

Representative V. Lowry Snow proposes the following substitute bill:

LOCAL ECONOMIC DEVELOPMENT AMENDMENTS

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: V. Lowry Snow

Senate Sponsor: Ralph Okerlund

LONG TITLE

General Description:

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

Highlighted Provisions:

This bill:

- ▶ defines "tax increment incentive";
- ▶ provides that community development project area plans 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; and

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

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:



26 AMENDS:

27 [17C-4-108](#), as enacted by Laws of Utah 2006, Chapter 359

28 ENACTS:

29 [17C-4-109](#), Utah Code Annotated 1953

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

32 Section 1. Section [17C-4-108](#) is amended to read:

33 **[17C-4-108](#). Amending a community development project area plan.**

34 (1) Except as provided in Subsection (2) and Section [17C-4-109](#), the requirements
35 under this part that apply to adopting a community development project area plan apply equally
36 to a proposed amendment of a community development project area plan as though the
37 amendment were a proposed project area plan.

38 (2) (a) Notwithstanding Subsection (1), an adopted project area plan may be amended
39 without complying with the notice and public hearing requirements of this part if the proposed
40 amendment:

41 (i) makes a minor adjustment in the legal description of a project area boundary
42 requested by a county assessor or county auditor to avoid inconsistent property boundary lines;
43 or

44 (ii) subject to Subsection (2)(b), removes a parcel of real property from a project area
45 because the agency determines that inclusion of the parcel is no longer necessary or desirable to
46 the project area.

47 (b) An amendment removing a parcel of real property from a community development
48 project area under Subsection (2)(a)(ii) may not be made without the consent of the record
49 property owner of the parcel being removed.

50 (3) (a) An amendment approved by board resolution under this section may not take
51 effect until adopted by ordinance of the legislative body of the community in which the project
52 area that is the subject of the project area plan being amended is located.

53 (b) Upon a community legislative body passing an ordinance adopting an amendment
54 to a community development project area plan, the agency whose project area plan was
55 amended shall comply with the requirements of Sections [17C-4-106](#) and [17C-4-107](#) to the
56 same extent as if the amendment were a project area plan.

57 Section 2. Section **17C-4-109** is enacted to read:

58 **17C-4-109. Expedited community development project area plan.**

59 (1) As used in this section, "tax increment incentive" means the portion of tax
60 increment awarded to an industry or business.

61 (2) A community development project area plan may be adopted or amended without
62 complying with the notice and public hearing requirements of this part and Section [17C-4-402](#),
63 if the following requirements are met:

64 (a) the agency determines by resolution adopted in an open and public meeting the
65 need to create or amend a project area plan on an expedited basis, which resolution shall
66 include a description of why expedited action is needed;

67 (b) a public hearing on the amendment or adoption of the project area plan is held by
68 the agency;

69 (c) notice of the public hearing is published at least 14 days before the public hearing
70 on:

71 (i) the website of the community that created the agency; and

72 (ii) the Utah Public Notice Website created in Section [63F-1-701](#);

73 (d) written consent to the amendment or adoption of the project area plan is given by
74 all record property owners within the existing or proposed project area;

75 (e) each taxing entity and public entity that will be affected by the tax increment
76 incentive enter into or amend an interlocal agreement in accordance with Title 11, Chapter 13,
77 Interlocal Cooperation Act, and Sections [17C-4-201](#), [17C-4-203](#), and [17C-4-204](#);

78 (f) the primary market for the goods or services that will be created by the industry or
79 business entity that will receive a tax increment incentive from the amendment or adoption of
80 the project area plan is outside of the state; and

81 (g) a tax increment incentive is only provided to an industry or business entity:

82 (i) on a postperformance basis as described in Subsection (3); and

83 (ii) on an annual basis after the tax increment is received by the agency.

84 (3) An industry or business entity may only receive a tax increment incentive under this
85 section after entering into an agreement with the agency, approved by each party to the
86 interlocal agreement described in Subsection (2)(e), that sets postperformance targets that shall
87 be met before the industry or business entity may receive the tax increment incentive, including

88 annual targets for:

89 (a) capital investment in the project area;

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

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

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

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

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