

REDEVELOPMENT AGENCY AMENDMENTS

2012 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Todd Weiler

House Sponsor: Brad R. Wilson

LONG TITLE

General Description:

This bill amends provisions related to community development and renewal agencies.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ amends language related to a notice of an impending boundary action required when an agency is created;
- ▶ amends language related to a public entity's authority;
- ▶ amends tax increment and sales tax provisions;
- ▶ amends language related to the duties of a taxing entity committee;
- ▶ amends the definition of "local public procurement unit"; and
- ▶ makes technical corrections.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

17C-1-102, as last amended by Laws of Utah 2011, Chapter 43

17C-1-201, as last amended by Laws of Utah 2009, Chapter 350



- 28 17C-1-207, as last amended by Laws of Utah 2010, Chapter 279
- 29 17C-1-401, as last amended by Laws of Utah 2011, Chapter 43
- 30 17C-1-402, as last amended by Laws of Utah 2011, Chapter 43
- 31 17C-2-601, as enacted by Laws of Utah 2007, Chapter 379
- 32 63G-6-103, as last amended by Laws of Utah 2011, Chapter 376



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

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

36 **17C-1-102. Definitions.**

37 As used in this title:

38 (1) "Adjusted tax increment" means:

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

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

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

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

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

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

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

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

56 (6) "Base taxable value" means:

57 (a) unless otherwise designated by the taxing entity committee in accordance with
58 Subsection 17C-1-402(4)(b)(ix), for an urban renewal or economic development project area,

59 the taxable value of the property within a project area from which tax increment will be
60 collected, as shown upon the assessment roll last equalized before:

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

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

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

64 or

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

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

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

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

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

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

73 and

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

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

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

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

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

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

87 (11) "Board" means the governing body of an agency, as provided in Section
88 17C-1-203.

89 (12) "Budget hearing" means the public hearing on a draft project area budget required

90 under Subsection 17C-2-201(2)(d) for an urban renewal project area budget or Subsection
91 17C-3-201(2)(d) for an economic development project area budget.

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

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

100 (15) "Community" means a county, city, or town.

101 (16) "Community development" means development activities within a community,
102 including the encouragement, promotion, or provision of development.

103 (17) "Contest" means to file a written complaint in the district court of the county in
104 which the person filing the complaint resides.

105 ~~[(17)]~~ (18) "Economic development" means to promote the creation or retention of
106 public or private jobs within the state through:

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

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

111 ~~[(18)]~~ (19) "Fair share ratio" means the ratio derived by:

112 (a) for a city or town, comparing the percentage of all housing units within the city or
113 town that are publicly subsidized income targeted housing units to the percentage of all
114 housing units within the whole county that are publicly subsidized income targeted housing
115 units; or

116 (b) for the unincorporated part of a county, comparing the percentage of all housing
117 units within the unincorporated county that are publicly subsidized income targeted housing
118 units to the percentage of all housing units within the whole county that are publicly subsidized
119 income targeted housing units.

120 ~~[(19)]~~ (20) "Family" has the meaning as defined under regulations of the U.S.

121 Department of Housing and Urban Development, 24 C.F.R. Section 5.403, as amended or as
122 superseded by replacement regulations.

123 ~~[(20)]~~ (21) "Greenfield" means land not developed beyond agricultural or forestry use.

124 ~~[(21)]~~ (22) "Hazardous waste" means any substance defined, regulated, or listed as a
125 hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant,
126 or toxic substance, or identified as hazardous to human health or the environment, under state
127 or federal law or regulation.

128 ~~[(22)]~~ (23) "Housing funds" means the funds allocated in an urban renewal project area
129 budget under Section 17C-2-203 for the purposes provided in Subsection 17C-1-412(1).

130 ~~[(23)]~~ (24) (a) "Inactive airport site" means land that:

131 (i) consists of at least 100 acres;

132 (ii) is occupied by an airport:

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

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

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

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

137 (iii) requires remediation because:

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

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

141 (b) "Inactive airport site" includes a perimeter of up to 2,500 feet around the land
142 described in Subsection ~~[(23)]~~ (24)(a).

143 ~~[(24)]~~ (25) (a) "Inactive industrial site" means land that:

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

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

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

148 (b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land
149 described in Subsection ~~[(24)]~~ (25)(a).

150 ~~[(25)]~~ (26) "Income targeted housing" means housing to be owned or occupied by a
151 family whose annual income is at or below 80% of the median annual income for the county in

152 which the housing is located.

153 ~~[(26)]~~ (27) "Incremental value" means a figure derived by multiplying the marginal
154 value of the property located within an urban renewal project area on which tax increment is
155 collected by a number that represents the percentage of adjusted tax increment from that project
156 area that is paid to the agency.

157 ~~[(27)]~~ (28) "Loan fund board" means the Olene Walker Housing Loan Fund Board,
158 established under Title 9, Chapter 4, Part 7, Olene Walker Housing Loan Fund.

159 ~~[(28)]~~ (29) "Marginal value" means the difference between actual taxable value and
160 base taxable value.

161 ~~[(29)]~~ (30) "Military installation project area" means a project area or a portion of a
162 project area located within a federal military installation ordered closed by the federal Defense
163 Base Realignment and Closure Commission.

164 ~~[(30)]~~ (31) (a) "Municipal building" means a building owned and operated by a
165 municipality for the purpose of providing one or more primary municipal functions, including:

- 166 (i) a fire station;
- 167 (ii) a police station;
- 168 (iii) a city hall; or
- 169 (iv) a court or other judicial building.

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

172 ~~[(31)]~~ (32) "Plan hearing" means the public hearing on a draft project area plan
173 required under Subsection 17C-2-102(1)(a)(vi) for an urban renewal project area plan,
174 Subsection 17C-3-102(1)(d) for an economic development project area plan, and Subsection
175 17C-4-102(1)(d) for a community development project area plan.

176 ~~[(32)]~~ (33) "Post-June 30, 1993, project area plan" means a project area plan adopted
177 on or after July 1, 1993, whether or not amended subsequent to its adoption.

178 ~~[(33)]~~ (34) "Pre-July 1, 1993, project area plan" means a project area plan adopted
179 before July 1, 1993, whether or not amended subsequent to its adoption.

180 ~~[(34)]~~ (35) "Private," with respect to real property, means:

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

183 (b) not dedicated to public use.

184 [~~(35)~~] (36) "Project area" means the geographic area described in a project area plan or
185 draft project area plan where the urban renewal, economic development, or community
186 development, as the case may be, set forth in the project area plan or draft project area plan
187 takes place or is proposed to take place.

188 [~~(36)~~] (37) "Project area budget" means a multiyear projection of annual or cumulative
189 revenues and expenses and other fiscal matters pertaining to a urban renewal or economic
190 development project area that includes:

- 191 (a) the base taxable value of property in the project area;
- 192 (b) the projected tax increment expected to be generated within the project area;
- 193 (c) the amount of tax increment expected to be shared with other taxing entities;
- 194 (d) the amount of tax increment expected to be used to implement the project area plan,
195 including the estimated amount of tax increment to be used for land acquisition, public
196 improvements, infrastructure improvements, and loans, grants, or other incentives to private
197 and public entities;

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

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

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

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

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

208 (h) (i) for an urban renewal project area, the information required under Subsection
209 17C-2-201(1)(b); and

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

212 [~~(37)~~] (38) "Project area plan" means a written plan under Chapter 2, Part 1, Urban
213 Renewal Project Area Plan, Chapter 3, Part 1, Economic Development Project Area Plan, or

214 Chapter 4, Part 1, Community Development Project Area Plan, as the case may be, that, after
215 its effective date, guides and controls the urban renewal, economic development, or community
216 development activities within a project area.

217 ~~[(38)]~~ (39) "Property tax" includes privilege tax and each levy on an ad valorem basis
218 on tangible or intangible personal or real property.

219 ~~[(39)]~~ (40) "Public entity" means:

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

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

223 ~~[(40)]~~ (41) "Publicly owned infrastructure and improvements" means water, sewer,
224 storm drainage, electrical, and other similar systems and lines, streets, roads, curb, gutter,
225 sidewalk, walkways, parking facilities, public transportation facilities, and other facilities,
226 infrastructure, and improvements benefitting the public and to be publicly owned or publicly
227 maintained or operated.

228 ~~[(41)]~~ (42) "Record property owner" or "record owner of property" means the owner of
229 real property as shown on the records of the recorder of the county in which the property is
230 located and includes a purchaser under a real estate contract if the contract is recorded in the
231 office of the recorder of the county in which the property is located or the purchaser gives
232 written notice of the real estate contract to the agency.

233 ~~[(42)]~~ (43) "Superfund site":

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

236 (b) includes an area formerly included in the National Priorities List, as described in
237 Subsection ~~[(42)]~~ (43)(a), but removed from the list following remediation that leaves on site
238 the waste that caused the area to be included in the National Priorities List.

239 ~~[(43)]~~ (44) "Survey area" means an area designated by a survey area resolution for
240 study to determine whether one or more urban renewal projects within the area are feasible.

241 ~~[(44)]~~ (45) "Survey area resolution" means a resolution adopted by the agency board
242 under Subsection 17C-2-101(1)(a) designating a survey area.

243 ~~[(45)]~~ (46) "Taxable value" means the value of property as shown on the last equalized
244 assessment roll as certified by the county assessor.

245 ~~[(46)]~~ (47) (a) "Tax increment" means, except as provided in Subsection ~~[(46)]~~ (47)(b),
246 the difference between:

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

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

252 (b) "Tax increment" does not include taxes levied and collected under Section
253 59-2-1602 on or after January 1, 1994, upon the taxable property in the project area unless:

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

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

258 ~~[(47)]~~ (48) "Taxing entity" means a public entity that levies a tax on a parcel or parcels
259 of property located within a community.

260 ~~[(48)]~~ (49) "Taxing entity committee" means a committee representing the interests of
261 taxing entities, created as provided in Section 17C-1-402.

262 ~~[(49)]~~ (50) "Unincorporated" means not within a city or town.

263 ~~[(50)]~~ (51) (a) "Urban renewal" means the development activities under a project area
264 plan within an urban renewal project area, including:

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

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

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

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

273 (v) providing public or private buildings, infrastructure, structures, and improvements;
274 and

275 (vi) providing improvements of public or private recreation areas and other public

276 grounds.

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

279 Section 2. Section **17C-1-201** is amended to read:

280 **17C-1-201. Creation of agency -- Name change.**

281 (1) A community may, by ordinance adopted by its legislative body, approve the
282 creation of a community development and renewal agency.

283 (2) (a) The community legislative body shall:

284 (i) [~~within 10 days~~] after adopting an ordinance under Subsection (1), file with the
285 lieutenant governor[~~:(A)~~] a copy of a notice, subject to Subsection (2)(b), of an impending
286 boundary action, as defined in Section 67-1a-6.5, that meets the requirements of Subsection
287 67-1a-6.5(3); and

288 [~~(B) a copy of an approved final local entity plat, as defined in Section 67-1a-6.5; and]~~

289 (ii) upon the lieutenant governor's issuance of a certificate of creation under Section
290 67-1a-6.5, submit to the recorder of the county in which the agency is located:

291 (A) the original notice of an impending boundary action;

292 (B) the original certificate of creation; and

293 [~~(C) the original approved final local entity plat; and]~~

294 [~~(D)~~] (C) a certified copy of the ordinance approving the creation of the community
295 development and renewal agency.

296 (b) The notice required under Subsection (2)(a)(i) shall state that the agency's
297 boundaries are, and shall always be, coterminous with the boundaries of the community that
298 created the agency.

299 [~~(b)~~] (c) Upon the lieutenant governor's issuance of the certificate of creation under
300 Section 67-1a-6.5, the agency is created and incorporated.

301 [~~(c)~~] (d) Until the documents listed in Subsection (2)(a)(ii) are recorded in the office of
302 the recorder of the county in which the property is located, an agency may not receive or spend
303 tax increment funds.

304 (3) (a) An agency may approve a change in its name, whether to indicate it is a
305 community development and renewal agency or otherwise, by:

306 (i) adopting a resolution approving a name change; and

307 (ii) filing with the lieutenant governor a copy of a notice of an impending name
308 change, as defined in Section 67-1a-6.7, that meets the requirements of Subsection
309 67-1a-6.7(3).

310 (b) (i) Upon the lieutenant governor's issuance of a certificate of name change under
311 Section 67-1a-6.7, the agency shall file with the recorder of the county in which the agency is
312 located:

- 313 (A) the original notice of an impending name change;
- 314 (B) the original certificate of name change; and
- 315 (C) a certified copy of the resolution approving a name change.

316 (ii) Until the documents listed in Subsection (3)(b)(i) are recorded in the office of the
317 county recorder, the agency may not operate under the new name.

318 Section 3. Section **17C-1-207** is amended to read:

319 **17C-1-207. Public entities may assist with urban renewal, economic development,**
320 **or community development project.**

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

- 324 (a) (i) provide or cause to be furnished:
 - 325 (A) parks, playgrounds, or other recreational facilities;
 - 326 (B) community, educational, water, sewer, or drainage facilities; or
 - 327 (C) any other works which the public entity is otherwise empowered to undertake;
- 328 (ii) provide, furnish, dedicate, close, vacate, pave, install, grade, regrade, plan, or
329 replan streets, roads, roadways, alleys, sidewalks, or other places;

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

- 331 (A) (I) plan or replan any property within the project area;
- 332 (II) plat or replat any property within the project area;
- 333 (III) vacate a plat;
- 334 (IV) amend a plat; or
- 335 (V) zone or rezone any property within the project area; and
- 336 (B) make any legal exceptions from building regulations and ordinances;
- 337 (iv) purchase or legally invest in any of the bonds of an agency and exercise all of the

338 rights of any holder of the bonds;

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

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

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

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

348 (b) 15 days after posting public notice:

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

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

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

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

357 Section 4. Section **17C-1-401** is amended to read:

358 **17C-1-401. Agency receipt and use of tax increment and sales tax -- Distribution**
359 **of tax increment and sales tax.**

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

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

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

366 (ii) for a post-June 30, 1993, urban renewal or economic development project area
367 plan[;];

368 (A) with respect to tax increment, from the first tax year for which the agency receives

369 tax increment under the project area budget; or

370 (B) with respect to sales tax, as indicated in the resolution or interlocal agreement of a
 371 taxing entity that establishes the agency's right to receive sales tax; or

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

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

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

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

382 **§→ [(3) ~~With respect to a community development project area plan:~~**

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

386 ~~—— (b) the resolution or interlocal agreement authorizing the agency to be paid tax~~
 387 ~~increment or sales tax shall specify:~~

388 ~~—— (i) the base taxable value of the project area; and~~

389 ~~—— (ii) the method of calculating the amount of tax increment or sales tax to be paid to the~~
 390 ~~agency.] (3) A community development project area or an economic development project area~~

390a may:

390b (a) include and collect tax increment and sales tax from an area within an
 390c existing urban renewal project; and

390d (b)(i) for a community development project area, an agency may, in accordance
 390e with Section 17C-4-201, negotiate to receive and use a taxing entity's or public entity's tax
 390f increment and sales tax revenues with respect to the community development area or related
 390g urban renewal project area or both; or

390h (ii) for an economic development project area, an agency may receive and use
 390i tax increment from the economic development project area or a portion of an urban renewal
 390j project area tax increment or both by including the tax increment in the agency's project area
 390k budget as provided in Section 17C-3-201. ←§

391 (4) With the written consent of a taxing entity, an agency may be paid tax increment,
 392 from that taxing entity's tax revenues only, in a higher percentage or for a longer period of time,

393 or both, than otherwise authorized under this title.

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

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

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

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

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

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

403 (iii) a resolution or interlocal agreement entered into under Section 17C-2-207,
404 17C-3-206, 17C-4-201, or 17C-4-202.

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

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

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

409 Section 5. Section **17C-1-402** is amended to read:

410 **17C-1-402. Taxing entity committee.**

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

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

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

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

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

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

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

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

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

429 (B) If the agency boundaries include more than one school district, those school
430 districts shall jointly appoint the two school district representatives under Subsection

431 (2)(a)(i)(A).

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

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

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

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

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

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

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

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

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

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

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

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

457 (i) an urban renewal project area; or

458 (ii) an economic development project area.

459 (b) A taxing entity committee may:

460 (i) cast votes that will be binding on all taxing entities;

461 (ii) negotiate with the agency concerning a draft project area plan;

- 462 (iii) approve or disapprove:
- 463 (A) an urban renewal project area budget as provided in Section 17C-2-204; or
- 464 (B) an economic development project area budget as provided in Section 17C-3-203;
- 465 (iv) approve or disapprove amendments to a project area budget as provided in:
- 466 (A) Section 17C-2-206 for an urban renewal project area budget; or
- 467 (B) Section 17C-3-205 for an economic development project area budget;
- 468 (v) approve exceptions to the limits on the value and size of a project area imposed
- 469 under this title;
- 470 (vi) approve exceptions to the percentage of tax increment and the period of time that
- 471 tax increment is paid to the agency as provided in this title;
- 472 (vii) approve the use of tax increment for publicly owned infrastructure and
- 473 improvements outside of an urban renewal or economic development project area that the
- 474 agency and community legislative body determine to be of benefit to the urban renewal or
- 475 economic development project area, as provided in Subsection 17C-1-409(1)(a)(iii)(D);
- 476 (viii) waive the restrictions imposed by Subsection 17C-2-202(1); [~~and~~]
- 477 (ix) designate in an approved urban renewal or economic development project area
- 478 budget the base taxable value for that project area budget; and
- 479 [~~(ix)~~] (x) give other taxing entity committee approval or consent required or allowed
- 480 under this title.
- 481 (5) A quorum of a taxing entity committee consists of:
- 482 (a) if the project area is located within a city or town, five members; or
- 483 (b) if the project area is not located within a city or town, four members.
- 484 (6) Taxing entity committee approval, consent, or other action requires:
- 485 (a) the affirmative vote of a majority of all members present at a taxing entity
- 486 committee meeting:
- 487 (i) at which a quorum is present; and
- 488 (ii) considering an action relating to a project area budget for, or approval of a finding
- 489 of blight within, a project area or proposed project area that contains:
- 490 (A) an inactive industrial site;
- 491 (B) an inactive airport site; or
- 492 (C) a closed military base; or

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

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

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

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

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

502 (A) the project area plan or proposed plan;

503 (B) the project area budget or proposed budget;

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

505 (D) the blight study;

506 (E) the agency's resolution making a finding of blight under Subsection

507 17C-2-102(1)(a) (ii)(B); and

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

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

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

513 (8) (a) A taxing entity committee may not vote on a proposed project area budget or
514 proposed amendment to a project area budget at the first meeting at which the proposed budget
515 or amendment is considered unless all members of the taxing entity committee present at the
516 meeting consent.

517 (b) A second taxing entity committee meeting to consider a project area budget or a
518 proposed amendment to a project area budget may not be held within 14 days after the first
519 meeting unless all members of the taxing entity committee present at the first meeting consent.

520 (9) (a) Except as provided in Subsection (9)(b), each taxing entity committee shall
521 meet at least annually during the time that the agency receives tax increment under an urban
522 renewal or economic development project area budget in order to review the status of the
523 project area.

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

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

530 (A) the base year assessed value;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

550 (D) a ~~[schedule]~~ description of private and public investment within the project area;

551 ~~[and]~~

552 (v) an estimate of the tax increment to be paid to the agency for the calendar years
553 ending December 31 and beginning the next January 1; and

554 ~~[and]~~ (vi) any other project highlights included by the agency.

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

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

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

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

568 (ii) the assessed value.

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

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

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

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

578 (i) at least annually; and

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

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

584 (14) A taxing entity committee resolution, whether adopted before, on, or after May 10,
585 2011, approving a blight finding, approving a project area budget, or approving an amendment

586 to a project area budget:

587 (a) is final; and

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

590 Section 6. Section 17C-2-601 is amended to read:

591 **17C-2-601. Use of eminent domain in an urban renewal project area --**

592 **Conditions -- Acquiring single family owner occupied residential property or commercial**
593 **property -- Acquiring property already devoted to a public use -- Relocation assistance**
594 **requirement.**

595 (1) Subject to Section 17C-2-602, an agency may use eminent domain to acquire
596 property:

597 (a) within an urban renewal project area if:

598 (i) the agency board makes a finding of blight under Part 3, Blight Determination in
599 Urban Renewal Project Areas;

600 (ii) the urban renewal project area plan provides for the use of eminent domain; and

601 (iii) the agency commences the acquisition of the property within five years after the
602 effective date of the urban renewal project area plan; or

603 (b) within a project area established after December 31, 2001 but before April 30, 2007
604 if:

605 (i) the agency board made a finding of blight with respect to the project area as
606 provided under the law in effect at the time of the finding;

607 (ii) the project area plan provides for the use of eminent domain; and

608 (iii) the agency commences the acquisition of the property before January 1, 2010.

609 (2) (a) As used in this Subsection (2):

610 (i) "Commercial property" means a property used, in whole or in part, by the owner or
611 possessor of the property for a commercial, industrial, retail, or other business purpose,
612 regardless of the identity of the property owner.

613 [(†)] (ii) "Owner occupied property" means private real property:

614 (A) whose use is single-family residential or commercial; and

615 (B) that is occupied by the owner of the property.

616 [(†)] (iii) "Relevant area" means:

617 (A) except as provided in Subsection (2)(a)~~(ii)~~(iii)(B), the project area; or

618 (B) the area included within a phase of a project under a project area plan if the phase
619 and the area included within the phase are described in the project area plan.

620 (b) For purposes of each provision of this Subsection (2) relating to the submission of a
621 petition by the owners of property, a parcel of real property is included in the calculation of the
622 applicable percentage if the petition is signed by:

623 (i) except as provided in Subsection (2)(b)(ii), owners representing a majority
624 ownership interest in that parcel; or

625 (ii) if the parcel is owned by joint tenants or tenants by the entirety, 50% of the number
626 of owners of that parcel.

627 (c) An agency may not acquire by eminent domain single-family residential owner
628 occupied property unless:

629 (i) the owner consents; or

630 (ii) (A) a written petition requesting the agency to use eminent domain to acquire the
631 property is submitted by the owners of at least 80% of the owner occupied property within the
632 relevant area representing at least 70% of the value of owner occupied property within the
633 relevant area; and

634 (B) 2/3 of all agency board members vote in favor of using eminent domain to acquire
635 the property.

636 (d) An agency may not acquire commercial property by eminent domain unless:

637 (i) the owner consents; or

638 (ii) (A) a written petition requesting the agency to use eminent domain to acquire the
639 property is submitted by the owners of at least 75% of the commercial property within the
640 relevant area representing at least 60% of the value of commercial property within the relevant
641 area; and

642 (B) 2/3 of all agency board members vote in favor of using eminent domain to acquire
643 the property.

644 (3) An agency may not acquire any real property on which an existing building is to be
645 continued on its present site and in its present form and use unless:

646 (a) the owner consents; or

647 (b) (i) the building requires structural alteration, improvement, modernization, or

648 rehabilitation;

649 (ii) the site or lot on which the building is situated requires modification in size, shape,

650 or use; or

651 (iii) (A) it is necessary to impose upon the property any of the standards, restrictions,

652 and controls of the project area plan; and

653 (B) the owner fails or refuses to agree to participate in the project area plan.

654 (4) (a) Subject to Subsection (4)(b), an agency may acquire by eminent domain

655 property that is already devoted to a public use and located in:

656 (i) an urban renewal project area; or

657 (ii) a project area described in Subsection (1)(b).

658 (b) An agency may not acquire property of a public entity under Subsection (4)(a)

659 without the public entity's consent.

660 (5) Each agency that acquires property by eminent domain shall comply with Title 57,

661 Chapter 12, Utah Relocation Assistance Act.

662 Section 7. Section **63G-6-103** is amended to read:

663 **63G-6-103. Definitions.**

664 As used in this chapter:

- 665 (1) "Architect-engineer services" are those professional services within the scope of the
- 666 practice of architecture as defined in Section 58-3a-102, or professional engineering as defined
- 667 in Section 58-22-102.
- 668 (2) "Business" means any corporation, partnership, individual, sole proprietorship,
- 669 joint stock company, joint venture, or any other private legal entity.
- 670 (3) "Change order" means a written order signed by the procurement officer, directing
- 671 the contractor to suspend work or make changes, which the appropriate clauses of the contract
- 672 authorize the procurement officer to order without the consent of the contractor or any written
- 673 alteration in specifications, delivery point, rate of delivery, period of performance, price,
- 674 quantity, or other provisions of any contract accomplished by mutual action of the parties to the
- 675 contract.
- 676 (4) (a) "Construction" means the process of building, renovation, alteration,
- 677 improvement, or repair of any public building or public work.
- 678 (b) "Construction" does not mean the routine operation, routine repair, or routine

679 maintenance of existing structures, buildings, or real property.

680 (5) (a) "Construction Manager/General Contractor" means any contractor who enters
681 into a contract for the management of a construction project when that contract allows the
682 contractor to subcontract for additional labor and materials that were not included in the
683 contractor's cost proposal submitted at the time of the procurement of the Construction
684 Manager/General Contractor's services.

685 (b) "Construction Manager/General Contractor" does not mean a contractor whose only
686 subcontract work not included in the contractor's cost proposal submitted as part of the
687 procurement of construction is to meet subcontracted portions of change orders approved
688 within the scope of the project.

689 (6) "Contract" means any state agreement for the procurement or disposal of supplies,
690 services, or construction.

691 (7) "Cooperative purchasing" means procurement conducted by, or on behalf of, more
692 than one public procurement unit, or by a public procurement unit with an external
693 procurement unit.

694 (8) "Cost-reimbursement contract" means a contract under which a contractor is
695 reimbursed for costs which are allowed and allocated in accordance with the contract terms and
696 the provisions of this chapter, and a fee, if any.

697 (9) (a) "Design-build" means the procurement of architect-engineer services and
698 construction by the use of a single contract with the design-build provider.

699 (b) This method of design and construction can include the design-build provider
700 supplying the site as part of the contract.

701 (10) "Established catalogue price" means the price included in a catalogue, price list,
702 schedule, or other form that:

703 (a) is regularly maintained by a manufacturer or contractor;

704 (b) is either published or otherwise available for inspection by customers; and

705 (c) states prices at which sales are currently or were last made to a significant number
706 of any category of buyers or buyers constituting the general buying public for the supplies or
707 services involved.

708 (11) "External procurement unit" means any buying organization not located in this
709 state which, if located in this state, would qualify as a public procurement unit. An agency of

710 the United States is an external procurement unit.

711 (12) "Grant" means the furnishing by the state or by any other public or private source
712 assistance, whether financial or otherwise, to any person to support a program authorized by
713 law. It does not include an award whose primary purpose is to procure an end product, whether
714 in the form of supplies, services, or construction. A contract resulting from the award is not a
715 grant but a procurement contract.

716 (13) "Invitation for bids" means all documents, whether attached or incorporated by
717 reference, utilized for soliciting bids.

718 (14) "Local public procurement unit" means any political subdivision or institution of
719 higher education of the state or public agency of any subdivision, public authority, educational,
720 health, or other institution, and to the extent provided by law, any other entity which expends
721 public funds for the procurement of supplies, services, and construction, but not counties,
722 municipalities, an agency created under Title 17C, Limited Purpose Local Government Entities
723 - Community Development and Renewal Agencies Act, political subdivisions created by
724 counties or municipalities under the Interlocal Cooperation Act, the Utah Housing Corporation,
725 or the Legislature and its staff offices. It includes two or more local public procurement units
726 acting under legislation which authorizes intergovernmental cooperation.

727 (15) "Person" means any business, individual, union, committee, club, other
728 organization, or group of individuals, not including a state agency or a local public
729 procurement unit.

730 (16) "Policy board" means the procurement policy board created by Section
731 63G-6-201.

732 (17) "Preferred bidder" means a bidder that is entitled to receive a reciprocal preference
733 under the requirements of this chapter.

734 (18) "Procurement" means buying, purchasing, renting, leasing, leasing with an option
735 to purchase, or otherwise acquiring any supplies, services, or construction. It also includes all
736 functions that pertain to the obtaining of any supply, service, or construction, including
737 description of requirements, selection, and solicitation of sources, preparation, and award of a
738 contract, and all phases of contract administration.

739 (19) "Procurement officer" means any person or board duly authorized to enter into and
740 administer contracts and make written determinations with respect thereto. It also includes an

741 authorized representative acting within the limits of authority.

742 (20) "Public procurement unit" means either a local public procurement unit or a state
743 public procurement unit.

744 (21) "Purchase description" means the words used in a solicitation to describe the
745 supplies, services, or construction to be purchased, and includes specifications attached to or
746 made a part of the solicitation.

747 (22) "Purchasing agency" means any state agency other than the Division of Purchasing
748 and General Services that is authorized by this chapter or its implementing regulations, or by
749 delegation from the chief procurement officer, to enter into contracts.

750 (23) "Request for proposals" means all documents, whether attached or incorporated by
751 reference, used for soliciting proposals.

752 (24) "Responsible bidder or offeror" means a person who has the capability in all
753 respects to perform fully the contract requirements and who has the integrity and reliability
754 which will assure good faith performance.

755 (25) "Responsive bidder" means a person who has submitted a bid which conforms in
756 all material respects to the invitation for bids.

757 (26) "Sealed" does not preclude acceptance of electronically sealed and submitted bids
758 or proposals in addition to bids or proposals manually sealed and submitted.

759 (27) "Services" means the furnishing of labor, time, or effort by a contractor, not
760 involving the delivery of a specific end product other than reports which are merely incidental
761 to the required performance. It does not include employment agreements or collective
762 bargaining agreements.

763 (28) "Specification" means any description of the physical or functional characteristics,
764 or of the nature of a supply, service, technology, or construction item. It may include a
765 description of any requirement for inspecting, testing, or preparing a supply, service,
766 technology, or construction item for delivery.

767 (29) "State agency" or "the state" means any department, division, commission,
768 council, board, bureau, committee, institution, government corporation, or other establishment,
769 official, or employee of this state.

770 (30) "State public procurement unit" means the Division of Purchasing and General
771 Services and any other purchasing agency of this state.

772 (31) "Supplies" means all property, including equipment, materials, and printing.

773 (32) "Using agency" means any state agency which utilizes any supplies, services, or

774 construction procured under this chapter.

Legislative Review Note

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