

1                   **COMMUNITY DEVELOPMENT AND RENEWAL AGENCIES**

2                                   **AMENDMENTS**

3   2011 GENERAL SESSION

4   STATE OF UTAH

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

6   House Sponsor: Brad L. Dee

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8                   **LONG TITLE**

9                   **General Description:**

10                   This bill amends provisions of the Community Development and Renewal Agencies  
11                   Act.

12                   **Highlighted Provisions:**

13                   This bill:

- 14                   ▶ defines terms;
- 15                   ▶ amends taxing entity committee provisions;
- 16                   ▶ amends tax increment and sales tax use provisions;
- 17                   ▶ amends agency report provisions;
- 18                   ▶ amends urban renewal project area budget provisions;
- 19                   ▶ authorizes an agency to approve an urban renewal project area budget extension;
- 20                   ▶ amends provisions authorizing an agency board to make a finding of blight;
- 21                   ▶ enacts provisions related to a railroad crossing within an urban renewal project area;
- 22                   ▶ amends economic development project area budget provisions;
- 23                   ▶ authorizes an agency to approve an economic development project area budget

24                   extension;

- 25                   ▶ amends community development project area budget provisions; and
- 26                   ▶ makes technical corrections.

27                   **Money Appropriated in this Bill:**

28                   None

29                   **Other Special Clauses:**

30 None

31 **Utah Code Sections Affected:**

32 AMENDS:

33 **17C-1-102**, as last amended by Laws of Utah 2010, Chapter 279

34 **17C-1-204**, as last amended by Laws of Utah 2009, Chapter 387

35 **17C-1-401**, as last amended by Laws of Utah 2010, Chapter 279

36 **17C-1-402**, as last amended by Laws of Utah 2009, Chapter 387

37 **17C-1-409**, as last amended by Laws of Utah 2010, Chapter 279

38 **17C-1-603**, as renumbered and amended by Laws of Utah 2006, Chapter 359

39 **17C-2-206**, as last amended by Laws of Utah 2010, Chapter 279

40 **17C-2-303**, as last amended by Laws of Utah 2008, Chapter 125

41 **17C-3-205**, as last amended by Laws of Utah 2010, Chapter 279

42 **17C-4-204**, as enacted by Laws of Utah 2006, Chapter 359

43 ENACTS:

44 **17C-2-207**, Utah Code Annotated 1953

45 **17C-2-701**, Utah Code Annotated 1953

46 **17C-3-206**, Utah Code Annotated 1953



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

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

50 **17C-1-102. Definitions.**

51 As used in this title:

52 (1) "Adjusted tax increment" means:

53 (a) for tax increment under a pre-July 1, 1993, project area plan, tax increment under

54 Section 17C-1-403, excluding tax increment under Subsection 17C-1-403(3); and

55 (b) for tax increment under a post-June 30, 1993, project area plan, tax increment under

56 Section 17C-1-404, excluding tax increment under Section 17C-1-406.

57 (2) "Affordable housing" means housing to be owned or occupied by persons and

58 families of low or moderate income, as determined by resolution of the agency.

59 (3) "Agency" or "community development and renewal agency" means a separate body  
60 corporate and politic, created under Section 17C-1-201 or as a redevelopment agency under  
61 previous law, that is a political subdivision of the state, that is created to undertake or promote  
62 urban renewal, economic development, or community development, or any combination of  
63 them, as provided in this title, and whose geographic boundaries are coterminous with:

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

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

66 (4) "Annual income" has the meaning as defined under regulations of the U.S.  
67 Department of Housing and Urban Development, 24 C.F.R. Sec. 5.609, as amended or as  
68 superseded by replacement regulations.

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

70 (6) "Base taxable value" means:

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

74 (i) for a pre-July 1, 1993<sub>2</sub> project area plan, the effective date of the project area plan;

75 (ii) for a post-June 30, 1993<sub>2</sub> project area plan:

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

77 or

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

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

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

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

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

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

86 and

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

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

91 (7) "Basic levy" means the portion of a school district's tax levy constituting the  
92 minimum basic levy under Section 59-2-902.

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

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

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

100 (11) "Board" means the governing body of an agency, as provided in Section  
101 17C-1-203.

102 (12) "Budget hearing" means the public hearing on a draft project area budget required  
103 under Subsection 17C-2-201(2)(d) for an urban renewal project area budget or Subsection  
104 17C-3-201(2)(d) for an economic development project area budget.

105 (13) "Closed military base" means land within a former military base that the Defense  
106 Base Closure and Realignment Commission has voted to close or realign when that action has  
107 been sustained by the President of the United States and Congress.

108 [~~13~~] (14) "Combined incremental value" means the combined total of all incremental  
109 values from all urban renewal project areas, except project areas that contain some or all of a  
110 military installation or inactive industrial site, within the agency's boundaries under adopted  
111 project area plans and adopted project area budgets at the time that a project area budget for a  
112 new urban renewal project area is being considered.

113 [~~14~~] (15) "Community" means a county, city, or town.

114            [~~(15)~~] (16) "Community development" means development activities within a  
115 community, including the encouragement, promotion, or provision of development.

116            [~~(16)~~] (17) "Economic development" means to promote the creation or retention of  
117 public or private jobs within the state through:

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

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

122            [~~(17)~~] (18) "Fair share ratio" means the ratio derived by:

123            (a) for a city or town, comparing the percentage of all housing units within the city or  
124 town that are publicly subsidized income targeted housing units to the percentage of all  
125 housing units within the whole county that are publicly subsidized income targeted housing  
126 units; or

127            (b) for the unincorporated part of a county, comparing the percentage of all housing  
128 units within the unincorporated county that are publicly subsidized income targeted housing  
129 units to the percentage of all housing units within the whole county that are publicly subsidized  
130 income targeted housing units.

131            [~~(18)~~] (19) "Family" has the meaning as defined under regulations of the U.S.  
132 Department of Housing and Urban Development, 24 C.F.R. Section 5.403, as amended or as  
133 superseded by replacement regulations.

134            [~~(19)~~] (20) "Greenfield" means land not developed beyond agricultural or forestry use.

135            [~~(20)~~] (21) "Hazardous waste" means any substance defined, regulated, or listed as a  
136 hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant,  
137 or toxic substance, or identified as hazardous to human health or the environment, under state  
138 or federal law or regulation.

139            [~~(21)~~] (22) "Housing funds" means the funds allocated in an urban renewal project area  
140 budget under Section 17C-2-203 for the purposes provided in Subsection 17C-1-412(1).

141            [~~(22)~~] (23) (a) "Inactive airport site" means land that:

142 (i) consists of at least 100 acres;  
143 (ii) is occupied by an airport:  
144 (A) (I) that is no longer in operation as an airport; or  
145 (II) (Aa) that is scheduled to be decommissioned; and  
146 (Bb) for which a replacement commercial service airport is under construction; and  
147 (B) that is owned or was formerly owned and operated by a public entity; and  
148 (iii) requires remediation because:  
149 (A) of the presence of hazardous waste or solid waste; or  
150 (B) the site lacks sufficient public infrastructure and facilities, including public roads,  
151 electric service, water system, and sewer system, needed to support development of the site.

152 (b) "Inactive airport site" includes a perimeter of up to 2,500 feet around the land  
153 described in Subsection [~~(22)~~] (23)(a).

154 [~~(23)~~] (24) (a) "Inactive industrial site" means land that:

155 (i) consists of at least 1,000 acres;  
156 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial  
157 facility; and  
158 (iii) requires remediation because of the presence of hazardous waste or solid waste.

159 (b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land  
160 described in Subsection [~~(23)~~] (24)(a).

161 [~~(24)~~] (25) "Income targeted housing" means housing to be owned or occupied by a  
162 family whose annual income is at or below 80% of the median annual income for the county in  
163 which the housing is located.

164 [~~(25)~~] (26) "Incremental value" means a figure derived by multiplying the marginal  
165 value of the property located within an urban renewal project area on which tax increment is  
166 collected by a number that represents the percentage of adjusted tax increment from that project  
167 area that is paid to the agency.

168 [~~(26)~~] (27) "Loan fund board" means the Olene Walker Housing Loan Fund Board,  
169 established under Title 9, Chapter 4, Part 7, Olene Walker Housing Loan Fund.

170           ~~[(27)]~~ (28) "Marginal value" means the difference between actual taxable value and  
171 base taxable value.

172           ~~[(28)]~~ (29) "Military installation project area" means a project area or a portion of a  
173 project area located within a federal military installation ordered closed by the federal Defense  
174 Base Realignment and Closure Commission.

175           (30) (a) "Municipal building" means a building owned and operated by a municipality  
176 for the purpose of providing one or more primary municipal functions, including:

177           (i) a fire station;

178           (ii) a police station;

179           (iii) a city hall; or

180           (iv) a court or other judicial building.

181           (b) "Municipal building" does not include a building the primary purpose of which is  
182 cultural or recreational in nature.

183           ~~[(29)]~~ (31) "Plan hearing" means the public hearing on a draft project area plan  
184 required under Subsection 17C-2-102(1)(a)(vi) for an urban renewal project area plan,  
185 Subsection 17C-3-102(1)(d) for an economic development project area plan, and Subsection  
186 17C-4-102(1)(d) for a community development project area plan.

187           ~~[(30)]~~ (32) "Post-June 30, 1993<sub>2</sub> project area plan" means a project area plan adopted  
188 on or after July 1, 1993, whether or not amended subsequent to its adoption.

189           ~~[(31)]~~ (33) "Pre-July 1, 1993<sub>2</sub> project area plan" means a project area plan adopted  
190 before July 1, 1993, whether or not amended subsequent to its adoption.

191           ~~[(32)]~~ (34) "Private," with respect to real property, means:

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

194           (b) not dedicated to public use.

195           ~~[(33)]~~ (35) "Project area" means the geographic area described in a project area plan or  
196 draft project area plan where the urban renewal, economic development, or community  
197 development, as the case may be, set forth in the project area plan or draft project area plan

198 takes place or is proposed to take place.

199            [~~34~~] (36) "Project area budget" means a multiyear projection of annual or cumulative  
200 revenues and expenses and other fiscal matters pertaining to a urban renewal or economic  
201 development project area that includes:

- 202            (a) the base taxable value of property in the project area;
- 203            (b) the projected tax increment expected to be generated within the project area;
- 204            (c) the amount of tax increment expected to be shared with other taxing entities;
- 205            (d) the amount of tax increment expected to be used to implement the project area plan,  
206 including the estimated amount of tax increment to be used for land acquisition, public  
207 improvements, infrastructure improvements, and loans, grants, or other incentives to private  
208 and public entities;

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

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

213            (i) the tax identification numbers of the parcels from which tax increment will be  
214 collected; or

215            (ii) a legal description of the portion of the project area from which tax increment will  
216 be collected;

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

219            (h) (i) for an urban renewal project area, the information required under Subsection  
220 17C-2-201(1)(b); and

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

223            [~~35~~] (37) "Project area plan" means a written plan under Chapter 2, Part 1, Urban  
224 Renewal Project Area Plan, Chapter 3, Part 1, Economic Development Project Area Plan, or  
225 Chapter 4, Part 1, Community Development Project Area Plan, as the case may be, that, after



226 its effective date, guides and controls the urban renewal, economic development, or community  
227 development activities within a project area.

228       ~~[(36)]~~ (38) "Property tax" includes privilege tax and each levy on an ad valorem basis  
229 on tangible or intangible personal or real property.

230       ~~[(37)]~~ (39) "Public entity" means:

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

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

234       ~~[(38)]~~ (40) "Publicly owned infrastructure and improvements" means water, sewer,  
235 storm drainage, electrical, and other similar systems and lines, streets, roads, curb, gutter,  
236 sidewalk, walkways, parking facilities, public transportation facilities, and other facilities,  
237 infrastructure, and improvements benefitting the public and to be publicly owned or publicly  
238 maintained or operated.

239       ~~[(39)]~~ (41) "Record property owner" or "record owner of property" means the owner of  
240 real property as shown on the records of the recorder of the county in which the property is  
241 located and includes a purchaser under a real estate contract if the contract is recorded in the  
242 office of the recorder of the county in which the property is located or the purchaser gives  
243 written notice of the real estate contract to the agency.

244       ~~[(40)]~~ (42) "Superfund site":

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

247       (b) includes an area formerly included in the National Priorities List, as described in  
248 Subsection ~~[(40)]~~ (42)(a), but removed from the list following remediation that leaves on site  
249 the waste that caused the area to be included in the National Priorities List.

250       ~~[(41)]~~ (43) "Survey area" means an area designated by a survey area resolution for  
251 study to determine whether one or more urban renewal projects within the area are feasible.

252       ~~[(42)]~~ (44) "Survey area resolution" means a resolution adopted by the agency board  
253 under Subsection 17C-2-101(1)(a) designating a survey area.

254            [~~(43)~~] (45) "Taxable value" means the value of property as shown on the last equalized  
255 assessment roll as certified by the county assessor.

256            [~~(44)~~] (46) (a) "Tax increment" means, except as provided in Subsection [~~(44)~~] (46)(b),  
257 the difference between:

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

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

263            (b) "Tax increment" does not include taxes levied and collected under Section  
264 59-2-1602 on or after January 1, 1994, upon the taxable property in the project area unless:

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

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

269            [~~(45)~~] (47) "Taxing entity" means a public entity that levies a tax on a parcel or parcels  
270 of property located within a community.

271            [~~(46)~~] (48) "Taxing entity committee" means a committee representing the interests of  
272 taxing entities, created as provided in Section 17C-1-402.

273            [~~(47)~~] (49) "Unincorporated" means not within a city or town.

274            [~~(48)~~] (50) (a) "Urban renewal" means the development activities under a project area  
275 plan within an urban renewal project area, including:

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

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

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

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

284 (v) providing public or private buildings, infrastructure, structures, and improvements;  
285 and

286 (vi) providing improvements of public or private recreation areas and other public  
287 grounds.

288 (b) "Urban renewal" means "redevelopment," as defined under the law in effect before  
289 May 1, 2006, if the context requires.

290 Section 2. Section **17C-1-204** is amended to read:

291 **17C-1-204. Urban renewal, economic development, and community development**  
292 **by an adjoining agency -- Requirements.**

293 (1) An agency or community may, by resolution of its board or legislative body,  
294 respectively, authorize an agency to conduct urban renewal, economic development, or  
295 community development activities in a project area that includes an area within the authorizing  
296 agency's boundaries or within the boundaries of the authorizing community if the project area  
297 or community is contiguous to the boundaries of the other agency.

298 (2) If an agency board or community legislative body adopts a resolution under  
299 Subsection (1) authorizing another agency to undertake urban renewal, economic development,  
300 or community development activities in the authorizing agency's project area or within the  
301 boundaries of the authorizing community:

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

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

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

308 (3) Each project area plan approved by the other agency for the project area that is the  
309 subject of a resolution under Subsection (1) shall be adopted by ordinance of the legislative

310 body of the community in which the project area is located.

311 (4) (a) As used in this Subsection (4):

312 (i) "County agency" means an agency that was created by a county.

313 (ii) "Industrial property" means private real property:

314 (A) over half of which is located within the boundary of a town, as defined in Section  
315 10-1-104; and

316 (B) comprises some or all of an inactive industrial site.

317 (iii) "Perimeter portion" means the portion of an inactive industrial site that is:

318 (A) part of the inactive industrial site because it lies within the perimeter described in  
319 Subsection 17C-1-102[~~(23)~~](25)(b); and

320 (B) located within the boundary of a city, as defined in Section 10-1-104.

321 (b) (i) Subject to Subsection (4)(b)(ii), a county agency may undertake urban renewal,  
322 economic development, or community development on industrial property if the record  
323 property owner of the industrial property submits a written request to the county agency to do  
324 so.

325 (ii) A county agency may not include a perimeter portion within a project area without  
326 the approval of the city in which the perimeter portion is located.

327 (c) If a county agency undertakes urban renewal, economic development, or  
328 community development on industrial property:

329 (i) the county agency may act in all respects as if the project area that includes the  
330 industrial property were within the county agency's boundary;

331 (ii) the board of the county agency has each right, power, and privilege with respect to  
332 the project area as if the project area were within the county agency's boundary; and

333 (iii) the county agency may be paid tax increment to the same extent as if the project  
334 area were within the county agency's boundary.

335 (d) A project area plan for a project on industrial property that is approved by the  
336 county agency shall be adopted by ordinance of the legislative body of the county in which the  
337 project area is located.

338 Section 3. Section **17C-1-401** is amended to read:

339 **17C-1-401. Agency receipt and use of tax increment and sales tax -- Distribution**  
340 **of tax increment and sales tax.**

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

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

345 (i) for a pre-July 1, 1993<sub>1</sub> project area plan, from the first tax year regarding which the  
346 agency accepts tax increment from the project area;

347 (ii) for a post-June 30, 1993<sub>2</sub> urban renewal or economic development project area  
348 plan, from the first tax year for which the agency receives tax increment under the project area  
349 budget; or

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

353 (b) Unless otherwise provided in a project area budget that is approved by a taxing  
354 entity committee, or in an interlocal agreement or resolution adopted by a taxing entity, tax  
355 increment may not be paid to an agency for a tax year prior to the tax year following:

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

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

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

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

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

366 (i) the base taxable value of the project area; and  
 367 (ii) the method of calculating the amount of tax increment or sales tax to be paid to the  
 368 agency.

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

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

375 (5) (a) Subject to Section 17C-1-407, an agency is entitled to receive tax increment as  
 376 authorized by:

377 (i) for a pre-July 1, 1993, project area plan, Section 17C-1-403;

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

379 (A) Section 17C-1-404 under a project area budget adopted by the agency in  
 380 accordance with this title;

381 (B) a project area budget approved by the taxing entity committee and adopted by the  
 382 agency in accordance with this title; or

383 (C) Section 17C-1-406; or

384 (iii) a resolution or interlocal agreement entered into under Section 17C-2-207,  
 385 17C-3-206, 17C-4-201, or 17C-4-202.

386 (b) A county that collects property tax on property located within a project area shall  
 387 pay and distribute any tax increment:

388 (i) to an agency that the agency is entitled to collect; and

389 (ii) in accordance with Section 59-2-1365.

390 Section 4. Section **17C-1-402** is amended to read:

391 **17C-1-402. Taxing entity committee.**

392 (1) Each agency that adopts or proposes to adopt a post-June 30, 1993, urban renewal  
 393 or economic development project area plan shall, and any other agency may, cause a taxing

394 entity committee to be created.

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

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

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

399 (II) in a county of the first class, one representative appointed by the county executive  
400 and one representative appointed by the legislative body of the county in which the agency is  
401 located;

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

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

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

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

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

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

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

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

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

422 appointed and qualified.

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

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

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

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

433 (3) At its first meeting, a taxing entity committee shall adopt an organizing resolution:

434 (a) designating a chair and a secretary of the committee; and

435 (b) if the committee considers it appropriate, governing the use of electronic meetings  
436 under Section 52-4-207.

437 (4) (a) A taxing entity committee represents all taxing entities regarding:

438 (i) an urban renewal ~~[or]~~ project area; or

439 (ii) an economic development project area ~~[and may:]~~.

440 (b) A taxing entity committee may:

441 ~~[(a)]~~ (i) cast votes that will be binding on all taxing entities;

442 ~~[(b)]~~ (ii) negotiate with the agency concerning a draft project area plan;

443 ~~[(c)]~~ (iii) approve or disapprove;

444 (A) an urban renewal project area budget as provided in Section 17C-2-204; or

445 (B) an economic development project area budget as provided in Section 17C-3-203;

446 ~~[(d)]~~ (iv) approve or disapprove amendments to a project area budget as provided in:

447 (A) Section 17C-2-206 for an urban renewal project area budget ~~[and]; or~~

448 (B) Section 17C-3-205 for an economic development project area budget;

449 ~~[(e)]~~ (v) approve exceptions to the limits on the value and size of a project area



450 imposed under this title;

451        ~~[(f)]~~ (vi) approve exceptions to the percentage of tax increment and the period of time  
452 that tax increment is paid to the agency as provided in this title;

453        ~~[(g)]~~ (vii) approve the use of tax increment for publicly owned infrastructure and  
454 improvements outside of an urban renewal or economic development project area that the  
455 agency and community legislative body determine to be of benefit to the urban renewal or  
456 economic development project area, as provided in Subsection 17C-1-409(1)(a)(iii)(D);

457        ~~[(h)]~~ (viii) waive the restrictions imposed by Subsection 17C-2-202(1); and

458        ~~[(i)]~~ (ix) give other taxing entity committee approval or consent required or allowed  
459 under this title.

460        (5) A quorum of a taxing entity committee consists of:

461        (a) if the ~~[urban renewal or economic development]~~ project area is located within a city  
462 or town, five members; or

463        (b) if the ~~[urban renewal or economic development]~~ project area is not located within a  
464 city or town, four members.

465        (6) Taxing entity committee approval, consent, or other action requires:

466        (a) the affirmative vote of a majority of all members present at a taxing entity  
467 committee meeting:

468        (i) at which a quorum is present; and

469        (ii) considering an action relating to a project area budget for, or approval of a finding  
470 of blight within, a project area or proposed project area that contains:

471        (A) an inactive industrial site;

472        (B) an inactive airport site; or

473        (C) a closed military base; or

474        (b) for any other action not described in Subsection (6)(a)(ii), the affirmative vote of  
475 two-thirds of all members present at a taxing entity committee meeting at which a quorum is  
476 present.

477        (7) (a) An agency may call a meeting of the taxing entity committee by sending written

478 notice to the members of the taxing entity committee at least 10 days before the date of the  
479 meeting.

480 (b) Each notice under Subsection (7)(a) shall be accompanied by:

481 (i) the proposed agenda for the taxing entity committee meeting; and

482 (ii) if not previously provided and if they exist and are to be considered at the meeting:

483 (A) the [~~urban renewal or economic development~~] project area plan or proposed plan;

484 (B) the [~~urban renewal or economic development~~] project area budget or proposed  
485 budget;

486 (C) the analysis required under Subsection 17C-2-103(2) or 17C-3-103(2);

487 (D) the blight study;

488 (E) the agency's resolution making a finding of blight under Subsection  
489 17C-2-102(1)(a) (ii)(B); and

490 (F) other documents to be considered by the taxing entity committee at the meeting.

491 (c) (i) An agency may not schedule a taxing entity committee meeting to meet on a day  
492 on which the Legislature is in session.

493 (ii) Notwithstanding Subsection (7)(c)(i), the taxing entity committee may, by  
494 unanimous consent, waive the scheduling restriction described in Subsection (7)(c)(i).

495 (8) (a) A taxing entity committee may not vote on a proposed [~~urban renewal or~~  
496 ~~economic development~~] project area budget or proposed amendment to [~~an urban renewal or~~  
497 ~~economic development~~] a project area budget at the first meeting at which the proposed budget  
498 or amendment is considered unless all members of the taxing entity committee present at the  
499 meeting consent.

500 (b) A second taxing entity committee meeting to consider [~~an urban renewal or~~  
501 ~~economic development~~] a project area budget or a proposed amendment to [~~an urban renewal~~  
502 ~~or economic development~~] a project area budget may not be held within 14 days after the first  
503 meeting unless all members of the taxing entity committee present at the first meeting consent.

504 (9) [~~Each~~] (a) Except as provided in Subsection (9)(b), each taxing entity committee  
505 shall meet at least annually during the time that the agency receives tax increment under an

506 urban renewal or economic development project area budget in order to review the status of the  
507 project area.

508 (b) A taxing entity committee is not required under Subsection (9)(a) to meet if the  
509 agency submits on or before November 1 of each year to the county auditor, the State Tax  
510 Commission, the State Board of Education, and each taxing entity that levies a tax on property  
511 from which the agency collects tax increment, a report containing the following:

512 (i) an assessment of growth of incremental values for each active project area,  
513 including:

514 (A) the base year assessed value;

515 (B) the prior year's assessed value;

516 (C) the estimated current year assessed value for the project area; and

517 (D) a narrative description of the relative growth in assessed value within the project  
518 area;

519 (ii) a description of the amount of tax increment received by the agency and passed  
520 through to other taxing entities from each active project area, including:

521 (A) a comparison of the original forecasted amount of tax increment to actual receipts;

522 (B) a narrative discussion regarding the use of tax increment; and

523 (C) a description of the benefits derived by the taxing entities;

524 (iii) a description of activity within each active project area, including:

525 (A) a narrative of any significant development activity, including infrastructure  
526 development, site development, and vertical construction within the project area; and

527 (B) a narrative discussion regarding the status of any agreements for development  
528 within the project area;

529 (iv) a revised multi-year tax increment budget related to each active project area,  
530 including:

531 (A) the prior year's tax increment receipts;

532 (B) the base year value and adjusted base year value, as applicable;

533 (C) the applicable tax rates within the project area; and

534 (D) a schedule of private and public investment within the project area; and

535 (v) any other project highlights included by the agency.

536 (10) Each taxing entity committee shall be governed by Title 52, Chapter 4, Open and  
537 Public Meetings Act.

538 (11) Each time a school district representative or a representative of the State Board of  
539 Education votes as a member of a taxing entity committee to allow an agency to be paid tax  
540 increment or to increase the amount or length of time that an agency may be paid tax  
541 increment, that representative shall, within 45 days after the vote, provide to the  
542 representative's respective school board an explanation in writing of the representative's vote  
543 and the reasons for the vote.

544 (12) (a) The auditor of each county in which the agency is located shall provide a  
545 written report to the taxing entity committee stating, with respect to property within each urban  
546 renewal and economic development project area:

547 (i) the base taxable value, as adjusted by any adjustments under Section 17C-1-408;  
548 and

549 (ii) the assessed value.

550 (b) With respect to the information required under Subsection (12)(a), the auditor shall  
551 provide:

552 (i) actual amounts for each year from the adoption of the [~~urban renewal and economic~~  
553 ~~development~~] project area plan to the time of the report; and

554 (ii) estimated amounts for each year beginning the year after the time of the report and  
555 ending the time that the agency expects no longer to be paid tax increment from property  
556 within the urban renewal and economic development project area.

557 (c) The auditor of the county in which the agency is located shall provide a report  
558 under this Subsection (12):

559 (i) at least annually; and

560 (ii) upon request of the taxing entity committee, before a taxing entity committee  
561 meeting at which the committee will consider whether to allow the agency to be paid tax

562 increment or to increase the amount of tax increment that the agency may be paid or the length  
563 of time that the agency may be paid tax increment.

564 (13) This section does not apply to a community development project area plan.

565 (14) A taxing entity committee resolution, whether adopted before, on, or after May 10,  
566 2011, approving a blight finding, approving a project area budget, or approving an amendment  
567 to a project area budget:

568 (a) is final; and

569 (b) is not subject to repeal, amendment, or reconsideration unless the agency first  
570 consents by resolution to the proposed repeal, amendment, or reconsideration.

571 Section 5. Section **17C-1-409** is amended to read:

572 **17C-1-409. Allowable uses of tax increment and sales tax.**

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

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

577 (ii) for administrative, overhead, legal, and other operating expenses of the agency,  
578 including consultant fees and expenses under Subsection 17C-2-102(1)(b)(ii)(B) or funding for  
579 a business resource center;

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

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

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

587 (C) housing expenditures, projects, or programs as provided in Section 17C-1-411 or  
588 17C-1-412;

589 (D) subject to Subsections (1)(c) and (6), the value of the land for and the cost of the

590 installation and construction of any publicly owned building, facility, structure, landscaping, or  
591 other improvement within the project area from which the tax increment funds were collected;  
592 and

593 (E) subject to Subsection (1)(d), the cost of the installation of publicly owned  
594 infrastructure and improvements outside the project area from which the tax increment funds  
595 were collected if the agency board and the community legislative body determine by resolution  
596 that the publicly owned infrastructure and improvements are of benefit to the project area; or

597 (iv) in an urban renewal project area that includes some or all of an inactive industrial  
598 site and subject to Subsection (1)(f), to reimburse the Department of Transportation created  
599 under Section 72-1-201, or a public transit district created under Title 17B, Chapter 2a, Part 8,  
600 Public Transit District Act, for the cost of:

601 (A) construction of a public road, bridge, or overpass;

602 (B) relocation of a railroad track within the urban renewal project area; or

603 (C) relocation of a railroad facility within the urban renewal project area.

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

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

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

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

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

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

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

623 (iii) If a borrowing project area's funds are not sufficient to repay a loan made under  
624 Subsection (1)(e)(i) prior to when the tax increment or sales tax proceeds are intended for use  
625 under the loaning project area's plan, the community that created the agency shall repay the  
626 loan to the loaning project area's fund prior to when the tax increment or sales tax proceeds are  
627 intended for use under the loaning project area's plan, unless the taxing entity committee adopts  
628 a resolution to waive this requirement.

629 (f) Before an agency may pay any tax increment or sales tax revenue under Subsection  
630 (1)(a)(iv), the agency shall enter into an interlocal agreement defining the terms of the  
631 reimbursement with:

- 632 (i) the Department of Transportation; or
- 633 (ii) a public transit district.

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

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

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

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

646 the community.

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

652 (a) construction of the convention center or sports complex or related building, facility,  
653 structure, or other improvement is commenced on or before [~~June 30, 2002~~] December 31,  
654 2012; and

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

658 (6) Notwithstanding any other provision of this title, an agency may not use tax  
659 increment to construct municipal buildings [~~, courts or other judicial buildings, or fire stations~~]  
660 unless the taxing entity committee adopts a resolution to waive this requirement.

661 (7) Notwithstanding any other provision of this title, an agency may not use tax  
662 increment under an urban renewal or economic development project area plan, to pay any of  
663 the cost of the land, infrastructure, or construction of a stadium or arena constructed after  
664 March 1, 2005, unless the tax increment has been pledged for that purpose before February 15,  
665 2005.

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

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

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

672 (iii) to finance a telecommunication facility.

673 (b) Subsection (8)(a) may not be construed to prohibit the refinancing, restatement, or



674 refunding of a bond issued before March 30, 2009.

675 Section 6. Section **17C-1-603** is amended to read:

676 **17C-1-603. Agency report.**

677 (1) (a) ~~On~~ Unless an agency submits a report to the county auditor, the State Tax  
678 Commission, the State Board of Education, and each taxing entity that levies a tax on property  
679 from which the agency collects tax increment as provided under Subsection 17C-1-402(9)(b),  
680 on or before November 1 of each year, each agency shall prepare and file a report with the  
681 county auditor, the State Tax Commission, the State Board of Education, and each taxing entity  
682 that levies a tax on property from which the agency collects tax increment.

683 (b) The requirement of Subsection (1)(a) to file a copy of the report with the state as a  
684 taxing entity is met if the agency files a copy with the State Tax Commission and the state  
685 auditor.

686 (2) Each report under Subsection (1) shall contain:

687 (a) an estimate of the tax increment to be paid to the agency for the calendar year  
688 ending December 31; ~~and~~

689 (b) an estimate of the tax increment to be paid to the agency for the calendar year  
690 beginning the next January 1~~[-]~~;

691 (c) a narrative description of each active project area within the agency's boundaries;

692 (d) a narrative description of any significant activity related to each active project area  
693 that occurred during the immediately preceding fiscal year;

694 (e) a summary description of the overall project timeline for each active project area;

695 (f) any other information specifically requested by the taxing entity committee or  
696 required by the project area plan or budget; and

697 (g) any other information included by the agency.

698 (3) A report prepared in accordance with this section:

699 (a) is for informational purposes; and

700 (b) does not alter the amount of tax increment that an agency is entitled to collect from  
701 a project area.

702 Section 7. Section **17C-2-206** is amended to read:

703 **17C-2-206. Amending an urban renewal project area budget.**

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

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

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

709 (b) if approval of the taxing entity committee was required for adoption of the original  
710 project area budget, obtain the approval of the taxing entity committee [if] to the same extent  
711 that the agency was required [~~under Section 17C-2-204~~] to obtain the consent of the taxing  
712 entity committee for the project area budget as originally adopted;

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

717 (d) adopt a resolution amending the project area budget.

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

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

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

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

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

- 730 (ii) may not contest:
- 731 (A) a payment to the agency under the budget amendment; or
- 732 (B) an agency's use of a tax increment under the budget amendment.

733 Section 8. Section **17C-2-207** is enacted to read:

734 **17C-2-207. Extending collection of tax increment in an urban renewal project**  
735 **area budget.**

736 (1) An amendment or extension approved by a taxing entity or taxing entity committee  
737 before May 10, 2011, is not subject to this section.

738 (2) (a) An agency's collection of tax increment under an adopted urban renewal project  
739 area budget may be extended by:

740 (i) following the project area budget amendment procedures outlined in Section  
741 17C-2-206; or

742 (ii) following the procedures outlined in this section.

743 (b) The base taxable value for an urban renewal project area budget may not be altered  
744 as a result of an extension under this section unless otherwise expressly provided for in an  
745 interlocal agreement adopted in accordance with Subsection (3)(a).

746 (3) To extend under this section the agency's collection of tax increment from a taxing  
747 entity under a previously approved project area budget, the agency shall:

748 (a) obtain the approval of the taxing entity through an interlocal agreement;

749 (b) (i) hold a public hearing on the proposed extension in accordance with Subsection  
750 17C-2-201(2)(d) in the same manner as required for a draft project area budget; and

751 (ii) provide notice of the hearing:

752 (A) as required by Part 5, Urban Renewal Notice Requirements; and

753 (B) including the proposed period of extension of the project area budget; and

754 (c) after obtaining the approval of the taxing entity in accordance with Subsection

755 (3)(a), at or after the public hearing, adopt a resolution approving the extension.

756 (4) After the expiration of a project area budget, an agency may continue to receive tax  
757 increment from those taxing entities that have agreed to an extension through an interlocal

758 agreement in accordance with Subsection (3)(a).

759 (5) (a) A person may contest the agency's adoption of a budget extension within 30  
760 days after the day on which the agency adopts the resolution providing for the extension.

761 (b) A person who fails to contest a budget extension under Subsection (5)(a):

762 (i) shall forfeit any claim against the agency's adoption of the extension; and

763 (ii) may not contest:

764 (A) a payment to the agency under the budget, as extended; or

765 (B) an agency's use of tax increment under the budget, as extended.

766 Section 9. Section **17C-2-303** is amended to read:

767 **17C-2-303. Conditions on board determination of blight -- Conditions of blight**  
768 **caused by the developer.**

769 (1) An agency board may not make a finding of blight in a resolution under Subsection  
770 17C-2-102(1)(a)(ii)(B) unless the board finds that:

771 (a) (i) the proposed project area consists predominantly of nongreenfield parcels;

772 (ii) the proposed project area is currently zoned for urban purposes and generally  
773 served by utilities;

774 (iii) at least 50% of the parcels within the proposed project area contain nonagricultural  
775 or nonaccessory buildings or improvements used or intended for residential, commercial,  
776 industrial, or other urban purposes, or any combination of those uses;

777 (iv) the present condition or use of the proposed project area substantially impairs the  
778 sound growth of the municipality, retards the provision of housing accommodations, or  
779 constitutes an economic liability or is detrimental to the public health, safety, or welfare, as  
780 shown by the existence within the proposed project area of at least four of the following  
781 factors:

782 (A) one of the following, although sometimes interspersed with well maintained  
783 buildings and infrastructure:

784 (I) substantial physical dilapidation, deterioration, or defective construction of  
785 buildings or infrastructure; or

786 (II) significant noncompliance with current building code, safety code, health code, or  
787 fire code requirements or local ordinances;

788 (B) unsanitary or unsafe conditions in the proposed project area that threaten the  
789 health, safety, or welfare of the community;

790 (C) environmental hazards, as defined in state or federal law, that require remediation  
791 as a condition for current or future use and development;

792 (D) excessive vacancy, abandoned buildings, or vacant lots within an area zoned for  
793 urban use and served by utilities;

794 (E) abandoned or outdated facilities that pose a threat to public health, safety, or  
795 welfare;

796 (F) criminal activity in the project area, higher than that of comparable nonblighted  
797 areas in the municipality or county; and

798 (G) defective or unusual conditions of title rendering the title nonmarketable; and

799 (v) (A) at least 50% of the privately-owned parcels within the proposed project area are  
800 affected by at least one of the factors, but not necessarily the same factor, listed in Subsection  
801 (1)(a)(iv); and

802 (B) the affected parcels comprise at least 66% of the privately-owned acreage of the  
803 proposed project area; or

804 (b) the proposed project area includes some or all of a superfund site, inactive  
805 industrial site, or inactive airport site.

806 (2) No single parcel comprising 10% or more of the acreage of the proposed project  
807 area may be counted as satisfying Subsection (1)(a)(iii) or (iv) unless at least 50% of the area of  
808 that parcel is occupied by buildings or improvements.

809 (3) (a) For purposes of Subsection (1), if a developer involved in the urban renewal  
810 project has caused a condition listed in Subsection (1)(a)(iv) within the proposed project area,  
811 that condition may not be used in the determination of blight.

812 (b) Subsection (3)(a) does not apply to a condition that was caused by an owner or  
813 tenant who becomes a developer.

814 Section 10. Section **17C-2-701** is enacted to read:

815 **Part 7. Urban Renewal Project Area Property**

816 **17C-2-701. Railroad crossings within urban renewal project area.**

817 (1) Notwithstanding Section 54-4-15 or other provision of law, and except as provided  
818 in Subsection (2), the Department of Transportation created in Section 72-1-201 may not  
819 prohibit or close, temporarily or permanently, a public road or highway crossing by a railroad  
820 or street railroad that is located within the boundaries of an urban renewal project area that  
821 includes some or all of an inactive industrial site.

822 (2) The Department of Transportation may prohibit or close a crossing described in  
823 Subsection (1) if the department obtains the advance written consent of the agency that created  
824 the urban renewal project area where the crossing is located.

825 Section 11. Section **17C-3-205** is amended to read:

826 **17C-3-205. Amending an economic development project area budget.**

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

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

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

832 (b) if approval of the taxing entity committee was required for adoption of the original  
833 project area budget, obtain the approval of the taxing entity committee [if] to the same extent  
834 that the agency was required [~~under Section 17C-3-203~~] to obtain the consent of the taxing  
835 entity committee for the project area budget as originally adopted;

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

840 (d) adopt a resolution amending the project area budget.

841 (3) The public hearing required under Subsection (2)(a) shall be conducted according

842 to the procedures and requirements of Section 17C-3-201, except that if the amended project  
843 area budget proposes that the agency be paid a greater proportion of tax increment from a  
844 project area than was to be paid under the previous project area budget, the notice shall state  
845 the percentage paid under the previous project area budget and the percentage proposed under  
846 the amended project area budget.

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

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

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

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

854 (ii) may not contest:

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

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

857 Section 12. Section 17C-3-206 is enacted to read:

858 **17C-3-206. Extending collection of tax increment under an economic development**  
859 **project area budget.**

860 (1) An amendment or extension approved by a taxing entity or taxing entity committee  
861 before May 10, 2011, is not subject to this section.

862 (2) (a) An agency's collection of tax increment under an adopted economic  
863 development project area budget may be extended by:

864 (i) following the project area budget amendment procedures outlined in Section  
865 17C-3-205; or

866 (ii) following the procedures outlined in this section.

867 (b) The base taxable value for an urban renewal project area budget may not be altered  
868 as a result of an extension under this section unless otherwise expressly provided for in an  
869 interlocal agreement adopted in accordance with Subsection (3)(a).

870 (3) To extend under this section the agency's collection of tax increment from a taxing  
871 entity under a previously approved project area budget, the agency shall:

872 (a) obtain the approval of the taxing entity through an interlocal agreement;

873 (b) (i) hold a public hearing on the proposed extension in accordance with Subsection  
874 17C-2-201(2)(d) in the same manner as required for a draft project area budget; and

875 (ii) provide notice of the hearing:

876 (A) as required by Part 4, Economic Development Notice Requirements; and

877 (B) including the proposed period of extension of the project area budget; and

878 (c) after obtaining the approval of the taxing entity in accordance with Subsection  
879 (3)(a), at or after the public hearing, adopt a resolution approving the extension.

880 (4) After the expiration of a project area budget, an agency may continue to receive tax  
881 increment from those taxing entities that have agreed to an extension through an interlocal  
882 agreement in accordance with Subsection (3)(a).

883 (5) (a) A person may contest the agency's adoption of a budget extension within 30  
884 days after the day on which the agency adopts the resolution providing for the extension.

885 (b) A person who fails to contest a budget extension under Subsection (5)(a):

886 (i) shall forfeit any claim against the agency's adoption of the extension; and

887 (ii) may not contest:

888 (A) a payment to the agency under the budget, as extended; or

889 (B) an agency's use of tax increment under the budget, as extended.

890 Section 13. Section **17C-4-204** is amended to read:

891 **17C-4-204. Adoption of a budget for a community development project area plan**

892 **-- Amendment.**

893 (1) An agency may prepare and, by resolution adopted at a regular or special meeting  
894 of the agency board, adopt a budget setting forth:

895 (a) the anticipated costs, including administrative costs, of implementing the  
896 community development project area plan; and

897 (b) the tax increment, sales tax, and other revenue the agency anticipates receiving to



898 fund the project.

899           (2) An agency may, by resolution adopted at a regular or special meeting of the agency  
900 board, amend a budget adopted under Subsection (1).

901           (3) Each resolution to adopt or amend a budget under this section shall appear as an  
902 item on the agenda for the regular or special agency board meeting at which the resolution is  
903 adopted~~[. No other notice is required.]~~ without additional required notice.

904           (4) An agency is not required to obtain approval of the taxing entity committee for a  
905 community development project area budget.