

LOCAL ECONOMIC DEVELOPMENT AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: V. Lowry Snow

Senate Sponsor: _____

LONG TITLE

General Description:

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

Highlighted Provisions:

This bill:

► provides that community development project area plans that are created to provide tax increment funding for development related to a specific industry or business entity are not subject to certain notice and public hearing requirements, if certain requirements are met, including that:

- the community development and renewal agency and each taxing entity and public entity that will be affected by the tax increment incentive enter into an interlocal agreement;

- the interlocal agreement is made in accordance with certain statutory provisions, including the public meeting requirements described in Section [17C-4-202](#);

- the primary market for the goods or services that will be created by the industry or business entity is outside of the state; and

- the specific industry or business entity receives a tax increment incentive only on a postperformance basis.

Money Appropriated in this Bill:

None

Other Special Clauses:



28 None

29 **Utah Code Sections Affected:**

30 ENACTS:

31 **17C-4-109**, Utah Code Annotated 1953



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

34 Section 1. Section **17C-4-109** is enacted to read:

35 **17C-4-109. Community development project area plan for a specific industry or**
36 **business entity.**

37 (1) A community development project area plan that is created to provide a tax
38 increment incentive for development related to a specific industry or business entity may be
39 adopted or amended without complying with the notice and public hearing requirements of this
40 part, if the following requirements are met:

41 (a) the agency and each taxing entity and public entity that will be affected by the tax
42 increment incentive enter into an interlocal agreement in accordance with Title 11, Chapter 13,
43 Interlocal Cooperation Act, and Title 17C, Chapter 4, Part 2, Funds for Community
44 Development Project from Other Entities, including the public meeting requirements described
45 in Section **17C-4-202**;

46 (b) the primary market for the goods or services that will be created by the industry or
47 business entity is outside of the state; and

48 (c) a tax increment incentive is only provided to the specific industry or business entity
49 on a postperformance basis as described in Subsection (2).

50 (2) An industry or business entity may only receive a tax increment incentive under this
51 section after entering into an agreement with the agency, approved by each party to the
52 interlocal agreement described in Subsection (1)(a), that sets postperformance targets that shall
53 be met before the industry or business entity may receive the tax increment incentive, including
54 annual targets for:

55 (a) capital investment in the project area;

56 (b) the increase in the taxable value of the project area;

57 (c) the number of new jobs created in the project area;

58 (d) the average wages of the jobs created, which shall be at least 110% of the

59 prevailing wage of the county where the project area is located; and

60 (e) the amount of local vendor opportunity generated by the industry or business entity.

Legislative Review Note
as of 2-25-14 4:21 PM

Office of Legislative Research and General Counsel