

Representative Greg J. Curtis proposes to substitute the following bill:

**TAX INCREMENT FINANCING FOR
MUNICIPAL INFRASTRUCTURE**

1999 GENERAL SESSION

STATE OF UTAH

Sponsor: L. Alma Mansell

AN ACT RELATING TO SPECIAL DISTRICTS; EXPANDING THE PERMISSIBLE USES OF TAX INCREMENT FINANCING IN SOME CIRCUMSTANCES; AUTHORIZING A REDEVELOPMENT AGENCY TO COLLECT TAX INCREMENT FOR AN ADDITIONAL PERIOD AND FOR CERTAIN USES UNDER CERTAIN CIRCUMSTANCES; ALLOWING TAX INCREMENT FUNDS TO BE USED OUTSIDE THE REDEVELOPMENT AGENCY PROJECT AREA IN SPECIFIED SITUATIONS; MAKING TECHNICAL CHANGES; AND PROVIDING AN EFFECTIVE DATE.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

17A-2-1247, as last amended by Chapters 211 and 308, Laws of Utah 1998

17A-2-1247.5, as last amended by Chapter 279, Laws of Utah 1998

17A-2-1260, as last amended by Chapter 183, Laws of Utah 1996

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

Section 1. Section **17A-2-1247** is amended to read:

17A-2-1247. Tax increment financing authorized -- Division of tax revenues -- Greater allocation allowed if authorized by taxing agency.

(1) This section applies to projects for which a preliminary plan has been prepared prior to April 1, 1993, and for which all of the following have occurred prior to July 1, 1993: the agency blight study has been completed, and a hearing under Section 17A-2-1221 has in good faith been commenced by the agency.

26 (2) Any redevelopment plan may contain a provision that taxes, if any, levied upon taxable
27 property in a redevelopment project each year by or for the benefit of the state, any city, county,
28 city and county, district, or other public corporation (hereinafter sometimes called "taxing
29 agencies") after the effective date of the ordinance approving the redevelopment plan, shall be
30 divided as follows:

31 (a) That portion of the taxes which would be produced by the rate upon which the tax is
32 levied each year by or for each of the taxing agencies upon the total sum of the taxable value of
33 the taxable property in the redevelopment project as shown upon the assessment roll used in
34 connection with the taxation of the property by the taxing agency, last equalized prior to the
35 effective date of the ordinance, shall be allocated to and when collected shall be paid into the funds
36 of the respective taxing agencies as taxes by or for the taxing agencies on all other property are
37 paid (for the purpose of allocating taxes levied by or for any taxing agency or agencies which did
38 not include the territory in a redevelopment project on the effective date of the ordinance but to
39 which the territory has been annexed or otherwise included after the effective date, the assessment
40 roll of the county last equalized on the effective date of the ordinance shall be used in determining
41 the taxable value of the taxable property in the project on the effective date).

42 (b) In a redevelopment project with a redevelopment plan adopted before April 1, 1983,
43 that portion of the levied taxes each year in excess of the amount allocated to and when collected
44 paid into the funds of the respective taxing agencies under Subsection (2)(a) shall be allocated to
45 and when collected shall be paid into a special fund of the redevelopment agency to pay the
46 principal of and interest on loans, moneys advanced to, or indebtedness (whether funded, refunded,
47 assumed, or otherwise) incurred by the redevelopment agency before April 1, 1983, to finance or
48 refinance, in whole or in part, the redevelopment project. Payment of tax revenues to the
49 redevelopment agency shall be subject to and shall except uncollected or delinquent taxes in the
50 same manner as payments of taxes to other taxing agencies are subject to collection. Unless and
51 until the total taxable value of the taxable property in a redevelopment project exceeds the total
52 taxable value of the taxable property in the project as shown by the last equalized assessment roll
53 referred to in Subsection (2)(a), all of the taxes levied and collected upon the taxable property in
54 the redevelopment project shall be paid into the funds of the respective taxing agencies. When
55 the loans, advances, and indebtedness, if any, and any interest have been paid, all moneys received
56 from taxes upon the taxable property in the redevelopment project shall be paid into the funds of

57 the respective taxing agencies as taxes on all other property are paid.

58 (c) Notwithstanding the provisions of Subsections (2)(a) and (e), Subsection
59 17A-2-1210(5), or any other provision of this part, any loans, moneys advanced to, or indebtedness
60 (whether funded, refunded, assumed, or otherwise) issued prior to April 1, 1983, may be
61 refinanced and repaid from 100% of that portion of the levied taxes paid into the special fund of
62 the redevelopment agency each year in excess of the amount allocated to and when collected paid
63 into the funds of the respective taxing agencies under Subsection (2)(a) if the principal amount of
64 loans, moneys advanced to, or indebtedness is not increased in the refinancing.

65 (d) In a redevelopment project with a redevelopment plan adopted before April 1, 1983,
66 that portion of the levied taxes each year in excess of the amount allocated to and when collected
67 paid into the funds of the respective taxing agencies under Subsection (2)(a) shall be allocated to
68 and when collected shall be paid into a special fund of the redevelopment agency according to the
69 limits established in Subsection (2)(f) to pay the principal of and interest on loans, moneys
70 advanced to, or indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the
71 redevelopment agency after April 1, 1983, to finance or refinance, in whole or in part, the
72 redevelopment project. Payment of tax revenues to the redevelopment agency shall be subject to
73 and shall except uncollected or delinquent taxes in the same manner as payments of taxes to other
74 taxing agencies are subject to collection. Unless and until the total taxable value of the taxable
75 property in a redevelopment project exceeds the total taxable value of the taxable property in the
76 project as shown by the last equalized assessment roll referred to in Subsection (2)(a), all of the
77 taxes levied and collected upon the taxable property in the redevelopment project shall be paid into
78 the funds of the respective taxing agencies. When the loans, advances, and indebtedness, if any,
79 and any interest have been paid, all moneys received from taxes upon the taxable property in the
80 redevelopment project shall be paid into the funds of the respective taxing agencies as taxes on all
81 other property are paid.

82 (e) In a redevelopment project with a redevelopment plan adopted after April 1, 1983, that
83 portion of the levied taxes each year in excess of the amount allocated to and when collected paid
84 into the funds of the respective taxing agencies under Subsection (2)(a) shall be allocated to and
85 when collected shall be paid into a special fund of the redevelopment agency according to the
86 limits established in Subsection (2)(f) to pay the principal of and interest on loans, moneys
87 advanced to, or indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the

88 redevelopment agency after April 1, 1983, to finance or refinance, in whole or in part, the
89 redevelopment project. Payment of tax revenues to the redevelopment agency shall be subject to
90 and shall except uncollected or delinquent taxes in the same manner as payments of taxes to other
91 taxing agencies are subject to collection. Unless and until the total taxable value of the taxable
92 property in a redevelopment project exceeds the total taxable value of the taxable property in the
93 project as shown by the last equalized assessment roll referred to in Subsection (2)(a), all of the
94 taxes levied and collected upon the taxable property in the redevelopment project shall be paid into
95 the funds of the respective taxing agencies. When the loans, advances, and indebtedness, if any,
96 and any interest have been paid, all moneys received from taxes upon the taxable property in the
97 redevelopment project shall be paid into the funds of the respective taxing agencies as taxes on all
98 other property are paid.

99 (f) For purposes of Subsections (2)(d) and (e), the maximum amounts which shall be
100 allocated to and when collected shall be paid into the special fund of a redevelopment agency may
101 not exceed the following percentages:

102 (i) for a period of the first five tax years commencing from the first tax year a
103 redevelopment agency accepts an amount allocated to and when collected paid into a special fund
104 of the redevelopment agency to pay the principal of and interest on loans, moneys advanced to, or
105 indebtedness (whether funded, refunded, assumed, or otherwise) which loans, advances, or
106 indebtedness are incurred by the redevelopment agency after April 1, 1983, 100% of that portion
107 of the levied taxes each year in excess of the amount allocated to and when collected paid into the
108 funds of the respective taxing agencies under Subsection (2)(a);

109 (ii) for a period of the next five tax years 80% of that portion of the levied taxes each year
110 in excess of the amount allocated to and when collected paid into the funds of the respective taxing
111 agencies under Subsection (2)(a);

112 (iii) for a period of the next five tax years 75% of that portion of the levied taxes each year
113 in excess of the amount allocated to and when collected paid into the funds of the respective taxing
114 agencies under Subsection (2)(a);

115 (iv) for a period of the next five tax years 70% of that portion of the levied taxes each year
116 in excess of the amount allocated to and when collected paid into the funds of the respective taxing
117 agencies under Subsection (2)(a); and

118 (v) for a period of the next five tax years 60% of that portion of the levied taxes each year

119 in excess of the amount allocated to and when collected paid into the funds of the respective taxing
120 agencies under Subsection (2)(a).

121 (g) (i) In addition to the maximum amounts allocated to and when collected paid into the
122 special fund of a redevelopment agency under Subsection (2)(f), a redevelopment agency may
123 receive an additional percentage greater than those described in Subsection (2)(f) if the amount of
124 the tax increment funding received from the greater percentage is used:

125 (A) for an agency established by the governing body of a first class city:

126 (I) solely to pay all or part of the value of the land for and the cost of the installation and
127 construction of any building, facility, structure, or other improvement of a publicly or
128 privately-owned convention center or sports complex, including parking and infrastructure
129 improvements related to such convention center or sports complex; [or]

130 (II) solely to pay all or part of the cost of the installation and construction of an underpass
131 that has not received funding from the Centennial Highway [Trust] Fund under Section [63-49-22]
132 72-2-118 as part of the construction of Interstate 15; or

133 (III) solely to pay all or part of the cost of the land for and the installation and construction
134 of a recreational facility, as defined in Section 59-12-702, or a cultural facility, including parking
135 and infrastructure improvements related to the recreational or cultural facility; or

136 (B) for any agency, to pay all or part of the cost of the installation, construction, or
137 reconstruction of the 10000 South underpass or the 11400 South or 12300 South interchange on
138 I-15 in Salt Lake County.

139 (ii) The additional percentage a redevelopment agency may receive under Subsection
140 (2)(g)(i) shall be:

141 (A) 100% of that portion of the levied taxes each year in excess of the amount allocated
142 to and when collected paid into the funds of the respective taxing agencies under Subsection (2)(a);
143 and

144 (B) paid for a period of the first 32 years commencing from the first tax year a
145 redevelopment agency accepts an amount allocated to and when collected paid into a special fund
146 of the redevelopment agency to pay the principal of and interest on loans, moneys advanced to, or
147 indebtedness, whether funded, refunded, assumed, or otherwise, that are incurred by the
148 redevelopment agency after April 1, 1983.

149 (iii) This Subsection (2)(g) applies only to a redevelopment agency created by a city that

150 is located in a county of the first class and in [whose project area] which:

151 (A) construction has begun on a building, facility, structure, or other improvement of a
152 publicly or privately-owned convention center or sports complex, including parking and
153 infrastructure improvements related to such convention center or sports complex, on or before June
154 30, 1997;

155 (B) construction has begun on or before June 30, [~~1998~~] 2000, on an underpass that has
156 not received funding from the Centennial Highway [~~Trust~~] Fund under Section [~~63-49-22~~]
157 72-2-118 as part of the construction of Interstate 15; [~~or~~]

158 (C) the installation, construction, or reconstruction of the 10000 South underpass or the
159 11400 South or 12300 South interchange on I-15 in Salt Lake County has begun on or before June
160 30, [~~1998:~~] 2000; or

161 (D) construction has begun on a recreational facility, as defined in Section 59-12-702, or
162 a cultural facility on or before June 30, 2000.

163 (iv) An additional amount described in Subsection (2)(g)(i) may no longer be allocated to
164 or used by the redevelopment agency, notwithstanding any other law to the contrary, if the
165 additional amount is not pledged:

166 (A) to pay all or part of the value of the land for and the cost of the installation and
167 construction of any building, facility, structure, or other improvement described in Subsection
168 (2)(g)(i)(A)(I) on or before June 30, 1997;

169 (B) on or before June 30, [~~1998~~] 2000, to pay all or part of the cost of the installation and
170 construction of an underpass that has not received funding from the Centennial Highway [~~Trust~~]
171 Fund under Section [~~63-49-22~~] 72-2-118 as part of the construction of Interstate 15; [~~or~~]

172 (C) on or before June 30, [~~1998~~] 2000, to pay all or part of the cost of the installation,
173 construction, or reconstruction of the 10000 South underpass or the 11400 South or 12300 South
174 interchange on I-15 in Salt Lake County; or

175 (D) on or before June 30, 2000, to pay all or part of the cost of the land for and the
176 installation and construction of a recreational facility, as defined in Section 59-12-702, or a cultural
177 facility, including parking and infrastructure improvements related to the recreational or cultural
178 facility.

179 (v) Notwithstanding any other provision of this Subsection (2)(g), a school district may
180 not receive less tax increment because of application of the other provisions of this Subsection

181 (2)(g) than it would have received without those provisions.

182 (3) Nothing contained in Subsections (2)(d), (e), (f), and (g) prevents an agency from
183 receiving a greater percentage than those established in Subsections (2)(f) and (g) of the levied
184 taxes of any local taxing agency each year in excess of the amount allocated to and when collected
185 paid into the funds of the respective local taxing agency if the governing body of the local taxing
186 agency consents in writing.

187 (4) Nothing in this section may be construed to prevent an agency from using funds
188 allocated under Subsection (2)(f) for a project allowed under Subsection (2)(g)(i).

189 Section 2. Section **17A-2-1247.5** is amended to read:

190 **17A-2-1247.5. Tax increment financing -- Project area budget approval.**

191 (1) This section applies to projects for which a preliminary plan has been adopted on or
192 after July 1, 1993.

193 (2) (a) A taxing agency committee shall be created for each redevelopment or economic
194 development project. The committee membership shall be selected as follows:

195 (i) two representatives appointed by the school district in the project area;

196 (ii) two representatives appointed by resolution of the county commission or county
197 council for the county in which the project area is located;

198 (iii) two representatives appointed by resolution of the city or town's legislative body in
199 which the project area is located if the project is located within a city or town;

200 (iv) a representative approved by the State School Board; and

201 (v) one representative who shall represent all of the remaining governing bodies of the
202 other local taxing agencies that levy taxes upon the property within the proposed project area. The
203 representative shall be selected by resolution of each of the governing bodies of those taxing
204 agencies within 30 days after the notice provided in Subsection 17A-2-1256(3).

205 (b) If the project is located within a city or town, a quorum of a taxing agency committee
206 consists of five members. If the project is not located within a city or town, a quorum consists of
207 four members.

208 (c) A taxing agency committee formed in accordance with this section has the authority
209 to:

210 (i) represent all taxing entities in a project area and cast votes that will be binding on the
211 governing boards of all taxing entities in a project area;

212 (ii) negotiate with the agency concerning the redevelopment plan;
213 (iii) approve or disapprove project area budgets under Subsection (3); and
214 (iv) approve an exception to the limits on the value and size of project areas imposed by
215 Section 17A-2-1210, or the time and amount of tax increment financing under this section.

216 (3) (a)(i) If the project area budget does not allocate 20% of the tax increment for housing
217 as provided in Subsection 17A-2-1264(2)(a):

218 (A) an agency may not collect any tax increment for a project area until after the agency
219 obtains the majority consent of a quorum of the taxing agency committee for the project area
220 budget; and

221 (B) a project area budget adopted under Subsection (3)(a)(i)(A) may be amended if the
222 agency obtains the majority consent of a quorum of the taxing agency committee.

223 (ii) If the project area budget allocates 20% of the tax increment for housing as provided
224 in Subsection 17A-2-1264(2)(a):

225 (A) an agency may not collect tax increment from all or part of a project area until after:

226 (I) the Olene Walker Housing Trust Fund Board, established under Title 9, Chapter 4, Part
227 7, Olene Walker Housing Trust Fund, has certified the project area budget as complying with the
228 requirements of Section 17A-2-1264; and

229 (II) the agency's governing body has approved and adopted the project area budget by a
230 2/3 vote; and

231 (B) a project area budget adopted under Subsection (3)(a)(ii)(A) may be amended if:

232 (I) the Olene Walker Housing Trust Fund Board, established under Title 9, Chapter 4, Part
233 7, Olene Walker Housing Trust Fund, certifies the amendment as complying with the requirements
234 of Section 17A-2-1264; and

235 (II) the agency's governing body approves and adopts the amendment by a 2/3 vote.

236 (b) Within 30 days after the approval and adoption of a project area budget, each agency
237 shall file a copy of the budget with the county auditor, the State Tax Commission, the state auditor,
238 and each property taxing entity affected by the agency's collection of tax increment under the
239 project area budget.

240 (c) (i) Beginning on January 1, 1997, before an amendment to a project area budget is
241 approved, the agency shall advertise and hold one public hearing on the proposed change in the
242 project area budget.

243 (ii) The public hearing under Subsection (3)(c)(i) shall be conducted according to the
244 procedures and requirements of Subsection 17A-2-1222(2), except that if the amended budget
245 allocates a greater proportion of tax increment to a project area than was allocated to the project
246 area under the previous budget, the advertisement shall state the percentage allocated under the
247 previous budget and the percentage allocated under the amended budget.

248 (d) If an amendment is not approved, the agency shall continue to operate under the
249 previously approved, unamended project area budget.

250 (4) (a) An agency may collect tax increment from all or a part of a project area. The tax
251 increment shall be paid to the agency in the same manner and at the same time as payments of
252 taxes to other taxing agencies to pay the principal of and interest on loans, moneys advanced to,
253 or indebtedness, whether funded, refunded, assumed, or otherwise, to finance or refinance, in
254 whole or in part, the redevelopment or economic development project and the housing projects and
255 programs under Sections 17A-2-1263 and 17A-2-1264.

256 (b) (i) An agency may elect to be paid:

257 (A) if 20% of the project area budget is not allocated for housing as provided in Subsection
258 17A-2-1264(2)(a):

259 (I) 100% of annual tax increment for 12 years; or

260 (II) 75% of annual tax increment for 20 years; or

261 (B) if 20% of the project area budget is allocated for housing as provided in Subsection
262 17A-2-1264(2)(a):

263 (I) 100% of annual tax increment for 15 years; or

264 (II) 75% of annual tax increment for 24 years.

265 (ii) Tax increment paid to an agency under this Subsection (4)(b) shall be paid for the
266 applicable length of time beginning the first tax year the agency accepts tax increment from a
267 project area.

268 (c) An agency may receive a greater percentage of tax increment or receive tax increment
269 for a longer period of time than that specified in Subsection (4)(b) if the agency obtains the
270 majority consent of the taxing agency committee.

271 (5) (a) The redevelopment plan shall provide that the portion of the taxes, if any, due to
272 an increase in the tax rate by a taxing agency after the date the project area budget is approved by
273 the taxing agency committee may not be allocated to and when collected paid into a special fund

274 of the redevelopment agency according to the provisions of Subsection (4) unless the taxing
275 agency committee approves the inclusion of the increase in the tax rate at the time the project area
276 budget is approved. If approval of the inclusion of the increase in the tax rate is not obtained, the
277 portion of the taxes attributable to the increase in the rate shall be distributed by the county to the
278 taxing agency imposing the tax rate increase in the same manner as other property taxes.

279 (b) The amount of the tax rate to be used in determining tax increment shall be increased
280 or decreased by the amount of an increase or decrease as a result of:

281 (i) a statute enacted by the Legislature, a judicial decision, or an order from the State Tax
282 Commission to a county to adjust or factor its assessment rate under Subsection 59-2-704(2);

283 (ii) a change in exemption provided in Utah Constitution Article XIII, Section 2, or Section
284 59-2-103;

285 (iii) an increase or decrease in the percentage of fair market value, as defined under
286 Section 59-2-102; or

287 (iv) a decrease in the certified tax rate under Subsection 59-2-924(2)(c) or (2)(d)(i).

288 (c) (i) Notwithstanding the increase or decrease resulting from Subsection (5)(b), the
289 amount of money allocated to, and when collected paid to the agency each year for payment of
290 bonds or other indebtedness may not be less than would have been allocated to and when collected
291 paid to the agency each year if there had been no increase or decrease under Subsection (5)(b).

292 (ii) For a decrease resulting from Subsection (5)(b)(iv), the taxable value for the base year
293 under Subsection 17-2-1247(2)(a) or 17A-2-1202(2), as the case may be, shall be reduced for any
294 year to the extent necessary, including below zero, to provide an agency with approximately the
295 same amount of money the agency would have received without a reduction in the county's
296 certified tax rate if:

297 (A) in that year there is a decrease in the certified tax rate under Subsection 59-2-924(2)(c)
298 or (2)(d)(i);

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

301 (C) the decrease results in a reduction of the amount to be paid to the agency under Section
302 17A-2-1247 or 17A-2-1247.5.

303 (6) (a) For redevelopment plans first adopted before May 4, 1993, beginning January 1,
304 1994, all of the taxes levied and collected upon the taxable property in the redevelopment project

305 under Section 59-2-906.1 which are not pledged to support bond indebtedness and other
306 contractual obligations are exempt from the provisions of Subsection (4).

307 (b) For redevelopment plans first adopted after May 3, 1993, beginning January 1, 1994,
308 all of the taxes levied and collected upon the taxable property in the redevelopment project under
309 Section 59-2-906.1 are exempt from the provisions of Subsection (4).

310 (7) (a) In addition to the amounts and periods that an agency may elect to be paid tax
311 increment under Subsection (4)(b), an agency may elect to be paid 100% of annual tax increment
312 for an additional period, as provided in Subsection (7)(b), beyond those periods provided under
313 Subsection (4)(b), without the approval of the taxing agency committee, if the tax increment
314 funding for the additional period is used:

315 (i) for an agency in a city in which is located all or a portion of an interchange on I-15 or
316 that would directly benefit from an interchange on I-15, to pay some or all of the cost of the
317 installation, construction, or reconstruction of:

318 (A) an interchange on I-15; or

319 (B) frontage and other roads connecting to the interchange, as determined by the
320 Department of Transportation created under Section 72-1-201 and the Transportation Commission
321 created under Section 72-1-301; or

322 (ii) for an agency in a city of the first class, to pay some or all of the cost of the land for
323 and installation and construction of a recreational facility, as defined in Subsection 59-12-702(3),
324 or a cultural facility, including parking and infrastructure improvements related to the recreational
325 or cultural facility.

326 (b) The additional period for which an agency may be paid 100% of annual tax increment
327 under Subsection (7)(a) is an additional:

328 (i) 13 years, for an agency that initially elected to be paid under Subsection (4)(b)(i)(A)(I);

329 (ii) five years, for an agency that initially elected to be paid under Subsection
330 (4)(b)(i)(A)(II);

331 (iii) ten years, for an agency that initially elected to be paid under Subsection
332 (4)(b)(i)(B)(I); and

333 (iv) one year, for an agency that initially elected to be paid under Subsection
334 (4)(b)(i)(B)(II).

335 (c) This Subsection (7) applies only to an agency established by a city in which:

336 (i) for an agency in a city in which is located all or a portion of an interchange on I-15 or
337 that would directly benefit from an interchange on I-15, the installation, construction, or
338 reconstruction of an interchange on I-15 or frontage or other roads connecting to the interchange
339 has begun on or before June 30, 2000; and

340 (ii) for an agency in a city of the first class, the installation or construction of a recreational
341 facility, as defined in Subsection 59-12-702(3), or a cultural facility has begun on or before June
342 30, 2000.

343 (d) Notwithstanding any other provision of this Subsection (7), a school district may not
344 receive less tax increment because of application of the other provisions of this Subsection (7) than
345 it would have received without those provisions.

346 Section 3. Section **17A-2-1260** is amended to read:

347 **17A-2-1260. Payment authorized for land or cost of improvements within or without**
348 **project area if of benefit to project area -- Reimbursement of costs -- Limitation on use of tax**
349 **increment.**

350 (1) (a) An agency may, with the consent of the legislative body:

351 (i) subject to Subsection (5), pay all or part of the value of the land for and the cost of the
352 installation and construction of any building, facility, structure, landscaping, or other improvement
353 which is publicly owned within the project area, upon a determination by resolution of the agency
354 and local legislative body that such buildings, facilities, structures, landscaping, or other
355 improvements are of benefit to the project area regardless of whether such improvement is within
356 another project area, or in the case of a project area in which substantially all of the land is publicly
357 owned that such improvement is of benefit to the community;

358 (ii) in first-class cities, pay all or part of the value of the land for and the cost of the
359 installation and construction of any building, facility, structure, or other improvement of a publicly
360 or privately owned convention center or sports complex, including parking and infrastructure
361 improvements related to the convention center or sports complex, either within or without the
362 project area, upon a determination by resolution of the agency and local legislative body that these
363 buildings, facilities, structures, or other improvements are of benefit to the project area regardless
364 of whether the improvement is within another project area, or in the case of a project area in which
365 substantially all of the land is publicly owned, that the improvement is of benefit to the
366 community; and

367 (iii) subject to Subsection (5) and approval by the taxing agency committee in accordance
368 with Section 17A-2-1247.5, pay all or part of the cost of the installation of utilities and access
369 which are publicly owned within or without the project area, upon a determination by resolution
370 of the agency and local legislative body that the utilities and access are of benefit to the project
371 area.

372 (b) This determination by the agency and the local legislative body shall be final and
373 conclusive as to the issue of benefit to the project area.

374 (2) When the value of such land or the cost of the installation and construction of such
375 building, facility, structure, or other improvement, or both, has been, or will be, paid or provided
376 for initially by the community or other public corporation, the agency may enter into a contract
377 with the community or other public corporation under which it agrees to reimburse the community
378 or other public corporation for all or part of the value of such land or all or part of the cost of such
379 building, facility, structure, or other improvement, or both, by periodic payments over a period of
380 years.

381 (3) The obligation of the agency under such contract shall constitute an indebtedness of
382 the agency for the purpose of carrying out the redevelopment project for such project area, which
383 indebtedness may be made payable out of tax increment under Subsection 17A-2-1247(2)(b) or
384 out of any other available funds.

385 (4) In a case where such land has been or will be acquired by, or the cost of the installation
386 and construction of such building, facility, structure, or other improvement has been paid by, a
387 parking authority, joint powers entity, or other public corporation to provide a building, facility,
388 structure, or other improvement which has been or will be leased to the community, such contract
389 may be made with, and such reimbursement may be made payable to the community.

390 (5) Tax increment financing under Sections 17A-2-1247 and 17A-2-1247.5 may not be
391 used to construct municipal buildings, courts or other judicial buildings, and fire stations.

392 (6) This section does not apply to any land, building, facility, structure, or other
393 improvement for which:

394 (a) bonds or other indebtedness of the agency have been issued or contracted;

395 (b) the purchase by the agency has been accomplished; or

396 (c) construction has commenced before April 1, 1983.

397 (7) (a) Tax increment under Sections 17A-2-1247 and 17A-2-1247.5 from one project area

398 may, in first-class cities, be used in another project area to pay all or part of the value of the land
399 for and the cost of installation and construction of any building, facility, structure, or other
400 improvement of a publicly or privately owned convention center or sports complex, including
401 parking and infrastructure improvements related to such convention center or sports complex.

402 (b) This Subsection (7) applies only to a redevelopment agency in whose project area
403 construction has begun on a building, facility, structure, or other improvement of a publicly or
404 privately owned convention center or sports complex, including parking and infrastructure
405 improvements related to such convention center or sports complex, on or before June 30, 1997.

406 (c) If tax increment allocated for use in another project area as described in Subsection
407 (7)(a) are not pledged to pay all or part of the value of the land for and the cost of the installation
408 and construction of any building, facility, structure, or other improvement described in Subsection
409 (7)(a) on or before June 30, 1997, the tax increment may no longer be allocated to or used by the
410 redevelopment agency for use in another project area, notwithstanding any other law to the
411 contrary.

412 Section 4. **Effective date.**

413 If approved by two-thirds of all the members elected to each house, this act takes effect
414 upon approval by the governor, or the day following the constitutional time limit of Utah
415 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto, the
416 date of veto override.