

Senator Curtis S. Bramble proposes the following substitute bill:

COMMUNITY DEVELOPMENT AND RENEWAL AGENCIES

AMENDMENTS

2011 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Curtis S. Bramble

House Sponsor: Brad L. Dee

LONG TITLE

General Description:

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

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ amends taxing entity committee provisions;
- ▶ amends tax increment and sales tax use provisions;
- ▶ amends agency report provisions;
- ▶ amends urban renewal project area budget provisions;
- ▶ authorizes an agency to approve an urban renewal project area budget extension;
- ▶ amends provisions authorizing an agency board to make a finding of blight;
- ▶ amends economic development project area budget provisions;
- ▶ authorizes an agency to approve an economic development project area budget extension;
- ▶ amends community development project area budget provisions; and
- ▶ makes technical corrections.



26 **Money Appropriated in this Bill:**

27 None

28 **Other Special Clauses:**

29 None

30 **Utah Code Sections Affected:**

31 AMENDS:

32 **17C-1-102**, as last amended by Laws of Utah 2010, Chapter 279

33 **17C-1-204**, as last amended by Laws of Utah 2009, Chapter 387

34 **17C-1-401**, as last amended by Laws of Utah 2010, Chapter 279

35 **17C-1-402**, as last amended by Laws of Utah 2009, Chapter 387

36 **17C-1-409**, as last amended by Laws of Utah 2010, Chapter 279

37 **17C-1-603**, as renumbered and amended by Laws of Utah 2006, Chapter 359

38 **17C-2-206**, as last amended by Laws of Utah 2010, Chapter 279

39 **17C-2-303**, as last amended by Laws of Utah 2008, Chapter 125

40 **17C-3-205**, as last amended by Laws of Utah 2010, Chapter 279

41 **17C-4-204**, as enacted by Laws of Utah 2006, Chapter 359

42 ENACTS:

43 **17C-2-207**, Utah Code Annotated 1953

44 **17C-3-206**, Utah Code Annotated 1953



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

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

48 **17C-1-102. Definitions.**

49 As used in this title:

50 (1) "Adjusted tax increment" means:

51 (a) for tax increment under a pre-July 1, 1993₂ project area plan, tax increment under
52 Section 17C-1-403, excluding tax increment under Subsection 17C-1-403(3); and

53 (b) for tax increment under a post-June 30, 1993₂ project area plan, tax increment under
54 Section 17C-1-404, excluding tax increment under Section 17C-1-406.

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

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

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

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

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

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

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

68 (6) "Base taxable value" means:

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

72 (i) for a pre-July 1, 1993₂ project area plan, the effective date of the project area plan;

73 (ii) for a post-June 30, 1993₂ project area plan:

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

75 or

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

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

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

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

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

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

84 and

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

87 (b) for a community development project area, the agreed value specified in a

88 resolution or interlocal agreement under Subsection 17C-4-201(2).

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

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

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

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

98 (11) "Board" means the governing body of an agency, as provided in Section
99 17C-1-203.

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

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

106 [~~13~~] (14) "Combined incremental value" means the combined total of all incremental
107 values from all urban renewal project areas, except project areas that contain some or all of a
108 military installation or inactive industrial site, within the agency's boundaries under adopted
109 project area plans and adopted project area budgets at the time that a project area budget for a
110 new urban renewal project area is being considered.

111 [~~14~~] (15) "Community" means a county, city, or town.

112 [~~15~~] (16) "Community development" means development activities within a
113 community, including the encouragement, promotion, or provision of development.

114 [~~16~~] (17) "Economic development" means to promote the creation or retention of
115 public or private jobs within the state through:

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

118 (b) the provision of office, industrial, manufacturing, warehousing, distribution,

119 parking, public, or other facilities, or other improvements that benefit the state or a community.

120 ~~[(17)]~~ (18) "Fair share ratio" means the ratio derived by:

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

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

129 ~~[(18)]~~ (19) "Family" has the meaning as defined under regulations of the U.S.
130 Department of Housing and Urban Development, 24 C.F.R. Section 5.403, as amended or as
131 superseded by replacement regulations.

132 ~~[(19)]~~ (20) "Greenfield" means land not developed beyond agricultural or forestry use.

133 ~~[(20)]~~ (21) "Hazardous waste" means any substance defined, regulated, or listed as a
134 hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant,
135 or toxic substance, or identified as hazardous to human health or the environment, under state
136 or federal law or regulation.

137 ~~[(21)]~~ (22) "Housing funds" means the funds allocated in an urban renewal project area
138 budget under Section 17C-2-203 for the purposes provided in Subsection 17C-1-412(1).

139 ~~[(22)]~~ (23) (a) "Inactive airport site" means land that:

140 (i) consists of at least 100 acres;

141 (ii) is occupied by an airport:

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

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

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

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

146 (iii) requires remediation because:

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

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

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

152 [~~(23)~~] (24) (a) "Inactive industrial site" means land that:

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

154 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial
155 facility; and

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

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

159 [~~(24)~~] (25) "Income targeted housing" means housing to be owned or occupied by a
160 family whose annual income is at or below 80% of the median annual income for the county in
161 which the housing is located.

162 [~~(25)~~] (26) "Incremental value" means a figure derived by multiplying the marginal
163 value of the property located within an urban renewal project area on which tax increment is
164 collected by a number that represents the percentage of adjusted tax increment from that project
165 area that is paid to the agency.

166 [~~(26)~~] (27) "Loan fund board" means the Olene Walker Housing Loan Fund Board,
167 established under Title 9, Chapter 4, Part 7, Olene Walker Housing Loan Fund.

168 [~~(27)~~] (28) "Marginal value" means the difference between actual taxable value and
169 base taxable value.

170 [~~(28)~~] (29) "Military installation project area" means a project area or a portion of a
171 project area located within a federal military installation ordered closed by the federal Defense
172 Base Realignment and Closure Commission.

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

175 (i) a fire state;

176 (ii) a police station;

177 (iii) a city hall; or

178 (iv) a court or other judicial building.

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

181 ~~[(29)]~~ (31) "Plan hearing" means the public hearing on a draft project area plan
182 required under Subsection 17C-2-102(1)(a)(vi) for an urban renewal project area plan,
183 Subsection 17C-3-102(1)(d) for an economic development project area plan, and Subsection
184 17C-4-102(1)(d) for a community development project area plan.

185 ~~[(30)]~~ (32) "Post-June 30, 1993₂ project area plan" means a project area plan adopted
186 on or after July 1, 1993, whether or not amended subsequent to its adoption.

187 ~~[(31)]~~ (33) "Pre-July 1, 1993₂ project area plan" means a project area plan adopted
188 before July 1, 1993, whether or not amended subsequent to its adoption.

189 ~~[(32)]~~ (34) "Private," with respect to real property, means:

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

192 (b) not dedicated to public use.

193 ~~[(33)]~~ (35) "Project area" means the geographic area described in a project area plan or
194 draft project area plan where the urban renewal, economic development, or community
195 development, as the case may be, set forth in the project area plan or draft project area plan
196 takes place or is proposed to take place.

197 ~~[(34)]~~ (36) "Project area budget" means a multiyear projection of annual or cumulative
198 revenues and expenses and other fiscal matters pertaining to a urban renewal or economic
199 development project area that includes:

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

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

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

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

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

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

211 (i) the tax identification numbers of the parcels from which tax increment will be

212 collected; or

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

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

217 (h) (i) for an urban renewal project area, the information required under Subsection
218 17C-2-201(1)(b); and

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

221 [~~35~~] (37) "Project area plan" means a written plan under Chapter 2, Part 1, Urban
222 Renewal Project Area Plan, Chapter 3, Part 1, Economic Development Project Area Plan, or
223 Chapter 4, Part 1, Community Development Project Area Plan, as the case may be, that, after
224 its effective date, guides and controls the urban renewal, economic development, or community
225 development activities within a project area.

226 [~~36~~] (38) "Property tax" includes privilege tax and each levy on an ad valorem basis
227 on tangible or intangible personal or real property.

228 [~~37~~] (39) "Public entity" means:

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

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

232 [~~38~~] (40) "Publicly owned infrastructure and improvements" means water, sewer,
233 storm drainage, electrical, and other similar systems and lines, streets, roads, curb, gutter,
234 sidewalk, walkways, parking facilities, public transportation facilities, and other facilities,
235 infrastructure, and improvements benefitting the public and to be publicly owned or publicly
236 maintained or operated.

237 [~~39~~] (41) "Record property owner" or "record owner of property" means the owner of
238 real property as shown on the records of the recorder of the county in which the property is
239 located and includes a purchaser under a real estate contract if the contract is recorded in the
240 office of the recorder of the county in which the property is located or the purchaser gives
241 written notice of the real estate contract to the agency.

242 [~~40~~] (42) "Superfund site":

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

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

248 [~~(41)~~] (43) "Survey area" means an area designated by a survey area resolution for
249 study to determine whether one or more urban renewal projects within the area are feasible.

250 [~~(42)~~] (44) "Survey area resolution" means a resolution adopted by the agency board
251 under Subsection 17C-2-101(1)(a) designating a survey area.

252 [~~(43)~~] (45) "Taxable value" means the value of property as shown on the last equalized
253 assessment roll as certified by the county assessor.

254 [~~(44)~~] (46) (a) "Tax increment" means, except as provided in Subsection [~~(44)~~] (46)(b),
255 the difference between:

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

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

261 (b) "Tax increment" does not include taxes levied and collected under Section
262 59-2-1602 on or after January 1, 1994, upon the taxable property in the project area unless:

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

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

267 [~~(45)~~] (47) "Taxing entity" means a public entity that levies a tax on a parcel or parcels
268 of property located within a community.

269 [~~(46)~~] (48) "Taxing entity committee" means a committee representing the interests of
270 taxing entities, created as provided in Section 17C-1-402.

271 [~~(47)~~] (49) "Unincorporated" means not within a city or town.

272 [~~(48)~~] (50) (a) "Urban renewal" means the development activities under a project area
273 plan within an urban renewal project area, including:

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

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

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

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

282 (v) providing public or private buildings, infrastructure, structures, and improvements;
283 and

284 (vi) providing improvements of public or private recreation areas and other public
285 grounds.

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

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

289 **17C-1-204. Urban renewal, economic development, and community development**
290 **by an adjoining agency -- Requirements.**

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

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

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

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

304 (c) the other agency may be paid tax increment funds to the same extent as if the

305 project area were within its own boundaries.

306 (3) Each project area plan approved by the other agency for the project area that is the
307 subject of a resolution under Subsection (1) shall be adopted by ordinance of the legislative
308 body of the community in which the project area is located.

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

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

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

312 (A) over half of which is located within the boundary of a town, as defined in Section
313 10-1-104; and

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

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

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

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

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

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

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

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

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

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

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

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

337 **17C-1-401. Agency receipt and use of tax increment and sales tax -- Distribution**
338 **of tax increment and sales tax.**

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

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

343 (i) for a pre-July 1, 1993₂ project area plan, from the first tax year regarding which the
344 agency accepts tax increment from the project area;

345 (ii) for a post-June 30, 1993₂ urban renewal or economic development project area
346 plan, from the first tax year for which the agency receives tax increment under the project area
347 budget; or

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

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

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

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

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

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

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

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

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

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

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

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

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

376 (ii) for a post-June 30, 1993, project area plan;

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

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

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

382 (iii) a resolution or interlocal agreement entered into under Section 17C-2-207,
 383 17C-3-206, 17C-4-201, or 17C-4-202.

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

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

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

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

389 **17C-1-402. Taxing entity committee.**

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

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

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

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

397 (II) in a county of the first class, one representative appointed by the county executive

398 and one representative appointed by the legislative body of the county in which the agency is
399 located;

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

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

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

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

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

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

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

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

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

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

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

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

428 (ii) Each appointing authority of a taxing entity committee representative under

429 Subsection (2)(a)(i) shall notify the agency in writing of any change of address of a
 430 representative appointed by that appointing authority.

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

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

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

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

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

437 (ii) an economic development project area ~~[and may:];~~

438 (b) A taxing entity committee may:

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

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

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

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

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

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

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

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

447 ~~[(e)]~~ (v) approve exceptions to the limits on the value and size of a project area
 448 imposed under this title;

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

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

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

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

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

459 (a) if the ~~[urban renewal or economic development]~~ project area is located within a city

460 or town, five members; or

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

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

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

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

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

469 (A) an inactive industrial site;

470 (B) an inactive airport site; or

471 (C) a closed military base; or

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

475 (7) (a) An agency may call a meeting of the taxing entity committee by sending written
476 notice to the members of the taxing entity committee at least 10 days before the date of the
477 meeting.

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

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

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

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

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

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

485 (D) the blight study;

486 (E) the agency's resolution making a finding of blight under Subsection
487 17C-2-102(1)(a) (ii)(B); and

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

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

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

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

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

502 (9) [~~Each~~] (a) Except as provided in Subsection (9)(b), each taxing entity committee
503 shall meet at least annually during the time that the agency receives tax increment under an
504 urban renewal or economic development project area budget in order to review the status of the
505 project area.

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

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

512 (A) the base year assessed value;

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

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

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

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

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

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

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

- 522 (iii) a description of activity within each active project area, including:
523 (A) a narrative of any significant development activity, including infrastructure
524 development, site development, and vertical construction within the project area; and
525 (B) a narrative discussion regarding the status of any agreements for development
526 within the project area;
527 (iv) a revised multi-year tax increment budget related to each active project area,
528 including:
529 (A) the prior year's tax increment receipts;
530 (B) the base year value and adjusted base year value, as applicable;
531 (C) the applicable tax rates within the project area; and
532 (D) a schedule of private and public investment within the project area; and
533 (v) any other project highlights included by the agency.
534 (10) Each taxing entity committee shall be governed by Title 52, Chapter 4, Open and
535 Public Meetings Act.
536 (11) Each time a school district representative or a representative of the State Board of
537 Education votes as a member of a taxing entity committee to allow an agency to be paid tax
538 increment or to increase the amount or length of time that an agency may be paid tax
539 increment, that representative shall, within 45 days after the vote, provide to the
540 representative's respective school board an explanation in writing of the representative's vote
541 and the reasons for the vote.
542 (12) (a) The auditor of each county in which the agency is located shall provide a
543 written report to the taxing entity committee stating, with respect to property within each urban
544 renewal and economic development project area:
545 (i) the base taxable value, as adjusted by any adjustments under Section 17C-1-408;
546 and
547 (ii) the assessed value.
548 (b) With respect to the information required under Subsection (12)(a), the auditor shall
549 provide:
550 (i) actual amounts for each year from the adoption of the [~~urban renewal and economic~~
551 ~~development~~] project area plan to the time of the report; and
552 (ii) estimated amounts for each year beginning the year after the time of the report and

553 ending the time that the agency expects no longer to be paid tax increment from property
554 within the urban renewal and economic development project area.

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

557 (i) at least annually; and

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

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

563 (14) A taxing entity committee resolution, whether adopted before, on, or after May 10,
564 2011, approving a blight finding, approving a project area budget, or approving an amendment
565 to a project area budget:

566 (a) is final; and

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

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

570 **17C-1-409. Allowable uses of tax increment and sales tax.**

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

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

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

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

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

582 (B) economic development or community development activities, including
583 environmental remediation activities occurring before or after adoption of the project area plan,

584 in the project area from which the tax increment funds are collected;

585 (C) housing expenditures, projects, or programs as provided in Section 17C-1-411 or
586 17C-1-412;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

630 (i) the Department of Transportation; or

631 (ii) a public transit district.

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

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

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

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

645 (5) An agency created by a city of the first or second class may use tax increment from

646 one project area in another project area to pay all or part of the value of the land for and the
647 cost of the installation and construction of a publicly or privately owned convention center or
648 sports complex or any building, facility, structure, or other improvement related to the
649 convention center or sports complex, including parking and infrastructure improvements, if:

650 (a) construction of the convention center or sports complex or related building, facility,
651 structure, or other improvement is commenced on or before [~~June 30, 2002~~] December 31,
652 2012; 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 unless the taxing entity committee adopts a resolution to waive this requirement.

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

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

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

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

670 (iii) to finance a telecommunication facility.

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

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

674 **17C-1-603. Agency report.**

675 (1) (a) [~~On~~] Unless an agency submits a report to the county auditor, the State Tax
676 Commission, the State Board of Education, and each taxing entity that levies a tax on property

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

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

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

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

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

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

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

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

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

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

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

697 (a) is for informational purposes; and

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

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

701 **17C-2-206. Amending an urban renewal project area budget.**

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

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

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

707 (b) if approval of the taxing entity committee was required for adoption of the original

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

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

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

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

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

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

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

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

728 (ii) may not contest:

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

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

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

732 **17C-2-207. Extending collection of tax increment in an urban renewal project**
733 **area budget.**

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

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

738 (i) following the project area budget amendment procedures outlined in Section

739 17C-2-206; or

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

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

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

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

747 (b) (i) hold a public hearing on the proposed extension in accordance with Subsection
748 17C-2-201(2)(d) in the same manner as required for a draft project area budget; and

749 (ii) provide notice of the hearing:

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

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

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

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

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

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

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

761 (ii) may not contest:

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

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

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

765 **17C-2-303. Conditions on board determination of blight -- Conditions of blight**
766 **caused by the developer.**

767 (1) An agency board may not make a finding of blight in a resolution under Subsection
768 17C-2-102(1)(a)(ii)(B) unless the board finds that:

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

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

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

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

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

782 (I) substantial physical dilapidation, deterioration, or defective construction of
783 buildings or infrastructure; or

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

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

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

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

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

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

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

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

800 (B) the affected parcels comprise at least 66% of the privately-owned acreage of the

801 proposed project area; or

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

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

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

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

812 Section 10. Section **17C-3-205** is amended to read:

813 **17C-3-205. Amending an economic development project area budget.**

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

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

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

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

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

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

828 (3) The public hearing required under Subsection (2)(a) shall be conducted according
829 to the procedures and requirements of Section 17C-3-201, except that if the amended project
830 area budget proposes that the agency be paid a greater proportion of tax increment from a
831 project area than was to be paid under the previous project area budget, the notice shall state

832 the percentage paid under the previous project area budget and the percentage proposed under
833 the amended project area budget.

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

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

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

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

841 (ii) may not contest:

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

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

844 Section 11. Section **17C-3-206** is enacted to read:

845 **17C-3-206. Extending collection of tax increment under an economic development**
846 **project area budget.**

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

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

851 (i) following the project area budget amendment procedures outlined in Section
852 17C-3-205; or

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

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

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

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

860 (b) (i) hold a public hearing on the proposed extension in accordance with Subsection
861 17C-2-201(2)(d) in the same manner as required for a draft project area budget; and

862 (ii) provide notice of the hearing;

863 (A) as required by Part 4, Economic Development Notice Requirements; and
864 (B) including the proposed period of extension of the project area budget; and
865 (c) after obtaining the approval of the taxing entity in accordance with Subsection
866 (3)(a), at or after the public hearing, adopt a resolution approving the extension.

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

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

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

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

874 (ii) may not contest:

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

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

877 Section 12. Section **17C-4-204** is amended to read:

878 **17C-4-204. Adoption of a budget for a community development project area plan**

879 **-- Amendment.**

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

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

884 (b) the tax increment, sales tax, and other revenue the agency anticipates receiving to
885 fund the project.

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

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

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

FISCAL NOTE

S.B. 70 1st Sub. (Green)

SHORT TITLE: Community Development and Renewal Agencies Amendments

SPONSOR: **Bramble, C.**

2011 GENERAL SESSION, STATE OF UTAH

STATE GOVERNMENT (UCA 36-12-13(2)(b))

Enactment of this bill likely will not materially impact the state budget.

LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

Enactment of this bill likely will not result in direct, measurable costs for local governments.

DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

Enactment of this bill likely will not result in direct, measurable expenditures by Utah residents or businesses.