

1 **RECODIFICATION AND AMENDMENTS OF**
2 **REDEVELOPMENT AGENCIES STATUTES**

3 2001 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Wayne A. Harper**

6 **This act modifies Special Districts provisions by repealing, reenacting, and rewriting**
7 **statutory provisions relating to redevelopment agencies. The act modifies the procedure to**
8 **create an agency and clarifies the distinction between an agency and the community that**
9 **creates the agency. The act expands the group of agencies that qualify to use certain tax**
10 **increment funds and modifies the role of the taxing entity committee. The act modifies and**
11 **clarifies the process for adopting a project area plan and a project area budget and clarifies**
12 **the uses of tax increment. The act eliminates a restriction on the adoption of a project area**
13 **budget. The act modifies and clarifies definitions, including the definition of blight, and**
14 **clarifies the distinctions among and the requirements and other provisions applicable to**
15 **redevelopment, economic development, and education housing development. The act**
16 **streamlines the provisions relating to agency bonds. The act clarifies notice and hearing**
17 **provisions and provisions relating to owner's rights. This act takes effect June 1, 2001.**

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

19 AMENDS:

20 **9-4-704**, as last amended by Chapter 286, Laws of Utah 2000

21 **10-3-1303**, as last amended by Chapter 280, Laws of Utah 1992

22 **11-25-3**, as last amended by Chapter 30, Laws of Utah 1992

23 **11-25-5**, as last amended by Chapter 30, Laws of Utah 1992

24 **11-25-11**, as last amended by Chapter 50, Laws of Utah 1993

25 **51-2-8**, as last amended by Chapter 198, Laws of Utah 1981

26 **59-2-906.1**, as last amended by Chapters 19 and 322, Laws of Utah 1998

27 **59-2-924**, as last amended by Chapters 22, 61, 141 and 199, Laws of Utah 2000



28 ENACTS:

- 29 **17B-4-101**, Utah Code Annotated 1953
- 30 **17B-4-102**, Utah Code Annotated 1953
- 31 **17B-4-103**, Utah Code Annotated 1953
- 32 **17B-4-104**, Utah Code Annotated 1953
- 33 **17B-4-105**, Utah Code Annotated 1953
- 34 **17B-4-201**, Utah Code Annotated 1953
- 35 **17B-4-202**, Utah Code Annotated 1953
- 36 **17B-4-203**, Utah Code Annotated 1953
- 37 **17B-4-204**, Utah Code Annotated 1953
- 38 **17B-4-205**, Utah Code Annotated 1953
- 39 **17B-4-301**, Utah Code Annotated 1953
- 40 **17B-4-302**, Utah Code Annotated 1953
- 41 **17B-4-303**, Utah Code Annotated 1953
- 42 **17B-4-401**, Utah Code Annotated 1953
- 43 **17B-4-402**, Utah Code Annotated 1953
- 44 **17B-4-403**, Utah Code Annotated 1953
- 45 **17B-4-404**, Utah Code Annotated 1953
- 46 **17B-4-405**, Utah Code Annotated 1953
- 47 **17B-4-406**, Utah Code Annotated 1953
- 48 **17B-4-407**, Utah Code Annotated 1953
- 49 **17B-4-408**, Utah Code Annotated 1953
- 50 **17B-4-409**, Utah Code Annotated 1953
- 51 **17B-4-410**, Utah Code Annotated 1953
- 52 **17B-4-411**, Utah Code Annotated 1953
- 53 **17B-4-501**, Utah Code Annotated 1953
- 54 **17B-4-502**, Utah Code Annotated 1953
- 55 **17B-4-503**, Utah Code Annotated 1953
- 56 **17B-4-504**, Utah Code Annotated 1953
- 57 **17B-4-505**, Utah Code Annotated 1953
- 58 **17B-4-506**, Utah Code Annotated 1953

- 59 **17B-4-507**, Utah Code Annotated 1953
- 60 **17B-4-601**, Utah Code Annotated 1953
- 61 **17B-4-602**, Utah Code Annotated 1953
- 62 **17B-4-603**, Utah Code Annotated 1953
- 63 **17B-4-604**, Utah Code Annotated 1953
- 64 **17B-4-605**, Utah Code Annotated 1953
- 65 **17B-4-701**, Utah Code Annotated 1953
- 66 **17B-4-702**, Utah Code Annotated 1953
- 67 **17B-4-703**, Utah Code Annotated 1953
- 68 **17B-4-704**, Utah Code Annotated 1953
- 69 **17B-4-801**, Utah Code Annotated 1953
- 70 **17B-4-802**, Utah Code Annotated 1953
- 71 **17B-4-901**, Utah Code Annotated 1953
- 72 **17B-4-902**, Utah Code Annotated 1953
- 73 **17B-4-1001**, Utah Code Annotated 1953
- 74 **17B-4-1002**, Utah Code Annotated 1953
- 75 **17B-4-1003**, Utah Code Annotated 1953
- 76 **17B-4-1004**, Utah Code Annotated 1953
- 77 **17B-4-1005**, Utah Code Annotated 1953
- 78 **17B-4-1006**, Utah Code Annotated 1953
- 79 **17B-4-1007**, Utah Code Annotated 1953
- 80 **17B-4-1008**, Utah Code Annotated 1953
- 81 **17B-4-1009**, Utah Code Annotated 1953
- 82 **17B-4-1010**, Utah Code Annotated 1953
- 83 **17B-4-1011**, Utah Code Annotated 1953
- 84 **17B-4-1101**, Utah Code Annotated 1953
- 85 **17B-4-1102**, Utah Code Annotated 1953
- 86 **17B-4-1103**, Utah Code Annotated 1953
- 87 **17B-4-1104**, Utah Code Annotated 1953
- 88 **17B-4-1105**, Utah Code Annotated 1953
- 89 **17B-4-1201**, Utah Code Annotated 1953

- 90 **17B-4-1202**, Utah Code Annotated 1953
- 91 **17B-4-1203**, Utah Code Annotated 1953
- 92 **17B-4-1204**, Utah Code Annotated 1953
- 93 **17B-4-1205**, Utah Code Annotated 1953
- 94 **17B-4-1206**, Utah Code Annotated 1953
- 95 **17B-4-1207**, Utah Code Annotated 1953
- 96 **17B-4-1208**, Utah Code Annotated 1953
- 97 **17B-4-1301**, Utah Code Annotated 1953
- 98 **17B-4-1302**, Utah Code Annotated 1953
- 99 **17B-4-1303**, Utah Code Annotated 1953
- 100 **17B-4-1304**, Utah Code Annotated 1953
- 101 **17B-4-1305**, Utah Code Annotated 1953
- 102 **17B-4-1306**, Utah Code Annotated 1953
- 103 **17B-4-1401**, Utah Code Annotated 1953

104 REPEALS:

- 105 **17A-2-1201**, as last amended by Chapter 50, Laws of Utah 1993
- 106 **17A-2-1202**, as last amended by Chapter 320, Laws of Utah 1995
- 107 **17A-2-1203**, as last amended by Chapter 50, Laws of Utah 1993
- 108 **17A-2-1204**, as repealed and reenacted by Chapter 50, Laws of Utah 1993
- 109 **17A-2-1205**, as last amended by Chapter 50, Laws of Utah 1993
- 110 **17A-2-1206**, as last amended by Chapter 249, Laws of Utah 1996
- 111 **17A-2-1207**, as repealed and reenacted by Chapter 50, Laws of Utah 1993
- 112 **17A-2-1208**, as repealed and reenacted by Chapter 50, Laws of Utah 1993
- 113 **17A-2-1209**, as repealed and reenacted by Chapter 50, Laws of Utah 1993
- 114 **17A-2-1210**, as last amended by Chapter 50, Laws of Utah 1993
- 115 **17A-2-1210.5**, as enacted by Chapter 50, Laws of Utah 1993
- 116 **17A-2-1211**, as last amended by Chapter 249, Laws of Utah 1996
- 117 **17A-2-1212**, as last amended by Chapter 183, Laws of Utah 1996
- 118 **17A-2-1213**, as last amended by Chapter 249, Laws of Utah 1996
- 119 **17A-2-1214**, as last amended by Chapter 50, Laws of Utah 1993
- 120 **17A-2-1215**, as last amended by Chapter 50, Laws of Utah 1993

- 121 **17A-2-1216**, as last amended by Chapter 50, Laws of Utah 1993
- 122 **17A-2-1217**, as last amended by Chapter 50, Laws of Utah 1993
- 123 **17A-2-1218**, as last amended by Chapter 320, Laws of Utah 1995
- 124 **17A-2-1219**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 125 **17A-2-1220**, as last amended by Chapter 50, Laws of Utah 1993
- 126 **17A-2-1221**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 127 **17A-2-1222**, as last amended by Chapter 249, Laws of Utah 1996
- 128 **17A-2-1223**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 129 **17A-2-1224**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 130 **17A-2-1225**, as last amended by Chapter 249, Laws of Utah 1996
- 131 **17A-2-1226**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 132 **17A-2-1227**, as last amended by Chapter 50, Laws of Utah 1993
- 133 **17A-2-1228**, as last amended by Chapter 320, Laws of Utah 1995
- 134 **17A-2-1229**, as last amended by Chapter 80, Laws of Utah 1996
- 135 **17A-2-1230**, as last amended by Chapter 50, Laws of Utah 1993
- 136 **17A-2-1231**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 137 **17A-2-1232**, as last amended by Chapter 10, Laws of Utah 1997
- 138 **17A-2-1233**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 139 **17A-2-1234**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 140 **17A-2-1235**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 141 **17A-2-1236**, as last amended by Chapter 50, Laws of Utah 1993
- 142 **17A-2-1237**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 143 **17A-2-1238**, as last amended by Chapter 320, Laws of Utah 1995
- 144 **17A-2-1239**, as last amended by Chapter 50, Laws of Utah 1993
- 145 **17A-2-1240**, as last amended by Chapter 50, Laws of Utah 1993
- 146 **17A-2-1241**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 147 **17A-2-1242**, as last amended by Chapter 50, Laws of Utah 1993
- 148 **17A-2-1243**, as last amended by Chapter 50, Laws of Utah 1993
- 149 **17A-2-1244**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 150 **17A-2-1245**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 151 **17A-2-1246**, as renumbered and amended by Chapter 186, Laws of Utah 1990

152 **17A-2-1247**, as last amended by Chapters 21 and 194, Laws of Utah 1999
153 **17A-2-1247.5**, as last amended by Chapters 21 and 194, Laws of Utah 1999
154 **17A-2-1248**, as last amended by Chapter 50, Laws of Utah 1993
155 **17A-2-1249**, as renumbered and amended by Chapter 186, Laws of Utah 1990
156 **17A-2-1250**, as last amended by Chapter 50, Laws of Utah 1993
157 **17A-2-1250.5**, as enacted by Chapter 320, Laws of Utah 1995
158 **17A-2-1251**, as last amended by Chapter 50, Laws of Utah 1993
159 **17A-2-1252**, as last amended by Chapter 50, Laws of Utah 1993
160 **17A-2-1253**, as last amended by Chapter 50, Laws of Utah 1993
161 **17A-2-1254**, as last amended by Chapter 50, Laws of Utah 1993
162 **17A-2-1255**, as renumbered and amended by Chapter 186, Laws of Utah 1990
163 **17A-2-1256**, as last amended by Chapter 80, Laws of Utah 1996
164 **17A-2-1257**, as renumbered and amended by Chapter 186, Laws of Utah 1990
165 **17A-2-1258**, as last amended by Chapter 50, Laws of Utah 1993
166 **17A-2-1259**, as last amended by Chapter 50, Laws of Utah 1993
167 **17A-2-1260**, as last amended by Chapter 194, Laws of Utah 1999
168 **17A-2-1261**, as enacted by Chapter 50, Laws of Utah 1993
169 **17A-2-1262**, as enacted by Chapter 50, Laws of Utah 1993
170 **17A-2-1263**, as enacted by Chapter 50, Laws of Utah 1993
171 **17A-2-1264**, as enacted by Chapter 279, Laws of Utah 1998

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

173 Section 1. Section **9-4-704** is amended to read:

174 **9-4-704. Distribution of fund moneys.**

175 (1) The executive director shall:

176 (a) make grants and loans from the fund for any of the activities authorized by Section
177 9-4-705, as recommended by the board;

178 (b) establish the criteria by which loans and grants will be made; and

179 (c) determine the order in which projects will be funded.

180 (2) The executive director shall distribute any federal moneys contained in the fund

181 according to the procedures, conditions, and restrictions placed upon the use of those moneys by
182 the federal government.

183 (3) (a) The executive director shall distribute any funds received pursuant to Section
184 [~~17A-2-1264~~] 17B-4-1010 to pay the costs of providing income targeted housing within the
185 community that created the redevelopment agency under Title [~~17A~~] 17B, Chapter [~~2~~] 4, [~~Part 12,~~
186 ~~Utah Neighborhood Development~~] Redevelopment Agencies Act.

187 (b) As used in Subsection (3)(a):

188 (i) "Community" has the meaning as defined in Subsection [~~17A-2-1202(5)~~] 17B-4-102(1).

189 (ii) "Income targeted housing" has the meaning as defined in Subsection [~~17A-2-1264~~]
190 17B-4-1010(1)[~~(g)~~].

191 (4) Except federal money and money received under Section [~~17A-2-1264~~] 17B-4-1010,
192 the executive director shall distribute all other moneys from the fund according to the following
193 requirements:

194 (a) Not less than 30% of all fund moneys shall be distributed to rural areas of the state.

195 (b) At least 50% of the moneys in the fund shall be distributed as loans to be repaid to the
196 fund by the entity receiving them.

197 (i) (A) Of the fund moneys distributed as loans, at least 50% shall be distributed to benefit
198 persons whose annual income is at or below 50% of the median family income for the state.

199 (B) The remaining loan moneys shall be distributed to benefit persons whose annual
200 income is at or below 80% of the median family income for the state.

201 (ii) The executive director or his designee shall lend moneys in accordance with this
202 Subsection (4) at a rate based upon the borrower's ability to pay.

203 (c) Any fund moneys not distributed as loans shall be distributed as grants.

204 (i) At least 90% of the fund moneys distributed as grants shall be distributed to benefit
205 persons whose annual income is at or below 50% of the median family income for the state.

206 (ii) The remaining fund moneys distributed as grants may be used by the executive director
207 to obtain federal matching funds or for other uses consistent with the intent of this part, including
208 the payment of reasonable loan servicing costs, but no more than 3% of the revenues of the fund
209 may be used to offset other department or board administrative expenses.

210 (5) The executive director may:

211 (a) enact rules to establish procedures for the grant and loan process by following the
212 procedures and requirements of Title 63, Chapter 46a, Utah Administrative Rulemaking Act; and

213 (b) service or contract, pursuant to Title 63, Chapter 56, Utah Procurement Code, for the

214 servicing of loans made by the fund.

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

216 **10-3-1303. Definitions.**

217 As used in this part:

218 (1) "Appointed officer" means any person appointed to any statutory office or position or
219 any other person appointed to any position of employment with a city or with a redevelopment
220 agency under Title 17B, Chapter 3, Redevelopment Agencies Act. Appointed officers include, but
221 are not limited to, persons serving on special, regular, or full-time committees, agencies, or boards
222 whether or not such persons are compensated for their services. The use of the word "officer" in
223 this part is not intended to make appointed persons or employees "officers" of the municipality.

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

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

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

234 (5) "Elected officer" means any person elected or appointed to the office of mayor,
235 commissioner, or council member.

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

238 (7) "Municipal employee" means a person who is not an elected or appointed officer who
239 is employed on a full or part-time basis by a municipality or by a redevelopment agency under Title
240 17B, Chapter 3, Redevelopment Agencies Act.

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

244 (9) "Substantial interest" means the ownership, either legally or equitably, by an

245 individual, his spouse, or his minor children, of at least 10% of the outstanding shares of a
246 corporation or 10% interest in any other business entity.

247 Section 3. Section **11-25-3** is amended to read:

248 **11-25-3. Definitions.**

249 As used in this act:

250 (1) "Bonds" mean any bonds, notes, interim certificates, debentures, or other obligations
251 issued by an agency pursuant to this part and which are payable exclusively from the revenues, as
252 defined in Subsection (9), and from any other funds specified in this part upon which the bonds
253 may be made a charge and from which they are payable.

254 (2) "Citizen participation" means action by the agency to provide persons who will be
255 affected by residential rehabilitation financed under the provisions of this part with opportunities
256 to be involved in planning and carrying out the residential rehabilitation program. "Citizen
257 participation" shall include, but not be limited to, all of the following:

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

259 (b) Consultation with representatives of owners of property in, and residents of, a
260 residential rehabilitation area, in developing plans for public improvements and implementation
261 of the residential rehabilitation program.

262 (c) Dissemination of information relating to the time and location of meetings, boundaries
263 of the proposed residential rehabilitation area, and a general description of the proposed residential
264 rehabilitation program.

265 Public meetings and consultations shall be conducted by an official designated by the
266 agency. Public meetings shall be held at times and places convenient to residents and property
267 owners.

268 (3) "Financing" means the lending of moneys or any other thing of value for the purpose
269 of residential rehabilitation.

270 (4) "Agency" means a redevelopment agency functioning pursuant to ~~[Section~~
271 ~~17A-2-1203]~~ Title 17B, Chapter 4, Redevelopment Agencies Act.

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

276 this part.

277 (6) "Residential rehabilitation" means the construction, reconstruction, renovation,
278 replacement, extension, repair, betterment, equipping, developing, embellishing, or otherwise
279 improving residences consistent with standards of strength, effectiveness, fire resistance,
280 durability, and safety, so that the structures are satisfactory and safe to occupy for residential
281 purposes and are not conducive to ill health, transmission of disease, infant mortality, juvenile
282 delinquency, or crime because of any one or more of the following factors:

283 (a) defective design and character of physical construction;

284 (b) faulty interior arrangement and exterior spacing;

285 (c) high density of population and overcrowding;

286 (d) inadequate provision for ventilation, light, sanitation, open spaces, and recreation
287 facilities;

288 (e) age, obsolescence, deterioration, dilapidation, mixed character, or shifting of uses; and

289 (f) economic dislocation, deterioration, or disuse, resulting from faulty planning.

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

293 (8) "Rehabilitation standards" mean the applicable local or state standards for the
294 rehabilitation of buildings located in residential rehabilitation areas, including any higher standards
295 adopted by the agency as part of its residential rehabilitation financing program.

296 (9) "Revenues" mean all amounts received as repayment of principal, interest, and all other
297 charges received for, and all other income and receipts derived by, the agency from the financing
298 of residential rehabilitation, including moneys deposited in a sinking, redemption, or reserve fund
299 or other fund to secure the bonds or to provide for the payment of the principal of, or interest on,
300 the bonds and such other moneys as the legislative body may, in its discretion, make available
301 therefor.

302 (10) "Residential rehabilitation area" means the geographical area designated by the
303 agency as one for inclusion in a comprehensive residential rehabilitation financing program
304 pursuant to the provisions of this act.

305 Section 4. Section **11-25-5** is amended to read:

306 **11-25-5. Bonds or notes -- Issuance -- Purposes -- Payment -- Maturity of bond**

307 **anticipation notes.**

308 An agency may, from time to time, issue its negotiable bonds or notes for the purpose of
309 financing residential rehabilitation as authorized by this act and for the purpose of funding or
310 refunding these bonds or notes in the same manner as it may issue other bonds or notes as provided
311 in [~~Sections 17A-2-1231 through 17A-2-1237 and Sections 17A-2-1243 through 17A-2-1246~~]
312 Title 17B, Chapter 4, Part 12, Bonds. Every issue of its bonds shall be a special obligation of the
313 agency payable from all or any part of the revenues specified in the act or funds legally received
314 by the agency. In anticipation of the sale of the bonds, the agency may issue negotiable bond
315 anticipation notes in accordance with Section 11-14-19.5, and may renew such notes from time
316 to time. Bond anticipation notes may be paid from the proceeds of sale of the bonds of the agency
317 in anticipation of which they were issued. Bond anticipation notes and agreements relating thereto
318 and the resolution or resolutions authorizing the notes and agreements may obtain any provisions,
319 conditions, or limitations which a bond, agreement relating thereto, or bond resolution of the
320 agency may contain except that any note or renewal thereof shall mature at a time not later than
321 five years from the date of the issuance of the original note.

322 Section 5. Section **11-25-11** is amended to read:

323 **11-25-11. Comprehensive financing program ordinance -- Contents.**

324 Prior to the issuance of any bonds or bond anticipation notes of the agency for residential
325 rehabilitation, the agency shall by ordinance adopt a comprehensive residential rehabilitation
326 financing program, including:

327 (1) Criteria for selection of residential rehabilitation areas by the agency including findings
328 by the agency that:

329 (a) There are a substantial number of deteriorating structures in the area which do not
330 conform to community standards for decent, safe, sanitary housing.

331 (b) Financial assistance from the agency for residential rehabilitation is necessary to arrest
332 the deterioration of the area.

333 (c) Financing of residential rehabilitation in the area is economically feasible. These
334 findings are not required, however, when the residential rehabilitation area is located within the
335 boundaries of a project area covered by a project area redevelopment plan adopted in accordance
336 with Section [~~17A-2-1226~~] 17B-4-408.

337 (2) Procedures for selection of residential rehabilitation areas by the agency including:

338 (a) Provisions for citizen participation in selection of residential rehabilitation areas.

339 (b) Provisions for a public hearing by the agency prior to selection of any particular
340 residential rehabilitation area.

341 (3) A commitment that rehabilitation standards will be enforced on each residence for
342 which financing is provided.

343 (4) Guidelines for financing residential rehabilitation which shall be subject to the
344 following limitations:

345 (a) Outstanding loans on the property to be rehabilitated including the amount of the loans
346 for rehabilitation, shall not exceed 80% of the anticipated after-rehabilitation value of the property
347 to be rehabilitated, except that the agency may authorize loans of up to 95% of the anticipated
348 after-rehabilitation value of the property if loans are made for the purpose of rehabilitating the
349 property for residential purposes, there is demonstrated need for such higher limit, and there is a
350 high probability that the value of the property will not be impaired during the term of the loan.

351 (b) The maximum repayment period for residential rehabilitation loans shall be 20 years
352 or 3/4 of the economic life of the property, whichever is less.

353 (c) The maximum amount loan for rehabilitation for each dwelling unit and for each
354 commercial unit which is, or is part of a "residence" as defined in this chapter, shall be established
355 by resolution of the agency.

356 Section 6. Section **17B-4-101** is enacted to read:

357 **CHAPTER 3. RESERVED**

358 **CHAPTER 4. REDEVELOPMENT AGENCIES ACT**

359 **Part 1. General Provisions**

360 **17B-4-101. Title.**

361 This chapter is known as the "Redevelopment Agencies Act."

362 Section 7. Section **17B-4-102** is enacted to read:

363 **17B-4-102. Definitions.**

364 (1) "Agency" means a separate body corporate and politic, created under Section
365 17B-4-201, that is a political subdivision of the state, that is created to undertake or promote
366 redevelopment, economic development, or education housing development, or any combination
367 of them, as provided in this chapter, and whose geographic boundaries are coterminous with:

368 (a) for an agency created by a county, the unincorporated area of the county; and

- 369 (b) for an agency created by a city or town, the boundaries of the city or town.
- 370 (2) "Assessment property owner" or "assessment owner of property" means the owner of
371 real property as shown on the assessment roll of the county in which the property is located,
372 equalized as of the previous November 1.
- 373 (3) "Assessment roll" has the meaning as defined in Section 59-2-102.
- 374 (4) "Base taxable value" means the taxable value of the property within a project area from
375 which tax increment will be collected, as shown upon the assessment roll last equalized before:
- 376 (a) for a pre-July 1, 1993 project area plan, the effective date of the project area plan; or
377 (b) for a post-June 30, 1993 project area plan:
- 378 (i) the date of the taxing entity committee's approval of the first project area budget; or
379 (ii) if no taxing entity committee approval is required for the project area budget, the later
380 of:
- 381 (A) the date the project area plan is adopted by the community legislative body; and
382 (B) the date the agency adopts the first project area budget.
- 383 (5) "Blight" or "blighted" means the condition of an area that meets the requirements of
384 Subsection 17B-4-604(1).
- 385 (6) "Blight hearing" means a public hearing under Subsection 17B-4-601(3) and Section
386 17B-4-603 regarding the existence or nonexistence of blight within the proposed redevelopment
387 project area.
- 388 (7) "Blight study" means a study to determine the existence or nonexistence of blight
389 within a survey area as provided in Section 17B-4-602.
- 390 (8) "Board" means the governing body of an agency, as provided in Section 17B-4-203.
- 391 (9) "Budget hearing" means the public hearing on a draft project area budget required
392 under Subsection 17B-4-501(2)(e).
- 393 (10) "Community" means a county, city, or town.
- 394 (11) "Economic development" means to promote the creation or retention of public or
395 private jobs within the state through:
- 396 (a) planning, design, development, construction, rehabilitation, business relocation, or any
397 combination of these, within part or all of a project area; and
- 398 (b) the provision of office, industrial, manufacturing, warehousing, distribution, parking,
399 public, or other facilities, or other improvements that benefit the state or a community.

400 (12) "Education housing development" means the provision of high density housing within
401 a project area that is adjacent to a public or private institution of higher education.

402 (13) "Plan hearing" means the public hearing on a draft project area plan required under
403 Subsection 17B-4-402(1)(e).

404 (14) "Post-June 30, 1993 project area plan" means a redevelopment, economic
405 development, or education housing development project area plan adopted on or after July 1, 1993,
406 whether or not amended subsequent to its adoption.

407 (15) "Pre-July 1, 1993 project area plan" means a redevelopment project area plan adopted
408 before July 1, 1993, whether or not amended subsequent to its adoption.

409 (16) "Private," with respect to real property, means:

410 (a) not owned by the United States or any agency of the federal government, a public
411 entity, or any other governmental entity; and

412 (b) not dedicated to public use.

413 (17) "Project area" means the geographic area described in a project area plan or draft
414 project area plan where the redevelopment, economic development, or education housing
415 development set forth in the project area plan or draft project area plan takes place or is proposed
416 to take place.

417 (18) "Project area budget" means a multi-year projection of annual or cumulative revenues
418 and expenses and other fiscal matters pertaining to a redevelopment, economic development, or
419 education housing development project area that includes:

420 (a) the base taxable value of property in the project area;

421 (b) the projected tax increment expected to be generated within the project area;

422 (c) the amount of tax increment expected to be shared with other taxing entities;

423 (d) the amount of tax increment expected to be used to implement the project area plan,
424 including the estimated amount of tax increment to be used for land acquisition, public
425 improvements, infrastructure improvements, and loans, grants, or other incentives to private and
426 public entities;

427 (e) the tax increment expected to be used to cover the cost of administering the project area
428 plan;

429 (f) if the area from which tax increment is to be collected is less than the entire project
430 area, a legal description of the portion of the project area from which tax increment will be

431 collected; and

432 (g) for property that the agency owns and expects to sell, the expected total cost of the
433 property to the agency and the expected selling price.

434 (19) "Project area plan" means a written plan under Part 4, Project Area Plan, that, after
435 its effective date, guides and controls the redevelopment, economic development, or education
436 housing development activities within the project area.

437 (20) "Property tax" includes privilege tax and each levy on an ad valorem basis on tangible
438 or intangible personal or real property.

439 (21) "Public entity" means:

440 (a) the state, including any of its departments or agencies; or

441 (b) a political subdivision of the state, including a county, city, town, school district,
442 special district, local district, or interlocal cooperation entity.

443 (22) "Public input hearing" means the public hearing required under Subsection
444 17B-4-402(1)(h)(ii) regarding a proposed redevelopment project.

445 (23) "Record property owner" or "record owner of property" means the owner of real
446 property as shown on the records of the recorder of the county in which the property is located.

447 (24) "Redevelopment" means the development activities under a project area plan within
448 a redevelopment project area, including:

449 (a) planning, design, development, demolition, clearance, construction, rehabilitation, or
450 any combination of these, of part or all of a project area;

451 (b) the provision of residential, commercial, industrial, public, or other structures or
452 spaces, including recreational and other facilities incidental or appurtenant to them;

453 (c) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating, or any
454 combination of these, existing structures in a project area;

455 (d) providing open space, including streets and other public grounds and space around
456 buildings;

457 (e) providing public or private buildings, infrastructure, structures, and improvements; and

458 (f) providing improvements of public or private recreation areas and other public grounds.

459 (25) "Survey area" means an area designated by a survey area resolution for study to
460 determine whether one or more redevelopment projects within the area are feasible.

461 (26) "Survey area resolution" means a resolution adopted by the agency board under

462 Section 17B-4-401(1)(a) designating a survey area.

463 (27) (a) "Tax increment" means, except as provided in Subsection (27)(b), the difference
464 between:

465 (i) the amount of property tax revenues generated each tax year by all taxing entities from
466 the area within a project area designated in the project area plan as the area from which tax
467 increment is to be collected, using the current assessed value of the property; and

468 (ii) the amount of property tax revenues that would be generated from that same area using
469 the base taxable value of the property.

470 (b) "Tax increment" does not include taxes levied and collected under Section 59-2-906.1
471 on or after January 1, 1994 upon the taxable property in the project area unless:

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

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

476 (28) "Taxing entity" means a public entity that levies a tax on property within a project
477 area or proposed project area.

478 (29) "Taxing entity committee" means a committee representing the interests of taxing
479 entities, created as provided in Section 17B-4-1002.

480 (30) "Trust fund board" means the Olene Walker Housing Trust Fund Board, established
481 under Title 9, Chapter 4, Part 7, Olene Walker Housing Trust Fund.

482 Section 8. Section **17B-4-103** is enacted to read:

483 **17B-4-103. Public entities may assist with redevelopment, economic development, or**
484 **education housing development project.**

485 (1) In order to assist and cooperate in the planning, undertaking, construction, or operation
486 of a redevelopment, economic development, or education housing development project located
487 within the area in which it is authorized to act, a public entity may:

488 (a) (i) cause to be furnished adjacent to or in connection with a redevelopment, economic
489 development, or education housing development project:

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

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

492 (C) any other works which the public entity is otherwise empowered to undertake;

493 (ii) furnish, dedicate, close, vacate, pave, install, grade, regrade, plan, or replan streets,
494 roads, roadways, alleys, sidewalks, or other places over which it has authority;

495 (iii) plan or replan, zone or rezone any part of a project area and make any legal exceptions
496 from building regulations and ordinances;

497 (iv) purchase or legally invest in any of the bonds of an agency and exercise all of the
498 rights of any holder of the bonds;

499 (v) enter into an agreement with another public entity concerning action to be taken
500 pursuant to any of the powers granted in this chapter; and

501 (vi) do any and all things necessary to aid or cooperate in the planning or carrying out of
502 a redevelopment, economic development, or education housing development project; and

503 (b) after 15 days public notice:

504 (i) (A) in accordance with the project area plan:

505 (I) purchase or otherwise acquire property or lease property from an agency; or

506 (II) sell, grant, convey, or otherwise dispose of the public entity's property or lease the
507 public entity's property to an agency; and

508 (B) in connection with the project area plan, become obligated to the extent authorized and
509 funds have been made available to make required improvements or construct required structures;
510 and

511 (ii) lend, grant, or contribute funds to an agency for a redevelopment, economic
512 development, or education housing development project.

513 (2) Notwithstanding any law to the contrary, an agreement under Subsection (1)(a)(v) may
514 extend over any period.

515 Section 9. Section **17B-4-104** is enacted to read:

516 **17B-4-104. Agency funds to be accounted for separately from community funds.**

517 Agency funds shall be accounted for separately from the funds of the community that
518 created the agency.

519 Section 10. Section **17B-4-105** is enacted to read:

520 **17B-4-105. Limitations on applicability of chapter -- Amendment of previously**
521 **adopted project area plan.**

522 (1) Nothing in this chapter may be construed to:

523 (a) impose a requirement or obligation on an agency with respect to a project area plan

524 adopted or an agency action taken before June 1, 2001 that was not imposed by the law in effect
525 at the time the project area plan was adopted or the action taken;

526 (b) prohibit an agency from taking an action on or after June 1, 2001 that:

527 (i) was allowed by the law in effect immediately before June 1, 2001;

528 (ii) is permitted or required under the project area plan adopted before June 1, 2001; and

529 (iii) is not explicitly prohibited under this chapter;

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

531 (d) require a project area plan adopted before June 1, 2001 to contain a provision that was

532 not required by the law in effect at the time the project area plan was adopted.

533 (2) (a) A project area plan adopted before June 1, 2001 may be amended as provided in
534 this chapter.

535 (b) Unless explicitly prohibited by this chapter, an amendment under Subsection (2)(a)
536 may include a provision that is allowed under this chapter but that was not required or allowed by
537 the law in effect before June 1, 2001.

538 Section 11. Section **17B-4-201** is enacted to read:

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

540 **17B-4-201. Creation of agency -- Certification of incorporation -- Notice of creation.**

541 (1) Subject to Subsection (2), a community may, by ordinance adopted by its legislative
542 body, create an agency.

543 (2) (a) Within ten days after adopting a resolution under Subsection (1), the community
544 legislative body shall cause a notice of the adoption of the resolution, with a copy of the resolution,
545 to be filed with the lieutenant governor.

546 (b) Within ten days after receiving the notice under Subsection (2)(a), the lieutenant
547 governor shall issue a certificate of incorporation for the agency and send a copy of the certificate
548 to the community legislative body.

549 (c) Upon the lieutenant governor's issuance of the certificate of incorporation, the agency
550 is created and incorporated.

551 (3) Within 20 days after the issuance of the certificate of incorporation, the agency shall
552 cause a notice of the agency's creation and incorporation, with a copy of the certificate of
553 incorporation attached, to be filed the State Tax Commission and the state auditor.

554 Section 12. Section **17B-4-202** is enacted to read:

555 17B-4-202. Agency powers.

556 (1) An agency may:

557 (a) sue and be sued;

558 (b) enter into contracts generally;

559 (c) buy, obtain an option upon, or otherwise acquire any interest in real or personal
560 property, including acquiring property by eminent domain as provided in this chapter;

561 (d) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real or
562 personal property;

563 (e) enter into a lease agreement on real or personal property, either as lessee or lessor;

564 (f) provide for redevelopment, economic development, and education housing

565 development as provided in this chapter;

566 (g) receive tax increment as provided in this chapter;

567 (h) encourage the continued use of existing buildings in the project area;

568 (i) if disposing of or leasing land, retain controls or establish restrictions and covenants
569 running with the land consistent with the project area plan;

570 (j) accept financial or other assistance from any public or private source for the agency's
571 activities, powers, and duties, and expend any funds so received for any of the purposes of this
572 chapter;

573 (k) borrow money or accept financial or other assistance from the federal government, a
574 public entity, or any other source for any of the purposes of this chapter and comply with any
575 conditions of such loan or assistance; and

576 (l) issue bonds to finance the undertaking of any redevelopment, economic development,
577 or education housing development or for any of the agency's other purposes, including:

578 (i) reimbursing an advance made by the agency or by a public entity or the federal
579 government to the agency;

580 (ii) refunding bonds to pay or retire bonds previously issued by the agency; and

581 (iii) refunding bonds to pay or retire bonds previously issued by the community that
582 created the agency for expenses associated with a redevelopment, economic development, or
583 education housing development project; and

584 (m) transact other business and exercise all other powers provided for in this chapter.

585 (2) The establishment of controls or restrictions and covenants under Subsection (1)(i) is

586 a public purpose.

587 Section 13. Section **17B-4-203** is enacted to read:

588 **17B-4-203. Agency board -- Quorum.**

589 (1) The governing body of an agency is a board consisting of the current members of the
590 legislative body of the community that created the agency.

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

593 (3) An agency board may not adopt a resolution, pass a motion, or take any other official
594 board action without the concurrence of at least a majority of the board members present at a
595 meeting at which a quorum is present.

596 Section 14. Section **17B-4-204** is enacted to read:

597 **17B-4-204. Redevelopment, economic development, or education housing**
598 **development by an adjoining agency -- Requirements.**

599 (1) An agency may, by resolution of its board, authorize another agency to conduct
600 redevelopment, economic development, or education housing development activities in a project
601 area within the authorizing agency's boundaries if the project area is contiguous to the boundaries
602 of the other agency.

603 (2) If an agency board adopts a resolution under Subsection (1) authorizing another agency
604 to undertake redevelopment, economic development, or education housing development activities
605 in the authorizing agency's project area:

606 (a) the other agency may act in all respects as if the project area were within its own
607 boundaries;

608 (b) the board of the other agency has all the rights, powers, and privileges with respect to
609 the project area as if it were within its own boundaries; and

610 (c) the other agency may be paid tax increment funds to the same extent as if the project
611 area were within its own boundaries.

612 (3) Each project area plan approved by the other agency for the project area that is the
613 subject of a resolution under Subsection (1) shall be:

614 (a) reviewed by the planning commission of the community in which the project area is
615 located; and

616 (b) adopted by ordinance of the legislative body of the community in which the project

617 area is located.

618 Section 15. Section **17B-4-205** is enacted to read:

619 **17B-4-205. Change of project area from one community to another.**

620 (1) For purposes of this section:

621 (a) "New agency" means the agency created by the new community.

622 (b) "New community" means the community in which the relocated project area is located
623 after the change in community boundaries takes place.

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

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

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

630 (i) a county or municipal annexation;

631 (ii) the creation of a new county;

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

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

634 (2) If a project area under a project area plan adopted by a community becomes relocated,
635 the project area shall, for purposes of this chapter, be considered to remain in the original
636 community until:

637 (a) the new community has created an agency;

638 (b) the original agency has transferred or assigned to the new agency the original agency's
639 real property, rights, indebtedness, obligations, tax increment, and other assets and liabilities
640 related to the relocated project area; and

641 (c) the new agency by resolution approves the original agency's project area plan as the
642 project area plan of the new agency; and

643 (d) the new community by ordinance adopts the project area plan that was approved by the
644 new agency.

645 Section 16. Section **17B-4-301** is enacted to read:

646 **Part 3. Agency Property**

647 **17B-4-301. Agency property exempt from taxation -- Exception.**

648 (1) Agency property acquired or held for purposes of this chapter is declared to be public
649 property used for essential public and governmental purposes and, subject to Subsection (2), is
650 exempt from all taxes of a public entity.

651 (2) The exemption in Subsection (1) does not apply to property that the agency leases to
652 a lessee that is not entitled to a tax exemption with respect to the property.

653 Section 17. Section **17B-4-302** is enacted to read:

654 **17B-4-302. Agency property exempt from levy and execution sale -- Judgment against**
655 **community or agency.**

656 (1) All agency property, including funds the agency owns or holds for purposes of this
657 chapter, are exempt from levy and execution sale, and no execution or judicial process may issue
658 against agency property.

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

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

663 Section 18. Section **17B-4-303** is enacted to read:

664 **17B-4-303. Summary of sale or other disposition of agency property -- Publication**
665 **of summary.**

666 (1) Upon the agency's sale, conveyance, grant, or other disposition of real property, the
667 agency shall prepare a summary of the material provisions of the disposition.

668 (2) Each summary under Subsection (1) shall be a matter of public record.

669 (3) The agency shall publish each summary under Subsection (1) at least once in a
670 newspaper of general circulation in the agency's boundaries no later than one month after the
671 disposition is concluded.

672 Section 19. Section **17B-4-401** is enacted to read:

673 **Part 4. Project Area Plan**

674 **17B-4-401. Resolution designating survey area or authorizing the preparation of a**
675 **draft project area plan -- Request to adopt resolution.**

676 (1) An agency board may begin the process of adopting a project area plan by adopting a
677 resolution that:

678 (a) for a proposed redevelopment project area plan:

- 679 (i) designates an area located within the agency's boundaries as a survey area;
680 (ii) contains a statement that the survey area requires study to determine whether:
681 (A) one or more redevelopment projects within the survey area are feasible; and
682 (B) blight exists within the survey area; and
683 (iii) contains a description or map of the boundaries of the survey area; or
684 (b) for a proposed economic development or education housing development project area
685 plan, authorizes the preparation of a draft project area plan.
- 686 (2) (a) Any person or any group, association, corporation, or other entity may submit a
687 written request to the board to adopt a resolution under Subsection (1).
- 688 (b) A request under Subsection (2)(a) may include plans showing the redevelopment,
689 economic development, or education housing development proposed for an area within the
690 agency's boundaries.
- 691 (c) The board may, in its sole discretion, grant or deny a request under Subsection (2)(a).
692 Section 20. Section 17B-4-402 is enacted to read:
- 693 **17B-4-402. Process for adopting project area plan -- Prerequisites -- Restrictions.**
- 694 (1) In order to adopt a project area plan, after adopting a resolution under Subsection
695 17B-4-401(1) the agency shall:
- 696 (a) prepare a draft of a project area plan and conduct any examination, investigation, and
697 negotiation regarding the project area plan that the agency considers appropriate;
- 698 (b) request input on the draft project area plan from the planning commission of the
699 community in which the proposed project area is located;
- 700 (c) make the draft project area plan available to the public at the agency's offices during
701 normal business hours;
- 702 (d) provide notice of the plan hearing as provided in Sections 17B-4-702 and 17B-4-704;
- 703 (e) hold a public hearing on the draft project area plan and, at that public hearing:
- 704 (i) allow public comment on:
- 705 (A) the draft project area plan; and
- 706 (B) whether the draft project area plan should be revised, approved, or rejected; and
- 707 (ii) receive all written and hear all oral objections to the draft project area plan;
- 708 (f) before holding the plan hearing, provide an opportunity for the State Board of
709 Education and each taxing entity that levies a tax on property within the proposed project area to

710 consult with the agency regarding the draft project area plan;
711 (g) if applicable, hold the election required under Subsection 17B-4-406(3);
712 (h) for a redevelopment project area plan;
713 (i) comply with the requirements of Part 6, Blight Determination;
714 (ii) before providing notice of the plan hearing, hold at least one public hearing to:
715 (A) inform the public about each area being considered for a redevelopment project area;
716 and
717 (B) allow public input into agency deliberations on proposing each redevelopment project
718 area;
719 (iii) select one or more project areas comprising part or all of the survey area; and
720 (iv) before sending the first notice to assessment owners of property for a public input
721 hearing, blight hearing, or combined public input and blight hearing, prepare and adopt guidelines
722 setting forth and governing the reasonable opportunities of record property owners and tenants to
723 participate in the redevelopment;
724 (i) after holding the plan hearing, at the same meeting or at a subsequent meeting consider:
725 (i) the oral and written objections to the draft project area plan and evidence and testimony
726 for or against adoption of the draft project area plan; and
727 (ii) whether to revise, approve, or reject the draft project area plan;
728 (j) approve the draft project area plan, with or without revisions, as the project area plan
729 by a resolution that complies with Section 17B-4-407; and
730 (k) submit the project area plan to the community legislative body for adoption.
731 (2) An agency may not propose a project area plan under Subsection (1) unless the
732 community in which the proposed project area is located:
733 (a) has a planning commission; and
734 (b) has adopted a general plan under:
735 (i) if the community is a city or town, Title 10, Chapter 9, Part 3, General Plan; or
736 (ii) if the community is a county, Title 17, Chapter 27, Part 3, General Plan.
737 (3) (a) Subject to Subsection (3)(b), an agency board may not approve a project area plan
738 more than one year after:
739 (i) for a redevelopment project area plan involving the use of eminent domain, adoption
740 of a resolution making a finding of blight under Subsection 17B-4-601(4)(b); or

741 (ii) for an economic development or education housing development project area plan, the
742 date of the plan hearing.

743 (b) If a project area plan is submitted to an election under Subsection 17B-4-406(3), the
744 time between the plan hearing and the date of the election does not count for purposes of
745 calculating the year period under Subsection (3)(a).

746 (4) (a) Except as provided in Subsection (4)(b), a draft project area plan may not be
747 modified to add real property to the proposed project area unless the board holds an additional plan
748 hearing to consider the addition and gives notice of the additional plan hearing as required under
749 Sections 17B-4-702 and 17B-4-704.

750 (b) The notice and hearing requirements under Subsection (4)(a) do not apply to a draft
751 project area plan being modified to add real property to the proposed project area if:

752 (i) the property is:

753 (A) located within the survey area; and

754 (B) contiguous to the property already included in the proposed project area under the draft
755 project area plan; and

756 (ii) the record owner of the property consents to adding the real property to the proposed
757 project area.

758 Section 21. Section **17B-4-403** is enacted to read:

759 **17B-4-403. Project area plan requirements.**

760 (1) Each project area plan and draft project area plan shall:

761 (a) describe the boundaries of the project area;

762 (b) contain a general statement of the land uses, layout of principal streets, population
763 densities, and building intensities of the project area and how they will be affected by the
764 redevelopment, economic development, or education housing development;

765 (c) state the standards that will guide the redevelopment, economic development, or
766 education housing development;

767 (d) show how the purposes of this chapter will be attained by the redevelopment, economic
768 development, or education housing development;

769 (e) be consistent with the general plan of the community in which the project area is
770 located and show that the redevelopment, economic development, or education housing
771 development will conform to the community's general plan;

- 772 (f) if the agency board made a finding of blight under Subsection 17B-4-601(4)(b):
773 (i) describe how the redevelopment will reduce or eliminate blight in the project area;
774 (ii) provide record owners of property located within the redevelopment project area and
775 their tenants reasonable opportunities to participate in the redevelopment if the record property
776 owner or tenant enters into a participation agreement with the agency; and
777 (iii) state that the agency has adopted or will adopt guidelines setting forth and governing
778 the opportunities of record property owners and tenants to participate in the redevelopment, as
779 required by Subsection 17B-4-402(1)(h)(iv);
780 (g) if the project area plan is for economic development, describe how the economic
781 development will create additional jobs;
782 (h) if the project area plan is for education housing development, describe how the
783 education housing development will meet the needs of the community in which the project area
784 is located;
785 (i) describe any specific project or projects that are the object of the proposed
786 redevelopment, economic development, or education housing development;
787 (j) identify how private developers, if any, will be selected to undertake the redevelopment,
788 economic development, or education housing development and identify each private developer
789 currently involved in the redevelopment, economic development, or education housing
790 development process;
791 (k) contain a time limit of no more than three years after adoption of the project area plan
792 for the agency to commence implementation of the project area plan, unless the project area plan
793 is adopted again as if it were an amended project area plan under Section 17B-4-411;
794 (l) if the project area plan authorizes the use of eminent domain, contain a time limit of
795 no more than five years after the effective date of the project area plan for the agency to commence
796 acquisition of property through the use of eminent domain;
797 (m) if the project area plan provides for tax increment to be paid to the agency:
798 (i) contain a time limit of no more than 25 years after adoption of the project area plan for
799 tax increment to be paid to the agency unless the taxing entity committee consents to a longer
800 period; and
801 (ii) contain a provision that the project area may not exceed 100 acres of private real
802 property unless the agency obtains the consent of the taxing entity committee;

- 803 (n) state the reasons for the selection of the project area;
- 804 (o) describe the physical, social, and economic conditions existing in the project area;
- 805 (p) provide a financial analysis describing the proposed method of financing the proposed
806 redevelopment, economic development, or education housing development;
- 807 (q) describe any tax incentives offered private entities for facilities located in the project
808 area;
- 809 (r) include a plan for the relocation of any families and persons who will be temporarily
810 or permanently displaced from housing facilities in the project area;
- 811 (s) contain the report and state any recommendations of the community's planning
812 commission;
- 813 (t) include an analysis, as provided in Subsection (2), of whether adoption of the project
814 area plan is:
- 815 (i) for a redevelopment project area plan, necessary and appropriate to reduce or eliminate
816 blight; or
- 817 (ii) for an economic development or education housing development project area plan,
818 beneficial under a benefit analysis;
- 819 (u) if any of the existing buildings or uses in the project area are included in or eligible for
820 inclusion in the National Register of Historic Places or the State Register, state that the agency
821 shall comply with Subsection 9-8-404(1) as though the agency were a state agency; and
- 822 (v) include other information that the agency determines to be necessary or advisable.
- 823 (2) Each analysis under Subsection (1)(t) shall consider:
- 824 (a) the benefit of any financial assistance or other public subsidy proposed to be provided
825 by the agency, including:
- 826 (i) an evaluation of the reasonableness of the costs of redevelopment, economic
827 development, or education housing development;
- 828 (ii) efforts the agency has made or will make to maximize private investment;
- 829 (iii) the rationale for use of tax increment, including an analysis of whether the proposed
830 development might reasonably be expected to occur in the foreseeable future solely through private
831 investment; and
- 832 (iv) an estimate of the total amount of tax increment that will be expended in undertaking
833 redevelopment, economic development, or education housing development and the length of time

834 for which it will be expended; and

835 (b) the anticipated public benefit to be derived from the redevelopment, economic

836 development, or education housing development, including:

837 (i) the beneficial influences upon the tax base of the community;

838 (ii) in the case of economic development or education housing development, the associated
839 business and economic activity likely to be stimulated; and

840 (iii) in the case of economic development, the number of jobs or employment anticipated
841 to be generated or preserved.

842 Section 22. Section **17B-4-404** is enacted to read:

843 **17B-4-404. Limit on size of project area in certain project area plans.**

844 A project area under a project area plan that provides for tax increment funds to be paid to
845 the agency may not exceed 100 acres of private real property unless the agency obtains the consent
846 of the taxing entity committee.

847 Section 23. Section **17B-4-405** is enacted to read:

848 **17B-4-405. Existing and historic buildings and uses.**

849 If any of the existing buildings or uses in a project area are included in or eligible for
850 inclusion in the National Register of Historic Places or the State Register, the agency board shall
851 comply with Subsection 9-8-404(1) as though the agency were a state agency.

852 Section 24. Section **17B-4-406** is enacted to read:

853 **17B-4-406. Objections to project area plan -- Owners' alternative project area plan**
854 **-- Election if 40% of property owners object.**

855 (1) At any time before the plan hearing or, if applicable, the additional plan hearing under
856 Subsection 17B-4-402(4)(a), any person may file with the agency a written statement of objections
857 to the draft project area plan.

858 (2) If the record owners of property of a majority of the private real property included
859 within the proposed project area file a written petition before or at the plan hearing or, if
860 applicable, the additional plan hearing under Subsection 17B-4-402(4)(a), proposing an alternative
861 project area plan, the agency shall consider that proposed plan in conjunction with the project area
862 plan proposed by the agency.

863 (3) (a) If the record property owners of at least 40% of the private land area within the
864 proposed project area object in writing to the draft project area plan before or at the plan hearing

865 or, if applicable, the additional plan hearing under Subsection 17B-4-402(4)(a) and do not
866 withdraw their objections, an agency may not approve the project area plan until approved by
867 voters within the boundaries of the agency in which the proposed project area is located at an
868 election as provided in Subsection (3)(b).

869 (b) (i) Except as provided in this section, each election required under Subsection (3)(a)
870 shall comply with Title 20A, Election Code.

871 (ii) An election under Subsection (3)(a) may be held on the same day and with the same
872 election officials as an election held by the community in which the proposed project area is
873 located.

874 (iii) If a majority of those voting on the proposed project area plan vote in favor of it, the
875 project area plan shall be considered approved and the agency shall confirm the approval by
876 resolution.

877 (4) If the record property owners of 2/3 of the private land area within the proposed project
878 area object in writing to the draft project area plan before or at the plan hearing or, if applicable,
879 the additional plan hearing under Subsection 17B-4-402(4)(a) and do not withdraw their
880 objections, the project area plan may not be adopted and the agency may not reconsider the project
881 area plan for three years.

882 Section 25. Section **17B-4-407** is enacted to read:

883 **17B-4-407. Board resolution approving project area plan -- Requirements --**
884 **Additional requirements for redevelopment project area plan.**

885 (1) Each board resolution approving a draft redevelopment, economic development, or
886 education housing development project area plan as the project area plan under Subsection
887 17B-4-402(1)(j) shall contain:

888 (a) a legal description of the boundaries of the project area that is the subject of the project
889 area plan;

890 (b) the agency's purposes and intent with respect to the project area;

891 (c) the project area plan incorporated by reference;

892 (d) the board findings and determinations that:

893 (i) there is a need to effectuate a public purpose;

894 (ii) there is a public benefit under the analysis described in Subsections 17B-4-403(1)(t)

895 and (2);

896 (iii) it is economically sound and feasible to adopt and carry out the project area plan;

897 (iv) the project area plan conforms to the community's general plan; and

898 (v) carrying out the project area plan will promote the public peace, health, safety, and
899 welfare of the community in which the project area is located.

900 (2) (a) As used in this Subsection (2), "comparable dwellings" means residential housing
901 facilities that are:

902 (i) within the project area or in other areas not generally less desirable in regard to public
903 utilities and public and commercial facilities;

904 (ii) at rents or prices within the financial means of the families and persons displaced from
905 the project area; and

906 (iii) decent, safe, and sanitary and equal in number and available to displaced families and
907 persons and reasonably accessible to their places of employment.

908 (b) In addition to the requirements under Subsection (1), each board resolution approving
909 a redevelopment project area plan shall:

910 (i) recite the board's previous finding of blight within the project area and the date of the
911 board's finding of blight; and

912 (ii) contain the board's findings and determinations that:

913 (A) if the use of eminent domain is provided for in the redevelopment project area plan:

914 (I) the use of eminent domain is or may be necessary to the execution of the redevelopment
915 project area plan; and

916 (II) adequate provisions have been made for just compensation for property acquired by
917 eminent domain; and

918 (B) if the project area plan may result in the temporary or permanent displacement of any
919 residential occupants in the project area:

920 (I) the agency has a feasible method or plan for the relocation of families and persons
921 displaced from the project area;

922 (II) comparable dwellings exist or will be provided to the families and persons displaced
923 by the project area plan; and

924 (III) the board is satisfied that permanent housing facilities will be available within three
925 years from the time occupants of the project area are displaced and, pending the development of
926 these housing facilities, there will be available to the displaced occupants adequate temporary

927 housing facilities at rents comparable to those in the community at the time of their displacement.

928 Section 26. Section **17B-4-408** is enacted to read:

929 **17B-4-408. Plan to be adopted by community legislative body.**

930 (1) A project area plan approved by board resolution under Section 17B-4-407 may not
931 take effect until it has been adopted by ordinance of the legislative body of the community that
932 created the agency and notice under Section 17B-4-409 is provided.

933 (2) Each ordinance under Subsection (1) shall:

934 (a) be adopted by the community legislative body after the board's approval of a resolution
935 under Section 17B-4-407; and

936 (b) designate the approved project area plan as the official redevelopment, economic
937 development, or education housing development plan of the project area.

938 Section 27. Section **17B-4-409** is enacted to read:

939 **17B-4-409. Notice of project area plan adoption -- Effective date of plan -- Contesting**
940 **the formation of the plan.**

941 (1) (a) Upon the community legislative body's adoption of a project area plan, the
942 legislative body shall provide notice as provided in Subsection (1)(b) by:

943 (i) publishing or causing to be published a notice in a newspaper of general circulation
944 within the agency's boundaries; or

945 (ii) if there is no newspaper of general circulation within the agency's boundaries, causing
946 a notice to be posted in at least three public places within the agency's boundaries.

947 (b) Each notice under Subsection (1)(a) shall:

948 (i) set forth the community legislative body's ordinance adopting the project area plan or
949 a summary of the ordinance; and

950 (ii) include a statement that the project area plan is available for general public inspection
951 and the hours for inspection.

952 (2) The project area plan shall become effective on the date of:

953 (a) if notice was published under Subsection (1)(a), publication of the notice; or

954 (b) if notice was posted under Subsection (1)(a), posting of the notice.

955 (3) (a) (i) For a period of 60 days after the effective date of the project area plan under
956 Subsection (2), any person in interest may, except as provided in Subsection (3)(a)(ii), contest the
957 project area plan or the procedure used to adopt the project area plan if the plan or procedure fails

958 to comply with applicable statutory requirements.

959 (ii) Notwithstanding Subsection (3)(a)(i), a challenge to a finding of blight may be made
960 only under Section 17B-4-605.

961 (b) After the 60 day period under Subsection (3)(a)(i) expires, no person may contest the
962 project area plan or procedure used to adopt the project area plan for any cause.

963 (4) (a) Except as provided in Subsection (4)(b), upon adoption of the project area plan by
964 the community's legislative body, the agency may carry out the project area plan.

965 (b) An agency may not commence implementation of a project area plan more than three
966 years after the community legislative body adopts the plan, unless the plan is readopted as if it
967 were an amended project area plan under Section 17B-4-411.

968 (5) Each agency shall make the adopted project area plan available to the general public
969 at its offices during normal business hours.

970 Section 28. Section **17B-4-410** is enacted to read:

971 **17B-4-410. Agency required to transmit and record documents after adoption of**
972 **project area plan.**

973 Within 30 days after the community legislative body adopts, under Section 17B-4-408, a
974 project area plan, the agency shall:

975 (1) record with the recorder of the county in which the project area is located a document
976 containing:

977 (a) a description of the land within the project area;

978 (b) a statement that the project area plan for the project area has been adopted; and

979 (c) the date of adoption; and

980 (2) for a project area plan that provides for the payment of tax increment to the agency,
981 transmit a copy of the description of the land within the project area, a copy of the community
982 legislative body ordinance adopting the project area plan, and a map or plat indicating the
983 boundaries of the project area to:

984 (a) the auditor and assessor of the county in which the project area is located;

985 (b) the officer or officers performing the function of auditor or assessor for each taxing
986 entity that does not use the county assessment roll or collect its taxes through the county;

987 (c) the legislative body of each taxing entity;

988 (d) the State Tax Commission; and

989 (e) the State Board of Education.

990 Section 29. Section **17B-4-411** is enacted to read:

991 **17B-4-411. Amending the project area plan.**

992 (1) (a) Except as provided in Subsection (2) and subject to Subsection (1)(b), an adopted
993 project area plan may be amended by resolution of the agency board after:

994 (i) the agency gives notice, as provided in Section 17B-4-702, of the proposed amendment
995 and of the public hearing required by Subsection (1)(a)(ii);

996 (ii) the agency board holds a public hearing on the proposed amendment that meets the
997 requirements of a plan hearing;

998 (iii) the agency obtains the taxing entity committee's consent to the amendment, if the
999 amendment proposes:

1000 (A) to enlarge the area from which tax increment is collected; or

1001 (B) to permit the agency to receive a greater percentage of tax increment or to receive tax
1002 increment for a longer period of time than allowed under the adopted project area plan; and

1003 (C) for an amendment to a project area plan that was adopted before April 1, 1983, to
1004 expand the area from which tax increment is collected to exceed 100 acres of private real property;
1005 and

1006 (iv) the agency obtains the consent of the legislative body of each taxing entity affected,
1007 if the amendment proposes to permit the agency to receive, from less than all taxing entities, a
1008 greater percentage of tax increment or to receive tax increment for a longer period of time, or both,
1009 than allowed under the adopted project area plan.

1010 (b) An amendment approved by board resolution under Subsection (1)(a) may not take
1011 effect until adopted by ordinance of the legislative body of the community in which the project
1012 area that is the subject of the project area plan being amended is located.

1013 (2) (a) Notwithstanding Subsection (1):

1014 (i) an adopted project area plan may be amended without complying with the notice and
1015 public hearing requirements of Subsections (1)(a)(i) and (ii) and without obtaining taxing entity
1016 committee approval under Subsection (1)(a)(iii)(A) if the amendment:

1017 (A) makes a minor adjustment in the legal description of a project area boundary requested
1018 by a county assessor or county auditor to avoid inconsistent property boundary lines; or

1019 (B) removes a parcel of real property from a project area because the agency determines

1020 that:

1021 (I) the parcel is no longer blighted; or

1022 (II) inclusion of the parcel is no longer necessary or desirable to the project area; and

1023 (ii) an amendment that proposes to enlarge the project area shall be subject to the same

1024 requirements that apply to a project area plan being originally proposed under this chapter.

1025 (b) An amendment removing a parcel of real property from a project area under Subsection

1026 (2)(a)(i)(B) may not be made without the consent of the record property owner of the parcel being

1027 removed.

1028 (3) Upon a community legislative body passing an ordinance adopting an amendment to

1029 a project area plan, the agency whose project area plan was amended shall comply with the

1030 requirements of Section 17B-4-410 to the same extent as if the amendment were a project area

1031 plan.

1032 Section 30. Section **17B-4-501** is enacted to read:

1033 **Part 5. Project Area Budget**

1034 **17B-4-501. Project area budget -- Notice -- Budget hearing -- Contesting the budget**

1035 **or procedure -- Time limit.**

1036 (1) If an agency anticipates funding all or a portion of a post-June 30, 1993 project area

1037 plan with tax increment, the agency shall, subject to Section 17B-4-503, adopt a project area

1038 budget as provided in this part.

1039 (2) To adopt a project area budget, the agency shall:

1040 (a) prepare a draft of a project area budget;

1041 (b) make a copy of the draft project area budget available to the public at the agency's

1042 offices during normal business hours;

1043 (c) provide notice of the budget hearing as required by Part 7, Notice Requirements;

1044 (d) at least seven days before the budget hearing;

1045 (i) publish a display advertisement that complies with Section 17B-4-502 in a newspaper

1046 that is:

1047 (A) of general circulation within the county in which the proposed project area is located;

1048 and

1049 (B) to the extent practicable, of general interest and readership and not of limited subject

1050 matter; or

1051 (ii) if there is no newspaper of general circulation within the county in which the proposed
1052 project area is located, post a notice that complies with Section 17B-4-502 in at least three
1053 conspicuous places within the agency's boundaries;

1054 (e) hold a public hearing on the draft project area budget and, at that public hearing, allow
1055 public comment on:

1056 (i) the draft project area budget; and

1057 (ii) whether the draft project area budget should be revised, adopted, or rejected;

1058 (f) (i) if required under Subsection 17B-4-505(1), obtain the approval of the taxing entity
1059 committee on the draft project area budget or a revised version of the draft project area budget; or

1060 (ii) if applicable, comply with the requirements of Subsection 17B-4-505(2); and

1061 (g) after the budget hearing, hold a board meeting in the same meeting as the public
1062 hearing or in a subsequent meeting to:

1063 (i) consider comments made and information presented at the public hearing relating to
1064 the draft project area budget; and

1065 (ii) adopt by resolution the draft project area budget, with any revisions, as the project area
1066 budget.

1067 (3) (a) For a period of 60 days after the agency's adoption of the project area budget under
1068 Subsection (2)(g), any person in interest may contest the project area budget or the procedure used
1069 to adopt the project area budget if the budget or procedure fails to comply with applicable statutory
1070 requirements.

1071 (b) After the 60-day period under Subsection (3)(a) expires, no person may contest the
1072 project area budget or procedure used to adopt the project area budget for any cause.

1073 Section 31. Section **17B-4-502** is enacted to read:

1074 **17B-4-502. Display advertisement requirements.**

1075 (1) (a) Each display advertisement published under Subsection 17B-4-501(2)(d) shall
1076 appear in a portion of the newspaper other than where legal notices and classified advertisements
1077 appear.

1078 (2) Each display advertisement published and notice posted under Subsection
1079 17B-4-501(2)(d) shall contain:

1080 (a) the following statement:

1081 "NOTICE OF BUDGET HEARING FOR (NAME OF PROJECT AREA)

1082 The (name of agency) has requested \$ _____ in property tax revenues that will be
1083 generated by development within the (name of project area) to fund a portion of project costs
1084 within the (name of project area). These property tax revenues will be used for the following: (list
1085 major budget categories and amounts). These property taxes will be taxes levied by the following
1086 governmental entities, and, assuming current tax rates, the taxes paid to the agency for this project
1087 area from each taxing entity will be as follows: (list each taxing entity levying taxes and the
1088 amount of total taxes that would be paid from each taxing entity). All of the property taxes to be
1089 paid to the agency for the development in the project area are taxes that will be generated only if
1090 the project area is developed.

1091 All concerned citizens are invited to attend the project area budget hearing scheduled for
1092 (date, time, and place of hearing). A copy of the (name of project area) project area budget is
1093 available at the offices of (name of agency and office address)."; and

1094 (b) other information that the agency considers appropriate.

1095 Section 32. Section **17B-4-503** is enacted to read:

1096 **17B-4-503. Combined incremental value -- Restriction against adopting project area**
1097 **budget -- Taxing entity committee may waive restriction.**

1098 (1) For purposes of this section:

1099 (a) "Adjusted tax increment" means:

1100 (i) for tax increment under a pre-July 1, 1993 project area plan, tax increment under
1101 Section 17B-4-903, excluding tax increment under Subsection 17B-4-903(3); and

1102 (ii) for tax increment under a post-June 30, 1993 project area plan, tax increment under
1103 Section 17B-4-904, excluding tax increment under Subsection 17B-4-904(3).

1104 (b) "Combined incremental value" means the combined total of all incremental values
1105 from all project areas within the agency's boundaries under adopted project area plans and adopted
1106 project area budgets at the time that a project area budget for a new project area is being
1107 considered.

1108 (c) "Incremental value" means a figure derived by multiplying the marginal value of the
1109 property located within a project area on which tax increment is collected by a number that
1110 represents the percentage of adjusted tax increment from that project area that is paid to the
1111 agency.

1112 (d) "Marginal value" means the difference between actual taxable value and base taxable

1113 value.

1114 (e) "Taxable value" means the value of property as shown on the last equalized assessment
1115 roll as certified by the county assessor.

1116 (2) (a) Except as provided in Subsection (2)(b), an agency may not adopt a project area
1117 budget if, at the time the project area budget is being considered, the combined incremental value
1118 for the agency exceeds 10% of the total taxable value of property within the agency's boundaries
1119 in the year that the project area budget is being considered.

1120 (b) A taxing agency committee may waive the restrictions imposed by Subsection (2)(a).

1121 Section 33. Section **17B-4-504** is enacted to read:

1122 **17B-4-504. Part of tax increment funds to be used for housing -- Waiver of**
1123 **requirement.**

1124 (1) (a) Except as provided in Subsection (1)(b), each project area budget adopted on or
1125 after May 1, 2000 that provides for more than \$100,000 of annual tax increment to be paid to the
1126 agency shall allocate at least 20% of the tax increment for housing as provided in Section
1127 17B-4-1010.

1128 (b) The 20% requirement of Subsection (1)(a) may be waived in part or whole by the
1129 mutual consent of the trust fund board and the taxing entity committee if they determine that 20%
1130 of tax increment is more than is needed to address the community's need for income targeted
1131 housing, as defined in Section 17B-4-1010.

1132 (2) A project area budget not required under Subsection (1)(a) to allocate tax increment
1133 for housing may allocate 20% of tax increment payable to the agency over the life of the project
1134 area for housing as provided in Section 17B-4-1010 if the project area budget is under a project
1135 area plan that is adopted on or after July 1, 1998.

1136 Section 34. Section **17B-4-505** is enacted to read:

1137 **17B-4-505. Consent of taxing entity committee.**

1138 (1) (a) Except as provided in Subsection (1)(b) and subject to Subsection (2), each agency
1139 shall obtain the consent of the taxing entity committee for each project area budget under a
1140 post-June 30, 1993 project area plan before the agency may collect any tax increment from the
1141 project area.

1142 (b) For a project area budget adopted from July 1, 1998 through May 1, 2000 that allocates
1143 20% or more of the tax increment for housing as provided in Section 17B-4-1010, an agency:

1144 (i) need not obtain the consent of the taxing entity committee for the project area budget;
1145 and

1146 (ii) may not collect any tax increment from all or part of the project area until after:

1147 (A) the trust fund board has certified the project area budget as complying with the

1148 requirements of Section 17B-4-1010; and

1149 (B) the agency board has approved and adopted the project area budget by a two-thirds

1150 vote.

1151 (2) (a) Before a taxing entity committee may consent to a project area budget adopted on

1152 or after May 1, 2000 that is required under Subsection 17B-4-504(1)(a) to allocate 20% of tax

1153 increment for housing, the agency shall:

1154 (i) adopt a housing plan showing the uses for the housing funds; and

1155 (ii) provide a copy of the housing plan to the taxing entity committee and the trust fund

1156 board.

1157 (b) If an agency amends a housing plan prepared under Subsection (2)(a), the agency shall

1158 provide a copy of the amendment to the taxing entity committee and the trust fund board.

1159 Section 35. Section **17B-4-506** is enacted to read:

1160 **17B-4-506. Filing a copy of the project area budget.**

1161 Each agency adopting a project area budget shall:

1162 (1) within 30 days after adopting the project area budget, file a copy of the project area

1163 budget with the auditor of the county in which the project area is located, the State Tax

1164 Commission, the state auditor, the State Board of Education, and each taxing entity affected by the

1165 agency's collection of tax increment under the project area budget; and

1166 (2) if the project area budget allocates tax increment for housing under Section

1167 17B-4-1010, file a copy of the project area budget with the trust fund board.

1168 Section 36. Section **17B-4-507** is enacted to read:

1169 **17B-4-507. Amending the project area budget.**

1170 (1) An agency may by resolution amend a project area budget as provided in this section.

1171 (2) To amend an adopted project area budget, the agency shall:

1172 (a) advertise and hold one public hearing on the proposed amendment as provided in

1173 Subsection (3);

1174 (b) obtain the approval of the taxing entity committee if the agency was required under

1175 Section 17B-4-505 to obtain the consent of the taxing entity committee for the project area budget
1176 as originally adopted; and

1177 (c) adopt a resolution amending the project area budget.

1178 (3) The public hearing required under Subsection (2)(a) shall be conducted according to
1179 the procedures and requirements of Sections 17B-4-501 and 17B-4-502, except that if the amended
1180 project area budget proposes that the agency be paid a greater proportion of tax increment from
1181 a project area than was paid under the previous project area budget, the advertisement shall state
1182 the percentage paid under the previous project area budget and the percentage proposed under the
1183 amended project area budget.

1184 (4) If a proposed amendment is not adopted, the agency shall continue to operate under
1185 the previously adopted project area budget without the proposed amendment.

1186 Section 37. Section **17B-4-601** is enacted to read:

1187 **Part 6. Blight Determination in Redevelopment Project Areas**

1188 **17B-4-601. Additional procedure for adopting a redevelopment project area plan.**

1189 In addition to other applicable requirements for adopting a project area plan, to adopt a
1190 redevelopment project area plan the agency shall:

1191 (1) cause a blight study to be conducted within the survey area as provided in Section
1192 17B-4-602;

1193 (2) provide notice of a blight hearing as required under Part 7, Notice Requirements;

1194 (3) hold a blight hearing as provided in Section 17B-4-603; and

1195 (4) after the blight hearing has been held, hold a board meeting, either at the same time as
1196 the public hearing or at a subsequent board meeting, at which the board shall:

1197 (a) consider:

1198 (i) the issue of blight and the evidence and information relating to the existence or
1199 nonexistence of blight; and

1200 (ii) whether adoption of one or more redevelopment project area plans should be pursued;

1201 and

1202 (b) by resolution make a finding regarding the existence of blight in the proposed
1203 redevelopment project area.

1204 Section 38. Section **17B-4-602** is enacted to read:

1205 **17B-4-602. Blight study -- Requirements -- Deadline.**

1206 (1) Each blight study required under Subsection 17B-4-601(1) shall:
1207 (a) provide data so the board may determine:
1208 (i) whether the conditions described in Subsections 17B-4-604(1)(a) and (b) exist in part
1209 or all of the survey area; and
1210 (ii) whether the factors listed in Subsection 17B-4-604(1)(c) are present in the survey area;
1211 (b) include a written report setting forth:
1212 (i) the conclusions reached; and
1213 (ii) any other information requested by the agency to determine whether a redevelopment
1214 project area is feasible; and
1215 (c) be completed within one year after the adoption of the survey area resolution.
1216 (2) (a) If a blight study is not completed within one year after the adoption of the resolution
1217 under Subsection 17B-4-401(1)(a) designating a survey area, the agency may not approve a
1218 redevelopment project area plan based on that blight study unless it first adopts a new resolution
1219 under Subsection 17B-4-401(1)(a).
1220 (b) A new resolution under Subsection (2)(a) shall in all respects be considered to be a
1221 resolution under Subsection 17B-4-401(1)(a) adopted for the first time, except that any actions
1222 taken toward completing a blight study under the resolution that the new resolution replaces shall
1223 be considered to have been taken under the new resolution.
1224 Section 39. Section **17B-4-603** is enacted to read:
1225 **17B-4-603. Blight hearing -- Owners may review evidence of blight.**
1226 (1) In each hearing required under Subsection 17B-4-601(3), the agency shall:
1227 (a) permit all evidence of the existence or nonexistence of blight within the proposed
1228 redevelopment project area to be presented; and
1229 (b) permit each record owner of property located within the proposed redevelopment
1230 project area or the record property owner's representative the opportunity to:
1231 (i) examine and cross-examine witnesses providing evidence of the existence or
1232 nonexistence of blight; and
1233 (ii) present evidence and testimony, including expert testimony, concerning the existence
1234 or nonexistence of blight.
1235 (2) The board shall allow record owners of property located within a proposed
1236 redevelopment project area the opportunity, for at least 30 days before the hearing, to review the

1237 evidence of blight compiled by the agency or by the person or firm conducting the blight study for
1238 the agency, including any expert report.

1239 Section 40. Section **17B-4-604** is enacted to read:

1240 **17B-4-604. Conditions on board determination of blight -- Factors of blight caused**
1241 **by the developer.**

1242 (1) An agency board may not make a finding of blight in a resolution under Subsection
1243 17B-4-601(4)(b) unless the board finds that the redevelopment project area:

1244 (a) contains buildings or improvements used or intended to be used for residential,
1245 commercial, industrial, or other urban purposes, or any combination of those uses;

1246 (b) contains buildings or improvements on at least 50% of the number of parcels of private
1247 real property whose acreage is at least 50% of the acreage of the private real property within the
1248 proposed redevelopment project area; and

1249 (c) is unfit or unsafe to occupy or may be conducive to ill health, transmission of disease,
1250 infant mortality, juvenile delinquency, or crime because of any three or more of the following
1251 factors:

1252 (i) defective character of physical construction;

1253 (ii) high density of population or overcrowding;

1254 (iii) inadequate ventilation, light, or spacing between buildings;

1255 (iv) mixed character and shifting of uses, resulting in obsolescence, deterioration, or
1256 dilapidation;

1257 (v) economic deterioration or continued disuse;

1258 (vi) lots of irregular shape or inadequate size for proper usefulness and development, or
1259 laying out of lots in disregard of the contours and other physical characteristics of the ground and
1260 surrounding conditions;

1261 (vii) inadequate sanitation or public facilities which may include streets, open spaces, and
1262 utilities;

1263 (viii) areas that are subject to being submerged by water; and

1264 (ix) existence of any hazardous or solid waste, defined as any substance defined, regulated,
1265 or listed as a hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant,
1266 contaminant, or toxic substance, or identified as hazardous to human health or the environment
1267 under state or federal law or regulation.

- 1299 (1) The notice required by Section 17B-4-701 shall be given by:
- 1300 (a) (i) publishing notice in a newspaper of general circulation within the county in which
- 1301 the project area or proposed project area is located, at least once a week for the four successive
- 1302 weeks immediately preceding the hearing; or
- 1303 (ii) if there is no newspaper of general circulation, posting notice in at least three
- 1304 conspicuous places within the county in which the project area or proposed project area is located;
- 1305 (b) at least 30 days before the hearing:
- 1306 (i) sending notice by certified mail to:
- 1307 (A) each assessment owner of property located within the project area or proposed project
- 1308 area; and
- 1309 (B) each assessment owner of property located outside but within 300 feet of the project
- 1310 area or proposed project area;
- 1311 (ii) mailing notice to:
- 1312 (A) the State Tax Commission;
- 1313 (B) the assessor and auditor of the county in which the project area or proposed project
- 1314 area is located; and
- 1315 (C) (I) each member of the taxing entity committee; or
- 1316 (II) if a taxing entity committee has not yet been formed, the State Board of Education and
- 1317 the legislative body of each taxing entity.
- 1318 (2) The agency shall include in each notice required under Section 17B-4-701:
- 1319 (a) a specific description of the boundaries of the project area or proposed project area;
- 1320 (b) a map of the boundaries of the project area or proposed project area;
- 1321 (c) an explanation of the purpose of the hearing;
- 1322 (d) a statement of the date, time, and location of the hearing.
- 1323 (3) The agency shall include in each notice under Subsection (1)(b)(ii):
- 1324 (a) a statement that property tax revenues resulting from an increase in valuation of
- 1325 property within the project area or proposed project area will be paid to the agency for
- 1326 redevelopment, economic development, or education housing development purposes rather than
- 1327 to the taxing entity to which the tax revenues would otherwise have been paid if:
- 1328 (i) a majority of the taxing entity committee consents to the project area budget; and
- 1329 (ii) the project area plan provides for the agency to receive tax increment; and

1330 (b) an invitation to the recipient of the notice to submit to the agency comments
1331 concerning the subject matter of the hearing before the date of the hearing.

1332 (4) An agency may include in a notice under Subsection (1) any other information the
1333 agency considers necessary or advisable, including the public purpose served by the project and
1334 any future tax benefits expected to result from the project.

1335 Section 44. Section **17B-4-703** is enacted to read:

1336 **17B-4-703. Additional requirements for notices relating to redevelopment.**

1337 (1) The first notice to an assessment owner of property within a proposed redevelopment
1338 project area for a public input hearing, blight hearing, or combined public input and blight hearing
1339 under Subsection 17B-4-801(1) shall include the statement required by Section 17B-4-902.

1340 (2) Each notice under Section 17B-4-702 for a blight hearing shall include a statement
1341 that:

1342 (a) a redevelopment project area is being proposed;

1343 (b) the proposed redevelopment project area may be declared to have blight;

1344 (c) the record owner of property within the proposed project area has the right to present
1345 evidence at the blight hearing contesting the existence of blight;

1346 (d) the agency will notify the assessment property owner of each additional public hearing
1347 held by the agency concerning the redevelopment project prior to the adoption of the
1348 redevelopment project area plan; and

1349 (e) persons contesting the existence of blight in the proposed redevelopment project area
1350 may appear before the agency board and show cause why the proposed redevelopment project area
1351 should not be designated as a redevelopment project area.

1352 Section 45. Section **17B-4-704** is enacted to read:

1353 **17B-4-704. Additional requirements for notice of hearing on draft project area plan.**

1354 Each notice under Section 17B-4-702 of a plan hearing shall include:

1355 (1) a statement that any person objecting to the draft project area plan or contesting the
1356 regularity of any of the proceedings to adopt it may appear before the agency board at the hearing
1357 to show cause why the draft project area plan should not be adopted; and

1358 (2) a statement that the proposed project area plan is available for inspection at the agency
1359 offices.

1360 Section 46. Section **17B-4-705** is enacted to read:

1361 **17B-4-705.** Notice required for continued hearing.
1362 The board shall give notice of a hearing continued under Section 17B-4-802 by:
1363 (1) announcing at the hearing the date, time, and place the hearing will be resumed; or
1364 (2) causing a notice of the continued hearing to be:
1365 (a) published once in a newspaper of general circulation within the agency boundaries at
1366 least seven days before the hearing is scheduled to resume; or
1367 (b) if there is no newspaper of general circulation, posted in at least three conspicuous
1368 places within the boundaries of the agency in which the project area or proposed project area is
1369 located.

1370 Section 47. Section **17B-4-801** is enacted to read:

1371 **Part 8. Hearing Provisions**

1372 **17B-4-801.** Combining hearings.

1373 A board may combine:

- 1374 (1) a blight hearing with a public input hearing; and
1375 (2) a plan hearing with a budget hearing.

1376 Section 48. Section **17B-4-802** is enacted to read:

1377 **17B-4-802.** Continuance of hearing.

1378 By announcing at the hearing that it is being continued to a later date, the board may
1379 continue from time to time a:

- 1380 (1) blight hearing;
1381 (2) public input hearing;
1382 (3) combined blight hearing and plan hearing under Subsection 17B-4-801(1);
1383 (4) plan hearing;
1384 (5) budget hearing; or
1385 (6) combined plan hearing and budget hearing under Subsection 17B-4-801(2).

1386 Section 49. Section **17B-4-901** is enacted to read:

1387 **Part 9. Rights of Owners of Property in Redevelopment Projects**

1388 **17B-4-901.** Property owner and tenant opportunities to participate in redevelopment
1389 **project -- Preferential opportunities.**

- 1390 (1) Each agency shall provide record owners of property located within and tenants within
1391 a redevelopment project area reasonable opportunities to enter into a participation agreement with

1392 the agency through which the owner or tenant may participate in the redevelopment, consistent
1393 with the redevelopment project area plan.

1394 (2) (a) Owner participation in redevelopment under a participation agreement may consist
1395 of one or more of the following:

1396 (i) retaining, maintaining, and, if necessary, rehabilitating all or portions of the owner's
1397 property;

1398 (ii) acquiring adjacent or other properties in the redevelopment project area;

1399 (iii) selling all or portions of the owner's improvements to the agency, retaining the land,
1400 and developing the owner's property;

1401 (iv) selling all or portions of the owner's property to the agency and purchasing other
1402 property in the redevelopment project area;

1403 (v) selling all or a portion of the owner's property to the agency and obtaining preferences
1404 to reenter the redevelopment project area; and

1405 (vi) other methods approved by the agency.

1406 (b) Tenant participation in redevelopment under a participation agreement may consist of:

1407 (i) becoming an owner of property in the redevelopment project area, subject to the
1408 opportunities of persons who are already record owners of property in the redevelopment project
1409 area; and

1410 (ii) other methods approved by the agency.

1411 (3) An agency may extend reasonable preferential opportunities to record property owners
1412 and tenants in a redevelopment project area ahead of persons and entities from outside the
1413 redevelopment project area, to be owners and tenants in the redevelopment project area during and
1414 after the completion of the redevelopment.

1415 Section 50. Section **17B-4-902** is enacted to read:

1416 **17B-4-902. Statement of rights of owners of property in redevelopment project area.**

1417 (1) Before sending the first notice to assessment owners of property for a public input
1418 hearing, blight hearing, or combined public input and blight hearing, each agency shall prepare a
1419 written statement regarding the rights of record property owners within a proposed redevelopment
1420 project area.

1421 (2) Each written statement under Subsection (1) shall include a statement explaining:

1422 (a) the right of each record property owner and the process to follow to:

1423 (i) object to the inclusion of the record property owner's property within the redevelopment
1424 project area;

1425 (ii) object to any required proceeding of the agency in the creation of the redevelopment
1426 project area; and

1427 (iii) propose amendments or modifications to the draft redevelopment project area plan;

1428 (b) the right of each record property owner to obtain any document from the agency
1429 including:

1430 (A) the blight study;

1431 (B) the draft redevelopment project area plan;

1432 (C) the planning commission report on the redevelopment project area plan;

1433 (D) the owner participation guidelines developed under Subsection 17B-4-402(1)(h)(iv);

1434 (E) the relocation guidelines developed by the agency under Section 57-12-9; and

1435 (F) other documents used by the agency in preparing the redevelopment project area plan
1436 or draft redevelopment project area plan; and

1437 (c) the times during which the agency will be available to meet with the record property
1438 owner to discuss the process of formulating and implementing the redevelopment project area plan.

1439 (3) Each agency shall, at no charge, provide to a record owner of property within the
1440 redevelopment project area one copy of the documents listed in Subsection (2)(b) if the record
1441 property owner requests the documents.

1442 (4) A person may bring a civil action against an agency for a violation of this section that
1443 results in damage to that person.

1444 Section 51. Section **17B-4-1001** is enacted to read:

1445 **Part 10. Tax Increment**

1446 **17B-4-1001. Agency receipt and use of tax increment -- Distribution of tax increment.**

1447 (1) An agency may receive and use tax increment, as provided in this part.

1448 (2) (a) The applicable length of time or number of years for which an agency is to be paid
1449 tax increment under this part shall be measured from the first tax year regarding which the agency
1450 accepts tax increment from the project area.

1451 (b) Tax increment may not be paid to an agency for a tax year prior to the tax year
1452 following the effective date of the project area plan.

1453 (3) With the written consent of a taxing entity, an agency may be paid tax increment, from

1454 that taxing entity's tax revenues only, in a higher percentage or for a longer period of time, or both,
1455 than otherwise authorized under this chapter.

1456 (4) Each county that collects property tax on property within a project area shall pay and
1457 distribute to the agency the tax increment that the agency is entitled to collect under this chapter,
1458 in the manner and at the time provided in Section 59-2-1365.

1459 Section 52. Section **17B-4-1002** is enacted to read:

1460 **17B-4-1002. Taxing entity committee.**

1461 (1) Each agency that adopts or proposes to adopt a post-June 30, 1993 project area plan
1462 shall, and any other agency may, cause a taxing entity committee to be created.

1463 (2) (a) (i) Each taxing entity committee shall be composed of:

1464 (A) two school district representatives appointed as provided in Subsection (2)(a)(ii);

1465 (B) two representatives appointed by resolution of the legislative body of the county in
1466 which the agency is located;

1467 (C) if the agency was created by a city or town, two representatives appointed by resolution
1468 of the legislative body of that city or town;

1469 (D) one representative appointed by the State Board of Education; and

1470 (E) one representative selected by majority vote of the legislative bodies of all other taxing
1471 entities that levy a tax on property within the agency's boundaries, to represent the interests of
1472 those taxing entities on the taxing entity committee.

1473 (ii) (A) If the agency boundaries include only one school district, that school district shall
1474 appoint the two school district representatives under Subsection (2)(a)(i)(A).

1475 (B) If the agency boundaries include more than one school district, those school districts
1476 shall jointly appoint the two school district representatives under Subsection (2)(a)(i)(A).

1477 (b) (i) Each taxing entity committee representative under Subsection (2) shall be appointed
1478 within 30 days after the agency provides notice of the creation of the taxing entity committee.

1479 (ii) If a representative is not appointed within the time required under Subsection (2)(b)(i),
1480 the agency board may appoint a person to serve on the taxing entity committee in the place of the
1481 missing representative until that representative is appointed.

1482 (c) (i) A taxing entity committee representative may be appointed for a set term or period
1483 of time, as determined by the appointing authority under Subsection (2)(a)(i).

1484 (ii) Each taxing entity committee representative shall serve until a successor is appointed

1485 and qualified.

1486 (d) (i) Upon the appointment of each representative under Subsection (2)(a)(i), whether
1487 an initial appointment or an appointment to replace an already serving representative, the
1488 appointing authority shall:

1489 (A) notify the agency in writing of the name and address of the newly appointed
1490 representative; and

1491 (B) provide the agency a copy of the resolution making the appointment or, if the
1492 appointment is not made by resolution, other evidence of the appointment.

1493 (ii) Each appointing authority of a taxing entity committee representative under Subsection
1494 (2)(a)(i) shall notify the agency in writing of any change of address of a representative appointed
1495 by that appointing authority.

1496 (3) A taxing entity committee represents all taxing entities regarding a project area and
1497 may:

1498 (a) cast votes that will be binding on all taxing entities;

1499 (b) negotiate with the agency concerning a draft project area plan;

1500 (c) approve or disapprove a project area budget as provided in Section 17B-4-505;

1501 (d) approve or disapprove amendments to a project area budget as provided in Section
1502 17B-4-507;

1503 (e) approve exceptions to the limits on the value and size of a project area imposed under
1504 this chapter;

1505 (f) approve exceptions to the percentage of tax increment and the period of time that tax
1506 increment is paid to the agency as provided in this part;

1507 (g) approve the use of tax increment for access and utilities outside of a project area that
1508 the agency and community legislative body determine to be of benefit to the project area, as
1509 provided in Subsection 17B-4-1007(1)(a)(ii)(D);

1510 (h) waive the restrictions imposed by Subsection 17B-4-503(2)(a); and

1511 (i) give other taxing entity committee approval or consent required or allowed under this
1512 chapter.

1513 (4) A quorum of a taxing entity committee consists of:

1514 (a) except as provided in Subsection (4)(b):

1515 (i) if the project area is located within a city or town, five members; or

- 1516 (ii) if the project area is not located within a city or town, four members; or
1517 (b) for an education housing development project area as to which the school district has
1518 elected under Subsection 17B-4-1004(5) not to allow the agency to be paid tax increment from
1519 school district tax revenues:
- 1520 (i) if the project area is located within a city or town, three members; or
1521 (ii) if the project area is not located within a city or town, two members.
- 1522 (5) Taxing entity committee approval, consent, or other action requires the affirmative vote
1523 of a majority of a quorum present at a taxing entity committee meeting.
- 1524 (6) Each taxing entity committee shall be governed by Title 52, Chapter 4, Open and
1525 Public Meetings.
- 1526 Section 53. Section **17B-4-1003** is enacted to read:
- 1527 **17B-4-1003. Tax increment under a pre-July 1, 1993 project area plan.**
- 1528 (1) This section applies to tax increment under a pre-July 1, 1993 project area plan only.
- 1529 (2) (a) Beginning with the first tax year after April 1, 1983 during which an agency accepts
1530 tax increment, an agency may be paid:
- 1531 (i) (A) for the first through the fifth tax years, 100% of tax increment;
1532 (B) for the sixth through the tenth tax years, 80% of tax increment;
1533 (C) for the eleventh through the fifteenth tax years, 75% of tax increment;
1534 (D) for the sixteenth through the twentieth tax years, 70% of tax increment; and
1535 (E) for the twenty-first through the twenty-fifth tax years, 60% of tax increment; or
1536 (ii) for an agency that has caused a taxing entity committee to be created under Subsection
1537 17B-4-1002(1), any percentage of tax increment up to 100% and for any length of time that the
1538 taxing entity committee approves.
- 1539 (b) Notwithstanding any other provision of this section:
- 1540 (i) an agency may be paid 100% of tax increment from a project area for 32 years after
1541 April 1, 1983 to pay principal and interest on agency indebtedness incurred before April 1, 1983;
1542 and
- 1543 (ii) for up to 32 years after April 1, 1983, an agency debt incurred before April 1, 1983
1544 may be refinanced and paid from 100% of tax increment if the principal amount of the debt is not
1545 increased in the refinancing.
- 1546 (3) (a) For purposes of this Subsection (3), "additional tax increment" means the difference

1547 between 100% of tax increment for a tax year and the amount of tax increment an agency is paid
1548 for that tax year under the percentages and time periods specified in Subsection (2)(a).

1549 (b) Notwithstanding the tax increment percentages and time periods in Subsection (2)(a)
1550 and Subsection 17B-4-403(1)(m)(i), an agency established by the legislative body of a city of the
1551 first or second class or by a city that is located in a county of the first class may be paid additional
1552 tax increment for a period ending 32 years after the first tax year after April 1, 1983 during which
1553 the agency receives tax increment from the project area if:

1554 (i) (A) the additional tax increment is used solely to pay all or part of the value of the land
1555 for and the cost of the installation and construction of a publicly or privately owned convention
1556 center or sports complex or any building, facility, structure, or other improvement related to the
1557 convention center or sports complex, including parking and infrastructure improvements;

1558 (B) construction of the convention center or sports complex or related building, facility,
1559 structure, or other improvement is commenced on or before June 30, 2002;

1560 (C) the additional tax increment is pledged to pay all or part of the value of the land for
1561 and the cost of the installation and construction of the convention center or sports complex or
1562 related building, facility, structure, or other improvement; and

1563 (D) the agency board and the community legislative body have determined by resolution
1564 that the convention center or sports complex is:

1565 (I) within and a benefit to a project area;

1566 (II) not within but still a benefit to a project area; or

1567 (III) within a project area in which substantially all of the land is publicly owned and a
1568 benefit to the community.

1569 (ii) (A) the additional tax increment is used to pay some or all of the cost of the land for
1570 and installation and construction of a recreational facility, as defined in Section 59-19-702, or a
1571 cultural facility, including parking and infrastructure improvements related to the recreational or
1572 cultural facility, whether or not the facility is located within a project area;

1573 (B) construction of the recreational or cultural facility is commenced on or before June 30,
1574 2002; and

1575 (C) the additional tax increment is pledged on or before June 30, 2002 to pay all or part
1576 of the cost of the land for and the installation and construction of the recreational or cultural
1577 facility, including parking and infrastructure improvements related to the recreational or cultural

1578 facility;

1579 (iii) (A) the additional tax increment is used solely to pay all or part of the cost of the
1580 installation and construction of an underpass that has not received funding from the Centennial
1581 Highway Fund under Section 72-2-118 as part of the construction of Interstate 15, whether or not
1582 the underpass is located within a project area;

1583 (B) construction of the underpass is commenced on or before June 30, 2002; and

1584 (C) the additional tax increment is pledged on or before June 30, 2002 to pay all or part
1585 of the cost of the installation and construction of the underpass;

1586 (iv) (A) the additional tax increment is used solely to pay all or part of the cost of the
1587 installation, construction, or reconstruction of the 10000 South underpass or the 11400 South or
1588 12300 South interchange on I-15 in Salt Lake County, whether or not the underpass is located
1589 within a project area;

1590 (B) construction on the underpass or interchange is commenced on or before June 30,
1591 2002; and

1592 (C) the additional tax increment is pledged on or before June 30, 2002 to pay all or part
1593 of the cost of the installation, construction, or reconstruction of the underpass or interchange; or

1594 (v) (A) the additional tax increment is used solely to pay part of the cost of relocating an
1595 agriculture related business, except a relocation resulting from the agency's exercise of eminent
1596 domain, from a city of the first class to another location within a county of the third, fourth, fifth,
1597 or sixth class, whether or not the agriculture related business is located within or is being relocated
1598 to a project area;

1599 (B) the process of relocating the agriculture related business is commenced on or before
1600 December 31, 2002; and

1601 (C) the additional tax increment is pledged on or before December 31, 2002 to pay part
1602 of the cost of relocating the agriculture related business.

1603 (c) Notwithstanding Subsection (3)(b), a school district may not, without its consent, be
1604 paid less tax increment because of application of Subsection (3)(b) than it would have been paid
1605 without that subsection.

1606 (4) Notwithstanding any other provision of this section, an agency may use tax increment
1607 received under Subsection (2) for any of the uses indicated in Subsection (3).

1608 Section 54. Section **17B-4-1004** is enacted to read:

- 1609 **17B-4-1004. Tax increment under a post-June 30, 1993 project area plan.**
- 1610 (1) This section applies to tax increment under a post-June 30, 1993 project area plan only.
- 1611 (2) An agency board may provide in the project area budget for the agency to be paid:
- 1612 (a) if 20% of the project area budget is allocated for housing under Section 17B-4-504:
- 1613 (i) 100% of annual tax increment for 15 years;
- 1614 (ii) 75% of annual tax increment for 24 years; or
- 1615 (iii) if approved by the taxing entity committee, any percentage of tax increment up to
- 1616 100% for any period of time; or
- 1617 (b) if 20% of the project area budget is not allocated for housing under Section 17B-4-504:
- 1618 (i) 100% of annual tax increment for 12 years;
- 1619 (ii) 75% of annual tax increment for 20 years; or
- 1620 (iii) if approved by the taxing entity committee, any percentage of tax increment up to
- 1621 100% for any period of time.
- 1622 (3) (a) An agency may, without the approval of the taxing entity committee, elect to be
- 1623 paid 100% of annual tax increment for each year beyond the periods specified in Subsection (2)
- 1624 to a maximum of 25 years, including the years the agency is paid tax increment under Subsection
- 1625 (2), if:
- 1626 (i) for an agency in a city in which is located all or a portion of an interchange on I-15 or
- 1627 that would directly benefit from an interchange on I-15:
- 1628 (A) the tax increment paid to the agency during the additional years is used to pay some
- 1629 or all of the cost of the installation, construction, or reconstruction of:
- 1630 (I) an interchange on I-15; or
- 1631 (II) frontage and other roads connecting to the interchange, as determined by the
- 1632 Department of Transportation created under Section 72-1-201 and the Transportation Commission
- 1633 created under Section 72-1-301; and
- 1634 (B) the installation, construction, or reconstruction of the interchange or frontage and other
- 1635 roads has begun on or before June 30, 2002;
- 1636 (ii) for an agency in a city of the first or second class:
- 1637 (A) the tax increment paid to the agency during the additional years is used to pay some
- 1638 or all of the cost of the land for and installation and construction of a recreational facility, as
- 1639 defined in Subsection 59-19-702(3), or a cultural facility, including parking and infrastructure

1640 improvements related to the recreational or cultural facility; and

1641 (B) the installation or construction of the recreational or cultural facility has begun on or
1642 before June 30, 2002.

1643 (b) Notwithstanding Subsection (3)(a), a school district may not, without its consent,
1644 receive less tax increment because of application of Subsection (3)(a) than it would have received
1645 without that subsection.

1646 (4) Unless the taxing entity committee consents, an agency may not be paid tax increment
1647 more than 25 years after adoption of the project area plan.

1648 (5) (a) A school district that levies a tax on property located within a project area under
1649 an education housing development project area plan may elect not to allow the agency to be paid
1650 tax increment from the property tax revenues generated by the school district.

1651 (b) An election under Subsection (5)(a) shall be made in writing to the agency before the
1652 taxing entity committee's approval of the project area budget.

1653 (c) If a school district makes an election under this Subsection (5):

1654 (i) the agency may not be paid tax increment from property tax revenues generated by the
1655 school district; and

1656 (ii) the school district representatives and the State Board of Education representative on
1657 the taxing entity committee may not vote on any matter concerning the education housing
1658 development project area or project area budget.

1659 Section 55. Section **17B-4-1005** is enacted to read:

1660 **17B-4-1005. Limitations on tax increment.**

1661 (1) (a) If the development of retail sales of goods is the primary objective of the project
1662 area, tax increment may not be paid to or used by an agency unless a finding of blight is made
1663 under Part 6, Blight Determination.

1664 (b) (i) Incidental or subordinate development of retail sales of goods does not disqualify
1665 an agency from receiving tax increment.

1666 (ii) Incidental or subordinate development of retail sales of goods includes the
1667 development of retail sales of goods resulting from the installation and construction of any
1668 building, facility, structure, or other improvement of a publicly or privately owned convention
1669 center or sports complex, including parking and infrastructure improvements related to the
1670 convention center or sports complex.

1671 (2) (a) An agency may not be paid any portion of a taxing entity's taxes resulting from an
1672 increase in the taxing entity's tax rate that occurs after the taxing entity committee approves the
1673 project area budget unless, at the time the taxing entity committee approves the project area
1674 budget, the taxing entity committee approves payment of those increased taxes to the agency.

1675 (b) If the taxing entity committee does not approve of payment of the increased taxes to
1676 the agency under Subsection (2)(a), the county shall distribute to the taxing entity the taxes
1677 attributable to the tax rate increase in the same manner as other property taxes.

1678 Section 56. Section **17B-4-1006** is enacted to read:

1679 **17B-4-1006. Base taxable value to be adjusted to reflect other changes.**

1680 (1) (a) (i) As used in this Subsection (1), "qualifying decrease" means:

1681 (A) a decrease of more than 20% from the previous tax year's levy; or

1682 (B) a cumulative decrease over a consecutive five-year period of more than 100% from
1683 the levy in effect at the beginning of the five-year period.

1684 (ii) The year in which a qualifying decrease under Subsection (1)(a)(ii) occurs is the fifth
1685 year of the five-year period.

1686 (b) If there is a qualifying decrease in the minimum basic school levy under Section
1687 59-2-902 that would result in a reduction of the amount of tax increment to be paid to an agency:

1688 (i) the base taxable value of taxable property within the project area shall be reduced in
1689 the year of the qualifying decrease to the extent necessary, even if below zero, to provide the
1690 agency with approximately the same amount of tax increment that would have been paid to the
1691 agency each year had the qualifying decrease not occurred; and

1692 (ii) the amount of tax increment paid to the agency each year for the payment of bonds and
1693 indebtedness may not be less than what would have been paid to the agency if there had been no
1694 qualifying decrease.

1695 (2) (a) The amount of the base taxable value to be used in determining tax increment shall
1696 be:

1697 (i) increased or decreased by the amount of an increase or decrease that results from:

1698 (A) a statute enacted by the Legislature or by the people through an initiative;

1699 (B) a judicial decision;

1700 (C) an order from the State Tax Commission to a county to adjust or factor its assessment
1701 rate under Subsection 59-2-704(2);

1702 (D) a change in exemption provided in Utah Constitution Article XIII, Section 2, or
1703 Section 59-2-103; or

1704 (E) an increase or decrease in the percentage of fair market value, as defined under Section
1705 59-2-102; and

1706 (ii) reduced for any year to the extent necessary, even if below zero, to provide an agency
1707 with approximately the same amount of money the agency would have received without a
1708 reduction in the county's certified tax rate if:

1709 (A) in that year there is a decrease in the county's certified tax rate under Subsection
1710 59-2-924(2)(c) or (d)(i);

1711 (B) the amount of the decrease is more than 20% of the county's certified tax rate of the
1712 previous year; and

1713 (C) the decrease would result in a reduction of the amount of tax increment to be paid to
1714 the agency.

1715 (b) Notwithstanding an increase or decrease under Subsection (2)(a), the amount of tax
1716 increment paid to an agency each year for payment of bonds or other indebtedness may not be less
1717 than would have been paid to the agency each year if there had been no increase or decrease under
1718 Subsection (2)(a).

1719 Section 57. Section **17B-4-1007** is enacted to read:

1720 **17B-4-1007. Allowable uses of tax increment.**

1721 (1) (a) An agency may use tax increment:

1722 (i) for any of the purposes for which the use of tax increment is authorized under this
1723 chapter;

1724 (ii) to pay for, including financing or refinancing, all or part of:

1725 (A) the redevelopment, economic development, or education housing development in the
1726 project area from which the tax increment funds were collected;

1727 (B) housing expenditures, projects, or programs as provided in Section 17B-4-909 or
1728 17B-4-910;

1729 (C) with the consent of the community legislative body and subject to Subsection (3), the
1730 value of the land for and the cost of the installation and construction of any publicly owned
1731 building, facility, structure, landscaping, or other improvement within the project area from which
1732 the tax increment funds were collected; and

1733 (D) with the consent of the community legislative body and the taxing entity committee,
1734 the cost of the installation of publicly owned utilities and access outside the project area from
1735 which the tax increment funds were collected if the agency board and the community legislative
1736 body determine by resolution that the utilities and access are of benefit to the project area; or

1737 (iii) administrative, overhead, legal, and other operating expenses of the agency.

1738 (b) The determination of the agency board and the community legislative body under
1739 Subsection (1)(a)(ii)(D) regarding benefit to the project area shall be final and conclusive.

1740 (2) (a) An agency may contract with the community that created the agency or another
1741 public entity to use tax increment to reimburse the cost of items authorized by this chapter to be
1742 paid by the agency that have been or will be paid by the community or other public entity.

1743 (b) If land has been or will be acquired or the cost of an improvement has been or will be
1744 paid by another public entity and the land or improvement has been or will be leased to the
1745 community, an agency may contract with and make reimbursement from tax increment funds to
1746 the community.

1747 (3) An agency created by a city of the first or second class may use tax increment from one
1748 project area in another project area to pay all or part of the value of the land for and the cost of
1749 installation and construction of a publicly or privately owned convention center or sports complex
1750 or any building, facility, structure, or other improvement related to the convention center or sports
1751 complex, including parking and infrastructure improvements, if:

1752 (a) construction on the convention center or sports complex or related building, facility,
1753 structure, or other improvement begins on or before June 30, 2002; and

1754 (b) the tax increment is pledged to pay all or part of the value of the land for and the cost
1755 of the installation and construction of the convention center or sports complex or related building,
1756 facility, structure, or other improvement.

1757 (4) Notwithstanding any other provision of this chapter, an agency may not use tax
1758 increment to construct municipal buildings, courts or other judicial buildings, or fire stations.

1759 Section 58. Section **17B-4-1008** is enacted to read:

1760 **17B-4-1008. Agency may make payments to other taxing entities.**

1761 (1) An agency may grant tax increment or other agency funds, to a taxing entity to offset
1762 some or all of the tax revenues that the taxing entity did not receive because of tax increment paid
1763 to the agency.

1764 (2) (a) An agency may use tax increment or other agency funds to pay to a school district
1765 an amount of money that the agency determines to be appropriate to alleviate a financial burden
1766 or detriment borne by the school district because of the redevelopment, economic development,
1767 or education housing development.

1768 (b) Each agency that agrees to pay money to a school district under the authority of
1769 Subsection (2)(a) shall provide a copy of that agreement to the State Board of Education.

1770 Section 59. Section **17B-4-1009** is enacted to read:

1771 **17B-4-1009. Agency may use tax increment for housing costs in other project areas**
1772 **-- Funds to be held in separate accounts.**

1773 (1) For purposes of this section, "affordable housing" means housing to be owned or
1774 occupied by persons and families of low or moderate income, as determined by resolution of the
1775 agency.

1776 (2) An agency may:

1777 (a) use tax increment from a project area to pay all or part of the value of the land for and
1778 the cost of installation, construction, and rehabilitation of any building, facility, structure, or other
1779 housing improvement, including infrastructure improvements related to housing, located in any
1780 project area within the agency's boundaries; and

1781 (b) use up to 20% of tax increment outside of project areas for the purpose of replacing
1782 housing units lost by redevelopment, economic development, or education housing development,
1783 or increasing, improving, and preserving generally the affordable housing supply of the community
1784 that created the agency.

1785 (3) (a) Each agency shall separately account for funds allocated under this section.

1786 (b) Interest earned by the housing fund and any payments or repayments made to the
1787 agency for loans, advances, or grants of any kind from the fund, shall accrue to the housing fund.

1788 (c) Each agency designating a housing fund under this section shall use the fund for:

1789 (i) the purposes set forth in this section; or

1790 (ii) the purposes set forth in this chapter relating to the redevelopment, economic
1791 development, or education housing development project area from which the funds originated.

1792 (4) An agency may lend, grant, or contribute funds from the housing fund to a person,
1793 public entity, housing authority, private entity or business, or nonprofit corporation for affordable
1794 housing.

1795 Section 60. Section **17B-4-1010** is enacted to read:

1796 **17B-4-1010. Income targeted housing -- Agency may use tax increment for income**
1797 **targeted housing.**

1798 (1) As used in this section:

1799 (a) "Annual income" has the meaning as defined under regulations of the U.S. Department
1800 of Housing and Urban Development, 24 CFR, Part 813, as amended or as superseded by
1801 replacement regulations.

1802 (b) "Fair share ratio" means the ratio derived by:

1803 (i) for a city or town, comparing the percentage of all housing units within the city or town
1804 that are publicly subsidized income targeted housing units to the percentage of all housing units
1805 within the whole county that are publicly subsidized income targeted housing units; or

1806 (ii) for the unincorporated part of a county, comparing the percentage of all housing units
1807 within the unincorporated county that are publicly subsidized income targeted housing units to the
1808 percentage of all housing units within the whole county that are publicly subsidized income
1809 targeted housing units.

1810 (c) "Family" has the meaning as defined under regulations of the U.S. Department of
1811 Housing and Urban Development, 24 CFR, Part 813, as amended or as superseded by replacement
1812 regulations.

1813 (d) "Housing funds" means the funds allocated in the project area budget under Section
1814 17B-4-504 for the purposes provided in Subsection (2).

1815 (e) "Income targeted housing" means housing to be owned or occupied by a family whose
1816 annual income is at or below 80% of the median annual income for the county in which the
1817 housing is located.

1818 (f) "Unincorporated" means not within a city or town.

1819 (2) (a) Each agency shall use all funds allocated for housing under this section to:

1820 (i) pay part or all of the cost of land or construction of income targeted housing within the
1821 community that created the agency, if practicable in a mixed income development or area;

1822 (ii) pay part or all of the cost of rehabilitation of income targeted housing within the
1823 community that created the agency;

1824 (iii) pay part or all of the cost of land or installation, construction, or rehabilitation of any
1825 building, facility, structure, or other housing improvement, including infrastructure improvements.

1826 related to housing located in a project area where blight has been found to exist;

1827 (iv) replace housing units lost as a result of the redevelopment, economic development,
1828 or education housing development;

1829 (v) make payments on or establish a reserve fund for bonds:

1830 (A) issued by the agency, the community, or the housing authority that provides income
1831 targeted housing within the community; and

1832 (B) all or part of the proceeds of which are used within the community for the purposes
1833 stated in Subsection (2)(a)(i), (ii), (iii), or (iv); or

1834 (vi) if the community's fair share ratio at the time of the first adoption of the project area
1835 budget is at least 1.1 to 1.0, make payments on bonds:

1836 (A) that were previously issued by the agency, the community, or the housing authority
1837 that provides income targeted housing within the community; and

1838 (B) all or part of the proceeds of which were used within the community for the purposes
1839 stated in Subsection (2)(a)(i), (ii), (iii), or (iv).

1840 (b) As an alternative to the requirements of Subsection (2)(a), an agency may pay all
1841 housing funds to:

1842 (i) the community for use as provided under Subsection (2)(a);

1843 (ii) the housing authority that provides income targeted housing within the community for
1844 use in providing income targeted housing within the community; or

1845 (iii) the Olene Walker Housing Trust Fund, established under Title 9, Chapter 4, Part 7,
1846 Olene Walker Housing Trust Fund, for use in providing income targeted housing within the
1847 community.

1848 (3) The agency or community shall separately account for the housing funds, together with
1849 all interest earned by the housing funds and all payments or repayments for loans, advances, or
1850 grants from the housing funds.

1851 (4) In using housing funds under Subsection (2)(a), an agency may lend, grant, or
1852 contribute housing funds to a person, public body, housing authority, private entity or business,
1853 or nonprofit organization for use as provided in Subsection (2)(a).

1854 (5) An agency may:

1855 (a) issue bonds from time to time to finance a housing undertaking under this section,

1856 including the payment of principal and interest upon advances for surveys and plans or preliminary

1857 loans; and

1858 (b) issue refunding bonds for the payment or retirement of bonds under Subsection (5)(a)
1859 previously issued by the agency.

1860 (6) (a) If an agency fails to provide housing funds in accordance with the project area
1861 budget and, if applicable, the housing plan adopted under Subsection 17B-4-505(2), the trust fund
1862 board may bring legal action to compel the agency to provide the housing funds.

1863 (b) In an action under Subsection (6)(a), the court:

1864 (i) shall award the trust fund board a reasonable attorney's fee, unless the court finds that
1865 the action was frivolous; and

1866 (ii) may not award the agency its attorney's fees, unless the court finds that the action was
1867 frivolous.

1868 Section 61. Section **17B-4-1011** is enacted to read:

1869 **17B-4-1011. Base taxable value for new tax.**

1870 For purposes of calculating tax increment with respect to a tax that a taxing entity levies
1871 for the first time after the effective date of the project area plan, the base taxable value shall be
1872 used, subject to any adjustments under Section 17B-4-1006.

1873 Section 62. Section **17B-4-1101** is enacted to read:

1874 **Part 11. Eminent Domain in Redevelopment Project Area**

1875 **17B-4-1101. Use of eminent domain in redevelopment project area -- Conditions --**
1876 **Property devoted to a public use -- Relocation assistance.**

1877 (1) Subject to the provisions of this part, an agency may use eminent domain to acquire
1878 property within a redevelopment project area if:

1879 (a) the agency board makes a finding of blight under Part 6, Blight Determination in
1880 Redevelopment Project Areas;

1881 (b) the redevelopment project area plan provides for the use of eminent domain; and

1882 (c) the agency commences the acquisition of the property within five years after the
1883 effective date of the redevelopment project area plan.

1884 (2) (a) Subject to Subsection (2)(b), an agency may through eminent domain acquire
1885 property within the redevelopment project area already devoted to a public use.

1886 (b) Property of a public entity within a redevelopment project area may not be acquired
1887 without the public entity's consent.

1888 (3) Each agency that acquires real or personal property by eminent domain shall comply
1889 with Title 57, Chapter 12, Utah Relocation Assistance Act.

1890 Section 63. Section **17B-4-1102** is enacted to read:

1891 **17B-4-1102. Prerequisites to exercise of eminent domain -- Civil action authorized**
1892 **-- Record of good faith negotiations to be retained.**

1893 (1) Before an agency may exercise the power of eminent domain, the agency shall:

1894 (a) negotiate in good faith with the affected record property owner;

1895 (b) provide to each affected record property owner a written declaration that includes:

1896 (i) an explanation of the eminent domain process and the reasons for using it including:

1897 (A) the need for the agency to obtain an independent appraisal that indicates the fair

1898 market value of the property and how the fair market value was determined;

1899 (B) a statement explaining agency compliance with the owner participation guidelines;

1900 (C) a statement that the agency may adopt a resolution authorizing the agency to make an

1901 offer to the record property owner to purchase the property for the fair market value amount

1902 determined by the appraiser and that, if the offer is rejected, the agency has the right to acquire the

1903 property through a condemnation proceeding; and

1904 (D) a statement that the agency will prepare an offer that will include the price the agency

1905 is offering for the property, an explanation of how the agency determined the price being offered,

1906 the legal description of the property, conditions of the offer, and the time at which the offer will

1907 expire;

1908 (ii) an explanation of the record property owner's relocation rights under Title 57, Chapter

1909 12, Utah Relocation Assistance Act, and how to receive relocation assistance; and

1910 (iii) a statement that the owner has the right to receive just compensation and an

1911 explanation of how to obtain it; and

1912 (c) provide to the affected record property owner or the owner's designated representative

1913 a notice that is printed in a type size of at least ten-point type that contains:

1914 (i) a description of the property to be acquired;

1915 (ii) the name of the agency acquiring the property and the agency's contact person and

1916 telephone number; and

1917 (iii) a copy of Title 57, Chapter 12, Utah Relocation Assistance Act.

1918 (2) A person may bring a civil suit against an agency for a violation of Subsection (1)(b)

1919 that results in damage to that person.

1920 (3) Each agency shall keep a record and evidence of the good faith negotiations required
1921 under Subsection (1)(a) and retain the record and evidence as provided in:

1922 (a) Title 63, Chapter 2, Government Records Access and Management Act; or

1923 (b) an ordinance or policy that the agency has adopted under Section 63-2-701.

1924 (4) A record property owner whose property is being taken by an agency through the
1925 exercise of eminent domain may elect to receive for the real property being taken either fair market
1926 value or replacement property under Section 57-12-7.

1927 Section 64. Section **17B-4-1103** is enacted to read:

1928 **17B-4-1103. Court award for court costs, attorney's fees, relocation expenses, and**
1929 **damage to fixtures or personal property.**

1930 If a property owner contests in district court an agency's exercise of eminent domain against
1931 that owner's property, the court may:

1932 (1) if the amount of the court or jury award for the property exceeds the amount offered
1933 by the agency, award court costs and a reasonable attorney's fee, as determined by the court, to the
1934 owner;

1935 (2) award a reasonable sum, as determined by the court or jury, as compensation for any
1936 costs and expenses of relocating an owner who occupied the acquired property, a party conducting
1937 a business on the acquired property, or a person displaced from the property, as permitted by Title
1938 57, Chapter 12, Utah Relocation Assistance Act; and

1939 (3) if fixtures or personal property owned by the owner of the acquired property or by a
1940 person conducting a business on the acquired property are damaged as a result of the acquisition
1941 or relocation, award an amount, as determined by the court or jury, to compensate for that damage.

1942 Section 65. Section **17B-4-1104** is enacted to read:

1943 **17B-4-1104. Limitation on acquisition of certain property.**

1944 Without the consent of the owner, an agency may not acquire any real property on which
1945 an existing building is to be continued on its present site and in its present form and use unless:

1946 (1) the building requires structural alteration, improvement, modernization, or
1947 rehabilitation;

1948 (2) the site or lot on which the building is situated requires modification in size, shape, or
1949 use; or

1981 **regarding bonds.**

1982 (1) The principal and interest on bonds issued by an agency may be made payable from:

1983 (a) the income and revenues of the projects financed with the proceeds of the bonds;

1984 (b) the income and revenues of certain designated projects whether or not they were

1985 financed in whole or in part with the proceeds of the bonds;

1986 (c) the income, proceeds, revenues, property, and funds of the agency derived from or held

1987 in connection with its undertaking and carrying out redevelopment, economic development, or

1988 education housing development;

1989 (d) tax increment funds;

1990 (e) agency revenues generally;

1991 (f) a contribution, loan, grant, or other financial assistance from the federal government

1992 or a public entity in aid of redevelopment, economic development, or education housing

1993 development; or

1994 (g) funds derived from any combination of the methods listed in Subsections (1)(a)

1995 through (f).

1996 (2) In connection with the issuance of agency bonds, an agency may:

1997 (a) pledge all or any part of its gross or net rents, fees, or revenues to which its right then

1998 exists or may thereafter come into existence;

1999 (b) encumber by mortgage, deed of trust, or otherwise all or any part of its real or personal

2000 property, then owned or thereafter acquired; and

2001 (c) make the covenants and take the action that may be necessary, convenient, or desirable

2002 to secure its bonds, or, except as otherwise provided in this chapter, that will tend to make the

2003 bonds more marketable, even though such covenants or actions are not specifically enumerated in

2004 this chapter.

2005 Section 69. Section **17B-4-1203** is enacted to read:

2006 **17B-4-1203. Signature of officer who leaves office.**

2007 If an agency officer whose signature appears on a bond issued under this part leaves office

2008 before delivery of the bond, the signature shall continue to be valid as if the official had remained

2009 in office until delivery of the bond.

2010 Section 70. Section **17B-4-1204** is enacted to read:

2011 **17B-4-1204. Contesting the legality of resolution authorizing bonds -- Time limit --**

2012 **Presumption.**

2013 (1) Any person may contest the legality of the resolution authorizing issuance of the bonds
2014 or any provisions for the security and payment of the bonds for a period of 30 days after:

2015 (a) publication of the resolution authorizing the bonds; or

2016 (b) publication of a notice of bonds containing substantially the items required under
2017 Subsection 11-14-21(3).

2018 (2) After the 30-day period under Subsection (1), no lawsuit or other proceeding may be
2019 brought contesting the regularity, formality, or legality of the bonds for any reason.

2020 (3) In a lawsuit or other proceeding involving the question of whether a bond issued under
2021 this part is valid or enforceable or involving the security for a bond, if a bond recites that the
2022 agency issued the bond in connection with a redevelopment, economic development, or education
2023 housing development:

2024 (a) the bond shall be conclusively presumed to have been issued for that purpose; and

2025 (b) the project area plan and project area shall be conclusively presumed to have been
2026 properly formed, adopted, planned, located, and carried out in accordance with this chapter.

2027 Section 71. Section **17B-4-1205** is enacted to read:

2028 **17B-4-1205. Authority to purchase agency bonds.**

2029 (1) Any person, firm, corporation, association, political subdivision of the state, or other
2030 entity or public or private officer may purchase bonds issued by an agency under this part with
2031 funds owned or controlled by the purchaser.

2032 (2) Nothing in this section may be construed to relieve a purchaser of agency bonds of any
2033 duty to exercise reasonable care in selecting securities.

2034 Section 72. Section **17B-4-1206** is enacted to read:

2035 **17B-4-1206. Those executing bonds not personally liable -- Limitation of obligations**
2036 **under bonds -- Negotiability.**

2037 (1) A member of an agency board or other person executing an agency bond is not liable
2038 personally on the bond.

2039 (2) (a) A bond issued by an agency is not a general obligation or liability of the
2040 community, the state, or any of its political subdivisions and does not constitute a charge against
2041 their general credit or taxing powers.

2042 (b) A bond issued by an agency is not payable out of any funds or properties other than

2043 those of the agency.

2044 (c) The community, the state, and its political subdivisions may not be liable on a bond
2045 issued by an agency.

2046 (d) A bond issued by an agency does not constitute indebtedness within the meaning of
2047 any constitutional or statutory debt limitation.

2048 (3) A bond issued by an agency under this part is fully negotiable.

2049 Section 73. Section **17B-4-1207** is enacted to read:

2050 **17B-4-1207. Obligee rights -- Board may confer other rights.**

2051 (1) In addition to all other rights that are conferred on an obligee of a bond issued by an
2052 agency under this part and subject to contractual restrictions binding on the obligee, an obligee
2053 may:

2054 (a) by mandamus, suit, action, or other proceeding, compel an agency and its board,
2055 officers, agents, or employees to perform every term, provision, and covenant contained in any
2056 contract of the agency with or for the benefit of the obligee, and require the agency to carry out the
2057 covenants and agreements of the agency and to fulfill all duties imposed on the agency by this part;
2058 and

2059 (b) by suit, action, or proceeding in equity, enjoin any acts or things that may be unlawful
2060 or violate the rights of the obligee.

2061 (2) (a) In a board resolution authorizing the issuance of bonds or in a trust indenture,
2062 mortgage, lease, or other contract, an agency board may confer upon an obligee holding or
2063 representing a specified amount in bonds, the rights described in Subsection (2)(b), to accrue upon
2064 the happening of an event or default prescribed in the resolution, indenture, mortgage, lease, or
2065 other contract, and to be exercised by suit, action, or proceeding in any court of competent
2066 jurisdiction.

2067 (b) (i) The rights that the board may confer under Subsection (2)(a) are the rights to:

2068 (A) cause possession of all or part of a redevelopment, economic development, or
2069 education housing development project to be surrendered to an obligee;

2070 (B) obtain the appointment of a receiver of all or part of an agency's redevelopment,
2071 economic development, or education housing development project and of the rents and profits
2072 from it; and

2073 (C) require the agency and its board and employees to account as if the agency and the

2074 board and employees were the trustees of an express trust.

2075 (ii) If a receiver is appointed through the exercise of a right granted under Subsection
2076 (2)(b)(i)(B), the receiver:

2077 (A) may enter and take possession of the redevelopment, economic development, or
2078 education housing development project or any part of it, operate and maintain it, and collect and
2079 receive all fees, rents, revenues, or other charges arising from it after the receiver's appointment;
2080 and

2081 (B) shall keep money collected as receiver for the agency in separate accounts and apply
2082 it pursuant to the agency obligations as the court directs.

2083 Section 74. Section **17B-4-1208** is enacted to read:

2084 **17B-4-1208. Bonds exempt from taxes -- Agency may purchase its own bonds.**

2085 (1) A bond issued by an agency under this part is issued for an essential public and
2086 governmental purpose and is, together with interest on the bond and income from it, exempt from
2087 all state taxes except the corporate franchise tax.

2088 (2) An agency may purchase its own bonds at a price that its board determines.

2089 (3) Nothing in this section may be construed to limit the right of an obligee to pursue a
2090 remedy for the enforcement of a pledge or lien given under this part by an agency on its rents, fees,
2091 grants, properties, or revenues.

2092 Section 75. Section **17B-4-1301** is enacted to read:

2093 **Part 13. Agency budget and reports**

2094 **17B-4-1301. Annual agency budget -- Fiscal year -- Public hearing required --**
2095 **Auditor forms -- Requirement to file form.**

2096 (1) Each agency shall prepare and its board adopt an annual budget of revenues and
2097 expenditures for the agency for each fiscal year.

2098 (2) Each annual agency budget shall be adopted:

2099 (a) for an agency created by a city or town, before June 22; or

2100 (b) for an agency created by a county, before December 15.

2101 (3) The agency's fiscal year shall be the same as the fiscal year of the community that
2102 created the agency.

2103 (4) (a) Before adopting an annual budget, each agency board shall hold a public hearing
2104 on the annual budget.

2105 (b) Each agency shall provide notice of the public hearing on the annual budget by:

2106 (i) publishing at least one notice in a newspaper of general circulation within the agency
2107 boundaries, one week before the public hearing; or

2108 (ii) if there is no newspaper of general circulation within the agency boundaries, posting
2109 a notice of the public hearing in at least three public places within the agency boundaries.

2110 (c) Each agency shall make the annual budget available for public inspection at least three
2111 days before the date of the public hearing.

2112 (5) The state auditor shall prescribe the budget forms and the categories to be contained
2113 in each agency budget, including:

2114 (a) revenues and expenditures for the budget year;

2115 (b) legal fees; and

2116 (c) administrative costs, including rent, supplies, and other materials, and salaries of
2117 agency personnel.

2118 (6) Within 30 days after adopting an annual budget, each agency board shall file a copy
2119 of the annual budget with the auditor of the county in which the agency is located, the State Tax
2120 Commission, the state auditor, the State Board of Education, and each taxing entity that levies a
2121 tax on property from which the agency collects tax increment.

2122 Section 76. Section **17B-4-1302** is enacted to read:

2123 **17B-4-1302. Amending the agency annual budget.**

2124 (1) An agency board may by resolution amend an annual agency budget.

2125 (2) An amendment of the annual agency budget that would increase the total expenditures
2126 may be made only after public hearing by notice published as required for initial adoption of the
2127 annual budget.

2128 (3) An agency may not make expenditures in excess of the total expenditures established
2129 in the annual budget as it is adopted or amended.

2130 Section 77. Section **17B-4-1303** is enacted to read:

2131 **17B-4-1303. Agency report.**

2132 (1) On or before November 1 of each year, each agency shall prepare and file a report with
2133 the county auditor, the State Tax Commission, the State Board of Education, and each taxing entity
2134 that levies a tax on property from which the agency collects tax increment.

2135 (2) Each report under Subsection (1) shall contain:

2136 (a) an estimate of the tax increment to be paid to the agency for the calendar year ending
2137 December 31; and

2138 (b) an estimate of the tax increment to be paid to the agency for the calendar year
2139 beginning the next January 1.

2140 Section 78. Section **17B-4-1304** is enacted to read:

2141 **17B-4-1304. Audit requirements.**

2142 Each agency whose expenditures for the fiscal year exceed \$25,000 shall comply with the
2143 audit requirements of Title 51, Chapter 2, Audits of Political Subdivisions, Interlocal
2144 Organizations and Other Local Entities.

2145 Section 79. Section **17B-4-1305** is enacted to read:

2146 **17B-4-1305. Audit report.**

2147 (1) Each agency required to be audited under Section 17B-4-1304 shall, within 180 days
2148 after the end of the agency's fiscal year, file a copy of the audit report with the county auditor, the
2149 State Tax Commission, the State Board of Education, and each taxing entity that levies a tax on
2150 property from which the agency collects tax increment.

2151 (2) Each audit report under Subsection (1) shall include:

2152 (a) the tax increment collected by the agency for each project area;

2153 (b) the amount of tax increment paid to each taxing entity under Section 17B-4-1008;

2154 (c) the outstanding principal amount of bonds issued or other loans incurred to finance the
2155 costs associated with the agency's project areas;

2156 (d) the actual amount expended for:

2157 (i) acquisition of property;

2158 (ii) site improvements or site preparation costs;

2159 (iii) installation of public utilities or other public improvements; and

2160 (iv) administrative costs of the agency.

2161 Section 80. Section **17B-4-1306** is enacted to read:

2162 **17B-4-1306. County auditor report on project areas.**

2163 (1) (a) On or before March 31 of each year, the auditor of each county in which an agency
2164 is located shall prepare a report on the project areas within each agency.

2165 (b) The county auditor shall send a copy of each report under Subsection (1)(a) to the
2166 agency that is the subject of the report, the State Tax Commission, the State Board of Education,

2167 and each taxing entity that levies a tax on property from which the agency collects tax increment.

2168 (2) Each report under Subsection (1)(a) shall report:

2169 (a) the total assessed property value within each project area for the previous tax year;

2170 (b) the base taxable value of property within each project area for the previous tax year;

2171 (c) the tax increment available to be paid to the agency for the previous tax year;

2172 (d) the tax increment requested by the agency for the previous tax year; and

2173 (e) the tax increment paid to the agency for the previous tax year.

2174 (3) Within 30 days after a request by an agency, the State Tax Commission, the State

2175 Board of Education, or any taxing entity that levies a tax on property from which the agency

2176 receives tax increment, the county auditor or the county assessor shall provide access to:

2177 (a) the county auditor's method and calculations used to make adjustments under Section
2178 17B-4-1006;

2179 (b) the unequalized assessed valuation of an existing or proposed project area, or any
2180 parcel or parcels within an existing or proposed project area, if the equalized assessed valuation
2181 has not yet been determined for that year; and

2182 (c) the most recent equalized assessed valuation of an existing or proposed project area
2183 or any parcel or parcels within an existing or proposed project area; and

2184 (d) the tax rate of each taxing entity adopted as of November 1 for the previous tax year.

2185 Section 81. Section **17B-4-1401** is enacted to read:

2186 **Part 14. Dissolution**

2187 **17B-4-1401. Dissolution.**

2188 (1) Subject to Subsection (1)(b), the legislative body of the community that created an
2189 agency may, by ordinance, deactivate and dissolve the agency.

2190 (b) An ordinance dissolving an agency may not be adopted unless the agency has no
2191 outstanding bonded indebtedness, other unpaid loans, indebtedness, or advances, and no legally
2192 binding contractual obligations with persons or entities other than the community.

2193 (2) The legislative body of each community that adopts an ordinance under Subsection (1)
2194 shall:

2195 (a) file a certified copy of the ordinance with the State Tax Commission, county assessor,
2196 county auditor, the State Board of Education, and the legislative body of each taxing entity; and

2197 (b) cause a notice of dissolution to be published in a newspaper of general circulation in

2198 the county in which the dissolved agency is located.

2199 (3) The books, documents, records, papers, and seal of each dissolved agency shall be
2200 deposited for safekeeping and reference with the recorder of the community that dissolved the
2201 agency.

2202 (4) The agency shall pay all expenses of the deactivation and dissolution.

2203 Section 82. Section **51-2-8** is amended to read:

2204 **51-2-8. Entities exempt from audit requirements -- Report required.**

2205 (1) (a) Any political subdivision, interlocal organization, or other local entity [in which
2206 the budget for revenues or expenditures of all funds combined for any fiscal year does not exceed
2207 \$150,000, or an appropriate amount established by the Utah state auditor which represents the
2208 above noted amount adjusted by economic factors such as inflation but not limited to such factors,]
2209 may[, with the approval of the state auditor,] be exempt from the provisions of Section 51-2-1[
2210 In such event, its governing body must] if:

2211 (i) its budget for revenues or expenditures of all funds for a fiscal year does not exceed
2212 \$150,000, or an amount established by the state auditor that is \$150,000 but adjusted for economic
2213 factors including inflation; and

2214 (ii) the state auditor approves of the exemption.

2215 (b) A redevelopment agency under Title 17B, Chapter 4, Redevelopment Agencies Act,
2216 is exempt from the requirements of Section 51-2-1 if its expenditures for the fiscal year do not
2217 exceed \$25,000.

2218 (2) Each exempt entity under Subsection (1) shall:

2219 (a) cause a report on the fiscal affairs of the [local] entity to be prepared in accordance with
2220 regulations and reporting forms prepared and issued by the state auditor[;]; and

2221 (b) file that report with the state auditor within six months after the close of each fiscal
2222 year of that entity.

2223 Section 83. Section **59-2-906.1** is amended to read:

2224 **59-2-906.1. Property Tax Valuation Agency Fund -- Creation -- Statewide levy --**
2225 **Additional county levy permitted.**

2226 (1) (a) There is created the Property Tax Valuation Agency Fund, to be funded by a
2227 multicounty assessing and collecting levy not to exceed .0003 as provided in Subsection (2).

2228 (b) The multicounty assessing and collecting levy under Subsection (1)(a) shall be imposed

2229 annually by each county in the state.

2230 (c) The purpose of the multicounty assessing and collecting levy created under Subsection
2231 (1)(a) and the disbursement formulas established in Section 59-2-906.2 is to promote the accurate
2232 valuation of property, the establishment and maintenance of uniform assessment levels within and
2233 among counties, and the efficient administration of the property tax system, including the costs of
2234 assessment, collection, and distribution of property taxes.

2235 (d) Income derived from the investment of money in the fund created in this Subsection
2236 (1) shall be deposited in and become part of the fund.

2237 (2) (a) Except as authorized in Subsection (2)(b), beginning in fiscal year 1996-97 to fund
2238 the Property Tax Valuation Agency Fund the Legislature shall authorize the amount of the
2239 multicounty assessing and collecting levy, except that the multicounty assessing and collecting
2240 levy may not exceed the certified revenue levy as defined in Section 53A-17a-103.

2241 (b) If the Legislature authorizes a multicounty assessing and collecting levy that exceeds
2242 the certified revenue levy, it is subject to the notice requirements of Section 59-2-926.

2243 (c) For the calendar year beginning on January 1, 1998, and ending December 31, 1998,
2244 the certified revenue levy shall be increased by the amount necessary to offset the decrease in
2245 revenues from uniform fees on tangible personal property under Section 59-2-405 as a result of
2246 the decrease in uniform fees on tangible personal property under Section 59-2-405 enacted by the
2247 Legislature during the 1997 Annual General Session.

2248 (d) For the calendar year beginning on January 1, 1999, and ending on December 31, 1999,
2249 the certified revenue levy shall be adjusted by the amount necessary to offset the adjustment in
2250 revenues from uniform fees on tangible personal property under Section 59-2-405.1 as a result of
2251 the adjustment in uniform fees on tangible personal property under Section 59-2-405.1 enacted by
2252 the Legislature during the 1998 Annual General Session.

2253 (3) (a) The multicounty assessing and collecting levy authorized by the Legislature under
2254 Subsection (2) shall be separately stated on the tax notice as a multicounty assessing and collecting
2255 levy.

2256 (b) The multicounty assessing and collecting levy authorized by the Legislature under
2257 Subsection (2) is:

2258 (i) exempt from the redevelopment provisions of Sections [~~17A-2-1247 and~~
2259 ~~17A-2-1247.5]~~ 17B-4-1003 and 17B-4-1004;

2260 (ii) in addition to and exempt from the maximum levies allowable under Section 59-2-908;
2261 and

2262 (iii) exempt from the notice requirements of Sections 59-2-918 and 59-2-919.

2263 (c) Each county shall transmit quarterly to the state treasurer the portion of the .0003
2264 multicounty assessing and collecting levy which is above the amount to which that county is
2265 entitled to under Section 59-2-906.2.

2266 (i) The revenue shall be transmitted no later than the tenth day of the month following the
2267 end of the quarter in which the revenue is collected.

2268 (ii) If revenue is transmitted after the tenth day of the month following the end of the
2269 quarter in which the revenue is collected, the county shall pay an interest penalty at the rate of 10%
2270 each year until the revenue is transmitted.

2271 (d) The state treasurer shall deposit the revenue from the multicounty assessing and
2272 collecting levy, any interest accrued from that levy, and any penalties received under Subsection
2273 (3)(c) in the Property Tax Valuation Agency Fund.

2274 (4) Each county may levy an additional property tax up to .0002 per dollar of taxable value
2275 of taxable property as reported by each county. This levy shall be stated on the tax notice as a
2276 county assessing and collecting levy.

2277 (a) The purpose of the levy established in this Subsection (4) is to promote the accurate
2278 valuation of property, the establishment and maintenance of uniform assessment levels within and
2279 among counties, and the efficient administration of the property tax system, including the costs of
2280 assessment, collection, and distribution of property taxes.

2281 (b) Any levy established in Subsection (4)(a) is:

2282 (i) exempt from the redevelopment provisions of Sections [~~17A-2-1247 and~~
2283 ~~17A-2-1247.5~~] 17B-4-1003 and 17B-4-1004;

2284 (ii) in addition to and exempt from the maximum levies allowable under Section 59-2-908;
2285 and

2286 (iii) is subject to the notice requirements of Sections 59-2-918 and 59-2-919.

2287 Section 84. Section **59-2-924** is amended to read:

2288 **59-2-924. Report of valuation of property to county auditor and commission --**

2289 **Transmittal by auditor to governing bodies -- Certified tax rate -- Adoption of tentative**
2290 **budget.**

2291 (1) (a) Before June 1 of each year, the county assessor of each county shall deliver to the
2292 county auditor and the commission the following statements:

2293 (i) a statement containing the aggregate valuation of all taxable property in each taxing
2294 entity; and

2295 (ii) a statement containing the taxable value of any additional personal property estimated
2296 by the county assessor to be subject to taxation in the current year.

2297 (b) The county auditor shall, on or before June 8, transmit to the governing body of each
2298 taxing entity:

2299 (i) the statements described in Subsections (1)(a)(i) and (ii);

2300 (ii) an estimate of the revenue from personal property;

2301 (iii) the certified tax rate; and

2302 (iv) all forms necessary to submit a tax levy request.

2303 (2) (a) (i) The "certified tax rate" means a tax rate that will provide the same ad valorem
2304 property tax revenues for a taxing entity as were collected by that taxing entity for the prior year.

2305 (ii) For purposes of this Subsection (2), "ad valorem property tax revenues" do not include:

2306 (A) collections from redemptions;

2307 (B) interest; and

2308 (C) penalties.

2309 (iii) Except as provided in Subsection (2)(a)(iv), the certified tax rate shall be calculated
2310 by dividing the ad valorem property tax revenues collected for the prior year by the taxing entity
2311 by the taxable value established in accordance with Section 59-2-913.

2312 (iv) The certified tax rates for the taxing entities described in this Subsection (2)(a)(iv)
2313 shall be calculated as follows:

2314 (A) except as provided in Subsection (2)(a)(iv)(B), for new taxing entities the certified tax
2315 rate is zero;

2316 (B) for each municipality incorporated on or after July 1, 1996, the certified tax rate is:

2317 (I) in a county of the first, second, or third class, the levy imposed for municipal-type
2318 services under Sections 17-34-1 and 17-36-9; and

2319 (II) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
2320 purposes and such other levies imposed solely for the municipal-type services identified in Section
2321 17-34-1 and Subsection 17-36-3(22);

2322 (C) for debt service voted on by the public, the certified tax rate shall be the actual levy
2323 imposed by that section, except that the certified tax rates for the following levies shall be
2324 calculated in accordance with Section 59-2-913 and this section:

2325 (I) school leeways provided for under Sections 11-2-7, 53A-16-110, 53A-17a-125,
2326 53A-17a-127, 53A-17a-134, 53A-17a-143, 53A-17a-145, and 53A-21-103; and

2327 (II) levies to pay for the costs of state legislative mandates or judicial or administrative
2328 orders under Section 59-2-906.3.

2329 (v) (A) A judgment levy imposed under Section 59-2-1328 or Section 59-2-1330 shall be
2330 established at that rate which is sufficient to generate only the revenue required to satisfy one or
2331 more eligible judgments, as defined in Section 59-2-102.

2332 (B) The ad valorem property tax revenue generated by the judgment levy shall not be
2333 considered in establishing the taxing entity's aggregate certified tax rate.

2334 (b) (i) For the purpose of calculating the certified tax rate, the county auditor shall use the
2335 taxable value of property on the assessment roll.

2336 (ii) For purposes of Subsection (2)(b)(i), the taxable value of property on the assessment
2337 roll does not include new growth as defined in Subsection (2)(b)(iii).

2338 (iii) "New growth" means:

2339 (A) the difference between the increase in taxable value of the taxing entity from the
2340 previous calendar year to the current year; minus

2341 (B) the amount of an increase in taxable value described in Subsection (2)(b)(iv).

2342 (iv) Subsection (2)(b)(iii)(B) applies to the following increases in taxable value:

2343 (A) the amount of increase to locally assessed real property taxable values resulting from
2344 factoring, reappraisal, or any other adjustments; or

2345 (B) the amount of an increase in the taxable value of property assessed by the commission
2346 under Section 59-2-201 resulting from a change in the method of apportioning the taxable value
2347 prescribed by:

2348 (I) the Legislature;

2349 (II) a court;

2350 (III) the commission in an administrative rule; or

2351 (IV) the commission in an administrative order.

2352 (c) Beginning January 1, 1997, if a taxing entity receives increased revenues from uniform

2353 fees on tangible personal property under Section 59-2-404, 59-2-405, or 59-2-405.1 as a result of
2354 any county imposing a sales and use tax under Chapter 12, Part 11, County Option Sales and Use
2355 Tax, the taxing entity shall decrease its certified tax rate to offset the increased revenues.

2356 (d) (i) Beginning July 1, 1997, if a county has imposed a sales and use tax under Chapter
2357 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:

2358 (A) decreased on a one-time basis by the amount of the estimated sales tax revenue to be
2359 distributed to the county under Subsection 59-12-1102(3); and

2360 (B) increased by the amount necessary to offset the county's reduction in revenue from
2361 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, or 59-2-405.1 as a
2362 result of the decrease in the certified tax rate under Subsection (2)(d)(i)(A).

2363 (ii) The commission shall determine estimates of sales tax distributions for purposes of
2364 Subsection (2)(d)(i).

2365 (e) Beginning January 1, 1998, if a municipality has imposed an additional resort
2366 communities sales tax under Section 59-12-402, the municipality's certified tax rate shall be
2367 decreased on a one-time basis by the amount necessary to offset the first 12 months of estimated
2368 revenue from the additional resort communities sales tax imposed under Section 59-12-402.

2369 (f) For the calendar year beginning on January 1, 1999, and ending on December 31, 1999,
2370 a taxing entity's certified tax rate shall be adjusted by the amount necessary to offset the adjustment
2371 in revenues from uniform fees on tangible personal property under Section 59-2-405.1 as a result
2372 of the adjustment in uniform fees on tangible personal property under Section 59-2-405.1 enacted
2373 by the Legislature during the 1998 Annual General Session.

2374 (g) For purposes of Subsections (2)(h) through (j):

2375 (i) "1998 actual collections" means the amount of revenues a taxing entity actually
2376 collected for the calendar year beginning on January 1, 1998, under Section 59-2-405 for:

2377 (A) motor vehicles required to be registered with the state that weigh 12,000 pounds or
2378 less; and

2379 (B) state-assessed commercial vehicles required to be registered with the state that weigh
2380 12,000 pounds or less.

2381 (ii) "1999 actual collections" means the amount of revenues a taxing entity actually
2382 collected for the calendar year beginning on January 1, 1999, under Section 59-2-405.1.

2383 (h) For the calendar year beginning on January 1, 2000, the commission shall make the

2384 following adjustments:

2385 (i) the commission shall make the adjustment described in Subsection (2)(i)(i) if, for the
2386 calendar year beginning on January 1, 1999, a taxing entity's 1998 actual collections were greater
2387 than the sum of:

2388 (A) the taxing entity's 1999 actual collections; and

2389 (B) any adjustments the commission made under Subsection (2)(f);

2390 (ii) the commission shall make the adjustment described in Subsection (2)(i)(ii) if, for the
2391 calendar year beginning on January 1, 1999, a taxing entity's 1998 actual collections were greater
2392 than the taxing entity's 1999 actual collections, but the taxing entity's 1998 actual collections were
2393 less than the sum of:

2394 (A) the taxing entity's 1999 actual collections; and

2395 (B) any adjustments the commission made under Subsection (2)(f); and

2396 (iii) the commission shall make the adjustment described in Subsection (2)(i)(iii) if, for
2397 the calendar year beginning on January 1, 1999, a taxing entity's 1998 actual collections were less
2398 than the taxing entity's 1999 actual collections.

2399 (i) (i) For purposes of Subsection (2)(h)(i), the commission shall increase a taxing entity's
2400 certified tax rate under this section and a taxing entity's certified revenue levy under Section
2401 59-2-906.1 by the amount necessary to offset the difference between:

2402 (A) the taxing entity's 1998 actual collections; and

2403 (B) the sum of:

2404 (I) the taxing entity's 1999 actual collections; and

2405 (II) any adjustments the commission made under Subsection (2)(f).

2406 (ii) For purposes of Subsection (2)(h)(ii), the commission shall decrease a taxing entity's
2407 certified tax rate under this section and a taxing entity's certified revenue levy under Section
2408 59-2-906.1 by the amount necessary to offset the difference between:

2409 (A) the sum of:

2410 (I) the taxing entity's 1999 actual collections; and

2411 (II) any adjustments the commission made under Subsection (2)(f); and

2412 (B) the taxing entity's 1998 actual collections.

2413 (iii) For purposes of Subsection (2)(h)(iii), the commission shall decrease a taxing entity's
2414 certified tax rate under this section and a taxing entity's certified revenue levy under Section

2415 59-2-906.1 by the amount of any adjustments the commission made under Subsection (2)(f).

2416 (j) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, for
2417 purposes of Subsections (2)(f) through (i), the commission may make rules establishing the method
2418 for determining a taxing entity's 1998 actual collections and 1999 actual collections.

2419 (k) (i) (A) For fiscal year 2000, the certified tax rate of each county to which Subsection
2420 17-34-3(4)(a) applies shall be decreased by the amount necessary to reduce revenues in that fiscal
2421 year by an amount equal to the difference between the amount the county budgeted in its 2000
2422 fiscal year budget for advanced life support and paramedic services countywide and the amount
2423 the county spent during fiscal year 2000 for those services, excluding amounts spent from a
2424 municipal services fund for those services.

2425 (B) For fiscal year 2001, the certified tax rate of each county to which Subsection
2426 17-34-3(4)(a) applies shall be decreased by the amount necessary to reduce revenues in that fiscal
2427 year by the amount that the county spent during fiscal year 2000 for advanced life support and
2428 paramedic services countywide, excluding amounts spent from a municipal services fund for those
2429 services.

2430 (ii) (A) For fiscal year 2001, a city or town located within a county of the first class to
2431 which Subsection 17-34-3(4)(a) applies may increase its certified tax rate by the amount necessary
2432 to generate within the city or town the same amount of revenues as the county would collect from
2433 that city or town if the decrease under Subsection (2)(k)(i) did not occur.

2434 (B) An increase under Subsection (2)(k)(ii)(A) is not subject to the notice and hearing
2435 requirements of Sections 59-2-918 and 59-2-919.

2436 (3) (a) On or before June 22, each taxing entity shall annually adopt a tentative budget.

2437 (b) If the taxing entity intends to exceed the certified tax rate, it shall notify the county
2438 auditor of:

2439 (i) its intent to exceed the certified tax rate; and

2440 (ii) the amount by which it proposes to exceed the certified tax rate.

2441 (c) The county auditor shall notify all property owners of any intent to exceed the certified
2442 tax rate in accordance with Subsection 59-2-919(2).

2443 (4) (a) The taxable value for the base year under Subsection [~~17A-2-1247(2)(a)~~ or
2444 ~~17A-2-1202(2)~~, as the case may be,] 17B-4-102(4) shall be reduced for any year to the extent
2445 necessary to provide a redevelopment agency established under Title [~~17A~~] 17B, Chapter [~~2~~] 4,

2446 [~~Part 12, Utah Neighborhood Development~~] Redevelopment Agencies Act, with approximately
2447 the same amount of money the agency would have received without a reduction in the county's
2448 certified tax rate if:

2449 (i) in that year there is a decrease in the certified tax rate under Subsection (2)(c) or
2450 (2)(d)(i);

2451 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of the
2452 previous year; and

2453 (iii) the decrease results in a reduction of the amount to be paid to the agency under
2454 Section [~~17A-2-1247 or 17A-2-1247.5~~] 17B-4-1003 or 17B-4-1004.

2455 (b) The taxable value of the base year under Subsection [~~17A-2-1247(2)(a) or~~
2456 ~~17A-2-1202(2), as the case may be,~~] 17B-4-101(4) shall be increased in any year to the extent
2457 necessary to provide a redevelopment agency with approximately the same amount of money as
2458 the agency would have received without an increase in the certified tax rate that year if:

2459 (i) in that year the taxable value for the base year under Subsection [~~17A-2-1247(2) or~~
2460 ~~17A-2-1202(2)~~] 17B-4-101(4) is reduced due to a decrease in the certified tax rate under
2461 Subsection (2)(c) or (2)(d)(i); and

2462 (ii) The certified tax rate of a city, school district, or special district increases independent
2463 of the adjustment to the taxable value of the base year.

2464 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2)(c) or (2)(d)(i),
2465 the amount of money allocated and, when collected, paid each year to a redevelopment agency
2466 established under Title [~~17A~~] 17B, Chapter [~~2~~] 4, [~~Part 12, Utah Neighborhood Development~~]
2467 Redevelopment Agencies Act, for the payment of bonds or other contract indebtedness, but not
2468 for administrative costs, may not be less than that amount would have been without a decrease in
2469 the certified tax rate under Subsection (2)(c) or (2)(d)(i).

2470 Section 85. **Repealer.**

2471 This act repeals:

2472 Section **17A-2-1201, Short title.**

2473 Section **17A-2-1202, Definitions.**

2474 Section **17A-2-1203, Creation of redevelopment agencies -- Governing body -- Powers**
2475 **-- Contiguous communities.**

2476 Section **17A-2-1204, Redevelopment survey areas.**

- 2477 Section 17A-2-1205, Preconditions for designating a project area.
- 2478 Section 17A-2-1206, Selection of project areas -- Blight hearing.
- 2479 Section 17A-2-1207, Contents of preliminary plan.
- 2480 Section 17A-2-1208, Blight study -- Findings of blight.
- 2481 Section 17A-2-1209, Use of eminent domain.
- 2482 Section 17A-2-1210, Limits on value and size of project areas using tax increment
- 2483 **financing without consent of local taxing agencies -- Time limits.**
- 2484 Section 17A-2-1210.5, Limits on length of time for project areas adopted after July
- 2485 **1, 1993.**
- 2486 Section 17A-2-1211, Property owner's rights.
- 2487 Section 17A-2-1212, Project area and redevelopment restrictions.
- 2488 Section 17A-2-1213, Plan preparation -- Hearing -- Notice -- Consultation with
- 2489 **community planning commission.**
- 2490 Section 17A-2-1214, Opportunities to participate in project required -- Preferences
- 2491 **-- Rules.**
- 2492 Section 17A-2-1215, Approval and adoption of plan -- Funding -- Reuse of property.
- 2493 Section 17A-2-1216, Agency budget -- Hearing -- Public inspection -- Agency budget
- 2494 **forms -- Copies of adopted budget filed -- Expenditures limited by budget.**
- 2495 Section 17A-2-1217, Annual reports by agency.
- 2496 Section 17A-2-1218, Annual reports by county auditor.
- 2497 Section 17A-2-1219, Audit of agency accounts.
- 2498 Section 17A-2-1220, Report to accompany plan.
- 2499 Section 17A-2-1221, Hearing.
- 2500 Section 17A-2-1222, Notices of hearing required.
- 2501 Section 17A-2-1223, Objections to plan -- Filing.
- 2502 Section 17A-2-1224, Objections to plan -- Hearing.
- 2503 Section 17A-2-1225, Adoption, rejection, or modification of plan -- Plan submitted to
- 2504 **voters -- When rejection required -- Petition for alternative plan.**
- 2505 Section 17A-2-1226, Adoption of plan by ordinance -- Limitation on contest of legality.
- 2506 Section 17A-2-1227, Adoption by ordinance.
- 2507 Section 17A-2-1228, Acquisition and disposition of property -- Control of property

- 2508 **sold or leased for private use -- Notice.**
- 2509 Section 17A-2-1229, Amendment or modification of plan.
- 2510 Section 17A-2-1230, Powers of public body aiding and cooperating in redevelopment
- 2511 **projects -- Notice requirement.**
- 2512 Section 17A-2-1231, Bonds -- Payments.
- 2513 Section 17A-2-1232, Bonds as indebtedness -- Exemption from taxes.
- 2514 Section 17A-2-1233, Bonds -- Type -- Form -- Interest -- Redemption.
- 2515 Section 17A-2-1234, Sale of bonds.
- 2516 Section 17A-2-1235, Validity of official signatures on bonds -- Negotiability.
- 2517 Section 17A-2-1236, Actions on validity or enforceability of bonds -- Time for bringing
- 2518 **action.**
- 2519 Section 17A-2-1237, Investment in bonds.
- 2520 Section 17A-2-1238, Agency disposition of property within project area -- Eminent
- 2521 **domain -- Just compensation, costs, damages.**
- 2522 Section 17A-2-1239, Acquisition of property from members or officers prohibited.
- 2523 Section 17A-2-1240, Acquisition of real property without owner's consent prohibited
- 2524 **-- Exceptions.**
- 2525 Section 17A-2-1241, Acquisition of public property.
- 2526 Section 17A-2-1242, Rights and duties not affected.
- 2527 Section 17A-2-1243, Bond issues -- Agency members and persons executing bonds not
- 2528 **personally liable -- Bonds and obligations not general obligation or debt -- Negotiability.**
- 2529 Section 17A-2-1244, Agency powers in issuance of bonds.
- 2530 Section 17A-2-1245, Rights of obligee.
- 2531 Section 17A-2-1246, Bonds exempt from taxes except corporate franchise tax --
- 2532 **Purchase of bonds by agency -- Property of agency exempt from execution and taxes.**
- 2533 Section 17A-2-1247, Tax increment financing authorized -- Division of tax revenues
- 2534 **-- Greater allocation allowed if authorized by taxing agency.**
- 2535 Section 17A-2-1247.5, Tax increment financing -- Project area budget approval --
- 2536 **Payment of additional tax increment.**
- 2537 Section 17A-2-1248, Time for payment of taxes to agency.
- 2538 Section 17A-2-1249, Determination of taxable value and names and addresses of

- 2539 assesses.
- 2540 Section 17A-2-1250, Distribution of property taxes.
- 2541 Section 17A-2-1250.5, Adjustment of base year taxable value required for minimum
- 2542 basic levy for school district decreases -- Minimum payment to agency.
- 2543 Section 17A-2-1251, Adjustment of base year taxable value of area required for
- 2544 county rate adjustment.
- 2545 Section 17A-2-1252, Adjustment of base year taxable value of area required for
- 2546 changes in exemptions -- Minimum payment to agency.
- 2547 Section 17A-2-1253, Adjustment of base year taxable value of area required for
- 2548 changes in percentage of value assessed -- Minimum payment to agency.
- 2549 Section 17A-2-1254, Pledge of increment for payment of loans, advances or
- 2550 indebtedness.
- 2551 Section 17A-2-1255, Taxation of property leased by agency.
- 2552 Section 17A-2-1256, Transmittal of description of land within project area and other
- 2553 documents to taxing agencies -- Notice to taxing agencies.
- 2554 Section 17A-2-1257, Recording description of area and date of plan approval.
- 2555 Section 17A-2-1258, Payments by agency in lieu of taxes.
- 2556 Section 17A-2-1259, Transmittal of preliminary plan -- Consultation with taxing
- 2557 agencies.
- 2558 Section 17A-2-1260, Payment authorized for land or cost of improvements within or
- 2559 without project area if beneficial to the project area -- Reimbursement of costs --Limitation
- 2560 on use of tax increment.
- 2561 Section 17A-2-1261, Deactivation and dissolution of an agency -- Order of legislative
- 2562 body on own motion or agency recommendation -- Payment of obligations.
- 2563 Section 17A-2-1262, Notice of dissolution -- Publication -- Disposition of records.
- 2564 Section 17A-2-1263, Housing funds.
- 2565 Section 17A-2-1264, Affordable housing funds under redevelopment plans adopted
- 2566 on or after July 1, 1998.
- 2567 Section 86. Effective date.
- 2568 This act takes effect on June 1, 2001.