

**Senator Todd Weiler** proposes the following substitute bill:

**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:**

This bill coordinates with S.B. 153, Procurement Amendments, by providing substantive and technical amendments.

**Utah Code Sections Affected:**



26 AMENDS:

27 17C-1-102, as last amended by Laws of Utah 2011, Chapter 43

28 17C-1-201, as last amended by Laws of Utah 2009, Chapter 350

29 17C-1-207, as last amended by Laws of Utah 2010, Chapter 279

30 17C-1-401, as last amended by Laws of Utah 2011, Chapter 43

31 17C-1-402, as last amended by Laws of Utah 2011, Chapter 43

32 17C-2-601, as enacted by Laws of Utah 2007, Chapter 379

33 63G-6-103, as last amended by Laws of Utah 2011, Chapter 376

34 **Utah Code Sections Affected by Coordination Clause:**

35 63G-6a-104, Utah Code Annotated 1953



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

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

39 **17C-1-102. Definitions.**

40 As used in this title:

41 (1) "Adjusted tax increment" means:

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

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

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

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

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

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

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

56 Department of Housing and Urban Development, 24 C.F.R. Sec. 5.609, as amended or as

57 superseded by replacement regulations.

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

59 (6) "Base taxable value" means:

60 (a) unless otherwise designated by the taxing entity committee in accordance with  
61 Subsection 17C-1-402(4)(b)(ix), for an urban renewal or economic development project area,  
62 the taxable value of the property within a project area from which tax increment will be  
63 collected, as shown upon the assessment roll last equalized before:

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

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

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

67 or

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

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

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

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

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

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

76 and

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

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

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

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

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

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

90 (11) "Board" means the governing body of an agency, as provided in Section  
91 17C-1-203.

92 (12) "Budget hearing" means the public hearing on a draft project area budget required  
93 under Subsection 17C-2-201(2)(d) for an urban renewal project area budget or Subsection  
94 17C-3-201(2)(d) for an economic development project area budget.

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

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

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

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

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

108 [~~17~~] (18) "Economic development" means to promote the creation or retention of  
109 public or private jobs within the state through:

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

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

114 [~~18~~] (19) "Fair share ratio" means the ratio derived by:

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

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

123 [~~(19)~~] (20) "Family" has the meaning as defined under regulations of the U.S.  
124 Department of Housing and Urban Development, 24 C.F.R. Section 5.403, as amended or as  
125 superseded by replacement regulations.

126 [~~(20)~~] (21) "Greenfield" means land not developed beyond agricultural or forestry use.

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

131 [~~(22)~~] (23) "Housing funds" means the funds allocated in an urban renewal project area  
132 budget under Section 17C-2-203 for the purposes provided in Subsection 17C-1-412(1).

133 [~~(23)~~] (24) (a) "Inactive airport site" means land that:

134 (i) consists of at least 100 acres;

135 (ii) is occupied by an airport:

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

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

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

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

140 (iii) requires remediation because:

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

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

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

146 [~~(24)~~] (25) (a) "Inactive industrial site" means land that:

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

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

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

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

153 [~~(25)~~] (26) "Income targeted housing" means housing to be owned or occupied by a  
154 family whose annual income is at or below 80% of the median annual income for the county in  
155 which the housing is located.

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

160 [~~(27)~~] (28) "Loan fund board" means the Olene Walker Housing Loan Fund Board,  
161 established under Title 9, Chapter 4, Part 7, Olene Walker Housing Loan Fund.

162 [~~(28)~~] (29) "Marginal value" means the difference between actual taxable value and  
163 base taxable value.

164 [~~(29)~~] (30) "Military installation project area" means a project area or a portion of a  
165 project area located within a federal military installation ordered closed by the federal Defense  
166 Base Realignment and Closure Commission.

167 [~~(30)~~] (31) (a) "Municipal building" means a building owned and operated by a  
168 municipality for the purpose of providing one or more primary municipal functions, including:

- 169 (i) a fire station;
- 170 (ii) a police station;
- 171 (iii) a city hall; or
- 172 (iv) a court or other judicial building.

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

175 [~~(31)~~] (32) "Plan hearing" means the public hearing on a draft project area plan  
176 required under Subsection 17C-2-102(1)(a)(vi) for an urban renewal project area plan,  
177 Subsection 17C-3-102(1)(d) for an economic development project area plan, and Subsection  
178 17C-4-102(1)(d) for a community development project area plan.

179 [~~(32)~~] (33) "Post-June 30, 1993, project area plan" means a project area plan adopted  
180 on or after July 1, 1993, whether or not amended subsequent to its adoption.

181            [~~(33)~~] (34) "Pre-July 1, 1993, project area plan" means a project area plan adopted  
182 before July 1, 1993, whether or not amended subsequent to its adoption.

183            [~~(34)~~] (35) "Private," with respect to real property, means:

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

186            (b) not dedicated to public use.

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

191            [~~(36)~~] (37) "Project area budget" means a multiyear projection of annual or cumulative  
192 revenues and expenses and other fiscal matters pertaining to a urban renewal or economic  
193 development project area that includes:

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

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

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

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

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

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

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

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

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

211            (h) (i) for an urban renewal project area, the information required under Subsection

212 17C-2-201(1)(b); and

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

215 [~~37~~] (38) "Project area plan" means a written plan under Chapter 2, Part 1, Urban  
216 Renewal Project Area Plan, Chapter 3, Part 1, Economic Development Project Area Plan, or  
217 Chapter 4, Part 1, Community Development Project Area Plan, as the case may be, that, after  
218 its effective date, guides and controls the urban renewal, economic development, or community  
219 development activities within a project area.

220 [~~38~~] (39) "Property tax" includes privilege tax and each levy on an ad valorem basis  
221 on tangible or intangible personal or real property.

222 [~~39~~] (40) "Public entity" means:

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

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

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

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

236 [~~42~~] (43) "Superfund site":

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

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

242 [~~43~~] (44) "Survey area" means an area designated by a survey area resolution for



243 study to determine whether one or more urban renewal projects within the area are feasible.

244 [~~(44)~~] (45) "Survey area resolution" means a resolution adopted by the agency board  
245 under Subsection 17C-2-101(1)(a) designating a survey area.

246 [~~(45)~~] (46) "Taxable value" means the value of property as shown on the last equalized  
247 assessment roll as certified by the county assessor.

248 [~~(46)~~] (47) (a) "Tax increment" means, except as provided in Subsection [~~(46)~~] (47)(b),  
249 the difference between:

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

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

255 (b) "Tax increment" does not include taxes levied and collected under Section  
256 59-2-1602 on or after January 1, 1994, upon the taxable property in the project area unless:

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

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

261 [~~(47)~~] (48) "Taxing entity" means a public entity that levies a tax on a parcel or parcels  
262 of property located within a community.

263 [~~(48)~~] (49) "Taxing entity committee" means a committee representing the interests of  
264 taxing entities, created as provided in Section 17C-1-402.

265 [~~(49)~~] (50) "Unincorporated" means not within a city or town.

266 [~~(50)~~] (51) (a) "Urban renewal" means the development activities under a project area  
267 plan within an urban renewal project area, including:

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

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

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

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

276 (v) providing public or private buildings, infrastructure, structures, and improvements;  
277 and

278 (vi) providing improvements of public or private recreation areas and other public  
279 grounds.

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

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

283 **17C-1-201. Creation of agency -- Name change.**

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

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

287 (i) [~~within 10 days~~] after adopting an ordinance under Subsection (1), file with the  
288 lieutenant governor[~~-(A)~~] a copy of a notice, subject to Subsection (2)(b), of an impending  
289 boundary action, as defined in Section 67-1a-6.5, that meets the requirements of Subsection  
290 67-1a-6.5(3); and

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

292 (ii) upon the lieutenant governor's issuance of a certificate of creation under Section  
293 67-1a-6.5, submit to the recorder of the county in which the agency is located:

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

295 (B) the original certificate of creation; and

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

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

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

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

304 [~~(c)~~] (d) Until the documents listed in Subsection (2)(a)(ii) are recorded in the office of

305 the recorder of the county in which the property is located, an agency may not receive or spend  
306 tax increment funds.

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

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

310 (ii) filing with the lieutenant governor a copy of a notice of an impending name  
311 change, as defined in Section 67-1a-6.7, that meets the requirements of Subsection  
312 67-1a-6.7(3).

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

316 (A) the original notice of an impending name change;

317 (B) the original certificate of name change; and

318 (C) a certified copy of the resolution approving a name change.

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

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

322 **17C-1-207. Public entities may assist with urban renewal, economic development,**  
323 **or community development project.**

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

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

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

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

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

331 (ii) provide, furnish, dedicate, close, vacate, pave, install, grade, regrade, plan, or  
332 replan streets, roads, roadways, alleys, sidewalks, or other places;

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

334 (A) (I) plan or replan any property within the project area;

335 (II) plat or replat any property within the project area;

- 336 (III) vacate a plat;
- 337 (IV) amend a plat; or
- 338 (V) zone or rezone any property within the project area; and
- 339 (B) make any legal exceptions from building regulations and ordinances;
- 340 (iv) purchase or legally invest in any of the bonds of an agency and exercise all of the
- 341 rights of any holder of the bonds;
- 342 (v) enter into an agreement with another public entity concerning action to be taken
- 343 pursuant to any of the powers granted in this title;
- 344 (vi) do any and all things necessary to aid or cooperate in the planning or carrying out
- 345 of the urban renewal, economic development, or community development;
- 346 (vii) in connection with the project area plan, become obligated to the extent
- 347 authorized and funds have been made available to make required improvements or construct
- 348 required structures; and
- 349 (viii) lend, grant, or contribute funds to an agency for an urban renewal, economic
- 350 development, or community development project; and
- 351 (b) 15 days after posting public notice:
- 352 (i) purchase or otherwise acquire property or lease property from an agency; or
- 353 (ii) sell, grant, convey, or otherwise dispose of the public entity's property or lease the
- 354 public entity's property to an agency.
- 355 (2) Notwithstanding any law to the contrary, an agreement under Subsection (1)(a)(v)
- 356 may extend over any period.
- 357 (3) A grant or contribution of funds from a public entity to an agency, or from an
- 358 agency under a project area plan or project area budget, is not subject to the requirements of
- 359 Section 10-8-2.

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

361 **17C-1-401. Agency receipt and use of tax increment and sales tax -- Distribution**  
362 **of tax increment and sales tax.**

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

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

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

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

371 (A) with respect to tax increment, from the first tax year for which the agency receives  
372 tax increment under the project area budget; or

373 (B) with respect to sales tax, as indicated in the interlocal agreement between the  
374 agency and the taxing entity that established the agency's right to receive sales tax; or

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

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

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

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

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

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

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

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

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

394 (4) (a) (i) The boundaries of one project area may overlap and include the boundaries  
395 of an existing project area.

396 (ii) If a taxing entity committee is required to approve the project area budget of an  
397 overlapping project area described in Subsection (4)(a)(i), the agency shall, before the first

398 meeting of the taxing entity committee at which the project area budget will be considered,  
399 inform each taxing entity of the location of the overlapping boundaries.

400 (b) (i) Before an agency may collect tax increment from the newly created overlapping  
401 portion of a project area, the agency shall inform the county auditor regarding the respective  
402 amount of tax increment that the agency is authorized to receive from the overlapping portion  
403 of each of the project areas.

404 (ii) The combined amount of tax increment described in Subsection (4)(b)(i) may not  
405 exceed 100% of the tax increment generated from a property located within the overlapping  
406 boundaries.

407 (c) Nothing in this Subsection (4) shall give an agency a right to collect or receive tax  
408 increment or sales tax that an agency is not otherwise entitled to collect under this title.

409 (d) The collection of tax increment or sales tax from an overlapping project area  
410 described in Subsection (4)(a) does not affect in any way an agency's use of tax increment or  
411 sales tax within the other overlapping project area.

412 [~~4~~] (5) With the written consent of a taxing entity, an agency may be paid tax  
413 increment, from that taxing entity's tax revenues only, in a higher percentage or for a longer  
414 period of time, or both, than otherwise authorized under this title.

415 [~~5~~] (6) (a) Subject to Section 17C-1-407, an agency is entitled to receive tax  
416 increment as authorized by:

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

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

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

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

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

424 (iii) a resolution or interlocal agreement entered into under Section 17C-2-207,  
425 17C-3-206, 17C-4-201, or 17C-4-202.

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

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

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

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

431 **17C-1-402. Taxing entity committee.**

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

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

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

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

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

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

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

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

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

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

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

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

459 (c) (i) A taxing entity committee representative may be appointed for a set term or

460 period of time, as determined by the appointing authority under Subsection (2)(a)(i).

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

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

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

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

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

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

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

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

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

478 (i) an urban renewal project area; or

479 (ii) an economic development project area.

480 (b) A taxing entity committee may:

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

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

483 (iii) approve or disapprove:

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

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

486 (iv) approve or disapprove amendments to a project area budget as provided in:

487 (A) Section 17C-2-206 for an urban renewal project area budget; or

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

489 (v) approve exceptions to the limits on the value and size of a project area imposed  
490 under this title;



491 (vi) approve exceptions to the percentage of tax increment and the period of time that  
492 tax increment is paid to the agency as provided in this title;

493 (vii) approve the use of tax increment for publicly owned infrastructure and  
494 improvements outside of an urban renewal or economic development project area that the  
495 agency and community legislative body determine to be of benefit to the urban renewal or  
496 economic development project area, as provided in Subsection 17C-1-409(1)(a)(iii)(D);

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

498 (ix) subject to Subsection (4)(c), designate in an approved urban renewal or economic  
499 development project area budget the base taxable value for that project area budget; and  
500 ~~[(ix)]~~ (x) give other taxing entity committee approval or consent required or allowed  
501 under this title.

502 (c) The base year used for calculation of the base taxable value in Subsection (4)(b)(ix)  
503 may not be a year that is earlier than the year during which the project area plan became  
504 effective.

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

506 (a) if the project area is located within a city or town, five members; or

507 (b) if the project area is not located within a city or town, four members.

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

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

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

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

514 (A) an inactive industrial site;

515 (B) an inactive airport site; or

516 (C) a closed military base; or

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

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

522 meeting.

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

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

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

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

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

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

529 (D) the blight study;

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

531 17C-2-102(1)(a) (ii)(B); and

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

533 (c) (i) An agency may not schedule a taxing entity committee meeting to meet on a day

534 on which the Legislature is in session.

535 (ii) Notwithstanding Subsection (7)(c)(i), the taxing entity committee may, by

536 unanimous consent, waive the scheduling restriction described in Subsection (7)(c)(i).

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

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

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

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

552 (i) an assessment of growth of incremental values for each active project area,

553 including:

554 (A) the base year assessed value;

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

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

557 (D) a narrative description of the relative growth in assessed value within the project

558 area;

559 (ii) a description of the amount of tax increment received by the agency and passed

560 through to other taxing entities from each active project area, including:

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

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

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

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

565 (A) a narrative of any significant development activity, including infrastructure

566 development, site development, and vertical construction within the project area; and

567 (B) a narrative discussion regarding the status of any agreements for development

568 within the project area;

569 (iv) a revised multi-year tax increment budget related to each active project area,

570 including:

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

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

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

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

575 [~~and~~]

576 (v) an estimate of the tax increment to be paid to the agency for the calendar years

577 ending December 31 and beginning the next January 1; and

578 [~~(v)~~] (vi) any other project highlights included by the agency.

579 (10) Each taxing entity committee shall be governed by Title 52, Chapter 4, Open and

580 Public Meetings Act.

581 (11) Each time a school district representative or a representative of the State Board of

582 Education votes as a member of a taxing entity committee to allow an agency to be paid tax

583 increment or to increase the amount or length of time that an agency may be paid tax

584 increment, that representative shall, within 45 days after the vote, provide to the  
585 representative's respective school board an explanation in writing of the representative's vote  
586 and the reasons for the vote.

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

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

592 (ii) the assessed value.

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

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

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

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

602 (i) at least annually; and

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

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

608 (14) A taxing entity committee resolution, whether adopted before, on, or after May 10,  
609 2011, approving a blight finding, approving a project area budget, or approving an amendment  
610 to a project area budget:

611 (a) is final; and

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

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

615           **17C-2-601. Use of eminent domain in an urban renewal project area --**  
 616 **Conditions -- Acquiring single family owner occupied residential property or commercial**  
 617 **property -- Acquiring property already devoted to a public use -- Relocation assistance**  
 618 **requirement.**

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

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

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

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

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

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

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

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

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

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

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

637           ~~(i)~~ (ii) "Owner occupied property" means private real property:

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

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

640           ~~(i)~~ (iii) "Relevant area" means:

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

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

644           (b) For purposes of each provision of this Subsection (2) relating to the submission of a  
 645 petition by the owners of property, a parcel of real property is included in the calculation of the

646 applicable percentage if the petition is signed by:

647 (i) except as provided in Subsection (2)(b)(ii), owners representing a majority

648 ownership interest in that parcel; or

649 (ii) if the parcel is owned by joint tenants or tenants by the entirety, 50% of the number

650 of owners of that parcel.

651 (c) An agency may not acquire by eminent domain single-family residential owner

652 occupied property unless:

653 (i) the owner consents; or

654 (ii) (A) a written petition requesting the agency to use eminent domain to acquire the

655 property is submitted by the owners of at least 80% of the owner occupied property within the

656 relevant area representing at least 70% of the value of owner occupied property within the

657 relevant area; and

658 (B) 2/3 of all agency board members vote in favor of using eminent domain to acquire

659 the property.

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

661 (i) the owner consents; or

662 (ii) (A) a written petition requesting the agency to use eminent domain to acquire the

663 property is submitted by the owners of at least 75% of the commercial property within the

664 relevant area representing at least 60% of the value of commercial property within the relevant

665 area; and

666 (B) 2/3 of all agency board members vote in favor of using eminent domain to acquire

667 the property.

668 (3) An agency may not acquire any real property on which an existing building is to be

669 continued on its present site and in its present form and use unless:

670 (a) the owner consents; or

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

672 rehabilitation;

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

674 or use; or

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

676 and controls of the project area plan; and

677 (B) the owner fails or refuses to agree to participate in the project area plan.  
678 (4) (a) Subject to Subsection (4)(b), an agency may acquire by eminent domain  
679 property that is already devoted to a public use and located in:  
680 (i) an urban renewal project area; or  
681 (ii) a project area described in Subsection (1)(b).  
682 (b) An agency may not acquire property of a public entity under Subsection (4)(a)  
683 without the public entity's consent.  
684 (5) Each agency that acquires property by eminent domain shall comply with Title 57,  
685 Chapter 12, Utah Relocation Assistance Act.  
686 Section 7. Section **63G-6-103** is amended to read:  
687 **63G-6-103. Definitions.**  
688 As used in this chapter:  
689 (1) "Architect-engineer services" are those professional services within the scope of the  
690 practice of architecture as defined in Section 58-3a-102, or professional engineering as defined  
691 in Section 58-22-102.  
692 (2) "Business" means any corporation, partnership, individual, sole proprietorship,  
693 joint stock company, joint venture, or any other private legal entity.  
694 (3) "Change order" means a written order signed by the procurement officer, directing  
695 the contractor to suspend work or make changes, which the appropriate clauses of the contract  
696 authorize the procurement officer to order without the consent of the contractor or any written  
697 alteration in specifications, delivery point, rate of delivery, period of performance, price,  
698 quantity, or other provisions of any contract accomplished by mutual action of the parties to the  
699 contract.  
700 (4) (a) "Construction" means the process of building, renovation, alteration,  
701 improvement, or repair of any public building or public work.  
702 (b) "Construction" does not mean the routine operation, routine repair, or routine  
703 maintenance of existing structures, buildings, or real property.  
704 (5) (a) "Construction Manager/General Contractor" means any contractor who enters  
705 into a contract for the management of a construction project when that contract allows the  
706 contractor to subcontract for additional labor and materials that were not included in the  
707 contractor's cost proposal submitted at the time of the procurement of the Construction

708 Manager/General Contractor's services.

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

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

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

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

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

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

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

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

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

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

732 (11) "External procurement unit" means any buying organization not located in this  
733 state which, if located in this state, would qualify as a public procurement unit. An agency of  
734 the United States is an external procurement unit.

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



739 grant but a procurement contract.

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

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

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

754 (16) "Policy board" means the procurement policy board created by Section  
755 63G-6-201.

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

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

763 (19) "Procurement officer" means any person or board duly authorized to enter into and  
764 administer contracts and make written determinations with respect thereto. It also includes an  
765 authorized representative acting within the limits of authority.

766 (20) "Public procurement unit" means either a local public procurement unit or a state  
767 public procurement unit.

768 (21) "Purchase description" means the words used in a solicitation to describe the  
769 supplies, services, or construction to be purchased, and includes specifications attached to or

770 made a part of the solicitation.

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

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

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

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

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

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

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

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

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

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

797 (32) "Using agency" means any state agency which utilizes any supplies, services, or  
798 construction procured under this chapter.

799 Section 8. **Coordinating S.B. 165 with S.B. 153 -- Substantive and technical**  
800 **amendments.**

801 If this S.B. 165 and S.B. 153, Procurement Amendments, both pass and become law,  
802 the Legislature intends that the Office of Legislative Research and General Counsel shall  
803 prepare the Utah Code database for publication by amending Subsection 63G-6a-104(4) to  
804 read:

805 "(4) "Local public procurement unit" means:

806 (a) a local district, as defined in Section 17B-1-102;

807 (b) a special service district, as defined in Section 17D-1-102;

808 (c) a local building authority, as defined in Section 17D-2-102;

809 (d) a conservation district, as described in Title 17D, Chapter 3, Conservation District  
810 Act;

811 (e) a public corporation, other than the Utah Housing Corporation;

812 (f) a school district;

813 (g) a public school, including a local school board or a charter school;

814 (h) Utah Schools for the Deaf and Blind;

815 (i) the Utah Education Network;

816 (j) an institution of higher education of the state;

817 (k) a county or municipality, and each office or agency of the county or municipality,  
818 unless the county or municipality adopts its own procurement code by ordinance;

819 (l) a county or municipality, and each office or agency of the county or municipality,  
820 that has adopted this entire chapter by ordinance;

821 (m) a county or municipality, and each office or agency of the county or municipality,  
822 that has adopted a portion of this chapter by ordinance, to the extent that the term is used in the  
823 adopted portion of this chapter; or

824 (n) two or more of the entities described in this Subsection (4), acting under legislation  
825 that authorizes intergovernmental cooperation."