

**Representative J. Stuart Adams** proposes the following substitute bill:

**REDEVELOPMENT AGENCY AMENDMENTS**

2004 GENERAL SESSION

STATE OF UTAH

**Sponsor: J. Stuart Adams**

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**LONG TITLE**

**General Description:**

This bill modifies provisions of the Redevelopment Agencies Act.

**Highlighted Provisions:**

This bill:

- ▶ modifies the definition of economic development and expands the type of development that can occur in an economic development project;
- ▶ adds definitions for attached housing ~~H~~ [~~,-infrastructure improvements;]~~ ~~h~~ and school levy;
- ▶ modifies the requirements of economic development project plans;
- ▶ modifies the allocation of tax increment funds as between a school district and housing;
- ▶ modifies the composition of the taxing entity committee;
- ▶ eliminates the requirement for taxing entity committee approval of certain project area budgets;
- ▶ modifies the distribution method of tax increment funds to school districts;
- ▶ specifies voting members of the taxing entity committee and when certain members may not vote;
- ▶ modifies quorum requirements for the taxing entity committee;
- ▶ modifies provisions related to how much tax increment may be paid to an agency and for how long for future project area budgets;



- 26           ▶ provides for certain amounts of tax increment to be paid to school districts and
- 27 housing in future project area budgets;
- 28           ▶ modifies limitations on the use of tax increment;
- 29           ▶ modifies the allowable uses of tax increment; and
- 30           ▶ modifies requirements for an annual report that the county auditor is required to
- 31 prepare.

32 **Monies Appropriated in this Bill:**

33           None

34 **Other Special Clauses:**

35           None

36 **Utah Code Sections Affected:**

37 **AMENDS:**

- 38           **17B-4-102**, as last amended by Chapter 256, Laws of Utah 2003
- 39           **17B-4-403**, as last amended by Chapter 256, Laws of Utah 2003
- 40           **17B-4-504**, as last amended by Chapters 139 and 185, Laws of Utah 2002
- 41           **17B-4-505**, as last amended by Chapter 185, Laws of Utah 2002
- 42           **17B-4-507**, as enacted by Chapter 133, Laws of Utah 2001
- 43           **17B-4-1001**, as last amended by Chapter 205, Laws of Utah 2002
- 44           **17B-4-1002**, as last amended by Chapter 205, Laws of Utah 2002
- 45           **17B-4-1004**, as last amended by Chapter 205, Laws of Utah 2002
- 46           **17B-4-1005**, as enacted by Chapter 133, Laws of Utah 2001
- 47           **17B-4-1007**, as last amended by Chapter 205, Laws of Utah 2002
- 48           **17B-4-1010**, as last amended by Chapters 185 and 205, Laws of Utah 2002
- 49           **17B-4-1202**, as enacted by Chapter 133, Laws of Utah 2001
- 50           **17B-4-1306**, as enacted by Chapter 133, Laws of Utah 2001



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

53           Section 1. Section **17B-4-102** is amended to read:

54           **17B-4-102. Definitions.**

55           (1) "Agency" means a separate body corporate and politic, created under Section  
56 17B-4-201 or previous law, that is a political subdivision of the state, that is created to

57 undertake or promote redevelopment, economic development, or education housing  
58 development, or any combination of them, as provided in this chapter, and whose geographic  
59 boundaries are coterminous with:

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

61 (b) for an agency created by a city or town, the boundaries of the city or town.

62 (2) "Assessment property owner" or "assessment owner of property" means the owner  
63 of real property as shown on the assessment roll of the county in which the property is located,  
64 equalized as of the previous November 1.

65 (3) "Assessment roll" has the meaning as defined in Section 59-2-102.

66 (4) "Attached housing" means residential housing of 20 or more units per acre of  
67 residential housing.

68 [~~(4)~~] (5) "Base taxable value" means the taxable value of the property within a project  
69 area from which tax increment will be collected, as shown upon the assessment roll last  
70 equalized before:

71 (a) for a pre-July 1, 1993 project area plan, the effective date of the project area plan;

72 or

73 (b) for a post-June 30, 1993 project area plan:

74 (i) the date of the taxing entity committee's approval of the first project area budget; or

75 (ii) if no taxing entity committee approval is required for the project area budget, the

76 later of:

77 (A) the date the project area plan is adopted by the community legislative body; and

78 (B) the date the agency adopts the first project area budget.

79 [~~(5)~~] (6) "Blight" or "blighted" means the condition of an area that meets the

80 requirements of Subsection 17B-4-604(1).

81 [~~(6)~~] (7) "Blight hearing" means a public hearing under Subsection 17B-4-601(3) and  
82 Section 17B-4-603 regarding the existence or nonexistence of blight within the proposed  
83 redevelopment project area.

84 [~~(7)~~] (8) "Blight study" means a study to determine the existence or nonexistence of  
85 blight within a survey area as provided in Section 17B-4-602.

86 [~~(8)~~] (9) "Board" means the governing body of an agency, as provided in Section  
87 17B-4-203.

88           ~~[(9)]~~ (10) "Budget hearing" means the public hearing on a draft project area budget  
89 required under Subsection 17B-4-501(2)(e).

90           ~~[(10)]~~ (11) "Community" means a county, city, or town.

91           ~~[(11)]~~ (12) "Economic development" means to ~~[promote]~~ encourage the expansion of a  
92 community's economic base through:

93           (a) the creation or retention of public or private jobs within the state ~~[through]:~~

94           ~~[(a)]~~ (b) planning, design, development, construction, rehabilitation, business  
95 relocation, or any combination of these, within part or all of a project area; and

96           ~~[(b)]~~ (c) the provision of office, industrial, manufacturing, warehousing, distribution,  
97 parking, affordable housing, attached housing, housing that is included in a building with other  
98 uses, retail, hotel, infrastructure improvements, transit, public, or other facilities, or other  
99 improvements that benefit the state or a community.

100           ~~[(12)]~~ (13) "Education housing development" means the provision of high density  
101 housing within a project area that is adjacent to a public or private institution of higher  
102 education.

103           ~~[(14)]~~ **"Infrastructure improvements" means the construction, modification, or**  
104 **improvement of or additions to public facilities or utilities, including roads, sidewalks, curbs,**  
105 **gutters, landscaping, street lighting, benches and other pedestrian amenities, traffic control**  
106 **measures, bikeways, transit facilities, parking structures, sanitary and storm sewers, water**  
107 **utilities, electrical utilities, gas utilities, fiber optic utilities, cable utilities, and other facilities**  
108 **or utilities, that are owned by a public entity or public utility or are accessible to the public.] h**

109           ~~[(13)]~~ (15) "Loan fund board" means the Olene Walker Housing Loan Fund Board,  
110 established under Title 9, Chapter 4, Part 7, Olene Walker Housing Loan Fund.

111           ~~[(14)]~~ (16) "Plan hearing" means the public hearing on a draft project area plan  
112 required under Subsection 17B-4-402(1)(e).

113           ~~[(15)]~~ (17) "Post-June 30, 1993 project area plan" means a redevelopment, economic  
114 development, or education housing development project area plan adopted on or after July 1,  
115 1993, whether or not amended subsequent to its adoption.

116           ~~[(16)]~~ (18) "Pre-July 1, 1993 project area plan" means a redevelopment project area  
117 plan adopted before July 1, 1993, whether or not amended subsequent to its adoption.

118           ~~[(17)]~~ (19) "Private," with respect to real property, means:

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

121 (b) not dedicated to public use.

122 [~~(18)~~] (20) "Project area" means the geographic area described in a project area plan or  
123 draft project area plan where the redevelopment, economic development, or education housing  
124 development set forth in the project area plan or draft project area plan takes place or is  
125 proposed to take place.

126 [~~(19)~~] (21) "Project area budget" means a multiyear projection of annual or cumulative  
127 revenues and expenses and other fiscal matters pertaining to a redevelopment, economic  
128 development, or education housing development project area that includes:

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

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

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

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

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

138 (f) if the area from which tax increment is to be collected is less than the entire project  
139 area, a legal description of the portion of the project area from which tax increment will be  
140 collected; and

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

143 [~~(20)~~] (22) "Project area plan" means a written plan under Part 4, Project Area Plan,  
144 that, after its effective date, guides and controls the redevelopment, economic development, or  
145 education housing development activities within the project area.

146 [~~(21)~~] (23) "Property tax" includes privilege tax and each levy on an ad valorem basis  
147 on tangible or intangible personal or real property.

148 [~~(22)~~] (24) "Public entity" means:

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

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

152 [~~(23)~~] (25) "Public input hearing" means the public hearing required under Subsection  
153 17B-4-402(1)(h)(ii) regarding a proposed redevelopment project.

154 [~~(24)~~] (26) "Record property owner" or "record owner of property" means the owner of  
155 real property as shown on the records of the recorder of the county in which the property is  
156 located and includes a purchaser under a real estate contract if the contract is recorded in the  
157 office of the recorder of the county in which the property is located or the purchaser gives  
158 written notice of the real estate contract to the agency.

159 [~~(25)~~] (27) "Redevelopment" means the development activities under a project area  
160 plan within a redevelopment project area, including:

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

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

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

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

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

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

173 (28) "School levy" means the amount of property tax revenue a school district  
174 generates within a project area from levies imposed by the school district, except property tax  
175 revenue resulting from imposition of the minimum basic tax rate under Section 53A-17a-135.

176 [~~(26)~~] (29) "Superfund site":

177 (a) means an area included in the National Priorities List under the Comprehensive  
178 Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sec. 9605; and

179 (b) includes an area formerly included in the National Priorities List, as described in  
180 Subsection [~~(26)~~] (29)(a), but removed from the list following remediation that leaves on site

181 the waste that caused the area to be included in the National Priorities List.

182 ~~[(27)]~~ (30) "Survey area" means an area designated by a survey area resolution for  
183 study to determine whether one or more redevelopment projects within the area are feasible.

184 ~~[(28)]~~ (31) "Survey area resolution" means a resolution adopted by the agency board  
185 under Subsection 17B-4-401(1)(a) designating a survey area.

186 ~~[(29)]~~ (32) (a) "Tax increment" means, except as provided in Subsection ~~[(29)]~~ (32)(b),  
187 the difference between:

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

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

193 (b) "Tax increment" does not include taxes levied and collected under Section  
194 59-2-906.1 on or after January 1, 1994 upon the taxable property in the project area unless:

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

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

199 ~~[(30)]~~ (33) "Taxing entity" means a public entity that levies a tax on property within a  
200 project area or proposed project area.

201 ~~[(31)]~~ (34) "Taxing entity committee" means a committee representing the interests of  
202 taxing entities, created as provided in Section 17B-4-1002.

203 Section 2. Section **17B-4-403** is amended to read:

204 **17B-4-403. Project area plan requirements.**

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

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

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

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

- 212 (d) show how the purposes of this chapter will be attained by the redevelopment,  
213 economic development, or education housing development;
- 214 (e) be consistent with the general plan of the community in which the project area is  
215 located and show that the redevelopment, economic development, or education housing  
216 development will conform to the community's general plan;
- 217 (f) if the agency board made a finding of blight under Subsection 17B-4-601(4)(b):
- 218 (i) describe how the redevelopment will reduce or eliminate blight in the project area;  
219 and
- 220 (ii) if the agency is to have the power of eminent domain under the project area plan:
- 221 (A) provide record owners of property located within the redevelopment project area  
222 and their tenants reasonable opportunities to participate in the redevelopment if the record  
223 property owner or tenant enters into a participation agreement with the agency;
- 224 (B) state that the agency has adopted or will adopt guidelines setting forth and  
225 governing the opportunities of record property owners and tenants to participate in the  
226 redevelopment, as required by Subsection 17B-4-402(1)(h)(iv); and
- 227 (C) include a plan for the relocation of any families and persons who will be  
228 temporarily or permanently displaced from housing facilities in the redevelopment project area;
- 229 (g) if the project area plan is for economic development, describe how the economic  
230 development will expand the community's economic base, create additional jobs, or increase  
231 the economic opportunities in the community for current and future residents;
- 232 (h) if the project area plan is for education housing development, describe how the  
233 education housing development will meet the needs of the community in which the project area  
234 is located;
- 235 (i) describe any specific project or projects that are the object of the proposed  
236 redevelopment, economic development, or education housing development;
- 237 (j) identify how private developers, if any, will be selected to undertake the  
238 redevelopment, economic development, or education housing development and identify each  
239 private developer currently involved in the redevelopment, economic development, or  
240 education housing development process;
- 241 (k) contain a time limit of no more than three years after adoption of the project area  
242 plan for the agency to commence implementation of the project area plan, unless the project



243 area plan is adopted again as if it were an amended project area plan under Section 17B-4-411;

244 (l) if the project area plan authorizes the use of eminent domain, contain a time limit of  
245 no more than five years after the effective date of the project area plan for the agency to  
246 commence acquisition of property through the use of eminent domain;

247 (m) if the project area plan provides for tax increment to be paid to the agency:

248 (i) contain a time limit of no more than 25 years for tax increment to be paid to the  
249 agency from the project area unless the taxing entity committee consents to a longer period;  
250 and

251 (ii) contain a provision that the project area may not exceed 100 acres of private real  
252 property unless:

253 (A) the agency obtains the consent of the taxing entity committee; or

254 (B) the project area is a superfund site;

255 (n) state the reasons for the selection of the project area;

256 (o) describe the physical, social, and economic conditions existing in the project area;

257 (p) provide a financial analysis describing the proposed method of financing the  
258 proposed redevelopment, economic development, or education housing development;

259 (q) describe any tax incentives offered private entities for facilities located in the  
260 project area;

261 (r) contain the report and state any recommendations of the community's planning  
262 commission;

263 (s) include an analysis, as provided in Subsection (2), of whether adoption of the  
264 project area plan is:

265 (i) for a redevelopment project area plan, necessary and appropriate to reduce or  
266 eliminate blight; or

267 (ii) for an economic development or education housing development project area plan,  
268 beneficial under a benefit analysis;

269 (t) if any of the existing buildings or uses in the project area are included in or eligible  
270 for inclusion in the National Register of Historic Places or the State Register, state that the  
271 agency shall comply with Subsection 9-8-404(1) as though the agency were a state agency; and

272 (u) include other information that the agency determines to be necessary or advisable.

273 (2) Each analysis under Subsection (1)(s)(ii) shall consider:

274 (a) the benefit of any financial assistance or other public subsidy proposed to be  
275 provided by the agency, including:

276 (i) an evaluation of the reasonableness of the costs of economic development or  
277 education housing development;

278 (ii) efforts the agency has made or will make to maximize private investment;

279 (iii) the rationale for use of tax increment, including an analysis of whether the  
280 proposed development might reasonably be expected to occur in the foreseeable future solely  
281 through private investment; and

282 (iv) an estimate of the total amount of tax increment that will be expended in  
283 undertaking economic development or education housing development and the length of time  
284 for which it will be expended; and

285 (b) the anticipated public benefit to be derived from the economic development or  
286 education housing development, including:

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

288 (ii) the associated business and economic activity likely to be stimulated[~~;~~and].

289 [~~(iii) in the case of economic development, the number of jobs or employment  
290 anticipated to be generated or preserved.~~]

291 Section 3. Section **17B-4-504** is amended to read:

292 **17B-4-504. Part of tax increment funds to be used for housing -- Waiver of**  
293 **requirement.**

294 (1) (a) Except as provided in Subsection (1)(b) and as otherwise approved by the taxing  
295 entity committee, each project area budget adopted after June 30, 2004 that provides for more  
296 than \$100,000 of annual tax increment to be paid to the agency shall annually allocate for  
297 housing as provided in Section 17B-4-1010:

298 (i) for a project area budget that provides for tax increment to be paid to the agency for  
299 not more than six years, 20% of the annual tax increment;

300 (ii) for a project area budget that provides for tax increment to be paid to the agency for  
301 more than six but not more than 11 years, 30% of the annual tax increment minus an amount  
302 equal to 30% of the tax increment generated from the school levy;

303 (iii) for a project area budget that provides for tax increment to be paid to the agency  
304 for more than 11 but not more than 16 years, 35% of the annual tax increment minus 50% of

305 the tax increment generated from the school levy; and

306 (iv) for a project area budget that provides for tax increment to be paid to the agency  
 307 for more than 16 but not more than 25 years, 40% of the annual tax increment minus all of the  
 308 tax increment generated from the school levy.

309 (b) An agency may elect not to allocate any amount of tax increment to housing under  
 310 Subsection (1)(a) if the amount of tax increment required under Subsection 17B-4-1004(3) to  
 311 be paid to a school district equals or exceeds:

312 (i) for a project area budget that provides for tax increment to be paid to the agency for  
 313 more than six but not more than 11 years, 30% of the annual tax increment;

314 (ii) for a project area budget that provides for tax increment to be paid to the agency for  
 315 more than 11 but not more than 16 years, 35% of the annual tax increment; and

316 (iii) for a project area budget that provides for tax increment to be paid to the agency  
 317 for more than 16 but not more than 25 years, 40% of the annual tax increment.

318 ~~[(1)]~~ (2) (a) Except as provided in Subsection ~~[(1)]~~ (2)(b), each project area budget  
 319 adopted on or after May 1, 2000 and before July 1, 2004, that provides for more than \$100,000  
 320 of annual tax increment to be paid to the agency shall allocate at least 20% of the tax increment  
 321 for housing as provided in Section 17B-4-1010.

322 (b) The 20% requirement of Subsection ~~[(1)]~~ (2)(a) may be waived:

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

326 (ii) in fifth and sixth class counties, by the taxing entity committee for economic  
 327 development project area budgets adopted on or after May 1, 2002, if the economic  
 328 development project area consists of an area without housing units.

329 ~~[(2)]~~ (3) A project area budget ~~[not required under Subsection (1)(a) to allocate]~~ that  
 330 allocates for housing under this section less than 20% of the total of all tax increment for  
 331 [housing] all years of the budget combined may allocate up to 20% of the total tax increment  
 332 [payable to the agency] over the life of the project area for housing as provided in Section  
 333 17B-4-1010 if the project area budget is under a project area plan that is adopted on or after  
 334 July 1, 1998.

335 Section 4. Section **17B-4-505** is amended to read:

336 **17B-4-505. Consent of taxing entity committee.**

337 (1) (a) Except as provided in [~~Subsection~~] Subsections (1)(b) and (c) and subject to  
338 Subsection (2), each agency shall obtain the consent of the taxing entity committee for each  
339 project area budget under a post-June 30, 1993 project area plan before the agency may collect  
340 any tax increment from the project area.

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

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

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

347 (A) the loan fund board has certified the project area budget as complying with the  
348 requirements of Section 17B-4-1010; and

349 (B) the agency board has approved and adopted the project area budget by a two-thirds  
350 vote.

351 (c) For a project area budget adopted after June 30, 2004 that provides for tax  
352 increment to be paid to the agency for no more than six years, an agency need not obtain the  
353 taxing entity committee's consent for the project area budget.

354 (2) (a) Before a taxing entity committee may consent to a project area budget adopted  
355 on or after May 1, 2000 that is required under Subsection 17B-4-504[~~(1)~~](2)(a) to allocate 20%  
356 of tax increment for housing, the agency shall:

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

358 (ii) provide a copy of the housing plan to the taxing entity committee and the loan fund  
359 board.

360 (b) If an agency amends a housing plan prepared under Subsection (2)(a), the agency  
361 shall provide a copy of the amendment to the taxing entity committee and the loan fund board.

362 Section 5. Section **17B-4-507** is amended to read:

363 **17B-4-507. Amending the project area budget.**

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

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

367 (a) advertise and hold one public hearing on the proposed amendment as provided in  
368 Subsection (3);

369 (b) obtain the approval of the taxing entity committee if:

370 (i) the agency was required under Section 17B-4-505 to obtain the consent of the  
371 taxing entity committee for the project area budget as originally adopted; ~~and~~ or

372 (ii) (A) the agency was not required to obtain the consent of the taxing entity  
373 committee for the project area budget because of Subsection 17B-4-505(1)(c); and

374 (B) the project area budget, as it is proposed to be amended, provides for tax increment  
375 to be paid to the agency for more than ~~five~~ **SIX** years; and

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

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

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

385 Section 6. Section **17B-4-1001** is amended to read:

386 **17B-4-1001. Agency receipt and use of tax increment -- Distribution of tax**  
387 **increment.**

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

389 (2) (a) The applicable length of time or number of years for which an agency is to be  
390 paid tax increment under this part shall be measured:

391 (i) for a pre-July 1, 1993 project area plan, from the first tax year regarding which the  
392 agency accepts tax increment from the project area; or

393 (ii) for a post-June 30, 1993 project area plan, from the first tax year the agency is to  
394 receive tax increment as shown in the project area budget.

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

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

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

400 (4) Each county that collects property tax on property within a project area shall pay  
401 and distribute, in the manner and at the time provided in Section 59-2-1365:

402 (i) to the agency the tax increment that the agency is entitled to collect under this  
403 chapter[~~, in the manner and at the time provided in Section 59-2-1365.]; and~~

404 (ii) to a school district the tax increment that the school district is entitled to collect  
405 under Subsection 17B-4-1004(3).

406 Section 7. Section **17B-4-1002** is amended to read:

407 **17B-4-1002. Taxing entity committee.**

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

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

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

412 (B) (I) in counties of the second, third, fourth, fifth, or sixth class, two representatives  
413 appointed by resolution of the legislative body of the county in which the agency is located; or

414 (II) in counties of the first class, two representatives appointed by the county executive  
415 of the county in which the agency is located;

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

418 (D) one representative appointed by the State Board of Education; [~~and~~]

419 (E) one representative selected by majority vote of the legislative bodies or governing  
420 boards of all other taxing entities that levy a tax on property within the agency's boundaries, to  
421 represent the interests of those taxing entities on the taxing entity committee[~~]; and~~

422 (F) one representative appointed by the loan fund board.

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

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

428 (b) (i) Each taxing entity committee representative under Subsection (2) shall be

429 appointed within 30 days after the agency provides notice of the creation of the taxing entity  
430 committee.

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

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

436 (ii) Each taxing entity committee representative shall serve until a successor is  
437 appointed and qualified.

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

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

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

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

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

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

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

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

453 (d) approve or disapprove amendments to a project area budget as provided in Section  
454 17B-4-507;

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

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

459 (g) approve the use of tax increment for access and utilities outside of a project area

460 that the agency and community legislative body determine to be of benefit to the project area,  
 461 as provided in Subsection 17B-4-1007(1)(a)(ii)(D);

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

463 (i) as provided in Subsection (5)(b), approve a different allocation of tax increment as  
 464 between a school district and housing than is provided for in Subsections 17B-4-504(1)(a) and  
 465 17B-4-1004(3); and

466 ~~(i)~~ (j) give other taxing entity committee approval or consent required or allowed  
 467 under this chapter.

468 (4) (a) Each taxing entity committee member has one vote, except that:

469 (i) the two school district representatives and the State Board of Education  
 470 representative may not vote on a matter concerning an education housing development project  
 471 area plan or project area budget if the school district has elected, under Subsection  
 472 17B-4-1004(7), not to allow the agency to be paid tax increment from property tax revenues  
 473 generated by the school district;

474 (ii) the two school district representatives may not vote on a project area budget if:

475 (A) the project area plan and the project area budget are approved after June 30, 2004;

476 (B) the project area budget provides for the agency to be paid tax increment for over

476a ~~H~~ 15 ~~h~~ 16 ~~h~~

477 years; and

478 (C) (I) the school district is to be paid all of the tax increment generated from the  
 479 school levy; or

480 (II) the school levy generates more than 40% of all property tax revenues generated  
 481 within the project area and the school district is to be paid 40% of all tax increment as provided  
 482 in Subsection 17B-4-1004(3)(b)(iii)(B); and

483 (iii) the loan fund board representative is an advisory member of the committee and  
 484 may not vote.

485 ~~(4)~~ (b) A quorum of a taxing entity committee consists of ~~[:]~~ a majority of voting  
 486 members of the committee.

487 ~~[(a) except as provided in Subsection (4)(b):]~~

488 ~~[(i) if the project area is located within a city or town, five members; or]~~

489 ~~[(ii) if the project area is not located within a city or town, four members; or]~~

490 ~~[(b) for an education housing development project area as to which the school district~~



491 ~~has elected under Subsection 17B-4-1004(5) not to allow the agency to be paid tax increment~~  
492 ~~from school district tax revenues:]~~

493 ~~[(i) if the project area is located within a city or town, three members; or]~~

494 ~~[(ii) if the project area is not located within a city or town, two members.]~~

495 (5) ~~[Taxing]~~ (a) Except as provided in Subsection (5)(b), taxing entity committee  
496 approval, consent, or other action requires the affirmative vote of a majority of a quorum  
497 present at a taxing entity committee meeting.

498 (b) Taxing entity committee approval of a different distribution of tax increment to a  
499 school district than is provided for under Subsection 17B-4-1004(3) and to housing than is  
500 provided for under Subsection 17B-4-504(1)(a) requires the affirmative vote of two-thirds of a  
501 quorum present at a taxing entity committee meeting.

502 (6) Each taxing entity committee shall be governed by Title 52, Chapter 4, Open and  
503 Public Meetings.

504 (7) Each time a school district representative or a representative of the State Board of  
505 Education votes as a member of a taxing entity committee to allow an agency to be paid tax  
506 increment or to increase the amount or length of time that an agency may be paid tax  
507 increment, that representative shall, within 45 days after the vote, provide to the  
508 representative's respective school board an explanation in writing of the representative's vote  
509 and the reasons for the vote.

510 (8) (a) The assessor of each county in which the agency is located shall provide a  
511 written report to the taxing entity committee stating, with respect to property within each  
512 project area:

513 (i) the base taxable value, as adjusted by any adjustments under Section 17B-4-1006;  
514 and

515 (ii) the assessed value.

516 (b) With respect to the information required under Subsection (8)(a), the assessor shall  
517 provide:

518 (i) actual amounts for each year from the adoption of the project area plan to the time  
519 of the report; and

520 (ii) estimated amounts for each year beginning the year after the time of the report and  
521 ending the time that the agency expects no longer to be paid tax increment from property

522 within the project area.

523 (c) The assessor of the county in which the agency is located shall provide a report  
524 under this Subsection (8):

525 (i) at least annually; and

526 (ii) upon request of the taxing entity committee, before a taxing entity committee  
527 meeting at which the committee will consider whether to allow the agency to be paid tax  
528 increment or to increase the amount or length of time that the agency may be paid tax  
529 increment.

530 Section 8. Section **17B-4-1004** is amended to read:

531 **17B-4-1004. Tax increment under a post-June 30, 1993 project area plan.**

532 (1) This section applies to tax increment under a post-June 30, 1993 project area plan  
533 only.

534 (2) An agency board may provide in the project area budget for the agency to be paid:

535 (a) if the project area budget is adopted before July 1, 2004, and 20% of the project  
536 area budget is allocated for housing under Section 17B-4-504:

537 (i) 100% of annual tax increment for 15 years;

538 (ii) 75% of annual tax increment for 24 years; or

539 (iii) if approved by the taxing entity committee, any percentage of tax increment up to  
540 100%, or any specified dollar amount, for any period of time; [~~or~~]

541 (b) if the project area budget is adopted before July 1, 2004, and 20% of the project  
542 area budget is not allocated for housing under Section 17B-4-504:

543 (i) 100% of annual tax increment for 12 years;

544 (ii) 75% of annual tax increment for 20 years; or

545 (iii) if approved by the taxing entity committee, any percentage of tax increment up to  
546 100%, or any specified dollar amount, for any period of time[~~;~~]; or

547 (c) if the project area budget is adopted after June 30, 2004:

548 (i) (A) for a project area budget that provides for tax increment to be paid to the agency  
549 for not more than six years, 100% of annual tax increment;

550 (B) for a project area budget that provides for tax increment to be paid to the agency  
551 for more than six but not more than 11 years, 100% of annual tax increment minus an amount  
552 equal to 30% of the tax increment generated from the school levy;

553 (C) for a project area budget that provides for tax increment to be paid to the agency  
554 for more than 11 but not more than 16 years, 100% of annual tax increment minus an amount  
555 equal to 50% of the tax increment generated from the school levy; or

556 (D) for a project area budget that provides for tax increment to be paid to the agency  
557 for more than 16 but not more than 25 years:

558 (I) if the school levy generates less than 40% of all property tax revenues generated  
559 within the project area, 100% of annual tax increment minus an amount equal to all tax  
560 increment generated from the school levy; or

561 (II) if the school levy generates 40% or more of all property tax revenues generated  
562 within the project area, 60% of annual tax increment; or

563 (ii) if approved by the taxing entity committee, any percentage of tax increment up to  
564 100%, or any specified dollar amount, for any period of time.

565 (3) (a) Tax increment paid to an agency under a project area budget adopted after June  
566 30, 2004, may not include tax increment to be paid to a school district under Subsection (3)(b).

567 (b) Under a project area budget adopted after June 30, 2004 that provides for tax  
568 increment to be paid to the agency for over ~~five~~ **SIX** ~~h~~ years, each school district in which the  
568a project  
569 area is located shall be paid:

570 (i) for a project area budget that provides for tax increment to be paid to the agency for  
571 more than six but not more than 11 years, 30% of the tax increment generated from the school  
572 levy;

573 (ii) for a project area budget that provides for tax increment to be paid to the agency for  
574 more than 11 but not more than 16 years, 50% of the tax increment generated from the school  
575 levy;

576 (iii) for a project area budget that provides for tax increment to be paid to the agency  
577 for more than 16 but not more than 25 years:

578 (A) if the school levy generates less than 40% of all property tax revenues generated  
579 within the project area, 100% of the tax increment generated from the school levy; or

580 (B) if the school levy generates 40% or more of all property tax revenues generated  
581 within the project area, 40% of the total tax increment; or

582 (iv) the amount of tax increment approved by the taxing entity committee under  
583 Subsection 17B-4-1002(5)(b).

584 (4) If a project area budget adopted after June 30, 2004, is amended to increase the  
585 number of years that tax increment will be paid to the agency, the amended project area budget  
586 shall, except as otherwise approved by the taxing entity committee under Subsection  
587 17B-4-1002(5)(b):

588 (a) provide that the amount of tax increment to be paid to a school district shall be no  
589 less than the amount the project area budget would have provided to be paid to the school  
590 district if the amended project area budget had been adopted as the original project area budget,  
591 unless the school district consents in writing; and

592 (b) provide that the amount of tax increment to be paid to housing shall be no less than  
593 the amount the project area budget provided to be paid to housing before the amendment,  
594 unless the loan fund board consents in writing.

595 [~~3~~] (5) (a) An agency may, without the approval of the taxing entity committee, elect  
596 to be paid 100% of annual tax increment for each year beyond the periods specified in  
597 Subsection (2) to a maximum of 25 years, including the years the agency is paid tax increment  
598 under Subsection (2), if:

599 (i) for an agency in a city in which is located all or a portion of an interchange on I-15  
600 or that would directly benefit from an interchange on I-15:

601 (A) the tax increment paid to the agency during the additional years is used to pay  
602 some or all of the cost of the installation, construction, or reconstruction of:

603 (I) an interchange on I-15, whether or not the interchange is located within a project  
604 area; or

605 (II) frontage and other roads connecting to the interchange, as determined by the  
606 Department of Transportation created under Section 72-1-201 and the Transportation  
607 Commission created under Section 72-1-301, whether or not the frontage or other road is  
608 located within a project area; and

609 (B) the installation, construction, or reconstruction of the interchange or frontage and  
610 other roads has begun on or before June 30, 2002;

611 (ii) for an agency in a city of the first or second class:

612 (A) the tax increment paid to the agency during the additional years is used to pay  
613 some or all of the cost of the land for and installation and construction of a recreational facility,  
614 as defined in Section 59-12-702, or a cultural facility, including parking and infrastructure

615 improvements related to the recreational or cultural facility, whether or not the facility is  
616 located within a project area; and

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

619 (b) Notwithstanding any other provision of this section, an agency may use tax  
620 increment received under Subsection (2) for any of the uses indicated in this Subsection [(3)]  
621 (5).

622 (c) Notwithstanding Subsection [(3)] (5)(a), a school district may not, without its  
623 consent, receive less tax increment because of application of Subsection [(3)] (5)(a) than it  
624 would have received without that subsection.

625 [(4)] (6) Unless the taxing entity committee consents, an agency may not be paid tax  
626 increment from the project area for more than 25 years.

627 [(5)] (7) (a) A school district that levies a tax on property located within a project area  
628 under an education housing development project area plan may elect not to allow the agency to  
629 be paid tax increment from the property tax revenues generated by the school district.

630 (b) An election under Subsection [(5)] (7)(a) shall be made in writing to the agency  
631 before the taxing entity committee's approval of the project area budget.

632 (c) If a school district makes an election under this Subsection [(5)-(i)] (7), the agency  
633 may not be paid tax increment from property tax revenues generated by the school district[;  
634 and].

635 [(ii) the school district representatives and the State Board of Education representative  
636 on the taxing entity committee may not vote on any matter concerning the education housing  
637 development project area or project area budget.]

638 Section 9. Section **17B-4-1005** is amended to read:

639 **17B-4-1005. Limitations on tax increment.**

640 (1) (a) [If] For a project area plan adopted before July 1, 2004, if the development of  
641 retail sales of goods is the primary objective of the project area, tax increment may not be paid  
642 to or used by an agency unless a finding of blight is made under Part 6, Blight Determination in  
643 Redevelopment Project Areas.

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

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

651 (2) For an economic development or education housing development project area plan  
 652 adopted after June 30, 2004:

653 (a) tax increment may not be used to pay costs associated with private retail ~~H~~ OR HOTEL ~~h~~  
 654 development, except for costs associated with ~~H~~ PUBLIC ~~h~~ infrastructure improvements; and

655 (b) costs associated with developing housing within the same building as private retail ~~H~~ OR  
 655a HOTEL ~~h~~

656 development are not treated as costs associated with the private retail ~~H~~ OR HOTEL ~~h~~ development.

657 [~~2~~] (3) (a) An agency may not be paid any portion of a taxing entity's taxes resulting  
 658 from an increase in the taxing entity's tax rate that occurs after the taxing entity committee  
 659 approves the project area budget unless, at the time the taxing entity committee approves the  
 660 project area budget, the taxing entity committee approves payment of those increased taxes to  
 661 the agency.

662 (b) If the taxing entity committee does not approve of payment of the increased taxes to  
 663 the agency under Subsection [~~2~~] (3)(a), the county shall distribute to the taxing entity the  
 664 taxes attributable to the tax rate increase in the same manner as other property taxes.

665 Section 10. Section **17B-4-1007** is amended to read:

666 **17B-4-1007. Allowable uses of tax increment.**

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

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

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

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

673 (B) housing expenditures, projects, or programs as provided in Section 17B-4-1009 or  
 674 17B-4-1010;

675 (C) with the consent of the community legislative body and subject to Subsection (4),  
 676 the value of the land for and the cost of the installation and construction of infrastructure

677 improvements or any publicly owned building, facility, structure, landscaping, or other publicly  
678 owned improvement within the project area from which the tax increment funds were  
679 collected; and

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

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

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

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

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

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

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

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

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

707 Section 11. Section **17B-4-1010** is amended to read:

708           **17B-4-1010. Income targeted housing -- Agency may use tax increment for**  
 709 **income targeted housing.**

710           (1) As used in this section:

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

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

715           (i) for a city or town, comparing the percentage of all housing units within the city or  
 716 town that are publicly subsidized income targeted housing units to the percentage of all  
 717 housing units within the whole county that are publicly subsidized income targeted housing  
 718 units; or

719           (ii) for the unincorporated part of a county, comparing the percentage of all housing  
 720 units within the unincorporated county that are publicly subsidized income targeted housing  
 721 units to the percentage of all housing units within the whole county that are publicly subsidized  
 722 income targeted housing units.

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

726           (d) "Housing funds" means the funds allocated [~~in the project area budget~~] to housing  
 727 under Section 17B-4-504 [for the purposes provided in Subsection (2)].

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

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

732           (2) (a) ~~Ĥ~~ **[Each] EXCEPT AS PROVIDED IN SUBSECTION (7), EACH ĥ** agency shall use all  
 732a housing funds [allocated for housing under this  
 733 section] to:

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

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

738           (iii) pay part or all of the cost of land or installation, construction, or rehabilitation of



739 any building, facility, structure, or other housing improvement, including infrastructure  
740 improvements, related to housing located in a project area where blight has been found to exist;

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

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

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

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

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

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

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

754 (b) As an alternative to the requirements of Subsection (2)(a), an agency may pay all or  
755 any portion of housing funds to:

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

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

759 (iii) the Olene Walker Housing Loan Fund, established under Title 9, Chapter 4, Part 7,  
760 Olene Walker Housing Loan Fund, for use in providing income targeted housing within the  
761 community.

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

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

768 (5) An agency may:

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

770 including the payment of principal and interest upon advances for surveys and plans or  
771 preliminary loans; and

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

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

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

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

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

781a **Ĥ (7) IN ADDITION TO THE USES UNDER SUBSECTION (2), HOUSING FUNDS THAT AN**  
781b **AGENCY RECEIVES UNDER A PROJECT AREA PLAN ADOPTED AFTER JUNE 30, 2004:**

781c **(a) MAY, WITH THE APPROVAL OF THE TAXING ENTITY COMMITTEE, BE USED FOR**  
781d **HOUSING TO BE OWNED OR OCCUPIED BY A FAMILY WHOSE ANNUAL INCOME:**

781e **(i) IS AT OR GREATER THAN 80% OF THE MEDIAN ANNUAL INCOME FOR THE COUNTY IN**  
781f **WHICH THE HOUSING IS LOCATED; AND**

781g **(ii) DOES NOT EXCEED 120% OF THE MEDIAN ANNUAL INCOME FOR THE COUNTY IN WHICH**  
781h **THE HOUSING IS LOCATED;**

781i **(b) MAY NOT BE USED FOR HOUSING TO BE OWNED OR OCCUPIED BY A FAMILY WHOSE**  
781j **ANNUAL INCOME EXCEEDS 120% OF THE MEDIAN ANNUAL INCOME FOR THE COUNTY IN WHICH**  
781k **THE HOUSING IS LOCATED. ĥ**

782 Section 12. Section **17B-4-1202** is amended to read:

783 **17B-4-1202. Sources from which bonds may be made payable -- Agency powers**  
784 **regarding bonds.**

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

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

788 (b) the income and revenues of certain designated projects whether or not they were  
789 financed in whole or in part with the proceeds of the bonds;

790 (c) the income, proceeds, revenues, property, and funds of the agency derived from or  
791 held in connection with its undertaking and carrying out redevelopment, economic  
792 development, or education housing development;

793 (d) tax increment funds payable to the agency;

794 (e) agency revenues generally;

795 (f) a contribution, loan, grant, or other financial assistance from the federal government  
796 or a public entity in aid of redevelopment, economic development, or education housing  
797 development; or

798 (g) funds derived from any combination of the methods listed in Subsections (1)(a)  
799 through (f).

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

801 (a) pledge all or any part of its gross or net rents, fees, or revenues to which its right  
802 then exists or may thereafter come into existence;

803 (b) encumber by mortgage, deed of trust, or otherwise all or any part of its real or  
804 personal property, then owned or thereafter acquired; and

805 (c) make the covenants and take the action that may be necessary, convenient, or  
806 desirable to secure its bonds, or, except as otherwise provided in this chapter, that will tend to  
807 make the bonds more marketable, even though such covenants or actions are not specifically  
808 enumerated in this chapter.

809 Section 13. Section **17B-4-1306** is amended to read:

810 **17B-4-1306. County auditor report on project areas.**

811 (1) (a) On or before March 31 of each year, the auditor of each county in which an  
812 agency is located shall prepare a report on the project areas within each agency.

813 (b) The county auditor shall send a copy of each report under Subsection (1)(a) to the  
814 agency that is the subject of the report, the State Tax Commission, the State Board of  
815 Education, and each taxing entity that levies a tax on property from which the agency collects  
816 tax increment.

817 (2) Each report under Subsection (1)(a) shall report:

818 (a) the total assessed property value within each project area for the previous tax year;

819 (b) the base taxable value of property within each project area for the previous tax year;

820 (c) the tax increment available to be paid to the agency for the previous tax year;

821 (d) the tax increment requested by the agency for the previous tax year; [~~and~~]

822 (e) the tax increment paid to the agency for the previous tax year[-]; and

823 (f) the tax increment paid to each taxing entity for the previous tax year.

824 (3) Within 30 days after a request by an agency, the State Tax Commission, the State  
825 Board of Education, or any taxing entity that levies a tax on property from which the agency  
826 receives tax increment, the county auditor or the county assessor shall provide access to:

827 (a) the county auditor's method and calculations used to make adjustments under  
828 Section 17B-4-1006;

829 (b) the unequalized assessed valuation of an existing or proposed project area, or any  
830 parcel or parcels within an existing or proposed project area, if the equalized assessed valuation  
831 has not yet been determined for that year; [~~and~~]

- 832           (c) the most recent equalized assessed valuation of an existing or proposed project area  
833 or any parcel or parcels within an existing or proposed project area; and  
834           (d) the tax rate of each taxing entity adopted as of November 1 for the previous tax  
835 year.