

Effective 5/10/2016

Part 3
Community Reinvestment Project Area Budget

17C-5-301 Title.

This part is known as "Community Reinvestment Project Area Budget."

Enacted by Chapter 350, 2016 General Session

**17C-5-302 Procedure for adopting a community reinvestment project area budget --
Contesting the budget -- Time limit.**

- (1) An agency shall adopt a community reinvestment project area budget in accordance with this part.
- (2) To adopt a community reinvestment project area budget, an agency shall:
 - (a) prepare a proposed community reinvestment project area budget in accordance with Section 17C-5-303;
 - (b) obtain the consent of the taxing entity committee or taxing entity in accordance with Section 17C-5-304;
 - (c) make a copy of the proposed community reinvestment project area budget available to the public at the agency's office during normal business hours for at least 30 days before the budget hearing described in Subsection (2)(e);
 - (d) provide notice of the budget hearing in accordance with Chapter 1, Part 8, Hearing and Notice Requirements;
 - (e) hold a budget hearing on the proposed community reinvestment project area budget and, at the budget hearing, allow public comment on:
 - (i) the proposed community reinvestment project area budget; and
 - (ii) whether the agency should revise, adopt, or reject the proposed community reinvestment project area budget; and
 - (f) after the budget hearing described in Subsection (2)(e), or at a subsequent meeting:
 - (i) consider the comments and information from the budget hearing relating to the proposed community reinvestment project area budget; and
 - (ii) reject or adopt by resolution the proposed community reinvestment project area budget, with any revisions, as the community reinvestment project area budget.
- (3)
 - (a) Within 30 days after the day on which the agency adopts a community reinvestment project area budget, a person may contest the community reinvestment project area budget or the procedure used to adopt the community reinvestment project area budget if the community reinvestment project area budget or procedure fails to comply with a provision of this title.
 - (b) After the 30-day period described in Subsection (3)(a) expires, a person may not contest:
 - (i) the community reinvestment project area budget or the procedure used by the taxing entity, the taxing entity committee, or the agency to adopt the community reinvestment project area budget;
 - (ii) a payment to the agency under the community reinvestment project area budget; or
 - (iii) the agency's use of project area funds under the community reinvestment project area budget.

Enacted by Chapter 350, 2016 General Session

17C-5-303 Community reinvestment project area budget -- Requirements.

A community reinvestment project area budget shall include:

- (1) if the agency receives tax increment:
 - (a) the base taxable value;
 - (b) the projected amount of tax increment to be generated within the community reinvestment project area;
 - (c) each project area funds collection period;
 - (d) if applicable, the projected amount of tax increment to be paid to other taxing entities in accordance with Section 17C-1-410;
 - (e) if the area from which tax increment is collected is less than the entire community reinvestment project area:
 - (i) a boundary description of the portion or portions of the community reinvestment project area from which the agency receives tax increment; and
 - (ii) for each portion described in Subsection (1)(e)(i), the period of time during which tax increment is collected;
 - (f) the percentage of tax increment the agency is authorized to receive from the community reinvestment project area; and
 - (g) the maximum cumulative dollar amount of tax increment the agency is authorized to receive from the community reinvestment project area;
- (2) if the agency receives sales and use tax revenue:
 - (a) the percentage and total amount of sales and use tax revenue to be paid to the agency; and
 - (b) each project area funds collection period;
- (3) the amount of project area funds the agency will use to implement the community reinvestment project area plan, including the estimated amount of project area funds that will be used for land acquisition, public improvements, infrastructure improvements, or any loans, grants, or other incentives to private or public entities;
- (4) the agency's combined incremental value;
- (5) the amount of project area funds that will be used to cover the cost of administering the community reinvestment project area plan; and
- (6) for property that the agency owns and expects to sell, the expected total cost of the property to the agency and the expected sale price.

Enacted by Chapter 350, 2016 General Session

17C-5-304 Consent of each taxing entity or taxing entity committee required for community reinvestment project area budget.

Before an agency may collect any project area funds from a community reinvestment project area, the agency shall obtain consent for each community reinvestment project area budget from:

- (1) for a community reinvestment project area that is subject to an interlocal agreement, each taxing entity that is a party to an interlocal agreement; or
- (2) for a community reinvestment project area that is subject to a taxing entity committee, the taxing entity committee.

Enacted by Chapter 350, 2016 General Session

17C-5-305 Filing a copy of the community reinvestment project area budget.

Within 30 days after the day on which an agency adopts a community reinvestment project area budget, the agency shall file a copy of the community reinvestment project area budget with:

- (1) the State Tax Commission;
- (2) the State Board of Education;
- (3) the state auditor;
- (4) the auditor of the county in which the community reinvestment project area is located; and
- (5) each taxing entity affected by the agency's collection of project area funds under the community reinvestment project area budget.

Enacted by Chapter 350, 2016 General Session

17C-5-306 Amending a community reinvestment project area budget.

- (1) Before a project area funds collection period ends, an agency may amend a community reinvestment project area budget in accordance with this section.
- (2) To amend a community reinvestment project area budget, an agency shall:
 - (a) provide notice and hold a public hearing on the proposed amendment in accordance with Chapter 1, Part 8, Hearing and Notice Requirements;
 - (b)
 - (i) if the community reinvestment project area budget required approval from a taxing entity committee, obtain the taxing entity committee's approval; or
 - (ii) if the community reinvestment project area budget required an interlocal agreement with a taxing entity, obtain approval from the taxing entity that is a party to the interlocal agreement; and
 - (c) at the public hearing described in Subsection (2)(a) or at a subsequent board meeting, by resolution, adopt the community reinvestment project area budget amendment.
- (3) If an agency proposes a community reinvestment project area budget amendment under which the agency is paid a greater proportion of tax increment from the community reinvestment project area than provided under the community reinvestment project area budget, the notice described in Subsection (2)(a) shall state:
 - (a) the percentage of tax increment paid under the community reinvestment project area budget; and
 - (b) the proposed percentage of tax increment paid under the community reinvestment project area budget amendment.
- (4)
 - (a) If an agency proposes a community reinvestment project area budget amendment that extends a project area funds collection period, before a taxing entity committee or taxing entity may provide the taxing entity committee's or taxing entity's approval described in Subsection (2)(b), the agency shall provide to the taxing entity committee or taxing entity:
 - (i) the reasons why the extension is required;
 - (ii) a description of the project area development for which project area funds received by the agency under the extension will be used;
 - (iii) a statement of whether the project area funds received by the agency under the extension will be used within an active project area or a proposed project area; and
 - (iv) a revised community reinvestment project area budget that includes:
 - (A) the annual and total amounts of project area funds that the agency receives under the extension; and
 - (B) the number of years that are added to each project area funds collection period under the extension.

- (b) With respect to an amendment described in Subsection (4)(a), a taxing entity committee or taxing entity may consent to:
 - (i) allow an agency to use project area funds received under an extension within a different project area from which the project area funds are generated; or
 - (ii) alter the base taxable value in connection with a community reinvestment project area budget extension.
- (5) If an agency proposes a community reinvestment project area budget amendment that reduces the base taxable value of the project area due to the removal of a parcel under Subsection 17C-5-112(4)(b), an agency may amend a project area budget without:
 - (a) complying with Subsection (2)(a); and
 - (b) obtaining taxing entity committee or taxing entity approval described in Subsection (2)(b).
- (6)
 - (a) A person may contest an agency's adoption of a community reinvestment project area budget amendment within 30 days after the day on which the agency adopts the community reinvestment project area budget amendment.
 - (b) After the 30-day period described in Subsection (6)(a), a person may not contest:
 - (i) the agency's adoption of the community reinvestment project area budget amendment;
 - (ii) a payment to the agency under the community reinvestment project area budget amendment; or
 - (iii) the agency's use of project area funds received under the community reinvestment project area budget amendment.

Enacted by Chapter 350, 2016 General Session

17C-5-307 Allocating project area funds for housing.

- (1)
 - (a) For a community reinvestment project area that is subject to a taxing entity committee, an agency shall allocate at least 20% of the agency's annual tax increment for housing in accordance with Section 17C-1-412 if the community reinvestment project area budget provides for more than \$100,000 of annual tax increment to be distributed to the agency.
 - (b) The taxing entity committee may waive a portion of the allocation described in Subsection (1)(a) if:
 - (i) the taxing entity committee determines that 20% of the agency's annual tax increment is more than is needed to address the community's need for income targeted housing or homeless assistance; and
 - (ii) after the waiver, the agency's housing allocation is equal to at least 10% of the agency's annual tax increment.
- (2) For a community reinvestment project area that is subject to an interlocal agreement, an agency shall allocate at least 10% of the project area funds for housing in accordance with Section 17C-1-412 if the community reinvestment project area budget provides for more than \$100,000 of annual project area funds to be distributed to the agency.

Enacted by Chapter 350, 2016 General Session