

1 **COMMUNITY DEVELOPMENT AND RENEWAL AGENCY**

2 **AMENDMENTS**

3 2010 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Curtis S. Bramble**

6 House Sponsor: _____



8 **LONG TITLE**

9 **General Description:**

10 This bill amends Community Development and Renewal Agencies provisions.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ defines terms;
- 14 ▶ amends a public entity's authority to assist with a project;
- 15 ▶ amends notice requirements;
- 16 ▶ amends provisions relating to the payment of tax increment;
- 17 ▶ authorizes, in certain circumstances, an agency to loan tax increment from one
- 18 project area fund to another project area fund;
- 19 ▶ amends provisions related to funds allocated for housing;
- 20 ▶ requires, in certain circumstances, a licensed attorney to certify a project area
- 21 budget;
- 22 ▶ prohibits, in certain circumstances, a person from contesting a project area budget or
- 23 an amendment to a project area budget;
- 24 ▶ permits a successor taxing entity to enforce a resolution or interlocal agreement;
- 25 ▶ prohibits, in certain circumstances, a person from contesting a resolution or
- 26 interlocal agreement adopted by a taxing entity or public entity; and
- 27 ▶ makes technical corrections.



28 **Monies Appropriated in this Bill:**

29 None

30 **Other Special Clauses:**

31 None

32 **Utah Code Sections Affected:**

33 **AMENDS:**

34 **9-4-704**, as last amended by Laws of Utah 2008, Chapter 382

35 **10-3-1303**, as last amended by Laws of Utah 2008, Chapter 382

36 **11-25-3**, as last amended by Laws of Utah 2006, Chapter 359

37 **11-27-2**, as last amended by Laws of Utah 2008, Chapter 360

38 **17C-1-101**, as renumbered and amended by Laws of Utah 2006, Chapter 359

39 **17C-1-102**, as last amended by Laws of Utah 2009, Chapter 387

40 **17C-1-207**, as last amended by Laws of Utah 2009, Chapter 387

41 **17C-1-303**, as renumbered and amended by Laws of Utah 2006, Chapter 359

42 **17C-1-401**, as last amended by Laws of Utah 2009, Chapter 387

43 **17C-1-409**, as last amended by Laws of Utah 2009, Chapter 387

44 **17C-1-412**, as last amended by Laws of Utah 2009, Chapter 387

45 **17C-2-108**, as last amended by Laws of Utah 2009, Chapter 388

46 **17C-2-110**, as last amended by Laws of Utah 2009, Chapter 387

47 **17C-2-201**, as last amended by Laws of Utah 2009, Chapter 387

48 **17C-2-206**, as renumbered and amended by Laws of Utah 2006, Chapter 359

49 **17C-2-502**, as renumbered and amended by Laws of Utah 2006, Chapter 359

50 **17C-3-107**, as last amended by Laws of Utah 2009, Chapter 388

51 **17C-3-109**, as last amended by Laws of Utah 2009, Chapter 387

52 **17C-3-201**, as last amended by Laws of Utah 2009, Chapter 387

53 **17C-3-205**, as enacted by Laws of Utah 2006, Chapter 359

54 **17C-3-402**, as enacted by Laws of Utah 2006, Chapter 359

55 **17C-4-201**, as last amended by Laws of Utah 2009, Chapter 387

56 **17C-4-202**, as last amended by Laws of Utah 2009, Chapters 387 and 388

57 **17C-4-402**, as enacted by Laws of Utah 2006, Chapter 359

58 **59-2-924.2**, as last amended by Laws of Utah 2009, Chapter 218

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

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

9-4-704. Distribution of fund moneys.

(1) The executive director shall:

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

(b) establish the criteria with the approval of the board by which loans and grants will be made; and

(c) determine with the approval of the board the order in which projects will be funded.

(2) The executive director shall distribute, as directed by the board, any federal moneys contained in the fund according to the procedures, conditions, and restrictions placed upon the use of those moneys by the federal government.

(3) (a) The executive director shall distribute, as directed by the board, any funds received pursuant to Section 17C-1-412 to pay the costs of providing income targeted housing within the community that created the community development and renewal agency under Title 17C, Limited Purpose Local Government Entities - Community Development and Renewal Agencies Act.

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

(i) "Community" has the meaning as defined in Section 17C-1-102.

(ii) "Income targeted housing" has the meaning as defined in Section 17C-1-102.

(4) Except federal money and money received under Section 17C-1-412, the executive director shall distribute, as directed by the board, all other moneys from the fund according to the following requirements:

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

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

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

(B) The remaining loan moneys shall be distributed to benefit persons whose annual

90 income is at or below 80% of the median family income for the state.

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

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

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

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

100 (5) The executive director may with the approval of the board:

101 (a) enact rules to establish procedures for the grant and loan process by following the
102 procedures and requirements of Title 63G, Chapter 3, Utah Administrative Rulemaking Act;
103 and

104 (b) service or contract, pursuant to Title 63G, Chapter 6, Utah Procurement Code, for
105 the servicing of loans made by the fund.

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

107 **10-3-1303. Definitions.**

108 As used in this part:

109 (1) "Appointed officer" means any person appointed to any statutory office or position
110 or any other person appointed to any position of employment with a city or with a community
111 development and renewal agency under Title 17C, Limited Purpose Local Government Entities
112 - Community Development and Renewal Agencies Act. Appointed officers include, but are
113 not limited to, persons serving on special, regular, or full-time committees, agencies, or boards
114 whether or not such persons are compensated for their services. The use of the word "officer"
115 in this part is not intended to make appointed persons or employees "officers" of the
116 municipality.

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

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

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

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

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

133 (7) "Municipal employee" means a person who is not an elected or appointed officer
134 who is employed on a full or part-time basis by a municipality or by a community development
135 and renewal agency under Title 17C, Limited Purpose Local Government Entities - Community
136 Development and Renewal Agencies Act.

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

140 (9) "Substantial interest" means the ownership, either legally or equitably, by an
141 individual, the individual's spouse, or the individual's minor children, of at least 10% of the
142 outstanding shares of a corporation or 10% interest in any other business entity.

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

144 **11-25-3. Definitions.**

145 As used in this ~~[act]~~ chapter:

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

150 (2) (a) "Citizen participation" means action by the agency to provide persons who will
151 be affected by residential rehabilitation financed under the provisions of this part with

152 opportunities to be involved in planning and carrying out the residential rehabilitation program.

153 "Citizen participation" shall include, but not be limited to, all of the following:

154 ~~[(a)]~~ (i) Holding a public meeting prior to considering selection of the area for
155 designation.

156 ~~[(b)]~~ (ii) Consultation with representatives of owners of property in, and residents of, a
157 residential rehabilitation area, in developing plans for public improvements and
158 implementation of the residential rehabilitation program.

159 ~~[(c)]~~ (iii) Dissemination of information relating to the time and location of meetings,
160 boundaries of the proposed residential rehabilitation area, and a general description of the
161 proposed residential rehabilitation program.

162 (b) (i) Public meetings and consultations described in Subsection (2)(a) shall be
163 conducted by an official designated by the agency.

164 (ii) Public meetings shall be held at times and places convenient to residents and
165 property owners.

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

168 (4) "Agency" means a community development and renewal agency functioning
169 pursuant to Title 17C, Limited Purpose Local Government Entities - Community Development
170 and Renewal Agencies Act.

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

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

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

- 183 (b) faulty interior arrangement and exterior spacing;
- 184 (c) high density of population and overcrowding;
- 185 (d) inadequate provision for ventilation, light, sanitation, open spaces, and recreation
- 186 facilities;
- 187 (e) age, obsolescence, deterioration, dilapidation, mixed character, or shifting of uses;
- 188 and
- 189 (f) economic dislocation, deterioration, or disuse, resulting from faulty planning.

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

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

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

202 (10) "Residential rehabilitation area" means the geographical area designated by the
 203 agency as one for inclusion in a comprehensive residential rehabilitation financing program
 204 pursuant to the provisions of this [act] chapter.

205 Section 4. Section **11-27-2** is amended to read:

206 **11-27-2. Definitions.**

207 As used in this chapter:

208 (1) "Advance refunding bonds" means refunding bonds issued for the purpose of
 209 refunding outstanding bonds in advance of their maturity.

210 (2) "Assessments" means a special tax levied against property within a special
 211 improvement district to pay all or a portion of the costs of making improvements in the district.

212 (3) "Bond" means any revenue bond, general obligation bond, tax increment bond,
 213 special improvement bond, local building authority bond, or refunding bond.

214 (4) "General obligation bond" means any bond, note, warrant, certificate of
215 indebtedness, or other obligation of a public body payable in whole or in part from revenues
216 derived from ad valorem taxes and that constitutes an indebtedness within the meaning of any
217 applicable constitutional or statutory debt limitation.

218 (5) "Governing body" means the council, commission, county legislative body, board
219 of directors, board of trustees, board of education, board of regents, or other legislative body of
220 a public body designated in this chapter that is vested with the legislative powers of the public
221 body, and, with respect to the state, the State Bonding Commission created by Section
222 63B-1-201.

223 (6) "Government obligations" means:

224 (a) direct obligations of the United States of America, or other securities, the principal
225 of and interest on which are unconditionally guaranteed by the United States of America; or

226 (b) obligations of any state, territory, or possession of the United States, or of any of
227 the political subdivisions of any state, territory, or possession of the United States, or of the
228 District of Columbia described in Section 103(a), Internal Revenue Code of 1986.

229 (7) "Issuer" means the public body issuing any bond or bonds.

230 (8) "Public body" means the state or any agency, authority, instrumentality, or
231 institution of the state, or any municipal or quasi-municipal corporation, political subdivision,
232 agency, school district, local district, special service district, or other governmental entity now
233 or hereafter existing under the laws of the state.

234 (9) "Refunding bonds" means bonds issued under the authority of this chapter for the
235 purpose of refunding outstanding bonds.

236 (10) "Resolution" means a resolution of the governing body of a public body taking
237 formal action under this chapter.

238 (11) "Revenue bond" means any bond, note, warrant, certificate of indebtedness, or
239 other obligation for the payment of money issued by a public body or any predecessor of any
240 public body and that is payable from designated revenues not derived from ad valorem taxes or
241 from a special fund composed of revenues not derived from ad valorem taxes, but excluding all
242 of the following:

243 (a) any obligation constituting an indebtedness within the meaning of any applicable
244 constitutional or statutory debt limitation;

245 (b) any obligation issued in anticipation of the collection of taxes, where the entire
246 issue matures not later than one year from the date of the issue; and

247 (c) any special improvement bond.

248 (12) "Special improvement bond" means any bond, note, warrant, certificate of
249 indebtedness, or other obligation of a public body or any predecessor of any public body that is
250 payable from assessments levied on benefitted property and from any special improvement
251 guaranty fund.

252 (13) "Special improvement guaranty fund" means any special improvement guaranty
253 fund established under Title 10, Chapter 6, Uniform Fiscal Procedures Act for Utah Cities;
254 Title 11, Chapter 42, Assessment Area Act; or any predecessor or similar statute.

255 (14) "Tax increment bond" means any bond, note, warrant, certificate of indebtedness,
256 or other obligation of a public body issued under authority of Title 17C, Limited Purpose Local
257 Government Entities - Community Development and Renewal Agencies Act.

258 Section 5. Section **17C-1-101** is amended to read:

259 **TITLE 17C. LIMITED PURPOSE LOCAL GOVERNMENT ENTITIES -**
260 **COMMUNITY DEVELOPMENT AND RENEWAL AGENCIES ACT**

261 **17C-1-101. Title.**

262 This title is known as the "Limited Purpose Local Government Entities - Community
263 Development and Renewal Agencies Act."

264 Section 6. Section **17C-1-102** is amended to read:

265 **17C-1-102. Definitions.**

266 As used in this title:

267 (1) "Adjusted tax increment" means:

268 (a) for tax increment under a pre-July 1, 1993 project area plan, tax increment under
269 Section 17C-1-403, excluding tax increment under Subsection 17C-1-403(3); and

270 (b) for tax increment under a post-June 30, 1993 project area plan, tax increment under
271 Section 17C-1-404, excluding tax increment under Section 17C-1-406.

272 (2) "Affordable housing" means housing to be owned or occupied by persons and
273 families of low or moderate income, as determined by resolution of the agency.

274 (3) "Agency" or "community development and renewal agency" means a separate body
275 corporate and politic, created under Section 17C-1-201 or as a redevelopment agency under

276 previous law, that is a political subdivision of the state, that is created to undertake or promote
277 urban renewal, economic development, or community development, or any combination of
278 them, as provided in this title, and whose geographic boundaries are coterminous with:

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

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

281 (4) "Annual income" has the meaning as defined under regulations of the U.S.

282 Department of Housing and Urban Development, 24 C.F.R. Sec. 5.609, as amended or as
283 superseded by replacement regulations.

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

285 (6) "Base taxable value" means:

286 (a) for an urban renewal or economic development project area, the taxable value of
287 the property within a project area from which tax increment will be collected, as shown upon
288 the assessment roll last equalized before:

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

290 (ii) for a post-June 30, 1993 project area plan:

291 (A) the date of the taxing entity committee's approval of the first project area budget;

292 or

293 (B) if no taxing entity committee approval is required for the project area budget, the
294 later of:

295 (I) the date the project area plan is adopted by the community legislative body; and

296 (II) the date the agency adopts the first project area budget;

297 (iii) for a project on an inactive industrial site, a year after the date on which the
298 inactive industrial site is sold for remediation and development; or

299 (iv) for a project on an inactive airport site, a year after the later of:

300 (A) the date on which the inactive airport site is sold for remediation and development;

301 and

302 (B) the date on which the airport that had been operated on the inactive airport site
303 ceased operations; and

304 (b) for a community development project area, the agreed value specified in a
305 resolution or interlocal agreement under Subsection 17C-4-201(2).

306 (7) "Basic levy" means the portion of a school district's tax levy constituting the

307 minimum basic levy under Section 59-2-902.

308 (8) "Blight" or "blighted" means the condition of an area that meets the requirements of
309 Subsection 17C-2-303(1).

310 (9) "Blight hearing" means a public hearing under Subsection 17C-2-102(1)(a)(i)(C)
311 and Section 17C-2-302 regarding the existence or nonexistence of blight within the proposed
312 urban renewal project area.

313 (10) "Blight study" means a study to determine the existence or nonexistence of blight
314 within a survey area as provided in Section 17C-2-301.

315 (11) "Board" means the governing body of an agency, as provided in Section
316 17C-1-203.

317 (12) "Budget hearing" means the public hearing on a draft project area budget required
318 under Subsection 17C-2-201(2)(d) for an urban renewal project area budget or Subsection
319 17C-3-201(2)(d) for an economic development project area budget.

320 (13) "Combined incremental value" means the combined total of all incremental values
321 from all urban renewal project areas, except project areas that contain some or all of a military
322 installation or inactive industrial site, within the agency's boundaries under adopted project area
323 plans and adopted project area budgets at the time that a project area budget for a new urban
324 renewal project area is being considered.

325 (14) "Community" means a county, city, or town.

326 (15) "Community development" means development activities within a community,
327 including the encouragement, promotion, or provision of development.

328 (16) "Economic development" means to promote the creation or retention of public or
329 private jobs within the state through:

330 (a) planning, design, development, construction, rehabilitation, business relocation, or
331 any combination of these, within a community; and

332 (b) the provision of office, industrial, manufacturing, warehousing, distribution,
333 parking, public, or other facilities, or other improvements that benefit the state or a community.

334 (17) "Fair share ratio" means the ratio derived by:

335 (a) for a city or town, comparing the percentage of all housing units within the city or
336 town that are publicly subsidized income targeted housing units to the percentage of all
337 housing units within the whole county that are publicly subsidized income targeted housing

338 units; or

339 (b) for the unincorporated part of a county, comparing the percentage of all housing
340 units within the unincorporated county that are publicly subsidized income targeted housing
341 units to the percentage of all housing units within the whole county that are publicly subsidized
342 income targeted housing units.

343 (18) "Family" has the meaning as defined under regulations of the U.S. Department of
344 Housing and Urban Development, 24 C.F.R. Section 5.403, as amended or as superseded by
345 replacement regulations.

346 (19) "Greenfield" means land not developed beyond agricultural or forestry use.

347 (20) "Hazardous waste" means any substance defined, regulated, or listed as a
348 hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant,
349 or toxic substance, or identified as hazardous to human health or the environment, under state
350 or federal law or regulation.

351 (21) "Housing funds" means the funds allocated in an urban renewal project area
352 budget under Section 17C-2-203 for the purposes provided in Subsection 17C-1-412(1).

353 (22) (a) "Inactive airport site" means land that:

354 (i) consists of at least 100 acres;

355 (ii) is occupied by an airport:

356 (A) (I) that is no longer in operation as an airport; or

357 (II) (Aa) that is scheduled to be decommissioned; and

358 (Bb) for which a replacement commercial service airport is under construction; and

359 (B) that is owned or was formerly owned and operated by a public entity; and

360 (iii) requires remediation because:

361 (A) of the presence of hazardous waste or solid waste; or

362 (B) the site lacks sufficient public infrastructure and facilities, including public roads,
363 electric service, water system, and sewer system, needed to support development of the site.

364 (b) "Inactive airport site" includes a perimeter of up to 2,500 feet around the land
365 described in Subsection (22)(a).

366 (23) (a) "Inactive industrial site" means land that:

367 (i) consists of at least 1,000 acres;

368 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial

369 facility; and

370 (iii) requires remediation because of the presence of hazardous waste or solid waste.

371 (b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land
372 described in Subsection (23)(a).

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

376 (25) "Incremental value" means a figure derived by multiplying the marginal value of
377 the property located within an urban renewal project area on which tax increment is collected
378 by a number that represents the percentage of adjusted tax increment from that project area that
379 is paid to the agency.

380 (26) "Loan fund board" means the Olene Walker Housing Loan Fund Board,
381 established under Title 9, Chapter 4, Part 7, Olene Walker Housing Loan Fund.

382 (27) "Marginal value" means the difference between actual taxable value and base
383 taxable value.

384 (28) "Military installation project area" means a project area or a portion of a project
385 area located within a federal military installation ordered closed by the federal Defense Base
386 Realignment and Closure Commission.

387 (29) "Plan hearing" means the public hearing on a draft project area plan required
388 under Subsection 17C-2-102(1)(a)(vi) for an urban renewal project area plan, Subsection
389 17C-3-102(1)(d) for an economic development project area plan, and Subsection
390 17C-4-102(1)(d) for a community development project area plan.

391 (30) "Post-June 30, 1993 project area plan" means a project area plan adopted on or
392 after July 1, 1993, whether or not amended subsequent to its adoption.

393 (31) "Pre-July 1, 1993 project area plan" means a project area plan adopted before July
394 1, 1993, whether or not amended subsequent to its adoption.

395 (32) "Private," with respect to real property, means:

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

398 (b) not dedicated to public use.

399 (33) "Project area" means the geographic area described in a project area plan or draft

400 project area plan where the urban renewal, economic development, or community
401 development, as the case may be, set forth in the project area plan or draft project area plan
402 takes place or is proposed to take place.

403 (34) "Project area budget" means a multiyear projection of annual or cumulative
404 revenues and expenses and other fiscal matters pertaining to a urban renewal or economic
405 development project area that includes:

- 406 (a) the base taxable value of property in the project area;
- 407 (b) the projected tax increment expected to be generated within the project area;
- 408 (c) the amount of tax increment expected to be shared with other taxing entities;
- 409 (d) the amount of tax increment expected to be used to implement the project area plan,
410 including the estimated amount of tax increment to be used for land acquisition, public
411 improvements, infrastructure improvements, and loans, grants, or other incentives to private
412 and public entities;

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

415 (f) if the area from which tax increment is to be collected is less than the entire project
416 area:

- 417 (i) the tax identification numbers of the parcels from which tax increment will be
418 collected; or
- 419 (ii) a legal description of the portion of the project area from which tax increment will
420 be collected;

421 (g) for property that the agency owns and expects to sell, the expected total cost of the
422 property to the agency and the expected selling price; and

423 (h) (i) for an urban renewal project area, the information required under Subsection
424 17C-2-201(1)(b); and

425 (ii) for an economic development project area, the information required under
426 Subsection 17C-3-201(1)(b).

427 (35) "Project area plan" means a written plan under Chapter 2, Part 1, Urban Renewal
428 Project Area Plan, Chapter 3, Part 1, Economic Development Project Area Plan, or Chapter 4,
429 Part 1, Community Development Project Area Plan, as the case may be, that, after its effective
430 date, guides and controls the urban renewal, economic development, or community

431 development activities within a project area.

432 (36) "Property tax" includes privilege tax and each levy on an ad valorem basis on
433 tangible or intangible personal or real property.

434 (37) "Public entity" means:

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

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

438 (38) "Publicly owned infrastructure and improvements" means water, sewer, storm
439 drainage, electrical, and other similar systems and lines, streets, roads, curb, gutter, sidewalk,
440 walkways, parking facilities, public transportation facilities, and other facilities, infrastructure,
441 and improvements benefitting the public and to be publicly owned or publicly maintained or
442 operated.

443 (39) "Record property owner" or "record owner of property" means the owner of real
444 property as shown on the records of the recorder of the county in which the property is located
445 and includes a purchaser under a real estate contract if the contract is recorded in the office of
446 the recorder of the county in which the property is located or the purchaser gives written notice
447 of the real estate contract to the agency.

448 (40) "Superfund site":

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

451 (b) includes an area formerly included in the National Priorities List, as described in
452 Subsection (40)(a), but removed from the list following remediation that leaves on site the
453 waste that caused the area to be included in the National Priorities List.

454 (41) "Survey area" means an area designated by a survey area resolution for study to
455 determine whether one or more urban renewal projects within the area are feasible.

456 (42) "Survey area resolution" means a resolution adopted by the agency board under
457 Subsection 17C-2-101(1)(a) designating a survey area.

458 (43) "Taxable value" means the value of property as shown on the last equalized
459 assessment roll as certified by the county assessor.

460 (44) (a) "Tax increment" means, except as provided in Subsection (44)(b), the
461 difference between:

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

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

467 (b) "Tax increment" does not include taxes levied and collected under Section
468 59-2-1602 on or after January 1, 1994 upon the taxable property in the project area unless:

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

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

473 (45) "Taxing entity" means a public entity that levies a tax on a parcel or parcels of
474 property located within a community.

475 (46) "Taxing entity committee" means a committee representing the interests of taxing
476 entities, created as provided in Section 17C-1-402.

477 (47) "Unincorporated" means not within a city or town.

478 (48) (a) "Urban renewal" means the development activities under a project area plan
479 within an urban renewal project area, including:

480 (i) planning, design, development, demolition, clearance, construction, rehabilitation,
481 environmental remediation, or any combination of these, of part or all of a project area;

482 (ii) the provision of residential, commercial, industrial, public, or other structures or
483 spaces, including recreational and other facilities incidental or appurtenant to them;

484 (iii) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating, or
485 any combination of these, existing structures in a project area;

486 (iv) providing open space, including streets and other public grounds and space around
487 buildings;

488 (v) providing public or private buildings, infrastructure, structures, and improvements;
489 and

490 (vi) providing improvements of public or private recreation areas and other public
491 grounds.

492 (b) "Urban renewal" means "redevelopment," as defined under the law in effect before

493 May 1, 2006, if the context requires.

494 Section 7. Section **17C-1-207** is amended to read:

495 **17C-1-207. Public entities may assist with urban renewal, economic development,**
496 **or community development project.**

497 (1) In order to assist and cooperate in the planning, undertaking, construction, or
498 operation of urban renewal, economic development, or community development within the
499 area in which it is authorized to act, a public entity may:

500 (a) (i) provide or cause to be furnished:

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

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

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

504 (ii) provide, furnish, dedicate, close, vacate, pave, install, grade, regrade, plan, or

505 replan streets, roads, roadways, alleys, sidewalks, or other places;

506 (iii) in any part of the project area:

507 [~~(iii)~~] (A) (I) plan or replan[;];

508 (II) plat or replat;

509 (III) vacate a plat;

510 (IV) amend a plat; or

511 (V) zone or rezone [any part of a project area]; and

512 (B) make any legal exceptions from building regulations and ordinances;

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

515 (v) enter into an agreement with another public entity concerning action to be taken
516 pursuant to any of the powers granted in this title;

517 (vi) do any and all things necessary to aid or cooperate in the planning or carrying out
518 of the urban renewal, economic development, or community development;

519 (vii) in connection with the project area plan, become obligated to the extent
520 authorized and funds have been made available to make required improvements or construct
521 required structures; and

522 (viii) lend, grant, or contribute funds to an agency for an urban renewal, economic
523 development, or community development project; and

524 (b) 15 days after posting public notice:

525 (i) purchase or otherwise acquire property or lease property from an agency; or

526 (ii) sell, grant, convey, or otherwise dispose of the public entity's property or lease the
527 public entity's property to an agency.

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

530 (3) A grant or contribution of funds from a public entity to an agency, or from an
531 agency under a project area plan or project area budget, is not subject to the requirements of
532 Section 10-8-2.

533 Section 8. Section **17C-1-303** is amended to read:

534 **17C-1-303. Summary of sale or other disposition of agency property --**
535 **Publication of summary.**

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

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

539 (3) The agency shall, no later than one month after the day that the disposition is
540 concluded:

541 (a) post each summary under Subsection (1) on the Utah Public Notice Website
542 described in Section 63F-1-701; and

543 ~~[(a)]~~ (b) (i) publish each summary under Subsection (1) at least once in a newspaper of
544 general circulation in the agency's boundaries; or

545 ~~[(b)]~~ (ii) if there is no newspaper of general circulation, post the summary in three
546 conspicuous places within the agency's boundaries.

547 Section 9. Section **17C-1-401** is amended to read:

548 **17C-1-401. Agency receipt and use of tax increment and sales tax -- Distribution**
549 **of tax increment and sales tax.**

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

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

554 (i) for a pre-July 1, 1993 project area plan, from the first tax year regarding which the

555 agency accepts tax increment from the project area;

556 (ii) for a post-June 30, 1993 urban renewal or economic development project area plan,
557 from the first tax year for which the agency receives tax increment under the project area
558 budget; or

559 (iii) for a community development project area plan, as indicated in the resolution or
560 interlocal agreement of a taxing entity that establishes the agency's right to receive tax
561 increment or sales tax.

562 (b) ~~[Tax]~~ Unless otherwise provided in a project area budget that is approved by a
563 taxing entity committee, or in an interlocal agreement or resolution adopted by a taxing entity,
564 tax increment may not be paid to an agency for a tax year prior to the tax year following:

565 (i) for an urban renewal or economic development project area plan, the effective date
566 of the project area plan; and

567 (ii) for a community development project area plan, the effective date of the interlocal
568 agreement that establishes the agency's right to receive tax increment.

569 (3) With respect to a community development project area plan:

570 (a) a taxing entity or public entity may, by resolution or through interlocal agreement,
571 authorize an agency to be paid any or all of that taxing entity or public entity's tax increment or
572 sales tax for any period of time; and

573 (b) the resolution or interlocal agreement authorizing the agency to be paid tax
574 increment or sales tax shall specify:

575 (i) the base taxable value of the project area; and

576 (ii) the method of calculating the amount of tax increment or sales tax to be paid to the
577 agency.

578 (4) With the written consent of a taxing entity, an agency may be paid tax increment,
579 from that taxing entity's tax revenues only, in a higher percentage or for a longer period of time,
580 or both, than otherwise authorized under this title.

581 (5) Each county that collects property tax on property within a project area shall pay
582 and distribute to the agency the tax increment that the agency is entitled to collect under this
583 title, in the manner and at the time provided in Section 59-2-1365.

584 Section 10. Section **17C-1-409** is amended to read:

585 **17C-1-409. Allowable uses of tax increment and sales tax.**

586 (1) (a) An agency may use tax increment and sales tax proceeds received from a taxing
587 entity:

588 (i) for any of the purposes for which the use of tax increment is authorized under this
589 title;

590 (ii) for administrative, overhead, legal, and other operating expenses of the agency,
591 including consultant fees and expenses under Subsection 17C-2-102(1)(b)(ii)(B); or

592 (iii) to pay for, including financing or refinancing, all or part of:

593 (A) urban renewal activities in the project area from which the tax increment funds are
594 collected, including environmental remediation activities occurring before or after adoption of
595 the project area plan;

596 (B) economic development or community development activities, including
597 environmental remediation activities occurring before or after adoption of the project area plan,
598 in the project area from which the tax increment funds are collected;

599 (C) housing expenditures, projects, or programs as provided in Section 17C-1-411 or
600 17C-1-412;

601 (D) subject to Subsections (1)(c) and (6), the value of the land for and the cost of the
602 installation and construction of any publicly owned building, facility, structure, landscaping, or
603 other improvement within the project area from which the tax increment funds were collected;
604 and

605 (E) subject to Subsection (1)(d), the cost of the installation of publicly owned
606 infrastructure and improvements outside the project area from which the tax increment funds
607 were collected if the agency board and the community legislative body determine by resolution
608 that the publicly owned infrastructure and improvements are of benefit to the project area.

609 (b) The determination of the agency board and the community legislative body under
610 Subsection (1)(a)(iii)(E) regarding benefit to the project area shall be final and conclusive.

611 (c) An agency may not use tax increment or sales tax proceeds received from a taxing
612 entity for the purposes stated in Subsection (1)(a)(iii)(D) under an urban renewal or economic
613 development project area plan without the consent of the community legislative body.

614 (d) An agency may not use tax increment or sales tax proceeds received from a taxing
615 entity for the purposes stated in Subsection (1)(a)(iii)(E) under an urban renewal or economic
616 development project area plan without the consent of the community legislative body and the

617 taxing entity committee.

618 (e) (i) Subject to Subsection (1)(e)(ii), an agency may loan tax increment or sales tax
619 proceeds, or a combination of tax increment and sales tax proceeds, from a project area fund to
620 another project area fund if:

621 (A) the agency's board approves; and

622 (B) the legislative body of each community that created the agency approves.

623 (ii) An agency may not loan tax increment or sales tax proceeds, or a combination of
624 tax increment and sales tax proceeds, under Subsection (1)(e)(i) unless the projections for the
625 future tax increment or sales tax proceeds of the borrowing project area are sufficient to repay
626 the loan amount prior to the date when the tax increment or sales tax proceeds are intended for
627 use under the loaning project area's plan.

628 (iii) If a borrowing project area's funds are not sufficient to repay a loan made under
629 Subsection (1)(e)(i) prior to the date when the tax increment or sales tax proceeds are intended
630 for use under the loaning project area's plan, the community that created the agency shall repay
631 the loan to the loaning project area's fund before the date when the tax increment or sales tax
632 proceeds are intended for use under the loaning project area's plan.

633 (2) Sales tax proceeds that an agency receives from another public entity are not
634 subject to the prohibition or limitations of Title 11, Chapter 41, Prohibition on Sales and Use
635 Tax Incentive Payments Act.

636 (3) An agency may use sales tax proceeds it receives under a resolution or interlocal
637 agreement under Section 17C-4-201 for the uses authorized in the resolution or interlocal
638 agreement.

639 (4) (a) An agency may contract with the community that created the agency or another
640 public entity to use tax increment to reimburse the cost of items authorized by this title to be
641 paid by the agency that have been or will be paid by the community or other public entity.

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

646 (5) An agency created by a city of the first or second class may use tax increment from
647 one project area in another project area to pay all or part of the value of the land for and the

648 cost of the installation and construction of a publicly or privately owned convention center or
649 sports complex or any building, facility, structure, or other improvement related to the
650 convention center or sports complex, including parking and infrastructure improvements, if:

651 (a) construction of the convention center or sports complex or related building, facility,
652 structure, or other improvement is commenced on or before June 30, 2002; and

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

656 (6) Notwithstanding any other provision of this title, an agency may not use tax
657 increment to construct municipal buildings, courts or other judicial buildings, or fire stations.

658 (7) Notwithstanding any other provision of this title, an agency may not use tax
659 increment under an urban renewal or economic development project area plan, to pay any of
660 the cost of the land, infrastructure, or construction of a stadium or arena constructed after
661 March 1, 2005, unless the tax increment has been pledged for that purpose before February 15,
662 2005.

663 (8) (a) An agency may not use tax increment to pay the debt service of or any other
664 amount related to a bond issued or other obligation incurred if the bond was issued or the
665 obligation was incurred:

666 (i) by an interlocal entity created under Title 11, Chapter 13, Interlocal Cooperation
667 Act;

668 (ii) on or after March 30, 2009; and

669 (iii) to finance a telecommunication facility.

670 (b) Subsection (8)(a) may not be construed to prohibit the refinancing, restatement, or
671 refunding of a bond issued before March 30, 2009.

672 Section 11. Section **17C-1-412** is amended to read:

673 **17C-1-412. Use of funds allocated for housing -- Separate accounting required --**
674 **Issuance of bonds for housing -- Action to compel agency to provide housing funds.**

675 (1) (a) Each agency shall use all funds allocated for housing under [~~this section~~]
676 Section 17C-2-203 or 17C-3-202 to:

677 (i) pay part or all of the cost of land or construction of income targeted housing within
678 the boundary of the agency, if practicable in a mixed income development or area;

- 679 (ii) pay part or all of the cost of rehabilitation of income targeted housing within the
680 boundary of the agency;
- 681 (iii) lend, grant, or contribute money to a person, public entity, housing authority,
682 private entity or business, or nonprofit corporation for income targeted housing within the
683 boundary of the agency;
- 684 (iv) plan or otherwise promote income targeted housing within the boundary of the
685 agency;
- 686 (v) pay part or all of the cost of land or installation, construction, or rehabilitation of
687 any building, facility, structure, or other housing improvement, including infrastructure
688 improvements, related to housing located in a project area where blight has been found to exist;
- 689 (vi) replace housing units lost as a result of the urban renewal, economic development,
690 or community development;
- 691 (vii) make payments on or establish a reserve fund for bonds:
- 692 (A) issued by the agency, the community, or the housing authority that provides
693 income targeted housing within the community; and
- 694 (B) all or part of the proceeds of which are used within the community for the purposes
695 stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);
- 696 (viii) if the community's fair share ratio at the time of the first adoption of the project
697 area budget is at least 1.1 to 1.0, make payments on bonds:
- 698 (A) that were previously issued by the agency, the community, or the housing authority
699 that provides income targeted housing within the community; and
- 700 (B) all or part of the proceeds of which were used within the community for the
701 purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi); or
- 702 (ix) relocate mobile home park residents displaced by an urban renewal, economic
703 development, or community development project.
- 704 (b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all or
705 any portion of housing funds to:
- 706 (i) the community for use as provided under Subsection (1)(a);
- 707 (ii) the housing authority that provides income targeted housing within the community
708 for use in providing income targeted housing within the community; or
- 709 (iii) the Olene Walker Housing Loan Fund, established under Title 9, Chapter 4, Part 7,

710 Olene Walker Housing Loan Fund, for use in providing income targeted housing within the
711 community.

712 (2) The agency or community shall separately account for the housing funds, together
713 with all interest earned by the housing funds and all payments or repayments for loans,
714 advances, or grants from the housing funds.

715 (3) An agency may:

716 (a) issue bonds from time to time to finance a housing undertaking under this section,
717 including the payment of principal and interest upon advances for surveys and plans or
718 preliminary loans; and

719 (b) issue refunding bonds for the payment or retirement of bonds under Subsection
720 (3)(a) previously issued by the agency.

721 (4) For a project area budget adopted on or after May 11, 2010, that is required under
722 Section 17C-2-203 to allocate 20% of tax increment for housing, the agency shall annually
723 allocate to housing 20% of the tax increment it receives each year under the project area
724 budget.

725 (5) An agency:

726 (a) shall allocate housing funds each year in which the agency receives sufficient tax
727 increment to make a housing allocation required by the project area budget; and

728 (b) is relieved, to the extent tax increment is insufficient in a year, of an obligation to
729 allocate housing funds for the year tax increment is insufficient.

730 [~~4~~-(a)-If] (6) (a) Except as provided in Subsection (5), if an agency fails to provide
731 housing funds in accordance with the project area budget and, if applicable, the housing plan
732 adopted under Subsection 17C-2-204(2), the loan fund board may bring legal action to compel
733 the agency to provide the housing funds.

734 (b) In an action under Subsection [~~4~~] (6)(a), the court:

735 (i) shall award the loan fund board [a] reasonable attorney [~~fee~~] fees, unless the court
736 finds that the action was frivolous; and

737 (ii) may not award the agency its attorney fees, unless the court finds that the action
738 was frivolous.

739 Section 12. Section **17C-2-108** is amended to read:

740 **17C-2-108. Notice of urban renewal project area plan adoption -- Effective date**

741 **of plan -- Contesting the formation of the plan.**

742 (1) (a) [(†)] Upon the community legislative body's adoption of an urban renewal
743 project area plan, or an amendment to a project area plan under Section 17C-2-110, the
744 legislative body shall provide notice as provided in Subsection (1)(b) by [~~publishing or causing~~
745 ~~to be published a notice~~]:

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

748 (B) if there is no newspaper of general circulation within the agency's boundaries,
749 causing a notice to be posted in at least three public places within the agency's boundaries; and

750 (ii) publishing or causing to be published a notice as required in Section 45-1-101.

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

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

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

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

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

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

759 (3) (a) For a period of 30 days after the effective date of the project area plan under
760 Subsection (2), any person in interest may contest the project area plan or the procedure used to
761 adopt the project area plan if the plan or procedure fails to comply with applicable statutory
762 requirements.

763 (b) After the 30-day period under Subsection (3)(a) expires, no person may contest the
764 project area plan or procedure used to adopt the project area plan for any cause.

765 (4) Upon adoption of the project area plan by the community's legislative body, the
766 agency may carry out the project area plan.

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

769 Section 13. Section **17C-2-110** is amended to read:

770 **17C-2-110. Amending an urban renewal project area plan.**

771 (1) An adopted urban renewal project area plan may be amended as provided in this

772 section.

773 (2) If an agency proposes to amend an adopted urban renewal project area plan to
774 enlarge the project area:

775 (a) subject to Subsection (2)(e), the requirements under this part that apply to adopting
776 a project area plan apply equally to the proposed amendment as if it were a proposed project
777 area plan;

778 (b) for a pre-July 1, 1993 project area plan, the base year taxable value for the new area
779 added to the project area shall be determined under Subsection 17C-1-102(6)(a)(i) using the
780 effective date of the amended project area plan;

781 (c) for a post-June 30, 1993 project area plan:

782 (i) the base year taxable value for the new area added to the project area shall be
783 determined under Subsection 17C-1-102(6)(a)(ii) using the date of the taxing entity
784 committee's consent referred to in Subsection (2)(c)(ii); and

785 (ii) the agency shall obtain the consent of the taxing entity committee before the agency
786 may collect tax increment from the area added to the project area by the amendment;

787 (d) the agency shall make a finding regarding the existence of blight in the area
788 proposed to be added to the project area by following the procedure set forth in Subsections
789 17C-2-102(1)(a)(i) and (ii); and

790 (e) the agency need not make a finding regarding the existence of blight in the project
791 area as described in the original project area plan, if the agency made a finding of the existence
792 of blight regarding that project area in connection with adoption of the original project area
793 plan.

794 (3) If a proposed amendment does not propose to enlarge an urban renewal project
795 area, an agency board may adopt a resolution approving an amendment to an adopted project
796 area plan after:

797 (a) the agency gives notice, as provided in Section 17C-2-502, of the proposed
798 amendment and of the public hearing required by Subsection (3)(b);

799 (b) the agency board holds a public hearing on the proposed amendment that meets the
800 requirements of a plan hearing;

801 (c) the agency obtains the taxing entity committee's consent to the amendment, if the
802 amendment proposes:

803 (i) to enlarge the area within the project area from which tax increment is collected;
804 (ii) to permit the agency to receive a greater percentage of tax increment or to receive
805 tax increment for a longer period of time, or both, than allowed under the adopted project area
806 plan; or

807 (iii) for an amendment to a project area plan that was adopted before April 1, 1983, to
808 expand the area from which tax increment is collected to exceed 100 acres of private property;
809 and

810 (d) the agency obtains the consent of the legislative body or governing board of each
811 taxing entity affected, if the amendment proposes to permit the agency to receive, from less
812 than all taxing entities, a greater percentage of tax increment or to receive tax increment for a
813 longer period of time, or both, than allowed under the adopted project area plan.

814 (4) (a) An adopted urban renewal project area plan may be amended without
815 complying with the notice and public hearing requirements of Subsections (2)(a) and (3)(a) and
816 (b) and without obtaining taxing entity committee approval under Subsection (3)(c) if the
817 amendment:

818 (i) makes a minor adjustment in the legal description of a project area boundary
819 requested by a county assessor or county auditor to avoid inconsistent property boundary lines;
820 or

821 (ii) subject to Subsection (4)(b), removes a parcel of real property from a project area
822 because the agency determines that:

823 (A) the parcel is no longer blighted; or
824 (B) inclusion of the parcel is no longer necessary or desirable to the project area.

825 (b) An amendment removing a parcel of real property from a project area under
826 Subsection (4)(a)(ii) may not be made without the consent of the record property owner of the
827 parcel being removed.

828 (5) (a) An amendment approved by board resolution under this section may not take
829 effect until adopted by ordinance of the legislative body of the community in which the project
830 area that is the subject of the project area plan being amended is located.

831 (b) Upon a community legislative body passing an ordinance adopting an amendment
832 to a project area plan, the agency whose project area plan was amended shall comply with the
833 requirements of ~~[Section]~~ Sections 17C-2-108 and 17C-2-109 to the same extent as if the

834 amendment were a project area plan.

835 Section 14. Section **17C-2-201** is amended to read:

836 **17C-2-201. Project area budget -- Requirements for adopting -- Contesting the**
837 **budget or procedure -- Time limit.**

838 (1) (a) If an agency anticipates funding all or a portion of a post-June 30, 1993 urban
839 renewal project area plan with tax increment, the agency shall, subject to Section 17C-2-202,
840 adopt a project area budget as provided in this part.

841 (b) An urban renewal project area budget adopted on or after March 30, 2009 shall
842 specify:

843 (i) the number of tax years for which the agency will be allowed to receive tax
844 increment from the project area; and

845 (ii) the percentage of tax increment or maximum cumulative dollar amount of tax
846 increment the agency is entitled to receive from the project area under the project area budget.

847 (2) To adopt an urban renewal project area budget, the agency shall:

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

849 (b) make a copy of the draft project area budget available to the public at the agency's
850 offices during normal business hours;

851 (c) provide notice of the budget hearing as required by Part 5, Urban Renewal Notice
852 Requirements;

853 (d) hold a public hearing on the draft project area budget and, at that public hearing,
854 allow public comment on:

855 (i) the draft project area budget; and

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

857 (e) (i) if required under Subsection 17C-2-204(1), obtain the approval of the taxing
858 entity committee on the draft project area budget or a revised version of the draft project area
859 budget; or

860 (ii) if applicable, comply with the requirements of Subsection 17C-2-204(2); ~~and~~

861 (f) if approval of the taxing entity committee is required under Subsection (2)(e)(i),
862 obtain a written certification, signed by an attorney licensed to practice law in this state, stating
863 that the taxing entity committee followed the appropriate procedures to approve the project
864 area budget; and

865 ~~[(f)]~~ (g) after the budget hearing, hold a board meeting in the same meeting as the
866 public hearing or in a subsequent meeting to:

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

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

871 (3) (a) For a period of 30 days after the agency's adoption of the project area budget
872 under Subsection (2)~~[(f)]~~(g), any person in interest may contest the project area budget or the
873 procedure used to adopt the project area budget if the budget or procedure fails to comply with
874 applicable statutory requirements.

875 (b) After the 30-day period under Subsection (3)(a) expires, ~~[no]~~ a person, for any
876 cause, may not contest;

877 (i) the project area budget or procedure used ~~[to]~~ by either the taxing entity committee
878 or the agency to approve and adopt the project area budget ~~[for any cause.];~~

879 (ii) a payment to the agency under the project area budget; or

880 (iii) the agency's use of tax increment under the project area budget.

881 Section 15. Section **17C-2-206** is amended to read:

882 **17C-2-206. Amending an urban renewal project area budget.**

883 (1) An agency may by resolution amend an urban renewal project area budget as
884 provided in this section.

885 (2) To amend an adopted urban renewal project area budget, the agency shall:

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

888 (b) obtain the approval of the taxing entity committee if the agency was required under
889 Section 17C-2-204 to obtain the consent of the taxing entity committee for the project area
890 budget as originally adopted; ~~[and]~~

891 (c) if approval of the taxing entity committee is required under Subsection (2)(b),
892 obtain a written certification, signed by an attorney licensed to practice law in this state, stating
893 that the taxing entity committee followed the appropriate procedures to approve the project
894 area budget; and

895 ~~[(e)]~~ (d) adopt a resolution amending the project area budget.

896 (3) The public hearing required under Subsection (2)(a) shall be conducted according
897 to the procedures and requirements of Subsections 17C-2-201(2)(c) and (d), except that if the
898 amended project area budget proposes that the agency be paid a greater proportion of tax
899 increment from a project area than was to be paid under the previous project area budget, the
900 notice shall state the percentage paid under the previous project area budget and the percentage
901 proposed under the amended project area budget.

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

904 (5) (a) A person may contest the agency's adoption of a budget amendment within 30
905 days after the day on which the agency adopts the amendment.

906 (b) A person who fails to contest a budget amendment under Subsection (5)(a):

907 (i) forfeits any claim against an agency's adoption of the amendment; and

908 (ii) may not contest:

909 (A) a payment to the agency under the budget amendment; or

910 (B) an agency's use of a tax increment under the budget amendment.

911 Section 16. Section **17C-2-502** is amended to read:

912 **17C-2-502. Requirements for notice provided by agency.**

913 (1) The notice required by Section 17C-2-501 shall be given by:

914 (a) (i) publishing one notice, excluding the map referred to in Subsection (3)(b), in a
915 newspaper of general circulation within the county in which the project area or proposed
916 project area is located, at least 14 days before the hearing; [~~or~~]

917 (ii) if there is no newspaper of general circulation, posting notice at least 14 days
918 before the day of the hearing in at least three conspicuous places within the county in which the
919 project area or proposed project area is located; [~~and~~] or

920 (iii) posting notice on, excluding the map described in Subsection (3)(b), at least 14
921 days before the day on which the hearing is held on:

922 (A) the Utah Public Notice Website described in Section 63F-1-701; and

923 (B) the public website of a community located within the boundaries of the project
924 area; and

925 (b) at least 30 days before the hearing:

926 (i) mailing notice to each record owner of property located within the project area or

927 proposed project area; and
928 (ii) mailing notice to:
929 (A) the State Tax Commission;
930 (B) the assessor and auditor of the county in which the project area or proposed project
931 area is located; and
932 (C) (I) each member of the taxing entity committee; or
933 (II) if a taxing entity committee has not yet been formed, the State Board of Education
934 and the legislative body or governing board of each taxing entity.
935 (2) The mailing of the notice to record property owners required under Subsection
936 (1)(b)(i) shall be conclusively considered to have been properly completed if:
937 (a) the agency mails the notice to the property owners as shown in the records,
938 including an electronic database, of the county recorder's office and at the addresses shown in
939 those records; and
940 (b) the county recorder's office records used by the agency in identifying owners to
941 whom the notice is mailed and their addresses were obtained or accessed from the county
942 recorder's office no earlier than 30 days before the mailing.
943 (3) The agency shall include in each notice required under Section 17C-2-501:
944 (a) (i) a specific description of the boundaries of the project area or proposed project
945 area; or
946 (ii) (A) a mailing address or telephone number where a person may request that a copy
947 of the description be sent at no cost to the person by mail or facsimile transmission; and
948 (B) if the agency has an Internet website, an Internet address where a person may gain
949 access to an electronic, printable copy of the description;
950 (b) a map of the boundaries of the project area or proposed project area;
951 (c) an explanation of the purpose of the hearing; and
952 (d) a statement of the date, time, and location of the hearing.
953 (4) The agency shall include in each notice under Subsection (1)(b)(ii):
954 (a) a statement that property tax revenues resulting from an increase in valuation of
955 property within the project area or proposed project area will be paid to the agency for urban
956 renewal purposes rather than to the taxing entity to which the tax revenues would otherwise
957 have been paid if:

- 958 (i) ~~[a majority of]~~ the taxing entity committee consents to the project area budget; and
- 959 (ii) the project area plan provides for the agency to receive tax increment; and
- 960 (b) an invitation to the recipient of the notice to submit to the agency comments
- 961 concerning the subject matter of the hearing before the date of the hearing.

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

965 Section 17. Section **17C-3-107** is amended to read:

966 **17C-3-107. Notice of economic development project area plan adoption --**
 967 **Effective date of plan -- Contesting the formation of the plan.**

968 (1) (a) Upon the community legislative body's adoption of an economic development
 969 project area plan, or an amendment to the project area plan under Section 17C-3-109, the
 970 legislative body shall provide notice as provided in Subsection (1)(b) by:

- 971 (i) (A) publishing or causing to be published a notice:
- 972 (I) in a newspaper of general circulation within the agency's boundaries; or
- 973 (II) if there is no newspaper of general circulation within the agency's boundaries,
- 974 causing a notice to be posted in at least three public places within the agency's boundaries; and
- 975 ~~[(B) as required in Section 45-1-101.]~~

976 (B) on the Utah Public Notice Website described in Section 63F-1-701.

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

- 978 (i) set forth the community legislative body's ordinance adopting the project area plan
- 979 or a summary of the ordinance; and
- 980 (ii) include a statement that the project area plan is available for general public
- 981 inspection and the hours for inspection.

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

- 983 (a) if notice was published under Subsection (1)(a), publication of the notice; or
- 984 (b) if notice was posted under Subsection (1)(a), posting of the notice.

985 (3) (a) For a period of 30 days after the effective date of the project area plan under
 986 Subsection (2), any person in interest may contest the project area plan or the procedure used to
 987 adopt the project area plan if the plan or procedure fails to comply with applicable statutory
 988 requirements.

989 (b) After the 30-day period under Subsection (3)(a) expires, no person may contest the
990 project area plan or procedure used to adopt the project area plan for any cause.

991 (4) Upon adoption of the economic development project area plan by the community's
992 legislative body, the agency may carry out the project area plan.

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

995 Section 18. Section **17C-3-109** is amended to read:

996 **17C-3-109. Amending an economic development project area plan.**

997 (1) An adopted economic development project area plan may be amended as provided
998 in this section.

999 (2) If an agency proposes to amend an adopted economic development project area
1000 plan to enlarge the project area:

1001 (a) the requirements under this part that apply to adopting a project area plan apply
1002 equally to the proposed amendment as if it were a proposed project area plan;

1003 (b) the base year taxable value for the new area added to the project area shall be
1004 determined under Subsection 17C-1-102(6)(a)(ii) using the date of the taxing entity
1005 committee's consent referred to in Subsection (2)(c); and

1006 (c) the agency shall obtain the consent of the taxing entity committee before the agency
1007 may collect tax increment from the area added to the project area by the amendment.

1008 (3) If a proposed amendment does not propose to enlarge an economic development
1009 project area, an agency board may adopt a resolution approving an amendment to an adopted
1010 project area plan after:

1011 (a) the agency gives notice, as provided in Section 17C-3-402, of the proposed
1012 amendment and of the public hearing required by Subsection (3)(b);

1013 (b) the agency board holds a public hearing on the proposed amendment that meets the
1014 requirements of a plan hearing;

1015 (c) the agency obtains the taxing entity committee's consent to the amendment, if the
1016 amendment proposes:

1017 (i) to enlarge the area within the project area from which tax increment is collected; or

1018 (ii) to permit the agency to receive a greater percentage of tax increment or to receive
1019 tax increment for a longer period of time than allowed under the adopted project area plan; and

1020 (d) the agency obtains the consent of the legislative body or governing board of each
1021 taxing entity affected, if the amendment proposes to permit the agency to receive, from less
1022 than all taxing entities, a greater percentage of tax increment or to receive tax increment for a
1023 longer period of time, or both, than allowed under the adopted project area plan.

1024 (4) (a) An adopted project area plan may be amended without complying with the
1025 notice and public hearing requirements of Subsections (2)(a) and (3)(a) and (b) and without
1026 obtaining taxing entity committee approval under Subsection (3)(c) if the amendment:

1027 (i) makes a minor adjustment in the legal description of a project area boundary
1028 requested by a county assessor or county auditor to avoid inconsistent property boundary lines;
1029 or

1030 (ii) subject to Subsection (4)(b), removes a parcel of real property from a project area
1031 because the agency determines that inclusion of the parcel is no longer necessary or desirable to
1032 the project area.

1033 (b) An amendment removing a parcel of real property from a project area under
1034 Subsection (4)(a) may not be made without the consent of the record property owner of the
1035 parcel being removed.

1036 (5) (a) An amendment approved by board resolution under this section may not take
1037 effect until adopted by ordinance of the legislative body of the community in which the project
1038 area that is the subject of the project area plan being amended is located.

1039 (b) Upon a community legislative body passing an ordinance adopting an amendment
1040 to a project area plan, the agency whose project area plan was amended shall comply with the
1041 requirements of [~~Section~~] Sections 17C-3-107 and 17C-3-108 to the same extent as if the
1042 amendment were a project area plan.

1043 Section 19. Section **17C-3-201** is amended to read:

1044 **17C-3-201. Economic development project area budget -- Requirements for**
1045 **adopting -- Contesting the budget or procedure -- Time limit.**

1046 (1) (a) If an agency anticipates funding all or a portion of a post-June 30, 1993
1047 economic development project area plan with tax increment, the agency shall, subject to
1048 Section 17C-3-202, adopt a project area budget as provided in this part.

1049 (b) An economic development project area budget adopted on or after March 30, 2009
1050 shall specify:

- 1051 (i) the number of tax years for which the agency will be allowed to receive tax
1052 increment from the project area; and
- 1053 (ii) the percentage of tax increment or maximum cumulative dollar amount of tax
1054 increment the agency is entitled to receive from the project area under the project area budget.
- 1055 (2) To adopt an economic development project area budget, the agency shall:
- 1056 (a) prepare a draft of an economic development project area budget;
- 1057 (b) make a copy of the draft project area budget available to the public at the agency's
1058 offices during normal business hours;
- 1059 (c) provide notice of the budget hearing as required by Part 4, Economic Development
1060 Notice Requirements;
- 1061 (d) hold a public hearing on the draft project area budget and, at that public hearing,
1062 allow public comment on:
- 1063 (i) the draft project area budget; and
- 1064 (ii) whether the draft project area budget should be revised, adopted, or rejected;
- 1065 (e) (i) if required under Subsection 17C-3-203(1), obtain the approval of the taxing
1066 entity committee on the draft project area budget or a revised version of the draft project area
1067 budget; or
- 1068 (ii) if applicable, comply with the requirements of Subsection 17C-3-203(2); [~~and~~]
- 1069 (f) if approval of the taxing entity committee is required under Subsection (2)(e)(i),
1070 obtain a written certification, signed by an attorney licensed to practice law in this state, stating
1071 that the taxing entity committee followed the appropriate procedures to approve the project
1072 area budget; and
- 1073 [~~(f)~~] (g) after the budget hearing, hold a board meeting in the same meeting as the
1074 public hearing or in a subsequent meeting to:
- 1075 (i) consider comments made and information presented at the public hearing relating to
1076 the draft project area budget; and
- 1077 (ii) adopt by resolution the draft project area budget, with any revisions, as the project
1078 area budget.
- 1079 (3) (a) For a period of 30 days after the agency's adoption of the project area budget
1080 under Subsection (2)[~~(f)~~](g), any person in interest may contest the project area budget or the
1081 procedure used to adopt the project area budget if the budget or procedure fails to comply with

1082 applicable statutory requirements.

1083 (b) After the 30-day period under Subsection (3)(a) expires, ~~[no]~~ a person, for any
1084 cause, may not contest;

1085 (i) the project area budget or procedure used ~~[to]~~ by either the taxing entity committee
1086 or the agency to approve and adopt the project area budget ~~[for any cause.];~~

1087 (ii) a payment to the agency under the project area budget; or

1088 (iii) the agency's use of tax increment under the project area budget.

1089 Section 20. Section **17C-3-205** is amended to read:

1090 **17C-3-205. Amending an economic development project area budget.**

1091 (1) An agency may by resolution amend an economic development project area budget
1092 as provided in this section.

1093 (2) To amend an adopted economic development project area budget, the agency shall:

1094 (a) advertise and hold one public hearing on the proposed amendment as provided in
1095 Subsection (3);

1096 (b) obtain the approval of the taxing entity committee if the agency was required under
1097 Section 17C-3-203 to obtain the consent of the taxing entity committee for the project area
1098 budget as originally adopted; ~~[and]~~

1099 (c) if approval of the taxing entity committee is required under Subsection (2)(b),
1100 obtain a written certification, signed by an attorney licensed to practice law in this state, stating
1101 that the taxing entity committee followed the appropriate procedures to approve the project
1102 area budget; and

1103 ~~[(c)]~~ (d) adopt a resolution amending the project area budget.

1104 (3) The public hearing required under Subsection (2)(a) shall be conducted according
1105 to the procedures and requirements of Section 17C-3-201, except that if the amended project
1106 area budget proposes that the agency be paid a greater proportion of tax increment from a
1107 project area than was to be paid under the previous project area budget, the notice shall state
1108 the percentage paid under the previous project area budget and the percentage proposed under
1109 the amended project area budget.

1110 (4) If a proposed amendment is not adopted, the agency shall continue to operate under
1111 the previously adopted economic development project area budget without the proposed
1112 amendment.

1113 (5) (a) A person may contest the agency's adoption of a budget amendment within 30
 1114 days after the day on which the agency adopts the amendment.

1115 (b) A person who fails to contest a budget amendment under Subsection (5)(a):

1116 (i) forfeits any claim against an agency's adoption of the amendment; and

1117 (ii) may not contest:

1118 (A) a payment to the agency under the budget amendment; or

1119 (B) an agency's use of a tax increment under a budget amendment.

1120 Section 21. Section **17C-3-402** is amended to read:

1121 **17C-3-402. Requirements for notice provided by agency.**

1122 (1) The notice required by Section 17C-3-401 shall be given by:

1123 (a) (i) publishing one notice, excluding the map [~~referred to~~] described in Subsection

1124 (3)(b), in a newspaper of general circulation within the county in which the project area or

1125 proposed project area is located, at least 14 days before the hearing; [~~or~~]

1126 (ii) if there is no newspaper of general circulation, posting notice in at least three

1127 conspicuous places within the county in which the project area or proposed project area is

1128 located; [~~and~~] or

1129 (iii) posting notice, excluding the map described in Subsection (3)(b), at least 14 days

1130 before the day on which the hearing is held on:

1131 (A) the Utah Public Notice Website described in Section 63F-1-701; and

1132 (B) the public website of a community located within the boundaries of the project

1133 area; and

1134 (b) at least 30 days before the hearing, mailing notice to:

1135 (i) each record owner of property located within the project area or proposed project

1136 area;

1137 (ii) the State Tax Commission;

1138 (iii) the assessor and auditor of the county in which the project area or proposed project

1139 area is located; and

1140 (iv) (A) each member of the taxing entity committee; or

1141 (B) if a taxing entity committee has not yet been formed, the State Board of Education

1142 and the legislative body or governing board of each taxing entity.

1143 (2) The mailing of notice to record property owners required under Subsection (1)(b)(i)

1144 shall be conclusively considered to have been properly completed if:

1145 (a) the agency mails the notice to the property owners as shown in the records,
1146 including an electronic database, of the county recorder's office and at the addresses shown in
1147 those records; and

1148 (b) the county recorder's office records used by the agency in identifying owners to
1149 whom the notice is mailed and their addresses were obtained or accessed from the county
1150 recorder's office no earlier than 30 days before the mailing.

1151 (3) The agency shall include in each notice required under Section 17C-3-401:

1152 (a) (i) a specific description of the boundaries of the economic development project
1153 area or proposed project area; or

1154 (ii) (A) a mailing address or telephone number where a person may request that a copy
1155 of the description be sent at no cost to the person by mail or facsimile transmission; and

1156 (B) if the agency has an Internet website, an Internet address where a person may gain
1157 access to an electronic, printable copy of the description;

1158 (b) a map of the boundaries of the project area or proposed project area;

1159 (c) an explanation of the purpose of the hearing; and

1160 (d) a statement of the date, time, and location of the hearing.

1161 (4) The agency shall include in each notice under Subsections (1)(b)(ii), (iii), and (iv):

1162 (a) a statement that property tax revenues resulting from an increase in valuation of
1163 property within the economic development project area or proposed project area will be paid to
1164 the agency for economic development purposes rather than to the taxing entity to which the tax
1165 revenues would otherwise have been paid if:

1166 (i) ~~a majority of~~ the taxing entity committee consents to the project area budget; and

1167 (ii) the project area plan provides for the agency to receive tax increment; and

1168 (b) an invitation to the recipient of the notice to submit to the agency comments
1169 concerning the subject matter of the hearing before the date of the hearing.

1170 (5) An agency may include in a notice under Subsection (1) any other information the
1171 agency considers necessary or advisable, including the public purpose served by the project and
1172 any future tax benefits expected to result from the project.

1173 Section 22. Section 17C-4-201 is amended to read:

1174 **17C-4-201. Consent of a taxing entity or public entity to an agency receiving tax**

1175 **increment or sales tax funds for community development project.**

1176 (1) An agency may negotiate with a taxing entity and public entity for the taxing
1177 entity's or public entity's consent to the agency receiving the entity's or public entity's tax
1178 increment or sales tax revenues, or both, for the purpose of providing funds to carry out a
1179 proposed or adopted community development project area plan.

1180 (2) The consent of a taxing entity or public entity under Subsection (1) may be
1181 expressed in:

1182 (a) a resolution adopted by the taxing entity or public entity; or

1183 (b) an interlocal agreement, under Title 11, Chapter 13, Interlocal Cooperation Act,
1184 between the taxing entity or public entity and the agency.

1185 (3) Before an agency may use tax increment or sales tax revenues collected under a
1186 resolution or interlocal agreement adopted for the purpose of providing funds to carry out a
1187 proposed or adopted community development project area plan, the agency shall:

1188 (a) obtain a written certification, signed by an attorney licensed to practice law in this
1189 state, stating that the agency and the taxing entity have each followed all legal requirements
1190 relating to the adoption of the resolution or interlocal agreement, respectively; and

1191 (b) provide a signed copy of the certification described in Subsection (3)(a) to the
1192 appropriate taxing entity.

1193 [~~(3)~~] (4) A resolution adopted or interlocal agreement entered under Subsection (2) on
1194 or after March 30, 2009 shall specify:

1195 (a) if the resolution or interlocal agreement provides for the agency to be paid tax
1196 increment:

1197 (i) the method of calculating the amount of the taxing entity's tax increment from the
1198 project area that will be paid to the agency, including the agreed base year and agreed base
1199 taxable value;

1200 (ii) the number of tax years that the agency will be paid the taxing entity's tax
1201 increment from the project area; and

1202 (iii) the percentage of the taxing entity's tax increment or maximum cumulative dollar
1203 amount of the taxing entity's tax increment that the agency will be paid; and

1204 (b) if the resolution or interlocal agreement provides for the agency to be paid a public
1205 entity's sales tax revenue:

1206 (i) the method of calculating the amount of the public entity's sales tax revenue that the
1207 agency will be paid;

1208 (ii) the number of tax years that the agency will be paid the sales tax revenue; and

1209 (iii) the percentage of sales tax revenue or the maximum cumulative dollar amount of
1210 sales tax revenue that the agency will be paid.

1211 [~~(4)~~] (5) (a) Unless the taxing entity otherwise agrees, an agency may not be paid a
1212 taxing entity's tax increment:

1213 (i) that exceeds the percentage or maximum cumulative dollar amount of tax increment
1214 specified in the resolution or interlocal agreement under Subsection (2); or

1215 (ii) for more tax years than specified in the resolution or interlocal agreement under
1216 Subsection (2).

1217 (b) Unless the public entity otherwise agrees, an agency may not be paid a public
1218 entity's sales tax revenue:

1219 (i) that exceeds the percentage or maximum cumulative dollar amount of sales tax
1220 revenue specified in the resolution or interlocal agreement under Subsection (2); or

1221 (ii) for more tax years than specified in the resolution or interlocal agreement under
1222 Subsection (2).

1223 [~~(5)~~] (6) A school district may consent to an agency receiving tax increment from the
1224 school district's basic levy only to the extent that the school district also consents to the agency
1225 receiving tax increment from the school district's local levy.

1226 [~~(6)~~] (7) (a) A resolution or interlocal agreement under this section may be amended
1227 from time to time.

1228 (b) Each amendment of a resolution or interlocal agreement shall be subject to and
1229 receive the benefits of the provisions of this part to the same extent as if the amendment were
1230 an original resolution or interlocal agreement.

1231 [~~(7)~~] (8) A taxing entity's or public entity's consent to an agency receiving funds under
1232 this section is not subject to the requirements of Section 10-8-2.

1233 (9) (a) For purposes of this Subsection (9), "successor taxing entity" means any taxing
1234 entity that:

1235 (i) is created after the date of adoption of a resolution or execution of an interlocal
1236 agreement under this section; and

1237 (ii) levies a tax on any parcel of property located within the project area that is the
1238 subject of the resolution or the interlocal agreement described in Subsection (9)(a)(i).

1239 (b) A resolution or interlocal agreement executed by a taxing entity under this section
1240 may be enforced by or against any successor taxing entity.

1241 Section 23. Section **17C-4-202** is amended to read:

1242 **17C-4-202. Resolution or interlocal agreement to provide funds for the**
1243 **community development project area plan -- Notice -- Effective date of resolution or**
1244 **interlocal agreement -- Time to contest resolution or interlocal agreement -- Availability**
1245 **of resolution or interlocal agreement.**

1246 (1) The approval and adoption of each resolution or interlocal agreement under
1247 Subsection 17C-4-201(2) shall be in an open and public meeting.

1248 (2) (a) Upon the adoption of a resolution or interlocal agreement under Section
1249 17C-4-201, the agency shall provide notice as provided in Subsection (2)(b) by:

1250 (i) (A) publishing or causing to be published a notice in a newspaper of general
1251 circulation within the agency's boundaries; or

1252 (B) if there is no newspaper of general circulation within the agency's boundaries,
1253 causing a notice to be posted in at least three public places within the agency's boundaries; and

1254 (ii) publishing or causing to be published in accordance with Section 45-1-101.

1255 (b) Each notice under Subsection (2)(a) shall:

1256 (i) set forth a summary of the resolution or interlocal agreement; and

1257 (ii) include a statement that the resolution or interlocal agreement is available for
1258 general public inspection and the hours of inspection.

1259 (3) The resolution or interlocal agreement shall become effective on the date of:

1260 (a) if notice was published under Subsection (2)(a)(i)(A) or (ii), publication of the
1261 notice; or

1262 (b) if notice was posted under Subsection (2)(a)(i)(B), posting of the notice.

1263 (4) (a) For a period of 30 days after the effective date of the resolution or interlocal
1264 agreement under Subsection (3), any person in interest may contest the resolution or interlocal
1265 agreement or the procedure used to adopt the resolution or interlocal agreement if the
1266 resolution or interlocal agreement or procedure fails to comply with applicable statutory
1267 requirements.

1268 (b) After the 30-day period under Subsection (4)(a) expires, ~~[no]~~ a person may not, for
1269 any cause, contest;

1270 (i) the resolution or interlocal agreement ~~[for any cause.];~~

1271 (ii) a payment to the agency under the resolution or interlocal agreement; or

1272 (iii) the agency's use of tax increment under the resolution or interlocal agreement.

1273 (5) Each agency that is to receive funds under a resolution or interlocal agreement
1274 under Section 17C-4-201 and each taxing entity or public entity that approves a resolution or
1275 enters into an interlocal agreement under Section 17C-4-201 shall make the resolution or
1276 interlocal agreement, as the case may be, available at its offices to the general public for
1277 inspection and copying during normal business hours.

1278 Section 24. Section **17C-4-402** is amended to read:

1279 **17C-4-402. Requirements for notice provided by agency.**

1280 (1) The notice required by Section 17C-4-401 shall be given by:

1281 (a) (i) publishing one notice, excluding the map referred to in Subsection (2)(b), in a
1282 newspaper of general circulation within the county in which the project area or proposed
1283 project area is located, at least 14 days before the hearing; ~~[or]~~

1284 (ii) if there is no newspaper of general circulation, posting notice, at least 14 days
1285 before the hearing, in at least three conspicuous places within the county in which the project
1286 area or proposed project area is located; ~~[and]~~ or

1287 (iii) posting notice, excluding the map described in Subsection (3)(b), at least 14 days
1288 before the day on which the hearing is held on:

1289 (A) the Utah Public Notice Website described in Section 63F-1-701; and

1290 (B) the public website of a community located within the boundaries of a project area;

1291 and

1292 (b) at least 30 days before the hearing, mailing notice to:

1293 (i) each record owner of property located within the project area or proposed project
1294 area;

1295 (ii) the State Tax Commission;

1296 (iii) the assessor and auditor of the county in which the project area or proposed project
1297 area is located; and

1298 (iv) the State Board of Education and the legislative body or governing board of each

1299 taxing entity.

1300 (2) The mailing of the notice to record property owners required under Subsection

1301 (1)(b)(i) shall be conclusively considered to have been properly completed if:

1302 (a) the agency mails the notice to the property owners as shown in the records,
1303 including an electronic database, of the county recorder's office and at the addresses shown in
1304 those records; and

1305 (b) the county recorder's office records used by the agency in identifying owners to
1306 whom the notice is mailed and their addresses were obtained or accessed from the county
1307 recorder's office no earlier than 30 days before the mailing.

1308 (3) The agency shall include in each notice required under Section 17C-4-401:

1309 (a) (i) a specific description of the boundaries of the project area or proposed project
1310 area; or

1311 (ii) (A) a mailing address or telephone number where a person may request that a copy
1312 of the description be sent at no cost to the person by mail or facsimile transmission; and

1313 (B) if the agency has an Internet website, an Internet address where a person may gain
1314 access to an electronic, printable copy of the description;

1315 (b) a map of the boundaries of the project area or proposed project area;

1316 (c) an explanation of the purpose of the hearing;

1317 (d) a statement of the date, time, and location of the hearing;

1318 (e) an invitation to the recipient of the notice to submit to the agency comments
1319 concerning the subject matter of the hearing before the date of the hearing;

1320 (f) a statement that any person objecting to the draft project area plan or contesting the
1321 regularity of any of the proceedings to adopt it may appear before the agency board at the
1322 hearing to show cause why the draft project area plan should not be adopted; and

1323 (g) a statement that the proposed project area plan is available for inspection at the
1324 agency offices.

1325 (4) An agency may include in a notice under Subsection (1) any other information the
1326 agency considers necessary or advisable, including the public purpose served by the project and
1327 any future tax benefits expected to result from the project.

1328 Section 25. Section **59-2-924.2** is amended to read:

1329 **59-2-924.2. Adjustments to the calculation of a taxing entity's certified tax rate.**

1330 (1) For purposes of this section, "certified tax rate" means a certified tax rate calculated
1331 in accordance with Section 59-2-924.

1332 (2) Beginning January 1, 1997, if a taxing entity receives increased revenues from
1333 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,
1334 59-2-405.2, or 59-2-405.3 as a result of any county imposing a sales and use tax under Chapter
1335 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax
1336 rate to offset the increased revenues.

1337 (3) (a) Beginning July 1, 1997, if a county has imposed a sales and use tax under
1338 Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:

1339 (i) decreased on a one-time basis by the amount of the estimated sales and use tax
1340 revenue to be distributed to the county under Subsection 59-12-1102(3); and

1341 (ii) increased by the amount necessary to offset the county's reduction in revenue from
1342 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,
1343 59-2-405.2, or 59-2-405.3 as a result of the decrease in the certified tax rate under Subsection
1344 (3)(a)(i).

1345 (b) The commission shall determine estimates of sales and use tax distributions for
1346 purposes of Subsection (3)(a).

1347 (4) Beginning January 1, 1998, if a municipality has imposed an additional resort
1348 communities sales and use tax under Section 59-12-402, the municipality's certified tax rate
1349 shall be decreased on a one-time basis by the amount necessary to offset the first 12 months of
1350 estimated revenue from the additional resort communities sales and use tax imposed under
1351 Section 59-12-402.

1352 (5) (a) This Subsection (5) applies to each county that:

1353 (i) establishes a countywide special service district under Title 17D, Chapter 1, Special
1354 Service District Act, to provide jail service, as provided in Subsection 17D-1-201(10); and

1355 (ii) levies a property tax on behalf of the special service district under Section
1356 17D-1-105.

1357 (b) (i) The certified tax rate of each county to which this Subsection (5) applies shall be
1358 decreased by the amount necessary to reduce county revenues by the same amount of revenues
1359 that will be generated by the property tax imposed on behalf of the special service district.

1360 (ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the

1361 levy on behalf of the special service district under Section 17D-1-105.

1362 (6) (a) As used in this Subsection (6):

1363 (i) "Annexing county" means a county whose unincorporated area is included within a
1364 public safety district by annexation.

1365 (ii) "Annexing municipality" means a municipality whose area is included within a
1366 public safety district by annexation.

1367 (iii) "Equalized public safety protection tax rate" means the tax rate that results from:
1368 (A) calculating, for each participating county and each participating municipality, the
1369 property tax revenue necessary:

1370 (I) in the case of a fire district, to cover all of the costs associated with providing fire
1371 protection, paramedic, and emergency services:

1372 (Aa) for a participating county, in the unincorporated area of the county; and
1373 (Bb) for a participating municipality, in the municipality; or

1374 (II) in the case of a police district, to cover all the costs:

1375 (Aa) associated with providing law enforcement service:
1376 (Ii) for a participating county, in the unincorporated area of the county; and
1377 (IIIi) for a participating municipality, in the municipality; and

1378 (Bb) that the police district board designates as the costs to be funded by a property
1379 tax; and

1380 (B) adding all the amounts calculated under Subsection (6)(a)(iii)(A) for all
1381 participating counties and all participating municipalities and then dividing that sum by the
1382 aggregate taxable value of the property, as adjusted in accordance with Section 59-2-913:

1383 (I) for participating counties, in the unincorporated area of all participating counties;
1384 and

1385 (II) for participating municipalities, in all the participating municipalities.

1386 (iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service
1387 Area Act:

1388 (A) created to provide fire protection, paramedic, and emergency services; and
1389 (B) in the creation of which an election was not required under Subsection
1390 17B-1-214(3)(c).

1391 (v) "Participating county" means a county whose unincorporated area is included

1392 within a public safety district at the time of the creation of the public safety district.

1393 (vi) "Participating municipality" means a municipality whose area is included within a
1394 public safety district at the time of the creation of the public safety district.

1395 (vii) "Police district" means a service area under Title 17B, Chapter 2a, Part 9, Service
1396 Area Act, within a county of the first class:

1397 (A) created to provide law enforcement service; and

1398 (B) in the creation of which an election was not required under Subsection
1399 17B-1-214(3)(c).

1400 (viii) "Public safety district" means a fire district or a police district.

1401 (ix) "Public safety service" means:

1402 (A) in the case of a public safety district that is a fire district, fire protection,
1403 paramedic, and emergency services; and

1404 (B) in the case of a public safety district that is a police district, law enforcement
1405 service.

1406 (b) In the first year following creation of a public safety district, the certified tax rate of
1407 each participating county and each participating municipality shall be decreased by the amount
1408 of the equalized public safety tax rate.

1409 (c) In the first budget year following annexation to a public safety district, the certified
1410 tax rate of each annexing county and each annexing municipality shall be decreased by an
1411 amount equal to the amount of revenue budgeted by the annexing county or annexing
1412 municipality:

1413 (i) for public safety service; and

1414 (ii) in:

1415 (A) for a taxing entity operating under a January 1 through December 31 fiscal year,
1416 the prior calendar year; or

1417 (B) for a taxing entity operating under a July 1 through June 30 fiscal year, the prior
1418 fiscal year.

1419 (d) Each tax levied under this section by a public safety district shall be considered to
1420 be levied by:

1421 (i) each participating county and each annexing county for purposes of the county's tax
1422 limitation under Section 59-2-908; and

1423 (ii) each participating municipality and each annexing municipality for purposes of the
1424 municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a
1425 city.

1426 (e) The calculation of a public safety district's certified tax rate for the year of
1427 annexation shall be adjusted to include an amount of revenue equal to one half of the amount
1428 of revenue budgeted by the annexing entity for public safety service in the annexing entity's
1429 prior fiscal year if:

1430 (i) the public safety district operates on a January 1 through December 31 fiscal year;

1431 (ii) the public safety district approves an annexation of an entity operating on a July 1
1432 through June 30 fiscal year; and

1433 (iii) the annexation described in Subsection (6)(e)(ii) takes effect on July 1.

1434 (7) For the calendar year beginning on January 1, 2007, the calculation of a taxing
1435 entity's certified tax rate, calculated in accordance with Section 59-2-924, shall be adjusted by
1436 the amount necessary to offset any change in the certified tax rate that may result from
1437 excluding the following from the certified tax rate under Subsection 59-2-924(3) enacted by the
1438 Legislature during the 2007 General Session:

1439 (a) personal property tax revenue:

1440 (i) received by a taxing entity;

1441 (ii) assessed by a county assessor in accordance with Part 3, County Assessment; and

1442 (iii) for personal property that is semiconductor manufacturing equipment; or

1443 (b) the taxable value of personal property:

1444 (i) contained on the tax rolls of a taxing entity;

1445 (ii) assessed by a county assessor in accordance with Part 3, County Assessment; and

1446 (iii) that is semiconductor manufacturing equipment.

1447 (8) (a) The taxable value for the base year under Subsection 17C-1-102(6) shall be
1448 reduced for any year to the extent necessary to provide a community development and renewal
1449 agency established under Title 17C, Limited Purpose Local Government Entities - Community
1450 Development and Renewal Agencies Act, with approximately the same amount of money the
1451 agency would have received without a reduction in the county's certified tax rate, calculated in
1452 accordance with Section 59-2-924, if:

1453 (i) in that year there is a decrease in the certified tax rate under Subsection (2) or (3)(a);

1454 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of the
1455 previous year; and

1456 (iii) the decrease results in a reduction of the amount to be paid to the agency under
1457 Section 17C-1-403 or 17C-1-404.

1458 (b) The base taxable value under Subsection 17C-1-102(6) shall be increased in any
1459 year to the extent necessary to provide a community development and renewal agency with
1460 approximately the same amount of money as the agency would have received without an
1461 increase in the certified tax rate that year if:

1462 (i) in that year the base taxable value under Subsection 17C-1-102(6) is reduced due to
1463 a decrease in the certified tax rate under Subsection (2) or (3)(a); and

1464 (ii) the certified tax rate of a city, school district, local district, or special service
1465 district increases independent of the adjustment to the taxable value of the base year.

1466 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a),
1467 the amount of money allocated and, when collected, paid each year to a community
1468 development and renewal agency established under Title 17C, Limited Purpose Local
1469 Government Entities - Community Development and Renewal Agencies Act, for the payment
1470 of bonds or other contract indebtedness, but not for administrative costs, may not be less than
1471 that amount would have been without a decrease in the certified tax rate under Subsection (2)
1472 or (3)(a).

Legislative Review Note
as of 2-23-10 2:52 PM

Office of Legislative Research and General Counsel

S.B. 197 - Community Development and Renewal Agency Amendments

Fiscal Note

2010 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.
