)(b)(ii), a school district may not, without the school district's consent, be paid less tax increment because of application of Subsection (3)(b)(ii) than it would have been paid without that subsection.
- (4) Notwithstanding any other provision of this section, an agency may use tax increment received under Subsection (2) for any of the uses indicated in Subsection (3).

Amended by Chapter 364, 2018 General Session

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

- (1) This section applies to tax increment under a post-June 30, 1993, project area plan adopted before May 1, 2006, only.
- (2) A board may provide in the project area budget for the agency to be paid:
 - (a) if 20% of the project area budget is allocated for housing under Section 17C-2-203:
 - (i) 100% of annual tax increment for 15 years;
 - (ii) 75% of annual tax increment for 24 years; or
 - (iii) if approved by the taxing entity committee, any percentage of tax increment up to 100%, or any specified dollar amount, for any period of time; or
 - (b) if 20% of the project area budget is not allocated for housing under Section 17C-2-203:
 - (i) 100% of annual tax increment for 12 years;
 - (ii) 75% of annual tax increment for 20 years; or
 - (iii) if approved by the taxing entity committee, any percentage of tax increment up to 100%, or any specified dollar amount, for any period of time.

Amended by Chapter 350, 2016 General Session

17C-1-405 Tax increment under a project area plan adopted on or after May 1, 2006.

- (1) This section applies to tax increment under a project area plan adopted on or after May 1, 2006, and before May 10, 2016.
- (2) Subject to the approval of the taxing entity committee, a board may provide in the urban renewal or economic development project area budget for the agency to be paid:
 - (a) for an urban renewal project area plan that proposes development of an inactive industrial site or inactive airport site, at least 60% of tax increment for at least 20 years; or
 - (b) for each other project, any percentage of tax increment up to 100% or any specified dollar amount of tax increment for any period of time.
- (3) A resolution or interlocal agreement relating to an agency's use of tax increment for a community development project area plan may provide for the agency to be paid any percentage of tax increment up to 100% or any specified dollar amount of tax increment for any period of time.

Amended by Chapter 350, 2016 General Session

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

- (1) This section applies to a post-June 30, 1993, project area plan adopted before May 1, 2006.
- (2) An agency may, without the approval of the taxing entity committee, elect to be paid 100% of annual tax increment for each year beyond the periods specified in Subsection 17C-1-404(2) to a maximum of 25 years, including the years the agency is paid tax increment under Subsection 17C-1-404(2), if:
 - (a) for an agency in a city in which is located all or a portion of an interchange on I-15 or that would directly benefit from an interchange on I-15:
 - (i) the tax increment paid to the agency during the additional years is used to pay some or all of the cost of the installation, construction, or reconstruction of:
 - (A) an interchange on I-15, whether or not the interchange is located within a project area; or
 - (B) frontage and other roads connecting to the interchange, as determined by the Department of Transportation created under Section 72-1-201 and the Transportation Commission created under Section 72-1-301, whether or not the frontage or other road is located within a project area; and
 - (ii) the installation, construction, or reconstruction of the interchange or frontage and other roads has begun on or before June 30, 2002; or
 - (b) for an agency in a city of the first or second class:
 - (i) the tax increment paid to the agency during the additional years is used to pay some or all of the cost of the land for and installation and construction of a recreational facility, as defined in Section 59-12-702, or a cultural facility, including parking and infrastructure improvements related to the recreational or cultural facility, whether or not the facility is located within a project area; and
 - (ii) the installation or construction of the recreational or cultural facility has begun on or before June 30, 2002.
- (3) Notwithstanding any other provision of this section, an agency may use tax increment received under Subsection 17C-1-404(2) for any of the uses indicated in this section.
- (4) Notwithstanding Subsection (2), a school district may not, without the school district's consent, receive less tax increment because of application of Subsection (2) than it would have received without that subsection.

Amended by Chapter 350, 2016 General Session

17C-1-407 Limitations on tax increment.

- (1)
 - (a) If the development of retail sales of goods is the primary objective of an urban renewal project area, tax increment from the urban renewal project area may not be paid to or used by an agency unless the agency makes a development impediment determination under Chapter 2, Part 3, Development Impediment Determination in Urban Renewal Project Areas.
 - (b) Except as provided in Section 11-41-103, development of retail sales of goods does not disqualify an agency from receiving tax increment.
 - (c) After July 1, 2005, an agency may not receive or use tax increment generated from the value of property within an economic development project area that is attributable to the development of retail sales of goods, unless the tax increment was previously pledged to pay for bonds or other contractual obligations of the agency.
- (2)
 - (a) For the purpose of this Subsection (2):
 - (i) "Final tax rate" means the rate used to determine the amount of taxes a taxing entity levies as described in the notice to a taxpayer under Subsection 59-2-1317(2).
 - (ii) "Increased tax revenue" means tax revenue attributable to a tax rate increase.
 - (iii) "Tax rate increase" means the amount calculated by subtracting a taxing entity's certified rate, as defined in Section 59-2-924, from the taxing entity's final tax rate.
 - (b) Except as provided in Subsection (2)(c), for a year in which a taxing entity imposes a final tax rate higher than the certified tax rate, a county shall not pay an agency any portion of a taxing entity's increased tax revenue.
 - (c) Notwithstanding Subsection (2)(b), a county may pay all or a portion of a taxing entity's increased tax revenue to an agency if, at the time of the project area budget approval, the taxing entity committee or each taxing entity that is a party to an agreement under Section 17C-4-201 or 17C-5-204 consents to pay the agency the increased tax revenue.
 - (d) If the taxing entity committee or each tax entity that is a party to an agreement under Section 17C-4-201 or 17C-5-204 does not consent to payment of the increased tax revenue to the agency under Subsection (2)(c), the county shall distribute to the taxing entity the increased tax revenue in the same manner as other property tax revenue.
 - (e) Notwithstanding any other provision of this section, if, before tax year 2013, increased tax revenue is paid to an agency without the consent of the taxing entity committee or each taxing entity that is a party to an agreement under Section 17C-4-201 or 17C-5-204, and notwithstanding the law at the time that the tax revenue was collected or increased:
 - (i) the State Tax Commission, the county as the collector of the taxes, a taxing entity, or any other person or entity may not recover, directly or indirectly, the increased tax revenue from the agency by adjustment of a tax rate used to calculate tax increment or otherwise;
 - (ii) the county is not liable to a taxing entity or any other person or entity for the increased tax revenue that was paid to the agency; and
 - (iii) tax increment, including the increased tax revenue, shall continue to be paid to the agency subject to the same number of tax years, percentage of tax increment, and cumulative dollar amount of tax increment as approved in the project area budget and previously paid to the agency.
 - (f) An adjustment may not be made to incremental value under Section 59-2-924 for increased tax revenue not paid to an agency under this section.

- (3) Except as the taxing entity committee otherwise agrees, an agency may not receive tax increment under an urban renewal or economic development project area budget adopted on or after March 30, 2009:
 - (a) that exceeds the percentage of tax increment or cumulative dollar amount of tax increment specified in the project area budget; or
 - (b) for more tax years than specified in the project area budget.

Amended by Chapter 307, 2022 General Session

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

- (1)
 - (a)
 - (i) As used in this Subsection (1), "qualifying decrease" means:
 - (A) a decrease of more than 20% from the previous tax year's levy; or
 - (B) a cumulative decrease over a consecutive five-year period of more than 100% from the levy in effect at the beginning of the five-year period.
 - (ii) The year in which a qualifying decrease under Subsection (1)(a)(i)(B) occurs is the fifth year of the five-year period.
 - (b) If there is a qualifying decrease in the minimum basic school levy under Section 59-2-902 that would result in a reduction of the amount of tax increment to be paid to an agency:
 - (i) the base taxable value shall be reduced in the year of the qualifying decrease to the extent necessary, even if below zero, to provide the agency with approximately the same amount of tax increment that would have been paid to the agency each year had the qualifying decrease not occurred; and
 - (ii) the amount of tax increment paid to the agency each year for the payment of bonds and indebtedness may not be less than what would have been paid to the agency if there had been no qualifying decrease.
- (2)
 - (a) The base taxable value to be used in determining tax increment shall be:
 - (i) increased or decreased by the amount of an increase or decrease that results from:
 - (A) a statute enacted by the Legislature or by the people through an initiative;
 - (B) a judicial decision;
 - (C) an order from the State Tax Commission to a county to adjust or factor the county's assessment rate under Subsection 59-2-704(2);
 - (D) a change in exemption provided in Utah Constitution Article XIII, Section 2, or Section 59-2-103; or
 - (E) an increase or decrease in the percentage of fair market value, as defined under Section 59-2-102; and
 - (ii) reduced for any year to the extent necessary, even if below zero, to provide an agency with approximately the same amount of money the agency would have received without a reduction in the county's certified tax rate if:
 - (A) in that year there is a decrease in the county's certified tax rate under Subsection 59-2-924.2(2) or (3)(a);
 - (B) the amount of the decrease is more than 20% of the county's certified tax rate of the previous year; and
 - (C) the decrease would result in a reduction of the amount of tax increment to be paid to the agency.

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

Amended by Chapter 350, 2016 General Session

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

- (1)
 - (a) An agency may use agency funds:
 - (i) for any purpose authorized under this title;
 - (ii) for administrative, overhead, legal, or other operating expenses of the agency, including consultant fees and expenses under Subsection 17C-2-102(1)(b)(ii)(B) or funding for a business resource center;
 - (iii) subject to Section 11-41-103, to pay for, including financing or refinancing, all or part of:
 - (A) project area development in a project area, including environmental remediation activities occurring before or after adoption of the project area plan;
 - (B) housing-related expenditures, projects, or programs as described in Section 17C-1-411 or 17C-1-412;
 - (C) an incentive or other consideration paid to a participant under a participation agreement;
 - (D) subject to Subsections (1)(c) and (4), the value of the land for and the cost of the installation and construction of any publicly owned building, facility, structure, landscaping, or other improvement within the project area from which the project area funds are collected; or
 - (E) the cost of the installation of publicly owned infrastructure and improvements outside the project area from which the project area funds are collected if the board and the community legislative body determine by resolution that the publicly owned infrastructure and improvements benefit the project area;
 - (iv) in an urban renewal project area that includes some or all of an inactive industrial site and subject to Subsection (1)(e), to reimburse the Department of Transportation created under Section 72-1-201, or a public transit district created under Title 17B, Chapter 2a, Part 8, Public Transit District Act, for the cost of:
 - (A) construction of a public road, bridge, or overpass;
 - (B) relocation of a railroad track within the urban renewal project area; or
 - (C) relocation of a railroad facility within the urban renewal project area;
 - (v) subject to Subsection (5), to transfer funds to a community that created the agency; or
 - (vi) subject to Subsection (1)(f), for agency-wide project development under Part 10, Agency Taxing Authority.
 - (b) The determination of the board and the community legislative body under Subsection (1)(a)(iii)(E) regarding benefit to the project area shall be final and conclusive.
 - (c) An agency may not use project area funds received from a taxing entity for the purposes stated in Subsection (1)(a)(iii)(D) under an urban renewal project area plan, an economic development project area plan, or a community reinvestment project area plan without the community legislative body's consent.
 - (d)
 - (i) Subject to Subsection (1)(d)(ii), an agency may loan project area funds from a project area fund to another project area fund if:
 - (A) the board approves; and

- (B) the community legislative body approves.
- (ii) An agency may not loan project area funds under Subsection (1)(d)(i) unless the projections for agency funds are sufficient to repay the loan amount.
- (iii) A loan described in Subsection (1)(d) is not subject to Title 10, Chapter 5, Uniform Fiscal Procedures Act for Utah Towns, Title 10, Chapter 6, Uniform Fiscal Procedures Act for Utah Cities, Title 17, Chapter 36, Uniform Fiscal Procedures Act for Counties, or Title 17B, Chapter 1, Part 6, Fiscal Procedures for Special Districts.
- (e) Before an agency may pay any tax increment or sales tax revenue under Subsection (1)(a)(iv), the agency shall enter into an interlocal agreement defining the terms of the reimbursement with:
 - (i) the Department of Transportation; or
 - (ii) a public transit district.
- (f) Before an agency may use project area funds for agency-wide project development, as defined in Section 17C-1-1001, the agency shall obtain the consent of the taxing entity committee or each taxing entity party to an interlocal agreement with the agency.
- (2)
 - (a) Sales and use tax revenue that an agency receives from a taxing entity is not subject to the prohibition or limitations of Title 11, Chapter 41, Prohibition on Retail Facility Incentive Payments Act.
 - (b) An agency may use sales and use tax revenue that the agency receives under an interlocal agreement under Section 17C-4-201 or 17C-5-204 for the uses authorized in the interlocal agreement.
- (3)
 - (a) An agency may contract with the community that created the agency or another public entity to use agency funds to reimburse the cost of items authorized by this title to be paid by the agency that are paid by the community or other public entity.
 - (b) If land is acquired or the cost of an improvement is paid by another public entity and the land or improvement is leased to the community, an agency may contract with and make reimbursement from agency funds to the community.
- (4) Notwithstanding any other provision of this title, an agency may not use project area funds, project area incremental revenue as defined in Section 17C-1-1001, or property tax revenue as defined in Section 17C-1-1001, to construct a local government building unless the taxing entity committee or each taxing entity party to an interlocal agreement with the agency consents.
- (5) For the purpose of offsetting the community's annual local contribution to the Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in a calendar year to a community under Subsections (1)(a)(v), 17C-1-411(1)(d), and 17C-1-412(1)(a)(x) may not exceed the community's annual local contribution as defined in Subsection 59-12-205(4).

Amended by Chapter 15, 2023 General Session
Amended by Chapter 471, 2023 General Session
Amended by Chapter 492, 2023 General Session

17C-1-410 Agency may make payments to other taxing entities.

- (1) Subject to Subsection (3), an agency may grant agency funds to a taxing entity to offset some or all of the tax revenue that the taxing entity did not receive because of tax increment paid to the agency.
- (2)

- (a) Subject to Subsection (3), an agency may use agency funds to pay to a school district an amount of money that the agency determines to be appropriate to alleviate a financial burden or detriment borne by the school district because of the project area development.
 - (b) Each agency that agrees to pay money to a school district under Subsection (2)(a) shall provide a copy of the agreement to the State Board of Education.
- (3)
- (a) If an agency intends to pay agency funds to one or more taxing entities under Subsection (1) or (2) but does not intend to pay funds to all taxing entities in proportionally equal amounts, the agency shall provide written notice to each taxing entity of the agency's intent.
 - (b)
 - (i) A taxing entity that receives notice under Subsection (3)(a) may elect not to have the taxing entity's tax increment collected and used to pay funds to other taxing entities under this section.
 - (ii) Each election under Subsection (3)(b)(i) shall be:
 - (A) in writing; and
 - (B) delivered to the agency within 30 days after the taxing entity's receipt of the notice under Subsection (3)(a).
 - (c) If a taxing entity makes an election under Subsection (3)(b), the portion of the taxing entity's tax increment that would have been used by the agency to pay funds under this section to one or more other taxing entities may not be collected by the agency.

Amended by Chapter 350, 2016 General Session

17C-1-411 Use of project area funds for housing-related improvements and for relocating mobile home park residents -- Funds to be held in separate accounts.

- (1) An agency may use project area funds:
- (a) to pay all or part of the value of the land for and the cost of installation, construction, or rehabilitation of any housing-related building, facility, structure, or other housing improvement, including infrastructure improvements related to housing, located in any project area within the agency's boundaries;
 - (b) outside of a project area for the purpose of:
 - (i) replacing housing units lost by project area development; or
 - (ii) increasing, improving, or preserving the affordable housing supply within the boundary of the agency;
 - (c) for relocating mobile home park residents displaced by project area development, whether inside or outside a project area; or
 - (d) subject to Subsection (4), to transfer funds to a community that created the agency.
- (2)
- (a) Each agency shall create a housing fund and separately account for project area funds allocated under this section.
 - (b) Interest earned by the housing fund described in Subsection (2)(a), and any payments or repayments made to the agency for loans, advances, or grants of any kind from the housing fund, shall accrue to the housing fund.
 - (c) An agency that designates a housing fund under this section shall use the housing fund for the purposes set forth in this section or Section 17C-1-412.
- (3) An agency may lend, grant, or contribute funds from the housing fund to a person, public entity, housing authority, private entity or business, or nonprofit corporation for affordable housing or homeless assistance.

- (4) For the purpose of offsetting the community's annual local contribution to the Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in a calendar year to a community under Subsections (1)(d), 17C-1-409(1)(a)(v), and 17C-1-412(1)(a)(x) may not exceed the community's annual local contribution as defined in Subsection 59-12-205(4).

Amended by Chapter 471, 2023 General Session

Amended by Chapter 492, 2023 General Session

17C-1-412 Use of housing allocation -- Separate accounting required -- Issuance of bonds for housing -- Action to compel agency to provide housing allocation.

- (1)
- (a) An agency shall use the agency's housing allocation to:
- (i) pay part or all of the cost of land or construction of income targeted housing within the boundary of the agency, if practicable in a mixed income development or area;
 - (ii) pay part or all of the cost of rehabilitation of income targeted housing within the boundary of the agency;
 - (iii) lend, grant, or contribute money to a person, public entity, housing authority, private entity or business, or nonprofit corporation for income targeted housing within the boundary of the agency;
 - (iv) plan or otherwise promote income targeted housing within the boundary of the agency;
 - (v) pay part or all of the cost of land or installation, construction, or rehabilitation of any building, facility, structure, or other housing improvement, including infrastructure improvements, related to housing located in a project area where a board has determined that a development impediment exists;
 - (vi) replace housing units lost as a result of the project area development;
 - (vii) make payments on or establish a reserve fund for bonds:
 - (A) issued by the agency, the community, or the housing authority that provides income targeted housing within the community; and
 - (B) all or part of the proceeds of which are used within the community for the purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);
 - (viii) if the community's fair share ratio at the time of the first adoption of the project area budget is at least 1.1 to 1.0, make payments on bonds:
 - (A) that were previously issued by the agency, the community, or the housing authority that provides income targeted housing within the community; and
 - (B) all or part of the proceeds of which were used within the community for the purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);
 - (ix) relocate mobile home park residents displaced by project area development;
 - (x) subject to Subsection (7), transfer funds to a community that created the agency; or
 - (xi) pay for or make a contribution toward the acquisition, construction, or rehabilitation of housing that:
 - (A) is located in the same county as the agency;
 - (B) is owned in whole or in part by, or is dedicated to supporting, a public nonprofit college or university; and
 - (C) only students of the relevant college or university, including the students' immediate families, occupy.
- (b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all or any portion of the agency's housing allocation to:
- (i) the community for use as described in Subsection (1)(a);

- (ii) a housing authority that provides income targeted housing within the community for use in providing income targeted housing within the community;
 - (iii) a housing authority established by the county in which the agency is located for providing:
 - (A) income targeted housing within the county;
 - (B) permanent housing, permanent supportive housing, or a transitional facility, as defined in Section 35A-5-302, within the county; or
 - (C) homeless assistance within the county;
 - (iv) the Olene Walker Housing Loan Fund, established under Title 35A, Chapter 8, Part 5, Olene Walker Housing Loan Fund, for use in providing income targeted housing within the community;
 - (v) pay for or make a contribution toward the acquisition, construction, or rehabilitation of income targeted housing that is outside of the community if the housing is located along or near a major transit investment corridor that services the community and the related project has been approved by the community in which the housing is or will be located; or
 - (vi) pay for or make a contribution toward the expansion of child care facilities within the boundary of the agency, provided that any recipient of funds from the agency's housing allocation reports annually to the agency on how the funds were used.
- (2)
- (a) An agency may combine all or any portion of the agency's housing allocation with all or any portion of one or more additional agency's housing allocations if the agencies execute an interlocal agreement in accordance with Title 11, Chapter 13, Interlocal Cooperation Act.
 - (b) An agency that has entered into an interlocal agreement as described in Subsection (2)(a), meets the requirements of Subsection (1)(a) or (1)(b) if the use of the housing allocation meets the requirements for at least one agency that is a party to the interlocal agreement.
- (3) The agency shall create a housing fund and separately account for the agency's housing allocation, together with all interest earned by the housing allocation and all payments or repayments for loans, advances, or grants from the housing allocation.
- (4) An agency may:
- (a) issue bonds to finance a housing-related project under this section, including the payment of principal and interest upon advances for surveys and plans or preliminary loans; and
 - (b) issue refunding bonds for the payment or retirement of bonds under Subsection (4)(a) previously issued by the agency.
- (5)
- (a) Except as provided in Subsection (5)(b), an agency shall allocate money to the housing fund each year in which the agency receives sufficient tax increment to make a housing allocation required by the project area budget.
 - (b) Subsection (5)(a) does not apply in a year in which tax increment is insufficient.
- (6)
- (a) Except as provided in Subsection (5)(b), if an agency fails to provide a housing allocation in accordance with the project area budget and the housing plan adopted under Subsection 17C-2-204(2), the loan fund board may bring legal action to compel the agency to provide the housing allocation.
 - (b) In an action under Subsection (6)(a), the court:
 - (i) shall award the loan fund board reasonable attorney fees, unless the court finds that the action was frivolous; and
 - (ii) may not award the agency the agency's attorney fees, unless the court finds that the action was frivolous.

- (7) For the purpose of offsetting the community's annual local contribution to the Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in a calendar year to a community under Subsections (1)(a)(x), 17C-1-409(1)(a)(v), and 17C-1-411(1)(d) may not exceed the community's annual local contribution as defined in Subsection 59-12-205(4).

Amended by Chapter 471, 2023 General Session

Amended by Chapter 492, 2023 General Session

17C-1-413 Base taxable value for new tax.

For purposes of calculating tax increment with respect to a tax that a taxing entity levies for the first time after the effective date of a project area plan, the base taxable value shall be used, subject to any adjustments under Section 17C-1-408.

Amended by Chapter 350, 2016 General Session

17C-1-414 Project area boundaries that divide a tax parcel -- Deletion of parcel from tax increment calculation.

- (1) If the boundaries of a project area, as described in the project area plan, include part of a tax parcel and exclude part of the same tax parcel, the agency shall provide the assessor of the county in which the project area is located a metes and bounds description of the part of the tax parcel included within the project area boundaries.
- (2) If an agency fails to comply with the requirement of Subsection (1), the assessor of the county in which the tax parcel is located may exclude that parcel from the project area for purposes of calculating tax increment to be paid to the agency until the agency complies with the requirement of Subsection (1).

Enacted by Chapter 359, 2006 General Session

17C-1-415 Obligations of agencies that use tax increment to pay for communication infrastructure or facility.

An agency that uses tax increment on or after March 30, 2009 to pay for communication infrastructure or a communication facility:

- (1) may not make or grant any undue or unreasonable preference or advantage to a provider of communication service with respect to the communication infrastructure or communication facility for which the tax increment is used; and
- (2) shall allow the communication infrastructure and facilities for which tax increment is used to be used by any other provider of communication service on a fair, equitable, and nondiscriminatory basis.

Enacted by Chapter 387, 2009 General Session

17C-1-416 Extension of collection period for project areas impacted by COVID-19 emergency -- Requirements -- Limitations.

- (1) For purposes of this section:
 - (a) "COVID-19 emergency" means the same as that term is defined in Section 53-2c-102.
 - (b) "Extension period" means the period of an impacted project area's project area funds collection period that is the result of an extension under this section.
 - (c) "Impacted project area" means a project area:

- (i) from which an agency expects to receive tax increment;
 - (ii) that is subject to a project area funds collection period;
 - (iii) that is subject to a project area plan that was adopted on or before December 31, 2019; and
 - (iv) in which the agency determines the conditions resulting from the COVID-19 emergency will likely:
 - (A) delay the agency's implementation of the project area plan; or
 - (B) cause the agency to receive an amount of tax increment from the project area that is less than the amount of tax increment the agency expected the agency would receive from the project area.
 - (d) "Tax increment" includes additional tax increment as that term is defined in Section 17C-1-403.
- (2)
 - (a) Subject to Subsection (3), an agency may extend the project area funds collection period of an impacted project area for a period not to exceed two years from the day on which the project area funds collection period ends if:
 - (i) the board adopts a resolution on or before December 31, 2021, describing:
 - (A) the conditions resulting from the COVID-19 emergency that the board determines will likely delay the implementation of the project area plan or reduce the amount of tax increment that the agency receives from the impacted project area;
 - (B) why an extension of the project area funds collection period is needed; and
 - (C) the date on which the extension period will end; and
 - (ii) no later than November 1 of the year immediately preceding the year in which the project area funds collection period, not including any extension under this section, ends, the agency mails or electronically submits a copy of the resolution described in Subsection (2)(a)(i) to:
 - (A) the State Tax Commission;
 - (B) the State Board of Education;
 - (C) the state auditor;
 - (D) the auditor of the county in which the impacted project area is located; and
 - (E) each taxing entity affected by the agency's collection of tax increment from the impacted project area.
 - (b) Notwithstanding any other provision of law, an agency is not required to obtain taxing entity or taxing entity committee approval to extend a project area funds collection period under this section.
 - (c) An extension of a project area funds collection period under this section takes effect on the day on which the agency mails or electronically submits a copy of the resolution described in Subsection (2)(a)(i) to each entity specified in Subsection (2)(a)(ii).
- (3)
 - (a) This section does not allow an agency to change:
 - (i) the amount or percentage of tax increment that the agency is authorized to receive from the impacted project area in the final two years of the project area funds collection period; or
 - (ii) the cumulative dollar amount of tax increment that the agency is authorized to receive from the impacted project area, if the agency's receipt of tax increment is limited to a maximum cumulative dollar amount.
 - (b) An agency that extends a project area funds collection period under this section shall use any tax increment received during the extension period in the same manner as provided in:
 - (i) the project area plan; and
 - (ii)

- (A) the project area budget; or
 - (B) the resolution or interlocal agreement authorizing the agency to receive tax increment from the impacted project area.
- (c)
- (i) An extension of a project area funds collection period under this section does not automatically extend the payment of tax increment under a previously approved participation agreement for the extension period, regardless of any contrary term in the participation agreement.
 - (ii) An agency that extends a project area funds collection period under this section may only extend the payment of tax increment under a previously approved participation agreement for the extension period by:
 - (A) amending the previously approved participation agreement; or
 - (B) entering into a new participation agreement.
- (d) Nothing in this section limits the right of an agency to extend the agency's collection of tax increment as otherwise provided in this title.

Enacted by Chapter 11, 2020 Special Session 6

Part 5

Agency Bonds

17C-1-501.1 Title.

This part is known as "Agency Bonds."

Enacted by Chapter 350, 2016 General Session

17C-1-501.5 Resolution authorizing issuance of agency bonds -- Characteristics of bonds.

- (1) An agency may not issue a bond under this part unless the board first adopts a resolution authorizing the bond issuance.
- (2)
 - (a) As provided in the agency resolution authorizing the issuance of a bond under this part or the trust indenture under which the bond is issued, a bond issued under this part may be issued in one or more series and may be sold at public or private sale and in the manner provided in the resolution or indenture.
 - (b) A bond issued by an agency under this part shall bear the date, be payable at the time, bear interest at the rate, be in the denomination and in the form, carry the conversion or registration privileges, have the rank or priority, be executed in the manner, be subject to the terms of redemption or tender, with or without premium, be payable in the medium of payment and at the place, and have other characteristics as provided in the agency resolution authorizing the bond issuance or the trust indenture under which the bond is issued.

Renumbered and Amended by Chapter 350, 2016 General Session

17C-1-502 Sources from which bonds may be made payable -- Agency powers regarding bonds.

- (1) An agency may pay the principal and interest on a bond issued by the agency from:

- (a) the income and revenues of the project area development financed with the proceeds of the bond;
 - (b) the income and revenue of certain designated project area development regardless of whether the project area development is financed in whole or in part with the proceeds of the bond;
 - (c) the income, proceeds, revenue, property, or agency funds derived from or held in connection with the agency's undertaking and implementation of project area development;
 - (d) project area funds;
 - (e) agency revenues generally;
 - (f) a contribution, loan, grant, or other financial assistance from a public entity in aid of project area development, including the assignment of revenue or taxes in support of an agency bond;
 - (g) project area incremental revenue or property tax revenue as those terms are defined in Section 17C-1-1001; or
 - (h) funds derived from any combination of the methods listed in Subsections (1)(a) through (g).
- (2) In connection with the issuance of an agency bond, an agency may:
- (a) pledge all or any part of the agency's gross or net rents, fees, or revenues to which the agency's right then exists or may thereafter come into existence;
 - (b) encumber by mortgage, deed of trust, or otherwise all or any part of the agency's real or personal property, then owned or thereafter acquired; and
 - (c) make the covenants and take the action that:
 - (i) may be necessary, convenient, or desirable to secure the bond; or
 - (ii) except as otherwise provided in this chapter, will tend to make the bond more marketable, even though such covenants or actions are not specifically enumerated in this chapter.

Amended by Chapter 214, 2021 General Session

17C-1-503 Signature of officer who leaves office.

If an agency officer whose signature appears on a bond issued under this part leaves office before delivery of the bond, the signature shall continue to be valid as if the official had remained in office until delivery of the bond.

Renumbered and Amended by Chapter 359, 2006 General Session

17C-1-504 Contesting the legality of resolution authorizing bonds -- Time limit -- Presumption.

- (1) Any person may contest the legality of the resolution authorizing issuance of the bond or any provisions for the security and payment of the bond for a period of 30 days after:
 - (a) publication of the resolution authorizing the bond; or
 - (b) publication of a notice of bond containing substantially the items required under Subsection 11-14-316(2).
- (2) After the 30-day period described in Subsection (1), no person may bring a lawsuit or other proceeding contesting the regularity, formality, or legality of the bond for any reason.
- (3) In a lawsuit or other proceeding involving the question of whether a bond issued under this part is valid or enforceable or involving the security for a bond, if a bond recites that the agency issued the bond in connection with project area development:
 - (a) the bond shall be conclusively presumed to have been issued for that purpose; and

- (b) the project area plan and project area shall be conclusively presumed to have been properly formed, adopted, planned, located, and implemented in accordance with this title.

Amended by Chapter 350, 2016 General Session

17C-1-505 Authority to purchase agency bonds.

- (1) Any person, firm, corporation, association, political subdivision of the state, or other entity or public or private officer may purchase a bond issued by an agency under this part with funds owned or controlled by the purchaser.
- (2) Nothing in this section may be construed to relieve a purchaser of an agency bond of any duty to exercise reasonable care in selecting securities.

Amended by Chapter 350, 2016 General Session

17C-1-506 Those executing bonds not personally liable -- Limitation of obligations under bonds -- Negotiability.

- (1) A member of a board or other person executing an agency bond is not liable personally on the bond.
- (2)
 - (a) A bond issued by an agency is not a general obligation or liability of the community, the state, or any of the state's political subdivisions and does not constitute a charge against their general credit or taxing powers.
 - (b) A bond issued by an agency is not payable out of any funds or properties other than those of the agency.
 - (c) The community, the state, and the state's political subdivisions may not be liable on a bond issued by an agency.
 - (d) A bond issued by an agency does not constitute indebtedness within the meaning of any constitutional or statutory debt limitation.
- (3) A bond issued by an agency under this part is fully negotiable.

Amended by Chapter 350, 2016 General Session

17C-1-507 Obligee rights -- Board may confer other rights.

- (1) In addition to all other rights that are conferred on an obligee of a bond issued by an agency under this part and subject to contractual restrictions binding on the obligee, an obligee may:
 - (a) by mandamus, suit, action, or other proceeding, compel an agency and the agency's board, officers, agents, or employees to perform every term, provision, and covenant contained in any contract of the agency with or for the benefit of the obligee, and require the agency to carry out the covenants and agreements of the agency and to fulfill all duties imposed on the agency by this part; and
 - (b) by suit, action, or other proceeding, enjoin any acts or things that may be unlawful or violate the rights of the obligee.
- (2)
 - (a) In a board resolution authorizing the issuance of a bond or in a trust indenture, mortgage, lease, or other contract, a board may confer upon an obligee holding or representing a specified amount in bonds, the rights described in Subsection (2)(b), to accrue upon the happening of an event or default prescribed in the resolution, indenture, mortgage, lease, or

other contract, and to be exercised by suit, action, or proceeding in any court of competent jurisdiction.

(b)

- (i) The rights that the board may confer under Subsection (2)(a) are the rights to:
 - (A) cause possession of all or part of the project area development to be surrendered to an obligee;
 - (B) obtain the appointment of a receiver of all or part of an agency's project area development and of the rents and profits from the project area development; and
 - (C) require the agency and the board and employees to account as if the agency and the board and employees were the trustees of an express trust.
- (ii) If a receiver is appointed through the exercise of a right granted under Subsection (2)(b)(i) (B), the receiver:
 - (A) may enter and take possession of the project area development or any part of the project area development, operate and maintain the project area development, and collect and receive all fees, rents, revenues, or other charges arising from the project area development after the receiver's appointment; and
 - (B) shall keep money collected as receiver for the agency in a separate account and apply the money pursuant to the agency obligations as the court directs.

Amended by Chapter 350, 2016 General Session

17C-1-508 Bonds exempt from taxes -- Agency may purchase an agency's own bonds.

- (1) A bond issued by an agency under this part is issued for an essential public and governmental purpose and is, together with interest on the bond and income from it, exempt from all state taxes except the corporate franchise tax.
- (2) An agency may purchase the agency's own bonds at a price that the board determines.
- (3) Nothing in this section may be construed to limit the right of an obligee to pursue a remedy for the enforcement of a pledge or lien given under this part by an agency on the agency's rents, fees, grants, properties, or revenues.

Amended by Chapter 350, 2016 General Session

Part 6

Agency Annual Report, Budget, and Audit Requirements

17C-1-601.1 Title.

This part is known as "Agency Annual Report, Budget, and Audit Requirements."

Enacted by Chapter 350, 2016 General Session

17C-1-601.5 Annual agency budget -- Fiscal year -- Public hearing required -- Notice -- Auditor forms -- Requirement to file form.

- (1) Each agency shall prepare an annual budget of the agency's revenues and expenditures for each fiscal year.
- (2) The board shall adopt each agency budget:
 - (a) for an agency created by a municipality, before June 30; or

- (b) for an agency created by a county, before December 15.
- (3) The agency's fiscal year shall be the same as the fiscal year of the community that created the agency.
- (4)
 - (a) Before adopting an annual budget, each board shall hold a public hearing on the annual budget.
 - (b) Each agency shall provide notice of the public hearing on the annual budget for the agency's jurisdiction, as a class A notice under Section 63G-30-102, for at least one week before the day of the public hearing.
 - (c) Each agency shall make the annual budget available for public inspection at least three days before the date of the public hearing.
- (5) The state auditor shall prescribe the budget forms and the categories to be contained in each annual budget, including:
 - (a) revenues and expenditures for the budget year;
 - (b) legal fees; and
 - (c) administrative costs, including rent, supplies, and other materials, and salaries of agency personnel.
- (6)
 - (a) Within 90 days after adopting an annual budget, each board shall file a copy of the annual budget with the auditor of the county in which the agency is located, the State Tax Commission, the state auditor, the State Board of Education, and each taxing entity from which the agency receives project area funds.
 - (b) The requirement of Subsection (6)(a) to file a copy of the annual budget with the state as a taxing entity is met if the agency files a copy with the State Tax Commission and the state auditor.

Amended by Chapter 435, 2023 General Session

17C-1-602 Amending the agency annual budget.

- (1) A board may by resolution amend an annual budget.
- (2) An amendment to an annual budget that would increase the total expenditures may be made only after a public hearing is held in accordance with Subsection 17C-1-601.5(4).
- (3) An agency may not make expenditures in excess of the total expenditures established in the annual budget as the annual budget is adopted or amended.

Amended by Chapter 350, 2016 General Session

17C-1-603 Reporting requirements -- Governor's Office of Economic Opportunity to maintain a database.

- (1) On or before June 1, 2022, the Governor's Office of Economic Opportunity shall:
 - (a) create a database to track information for each agency located within the state; and
 - (b) make the database publicly accessible from the office's website.
- (2)
 - (a) The Governor's Office of Economic Opportunity may:
 - (i) contract with a third party to create and maintain the database described in Subsection (1); and
 - (ii) charge a fee for a county, city, or agency to provide information to the database described in Subsection (1).

- (b) The Governor's Office of Economic Opportunity shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to establish a fee schedule for the fee described in Subsection (2)(a)(ii).
- (3) Beginning in 2022, on or before June 30 of each calendar year, an agency shall, for each active project area for which the project area funds collection period has not expired, provide to the database described in Subsection (1) the following information:
 - (a) an assessment of the change in marginal value, including:
 - (i) the base year;
 - (ii) the base taxable value;
 - (iii) the prior year's assessed value;
 - (iv) the estimated current assessed value;
 - (v) the percentage change in marginal value; and
 - (vi) a narrative description of the relative growth in assessed value;
 - (b) the amount of project area funds the agency received for each year of the project area funds collection period, including:
 - (i) a comparison of the actual project area funds received for each year to the amount of project area funds forecasted for each year when the project area was created, if available;
 - (ii)
 - (A) the agency's historical receipts of project area funds, including the tax year for which the agency first received project area funds from the project area; or
 - (B) if the agency has not yet received project area funds from the project area, the year in which the agency expects each project area funds collection period to begin;
 - (iii) a list of each taxing entity that levies or imposes a tax within the project area and a description of the benefits that each taxing entity receives from the project area; and
 - (iv) the amount paid to other taxing entities under Section 17C-1-410, if applicable;
 - (c) a description of current and anticipated project area development, including:
 - (i) a narrative of any significant project area development, including infrastructure development, site development, participation agreements, or vertical construction; and
 - (ii) other details of development within the project area, including:
 - (A) the total developed acreage;
 - (B) the total undeveloped acreage;
 - (C) the percentage of residential development; and
 - (D) the total number of housing units authorized, if applicable;
 - (d) the project area budget, if applicable, or other project area funds analyses, including:
 - (i) each project area funds collection period, including:
 - (A) the start and end date of the project area funds collection period; and
 - (B) the number of years remaining in each project area funds collection period;
 - (ii) the amount of project area funds the agency is authorized to receive from the project area cumulatively and from each taxing entity, including:
 - (A) the total dollar amount; and
 - (B) the percentage of the total amount of project area funds generated within the project area;
 - (iii) the remaining amount of project area funds the agency is authorized to receive from the project area cumulatively and from each taxing entity; and
 - (iv) the amount of project area funds the agency is authorized to use to pay for the agency's administrative costs, as described in Subsection 17C-1-409(1), including:
 - (A) the total dollar amount; and
 - (B) the percentage of the total amount of all project area funds;

- (e) the estimated amount of project area funds that the agency is authorized to receive from the project area for the current calendar year;
 - (f) the estimated amount of project area funds to be paid to the agency for the next calendar year;
 - (g) a map of the project area; and
 - (h) any other relevant information the agency elects to provide.
- (4) Any information an agency submits in accordance with this section:
- (a) is for informational purposes only; and
 - (b) does not alter the amount of project area funds that an agency is authorized to receive from a project area.
- (5) The provisions of this section apply regardless of when the agency or project area is created.
- (6) On or before September 1 of each year, the Governor's Office of Economic Opportunity shall prepare and submit an annual written report to the Political Subdivisions Interim Committee that identifies:
- (a) the agencies that complied with the reporting requirements of this section during the preceding reporting period; and
 - (b) any agencies that failed to comply with the reporting requirements of this section during the preceding reporting period.

Amended by Chapter 499, 2023 General Session

17C-1-604 Audit requirements.

Each agency shall comply with the audit requirements of Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal Organizations, and Other Local Entities Act.

Renumbered and Amended by Chapter 359, 2006 General Session

17C-1-605 Audit report.

- (1) Each agency required to be audited under Section 17C-1-604 shall, within 180 days after the end of the agency's fiscal year, file a copy of the audit report with the county auditor, the State Tax Commission, the State Board of Education, and each taxing entity from which the agency receives tax increment.
- (2) Each audit report under Subsection (1) shall include:
 - (a) the tax increment collected by the agency for each project area;
 - (b) the amount of tax increment paid to each taxing entity under Section 17C-1-410;
 - (c) the outstanding principal amount of bonds issued or other loans incurred to finance the costs associated with the agency's project areas;
 - (d) the amount of property tax revenue generated under Part 10, Agency Taxing Authority; and
 - (e) the actual amount expended for:
 - (i) acquisition of property;
 - (ii) site improvements or site preparation costs;
 - (iii) installation of public utilities or other public improvements; and
 - (iv) administrative costs of the agency.

Amended by Chapter 214, 2021 General Session

17C-1-606 County auditor report on project areas.

(1)

- (a) On or before March 31 of each year, the auditor of each county in which an agency is located shall prepare a report on the project areas within each agency.
- (b) The county auditor shall send a copy of each report under Subsection (1)(a) to the agency that is the subject of the report, the State Tax Commission, the State Board of Education, and each taxing entity from which the agency receives tax increment.
- (2) Each report under Subsection (1)(a) shall report:
 - (a) the total assessed property value within each project area for the previous tax year;
 - (b) the base taxable value of each project area for the previous tax year;
 - (c) the tax increment available to be paid to the agency for the previous tax year;
 - (d) the tax increment requested by the agency for the previous tax year; and
 - (e) the tax increment paid to the agency for the previous tax year.
- (3) Within 30 days after a request by an agency, the State Tax Commission, the State Board of Education, or any taxing entity from which the agency receives tax increment, the county auditor or the county assessor shall provide access to:
 - (a) the county auditor's method and calculations used to make adjustments under Section 17C-1-408;
 - (b) the unequalized assessed valuation of an existing or proposed project area, or any parcel or parcels within an existing or proposed project area, if the equalized assessed valuation has not yet been determined for that year;
 - (c) the most recent equalized assessed valuation of an existing or proposed project area or any parcel or parcels within an existing or proposed project area; and
 - (d) the tax rate of each taxing entity adopted as of November 1 for the previous tax year.
- (4) Each report described in Subsection (1)(a) shall include:
 - (a) sufficient detail regarding the calculations performed by a county auditor so that an agency or other interested party could repeat and verify the calculations; and
 - (b) a detailed explanation of any adjustments made to the base taxable value of each project area.

Amended by Chapter 350, 2016 General Session

17C-1-607 State Tax Commission and county assessor required to account for new growth.

Upon the expiration of a project area funds collection period, the State Tax Commission and the assessor of each county in which a project area is located shall count as new growth the assessed value of property with respect to which the taxing entity is receiving taxes or increased taxes for the first time.

Amended by Chapter 350, 2016 General Session

17C-1-608 Registration as a limited purpose entity.

- (1) Each community reinvestment agency shall register and maintain the community reinvestment agency's registration as a limited purpose entity, in accordance with Section 67-1a-15.
- (2) A community reinvestment agency that fails to comply with Subsection (1) or Section 67-1a-15 is subject to enforcement by the state auditor, in accordance with Section 67-3-1.

Enacted by Chapter 256, 2018 General Session

17C-1-609 Agency reporting limitations.

Except as required under this title, an agency is not required to submit to a public entity information or a report related to the agency's operations or project areas.

Enacted by Chapter 333, 2019 General Session

Part 7

Agency and Project Area Dissolution

17C-1-701.1 Title.

This part is known as "Agency and Project Area Dissolution."

Enacted by Chapter 350, 2016 General Session

17C-1-701.5 Agency dissolution -- Restrictions -- Notice -- Recording requirements -- Agency records -- Dissolution expenses.

- (1)
 - (a) Subject to Subsection (1)(b), the community legislative body may, by ordinance, dissolve an agency.
 - (b) A community legislative body may adopt an ordinance described in Subsection (1)(a) only if the agency has no outstanding bonded indebtedness, other unpaid loans, indebtedness, or advances, and no legally binding contractual obligations with a person other than the community.
- (2)
 - (a) The community legislative body shall:
 - (i) within 10 days after adopting an ordinance described in Subsection (1), file with the lieutenant governor a copy of a notice of an impending boundary action, as defined in Section 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3); and
 - (ii) upon the lieutenant governor's issuance of a certificate of dissolution under Section 67-1a-6.5, submit to the recorder of the county in which the agency is located:
 - (A) the original notice of an impending boundary action;
 - (B) the original certificate of dissolution; and
 - (C) a certified copy of the ordinance that dissolves the agency.
 - (b) Upon the lieutenant governor's issuance of the certificate of dissolution under Section 67-1a-6.5, the agency is dissolved.
 - (c) Within 10 days after receiving the certificate of dissolution from the lieutenant governor under Section 67-1a-6.5, the community legislative body shall send a copy of the certificate of dissolution and the ordinance adopted under Subsection (1) to the State Board of Education, and each taxing entity.
 - (d) The community legislative body shall post a notice of dissolution for the community, as a class A notice under Section 63G-30-102, for at least 10 days.
- (3) The books, documents, records, papers, and seal of each dissolved agency shall be deposited for safekeeping and reference with the recorder of the community that dissolved the agency.
- (4) The agency shall pay all expenses of the dissolution.

Amended by Chapter 435, 2023 General Session

17C-1-702 Project area dissolution.

- (1) Regardless of when a project area funds collection period ends, the project area remains in existence until:
 - (a) the agency adopts a resolution dissolving the project area; and
 - (b) the community legislative body adopts an ordinance dissolving the project area.
- (2) The ordinance described in Subsection (1)(b) shall include:
 - (a) the name of the project area; and
 - (b) a project area map or boundary description.
- (3) Within 30 days after the day on which the community legislative body adopts an ordinance described in Subsection (1)(b), the community legislative body shall:
 - (a) submit a copy of the ordinance to the county recorder of the county in which the dissolved project area is located; and
 - (b) mail or electronically submit a copy of the ordinance to the county auditor, the State Tax Commission, the State Board of Education, and each taxing entity that levies or imposes a tax on property within the dissolved project area.

Enacted by Chapter 350, 2016 General Session

Part 8

Hearing and Notice Requirements

17C-1-801 Title.

This part is known as "Hearing and Notice Requirements."

Enacted by Chapter 350, 2016 General Session

17C-1-802 Combining hearings.

A board may combine any combination of a development impediment hearing, a plan hearing, and a budget hearing.

Amended by Chapter 376, 2019 General Session

17C-1-803 Continuing a hearing.

Subject to Section 17C-1-804, the board may continue:

- (1) a development impediment hearing;
- (2) a plan hearing;
- (3) a budget hearing; or
- (4) a combined hearing under Section 17C-1-802.

Amended by Chapter 376, 2019 General Session

17C-1-804 Notice required for continued hearing.

The board shall give notice of a hearing continued under Section 17C-1-803 by announcing at the hearing:

- (1) the date, time, and place the hearing will be resumed; or
- (2)

- (a) that the hearing is being continued to a later time; and
- (b) that the board will cause a notice of the continued hearing to be published for the community, as a class A notice under Section 63G-30-102, for at least seven days before the day on which the hearing is scheduled to resume.

Amended by Chapter 435, 2023 General Session

17C-1-805 Agency to provide notice of hearings.

- (1) Each agency shall provide notice, in accordance with this part, of each:
 - (a) development impediment hearing;
 - (b) plan hearing; or
 - (c) budget hearing.
- (2) The notice required under Subsection (1) may be combined with the notice required for any of the other hearings if the hearings are combined under Section 17C-1-802.

Amended by Chapter 376, 2019 General Session

17C-1-806 Requirements for notice provided by agency.

- (1) The notice required by Section 17C-1-805 shall be given by:
 - (a) publishing notice for the county, as a class A notice under Section 63G-30-102, for at least 14 days before the day on which the hearing is held; and
 - (b) at least 30 days before the hearing, mailing notice to:
 - (i) each record owner of property located within the project area or proposed project area;
 - (ii) the State Tax Commission;
 - (iii) the assessor and auditor of the county in which the project area or proposed project area is located; and
 - (iv)
 - (A) if a project area is subject to a taxing entity committee, each member of the taxing entity committee and the State Board of Education; or
 - (B) if a project area is not subject to a taxing entity committee, the legislative body or governing board of each taxing entity within the boundaries of the project area or proposed project area.
- (2) The mailing of the notice to record property owners required under Subsection (1)(b)(i) shall be conclusively considered to have been properly completed if:
 - (a) the agency mails the notice to the property owners as shown in the records, including an electronic database, of the county recorder's office and at the addresses shown in those records; and
 - (b) the county recorder's office records used by the agency in identifying owners to whom the notice is mailed and their addresses were obtained or accessed from the county recorder's office no earlier than 30 days before the mailing.
- (3) The agency shall include in each notice required under Section 17C-1-805:
 - (a)
 - (i) a boundary description of the project area or proposed project area; or
 - (ii)
 - (A) a mailing address or telephone number where a person may request that a copy of the boundary description be sent at no cost to the person by mail, email, or facsimile transmission; and

- (B) if the agency or community has an Internet website, an Internet address where a person may gain access to an electronic, printable copy of the boundary description and other related information;
 - (b) a map of the boundaries of the project area or proposed project area;
 - (c) an explanation of the purpose of the hearing; and
 - (d) a statement of the date, time, and location of the hearing.
- (4) The agency shall include in each notice under Subsection (1)(b):
- (a) a statement that property tax revenue resulting from an increase in valuation of property within the project area or proposed project area will be paid to the agency for project area development rather than to the taxing entity to which the tax revenue would otherwise have been paid if:
 - (i)
 - (A) the taxing entity committee consents to the project area budget; or
 - (B) one or more taxing entities agree to share property tax revenue under an interlocal agreement; and
 - (ii) the project area plan provides for the agency to receive tax increment; and
 - (b) an invitation to the recipient of the notice to submit to the agency comments concerning the subject matter of the hearing before the date of the hearing.
- (5) An agency may include in a notice under Subsection (1) any other information the agency considers necessary or advisable, including the public purpose achieved by the project area development and any future tax benefits expected to result from the project area development.

Amended by Chapter 435, 2023 General Session

17C-1-807 Additional requirements for notice of a development impediment hearing.

- Each notice under Section 17C-1-806 for a development impediment hearing shall also include:
- (1) a statement that:
- (a) a project area is being proposed;
 - (b) the proposed project area may be determined to have a development impediment;
 - (c) the record owner of property within the proposed project area has the right to present evidence at the development impediment hearing contesting the existence of a development impediment;
 - (d) except for a hearing continued under Section 17C-1-803, the agency will notify the record owner of property referred to in Subsection 17C-1-806(1)(b)(i) of each additional public hearing held by the agency concerning the proposed project area before the adoption of the project area plan; and
 - (e) a person contesting the existence of a development impediment in the proposed project area may appear before the board and show cause why the proposed project area should not be designated as a project area; and
- (2) if the agency anticipates acquiring property in an urban renewal project area or a community reinvestment project area by eminent domain, a clear and plain statement that:
- (a) the project area plan may require the agency to use eminent domain; and
 - (b) the proposed use of eminent domain will be discussed at the development impediment hearing.

Amended by Chapter 376, 2019 General Session

17C-1-808 Additional requirements for notice of a plan hearing.

Each notice under Section 17C-1-806 of a plan hearing shall also include:

- (1) a statement that any person objecting to the proposed project area plan or contesting the regularity of any of the proceedings to adopt the proposed project area plan may appear before the board at the hearing to show cause why the proposed project area plan should not be adopted; and
- (2) a statement that the proposed project area plan is available for inspection at the agency offices.

Renumbered and Amended by Chapter 350, 2016 General Session

17C-1-809 Additional requirements for notice of a budget hearing.

Each notice under Section 17C-1-806 of a budget hearing shall contain:

- (1) the following statement:

"The (name of agency) has requested \$_____ in property tax revenues that will be generated by development within the (name of project area) to fund a portion of project costs within the (name of project area). These property tax revenues will be used for the following: (list major budget categories and amounts). These property taxes will be taxes levied by the following governmental entities, and, assuming current tax rates, the taxes paid to the agency for this project area from each taxing entity will be as follows: (list each taxing entity levying taxes and the amount of total taxes that would be paid from each taxing entity). All of the property taxes to be paid to the agency for the development in the project area are taxes that will be generated only if the project area is developed.

All concerned citizens are invited to attend the project area budget hearing scheduled for (date, time, and place of hearing). A copy of the (name of project area) project area budget is available at the offices of (name of agency and office address)."; and

- (2) other information that the agency considers appropriate.

Renumbered and Amended by Chapter 350, 2016 General Session

Part 9 Eminent Domain

17C-1-901 Title.

This part is known as "Eminent Domain."

Enacted by Chapter 350, 2016 General Session

17C-1-902 Use of eminent domain -- Conditions.

- (1) Except as provided in Subsection (2), an agency may not use eminent domain to acquire property.
- (2) Subject to the provisions of this part, an agency may, in accordance with Title 78B, Chapter 6, Part 5, Eminent Domain, use eminent domain to acquire an interest in property:
 - (a) within an urban renewal project area if:
 - (i) the board makes a development impediment determination under Chapter 2, Part 3, Development Impediment Determination in Urban Renewal Project Areas; and
 - (ii) the urban renewal project area plan provides for the use of eminent domain;

- (b) that is owned by an agency board member or officer and located within a project area, if the board member or officer consents;
- (c) within a community reinvestment project area if:
 - (i) the board makes a development impediment determination under Chapter 5, Part 4, Development Impediment Determination in a Community Reinvestment Project Area;
 - (ii)
 - (A) the original community reinvestment project area plan provides for the use of eminent domain; or
 - (B) the community reinvestment project area plan is amended in accordance with Subsection 17C-5-112(4); and
 - (iii) the agency creates a taxing entity committee in accordance with Section 17C-1-402;
- (d) that:
 - (i) is owned by a participant or a property owner that is entitled to receive tax increment or other assistance from the agency;
 - (ii) is within a project area, regardless of when the project area is created, for which the board made a development impediment determination under Chapter 2, Part 3, Development Impediment Determination in Urban Renewal Project Areas, or Chapter 5, Part 4, Development Impediment Determination in a Community Reinvestment Project Area; and
 - (iii)
 - (A) the participant or property owner described in Subsection (2)(d)(i) fails to develop or improve in accordance with the participation agreement or the project area plan; or
 - (B) for a period of 36 months does not generate the amount of tax increment that the agency projected to receive under the project area budget; or
- (e) if a property owner requests in writing that the agency exercise eminent domain to acquire the property owner's property within a project area.
- (3) An agency shall, in accordance with the provisions of this part, commence the acquisition of property described in Subsections (2)(a) through (c) by adopting a resolution authorizing eminent domain within five years after the day on which the project area plan is effective.

Amended by Chapter 376, 2019 General Session

17C-1-903 Prerequisites to the acquisition of property by eminent domain -- Civil action authorized -- Record of good faith negotiations to be retained.

- (1) Before an agency may initiate an action in district court to acquire property by eminent domain, the agency shall:
 - (a) negotiate in good faith with the affected record property owner;
 - (b) provide to each affected record property owner a written declaration that includes:
 - (i) an explanation of the eminent domain process and the reasons for using it, including:
 - (A) the need for the agency to obtain an independent appraisal that indicates the fair market value of the property and how the fair market value was determined;
 - (B) a statement that the agency may adopt a resolution authorizing the agency to make an offer to the record property owner to purchase the property for the fair market value amount determined by the appraiser and that, if the offer is rejected, the agency has the right to acquire the property through an eminent domain proceeding; and
 - (C) a statement that the agency will prepare an offer that will include the price the agency is offering for the property, an explanation of how the agency determined the price being offered, the legal description of the property, conditions of the offer, and the time at which the offer will expire;

- (ii) an explanation of the record property owner's relocation rights under Title 57, Chapter 12, Utah Relocation Assistance Act, and how to receive relocation assistance; and
 - (iii) a statement that the owner has the right to receive just compensation and an explanation of how to obtain it; and
- (c) provide to the affected record property owner or the owner's designated representative a notice that is printed in a type size of at least ten-point type that contains:
 - (i) a description of the property to be acquired;
 - (ii) the name of the agency acquiring the property and the agency's contact person and telephone number; and
 - (iii) a copy of Title 57, Chapter 12, Utah Relocation Assistance Act.
- (2) A person may bring a civil action against an agency for a violation of Subsection (1)(b) that results in damage to that person.
- (3) Each agency shall keep a record and evidence of the good faith negotiations required under Subsection (1)(a) and retain the record and evidence as provided in:
 - (a) Title 63G, Chapter 2, Government Records Access and Management Act; or
 - (b) an ordinance or policy that the agency had adopted under Section 63G-2-701.
- (4) A record property owner whose property is being taken by an agency through the exercise of eminent domain may elect to receive for the real property being taken:
 - (a) fair market value; or
 - (b) replacement property under Section 57-12-7.

Renumbered and Amended by Chapter 350, 2016 General Session

17C-1-904 Acquiring single family owner occupied residential property or commercial property -- Acquiring property already devoted to a public use -- Relocation assistance requirement.

- (1) As used in this section:
 - (a) "Commercial property" means real property used, in whole or in part, by the owner or possessor of the property for a commercial, industrial, retail, or other business purpose, regardless of the identity of the property owner.
 - (b) "Owner occupied property" means private real property that is:
 - (i) used for a single-family residential or commercial purpose; and
 - (ii) occupied by the owner of the property.
 - (c) "Relevant area" means:
 - (i) except as provided in Subsection (1)(c)(ii), the project area; or
 - (ii)
 - (A) the area included within a phase of a project under a project area plan if the phase and the area included within the phase are described in the project area plan; or
 - (B) the parcel or parcels that are the subject of a community reinvestment project area plan amendment under Subsection 17C-5-112(4).
- (2) An agency may not initiate an action in district court to acquire by eminent domain a residential owner occupied property unless:
 - (a)
 - (i) a written petition requesting the agency to use eminent domain to acquire the property is submitted by the owners of at least 80% of the residential owner occupied property within the relevant area representing at least 70% of the value of residential owner occupied property within the relevant area; or

- (ii) a written petition of 90% of the owners of real property, including property owned by the agency or a public entity within the project area, is submitted to the agency, requesting the use of eminent domain to acquire the property; and
- (b) at least two-thirds of all board members vote in favor of using eminent domain to acquire the property.
- (3) An agency may not initiate an action in district court to acquire commercial owner occupied property by eminent domain unless:
 - (a) a written petition requesting the agency to use eminent domain to acquire the property is submitted by the owners of at least 75% of the commercial property within the relevant area representing at least 60% of the value of commercial property within the relevant area; and
 - (b) at least two-thirds of all board members vote in favor of using eminent domain to acquire the property.
- (4) For purposes of this section an owner is considered to have signed a petition if:
 - (a) owners representing a majority ownership interest in the property sign the petition; or
 - (b) if the property is owned by joint tenants or tenants by the entirety, 50% of the number of owners of the property sign the petition.
- (5) An agency may not acquire by eminent domain any real property on which an existing building is to be continued on the building's present site and in the building's present form and use unless:
 - (a) the building requires structural alteration, improvement, modernization, or rehabilitation;
 - (b) the site or lot on which the building is situated requires modification in size, shape, or use; or
 - (c)
 - (i) it is necessary to impose upon the property a standard, restriction, or control of the project area plan; and
 - (ii) the owner fails or refuses to agree to participate in the project area plan.
- (6) An agency may not acquire by eminent domain property that is owned by a public entity.
- (7) An agency that acquires property by eminent domain shall comply with Title 57, Chapter 12, Utah Relocation Assistance Act.

Amended by Chapter 456, 2017 General Session

17C-1-905 Court award for court costs and attorney fees, relocation expenses, and damage to fixtures or personal property.

In an eminent domain action under this part, the court may award:

- (1) costs and reasonable attorney fees to the condemnee if the amount of the court or jury award for the property exceeds the amount offered by the agency;
- (2) a reasonable sum, as determined by the court or jury, as compensation for any costs or expenses relating to relocating:
 - (a) an owner who occupied the acquired property;
 - (b) a party conducting a business on the acquired property; or
 - (c) a person displaced from the property, as permitted by Title 57, Chapter 12, Utah Relocation Assistance Act; and
- (3) an amount to compensate for any fixtures or personal property that is:
 - (a) owned by the owner of the acquired property or by a person conducting a business on the acquired property; and
 - (b) damaged as a result of the acquisition or relocation.

Renumbered and Amended by Chapter 350, 2016 General Session

Part 10

Agency Taxing Authority

17C-1-1001 Definitions.

As used in this part:

- (1)
 - (a) "Agency-wide project development" means activity within the agency's boundaries that, as determined by the board, encourages, promotes, or provides development or redevelopment for the purpose of achieving the results described in an implementation plan, including affordable housing.
 - (b) "Agency-wide project development" does not include project area development under a project area plan.
- (2) "Certified tax rate" means the same as that term is defined in Section 59-2-924.
- (3) "Cooperative development project" means project area development with impacts that extend beyond an agency's geographic boundaries to the benefit of two or more communities.
- (4) "Economic development project" means project area development for the purpose of:
 - (a) creating, developing, attracting, and retaining business;
 - (b) creating or preserving jobs;
 - (c) stimulating business and economic activity; or
 - (d) providing a local incentive as required by the Governor's Office of Economic Opportunity under Title 63N, Economic Opportunity Act.
- (5) "Eligible taxing entity" means a taxing entity that:
 - (a) is a municipality, a county, or a school district; and
 - (b) contains an agency partially or completely within the taxing entity's geographic boundaries.
- (6) "Implementation plan" means a plan adopted in accordance with Section 17C-1-1004 that:
 - (a) describes how the agency uses property tax revenue; and
 - (b) guides and controls agency-wide project development.
- (7) "Project area incremental revenue" means the amount of revenue generated by the incremental value that a taxing entity receives after a project area funds collection period ends.
- (8) "Property tax revenue" means the amount of revenue generated by an agency from the property within the agency using the current taxable value of the property and the agency's certified tax rate.

Enacted by Chapter 214, 2021 General Session

17C-1-1002 Transferring project area incremental revenue -- Agency may levy a property tax.

- (1) An agency and an eligible taxing entity may enter into an interlocal agreement for the purpose of transferring all or a portion of the eligible taxing entity's project area incremental revenue.
- (2) An agency shall ensure that an interlocal agreement described in Subsection (1):
 - (a) identifies each project area that is subject to the interlocal agreement;
 - (b) is adopted by the board and the taxing entity in accordance with Section 17C-1-1003;
 - (c) for each project area:
 - (i) states the amount of project area incremental revenue that the eligible taxing entity agrees to transfer to the agency;

- (ii) states the year in which the eligible taxing entity will transfer the amount described in Subsection (2)(c)(i); and
 - (iii) for the year described in Subsection (2)(c)(ii), requires the agency to add the project area incremental revenue transferred in the agency's budget;
- (d) includes a copy of the implementation plan described in Section 17C-1-1004;
- (e) requires the agency to dissolve, in accordance with Section 17C-1-702, any project area:
 - (i) that is subject to the interlocal agreement; and
 - (ii) for which the project area funds collection period will expire; and
- (f) is filed with the county auditor, the State Tax Commission, and the eligible taxing entity.
- (3) If an agency and an eligible taxing entity enter into an interlocal agreement under this section:
 - (a) subject to Subsection (4) and Section 17C-1-1004, the agency may levy a property tax on taxable property within the agency's geographic boundaries; and
 - (b) except as provided in Subsection (5), the agency may not:
 - (i) create a new community reinvestment project area within the taxing entity's geographic boundaries; or
 - (ii) amend a project area plan or budget if the amendment:
 - (A) enlarges the project area from which tax increment is collected;
 - (B) permits the agency to receive a greater amount of tax increment; or
 - (C) extends the project area funds collection period.
- (4)
 - (a) An agency may levy a property tax for a fiscal year that:
 - (i) is after the year in which the agency receives project area incremental revenue; and
 - (ii) begins on or after the January 1 on which the agency has authority to impose a property tax under this section.
 - (b) An agency board shall calculate the agency's certified tax rate in accordance with Section 59-2-924.
 - (c) An agency may levy a property tax rate that exceeds the agency's certified rate only if the agency complies with Sections 59-2-919 through 59-2-923.
- (5) For a cooperative development project or an economic development project, an agency may, in accordance with Chapter 5, Community Reinvestment:
 - (a) create a new community reinvestment project area; or
 - (b) amend a community reinvestment project area plan or budget.

Enacted by Chapter 214, 2021 General Session

17C-1-1003 Interlocal agreement -- Notice requirements -- Effective date.

- (1) An agency that enters into an interlocal agreement under Section 17C-1-1002 shall:
 - (a) adopt the interlocal agreement at an open and public meeting; and
 - (b) provide a notice, in accordance with Subsections (2) and (3), titled "Authorization to Levy a Property Tax."
- (2) Upon the execution of an interlocal agreement, the agency shall provide, subject to Subsection (3), notice of the execution by publishing the notice for the agency's jurisdiction, as a class A notice under Section 63G-30-102, for at least 14 days.
- (3) A notice described in Subsection (2) shall include:
 - (a) a summary of the interlocal agreement; and
 - (b) a statement that the interlocal agreement:
 - (i) is available for public inspection and the place and the hours for inspection; and
 - (ii) authorizes the agency to:

- (A) receive all or a portion of a taxing entity's project area incremental revenue; and
 - (B) levy a property tax on taxable property within the agency's boundaries.
- (4) An interlocal agreement described in Section 17C-1-1002 is effective the day on which the notice is published or posted in accordance with Subsections (2) and (3).
- (5) An eligible taxing entity that enters into an interlocal agreement under Section 17C-1-1002 shall make a copy of the interlocal agreement available to the public for inspecting and copying at the eligible taxing entity's office during normal business hours.

Amended by Chapter 435, 2023 General Session

17C-1-1004 Plan hearing -- Implementation plan -- Use of an agency's property tax revenue -- Eminent domain.

- (1) Before an agency may levy a property tax, an agency board shall hold a plan hearing in accordance with Chapter 1, Part 8, Hearing and Notice Requirements, to:
- (a) adopt an implementation plan that:
 - (i) contains a boundary description and a map of the geographic area within which the agency will use the agency's property tax revenue;
 - (ii) contains a general description of the existing land uses, zoning, infrastructure conditions, population densities, and demographics of the area described in Subsection (1)(b)(i);
 - (iii) describes the physical, social, and economic conditions that exist in the area described in Subsection (1)(b)(i);
 - (iv) describes the goals and strategies that will guide the agency's use of property tax revenue;
 - (v) shows how agency-wide project development will further the purposes of this title;
 - (vi) is consistent with the general plan of the community that created the agency and shows that agency-wide project development will conform to the community's general plan;
 - (vii) generally describes the type of financial assistance and tools that the agency anticipates providing to participants;
 - (viii) includes an analysis or description of the anticipated public benefits resulting from agency-wide project development, including benefits to economic activity and taxing entities' tax bases;
 - (ix) includes any identified geographic target areas within which the agency will focus investment; and
 - (x) includes other information that the agency determines to be necessary or advisable;
 - (b) inform the public about:
 - (i) the amount of revenue that the agency will receive as property tax revenue that a participating taxing entity would have otherwise received;
 - (ii) the property tax rate that the agency will levy;
 - (iii) any changes to the use of revenue; and
 - (iv) how the agency will be using property tax revenue under the implementation plan; and
 - (c) allow individuals present at the plan hearing to comment on the proposed property tax.
- (2) An agency that levies a property tax under this part shall allocate an amount of property tax revenue for housing:
- (a) in an amount that is the same as the agency's housing allocation under Section 17C-5-307 before entering into an interlocal agreement under Section 17C-1-1002; and
 - (b) for a period of time that is the same as the agency's project area funds collection period before entering into an interlocal agreement under Section 17C-1-1002.
- (3)

- (a) Except as provided in Subsection (3)(b), an agency that levies a property tax under this part may not use eminent domain to acquire property for agency-wide project development.
- (b) An agency that levies a property tax under this part may use eminent domain for an urban renewal project area or a community reinvestment project area in accordance with Part 9, Eminent Domain.

Enacted by Chapter 214, 2021 General Session

17C-1-1005 Agency property tax levy -- Budget -- Accounting for property tax revenue.

- (1)
 - (a) Each agency that levies and collects property tax under this part shall levy and collect the property tax in accordance with Title 59, Chapter 2, Property Tax Act.
 - (b) Except as provided in Subsection (1)(c), an agency, at a regular meeting or special meeting called for that purpose, shall, by resolution, set the property tax rate by the date described in Section 59-2-912.
 - (c) An agency may set the rate described in Subsection (1)(b) at an appropriate later date in accordance with Sections 59-2-919 through 59-2-923.
- (2)
 - (a) An agency shall include in the agency's budget any project area incremental revenue transferred by an eligible taxing entity under this part.
 - (b) The amount of project area incremental revenue described in Subsection (2)(a) plus the ad valorem property tax revenue that the agency budgeted for the prior year shall constitute the basis for determining the property tax levy that the agency sets for the corresponding tax year.
- (3)
 - (a) An agency shall create a property tax revenue fund and separately account for property tax revenue generated under this part.
 - (b) An agency shall include revenue and expenditures of the property tax revenue fund described in Subsection (3)(a) in the annual budget adopted in accordance with Section 17C-1-601.5.

Enacted by Chapter 214, 2021 General Session