

Representative Darin G. Peterson proposes the following substitute bill:

LIMITED PURPOSE LOCAL GOVERNMENT

AGENCIES AMENDMENTS

2002 GENERAL SESSION

STATE OF UTAH

Sponsor: Darin G. Peterson

This act modifies provisions related to redevelopment agencies by allowing a taxing entity committee § IN FIFTH AND SIXTH CLASS COUNTIES § to waive the 20% housing allowance requirement for economic development project area budgets adopted on or after May 1, 2002, if the economic development project area consists of an area without housing units.

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

AMENDS:

17B-4-504, as enacted by Chapter 133, Laws of Utah 2001

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

Section 1. Section **17B-4-504** is amended to read:

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

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

(b) The 20% requirement of Subsection (1)(a) may be waived:

(i) in part or whole by the mutual consent of the trust fund board and the taxing entity committee if they determine that 20% of tax increment is more than is needed to address the community's need for income targeted housing, as defined in Section 17B-4-1010[-]; or

(ii) § IN FIFTH AND SIXTH CLASS COUNTIES, § by the taxing entity committee for economic development project area budgets adopted



26 on or after May 1, 2002, if the economic development project area consists of an area without
27 housing units.

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