

**Senator Wayne A. Harper** proposes the following substitute bill:

**COMMUNITY DEVELOPMENT AND RENEWAL AGENCIES**

**ACT REVISIONS**

2016 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Wayne A. Harper**

House Sponsor: Stephen G. Handy

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**LONG TITLE**

**General Description:**

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

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ beginning May 10, 2016:
  - provides a process for a community to create a community reinvestment agency;
  - allows an agency to create a community reinvestment project area; and
  - prohibits an agency from creating an urban renewal project area, an economic development project area, or a community development project area;
- ▶ amends the required contents of an agency's annual report;
- ▶ for an agency that creates a community reinvestment project area:
  - provides for the agency to fund a community reinvestment project area with tax increment or sales and use tax revenue that is subject to an interlocal agreement;
  - requires the agency to conduct a blight study, make a blight determination, and create a taxing entity committee if the agency plans to acquire property within a community reinvestment area by eminent domain;



- 26 • requires the agency to allocate a percentage of project area funds for housing;
- 27 • prohibits an agency from adopting a proposed community reinvestment project
- 28 area plan if 51% of the property owners within the proposed community
- 29 reinvestment project area object to the plan; and
- 30 • requires the agency to adopt a community reinvestment project area budget;
- 31 ▶ authorizes, under certain circumstances, an agency to acquire by eminent domain
- 32 property that the property owner fails to develop in accordance with a project area
- 33 plan;
- 34 ▶ provides the option for an agency to give the agency's housing allocation to a county
- 35 housing authority;
- 36 ▶ provides a process by which an agency may dissolve a project area;
- 37 ▶ clarifies how a project area's incremental value is factored into the new growth
- 38 calculation; and
- 39 ▶ makes technical and conforming changes.

40 **Money Appropriated in this Bill:**

41 None

42 **Other Special Clauses:**

43 ~~H~~→ ~~[None]~~ This bill provides a coordination clause. ←~~H~~

44 **Utah Code Sections Affected:**

45 AMENDS:

- 46 **10-1-203**, as last amended by Laws of Utah 2014, Chapter 189
- 47 **10-3-1303**, as last amended by Laws of Utah 2011, Chapter 40
- 48 **10-9a-508**, as last amended by Laws of Utah 2013, Chapter 309
- 49 **11-25-2**, as last amended by Laws of Utah 2006, Chapter 359
- 50 **11-25-3**, as last amended by Laws of Utah 2010, Chapter 279
- 51 **11-27-2**, as last amended by Laws of Utah 2010, Chapter 279
- 52 **11-31-2**, as last amended by Laws of Utah 2010, Chapter 378
- 53 **11-32-2**, as last amended by Laws of Utah 2008, Chapter 360
- 54 **11-34-1**, as last amended by Laws of Utah 2010, Chapter 378
- 55 **11-49-102**, as enacted by Laws of Utah 2012, Chapter 202
- 56 **11-50-102**, as enacted by Laws of Utah 2013, Chapter 367

- 57 [11-52-102](#), as enacted by Laws of Utah 2013, Chapter 347
- 58 [14-1-18](#), as last amended by Laws of Utah 2012, Chapter 347
- 59 [15-7-2](#), as last amended by Laws of Utah 2007, Chapter 329
- 60 [17C-1-101](#), as last amended by Laws of Utah 2010, Chapter 279
- 61 [17C-1-102](#), as last amended by Laws of Utah 2015, Chapter 397
- 62 [17C-1-103](#), as renumbered and amended by Laws of Utah 2006, Chapter 359
- 63 [17C-1-202](#), as renumbered and amended by Laws of Utah 2006, Chapter 359
- 64 [17C-1-203](#), as last amended by Laws of Utah 2008, Chapter 125
- 65 [17C-1-204](#), as last amended by Laws of Utah 2012, Chapter 212
- 66 [17C-1-205](#), as renumbered and amended by Laws of Utah 2006, Chapter 359
- 67 [17C-1-207](#), as last amended by Laws of Utah 2012, Chapter 235
- 68 [17C-1-208](#), as renumbered and amended by Laws of Utah 2006, Chapter 359
- 69 [17C-1-302](#), as renumbered and amended by Laws of Utah 2006, Chapter 359
- 70 [17C-1-402](#), as last amended by Laws of Utah 2013, Chapter 80
- 71 [17C-1-403](#), as last amended by Laws of Utah 2013, Chapter 80
- 72 [17C-1-404](#), as renumbered and amended by Laws of Utah 2006, Chapter 359
- 73 [17C-1-405](#), as last amended by Laws of Utah 2009, Chapter 387
- 74 [17C-1-406](#), as enacted by Laws of Utah 2006, Chapter 359
- 75 [17C-1-407](#), as last amended by Laws of Utah 2013, Chapter 80
- 76 [17C-1-408](#), as last amended by Laws of Utah 2008, Chapters 61, 231, and 236
- 77 [17C-1-409](#), as last amended by Laws of Utah 2011, Chapter 43
- 78 [17C-1-410](#), as last amended by Laws of Utah 2007, Chapter 364
- 79 [17C-1-411](#), as last amended by Laws of Utah 2009, Chapter 387
- 80 [17C-1-412](#), as last amended by Laws of Utah 2012, Chapter 212
- 81 [17C-1-413](#), as renumbered and amended by Laws of Utah 2006, Chapter 359
- 82 [17C-1-502](#), as renumbered and amended by Laws of Utah 2006, Chapter 359
- 83 [17C-1-504](#), as renumbered and amended by Laws of Utah 2006, Chapter 359
- 84 [17C-1-505](#), as renumbered and amended by Laws of Utah 2006, Chapter 359
- 85 [17C-1-506](#), as renumbered and amended by Laws of Utah 2006, Chapter 359
- 86 [17C-1-507](#), as renumbered and amended by Laws of Utah 2006, Chapter 359
- 87 [17C-1-508](#), as renumbered and amended by Laws of Utah 2006, Chapter 359

- 88           **17C-1-602**, as renumbered and amended by Laws of Utah 2006, Chapter 359
- 89           **17C-1-603**, as last amended by Laws of Utah 2011, Chapter 43
- 90           **17C-1-605**, as renumbered and amended by Laws of Utah 2006, Chapter 359
- 91           **17C-1-606**, as renumbered and amended by Laws of Utah 2006, Chapter 359
- 92           **17C-1-607**, as enacted by Laws of Utah 2006, Chapter 359
- 93           **17C-2-102**, as last amended by Laws of Utah 2008, Chapter 125
- 94           **17C-2-103**, as last amended by Laws of Utah 2006, Chapters 254, 292 and renumbered
- 95 and amended by Laws of Utah 2006, Chapter 359
- 96           **17C-2-105**, as renumbered and amended by Laws of Utah 2006, Chapter 359
- 97           **17C-2-106**, as last amended by Laws of Utah 2007, Chapter 364
- 98           **17C-2-108**, as last amended by Laws of Utah 2010, Chapter 279
- 99           **17C-2-109**, as renumbered and amended by Laws of Utah 2006, Chapter 359
- 100          **17C-2-110**, as last amended by Laws of Utah 2010, Chapter 279
- 101          **17C-2-201**, as last amended by Laws of Utah 2013, Chapter 80
- 102          **17C-2-203**, as renumbered and amended by Laws of Utah 2006, Chapter 359
- 103          **17C-2-204**, as renumbered and amended by Laws of Utah 2006, Chapter 359
- 104          **17C-2-206**, as last amended by Laws of Utah 2011, Chapter 43
- 105          **17C-2-207**, as enacted by Laws of Utah 2011, Chapter 43
- 106          **17C-2-303**, as last amended by Laws of Utah 2011, Chapter 43
- 107          **17C-3-102**, as enacted by Laws of Utah 2006, Chapter 359
- 108          **17C-3-103**, as enacted by Laws of Utah 2006, Chapter 359
- 109          **17C-3-105**, as enacted by Laws of Utah 2006, Chapter 359
- 110          **17C-3-107**, as last amended by Laws of Utah 2010, Chapter 279
- 111          **17C-3-108**, as enacted by Laws of Utah 2006, Chapter 359
- 112          **17C-3-109**, as last amended by Laws of Utah 2010, Chapter 279
- 113          **17C-3-201**, as last amended by Laws of Utah 2013, Chapter 80
- 114          **17C-3-203**, as last amended by Laws of Utah 2009, Chapter 387
- 115          **17C-3-205**, as last amended by Laws of Utah 2011, Chapter 43
- 116          **17C-3-206**, as enacted by Laws of Utah 2011, Chapter 43
- 117          **17C-4-102**, as enacted by Laws of Utah 2006, Chapter 359
- 118          **17C-4-103**, as enacted by Laws of Utah 2006, Chapter 359

119 [17C-4-104](#), as enacted by Laws of Utah 2006, Chapter 359  
120 [17C-4-106](#), as last amended by Laws of Utah 2009, Chapter 388  
121 [17C-4-107](#), as enacted by Laws of Utah 2006, Chapter 359  
122 [17C-4-108](#), as last amended by Laws of Utah 2015, Chapter 302  
123 [17C-4-109](#), as enacted by Laws of Utah 2015, Chapter 302  
124 [17C-4-201](#), as last amended by Laws of Utah 2010, Chapter 279  
125 [17C-4-202](#), as last amended by Laws of Utah 2014, Chapter 189  
126 [17C-4-203](#), as last amended by Laws of Utah 2009, Chapter 387  
127 [17C-4-204](#), as last amended by Laws of Utah 2011, Chapter 43  
128 [20A-7-613](#), as last amended by Laws of Utah 2015, Chapter 258  
129 [35A-8-504](#), as last amended by Laws of Utah 2012, Chapter 347 and renumbered and  
130 amended by Laws of Utah 2012, Chapter 212  
131 [38-1b-102](#), as enacted by Laws of Utah 2012, Chapter 278  
132 [53-3-207](#), as last amended by Laws of Utah 2015, Chapter 412  
133 [53A-16-106](#), as last amended by Laws of Utah 2008, Chapters 61, 231, and 236  
134 [53A-16-113](#), as last amended by Laws of Utah 2013, Chapter 287  
135 [53A-17a-133](#), as last amended by Laws of Utah 2015, Chapter 287  
136 [53A-17a-164](#), as last amended by Laws of Utah 2013, Chapters 178 and 313  
137 [53A-19-105](#), as last amended by Laws of Utah 2009, Chapter 204  
138 [59-2-913](#), as last amended by Laws of Utah 2014, Chapter 279  
139 [59-2-924](#), as last amended by Laws of Utah 2014, Chapter 270  
140 [59-2-924.2](#), as last amended by Laws of Utah 2015, Chapter 224  
141 [59-2-924.3](#), as last amended by Laws of Utah 2011, Chapter 371  
142 [59-7-614.2](#), as last amended by Laws of Utah 2015, Chapter 283  
143 [59-12-603](#), as last amended by Laws of Utah 2011, Chapter 309  
144 [63G-7-102](#), as renumbered and amended by Laws of Utah 2008, Chapter 382  
145 [63G-9-201](#), as renumbered and amended by Laws of Utah 2008, Chapter 382  
146 [63I-1-259](#), as last amended by Laws of Utah 2015, Chapters 224, 275, and 467  
147 [63N-2-103](#), as last amended by Laws of Utah 2015, Chapter 344 and renumbered and  
148 amended by Laws of Utah 2015, Chapter 283 and last amended by Coordination  
149 Clause, Laws of Utah 2015, Chapter 344

150           **63N-2-104**, as last amended by Laws of Utah 2015, Chapter 344 and renumbered and  
151 amended by Laws of Utah 2015, Chapter 283

152           **63N-2-105**, as last amended by Laws of Utah 2015, Chapter 344 and renumbered and  
153 amended by Laws of Utah 2015, Chapter 283

154           **63N-2-107**, as last amended by Laws of Utah 2015, Chapter 344 and renumbered and  
155 amended by Laws of Utah 2015, Chapter 283

156           **63N-2-108**, as renumbered and amended by Laws of Utah 2015, Chapter 283

157           **63N-2-502**, as last amended by Laws of Utah 2015, Chapter 417 and renumbered and  
158 amended by Laws of Utah 2015, Chapter 283

159           **63N-2-505**, as last amended by Laws of Utah 2015, Chapter 417 and renumbered and  
160 amended by Laws of Utah 2015, Chapter 283

161           **63N-2-507**, as last amended by Laws of Utah 2015, Chapter 417 and renumbered and  
162 amended by Laws of Utah 2015, Chapter 283

163           **63N-2-508**, as last amended by Laws of Utah 2015, Chapter 417 and renumbered and  
164 amended by Laws of Utah 2015, Chapter 283

165           **67-1a-6.5**, as last amended by Laws of Utah 2013, Chapters 42 and 371

166           **72-1-208**, as last amended by Laws of Utah 2010, Chapter 279

167 ENACTS:

168           **17C-1-102.5**, Utah Code Annotated 1953

169           **17C-1-201.1**, Utah Code Annotated 1953

170           **17C-1-209**, Utah Code Annotated 1953

171           **17C-1-301.1**, Utah Code Annotated 1953

172           **17C-1-401.1**, Utah Code Annotated 1953

173           **17C-1-501.1**, Utah Code Annotated 1953

174           **17C-1-601.1**, Utah Code Annotated 1953

175           **17C-1-701.1**, Utah Code Annotated 1953

176           **17C-1-702**, Utah Code Annotated 1953

177           **17C-1-801**, Utah Code Annotated 1953

178           **17C-1-901**, Utah Code Annotated 1953

179           **17C-2-101.1**, Utah Code Annotated 1953

180           **17C-2-101.2**, Utah Code Annotated 1953

- 181 [17C-3-101.1](#), Utah Code Annotated 1953
- 182 [17C-3-101.2](#), Utah Code Annotated 1953
- 183 [17C-4-101.1](#), Utah Code Annotated 1953
- 184 [17C-4-101.2](#), Utah Code Annotated 1953
- 185 [17C-5-101](#), Utah Code Annotated 1953
- 186 [17C-5-102](#), Utah Code Annotated 1953
- 187 [17C-5-103](#), Utah Code Annotated 1953
- 188 [17C-5-104](#), Utah Code Annotated 1953
- 189 [17C-5-105](#), Utah Code Annotated 1953
- 190 [17C-5-106](#), Utah Code Annotated 1953
- 191 [17C-5-107](#), Utah Code Annotated 1953
- 192 [17C-5-108](#), Utah Code Annotated 1953
- 193 [17C-5-109](#), Utah Code Annotated 1953
- 194 [17C-5-110](#), Utah Code Annotated 1953
- 195 [17C-5-111](#), Utah Code Annotated 1953
- 196 [17C-5-112](#), Utah Code Annotated 1953
- 197 [17C-5-113](#), Utah Code Annotated 1953
- 198 [17C-5-201](#), Utah Code Annotated 1953
- 199 [17C-5-202](#), Utah Code Annotated 1953
- 200 [17C-5-203](#), Utah Code Annotated 1953
- 201 [17C-5-204](#), Utah Code Annotated 1953
- 202 [17C-5-205](#), Utah Code Annotated 1953
- 203 [17C-5-206](#), Utah Code Annotated 1953
- 204 [17C-5-301](#), Utah Code Annotated 1953
- 205 [17C-5-302](#), Utah Code Annotated 1953
- 206 [17C-5-303](#), Utah Code Annotated 1953
- 207 [17C-5-304](#), Utah Code Annotated 1953
- 208 [17C-5-305](#), Utah Code Annotated 1953
- 209 [17C-5-306](#), Utah Code Annotated 1953
- 210 [17C-5-307](#), Utah Code Annotated 1953
- 211 [17C-5-401](#), Utah Code Annotated 1953

- 212 **17C-5-402**, Utah Code Annotated 1953
- 213 **17C-5-403**, Utah Code Annotated 1953
- 214 **17C-5-404**, Utah Code Annotated 1953
- 215 **17C-5-405**, Utah Code Annotated 1953
- 216 **17C-5-406**, Utah Code Annotated 1953

217 RENUMBERS AND AMENDS:

- 218 **17C-1-201.5**, (Renumbered from 17C-1-201, as last amended by Laws of Utah 2012,
- 219 Chapter 235)
- 220 **17C-1-301.5**, (Renumbered from 17C-1-301, as renumbered and amended by Laws of
- 221 Utah 2006, Chapter 359)
- 222 **17C-1-401.5**, (Renumbered from 17C-1-401, as last amended by Laws of Utah 2012,
- 223 Chapter 235)
- 224 **17C-1-501.5**, (Renumbered from 17C-1-501, as renumbered and amended by Laws of
- 225 Utah 2006, Chapter 359)
- 226 **17C-1-601.5**, (Renumbered from 17C-1-601, as last amended by Laws of Utah 2010,
- 227 Chapter 90)
- 228 **17C-1-701.5**, (Renumbered from 17C-1-701, as last amended by Laws of Utah 2009,
- 229 Chapter 350)
- 230 **17C-1-802**, (Renumbered from 17C-2-401, as renumbered and amended by Laws of
- 231 Utah 2006, Chapter 359)
- 232 **17C-1-803**, (Renumbered from 17C-2-402, as renumbered and amended by Laws of
- 233 Utah 2006, Chapter 359)
- 234 **17C-1-804**, (Renumbered from 17C-2-403, as last amended by Laws of Utah 2010,
- 235 Chapter 90)
- 236 **17C-1-805**, (Renumbered from 17C-2-501, as renumbered and amended by Laws of
- 237 Utah 2006, Chapter 359)
- 238 **17C-1-806**, (Renumbered from 17C-2-502, as last amended by Laws of Utah 2010,
- 239 Chapter 279)
- 240 **17C-1-807**, (Renumbered from 17C-2-503, as last amended by Laws of Utah 2007,
- 241 Chapter 379)
- 242 **17C-1-808**, (Renumbered from 17C-2-504, as renumbered and amended by Laws of



243 Utah 2006, Chapter 359)  
244 **17C-1-809**, (Renumbered from 17C-2-505, as renumbered and amended by Laws of  
245 Utah 2006, Chapter 359)  
246 **17C-1-902**, (Renumbered from 17C-1-206, as last amended by Laws of Utah 2007,  
247 Chapter 379)  
248 **17C-1-903**, (Renumbered from 17C-2-602, as last amended by Laws of Utah 2008,  
249 Chapter 382)  
250 **17C-1-904**, (Renumbered from 17C-2-601, as last amended by Laws of Utah 2012,  
251 Chapter 235)  
252 **17C-1-905**, (Renumbered from 17C-2-603, as enacted by Laws of Utah 2007, Chapter  
253 379)  
254 **17C-2-101.5**, (Renumbered from 17C-2-101, as renumbered and amended by Laws of  
255 Utah 2006, Chapter 359)  
256 **17C-3-101.5**, (Renumbered from 17C-3-101, as enacted by Laws of Utah 2006,  
257 Chapter 359)  
258 **17C-4-101.5**, (Renumbered from 17C-4-101, as enacted by Laws of Utah 2006,  
259 Chapter 359)  
260 REPEALS:  
261 **17C-1-303**, as last amended by Laws of Utah 2010, Chapter 279  
262 **17C-3-301**, as enacted by Laws of Utah 2006, Chapter 359  
263 **17C-3-302**, as enacted by Laws of Utah 2006, Chapter 359  
264 **17C-3-303**, as last amended by Laws of Utah 2009, Chapter 388  
265 **17C-3-401**, as enacted by Laws of Utah 2006, Chapter 359  
266 **17C-3-402**, as last amended by Laws of Utah 2010, Chapter 279  
267 **17C-3-403**, as enacted by Laws of Utah 2006, Chapter 359  
268 **17C-3-404**, as enacted by Laws of Utah 2006, Chapter 359  
269 **17C-4-301**, as enacted by Laws of Utah 2006, Chapter 359  
270 **17C-4-302**, as last amended by Laws of Utah 2010, Chapter 90  
271 **17C-4-401**, as enacted by Laws of Utah 2006, Chapter 359  
272 **17C-4-402**, as last amended by Laws of Utah 2010, Chapter 279  
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274 *Be it enacted by the Legislature of the state of Utah:*

275 Section 1. Section **10-1-203** is amended to read:

276 **10-1-203. License fees and taxes -- Application information to be transmitted to**  
277 **the county assessor.**

278 (1) As used in this section:

279 (a) "Business" means any enterprise carried on for the purpose of gain or economic  
280 profit, except that the acts of employees rendering services to employers are not included in  
281 this definition.

282 (b) "Telecommunications provider" [~~is as~~] means the same as that term is defined in  
283 Section **10-1-402**.

284 (c) "Telecommunications tax or fee" [~~is as~~] means the same as that term is defined in  
285 Section **10-1-402**.

286 (2) Except as provided in Subsections (3) through (5), the legislative body of a  
287 municipality may license for the purpose of regulation and revenue any business within the  
288 limits of the municipality and may regulate that business by ordinance.

289 (3) (a) The legislative body of a municipality may raise revenue by levying and  
290 collecting a municipal energy sales or use tax as provided in Part 3, Municipal Energy Sales  
291 and Use Tax Act, except a municipality may not levy or collect a franchise tax or fee on an  
292 energy supplier other than the municipal energy sales and use tax provided in Part 3, Municipal  
293 Energy Sales and Use Tax Act.

294 (b) (i) Subsection (3)(a) does not affect the validity of a franchise agreement as defined  
295 in Subsection **10-1-303(6)**, that is in effect on July 1, 1997, or a future franchise.

296 (ii) A franchise agreement as defined in Subsection **10-1-303(6)** in effect on January 1,  
297 1997, or a future franchise shall remain in full force and effect.

298 (c) A municipality that collects a contractual franchise fee pursuant to a franchise  
299 agreement as defined in Subsection **10-1-303(6)** with an energy supplier that is in effect on July  
300 1, 1997, may continue to collect that fee as provided in Subsection **10-1-310(2)**.

301 (d) (i) Subject to the requirements of Subsection (3)(d)(ii), a franchise agreement as  
302 defined in Subsection **10-1-303(6)** between a municipality and an energy supplier may contain  
303 a provision that:

304 (A) requires the energy supplier by agreement to pay a contractual franchise fee that is

305 otherwise prohibited under Part 3, Municipal Energy Sales and Use Tax Act; and

306 (B) imposes the contractual franchise fee on or after the day on which Part 3,

307 Municipal Energy Sales and Use Tax Act is:

308 (I) repealed, invalidated, or the maximum allowable rate provided in Section 10-1-305

309 is reduced; and

310 (II) is not superseded by a law imposing a substantially equivalent tax.

311 (ii) A municipality may not charge a contractual franchise fee under the provisions

312 permitted by Subsection (3)(b)(i) unless the municipality charges an equal contractual franchise

313 fee or a tax on all energy suppliers.

314 (4) (a) Subject to Subsection (4)(b), beginning July 1, 2004, the legislative body of a

315 municipality may raise revenue by levying and providing for the collection of a municipal

316 telecommunications license tax as provided in Part 4, Municipal Telecommunications License

317 Tax Act.

318 (b) A municipality may not levy or collect a telecommunications tax or fee on a

319 telecommunications provider except as provided in Part 4, Municipal Telecommunications

320 License Tax Act.

321 (5) (a) (i) The legislative body of a municipality may by ordinance raise revenue by  
322 levying and collecting a license fee or tax on:

323 (A) a parking service business in an amount that is less than or equal to:

324 (I) \$1 per vehicle that parks at the parking service business; or

325 (II) 2% of the gross receipts of the parking service business;

326 (B) a public assembly or other related facility in an amount that is less than or equal to

327 \$5 per ticket purchased from the public assembly or other related facility; and

328 (C) subject to the limitations of Subsections (5)(c) and (d):

329 (I) a business that causes disproportionate costs of municipal services; or

330 (II) a purchaser from a business for which the municipality provides an enhanced level

331 of municipal services.

332 (ii) Nothing in this Subsection (5)(a) may be construed to authorize a municipality to

333 levy or collect a license fee or tax on a public assembly or other related facility owned and

334 operated by another political subdivision other than a community [~~development and renewal~~]

335 reinvestment agency without the written consent of the other political subdivision.

- 336 (b) As used in this Subsection (5):
- 337 (i) "Municipal services" includes:
- 338 (A) public utilities; and
- 339 (B) services for:
- 340 (I) police;
- 341 (II) fire;
- 342 (III) storm water runoff;
- 343 (IV) traffic control;
- 344 (V) parking;
- 345 (VI) transportation;
- 346 (VII) beautification; or
- 347 (VIII) snow removal.
- 348 (ii) "Parking service business" means a business:
- 349 (A) that primarily provides off-street parking services for a public facility that is
- 350 wholly or partially funded by public money;
- 351 (B) that provides parking for one or more vehicles; and
- 352 (C) that charges a fee for parking.
- 353 (iii) "Public assembly or other related facility" means an assembly facility that:
- 354 (A) is wholly or partially funded by public money;
- 355 (B) is operated by a business; and
- 356 (C) requires a person attending an event at the assembly facility to purchase a ticket.
- 357 (c) (i) Before the legislative body of a municipality imposes a license fee on a business
- 358 that causes disproportionate costs of municipal services under Subsection (5)(a)(i)(C)(I), the
- 359 legislative body of the municipality shall adopt an ordinance defining for purposes of the tax
- 360 under Subsection (5)(a)(i)(C)(I):
- 361 (A) the costs that constitute disproportionate costs; and
- 362 (B) the amounts that are reasonably related to the costs of the municipal services
- 363 provided by the municipality.
- 364 (ii) The amount of a fee under Subsection (5)(a)(i)(C)(I) shall be reasonably related to
- 365 the costs of the municipal services provided by the municipality.
- 366 (d) (i) Before the legislative body of a municipality imposes a license fee on a

367 purchaser from a business for which it provides an enhanced level of municipal services under  
368 Subsection (5)(a)(i)(C)(II), the legislative body of the municipality shall adopt an ordinance  
369 defining for purposes of the fee under Subsection (5)(a)(i)(C)(II):

370 (A) the level of municipal services that constitutes the basic level of municipal services  
371 in the municipality; and

372 (B) the amounts that are reasonably related to the costs of providing an enhanced level  
373 of municipal services in the municipality.

374 (ii) The amount of a fee under Subsection (5)(a)(i)(C)(II) shall be reasonably related to  
375 the costs of providing an enhanced level of the municipal services.

376 (6) All license fees and taxes shall be uniform in respect to the class upon which they  
377 are imposed.

378 (7) The municipality shall transmit the information from each approved business  
379 license application to the county assessor within 60 days following the approval of the  
380 application.

381 (8) If challenged in court, an ordinance enacted by a municipality before January 1,  
382 1994, imposing a business license fee on rental dwellings under this section shall be upheld  
383 unless the business license fee is found to impose an unreasonable burden on the fee payer.

384 Section 2. Section **10-3-1303** is amended to read:

385 **10-3-1303. Definitions.**

386 As used in this part:

387 (1) "Appointed officer" means any person appointed to any statutory office or position  
388 or any other person appointed to any position of employment with a city or with a community  
389 [~~development and renewal~~] reinvestment agency under Title 17C, Limited Purpose Local  
390 Government Entities - Community [~~Development and Renewal Agencies~~] Reinvestment  
391 Agency Act. Appointed officers include, but are not limited to, persons serving on special,  
392 regular, or full-time committees, agencies, or boards whether or not such persons are  
393 compensated for their services. The use of the word "officer" in this part is not intended to  
394 make appointed persons or employees "officers" of the municipality.

395 (2) "Assist" means to act, or offer or agree to act, in such a way as to help, represent,  
396 aid, advise, furnish information to, or otherwise provide assistance to a person or business  
397 entity, believing that such action is of help, aid, advice, or assistance to such person or business

398 entity and with the intent to assist such person or business entity.

399 (3) "Business entity" means a sole proprietorship, partnership, association, joint  
400 venture, corporation, firm, trust, foundation, or other organization or entity used in carrying on  
401 a business.

402 (4) "Compensation" means anything of economic value, however designated, which is  
403 paid, loaned, granted, given, donated, or transferred to any person or business entity by anyone  
404 other than the governmental employer for or in consideration of personal services, materials,  
405 property, or any other thing whatsoever.

406 (5) "Elected officer" means a person:

407 (a) elected or appointed to the office of mayor, commissioner, or council member; or

408 (b) who is considered to be elected to the office of mayor, commissioner, or council  
409 member by a municipal legislative body in accordance with Section [20A-1-206](#).

410 (6) "Improper disclosure" means disclosure of private, controlled, or protected  
411 information to any person who does not have both the right and the need to receive the  
412 information.

413 (7) "Municipal employee" means a person who is not an elected or appointed officer  
414 who is employed on a full- or part-time basis by a municipality or by a community  
415 [~~development and renewal~~] reinvestment agency under Title 17C, Limited Purpose Local  
416 Government Entities - Community [~~Development and Renewal Agencies~~] Reinvestment  
417 Agency Act.

418 (8) "Private, controlled, or protected information" means information classified as  
419 private, controlled, or protected under Title 63G, Chapter 2, Government Records Access and  
420 Management Act, or other applicable provision of law.

421 (9) "Substantial interest" means the ownership, either legally or equitably, by an  
422 individual, the individual's spouse, or the individual's minor children, of at least 10% of the  
423 outstanding shares of a corporation or 10% interest in any other business entity.

424 Section 3. Section **10-9a-508** is amended to read:

425 **10-9a-508. Exactions -- Exaction for water interest -- Requirement to offer to**  
426 **original owner property acquired by exaction.**

427 (1) A municipality may impose an exaction or exactions on development proposed in a  
428 land use application, including, subject to Subsection (3), an exaction for a water interest, if:

429 (a) an essential link exists between a legitimate governmental interest and each  
430 exaction; and

431 (b) each exaction is roughly proportionate, both in nature and extent, to the impact of  
432 the proposed development.

433 (2) If a land use authority imposes an exaction for another governmental entity:

434 (a) the governmental entity shall request the exaction; and

435 (b) the land use authority shall transfer the exaction to the governmental entity for  
436 which it was exacted.

437 (3) (a) (i) A municipality shall base any exaction for a water interest on the culinary  
438 water authority's established calculations of projected water interest requirements.

439 (ii) Upon an applicant's request, the culinary water authority shall provide the applicant  
440 with the basis for the culinary water authority's calculations under Subsection (3)(a)(i) on  
441 which an exaction for a water interest is based.

442 (b) A municipality may not impose an exaction for a water interest if the culinary water  
443 authority's existing available water interests exceed the water interests needed to meet the  
444 reasonable future water requirement of the public, as determined under Subsection  
445 73-1-4(2)(f).

446 (4) (a) If a municipality plans to dispose of surplus real property that was acquired  
447 under this section and has been owned by the municipality for less than 15 years, the  
448 municipality shall first offer to reconvey the property, without receiving additional  
449 consideration, to the person who granted the property to the municipality.

450 (b) A person to whom a municipality offers to reconvey property under Subsection  
451 (4)(a) has 90 days to accept or reject the municipality's offer.

452 (c) If a person to whom a municipality offers to reconvey property declines the offer,  
453 the municipality may offer the property for sale.

454 (d) Subsection (4)(a) does not apply to the disposal of property acquired by exaction by  
455 a community [~~development and renewal~~] reinvestment agency.

456 Section 4. Section 11-25-2 is amended to read:

457 **11-25-2. Legislative findings -- Liberal construction.**

458 The Legislature finds and declares that it is necessary for the welfare of the state and its  
459 inhabitants that community [~~development and renewal~~] reinvestment agencies be authorized

460 within cities, towns or counties, or cities or towns and counties to make long-term, low-interest  
461 loans to finance residential rehabilitation in selected residential areas in order to encourage the  
462 upgrading of property in those areas. Unless such agencies provide some form of assistance to  
463 finance residential rehabilitation, many residential areas will deteriorate at an accelerated pace.  
464 This act shall be liberally construed to effect its purposes.

465 Section 5. Section 11-25-3 is amended to read:

466 **11-25-3. Definitions.**

467 As used in this chapter:

468 ~~[(4)]~~ (1) "Agency" means a community ~~[development and renewal]~~ reinvestment  
469 agency functioning pursuant to Title 17C, Limited Purpose Local Government Entities -  
470 Community ~~[Development and Renewal Agencies]~~ Reinvestment Agency Act.

471 ~~[(1)]~~ (2) "Bonds" mean any bonds, notes, interim certificates, debentures, or other  
472 obligations issued by an agency pursuant to this part and which are payable exclusively from  
473 the revenues, as defined in Subsection (9), and from any other funds specified in this part upon  
474 which the bonds may be made a charge and from which they are payable.

475 ~~[(2)]~~ (3) (a) "Citizen participation" means action by the agency to provide persons who  
476 will be affected by residential rehabilitation financed under the provisions of this part with  
477 opportunities to be involved in planning and carrying out the residential rehabilitation program.  
478 "Citizen participation" shall include, but not be limited to, all of the following:

479 (i) Holding a public meeting prior to considering selection of the area for designation.

480 (ii) Consultation with representatives of owners of property in, and residents of, a  
481 residential rehabilitation area, in developing plans for public improvements and  
482 implementation of the residential rehabilitation program.

483 (iii) Dissemination of information relating to the time and location of meetings,  
484 boundaries of the proposed residential rehabilitation area, and a general description of the  
485 proposed residential rehabilitation program.

486 (b) (i) Public meetings and consultations described in Subsection (2)(a) shall be  
487 conducted by an official designated by the agency.

488 (ii) Public meetings shall be held at times and places convenient to residents and  
489 property owners.

490 ~~[(3)]~~ (4) "Financing" means the lending of money or any other thing of value for the



491 purpose of residential rehabilitation.

492 (5) "Participating party" means any person, company, corporation, partnership, firm,  
493 agency, political subdivision of the state, or other entity or group of entities requiring financing  
494 for residential rehabilitation pursuant to the provisions of this part. No elective officer of the  
495 state or any of its political subdivisions shall be eligible to be a participating party under the  
496 provision of this part.

497 [~~(8)~~] (6) "Rehabilitation standards" mean the applicable local or state standards for the  
498 rehabilitation of buildings located in residential rehabilitation areas, including any higher  
499 standards adopted by the agency as part of its residential rehabilitation financing program.

500 (7) "Residence" means a residential structure in residential rehabilitation areas. It also  
501 means a commercial structure which, in the judgment of the agency, is an integral part of a  
502 residential neighborhood.

503 [~~(6)~~] (8) "Residential rehabilitation" means the construction, reconstruction,  
504 renovation, replacement, extension, repair, betterment, equipping, developing, embellishing, or  
505 otherwise improving residences consistent with standards of strength, effectiveness, fire  
506 resistance, durability, and safety, so that the structures are satisfactory and safe to occupy for  
507 residential purposes and are not conducive to ill health, transmission of disease, infant  
508 mortality, juvenile delinquency, or crime because of any one or more of the following factors:

509 (a) defective design and character of physical construction;

510 (b) faulty interior arrangement and exterior spacing;

511 (c) high density of population and overcrowding;

512 (d) inadequate provision for ventilation, light, sanitation, open spaces, and recreation  
513 facilities;

514 (e) age, obsolescence, deterioration, dilapidation, mixed character, or shifting of uses;  
515 and

516 (f) economic dislocation, deterioration, or disuse, resulting from faulty planning.

517 [~~(10)~~] (9) "Residential rehabilitation area" means the geographical area designated by  
518 the agency as one for inclusion in a comprehensive residential rehabilitation financing program  
519 pursuant to the provisions of this chapter.

520 [~~(9)~~] (10) "Revenues" mean all amounts received as repayment of principal, interest,  
521 and all other charges received for, and all other income and receipts derived by, the agency

522 from the financing of residential rehabilitation, including money deposited in a sinking,  
523 redemption, or reserve fund or other fund to secure the bonds or to provide for the payment of  
524 the principal of, or interest on, the bonds and such other money as the legislative body may, in  
525 its discretion, make available therefor.

526 Section 6. Section **11-27-2** is amended to read:

527 **11-27-2. Definitions.**

528 As used in this chapter:

529 (1) "Advance refunding bonds" means refunding bonds issued for the purpose of  
530 refunding outstanding bonds in advance of their maturity.

531 (2) "Assessments" means a special tax levied against property within a special  
532 improvement district to pay all or a portion of the costs of making improvements in the district.

533 (3) "Bond" means any revenue bond, general obligation bond, tax increment bond,  
534 special improvement bond, local building authority bond, or refunding bond.

535 (4) "General obligation bond" means any bond, note, warrant, certificate of  
536 indebtedness, or other obligation of a public body payable in whole or in part from revenues  
537 derived from ad valorem taxes and that constitutes an indebtedness within the meaning of any  
538 applicable constitutional or statutory debt limitation.

539 (5) "Governing body" means the council, commission, county legislative body, board  
540 of directors, board of trustees, board of education, board of regents, or other legislative body of  
541 a public body designated in this chapter that is vested with the legislative powers of the public  
542 body, and, with respect to the state, the State Bonding Commission created by Section  
543 [63B-1-201](#).

544 (6) "Government obligations" means:

545 (a) direct obligations of the United States of America, or other securities, the principal  
546 of and interest on which are unconditionally guaranteed by the United States of America; or

547 (b) obligations of any state, territory, or possession of the United States, or of any of  
548 the political subdivisions of any state, territory, or possession of the United States, or of the  
549 District of Columbia described in Section 103(a), Internal Revenue Code of 1986.

550 (7) "Issuer" means the public body issuing any bond or bonds.

551 (8) "Public body" means the state or any agency, authority, instrumentality, or  
552 institution of the state, or any municipal or quasi-municipal corporation, political subdivision,

553 agency, school district, local district, special service district, or other governmental entity now  
554 or hereafter existing under the laws of the state.

555 (9) "Refunding bonds" means bonds issued under the authority of this chapter for the  
556 purpose of refunding outstanding bonds.

557 (10) "Resolution" means a resolution of the governing body of a public body taking  
558 formal action under this chapter.

559 (11) "Revenue bond" means any bond, note, warrant, certificate of indebtedness, or  
560 other obligation for the payment of money issued by a public body or any predecessor of any  
561 public body and that is payable from designated revenues not derived from ad valorem taxes or  
562 from a special fund composed of revenues not derived from ad valorem taxes, but excluding all  
563 of the following:

564 (a) any obligation constituting an indebtedness within the meaning of any applicable  
565 constitutional or statutory debt limitation;

566 (b) any obligation issued in anticipation of the collection of taxes, where the entire  
567 issue matures not later than one year from the date of the issue; and

568 (c) any special improvement bond.

569 (12) "Special improvement bond" means any bond, note, warrant, certificate of  
570 indebtedness, or other obligation of a public body or any predecessor of any public body that is  
571 payable from assessments levied on benefitted property and from any special improvement  
572 guaranty fund.

573 (13) "Special improvement guaranty fund" means any special improvement guaranty  
574 fund established under Title 10, Chapter 6, Uniform Fiscal Procedures Act for Utah Cities;  
575 Title 11, Chapter 42, Assessment Area Act; or any predecessor or similar statute.

576 (14) "Tax increment bond" means any bond, note, warrant, certificate of indebtedness,  
577 or other obligation of a public body issued under authority of Title 17C, Limited Purpose Local  
578 Government Entities - Community [~~Development and Renewal Agencies~~] Reinvestment  
579 Agency Act.

580 Section 7. Section **11-31-2** is amended to read:

581 **11-31-2. Definitions.**

582 As used in this chapter:

583 (1) "Bonds" means any evidence or contract of indebtedness that is issued or

584 authorized by a public body, including, without limitation, bonds, refunding bonds, advance  
585 refunding bonds, bond anticipation notes, tax anticipation notes, notes, certificates of  
586 indebtedness, warrants, commercial paper, contracts, and leases, whether they are general  
587 obligations of the issuing public body or are payable solely from a specified source, including  
588 annual appropriations by the public body.

589 (2) "Legislative body" means, with respect to any action to be taken by a public body  
590 with respect to bonds, the board, commission, council, agency, or other similar body authorized  
591 by law to take legislative action on behalf of the public body, and in the case of the state, the  
592 Legislature, the state treasurer, the commission created under Section 63B-1-201, and any other  
593 entities the Legislature designates.

594 (3) "Public body" means the state and any public department, public agency, or other  
595 public entity existing under the laws of the state, including, without limitation, any agency,  
596 authority, instrumentality, or institution of the state, and any county, city, town, municipal  
597 corporation, quasi-municipal corporation, state university or college, school district, special  
598 service district, local district, separate legal or administrative entity created under the Interlocal  
599 Cooperation Act or other joint agreement entity, community [~~development and renewal~~]  
600 reinvestment agency, and any other political subdivision, public authority, public agency, or  
601 public trust existing under the laws of the state.

602 Section 8. Section 11-32-2 is amended to read:

603 **11-32-2. Definitions.**

604 As used in this chapter:

605 (1) "Assignment agreement" means the agreement, security agreement, indenture, or  
606 other documentation by which the county transfers the delinquent tax receivables to the  
607 authority in consideration of the amounts paid by the authority under the assignment  
608 agreement, as provided in this chapter.

609 (2) "Bonds" means any bonds, notes, or other evidence of indebtedness of the financing  
610 authority issued under this chapter.

611 (3) "Delinquent tax receivables" means those ad valorem tangible property taxes levied  
612 within any county, for any year, which remain unpaid and owing the participant members  
613 within the county, as of January 15 of the following year, plus any interest and penalties  
614 accruing or assessed to them.

615 (4) "Financing authority" or "authority" means a nonprofit corporation organized under  
616 this chapter by a county on behalf of the participant members within the county as the  
617 financing authority for the participant members solely for the purpose of financing the  
618 assignment of the delinquent tax receivables of the participant members for which it was  
619 created.

620 (5) "Governing body" means the council, commission, county legislative body, board  
621 of education, board of trustees, or any other governing entity of a public body in which the  
622 legislative powers of the public body are vested.

623 (6) "Participant members" means those public bodies, including the county, the  
624 governing bodies of which approve the creation of an authority as provided in Section 11-32-3  
625 and on whose behalf the authority acts.

626 (7) "Public body" means any city, town, county, school district, special service district,  
627 local district, community [~~development and renewal~~] reinvestment agency, or any other entity  
628 entitled to receive ad valorem property taxes, existing under the laws of the state.

629 Section 9. Section 11-34-1 is amended to read:

630 **11-34-1. Definitions.**

631 As used in this chapter:

632 (1) "Bonds" means any evidence or contract of indebtedness that is issued or  
633 authorized by a public body, including, without limitation, bonds, refunding bonds, advance  
634 refunding bonds, bond anticipation notes, tax anticipation notes, notes, certificates of  
635 indebtedness, warrants, commercial paper, contracts, and leases, whether they are general  
636 obligations of the issuing public body or are payable solely from a specified source, including  
637 annual appropriations by the public body.

638 (2) "Public body" means the state and any public department, public agency, or other  
639 public entity existing under the laws of the state, including, without limitation, any agency,  
640 authority, instrumentality, or institution of the state, and any county, city, town, municipal  
641 corporation, quasi-municipal corporation, state university or college, school district, special  
642 service district, local district, separate legal or administrative entity created under the Interlocal  
643 Cooperation Act or other joint agreement entity, community [~~development and renewal~~]  
644 reinvestment agency, and any other political subdivision, public authority, public agency, or  
645 public trust existing under the laws of this state.

646 Section 10. Section 11-49-102 is amended to read:

647 **11-49-102. Definitions.**

648 (1) "Commission" means the Political Subdivisions Ethics Review Commission  
649 established in Section 11-49-201.

650 (2) "Complainant" means a person who files a complaint in accordance with Section  
651 11-49-501.

652 (3) "Ethics violation" means a violation of:

653 (a) Title 10, Chapter 3, Part 13, Municipal Officers' and Employees' Ethics Act;

654 (b) Title 17, Chapter 16a, County Officers and Employees Disclosure Act; or

655 (c) Title 67, Chapter 16, Utah Public Officers' and Employees' Ethics Act.

656 (4) "Local political subdivision ethics commission" means an ethics commission  
657 established by a political subdivision within the political subdivision or with another political  
658 subdivision by interlocal agreement in accordance with Section 11-49-103.

659 (5) "Political subdivision" means a county, municipality, school district, community  
660 [~~development and renewal~~] reinvestment agency, local district, special service district, an entity  
661 created by an interlocal agreement adopted under Title 11, Chapter 13, Interlocal Cooperation  
662 Act, a local building authority, or any other governmental subdivision or public corporation.

663 (6) (a) "Political subdivision employee" means a person who is:

664 (i) (A) in a municipality, employed as a city manager or non-elected chief executive on  
665 a full or part-time basis; or

666 (B) employed as the non-elected chief executive by a political subdivision other than a  
667 municipality on a full or part-time basis; and

668 (ii) subject to:

669 (A) Title 10, Chapter 3, Part 13, Municipal Officers' and Employees' Ethics Act;

670 (B) Title 17, Chapter 16a, County Officers and Employees Disclosure Act; or

671 (C) Title 67, Chapter 16, Utah Public Officers' and Employees' Ethics Act.

672 (b) "Political subdivision employee" does not include:

673 (i) a person who is a political subdivision officer;

674 (ii) an employee of a state entity; or

675 (iii) a legislative employee as defined in Section 67-16-3.

676 (7) "Political subdivision governing body" means:

- 677 (a) for a county, the county legislative body as defined in Section 68-3-12.5;
- 678 (b) for a municipality, the council of the city or town;
- 679 (c) for a school district, the local board of education described in Section 53A-3-101;
- 680 (d) for a community [~~development and renewal~~] reinvestment agency, the agency board  
681 described in Section 17C-1-203;
- 682 (e) for a local district, the board of trustees described in Section 17B-1-301;
- 683 (f) for a special service district:
- 684 (i) the legislative body of the county, city, or town that established the special service  
685 district, if no administrative control board has been appointed under Section 17D-1-301; or
- 686 (ii) the administrative control board of the special service district, if an administrative  
687 control board has been appointed under Section 17D-1-301;
- 688 (g) for an entity created by an interlocal agreement, the governing body of an interlocal  
689 entity, as defined in Section 11-13-103;
- 690 (h) for a local building authority, the governing body, as defined in Section 17D-2-102,  
691 that creates the local building authority; or
- 692 (i) for any other governmental subdivision or public corporation, the board or other  
693 body authorized to make executive and management decisions for the subdivision or public  
694 corporation.
- 695 (8) (a) "Political subdivision officer" means a person elected in a political subdivision  
696 who is subject to:
- 697 (i) Title 10, Chapter 3, Part 13, Municipal Officers' and Employees' Ethics Act;
- 698 (ii) Title 17, Chapter 16a, County Officers and Employees Disclosure Act; or
- 699 (iii) Title 67, Chapter 16, Utah Public Officers' and Employees' Ethics Act.
- 700 (b) "Political subdivision officer" does not include:
- 701 (i) a person elected or appointed to a state entity;
- 702 (ii) the governor;
- 703 (iii) the lieutenant governor;
- 704 (iv) a member or member-elect of either house of the Legislature; or
- 705 (v) a member of Utah's congressional delegation.
- 706 (9) "Respondent" means a person who files a response in accordance with Section  
707 11-49-604.

708 Section 11. Section **11-50-102** is amended to read:

709 **11-50-102. Definitions.**

710 As used in this chapter:

711 (1) "Annual financial report" means a comprehensive annual financial report or similar  
712 financial report required by Section [51-2a-201](#).

713 (2) "Chief administrative officer" means the chief administrative officer designated in  
714 accordance with Section [11-50-202](#).

715 (3) "Chief financial officer" means the chief financial officer designated in accordance  
716 with Section [11-50-202](#).

717 (4) "Governing body" means:

718 (a) for a county, city, or town, the legislative body of the county, city, or town;

719 (b) for a local district, the board of trustees of the local district;

720 (c) for a school district, the local board of education; or

721 (d) for a special service district under Title 17D, Chapter 1, Special Service District

722 Act:

723 (i) the governing body of the county or municipality that created the special service  
724 district, if no administrative control board has been established under Section [17D-1-301](#); or

725 (ii) the administrative control board, if one has been established under Section  
726 [17D-1-301](#).

727 (5) (a) "Political subdivision" means any county, city, town, school district, community  
728 [~~development and renewal~~] reinvestment agency, special improvement or taxing district, local  
729 district, special service district, an entity created by an interlocal agreement adopted under Title  
730 11, Chapter 13, Interlocal Cooperation Act, or other governmental subdivision or public  
731 corporation.

732 (b) Notwithstanding Subsection (5)(a), "political subdivision" does not mean a project  
733 entity, as defined in Section [11-13-103](#).

734 Section 12. Section **11-52-102** is amended to read:

735 **11-52-102. Definitions.**

736 As used in this chapter:

737 (1) "Federal receipts" means the federal financial assistance, as defined in 31 U.S.C.  
738 Sec. 7501, that is reported as part of a single audit.



- 739 (2) "Political subdivision" means:
- 740 (a) a county, as defined in Section 17-50-101;
- 741 (b) a municipality, as defined in Section 10-1-104;
- 742 (c) a local district, as defined in Section 17B-1-102;
- 743 (d) a special service district, as defined in Section 17D-1-102;
- 744 (e) an interlocal entity, as defined in Section 11-13-103;
- 745 (f) a community [~~development and renewal~~] reinvestment agency created under Title
- 746 17C, Limited Purpose Local Government Entities - Community [~~Development and Renewal~~
- 747 ~~Agencies~~] Reinvestment Agency Act;
- 748 (g) a local building authority, as defined in Section 17D-2-102; or
- 749 (h) a conservation district, as defined in Section 17D-3-102.
- 750 (3) "Single audit" has the same meaning as defined in 31 U.S.C. Sec. 7501.

751 Section 13. Section 14-1-18 is amended to read:

752 **14-1-18. Definitions -- Application of Procurement Code to payment and**  
753 **performance bonds.**

754 (1) (a) For purposes of this chapter, "political subdivision" means any county, city,  
755 town, school district, local district, special service district, community [~~development and~~  
756 ~~renewal~~] reinvestment agency, public corporation, institution of higher education of the state,  
757 public agency of any political subdivision, and, to the extent provided by law, any other entity  
758 which expends public funds for construction.

759 (b) For purposes of applying Section 63G-6a-1103 to a political subdivision, "state"  
760 includes "political subdivision."

761 (2) Notwithstanding any provision of Title 63G, Chapter 6a, Utah Procurement Code,  
762 to the contrary, Section 63G-6a-1103 applies to all contracts for the construction, alteration, or  
763 repair of any public building or public work of the state or a political subdivision of the state.

764 Section 14. Section 15-7-2 is amended to read:

765 **15-7-2. Definitions.**

766 As used in this chapter:

767 (1) "Authorized officer" means any individual required or permitted by any law or by  
768 the issuing public entity to execute on behalf of the public entity, a certificated registered  
769 public obligation or a writing relating to an uncertificated registered public obligation.

770 (2) "Certificated registered public obligation" means a registered public obligation  
771 which is represented by an instrument.

772 (3) "Code" means the Internal Revenue Code of 1954.

773 (4) "Facsimile seal" means the reproduction by engraving, imprinting, stamping, or  
774 other means of the seal of the issuer, official, or official body.

775 (5) "Facsimile signature" means the reproduction by engraving, imprinting, stamping,  
776 or other means of a manual signature.

777 (6) "Financial intermediary" means a bank, broker, clearing corporation or other  
778 person, or the nominee of any of them, which in the ordinary course of its business maintains  
779 registered public obligation accounts for its customers.

780 (7) "Issuer" means a public entity which issues an obligation.

781 (8) "Obligation" means an agreement by a public entity to pay principal and any  
782 interest on the obligation, whether in the form of a contract to repay borrowed money, a lease,  
783 an installment purchase agreement, or otherwise, and includes a share, participation, or other  
784 interest in any such agreement.

785 [~~(10)~~] (9) "Official" or "official body" means the person or group of persons that is  
786 empowered to provide for the original issuance of an obligation of the issuer, by defining the  
787 obligation and its terms, conditions, and other incidents, or to perform duties with respect to a  
788 registered public obligation and any successor of such person or group of persons.

789 [~~(9)~~] (10) "Official actions" means the actions by statute, order, ordinance, resolution,  
790 contract, or other authorized means by which the issuer provides for issuance of a registered  
791 public obligation.

792 (11) "Public entity" means any entity, department, or agency which is empowered  
793 under the laws of one or more states, territories, possessions of the United States or the District  
794 of Columbia, including this state, to issue obligations any interest with respect to which may,  
795 under any provision of law, be provided an exemption from the income tax referred to in the  
796 Code. The term "public entity" includes, without limitation, this state, an entity deriving  
797 powers from and acting pursuant to a state constitution or legislative act, a county, city, town, a  
798 municipal corporation, a quasi-municipal corporation, a state university or college, a school  
799 district, a special service district, a local district, a separate legal or administrative entity  
800 created under the Interlocal Cooperation Act or other joint agreement entity, a community

801 [~~development and renewal~~] reinvestment agency, any other political subdivision, a public  
802 authority or public agency, a public trust, a nonprofit corporation, or other organizations.

803 (12) "Registered public obligation" means an obligation issued by a public entity which  
804 is issued pursuant to a system of registration.

805 (13) "System of registration" and its variants means a plan that provides:

806 (a) with respect to a certificated registered public obligation, that:

807 (i) the certificated registered public obligation specifies a person entitled to the  
808 registered public obligation and the rights it represents; and

809 (ii) transfer of the certificated registered public obligation and the rights it represents  
810 may be registered upon books maintained for that purpose by or on behalf of the issuer; and

811 (b) with respect to an uncertificated registered public obligation, that:

812 (i) books maintained by or on behalf of the issuer for the purpose of registration of the  
813 transfer of a registered public obligation specify a person entitled to the registered public  
814 obligation and the rights evidenced by it; and

815 (ii) transfer of the uncertificated registered public obligation and the rights evidenced  
816 by it be registered upon such books.

817 (14) "Uncertificated registered public obligation" means a registered public obligation  
818 which is not represented by an instrument.

819 Section 15. Section **17C-1-101** is amended to read:

820 **TITLE 17C. LIMITED PURPOSE LOCAL GOVERNMENT ENTITIES -**

821 **COMMUNITY REINVESTMENT AGENCY ACT**

822 **CHAPTER 1. AGENCY OPERATIONS**

823 **Part 1. General Provisions**

824 **17C-1-101. Title.**

825 (1) This title is known as the "Limited Purpose Local Government Entities -  
826 Community [~~Development and Renewal Agencies~~] Reinvestment Agency Act."

827 (2) This chapter is known as "Agency Operations."

828 (3) This part is known as "General Provisions."

829 Section 16. Section **17C-1-102** is amended to read:

830 **17C-1-102. Definitions.**

831 As used in this title:

832 (1) "Active project area" means a project area that has not been dissolved in accordance  
833 with Section 17C-1-702.

834 ~~[(1)]~~ (2) "Adjusted tax increment" means the percentage of tax increment, if less than  
835 100%, that an agency is authorized to receive:

836 ~~[(a) for tax increment under a pre-July 1, 1993, project area plan, tax increment under~~  
837 ~~Section 17C-1-403, excluding tax increment under Subsection 17C-1-403(3); and]~~

838 ~~[(b) for tax increment under a post-June 30, 1993, project area plan, tax increment~~  
839 ~~under Section 17C-1-404, excluding tax increment under Section 17C-1-406;]~~

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

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

844 (c) under a project area budget approved by a taxing entity committee; or

845 (d) under an interlocal agreement that authorizes the agency to receive a taxing entity's  
846 tax increment.

847 ~~[(2)]~~ (3) "Affordable housing" means housing [to be] owned or occupied by [persons  
848 and families of low or moderate income] a low or moderate income family, as determined by  
849 resolution of the agency.

850 ~~[(3)]~~ (4) "Agency" or "community [development and renewal] reinvestment agency"  
851 means a separate body corporate and politic, created under Section [17C-1-201] 17C-1-201.5  
852 or as a redevelopment agency or community development and renewal agency under previous  
853 law[;];

854 (a) that is a political subdivision of the state[;];

855 (b) that is created to undertake or promote [urban renewal, economic development, or  
856 community development, or any combination of them,] project area development as provided  
857 in this title[;]; and

858 (c) whose geographic boundaries are coterminous with:

859 ~~[(a)]~~ (i) for an agency created by a county, the unincorporated area of the county; and

860 ~~[(b)]~~ (ii) for an agency created by a [city or town] municipality, the boundaries of the  
861 [city or town] municipality.

862 (5) "Agency funds" means money that an agency collects or receives for the purposes

863 of agency operations or implementing a project area plan, including:

864 (a) project area funds;

865 (b) income, proceeds, revenue, or property derived from or held in connection with the  
866 agency's undertaking and implementation of project area development; or

867 (c) a contribution, loan, grant, or other financial assistance from any public or private  
868 source.

869 ~~[(4)]~~ (6) "Annual income" [has the meaning as] means the same as that term is defined  
870 [under] in regulations of the United States Department of Housing and Urban Development, 24  
871 C.F.R. Sec. 5.609, as amended or as superseded by replacement regulations.

872 ~~[(5)]~~ (7) "Assessment roll" [has the meaning as] means the same as that term is defined  
873 in Section 59-2-102.

874 ~~[(6)]~~ (8) "Base taxable value" means[;], unless otherwise adjusted in accordance with  
875 provisions of this title, a property's taxable value as shown upon the assessment roll last  
876 equalized during the base year.

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

881 ~~[(i) for a pre-July 1, 1993, project area plan, the effective date of the project area plan;]~~

882 ~~[(ii) for a post-June 30, 1993, project area plan:]~~

883 ~~[(A) the date of the taxing entity committee's approval of the first project area budget;~~  
884 ~~or]~~

885 ~~[(B) if no taxing entity committee approval is required for the project area budget, the~~  
886 ~~later of:]~~

887 ~~[(I) the date the project area plan is adopted by the community legislative body; and]~~

888 ~~[(II) the date the agency adopts the first project area budget;]~~

889 ~~[(iii) for a project on an inactive industrial site, a year after the date on which the~~  
890 ~~inactive industrial site is sold for remediation and development; or]~~

891 ~~[(iv) for a project on an inactive airport site, a year after the later of:]~~

892 ~~[(A) the date on which the inactive airport site is sold for remediation and~~  
893 ~~development; and]~~

894 ~~[(B) the date on which the airport that had been operated on the inactive airport site~~  
895 ~~ceased operations; and]~~

896 ~~[(b) for a community development project area, the agreed value specified in a~~  
897 ~~resolution or interlocal agreement under Subsection [17C-4-201\(2\)](#).]~~

898 (9) "Base year" means, except as provided in Subsection [17C-1-402\(4\)\(c\)](#), the year  
899 during which the assessment roll is last equalized:

900 (a) for a pre-July 1, 1993, urban renewal or economic development project area plan,  
901 before the project area plan's effective date;

902 (b) for a post-June 30, 1993, urban renewal or economic development project area  
903 plan, or a community reinvestment project area plan that is subject to a taxing entity  
904 committee:

905 (i) before the date on which the taxing entity committee approves the project area  
906 budget; or

907 (ii) if taxing entity committee approval is not required for the project area budget,  
908 before the date on which the community legislative body adopts the project area plan;

909 (c) for a project on an inactive airport site, after the later of:

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

911 or

912 (ii) the date on which the airport that operated on the inactive airport site ceased  
913 operations; or

914 (d) for a community development project area plan or a community reinvestment  
915 project area plan that is subject to an interlocal agreement, as described in the interlocal  
916 agreement.

917 ~~[(7)]~~ (10) "Basic levy" means the portion of a school district's tax levy constituting the  
918 minimum basic levy under Section [59-2-902](#).

919 ~~[(8)]~~ (11) "Blight" or "blighted" means the condition of an area that meets the  
920 requirements ~~[of]~~ described in Subsection [17C-2-303\(1\)](#) for an urban renewal project area or  
921 Section [17C-5-405](#) for a community reinvestment project area.

922 ~~[(9)]~~ (12) "Blight hearing" means a public hearing regarding whether blight exists  
923 within a proposed:

924 (a) urban renewal project area under Subsection [17C-2-102\(1\)\(a\)\(i\)\(C\)](#) and Section

925 17C-2-302; or [regarding the existence or nonexistence of blight within the proposed urban  
926 renewal project area.]

927 (b) community reinvestment project area under Section 17C-5-405.

928 [(10)] (13) "Blight study" means a study to determine [the existence or nonexistence of  
929 blight] whether blight exists within a survey area as [provided] described in Section 17C-2-301  
930 for an urban renewal project area or Section 17C-5-403 for a community reinvestment project  
931 area.

932 [(11)] (14) "Board" means the governing body of an agency, as [provided] described in  
933 Section 17C-1-203.

934 [(12)] (15) "Budget hearing" means the public hearing on a [draft] proposed project  
935 area budget required under Subsection 17C-2-201(2)(d) for an urban renewal project area  
936 budget [or], Subsection 17C-3-201(2)(d) for an economic development project area budget, or  
937 Subsection 17C-5-302(2)(e) for a community reinvestment project area budget.

938 [(13)] (16) "Closed military base" means land within a former military base that the  
939 Defense Base Closure and Realignment Commission has voted to close or realign when that  
940 action has been sustained by the president of the United States and Congress.

941 [(14)] (17) "Combined incremental value" means the combined total of all incremental  
942 values from all [~~urban renewal~~] project areas, except project areas that contain some or all of a  
943 military installation or inactive industrial site, within the agency's boundaries under [adopted]  
944 project area plans and [adopted] project area budgets at the time that a project area budget for a  
945 new [~~urban renewal~~] project area is being considered.

946 [(15)] (18) "Community" means a county[, city, or town] or municipality.

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

949 (19) "Community development project area plan" means a project area plan adopted  
950 under Chapter 4, Part 1, Community Development Project Area Plan.

951 (20) "Community legislative body" means the legislative body of the community that  
952 created the agency.

953 (21) "Community reinvestment project area plan" means a project area plan adopted  
954 under Chapter 5, Part 1, Community Reinvestment Project Area Plan.

955 [(17)] (22) "Contest" means to file a written complaint in the district court of the

956 county in which ~~[the person filing the complaint resides]~~ the agency is located.

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

959 ~~[(a) planning, design, development, construction, rehabilitation, business relocation, or~~  
960 ~~any combination of these, within a community; and]~~

961 ~~[(b) the provision of office, industrial, manufacturing, warehousing, distribution,~~  
962 ~~parking, public, or other facilities, or other improvements that benefit the state or a~~  
963 ~~community.]~~

964 (23) "Economic development project area plan" means a project area plan adopted  
965 under Chapter 3, Part 1, Economic Development Project Area Plan.

966 ~~[(19)]~~ (24) "Fair share ratio" means the ratio derived by:

967 (a) for a ~~[city or town]~~ municipality, comparing the percentage of all housing units  
968 within the ~~[city or town]~~ municipality that are publicly subsidized income targeted housing  
969 units to the percentage of all housing units within the ~~[whole]~~ county in which the municipality  
970 is located that are publicly subsidized income targeted housing units; or

971 (b) for the unincorporated part of a county, comparing the percentage of all housing  
972 units within the unincorporated county that are publicly subsidized income targeted housing  
973 units to the percentage of all housing units within the whole county that are publicly subsidized  
974 income targeted housing units.

975 ~~[(20)]~~ (25) "Family" [has the meaning as] means the same as that term is defined  
976 [under] in regulations of the United States Department of Housing and Urban Development, 24  
977 C.F.R. Section 5.403, as amended or as superseded by replacement regulations.

978 ~~[(21)]~~ (26) "Greenfield" means land not developed beyond agricultural, range, or  
979 forestry use.

980 ~~[(22)]~~ (27) "Hazardous waste" means any substance defined, regulated, or listed as a  
981 hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant,  
982 or toxic substance, or identified as hazardous to human health or the environment, under state  
983 or federal law or regulation.

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

986 (28) "Housing allocation" means tax increment allocated for housing under Section



987 17C-2-203, 17C-3-202, or 17C-5-307 for the purposes described in Section 17C-1-412.

988 (29) "Housing fund" means a fund created by an agency for purposes described in

989 Section 17C-1-411 or 17C-1-412 that is comprised of:

990 (a) project area funds allocated for the purposes described in Section 17C-1-411; or

991 (b) an agency's housing allocation.

992 ~~[(24)]~~ (30) (a) "Inactive airport site" means land that:

993 (i) consists of at least 100 acres;

994 (ii) is occupied by an airport:

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

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

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

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

999 (iii) requires remediation because:

1000 (A) of the presence of hazardous waste or solid waste; or

1001 (B) the site lacks sufficient public infrastructure and facilities, including public roads,  
1002 electric service, water system, and sewer system, needed to support development of the site.

1003 (b) "Inactive airport site" includes a perimeter of up to 2,500 feet around the land  
1004 described in Subsection ~~[(24)]~~ (30)(a).

1005 ~~[(25)]~~ (31) (a) "Inactive industrial site" means land that:

1006 (i) consists of at least 1,000 acres;

1007 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial  
1008 facility; and

1009 (iii) requires remediation because of the presence of hazardous waste or solid waste.

1010 (b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land  
1011 described in Subsection ~~[(25)]~~ (31)(a).

1012 ~~[(26)]~~ (32) "Income targeted housing" means housing ~~[to be]~~ that is owned or occupied  
1013 by a family whose annual income is at or below 80% of the median annual income for a family  
1014 within the county in which the housing is located.

1015 ~~[(27)]~~ (33) "Incremental value" means a figure derived by multiplying the marginal  
1016 value of the property located within ~~[an urban renewal]~~ a project area on which tax increment  
1017 is collected by a number that represents the ~~[percentage of]~~ adjusted tax increment from that

1018 project area that is paid to the agency.

1019 ~~[(28)]~~ (34) "Loan fund board" means the Olene Walker Housing Loan Fund Board,  
1020 established under Title 35A, Chapter 8, Part 5, Olene Walker Housing Loan Fund.

1021 ~~[(31)]~~ (35) (a) "~~[Municipal]~~ Local government building" means a building owned and  
1022 operated by a ~~[municipality]~~ community for the primary purpose of providing one or more  
1023 primary ~~[municipal]~~ community functions, including:

- 1024 (i) a fire station;
- 1025 (ii) a police station;
- 1026 (iii) a city hall; or
- 1027 (iv) a court or other judicial building.

1028 (b) "~~[Municipal]~~ Local government building" does not include a building the primary  
1029 purpose of which is cultural or recreational in nature.

1030 ~~[(29)]~~ (36) "Marginal value" means the difference between actual taxable value and  
1031 base taxable value.

1032 ~~[(30)]~~ (37) "Military installation project area" means a project area or a portion of a  
1033 project area located within a federal military installation ordered closed by the federal Defense  
1034 Base Realignment and Closure Commission.

1035 (38) "Municipality" means a city, town, or metro township as defined in Section  
1036 [10-2a-403](#).

1037 (39) "Participant" means one or more persons that enter into a participation agreement  
1038 with an agency.

1039 (40) "Participation agreement" means a written agreement between a person and an  
1040 agency that:

1041 (a) includes a description of:

- 1042 (i) the project area development that the person will undertake;
- 1043 (ii) the amount of project area funds the person may receive; and
- 1044 (iii) the terms and conditions under which the person may receive project area funds;

1045 and

1046 (b) is approved by resolution of the board.

1047 ~~[(32)]~~ (41) "Plan hearing" means the public hearing on a ~~[draft]~~ proposed project area  
1048 plan required under Subsection [17C-2-102\(1\)\(a\)\(vi\)](#) for an urban renewal project area plan,

1049 Subsection [17C-3-102](#)(1)(d) for an economic development project area plan, ~~[and]~~ Subsection  
 1050 [17C-4-102](#)(1)(d) for a community development project area plan, or Subsection  
 1051 [17C-5-104](#)(3)(e) for a community reinvestment project area plan.

1052 ~~[(33)]~~ (42) "Post-June 30, 1993, project area plan" means a project area plan adopted  
 1053 on or after July 1, 1993, and before May 10, 2016, whether or not amended subsequent to ~~[its]~~  
 1054 the project area plan's adoption.

1055 ~~[(34)]~~ (43) "Pre-July 1, 1993, project area plan" means a project area plan adopted  
 1056 before July 1, 1993, whether or not amended subsequent to ~~[its]~~ the project area plan's  
 1057 adoption.

1058 ~~[(35)]~~ (44) "Private," with respect to real property, means:

1059 (a) not owned by ~~[the United States or any agency of the federal government,]~~ a public  
 1060 entity~~;~~ or any other governmental entity; and

1061 (b) not dedicated to public use.

1062 ~~[(36)]~~ (45) "Project area" means the geographic area described in a project area plan ~~[or~~  
 1063 ~~draft project area plan where the urban renewal, economic development, or community~~  
 1064 ~~development, as the case may be, set forth in the project area plan or draft project area plan~~  
 1065 ~~takes place or is proposed to take place]~~ within which the project area development described  
 1066 in the project area plan takes place or is proposed to take place.

1067 ~~[(37)]~~ (46) "Project area budget" means a multiyear projection of annual or cumulative  
 1068 revenues and expenses and other fiscal matters pertaining to a ~~[urban renewal or economic~~  
 1069 ~~development]~~ project area prepared in accordance with:

1070 (a) for an urban renewal project area, Section [17C-2-202](#);

1071 (b) for an economic development project area, Section [17C-3-202](#);

1072 (c) for a community development project area, Section [17C-4-204](#); or

1073 (d) for a community reinvestment project area, Section [17C-5-302](#). ~~[that includes:]~~

1074 ~~[(a) the base taxable value of property in the project area;]~~

1075 ~~[(b) the projected tax increment expected to be generated within the project area;]~~

1076 ~~[(c) the amount of tax increment expected to be shared with other taxing entities;]~~

1077 ~~[(d) the amount of tax increment expected to be used to implement the project area~~  
 1078 ~~plan, including the estimated amount of tax increment to be used for land acquisition, public~~  
 1079 ~~improvements, infrastructure improvements, and loans, grants, or other incentives to private~~

1080 and public entities;]

1081 ~~[(e) the tax increment expected to be used to cover the cost of administering the project~~  
1082 ~~area plan;]~~

1083 ~~[(f) if the area from which tax increment is to be collected is less than the entire project~~  
1084 ~~area;]~~

1085 ~~[(i) the tax identification numbers of the parcels from which tax increment will be~~  
1086 ~~collected; or]~~

1087 ~~[(ii) a legal description of the portion of the project area from which tax increment will~~  
1088 ~~be collected;]~~

1089 ~~[(g) for property that the agency owns and expects to sell, the expected total cost of the~~  
1090 ~~property to the agency and the expected selling price; and]~~

1091 ~~[(h) (i) for an urban renewal project area, the information required under Subsection~~  
1092 ~~17C-2-201(1)(b); and]~~

1093 ~~[(ii) for an economic development project area, the information required under~~  
1094 ~~Subsection 17C-3-201(1)(b).]~~

1095 (47) "Project area development" means activity within a project area that, as  
1096 determined by the board, encourages, promotes, or provides development or redevelopment for  
1097 the purpose of implementing a project area plan, including:

1098 (a) promoting, creating, or retaining public or private jobs within the state or a  
1099 community;

1100 (b) providing office, manufacturing, warehousing, distribution, parking, or other  
1101 facilities or improvements;

1102 (c) planning, designing, demolishing, clearing, constructing, rehabilitating, or  
1103 remediating environmental issues;

1104 (d) providing residential, commercial, industrial, public, or other structures or spaces,  
1105 including recreational and other facilities incidental or appurtenant to the structures or spaces;

1106 (e) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating  
1107 existing structures;

1108 (f) providing open space, including streets or other public grounds or space around  
1109 buildings;

1110 (g) providing public or private buildings, infrastructure, structures, or improvements;

1111 (h) relocating a business;  
 1112 (i) improving public or private recreation areas or other public grounds;  
 1113 (j) eliminating blight or the causes of blight;  
 1114 (k) redevelopment as defined under the law in effect before May 1, 2006; or  
 1115 (l) any activity described in Subsections (47)(a) through (k) outside of a project area  
 1116 that the board determines to be a benefit to the project area.

1117 (48) "Project area funds" means tax increment or sales and use tax revenue that an  
 1118 agency receives under a project area budget adopted by a taxing entity committee or an  
 1119 interlocal agreement.

1120 (49) "Project area funds collection period" means the period of time that:

1121 (a) begins the day on which the first payment of project area funds is distributed to an  
 1122 agency under a project area budget adopted by a taxing entity committee or an interlocal  
 1123 agreement; and

1124 (b) ends the day on which the last payment of project area funds is distributed to an  
 1125 agency under a project area budget adopted by a taxing entity committee or an interlocal  
 1126 agreement.

1127 ~~[(38)]~~ (50) "Project area plan" means [a written plan under Chapter 2, Part 1, Urban  
 1128 Renewal Project Area Plan, Chapter 3, Part 1, Economic Development Project Area Plan, or  
 1129 Chapter 4, Part 1, Community Development Project Area Plan, as the case may be,] an urban  
 1130 renewal project area plan, an economic development project area plan, a community  
 1131 development project area plan, or a community reinvestment project area plan that, after [its]  
 1132 the project area plan's effective date, guides and controls the [urban renewal, economic  
 1133 development, or community development activities within a project area] project area  
 1134 development.

1135 ~~[(39)]~~ (51) (a) "Property tax" [includes privilege tax and each levy on an ad valorem  
 1136 basis on tangible or intangible personal or real property.] means each levy on an ad valorem  
 1137 basis on tangible or intangible personal or real property.

1138 (b) "Property tax" includes a privilege tax imposed under Title 59, Chapter 4, Privilege  
 1139 Tax.

1140 ~~[(40)]~~ (52) "Public entity" means:

1141 (a) the United States, including an agency of the United States;

1142            ~~[(a)]~~ (b) the state, including any of ~~[its]~~ the state's departments or agencies; or  
 1143            ~~[(b)]~~ (c) a political subdivision of the state, including a county, ~~[city, town,]~~  
 1144 municipality, school district, local district, special service district, or interlocal cooperation  
 1145 entity.

1146            ~~[(41)]~~ (53) "Publicly owned infrastructure and improvements" means water, sewer,  
 1147 storm drainage, electrical, ~~[and]~~ natural gas, telecommunication, or other similar systems and  
 1148 lines, streets, roads, curb, gutter, sidewalk, walkways, parking facilities, public transportation  
 1149 facilities, ~~[and]~~ or other facilities, infrastructure, and improvements benefitting the public and  
 1150 to be publicly owned or publicly maintained or operated.

1151            ~~[(42)]~~ (54) "Record property owner" or "record owner of property" means ~~[the owner~~  
 1152 ~~of real property as shown on the records of the recorder of the county in which the property is~~  
 1153 ~~located and includes a purchaser under a real estate contract if the contract is recorded in the~~  
 1154 ~~office of the recorder of the county in which the property is located or the purchaser gives~~  
 1155 ~~written notice of the real estate contract to the agency.]~~ the owner of real property, as shown on  
 1156 the records of the county in which the property is located, to whom the property's tax notice is  
 1157 sent.

1158            (55) "Sales and use tax revenue" means revenue that is:

1159            (a) generated from a tax imposed under Title 59, Chapter 12, Sales and Use Tax Act;

1160 and

1161            (b) distributed to a taxing entity in accordance with Sections [59-12-204](#) and [59-12-205](#).

1162            ~~[(43)]~~ (56) "Superfund site":

1163            (a) means an area included in the National Priorities List under the Comprehensive  
 1164 Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sec. 9605; and

1165            (b) includes an area formerly included in the National Priorities List, as described in  
 1166 Subsection ~~[(43)]~~ (56)(a), but removed from the list following remediation that leaves on site  
 1167 the waste that caused the area to be included in the National Priorities List.

1168            ~~[(44)]~~ (57) "Survey area" means ~~[an]~~ a geographic area designated for study by a  
 1169 survey area resolution ~~[for study]~~ to determine whether one or more ~~[urban renewal projects]~~  
 1170 project areas within the survey area are feasible.

1171            ~~[(45)]~~ (58) "Survey area resolution" means a resolution adopted by ~~[the agency]~~ a  
 1172 board under Subsection ~~[[17C-2-101\(1\)\(a\)](#)]~~ [17C-2-101.5\(1\)](#) or [17C-5-103\(1\)](#) designating a

1173 survey area.

1174 ~~[(46)]~~ (59) "Taxable value" means ~~[the value of property as shown on the last~~  
1175 ~~equalized assessment roll as certified by the county assessor.];~~

1176 (a) the taxable value of all real property a county assessor assesses in accordance with  
1177 Title 59, Chapter 2, Part 3, County Assessment, for the current year;

1178 (b) the taxable value of all real and personal property the commission assesses in  
1179 accordance with Title 59, Chapter 2, Part 2, Assessment of Property, for the current year; and

1180 (c) the year end taxable value of all personal property a county assessor assesses in  
1181 accordance with Title 59, Chapter 2, Part 3, County Assessment, contained on the prior year's  
1182 tax rolls of the taxing entity.

1183 ~~[(47) (a) Except as provided in Subsection (47) (b),]~~

1184 (60) (a) "Tax increment" means the difference between:

1185 (i) the amount of property tax ~~[revenues]~~ revenue generated each tax year by ~~[an]~~ a  
1186 taxing ~~[entities]~~ entity from the area within a project area designated in the project area plan as  
1187 the area from which tax increment is to be collected~~[(A)]~~, using the current assessed value of  
1188 the property; and

1189 ~~[(B) that are paid to the agency from funds from all of the tax levies used in~~  
1190 ~~establishing the certified tax rate in accordance with Section 59-2-924 of the taxing entity~~  
1191 ~~within which the agency is located, including funds that are restricted for a particular use by~~  
1192 ~~statute to the extent bond covenants are not impaired; and]~~

1193 (ii) the amount of property tax ~~[revenues]~~ revenue that would be generated from that  
1194 same area using the base taxable value of the property.

1195 (b) "Tax increment" does not include taxes levied and collected under Section  
1196 59-2-1602 on or after January 1, 1994, upon the taxable property in the project area unless:

1197 (i) the project area plan was adopted before May 4, 1993, whether or not the project  
1198 area plan was subsequently amended; and

1199 (ii) the taxes were pledged to support bond indebtedness or other contractual  
1200 obligations of the agency.

1201 ~~[(48)]~~ (61) "Taxing entity" means a public entity that:

1202 (a) levies a tax on ~~[a parcel or parcels of]~~ property located within a ~~[community.];~~  
1203 project area; or

1204 (b) imposes a sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act.

1205 [~~(49)~~] (62) "Taxing entity committee" means a committee representing the interests of  
1206 taxing entities, created [as provided] in accordance with Section 17C-1-402.

1207 [~~(50)~~] (63) "Unincorporated" means not within a [city or town] municipality.

1208 [~~(51)(a) "Urban renewal" means the development activities under a project area plan~~  
1209 ~~within an urban renewal project area, including:]~~

1210 [~~(i) planning, design, development, demolition, clearance, construction, rehabilitation,~~  
1211 ~~environmental remediation, or any combination of these, of part or all of a project area;]~~

1212 [~~(ii) the provision of residential, commercial, industrial, public, or other structures or~~  
1213 ~~spaces, including recreational and other facilities incidental or appurtenant to them;]~~

1214 [~~(iii) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating,~~  
1215 ~~or any combination of these, existing structures in a project area;]~~

1216 [~~(iv) providing open space, including streets and other public grounds and space~~  
1217 ~~around buildings;]~~

1218 [~~(v) providing public or private buildings, infrastructure, structures, and improvements;~~  
1219 ~~and]~~

1220 [~~(vi) providing improvements of public or private recreation areas and other public~~  
1221 ~~grounds.]~~

1222 [~~(b) "Urban renewal" means "redevelopment," as defined under the law in effect before~~  
1223 ~~May 1, 2006, if the context requires.]~~

1224 (64) "Urban renewal project area plan" means a project area plan adopted under  
1225 Chapter 2, Part 1, Urban Renewal Project Area Plan.

1226 Section 17. Section **17C-1-102.5** is enacted to read:

1227 **17C-1-102.5. Project area created on or after May 10, 2016.**

1228 Beginning on May 10, 2016, an agency:

1229 (1) may create a community reinvestment project area under Chapter 5, Community  
1230 Reinvestment;

1231 (2) except as provided in Subsection (3), may not create:

1232 (a) an urban renewal project area under Chapter 2, Urban Renewal;

1233 (b) an economic development project area under Chapter 3, Economic Development;

1234 or



1235 (c) a community development project area under Chapter 4, Community Development;  
1236 and

1237 (3) may create an urban renewal project area, an economic development project area,  
1238 or a community development project area if:

1239 (a) before April 1, 2016, the agency adopts a resolution in accordance with:

1240 (i) Section 17C-2-101.5 for an urban renewal project area;

1241 (ii) Section 17C-3-101.5 for an economic development project area; or

1242 (iii) Section 17C-4-101.5 for a community development project area; and

1243 (b) the urban renewal project area, economic development project area, or community  
1244 development project area is effective before September 1, 2016.

1245 Section 18. Section 17C-1-103 is amended to read:

1246 **17C-1-103. Limitations on applicability of title -- Amendment of previously**  
1247 **adopted project area plan.**

1248 (1) ~~[Nothing]~~ Except where expressly provided, nothing in this title may be construed  
1249 to:

1250 (a) impose a requirement or obligation on an agency, with respect to a project area plan  
1251 adopted or an agency action taken, that was not imposed by the law in effect at the time the  
1252 project area plan was adopted or the action taken;

1253 (b) prohibit an agency from taking an action that:

1254 (i) was allowed by the law in effect immediately before an applicable amendment to  
1255 this title;

1256 (ii) is permitted or required under the project area plan adopted before the amendment;

1257 and

1258 (iii) is not explicitly prohibited under this title;

1259 (c) revive any right to challenge any action of the agency that had already expired; or

1260 (d) require a project area plan to contain a provision that was not required by the law in  
1261 effect at the time the project area plan was adopted.

1262 (2) (a) A project area plan adopted before an amendment to this title becomes effective  
1263 may be amended as provided in this title.

1264 (b) Unless explicitly prohibited by this title, an amendment under Subsection (2)(a)  
1265 may include a provision that is allowed under this title but that was not required or allowed by

1266 the law in effect before the applicable amendment.

1267 Section 19. Section **17C-1-201.1** is enacted to read:

1268 **Part 2. Agency Creation, Powers, and Board**

1269 **17C-1-201.1. Title.**

1270 This part is known as "Agency Creation, Powers, and Board."

1271 Section 20. Section **17C-1-201.5**, which is renumbered from Section 17C-1-201 is  
1272 renumbered and amended to read:

1273 ~~[17C-1-201].~~ **17C-1-201.5. Creation of agency -- Name change.**

1274 (1) A community [~~may, by ordinance adopted by its legislative body, approve the~~  
1275 ~~creation of a community development and renewal agency.~~] legislative body may, by  
1276 ordinance, create a community reinvestment agency.

1277 (2) (a) The community legislative body shall:

1278 (i) after adopting an ordinance under Subsection (1), file with the lieutenant governor a  
1279 copy of a notice, subject to Subsection (2)(b), of an impending boundary action, as defined in  
1280 Section **67-1a-6.5**, that meets the requirements of Subsection **67-1a-6.5(3)**; and

1281 (ii) upon the lieutenant governor's issuance of a certificate of creation under Section  
1282 **67-1a-6.5**, submit to the recorder of the county in which the agency is located:

1283 (A) the original notice of an impending boundary action;

1284 (B) the original certificate of creation; and

1285 (C) a certified copy of the ordinance approving the creation of the community  
1286 [~~development and renewal~~] reinvestment agency.

1287 (b) The notice required under Subsection (2)(a)(i) shall state that the agency's  
1288 boundaries are, and shall always be, coterminous with the boundaries of the community that  
1289 created the agency.

1290 (c) Upon the lieutenant governor's issuance of the certificate of creation under Section  
1291 **67-1a-6.5**, the agency is created and incorporated.

1292 (d) Until the documents listed in Subsection (2)(a)(ii) are recorded in the office of the  
1293 recorder of the county in which the [~~property~~] agency is located, an agency may not receive or  
1294 spend [~~tax increment~~] agency funds.

1295 (3) (a) An agency may [~~approve a~~] change [~~in its~~] the agency's name [~~whether to~~  
1296 ~~indicate it is a community development and renewal agency or otherwise,~~] by:

1297 (i) adopting a resolution approving a name change; and  
1298 (ii) filing with the lieutenant governor a copy of a notice of an impending name  
1299 change, as defined in Section 67-1a-6.7, that meets the requirements of Subsection  
1300 67-1a-6.7(3).

1301 (b) (i) Upon the lieutenant governor's issuance of a certificate of name change under  
1302 Section 67-1a-6.7, the agency shall file with the recorder of the county in which the agency is  
1303 located:

- 1304 (A) the original notice of an impending name change;
- 1305 (B) the original certificate of name change; and
- 1306 (C) a certified copy of the resolution approving a name change.

1307 (ii) Until the documents listed in Subsection (3)(b)(i) are recorded in the office of the  
1308 county recorder, the agency may not operate under the new name.

1309 Section 21. Section 17C-1-202 is amended to read:

1310 **17C-1-202. Agency powers.**

1311 (1) ~~[A community development and renewal]~~ An agency may:

- 1312 (a) sue and be sued;
- 1313 (b) enter into contracts generally;
- 1314 (c) buy, obtain an option upon, or otherwise acquire any interest in real or personal  
1315 property;
- 1316 (d) sell, convey, grant, ~~[dispose of by]~~ gift, or otherwise dispose of any interest in real  
1317 or personal property;
- 1318 (e) enter into a lease agreement on real or personal property, either as lessee or lessor;
- 1319 (f) provide for ~~[urban renewal, economic development, and community]~~ project area  
1320 development as provided in this title;
- 1321 (g) receive ~~[tax increment]~~ and use agency funds as provided in this title;
- 1322 (h) if disposing of or leasing land, retain controls or establish restrictions and  
1323 covenants running with the land consistent with the project area plan;
- 1324 (i) accept financial or other assistance from any public or private source for the  
1325 agency's activities, powers, and duties, and expend any funds ~~[so received for any of the~~  
1326 ~~purposes of]~~ the agency receives for any purpose described in this title;
- 1327 (j) borrow money or accept financial or other assistance from ~~[the federal government,]~~

1328 a public entity, or any other source for any of the purposes of this title and comply with any  
1329 conditions of ~~the~~ any loan or assistance;

1330 (k) issue bonds to finance the undertaking of any ~~urban renewal, economic~~  
1331 ~~development, or community~~ project area development or for any of the agency's other  
1332 purposes, including:

1333 (i) reimbursing an advance made by the agency or by a public entity ~~or the federal~~  
1334 ~~government~~ to the agency;

1335 (ii) refunding bonds to pay or retire bonds previously issued by the agency; and

1336 (iii) refunding bonds to pay or retire bonds previously issued by the community that  
1337 created the agency for expenses associated with ~~an urban renewal, economic development, or~~  
1338 ~~community development project; and~~ project area development;

1339 (l) pay an impact fee, exaction, or other fee imposed by a community in connection  
1340 with land development; or

1341 ~~(t)~~ (m) transact other business and exercise all other powers ~~provided for~~ described  
1342 in this title.

1343 (2) The establishment of controls or restrictions and covenants under Subsection (1)(h)  
1344 is a public purpose.

1345 Section 22. Section **17C-1-203** is amended to read:

1346 **17C-1-203. Agency board -- Quorum.**

1347 (1) The governing body of an agency is a board consisting of the current members of  
1348 the community legislative body ~~of the community that created the agency~~.

1349 (2) A majority of board members constitutes a quorum for the transaction of agency  
1350 business.

1351 (3) ~~An agency~~ A board may not adopt a resolution, pass a motion, or take any other  
1352 official board action without the concurrence of at least a majority of the board members  
1353 present at a meeting at which a quorum is present.

1354 (4) (a) The mayor or the mayor's designee of a municipality operating under a  
1355 council-mayor form of government, as defined in Section 10-3b-102:

1356 ~~(a)~~ (i) serves as the executive director of an agency created by the municipality; and  
1357 ~~(b)~~ (ii) exercises the ~~executive powers of the agency~~ agency's executive powers.

1358 (b) The county executive or the county executive's designee of a county operating

1359 under a county executive-council form of government, as described in Section [17-52-504](#):

1360 (i) serves as the executive director of an agency created by the county; and

1361 (ii) exercises the agency's executive powers.

1362 Section 23. Section **17C-1-204** is amended to read:

1363 **17C-1-204. Project area development by an adjoining agency -- Requirements.**

1364 ~~[(1) An agency or community may, by resolution of its board or legislative body,~~  
 1365 ~~respectively, authorize an agency to conduct urban renewal, economic development, or~~  
 1366 ~~community development activities in a project area that includes an area within the authorizing~~  
 1367 ~~agency's boundaries or within the boundaries of the authorizing community if the project area~~  
 1368 ~~or community is contiguous to the boundaries of the other agency.]~~

1369 ~~[(2) If an agency board or community legislative body adopts a resolution under~~  
 1370 ~~Subsection (1) authorizing another agency to undertake urban renewal, economic development,~~  
 1371 ~~or community development activities in the authorizing agency's project area or within the~~  
 1372 ~~boundaries of the authorizing community:]~~

1373 (1) (a) A community that has not created an agency may enter into an interlocal  
 1374 agreement with an agency located in the same or an abutting county that authorizes the agency  
 1375 to exercise all the powers granted to an agency under this title within the community.

1376 (b) The agency and the community shall adopt an interlocal agreement described in  
 1377 Subsection (1)(a) by resolution.

1378 (2) If an agency and a community enter into an interlocal agreement under Subsection

1379 (1):

1380 (a) the [other] agency may act in all respects as if [the] a project area [were] within the  
 1381 community were within [its own] the agency's boundaries;

1382 (b) the board [of the other agency] has all the rights, powers, and privileges with  
 1383 respect to [the] a project area within the community as if [it were] the project area were within  
 1384 [its own] the agency's boundaries; [and]

1385 (c) the [other] agency may be paid [tax increment] project area funds to the same extent  
 1386 as if [the] a project area [were] within the community were within [its own] the agency's  
 1387 boundaries[-]; and

1388 (d) the community legislative body shall adopt, by ordinance, each project area plan  
 1389 within the community approved by the agency.

1390 ~~[(3) Each project area plan approved by the other agency for the project area that is the~~  
 1391 ~~subject of a resolution under Subsection (1) shall be adopted by ordinance of the legislative~~  
 1392 ~~body of the community in which the project area is located.]~~

1393 (3) If an agency's project area abuts another agency's project area, the agencies may  
 1394 coordinate with each other in order to assist and cooperate in the planning, undertaking,  
 1395 construction, or operation of project area development located within each agency's project  
 1396 area.

1397 (4) (a) As used in this Subsection (4):

1398 (i) "County agency" means an agency that ~~[was]~~ is created by a county.

1399 (ii) "Industrial property" means private real property:

1400 (A) over half of which is located within the boundary of a town, as defined in Section  
 1401 [10-1-104](#); and

1402 (B) comprises some or all of an inactive industrial site.

1403 (iii) "Perimeter portion" means the portion of an inactive industrial site that is:

1404 (A) part of the inactive industrial site because ~~[it]~~ the site lies within the perimeter  
 1405 described in ~~[Subsection]~~ Section [17C-1-102](#)~~[(24)(b)]~~; and

1406 (B) located within the boundary of a city, as defined in Section [10-1-104](#).

1407 (b) (i) Subject to Subsection (4)(b)(ii), a county agency may undertake ~~[urban renewal,~~  
 1408 ~~economic development, or community]~~ project area development on industrial property if the  
 1409 record property owner of the industrial property submits a written request to the county agency  
 1410 to do so.

1411 (ii) A county agency may not include a perimeter portion within a project area without  
 1412 the approval of the city in which the perimeter portion is located.

1413 (c) If a county agency undertakes ~~[urban renewal, economic development, or~~  
 1414 ~~community]~~ project area development on industrial property:

1415 (i) the county agency may act in all respects as if the project area that includes the  
 1416 industrial property were within the county agency's boundary;

1417 (ii) the board of the county agency has each right, power, and privilege with respect to  
 1418 the project area as if the project area were within the county agency's boundary; and

1419 (iii) the county agency may be paid ~~[tax increment]~~ project area funds to the same  
 1420 extent as if the project area were within the county agency's boundary.

1421 (d) A project area plan for a project on industrial property that is approved by the  
1422 county agency shall be adopted by ordinance of the legislative body of the county in which the  
1423 project area is located.

1424 Section 24. Section **17C-1-205** is amended to read:

1425 **17C-1-205. Transfer of project area from one community to another.**

1426 (1) ~~[For purposes of]~~ As used in this section:

1427 (a) "New agency" means the agency created by the new community.

1428 (b) "New community" means the community in which the relocated project area is  
1429 located after the change in community boundaries takes place.

1430 (c) "Original agency" means the agency created by the original community.

1431 (d) "Original community" means the community that adopted the project area plan that  
1432 created the project area that has been relocated.

1433 (e) "Relocated" means that a project area under a project area plan adopted by the  
1434 original community has ceased to be located within that community and has become part of a  
1435 new community because of a change in community boundaries through:

1436 (i) a county or municipal annexation;

1437 (ii) the creation of a new county;

1438 (iii) a municipal incorporation, consolidation, dissolution, or boundary adjustment; or

1439 (iv) any other action resulting in a change in community boundaries.

1440 (2) ~~[If a]~~ A relocated project area ~~[under a project area plan adopted by a community~~  
1441 ~~becomes relocated, the project area]~~ shall, for purposes of this title, be considered to remain in  
1442 the original community until ~~[(a) the new community has created an agency; (b) the original~~  
1443 ~~agency has transferred or assigned]~~ the original agency and the new agency enter into an  
1444 interlocal agreement, adopted by resolution of the original agency's and the new agency's board,  
1445 that authorizes the original agency to transfer or assign to the new agency the original agency's  
1446 real property, rights, indebtedness, obligations, tax increment, [and] or other assets and  
1447 liabilities [related to] resulting from the relocated project area[;].

1448 ~~[(c) the new agency by resolution approves the original agency's project area plan as~~  
1449 ~~the project area plan of the new agency; and]~~

1450 ~~[(d) the new community by ordinance adopts the project area plan that was approved~~  
1451 ~~by the new agency.]~~

1452 Section 25. Section 17C-1-207 is amended to read:

1453 **17C-1-207. Public entities may assist with project area development.**

1454 (1) In order to assist and cooperate in the planning, undertaking, construction, or  
1455 operation of [~~urban renewal, economic development, or community~~] project area development  
1456 within [~~the~~] an area in which [~~it~~] the public entity is authorized to act, a public entity may:

1457 (a) (i) provide or cause to be furnished:

1458 (A) parks, playgrounds, or other recreational facilities;

1459 (B) community, educational, water, sewer, or drainage facilities; or

1460 (C) any other works which the public entity is otherwise empowered to undertake;

1461 (ii) provide, furnish, dedicate, close, vacate, pave, install, grade, regrade, plan, or  
1462 replan streets, roads, roadways, alleys, sidewalks, or other places;

1463 (iii) in any part of the project area:

1464 (A) (I) plan or replan any property within the project area;

1465 (II) plat or replat any property within the project area;

1466 (III) vacate a plat;

1467 (IV) amend a plat; or

1468 (V) zone or rezone any property within the project area; and

1469 (B) make any legal exceptions from building regulations and ordinances;

1470 (iv) purchase or legally invest in any of the bonds of an agency and exercise all of the  
1471 rights of any holder of the bonds;

1472 (v) enter into an agreement with another public entity concerning action to be taken  
1473 pursuant to any of the powers granted in this title;

1474 (vi) do [~~any and all things~~] anything necessary to aid or cooperate in the planning or  
1475 [~~carrying out~~] implementation of the [~~urban renewal, economic development, or community~~]  
1476 project area development;

1477 (vii) in connection with the project area plan, become obligated to the extent  
1478 authorized and funds have been made available to make required improvements or construct  
1479 required structures; and

1480 (viii) lend, grant, or contribute funds to an agency for [~~an urban renewal, economic~~  
1481 ~~development, or community development project~~] project area development or proposed  
1482 project area development, including assigning revenue or taxes in support of an agency bond or



1483 obligation; and

1484 (b) 15 days after posting public notice:

1485 (i) purchase or otherwise acquire property or lease property from [~~an~~] the agency; or

1486 (ii) sell, grant, convey, or otherwise dispose of the public entity's property or lease the

1487 public entity's property to [~~an~~] the agency.

1488 (2) Notwithstanding any law to the contrary, an agreement under Subsection (1)(a)(v)

1489 may extend over any period.

1490 (3) A grant or contribution of funds from a public entity to an agency, or from an

1491 agency under a project area plan or project area budget, is not subject to the requirements of

1492 Section [10-8-2](#).

1493 Section 26. Section **17C-1-208** is amended to read:

1494 **17C-1-208. Agency funds.**

1495 (1) Agency funds shall be accounted for separately from the funds of the community

1496 that created the agency.

1497 (2) An agency may accumulate retained earnings or fund balances, as appropriate, in

1498 any fund.

1499 Section 27. Section **17C-1-209** is enacted to read:

1500 **17C-1-209. Agency records.**

1501 An agency shall maintain the agency's minutes, resolutions, and other records separate

1502 from those of the community that created the agency.

1503 Section 28. Section **17C-1-301.1** is enacted to read:

1504 **17C-1-301.1. Title.**

1505 This part is known as "Agency Property."

1506 Section 29. Section **17C-1-301.5**, which is renumbered from Section 17C-1-301 is

1507 renumbered and amended to read:

1508 **Part 3. Agency Property**

1509 [~~17C-1-301~~]. **17C-1-301.5. Agency property exempt from taxation --**

1510 **Exception.**

1511 (1) Agency property acquired or held for purposes of this title is [~~declared to be~~] public

1512 property used for essential public and governmental purposes and, subject to Subsection (2), is

1513 exempt from [~~all taxes of a public~~] taxation by a taxing entity.

1514 (2) The exemption in Subsection (1) does not apply to property that the agency leases  
1515 to a lessee [~~that is not~~] unless the lessee is entitled to a tax exemption with respect to the  
1516 property.

1517 Section 30. Section **17C-1-302** is amended to read:

1518 **17C-1-302. Agency property exempt from levy and execution sale -- Judgment**  
1519 **against community or agency.**

1520 (1) (a) (i) All agency property, including funds the agency owns or holds for purposes  
1521 of this title, is exempt from levy and execution sale, and no execution or judicial process may  
1522 issue against [~~agency~~] the property.

1523 (ii) A judgment against an agency may not be a charge or lien upon agency property.

1524 (b) Subsection (1)(a) does not apply to or limit the right of [~~obligees~~] an obligee to  
1525 pursue any [~~remedies~~] remedy for the enforcement of any pledge or lien given by an agency on  
1526 [~~its~~] the agency's funds or revenues.

1527 (2) A judgment against the community that created the agency may not be a charge or  
1528 lien upon agency property.

1529 (3) A judgment against an agency may not be a charge or lien upon property of the  
1530 community that created the agency.

1531 Section 31. Section **17C-1-401.1** is enacted to read:

1532 **Part 4. Project Area Funds**

1533 **17C-1-401.1. Title.**

1534 This part is known as "Project Area Funds."

1535 Section 32. Section **17C-1-401.5**, which is renumbered from Section 17C-1-401 is  
1536 renumbered and amended to read:

1537 [~~17C-1-401~~]. **17C-1-401.5. Agency receipt and use of project area funds --**  
1538 **Distribution of project area funds.**

1539 (1) An agency may receive and use [~~tax increment and sales tax, as provided in this~~  
1540 ~~part~~] project area funds in accordance with this title.

1541 (2) (a) A county that collects property tax on property located within a project area  
1542 shall, in accordance with Section [59-12-1365](#), distribute to an agency any tax increment that the  
1543 agency is authorized to receive.

1544 (b) Tax increment distributed to an agency in accordance with Subsection (2)(a) is not

1545 revenue of the taxing entity.

1546 ~~[(2)]~~ (3) (a) The ~~[applicable length of time or number of years for which an agency is~~  
1547 ~~to be paid tax increment or sales tax under this part]~~ project area funds collection period shall  
1548 be measured:

1549 (i) for a pre-July 1, 1993, project area plan, from the first tax year regarding which the  
1550 agency accepts tax increment from the project area;

1551 (ii) for a post-June 30, 1993, urban renewal or economic development project area  
1552 plan:

1553 (A) with respect to tax increment, from the first tax year for which the agency receives  
1554 tax increment under the project area budget; or

1555 (B) with respect to sales and use tax revenue, as indicated in the interlocal agreement  
1556 between the agency and the taxing entity that ~~[established the agency's right to receive sales~~  
1557 ~~tax; or]~~ authorizes the agency to receive the taxing entity's sales and use tax revenue;

1558 (iii) for a community development project area plan, as indicated in the resolution or  
1559 interlocal agreement of a taxing entity that ~~[establishes the agency's right to receive tax~~  
1560 ~~increment or sales tax.]~~ authorizes the agency to receive the taxing entity's project area funds;

1561 (iv) for a community reinvestment project area plan that is subject to a taxing entity  
1562 committee:

1563 (A) with respect to tax increment, from the first tax year for which the agency receives  
1564 tax increment under the project area budget; or

1565 (B) with respect to sales and use tax revenue, in accordance with the interlocal  
1566 agreement between the agency and the taxing entity that authorizes the agency to receive the  
1567 taxing entity's sales and use tax revenue; or

1568 (v) for a community reinvestment project area plan that is subject to an interlocal  
1569 agreement, in accordance with the interlocal agreement between the agency and the taxing  
1570 entity that authorizes the agency to receive the taxing entity's project area funds.

1571 (b) Unless otherwise provided in a project area budget that is approved by a taxing  
1572 entity committee, or in an interlocal agreement ~~[or resolution]~~ adopted by a taxing entity, tax  
1573 increment may not be paid to an agency for a tax year ~~[prior to]~~ before the tax year following:

1574 (i) for an urban renewal ~~[or]~~ project area plan, an economic development project area  
1575 plan, or a community reinvestment project area plan that is subject to a taxing entity

1576 committee, the effective date of the project area plan; and

1577 (ii) for a community development project area plan or a community reinvestment  
1578 project area plan that is subject to an interlocal agreement, the effective date of the interlocal  
1579 agreement that [~~establishes the agency's right~~] authorizes the agency to receive tax increment.

1580 [~~(3)~~] (4) With respect to a community development project area plan or a community  
1581 reinvestment project area plan that is subject to an interlocal agreement:

1582 (a) a taxing entity [~~or public entity~~] may, [~~by resolution or~~] through interlocal  
1583 agreement, authorize an agency to be paid any or all of [~~that taxing entity or public entity's tax~~  
1584 ~~increment or sales tax~~] the taxing entity's project area funds for any period of time; and

1585 (b) the [~~resolution or~~] interlocal agreement authorizing the agency to be paid [~~tax~~  
1586 ~~increment or sales tax~~] project area funds shall specify:

1587 (i) the base taxable value of the project area; and

1588 (ii) the method of calculating the amount of [~~tax increment or sales tax~~] project area  
1589 funds to be paid to the agency.

1590 [~~(4)~~] (5) (a) (i) The boundaries of one project area may overlap and include the  
1591 boundaries of an existing project area.

1592 (ii) If a taxing entity committee is required to approve the project area budget of an  
1593 overlapping project area described in Subsection [~~(4)~~] (5)(a)(i), the agency shall, before the first  
1594 meeting of the taxing entity committee at which the project area budget will be considered,  
1595 inform each taxing entity of the location of the overlapping boundaries.

1596 (b) (i) Before an agency may [~~collect~~] receive tax increment from the newly created  
1597 overlapping portion of a project area, the agency shall inform the county auditor regarding the  
1598 respective amount of tax increment that the agency is authorized to receive from the  
1599 overlapping portion of each of the project areas.

1600 (ii) The combined amount of tax increment described in Subsection [~~(4)~~] (5)(b)(i) may  
1601 not exceed 100% of the tax increment generated from a property located within the overlapping  
1602 boundaries.

1603 (c) Nothing in this Subsection [~~(4) shall give~~] (5) gives an agency a right to [~~collect or~~]  
1604 receive [~~tax increment or sales tax~~] project area funds that [~~an~~] the agency is not otherwise  
1605 [~~entitled to collect~~] authorized to receive under this title.

1606 (d) The collection of [~~tax increment or sales tax~~] project area funds from an

1607 overlapping project area described in Subsection ~~[(4)]~~ (5)(a) does not affect ~~[in any way]~~ an  
 1608 agency's use of ~~[tax increment or sales tax]~~ project area funds within the other overlapping  
 1609 project area.

1610 ~~[(5)]~~ (6) With the written consent of a taxing entity, an agency may be paid tax  
 1611 increment, from ~~[that]~~ the taxing entity's property tax [revenues] revenue only, in a higher  
 1612 percentage or for a longer period of time, or both, than otherwise authorized under this title.

1613 ~~[(6)(a)]~~ (7) Subject to Section 17C-1-407, an agency is ~~[entitled]~~ authorized to receive  
 1614 tax increment as ~~[authorized by]~~ described in:

1615 ~~[(i)]~~ (a) for a pre-July 1, 1993, project area plan, Section 17C-1-403;

1616 ~~[(ii)]~~ (b) for a post-June 30, 1993, project area plan:

1617 ~~[(A)]~~ (i) Section 17C-1-404 under a project area budget adopted by the agency in  
 1618 accordance with this title;

1619 ~~[(B)]~~ (ii) a project area budget approved by the taxing entity committee and adopted by  
 1620 the agency in accordance with this title; or

1621 ~~[(C)]~~ (iii) Section 17C-1-406; ~~[or]~~

1622 ~~[(iii)]~~ (c) a resolution or interlocal agreement entered into under Section 17C-2-207,  
 1623 17C-3-206, 17C-4-201, or 17C-4-202~~[-]~~;

1624 (d) for a community reinvestment project area plan that is subject to a taxing entity  
 1625 committee, a project area budget approved by the taxing entity committee and adopted by the  
 1626 agency in accordance with this title; or

1627 (e) for a community reinvestment project area plan that is subject to an interlocal  
 1628 agreement, an interlocal agreement entered into under Section 17C-5-204.

1629 ~~[(b) A county that collects property tax on property located within a project area shall~~  
 1630 ~~pay and distribute any tax increment:]~~

1631 ~~[(i) to an agency that the agency is entitled to collect; and]~~

1632 ~~[(ii) in accordance with Section 59-2-1365.]~~

1633 Section 33. Section 17C-1-402 is amended to read:

1634 **17C-1-402. Taxing entity committee.**

1635 ~~[(1) Each agency that adopts or proposes to adopt a post-June 30, 1993, urban renewal~~  
 1636 ~~or economic development project area plan shall, and any other agency may, cause a taxing~~  
 1637 ~~entity committee to be created.]~~

1638           (1) The provisions of this section apply to a taxing entity committee that is created by  
1639 an agency for:

1640           (a) a post-June 30, 1993, urban renewal project area plan or economic development  
1641 project area plan;

1642           (b) any other project area plan adopted before May 10, 2016, for which the agency  
1643 created a taxing entity committee; and

1644           (c) a community reinvestment project area plan that is subject to a taxing entity  
1645 committee.

1646           (2) (a) (i) Each taxing entity committee shall be composed of:

1647           (A) two school district representatives appointed [~~as provided in~~] in accordance with  
1648 Subsection (2)(a)(ii);

1649           (B) (I) in a county of the second, third, fourth, fifth, or sixth class, two representatives  
1650 appointed by resolution of the legislative body of the county in which the agency is located; or

1651           (II) in a county of the first class, one representative appointed by the county executive  
1652 and one representative appointed by the legislative body of the county in which the agency is  
1653 located;

1654           (C) if the agency [~~was~~] is created by a [~~city or town~~] municipality, two representatives  
1655 appointed by resolution of the legislative body of [~~that city or town~~] the municipality;

1656           (D) one representative appointed by the State Board of Education; and

1657           (E) one representative selected by majority vote of the legislative bodies or governing  
1658 boards of all other taxing entities that levy a tax on property within the agency's boundaries, to  
1659 represent the interests of those taxing entities on the taxing entity committee.

1660           (ii) (A) If the agency boundaries include only one school district, that school district  
1661 shall appoint the two school district representatives under Subsection (2)(a)(i)(A).

1662           (B) If the agency boundaries include more than one school district, those school  
1663 districts shall jointly appoint the two school district representatives under Subsection  
1664 (2)(a)(i)(A).

1665           (b) (i) Each taxing entity committee representative [~~under~~] described in Subsection  
1666 (2)(a) shall be appointed within 30 days after the day on which the agency provides notice of  
1667 the creation of the taxing entity committee.

1668           (ii) If a representative is not appointed within the time required under Subsection

1669 (2)(b)(i), the [agency] board may appoint [~~a person~~] an individual to serve on the taxing entity  
1670 committee in the place of the missing representative until that representative is appointed.

1671 (c) (i) A taxing entity committee representative may be appointed for a set term or  
1672 period of time, as determined by the appointing authority under Subsection (2)(a)(i).

1673 (ii) Each taxing entity committee representative shall serve until a successor is  
1674 appointed and qualified.

1675 (d) (i) Upon the appointment of each representative under Subsection (2)(a)(i), whether  
1676 an initial appointment or an appointment to replace an already serving representative, the  
1677 appointing authority shall:

1678 (A) notify the agency in writing of the name and address of the newly appointed  
1679 representative; and

1680 (B) provide the agency a copy of the resolution making the appointment or, if the  
1681 appointment is not made by resolution, other evidence of the appointment.

1682 (ii) Each appointing authority of a taxing entity committee representative under  
1683 Subsection (2)(a)(i) shall notify the agency in writing of any change of address of a  
1684 representative appointed by that appointing authority.

1685 (3) At [~~its~~] a taxing entity committee's first meeting, [~~a~~] the taxing entity committee  
1686 shall adopt an organizing resolution that:

1687 (a) [~~designating~~] designates a chair and a secretary of the taxing entity committee; and

1688 (b) if the taxing entity committee considers it appropriate, [~~governing~~] governs the use  
1689 of electronic meetings under Section [52-4-207](#).

1690 (4) (a) A taxing entity committee represents all taxing entities regarding:

1691 (i) an urban renewal project area plan; [~~or~~]

1692 (ii) an economic development project area[?] plan; or

1693 (iii) a community reinvestment project area plan that is subject to a taxing entity  
1694 committee.

1695 (b) A taxing entity committee may:

1696 (i) cast votes that [~~will be~~] are binding on all taxing entities;

1697 (ii) negotiate with the agency concerning a [~~draft~~] proposed project area plan;

1698 (iii) approve or disapprove:

1699 (A) an urban renewal project area budget as [~~provided~~] described in Section

1700 17C-2-204; ~~[or]~~

1701 (B) an economic development project area budget as ~~[provided]~~ described in Section

1702 17C-3-203; or

1703 (C) for a community reinvestment project area plan that is subject to a taxing entity

1704 committee, a community reinvestment project area budget as described in Section 17C-5-302;

1705 (iv) approve or disapprove ~~[amendments]~~ an amendment to a project area budget as

1706 ~~[provided in:]~~ described in Section 17C-2-206, 17C-3-205, or 17C-5-306;

1707 ~~[(A) Section 17C-2-206 for an urban renewal project area budget; or]~~

1708 ~~[(B) Section 17C-3-205 for an economic development project area budget;]~~

1709 (v) approve ~~[exceptions]~~ an exception to the limits on the value and size of a project

1710 area imposed under this title;

1711 (vi) approve:

1712 (A) ~~[exceptions]~~ an exception to the percentage of tax increment to be paid to the

1713 agency;

1714 (B) ~~[the period of time that tax increment is to be paid to the agency]~~ except for a

1715 project area funds collection period that is approved by an interlocal agreement, each project

1716 area funds collection period; and

1717 (C) ~~[exceptions]~~ an exception to the requirement for an urban renewal ~~[or]~~ project area

1718 budget, an economic development project area budget, or a community reinvestment project

1719 area budget to include a maximum cumulative dollar amount of tax increment that the agency

1720 may receive;

1721 (vii) approve the use of tax increment for publicly owned infrastructure and

1722 improvements outside of ~~[an urban renewal or economic development]~~ a project area that the

1723 agency and community legislative body determine to be of benefit to the ~~[urban renewal or~~

1724 ~~economic development]~~ project area, as [provided] described in Subsection

1725 17C-1-409(1)(a)(iii)(D);

1726 (viii) waive the restrictions ~~[imposed by]~~ described in Subsection 17C-2-202(1);

1727 (ix) subject to Subsection (4)(c), designate ~~[in an approved urban renewal or economic~~

1728 ~~development project area budget]~~ the base taxable value for ~~[that]~~ a project area budget; and

1729 (x) give other taxing entity committee approval or consent required or allowed under

1730 this title.



- 1731 ~~[(c) The base year used for calculation of the base taxable value in Subsection~~  
1732 ~~(4)(b)(ix) may not be a year that is earlier than]~~  
1733 ~~[the year during which the project area plan became effective.]~~
- 1734 (c) (i) Except as provided in Subsection (4)(c)(ii), the base year may not be a year that  
1735 is earlier than five years before the beginning of a project area funds collection period.
- 1736 (ii) The taxing entity committee may approve a base year that is earlier than the year  
1737 described in Subsection (4)(c)(i).
- 1738 (5) A quorum of a taxing entity committee consists of:
- 1739 (a) if the project area is located within a ~~[city or town]~~ municipality, five members; or
- 1740 (b) if the project area is not located within a ~~[city or town]~~ municipality, four members.
- 1741 (6) Taxing entity committee approval, consent, or other action requires:
- 1742 (a) the affirmative vote of a majority of all members present at a taxing entity
- 1743 committee meeting:
- 1744 (i) at which a quorum is present; and
- 1745 (ii) considering an action relating to a project area budget for, or approval of a finding
- 1746 of blight within, a project area or proposed project area that contains:
- 1747 (A) an inactive industrial site;
- 1748 (B) an inactive airport site; or
- 1749 (C) a closed military base; or
- 1750 (b) for any other action not described in Subsection (6)(a)(ii), the affirmative vote of
- 1751 two-thirds of all members present at a taxing entity committee meeting at which a quorum is
- 1752 present.
- 1753 (7) (a) An agency may call a meeting of the taxing entity committee by sending written
- 1754 notice to the members of the taxing entity committee at least 10 days before the date of the
- 1755 meeting.
- 1756 (b) Each notice under Subsection (7)(a) shall be accompanied by:
- 1757 (i) the proposed agenda for the taxing entity committee meeting; and
- 1758 (ii) if not previously provided and if ~~[they]~~ the documents exist and are to be
- 1759 considered at the meeting:
- 1760 (A) the project area plan or proposed project area plan;
- 1761 (B) the project area budget or proposed project area budget;

1762 (C) the analysis required under Subsection 17C-2-103(2) [~~or~~], 17C-3-103(2), or  
1763 17C-5-105(2);

1764 (D) the blight study;

1765 (E) the agency's resolution making a finding of blight under Subsection  
1766 17C-2-102(1)(a)(ii)(B) or Subsection 17C-5-402(1)(c)(ii); and

1767 (F) other documents to be considered by the taxing entity committee at the meeting.

1768 (c) (i) An agency may not schedule a taxing entity committee meeting [~~to meet~~] on a  
1769 day on which the Legislature is in session.

1770 (ii) Notwithstanding Subsection (7)(c)(i), [~~the~~] a taxing entity committee may, by  
1771 unanimous consent, waive the scheduling restriction described in Subsection (7)(c)(i).

1772 (8) (a) A taxing entity committee may not vote on a proposed project area budget or  
1773 proposed amendment to a project area budget at the first meeting at which the proposed project  
1774 area budget or amendment is considered unless all members of the taxing entity committee  
1775 present at the meeting consent.

1776 (b) A second taxing entity committee meeting to consider a proposed project area  
1777 budget or a proposed amendment to a project area budget may not be held within 14 days after  
1778 the first meeting unless all members of the taxing entity committee present at the first meeting  
1779 consent.

1780 (9) (a) Except as provided in Subsection (9)(b), each taxing entity committee shall  
1781 meet at least annually during [~~the time that the agency receives tax increment~~] a project area  
1782 funds collection period under an urban renewal [~~or~~], an economic development, or a  
1783 community reinvestment project area budget [~~in order~~] to review the status of the project area.

1784 (b) A taxing entity committee is not required [~~under Subsection (9)(a)~~] to meet in  
1785 accordance with Subsection (9)(a) if the agency [~~submits~~] prepares and distributes on or before  
1786 November 1 of each year [~~to the county auditor, the State Tax Commission, the State Board of~~  
1787 ~~Education, and each taxing entity that levies a tax on property from which the agency collects~~  
1788 ~~tax increment, a report containing the following:~~] a report as described in Section 17C-1-603.

1789 [~~(i) an assessment of growth of incremental values for each active project area,~~  
1790 ~~including:~~]

1791 [~~(A) the base year assessed value;~~]

1792 [~~(B) the prior year's assessed value;~~]

1793 ~~[(C) the estimated current year assessed value for the project area; and]~~  
 1794 ~~[(D) a narrative description of the relative growth in assessed value within the project~~  
 1795 ~~area;]~~  
 1796 ~~[(ii) a description of the amount of tax increment received by the agency and passed~~  
 1797 ~~through to other taxing entities from each active project area, including:]~~  
 1798 ~~[(A) a comparison of the original forecasted amount of tax increment to actual~~  
 1799 ~~receipts;]~~  
 1800 ~~[(B) a narrative discussion regarding the use of tax increment; and]~~  
 1801 ~~[(C) a description of the benefits derived by the taxing entities;]~~  
 1802 ~~[(iii) a description of activity within each active project area, including:]~~  
 1803 ~~[(A) a narrative of any significant development activity, including infrastructure~~  
 1804 ~~development, site development, and vertical construction within the project area; and]~~  
 1805 ~~[(B) a narrative discussion regarding the status of any agreements for development~~  
 1806 ~~within the project area;]~~  
 1807 ~~[(iv) a revised multi-year tax increment budget related to each active project area,~~  
 1808 ~~including:]~~  
 1809 ~~[(A) the prior year's tax increment receipts;]~~  
 1810 ~~[(B) the base year value and adjusted base year value, as applicable;]~~  
 1811 ~~[(C) the applicable tax rates within the project area; and]~~  
 1812 ~~[(D) a description of private and public investment within the project area;]~~  
 1813 ~~[(v) an estimate of the tax increment to be paid to the agency for the calendar years~~  
 1814 ~~ending December 31 and beginning the next January 1; and]~~  
 1815 ~~[(vi) any other project highlights included by the agency.]~~  
 1816 (10) Each taxing entity committee shall be governed by Title 52, Chapter 4, Open and  
 1817 Public Meetings Act.  
 1818 (11) A taxing entity committee's records shall be:  
 1819 (a) considered the records of the agency that created the taxing entity committee; and  
 1820 (b) maintained by the agency in accordance with Section [17C-1-209](#).  
 1821 ~~[(H)]~~ (12) Each time a school district representative or a representative of the State  
 1822 Board of Education votes as a member of a taxing entity committee to allow an agency to ~~[be~~  
 1823 ~~paid]~~ receive tax increment ~~[or]~~, to increase the amount ~~[or length of time that an agency may~~

1824 ~~be paid tax increment~~ of tax increment the agency receives, or to extend a project area funds  
 1825 collection period, that representative shall, within 45 days after the vote, provide to the  
 1826 representative's respective school board an explanation in writing of the representative's vote  
 1827 and the reasons for the vote.

1828 ~~[(12)]~~ (13) (a) The auditor of each county in which ~~the~~ an agency is located shall  
 1829 provide a written report to the taxing entity committee stating, with respect to property within  
 1830 each ~~[urban renewal and economic development]~~ project area:

1831 (i) the base taxable value, as adjusted by any adjustments under Section 17C-1-408;  
 1832 and

1833 (ii) the assessed value.

1834 (b) With respect to the information required under Subsection ~~[(12)]~~ (13)(a), the  
 1835 auditor shall provide:

1836 (i) actual amounts for each year from the adoption of the project area plan to the time  
 1837 of the report; and

1838 (ii) estimated amounts for each year beginning the year after the time of the report and  
 1839 ending the time that ~~[the agency expects no longer to be paid tax increment from property~~  
 1840 ~~within the urban renewal and economic development project area]~~ each project area funds  
 1841 collection period ends.

1842 (c) The auditor of the county in which the agency is located shall provide a report  
 1843 under this Subsection ~~[(12)]~~ (13):

1844 (i) at least annually; and

1845 (ii) upon request of the taxing entity committee, before a taxing entity committee  
 1846 meeting at which the committee ~~[will consider]~~ considers whether to allow the agency to ~~[be~~  
 1847 ~~paid]~~ receive tax increment ~~[or]~~, to increase the amount of tax increment that the agency ~~[may~~  
 1848 ~~be paid or the length of time that the agency may be paid tax increment]~~ receives, or to extend a  
 1849 project area funds collection period.

1850 ~~[(13)]~~ (14) This section does not apply to:

1851 (a) a community development project area plan~~[-];~~ or

1852 (b) a community reinvestment project area plan that is subject to an interlocal  
 1853 agreement.

1854 ~~[(14)]~~ (15) (a) A taxing entity committee resolution~~[-, whether adopted before, on, or~~

1855 ~~after May 10, 2011,~~] approving a blight finding, approving a project area budget, or approving  
1856 an amendment to a project area budget:

1857 ~~[(a)]~~ (i) is final; and

1858 ~~[(b)]~~ (ii) is not subject to repeal, amendment, or reconsideration unless the agency first  
1859 consents by resolution to the proposed repeal, amendment, or reconsideration.

1860 (b) The provisions of Subsection (15)(a) apply regardless of when the resolution is  
1861 adopted.

1862 Section 34. Section **17C-1-403** is amended to read:

1863 **17C-1-403. Tax increment under a pre-July 1, 1993, project area plan.**

1864 (1) Notwithstanding any other provision of law, this section applies retroactively to tax  
1865 increment under all pre-July 1, 1993, project area plans, regardless of when the applicable  
1866 project area was created or the applicable project area plan was adopted.

1867 (2) (a) Beginning with the first tax year after April 1, 1983<sub>2</sub> for which an agency  
1868 accepts tax increment, an agency is ~~[entitled to be paid]~~ authorized to receive:

1869 (i) (A) for the first through the fifth tax years, 100% of tax increment;

1870 (B) for the sixth through the tenth tax years, 80% of tax increment;

1871 (C) for the eleventh through the fifteenth tax years, 75% of tax increment;

1872 (D) for the sixteenth through the twentieth tax years, 70% of tax increment; and

1873 (E) for the twenty-first through the twenty-fifth tax years, 60% of tax increment; or

1874 (ii) for an agency that has caused a taxing entity committee to be created under

1875 Subsection **17C-1-402(1)(a)**, any percentage of tax increment up to 100% and for any length of  
1876 time that the taxing entity committee approves.

1877 (b) Notwithstanding any other provision of this section:

1878 (i) an agency is ~~[entitled to be paid]~~ authorized to receive 100% of tax increment from  
1879 a project area for 32 years after April 1, 1983<sub>2</sub> to pay principal and interest on agency  
1880 indebtedness incurred before April 1, 1983, even though the size of the project area from which  
1881 tax increment is paid to the agency exceeds 100 acres of privately owned property under a  
1882 project area plan adopted on or before April 1, 1983; and

1883 (ii) for up to 32 years after April 1, 1983, an agency debt incurred before April 1, 1983<sub>2</sub>  
1884 may be refinanced and paid from 100% of tax increment if the principal amount of the debt is  
1885 not increased in the refinancing.

1886 (3) (a) For purposes of this Subsection (3), "additional tax increment" means the  
1887 difference between 100% of tax increment for a tax year and the amount of tax increment an  
1888 agency is paid for that tax year under the percentages and time periods specified in Subsection  
1889 (2)(a).

1890 (b) Notwithstanding the tax increment percentages and time periods in Subsection  
1891 (2)(a), an agency is ~~[entitled to be paid]~~ authorized to receive additional tax increment for a  
1892 period ending 32 years after the first tax year after April 1, 1983, for which the agency receives  
1893 tax increment from the project area if:

1894 (i) (A) the additional tax increment is used solely to pay all or part of the value of the  
1895 land for and the cost of the installation and construction of a publicly or privately owned  
1896 convention center or sports complex or any building, facility, structure, or other improvement  
1897 related to the convention center or sports complex, including parking and infrastructure  
1898 improvements;

1899 (B) construction of the convention center or sports complex or related building,  
1900 facility, structure, or other improvement is commenced on or before June 30, 2002;

1901 (C) the additional tax increment is pledged to pay all or part of the value of the land for  
1902 and the cost of the installation and construction of the convention center or sports complex or  
1903 related building, facility, structure, or other improvement; and

1904 (D) the ~~[agency]~~ board and the community legislative body have determined by  
1905 resolution that the convention center or sports complex is:

1906 (I) within and a benefit to a project area;

1907 (II) not within but still a benefit to a project area; or

1908 (III) within a project area in which substantially all of the land is publicly owned and a  
1909 benefit to the community; or

1910 (ii) (A) the additional tax increment is used to pay some or all of the cost of the land  
1911 for and installation and construction of a recreational facility, as defined in Section [59-12-702](#),  
1912 or a cultural facility, including parking and infrastructure improvements related to the  
1913 recreational or cultural facility, whether or not the facility is located within a project area;

1914 (B) construction of the recreational or cultural facility is commenced on or before  
1915 December 31, 2005; and

1916 (C) the additional tax increment is pledged on or before July 1, 2005, to pay all or part

1917 of the cost of the land for and the installation and construction of the recreational or cultural  
1918 facility, including parking and infrastructure improvements related to the recreational or  
1919 cultural facility.

1920 (c) Notwithstanding Subsection (3)(b)(ii), a school district may not, without ~~[its]~~ the  
1921 school district's consent, be paid less tax increment because of application of Subsection  
1922 (3)(b)(ii) than it would have been paid without that subsection.

1923 (4) Notwithstanding any other provision of this section, an agency may use tax  
1924 increment received under Subsection (2) for any of the uses indicated in Subsection (3).

1925 Section 35. Section **17C-1-404** is amended to read:

1926 **17C-1-404. Tax increment under a post-June 30, 1993, project area plan.**

1927 (1) This section applies to tax increment under a post-June 30, 1993, project area plan  
1928 adopted before May 1, 2006, only.

1929 (2) ~~[An agency]~~ A board may provide in the project area budget for the agency to be  
1930 paid:

1931 (a) if 20% of the project area budget is allocated for housing under Section **17C-2-203**:

1932 (i) 100% of annual tax increment for 15 years;

1933 (ii) 75% of annual tax increment for 24 years; or

1934 (iii) if approved by the taxing entity committee, any percentage of tax increment up to  
1935 100%, or any specified dollar amount, for any period of time; or

1936 (b) if 20% of the project area budget is not allocated for housing under Section  
1937 **17C-2-203**:

1938 (i) 100% of annual tax increment for 12 years;

1939 (ii) 75% of annual tax increment for 20 years; or

1940 (iii) if approved by the taxing entity committee, any percentage of tax increment up to  
1941 100%, or any specified dollar amount, for any period of time.

1942 Section 36. Section **17C-1-405** is amended to read:

1943 **17C-1-405. Tax increment under a project area plan adopted on or after May 1,**  
1944 **2006.**

1945 (1) This section applies to tax increment under a project area plan adopted on or after  
1946 May 1, 2006, and before May 10, 2016.

1947 (2) Subject to the approval of the taxing entity committee, ~~[an agency]~~ a board may

1948 provide in the urban renewal or economic development project area budget for the agency to be  
1949 paid:

1950 (a) for an urban renewal project area plan that proposes development of an inactive  
1951 industrial site or inactive airport site, at least 60% of tax increment for at least 20 years; or

1952 (b) for each other project, any percentage of tax increment up to 100% or any specified  
1953 dollar amount of tax increment for any period of time.

1954 (3) A resolution or interlocal agreement relating to an agency's use of tax increment for  
1955 a community development project area plan may provide for the agency to be paid any  
1956 percentage of tax increment up to 100% or any specified dollar amount of tax increment for  
1957 any period of time.

1958 Section 37. Section 17C-1-406 is amended to read:

1959 **17C-1-406. Additional tax increment under certain post-June 30, 1993, project**  
1960 **area plans.**

1961 (1) This section applies to a post-June 30, 1993, project area plan adopted before May  
1962 1, 2006.

1963 (2) An agency may, without the approval of the taxing entity committee, elect to be  
1964 paid 100% of annual tax increment for each year beyond the periods specified in Subsection  
1965 17C-1-404(2) to a maximum of 25 years, including the years the agency is paid tax increment  
1966 under Subsection 17C-1-404(2), if:

1967 (a) for an agency in a city in which is located all or a portion of an interchange on I-15  
1968 or that would directly benefit from an interchange on I-15:

1969 (i) the tax increment paid to the agency during the additional years is used to pay some  
1970 or all of the cost of the installation, construction, or reconstruction of:

1971 (A) an interchange on I-15, whether or not the interchange is located within a project  
1972 area; or

1973 (B) frontage and other roads connecting to the interchange, as determined by the  
1974 Department of Transportation created under Section 72-1-201 and the Transportation  
1975 Commission created under Section 72-1-301, whether or not the frontage or other road is  
1976 located within a project area; and

1977 (ii) the installation, construction, or reconstruction of the interchange or frontage and  
1978 other roads has begun on or before June 30, 2002; or



1979 (b) for an agency in a city of the first or second class:

1980 (i) the tax increment paid to the agency during the additional years is used to pay some  
1981 or all of the cost of the land for and installation and construction of a recreational facility, as  
1982 defined in Section 59-12-702, or a cultural facility, including parking and infrastructure  
1983 improvements related to the recreational or cultural facility, whether or not the facility is  
1984 located within a project area; and

1985 (ii) the installation or construction of the recreational or cultural facility has begun on  
1986 or before June 30, 2002.

1987 (3) Notwithstanding any other provision of this section, an agency may use tax  
1988 increment received under Subsection 17C-1-404(2) for any of the uses indicated in this section.

1989 (4) Notwithstanding Subsection (2), a school district may not, without ~~[its]~~ the school  
1990 district's consent, receive less tax increment because of application of Subsection (2) than it  
1991 would have received without that subsection.

1992 Section 38. Section 17C-1-407 is amended to read:

1993 **17C-1-407. Limitations on tax increment.**

1994 (1) (a) If the development of retail sales of goods is the primary objective of an urban  
1995 renewal project area, tax increment from the urban renewal project area may not be paid to or  
1996 used by an agency unless a finding of blight is made under Chapter 2, Part 3, Blight  
1997 Determination in Urban Renewal Project Areas.

1998 (b) Development of retail sales of goods does not disqualify an agency from receiving  
1999 tax increment.

2000 (c) After July 1, 2005, an agency may not ~~[be paid]~~ receive or use tax increment  
2001 generated from the value of property within an economic development project area that is  
2002 attributable to the development of retail sales of goods, unless the tax increment was previously  
2003 pledged to pay for bonds or other contractual obligations of the agency.

2004 (2) (a) An agency may not be paid any portion of a taxing entity's taxes resulting from  
2005 an increase in the taxing entity's tax rate that occurs after the taxing entity committee approves  
2006 the project area budget unless, at the time the taxing entity committee approves the project area  
2007 budget, the taxing entity committee approves payment of those increased taxes to the agency.

2008 (b) If the taxing entity committee does not approve ~~[of]~~ payment of the increased taxes  
2009 to the agency under Subsection (2)(a), the county shall distribute to the taxing entity the taxes

2010 attributable to the tax rate increase in the same manner as other property taxes.

2011 (c) Notwithstanding any other provision of this section, if, [~~prior to~~] before tax year  
2012 2013, increased taxes are paid to an agency without the approval of the taxing entity  
2013 committee, and notwithstanding the law at the time that the tax was collected or increased:

2014 (i) the State Tax Commission, the county as the collector of the taxes, a taxing entity,  
2015 or any other person or entity may not recover, directly or indirectly, the increased taxes from  
2016 the agency by adjustment of a tax rate used to calculate tax increment or otherwise;

2017 (ii) the county is not liable to a taxing entity or any other person or entity for the  
2018 increased taxes that were paid to the agency; and

2019 (iii) tax increment, including the increased taxes, shall continue to be paid to the  
2020 agency subject to the same number of tax years, percentage of tax increment, and cumulative  
2021 dollar amount of tax increment as approved in the project area budget and previously paid to  
2022 the agency.

2023 (3) Except as the taxing entity committee otherwise agrees, an agency may not receive  
2024 tax increment under an urban renewal or economic development project area budget adopted  
2025 on or after March 30, 2009:

2026 (a) that exceeds the percentage of tax increment or cumulative dollar amount of tax  
2027 increment specified in the project area budget; or

2028 (b) for more tax years than specified in the project area budget.

2029 Section 39. Section **17C-1-408** is amended to read:

2030 **17C-1-408. Base taxable value to be adjusted to reflect other changes.**

2031 (1) (a) (i) As used in this Subsection (1), "qualifying decrease" means:

2032 (A) a decrease of more than 20% from the previous tax year's levy; or

2033 (B) a cumulative decrease over a consecutive five-year period of more than 100% from  
2034 the levy in effect at the beginning of the five-year period.

2035 (ii) The year in which a qualifying decrease under Subsection (1)(a)(i)(B) occurs is the  
2036 fifth year of the five-year period.

2037 (b) If there is a qualifying decrease in the minimum basic school levy under Section  
2038 [59-2-902](#) that would result in a reduction of the amount of tax increment to be paid to an  
2039 agency:

2040 (i) the base taxable value [~~of taxable property within the project area~~] shall be reduced

2041 in the year of the qualifying decrease to the extent necessary, even if below zero, to provide the  
2042 agency with approximately the same amount of tax increment that would have been paid to the  
2043 agency each year had the qualifying decrease not occurred; and

2044 (ii) the amount of tax increment paid to the agency each year for the payment of bonds  
2045 and indebtedness may not be less than what would have been paid to the agency if there had  
2046 been no qualifying decrease.

2047 (2) (a) The [~~amount of the~~] base taxable value to be used in determining tax increment  
2048 shall be:

2049 (i) increased or decreased by the amount of an increase or decrease that results from:

2050 (A) a statute enacted by the Legislature or by the people through an initiative;

2051 (B) a judicial decision;

2052 (C) an order from the State Tax Commission to a county to adjust or factor [its] the  
2053 county's assessment rate under Subsection [59-2-704](#)(2);

2054 (D) a change in exemption provided in Utah Constitution Article XIII, Section 2, or  
2055 Section [59-2-103](#); or

2056 (E) an increase or decrease in the percentage of fair market value, as defined under  
2057 Section [59-2-102](#); and

2058 (ii) reduced for any year to the extent necessary, even if below zero, to provide an  
2059 agency with approximately the same amount of money the agency would have received without  
2060 a reduction in the county's certified tax rate if:

2061 (A) in that year there is a decrease in the county's certified tax rate under Subsection  
2062 [59-2-924.2](#)(2) or (3)(a);

2063 (B) the amount of the decrease is more than 20% of the county's certified tax rate of the  
2064 previous year; and

2065 (C) the decrease would result in a reduction of the amount of tax increment to be paid  
2066 to the agency.

2067 (b) Notwithstanding an increase or decrease under Subsection (2)(a), the amount of tax  
2068 increment paid to an agency each year for payment of bonds or other indebtedness may not be  
2069 less than would have been paid to the agency each year if there had been no increase or  
2070 decrease under Subsection (2)(a).

2071 Section 40. Section **17C-1-409** is amended to read:

2072 **17C-1-409. Allowable uses of agency funds.**

2073 (1) (a) An agency may use [~~tax increment and sales tax proceeds received from a~~  
2074 ~~taxing entity~~] agency funds:

2075 (i) for any [~~of the purposes for which the use of tax increment is~~] purpose authorized  
2076 under this title;

2077 (ii) for administrative, overhead, legal, [~~and~~] or other operating expenses of the agency,  
2078 including consultant fees and expenses under Subsection [17C-2-102\(1\)\(b\)\(ii\)\(B\)](#) or funding for  
2079 a business resource center;

2080 (iii) to pay for, including financing or refinancing, all or part of:

2081 (A) [~~urban renewal activities~~] project area development in [~~the~~] a project area [~~from~~  
2082 ~~which the tax increment funds are collected~~], including environmental remediation activities  
2083 occurring before or after adoption of the project area plan;

2084 [~~(B) economic development or community development activities, including~~  
2085 ~~environmental remediation activities occurring before or after adoption of the project area plan,~~  
2086 ~~in the project area from which the tax increment funds are collected;~~]

2087 [~~(C) housing~~] (B) housing-related expenditures, projects, or programs as [~~provided~~]  
2088 described in Section [17C-1-411](#) or [17C-1-412](#);

2089 (C) an incentive or other consideration paid to a participant under a participation  
2090 agreement;

2091 (D) subject to Subsections (1)(c) and [~~(6)~~] (4), the value of the land for and the cost of  
2092 the installation and construction of any publicly owned building, facility, structure,  
2093 landscaping, or other improvement within the project area from which the [~~tax increment~~]  
2094 project area funds [~~were~~] are collected; [~~and~~] or

2095 (E) [~~subject to Subsection (1)(d);~~] the cost of the installation of publicly owned  
2096 infrastructure and improvements outside the project area from which the [~~tax increment~~]  
2097 project area funds [~~were~~] are collected if the [~~agency~~] board and the community legislative  
2098 body determine by resolution that the publicly owned infrastructure and improvements [~~are of~~]  
2099 benefit [~~to~~] the project area; or

2100 (iv) in an urban renewal project area that includes some or all of an inactive industrial  
2101 site and subject to Subsection (1)[~~(f)~~](e), to reimburse the Department of Transportation  
2102 created under Section [72-1-201](#), or a public transit district created under Title 17B, Chapter 2a,

2103 Part 8, Public Transit District Act, for the cost of:

2104 (A) construction of a public road, bridge, or overpass;

2105 (B) relocation of a railroad track within the urban renewal project area; or

2106 (C) relocation of a railroad facility within the urban renewal project area.

2107 (b) The determination of the [agency] board and the community legislative body under  
2108 Subsection (1)(a)(iii)(E) regarding benefit to the project area shall be final and conclusive.

2109 (c) An agency may not use [~~tax increment or sales tax proceeds~~] project area funds  
2110 received from a taxing entity for the purposes stated in Subsection (1)(a)(iii)(D) under an urban  
2111 renewal [~~or~~] project area plan, an economic development project area plan, or a community  
2112 reinvestment project area plan without [~~the consent of~~] the community legislative [~~body~~] body's  
2113 consent.

2114 [~~(d) An agency may not use tax increment or sales tax proceeds received from a taxing~~  
2115 ~~entity for the purposes stated in Subsection (1)(a)(iii)(E) under an urban renewal or economic~~  
2116 ~~development project area plan without the consent of the community legislative body and the~~  
2117 ~~taxing entity committee.~~]

2118 [~~(e)~~] (d) (i) Subject to Subsection (1)[~~(e)~~](d)(ii), an agency may loan [~~tax increment or~~  
2119 ~~sales tax proceeds, or a combination of tax increment and sales tax proceeds;~~] project area  
2120 funds from a project area fund to another project area fund if:

2121 (A) the [agency's] board approves; and

2122 (B) the community legislative body [~~of each community that created the agency~~]  
2123 approves.

2124 (ii) An agency may not loan [~~tax increment or sales tax proceeds, or a combination of~~  
2125 ~~tax increment and sales tax proceeds;~~] project area funds under Subsection (1)[~~(e)~~](d)(i) unless  
2126 the projections for [~~the future tax increment or sales tax proceeds of the borrowing project~~  
2127 ~~area~~] agency funds are sufficient to repay the loan amount [~~prior to when the tax increment or~~  
2128 ~~sales tax proceeds are intended for use under the loaning project area's plan~~].

2129 [~~(iii) If a borrowing project area's funds are not sufficient to repay a loan made under~~  
2130 ~~Subsection (1)(e)(i) prior to when the tax increment or sales tax proceeds are intended for use~~  
2131 ~~under the loaning project area's plan, the community that created the agency shall repay the~~  
2132 ~~loan to the loaning project area's fund prior to when the tax increment or sales tax proceeds are~~  
2133 ~~intended for use under the loaning project area's plan, unless the taxing entity committee adopts~~

2134 ~~a resolution to waive this requirement.]~~

2135 (iii) A loan described in Subsection (1)(d) is not subject to Title 10, Chapter 5,  
 2136 Uniform Fiscal Procedures Act for Utah Towns, Title 10, Chapter 6, Uniform Fiscal  
 2137 Procedures Act for Utah Cities, Title 17, Chapter 36, Uniform Fiscal Procedures Act for  
 2138 Counties, or Title 17B, Chapter 1, Part 6, Fiscal Procedures for Local Districts.

2139 ~~[(f)]~~ (e) Before an agency may pay any tax increment or sales tax revenue under  
 2140 Subsection (1)(a)(iv), the agency shall enter into an interlocal agreement defining the terms of  
 2141 the reimbursement with:

2142 (i) the Department of Transportation; or

2143 (ii) a public transit district.

2144 (2) ~~[Sales tax proceeds]~~ (a) Sales and use tax revenue that an agency receives from  
 2145 ~~[another public entity are]~~ a taxing entity is not subject to the prohibition or limitations of Title  
 2146 11, Chapter 41, Prohibition on Sales and Use Tax Incentive Payments Act.

2147 ~~[(3)]~~ (b) An agency may use ~~[sales tax proceeds it]~~ sales and use tax revenue that the  
 2148 agency receives under ~~[a resolution or]~~ an interlocal agreement under Section [17C-4-201](#) or  
 2149 [17C-5-204](#) for the uses authorized in the ~~[resolution or]~~ interlocal agreement.

2150 ~~[(4)]~~ (3) (a) An agency may contract with the community that created the agency or  
 2151 another public entity to use ~~[tax increment]~~ agency funds to reimburse the cost of items  
 2152 authorized by this title to be paid by the agency that ~~[have been or will be]~~ are paid by the  
 2153 community or other public entity.

2154 (b) If land ~~[has been or will be]~~ is acquired or the cost of an improvement ~~[has been or~~  
 2155 ~~will be]~~ is paid by another public entity and the land or improvement ~~[has been or will be]~~ is  
 2156 leased to the community, an agency may contract with and make reimbursement from ~~[tax~~  
 2157 ~~increment]~~ agency funds to the community.

2158 ~~[(5) An agency created by a city of the first or second class may use tax increment from~~  
 2159 ~~one project area in another project area to pay all or part of the value of the land for and the~~  
 2160 ~~cost of the installation and construction of a publicly or privately owned convention center or~~  
 2161 ~~sports complex or any building, facility, structure, or other improvement related to the~~  
 2162 ~~convention center or sports complex, including parking and infrastructure improvements, if:]~~

2163 ~~[(a) construction of the convention center or sports complex or related building,~~  
 2164 ~~facility, structure, or other improvement is commenced on or before December 31, 2012; and]~~

2165 ~~[(b) the tax increment is pledged to pay all or part of the value of the land for and the~~  
 2166 ~~cost of the installation and construction of the convention center or sports complex or related~~  
 2167 ~~building, facility, structure, or other improvement.]~~

2168 ~~[(6) Notwithstanding any other provision of this title, an agency may not use tax~~  
 2169 ~~increment to construct municipal buildings unless the taxing entity committee adopts a~~  
 2170 ~~resolution to waive this requirement.]~~

2171 ~~[(7) Notwithstanding any other provision of this title, an agency may not use tax~~  
 2172 ~~increment under an urban renewal or economic development project area plan, to pay any of~~  
 2173 ~~the cost of the land, infrastructure, or construction of a stadium or arena constructed after~~  
 2174 ~~March 1, 2005, unless the tax increment has been pledged for that purpose before February 15,~~  
 2175 ~~2005.]~~

2176 ~~[(8) (a) An agency may not use tax increment to pay the debt service of or any other~~  
 2177 ~~amount related to a bond issued or other obligation incurred if the bond was issued or the~~  
 2178 ~~obligation was incurred:]~~

2179 ~~[(i) by an interlocal entity created under Title 11, Chapter 13, Interlocal Cooperation~~  
 2180 ~~Act;]~~

2181 ~~[(ii) on or after March 30, 2009; and]~~

2182 ~~[(iii) to finance a telecommunication facility.]~~

2183 ~~[(b) Subsection (8)(a) may not be construed to prohibit the refinancing, restatement, or~~  
 2184 ~~refunding of a bond issued before March 30, 2009.]~~

2185 (4) Notwithstanding any other provision of this title, an agency may not use project  
 2186 area funds to construct a local government building unless the taxing entity committee or each  
 2187 taxing entity party to an interlocal agreement with the agency consents.

2188 Section 41. Section **17C-1-410** is amended to read:

2189 **17C-1-410. Agency may make payments to other taxing entities.**

2190 (1) Subject to Subsection (3), an agency may grant [~~tax increment or other~~] agency  
 2191 funds to a taxing entity to offset some or all of the tax [~~revenues~~] revenue that the taxing entity  
 2192 did not receive because of tax increment paid to the agency.

2193 (2) (a) Subject to Subsection (3), an agency may use [~~tax increment or other~~] agency  
 2194 funds to pay to a school district an amount of money that the agency determines to be  
 2195 appropriate to alleviate a financial burden or detriment borne by the school district because of

2196 the [~~urban renewal, economic development, or community~~] project area development.

2197 (b) Each agency that agrees to pay money to a school district under [~~the authority of~~]  
2198 Subsection (2)(a) shall provide a copy of [~~that~~] the agreement to the State Board of Education.

2199 (3) (a) If an agency intends to pay agency funds to one or more taxing entities under  
2200 Subsection (1) or (2) but does not intend to pay funds to all taxing entities in proportionally  
2201 equal amounts, the agency shall provide written notice to each taxing entity of [~~its~~] the agency's  
2202 intent.

2203 (b) (i) A taxing entity [~~receiving~~] that receives notice under Subsection (3)(a) may elect  
2204 not to have [~~its~~] the taxing entity's tax increment collected and used to pay funds to other taxing  
2205 entities under this section.

2206 (ii) Each election under Subsection (3)(b)(i) shall be:

2207 (A) in writing; and

2208 (B) delivered to the agency within 30 days after the taxing entity's receipt of the notice  
2209 under Subsection (3)(a).

2210 (c) If a taxing entity makes an election under Subsection (3)(b), the portion of [~~that~~] the  
2211 taxing entity's tax increment that would have been used by the agency to pay funds under this  
2212 section to one or more other taxing entities may not be collected by the agency.

2213 Section 42. Section **17C-1-411** is amended to read:

2214 **17C-1-411. Use of project area funds for housing-related improvements and for**  
2215 **relocating mobile home park residents -- Funds to be held in separate accounts.**

2216 (1) An agency may use project area funds:

2217 (a) [~~use tax increment from a project area~~] to pay all or part of the value of the land for  
2218 and the cost of installation, construction, [~~and~~] or rehabilitation of any housing-related  
2219 building, facility, structure, or other housing improvement, including infrastructure  
2220 improvements related to housing, located in any project area within the agency's boundaries;  
2221 [~~and~~]

2222 (b) [~~use up to 20% of tax increment: (i)~~] outside of [~~project areas~~] a project area for the  
2223 purpose of:

2224 [~~(A)~~] (i) replacing housing units lost by [~~urban renewal, economic development, or~~  
2225 ~~community~~] project area development; or

2226 [~~(B)~~] (ii) increasing, improving, [~~and~~] or preserving [~~generally~~] the affordable housing



2227 supply within the boundary of the agency; or

2228 ~~[(ii)]~~ (c) for relocating mobile home park residents displaced by project area

2229 development, whether inside or outside a project area.

2230 (2) (a) Each agency shall create a housing fund and separately account for ~~[funds]~~

2231 project area funds allocated under this section.

2232 (b) Interest earned by the housing fund described in Subsection (2)(a), and any  
2233 payments or repayments made to the agency for loans, advances, or grants of any kind from the  
2234 housing fund, shall accrue to the housing fund.

2235 (c) ~~[Each]~~ An agency ~~[designating]~~ that designates a housing fund under this section  
2236 shall use the housing fund for~~[(i)]~~ the purposes set forth in this section~~[:]~~ or Section  
2237 17C-1-412.

2238 ~~[(ii) the purposes set forth in this title relating to the urban renewal, economic~~  
2239 ~~development, or community development project area from which the funds originated.]~~

2240 (3) An agency may lend, grant, or contribute funds from the housing fund to a person,  
2241 public entity, housing authority, private entity or business, or nonprofit corporation for  
2242 affordable housing or homeless assistance.

2243 Section 43. Section **17C-1-412** is amended to read:

2244 **17C-1-412. Use of housing allocation -- Separate accounting required -- Issuance**  
2245 **of bonds for housing -- Action to compel agency to provide housing allocation.**

2246 (1) (a) ~~[Each]~~ An agency shall use ~~[all funds allocated for housing under Section~~  
2247 ~~17C-2-203 or 17C-3-202]~~ the agency's housing allocation, if applicable, to:

2248 (i) pay part or all of the cost of land or construction of income targeted housing within  
2249 the boundary of the agency, if practicable in a mixed income development or area;

2250 (ii) pay part or all of the cost of rehabilitation of income targeted housing within the  
2251 boundary of the agency;

2252 (iii) lend, grant, or contribute money to a person, public entity, housing authority,  
2253 private entity or business, or nonprofit corporation for income targeted housing within the  
2254 boundary of the agency;

2255 (iv) plan or otherwise promote income targeted housing within the boundary of the  
2256 agency;

2257 (v) pay part or all of the cost of land or installation, construction, or rehabilitation of

2258 any building, facility, structure, or other housing improvement, including infrastructure  
2259 improvements, related to housing located in a project area where blight has been found to exist;  
2260 (vi) replace housing units lost as a result of the [~~urban renewal, economic development,~~  
2261 ~~or community~~] project area development;  
2262 (vii) make payments on or establish a reserve fund for bonds:  
2263 (A) issued by the agency, the community, or the housing authority that provides  
2264 income targeted housing within the community; and  
2265 (B) all or part of the proceeds of which are used within the community for the purposes  
2266 stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);  
2267 (viii) if the community's fair share ratio at the time of the first adoption of the project  
2268 area budget is at least 1.1 to 1.0, make payments on bonds:  
2269 (A) that were previously issued by the agency, the community, or the housing authority  
2270 that provides income targeted housing within the community; and  
2271 (B) all or part of the proceeds of which were used within the community for the  
2272 purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi); or  
2273 (ix) relocate mobile home park residents displaced by [~~an urban renewal, economic~~  
2274 ~~development, or community development project~~] project area development.  
2275 (b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all or  
2276 any portion of the agency's housing [funds] allocation to:  
2277 (i) the community for use as [~~provided under~~] described in Subsection (1)(a);  
2278 (ii) [~~the~~] a housing authority that provides income targeted housing within the  
2279 community for use in providing income targeted housing within the community; [or]  
2280 (iii) a housing authority established by the county in which the agency is located for  
2281 providing:  
2282 (A) income targeted housing within the county;  
2283 (B) permanent housing, permanent supportive housing, or a transitional facility, as  
2284 defined in Section 35A-5-302, within the county; or  
2285 (C) homeless assistance within the county; or  
2286 [~~(iii)~~] (iv) the Olene Walker Housing Loan Fund, established under Title 35A, Chapter  
2287 8, Part 5, Olene Walker Housing Loan Fund, for use in providing income targeted housing  
2288 within the community.

2289 (2) The agency [~~or community~~] shall create a housing fund and separately account for  
 2290 the agency's housing [funds] allocation, together with all interest earned by the housing [funds]  
 2291 allocation and all payments or repayments for loans, advances, or grants from the housing  
 2292 [funds] allocation.

2293 (3) An agency may:

2294 (a) issue bonds [~~from time to time~~] to finance a [~~housing undertaking~~] housing-related  
 2295 project under this section, including the payment of principal and interest upon advances for  
 2296 surveys and plans or preliminary loans; and

2297 (b) issue refunding bonds for the payment or retirement of bonds under Subsection  
 2298 (3)(a) previously issued by the agency.

2299 [~~(4) An agency:~~]

2300 (4) (a) Except as provided in Subsection (4)(b), an agency shall allocate [~~housing~~  
 2301 ~~funds~~] money to the housing fund each year in which the agency receives sufficient tax  
 2302 increment to make a housing allocation required by the project area budget[~~;~~ ~~and~~].

2303 (b) [~~is relieved, to the extent tax increment is insufficient in a year, of an obligation to~~  
 2304 ~~allocate housing funds for the year~~] Subsection (4)(a) does not apply in a year in which tax  
 2305 increment is insufficient.

2306 (5) (a) Except as provided in Subsection (4)(b), if an agency fails to provide a housing  
 2307 [funds] allocation in accordance with the project area budget and, if applicable, the housing  
 2308 plan adopted under Subsection 17C-2-204(2), the loan fund board may bring legal action to  
 2309 compel the agency to provide the housing [funds] allocation.

2310 (b) In an action under Subsection (5)(a), the court:

2311 (i) shall award the loan fund board reasonable attorney fees, unless the court finds that  
 2312 the action was frivolous; and

2313 (ii) may not award the agency [~~its~~] the agency's attorney fees, unless the court finds that  
 2314 the action was frivolous.

2315 Section 44. Section 17C-1-413 is amended to read:

2316 **17C-1-413. Base taxable value for new tax.**

2317 For purposes of calculating tax increment with respect to a tax that a taxing entity levies  
 2318 for the first time after the effective date of [~~the~~] a project area plan, the base taxable value shall  
 2319 be used, subject to any adjustments under Section 17C-1-408.

2320 Section 45. Section **17C-1-501.1** is enacted to read:

2321 **Part 5. Agency Bonds**

2322 **17C-1-501.1. Title.**

2323 This part is known as "Agency Bonds."

2324 Section 46. Section **17C-1-501.5**, which is renumbered from Section 17C-1-501 is  
2325 renumbered and amended to read:

2326 ~~[17C-1-501].~~ **17C-1-501.5. Resolution authorizing issuance of agency**  
2327 **bonds -- Characteristics of bonds.**

2328 (1) An agency may not issue [~~bonds~~] a bond under this part unless the [~~agency~~] board  
2329 first adopts a resolution authorizing [~~their~~] the bond issuance.

2330 (2) (a) As provided in the agency resolution authorizing the issuance of [~~bonds~~] a bond  
2331 under this part or the trust indenture under which the [~~bonds are~~] bond is issued, [~~bonds~~] a  
2332 bond issued under this part may be issued in one or more series and may be sold at public or  
2333 private sale and in the manner provided in the resolution or indenture.

2334 (b) [~~Bonds~~] A bond issued by an agency under this part shall bear the date, be payable  
2335 at the time, bear interest at the rate, be in the denomination and in the form, carry the  
2336 conversion or registration privileges, have the rank or priority, be executed in the manner, be  
2337 subject to the terms of redemption or tender, with or without premium, be payable in the  
2338 medium of payment and at the place, and have other characteristics as provided in the agency  
2339 resolution authorizing [~~their~~] the bond issuance or the trust indenture under which [~~they are~~]  
2340 the bond is issued.

2341 Section 47. Section **17C-1-502** is amended to read:

2342 **17C-1-502. Sources from which bonds may be made payable -- Agency powers**  
2343 **regarding bonds.**

2344 (1) The principal and interest on [~~bonds~~] a bond issued by an agency may be [~~made~~  
2345 ~~payable~~] paid from:

2346 (a) the income and revenues of the [~~projects~~] project area development financed with  
2347 the proceeds of the [~~bonds~~] bond;

2348 (b) the income and [~~revenues~~] revenue of certain designated [~~projects whether or not~~  
2349 ~~they were~~] project area development regardless of whether the project area development is  
2350 financed in whole or in part with the proceeds of the [~~bonds~~] bond;

2351 (c) the income, proceeds, [~~revenues~~] revenue, property, [~~and funds of the~~] or agency  
 2352 funds derived from or held in connection with [~~its~~] the agency's undertaking and [~~carrying out~~  
 2353 ~~urban renewal, economic development, or community~~] implementation of project area  
 2354 development;

2355 (d) [~~tax increment~~] project area funds;

2356 (e) agency revenues generally;

2357 (f) a contribution, loan, grant, or other financial assistance from [~~the federal~~  
 2358 ~~government or~~] a public entity in aid of [~~urban renewal, economic development, or community~~]  
 2359 project area development, including the assignment of revenue or taxes in support of an agency  
 2360 bond; or

2361 (g) funds derived from any combination of the methods listed in Subsections (1)(a)  
 2362 through (f).

2363 (2) In connection with the issuance of [~~agency bonds~~] an agency bond, an agency may:

2364 (a) pledge all or any part of [~~its~~] the agency's gross or net rents, fees, or revenues to  
 2365 which [~~its~~] the agency's right then exists or may thereafter come into existence;

2366 (b) encumber by mortgage, deed of trust, or otherwise all or any part of [~~its~~] the  
 2367 agency's real or personal property, then owned or thereafter acquired; and

2368 (c) make the covenants and take the action that:

2369 (i) may be necessary, convenient, or desirable to secure [~~its bonds, or,~~] the bond; or

2370 (ii) except as otherwise provided in this chapter, [~~that~~] will tend to make the [~~bonds~~]

2371 bond more marketable, even though such covenants or actions are not specifically enumerated  
 2372 in this chapter.

2373 Section 48. Section **17C-1-504** is amended to read:

2374 **17C-1-504. Contesting the legality of resolution authorizing bonds -- Time limit --**

2375 **Presumption.**

2376 (1) Any person may contest the legality of the resolution authorizing issuance of the  
 2377 [~~bonds~~] bond or any provisions for the security and payment of the [~~bonds~~] bond for a period of  
 2378 30 days after:

2379 (a) publication of the resolution authorizing the [~~bonds~~] bond; or

2380 (b) publication of a notice of [~~bonds~~] bond containing substantially the items required  
 2381 under Subsection [11-14-316\(2\)](#).

2382 (2) After the 30-day period [~~under~~] described in Subsection (1), no person may bring a  
2383 lawsuit or other proceeding [~~may be brought~~] contesting the regularity, formality, or legality of  
2384 the [~~bonds~~] bond for any reason.

2385 (3) In a lawsuit or other proceeding involving the question of whether a bond issued  
2386 under this part is valid or enforceable or involving the security for a bond, if a bond recites that  
2387 the agency issued the bond in connection with [~~an urban renewal, economic development, or~~  
2388 ~~community development project~~] project area development:

2389 (a) the bond shall be conclusively presumed to have been issued for that purpose; and

2390 (b) the project area plan and project area shall be conclusively presumed to have been  
2391 properly formed, adopted, planned, located, and [~~carried out~~] implemented in accordance with  
2392 this title.

2393 Section 49. Section **17C-1-505** is amended to read:

2394 **17C-1-505. Authority to purchase agency bonds.**

2395 (1) Any person, firm, corporation, association, political subdivision of the state, or  
2396 other entity or public or private officer may purchase [~~bonds~~] a bond issued by an agency under  
2397 this part with funds owned or controlled by the purchaser.

2398 (2) Nothing in this section may be construed to relieve a purchaser of [~~agency bonds~~]  
2399 an agency bond of any duty to exercise reasonable care in selecting securities.

2400 Section 50. Section **17C-1-506** is amended to read:

2401 **17C-1-506. Those executing bonds not personally liable -- Limitation of**

2402 **obligations under bonds -- Negotiability.**

2403 (1) A member of [~~an agency~~] a board or other person executing an agency bond is not  
2404 liable personally on the bond.

2405 (2) (a) A bond issued by an agency is not a general obligation or liability of the  
2406 community, the state, or any of [~~its~~] the state's political subdivisions and does not constitute a  
2407 charge against their general credit or taxing powers.

2408 (b) A bond issued by an agency is not payable out of any funds or properties other than  
2409 those of the agency.

2410 (c) The community, the state, and [~~its~~] the state's political subdivisions may not be  
2411 liable on a bond issued by an agency.

2412 (d) A bond issued by an agency does not constitute indebtedness within the meaning of

2413 any constitutional or statutory debt limitation.

2414 (3) A bond issued by an agency under this part is fully negotiable.

2415 Section 51. Section **17C-1-507** is amended to read:

2416 **17C-1-507. Obligee rights -- Board may confer other rights.**

2417 (1) In addition to all other rights that are conferred on an obligee of a bond issued by an  
2418 agency under this part and subject to contractual restrictions binding on the obligee, an obligee  
2419 may:

2420 (a) by mandamus, suit, action, or other proceeding, compel an agency and ~~[its]~~ the  
2421 agency's board, officers, agents, or employees to perform every term, provision, and covenant  
2422 contained in any contract of the agency with or for the benefit of the obligee, and require the  
2423 agency to carry out the covenants and agreements of the agency and to fulfill all duties imposed  
2424 on the agency by this part; and

2425 (b) by suit, action, or other proceeding ~~[in equity]~~, enjoin any acts or things that may be  
2426 unlawful or violate the rights of the obligee.

2427 (2) (a) In a board resolution authorizing the issuance of ~~[bonds]~~ a bond or in a trust  
2428 indenture, mortgage, lease, or other contract, ~~[an agency]~~ a board may confer upon an obligee  
2429 holding or representing a specified amount in bonds, the rights described in Subsection (2)(b),  
2430 to accrue upon the happening of an event or default prescribed in the resolution, indenture,  
2431 mortgage, lease, or other contract, and to be exercised by suit, action, or proceeding in any  
2432 court of competent jurisdiction.

2433 (b) (i) The rights that the board may confer under Subsection (2)(a) are the rights to:

2434 (A) cause possession of all or part of ~~[an urban renewal, economic development, or~~  
2435 ~~community development project]~~ the project area development to be surrendered to an obligee;

2436 (B) obtain the appointment of a receiver of all or part of an agency's ~~[urban renewal,~~  
2437 ~~economic development, or community development project]~~ project area development and of  
2438 the rents and profits from ~~[it]~~ the project area development; and

2439 (C) require the agency and ~~[its]~~ the board and employees to account as if the agency  
2440 and the board and employees were the trustees of an express trust.

2441 (ii) If a receiver is appointed through the exercise of a right granted under Subsection  
2442 (2)(b)(i)(B), the receiver:

2443 (A) may enter and take possession of the ~~[urban renewal, economic development, or~~

2444 ~~community development project~~ project area development or any part of ~~[it]~~ the project area  
2445 development, operate and maintain ~~[it]~~ the project area development, and collect and receive  
2446 all fees, rents, revenues, or other charges arising from ~~[it]~~ the project area development after the  
2447 receiver's appointment; and

2448 (B) shall keep money collected as receiver for the agency in ~~[separate accounts]~~ a  
2449 separate account and apply ~~[it]~~ the money pursuant to the agency obligations as the court  
2450 directs.

2451 Section 52. Section **17C-1-508** is amended to read:

2452 **17C-1-508. Bonds exempt from taxes -- Agency may purchase an agency's own**  
2453 **bonds.**

2454 (1) A bond issued by an agency under this part is issued for an essential public and  
2455 governmental purpose and is, together with interest on the bond and income from it, exempt  
2456 from all state taxes except the corporate franchise tax.

2457 (2) An agency may purchase ~~[its]~~ the agency's own bonds at a price that ~~[its]~~ the board  
2458 determines.

2459 (3) Nothing in this section may be construed to limit the right of an obligee to pursue a  
2460 remedy for the enforcement of a pledge or lien given under this part by an agency on ~~[its]~~ the  
2461 agency's rents, fees, grants, properties, or revenues.

2462 Section 53. Section **17C-1-601.1** is enacted to read:

2463 **Part 6. Agency Annual Report, Budget, and Audit Requirements**

2464 **17C-1-601.1. Title.**

2465 This part is known as "Agency Annual Report, Budget, and Audit Requirements."

2466 Section 54. Section **17C-1-601.5**, which is renumbered from Section 17C-1-601 is  
2467 renumbered and amended to read:

2468 ~~[17C-1-601].~~ **17C-1-601.5. Annual agency budget -- Fiscal year -- Public**  
2469 **hearing required -- Auditor forms -- Requirement to file form.**

2470 (1) Each agency shall prepare ~~[and its board adopt]~~ an annual budget of the agency's  
2471 revenues and expenditures ~~[for the agency]~~ for each fiscal year.

2472 (2) ~~[Each annual agency budget shall be adopted]~~ The board shall adopt each agency  
2473 budget:

2474 (a) for an agency created by a ~~[city or town]~~ municipality, before June 22; or



- 2475 (b) for an agency created by a county, before December 15.
- 2476 (3) The agency's fiscal year shall be the same as the fiscal year of the community that  
2477 created the agency.
- 2478 (4) (a) Before adopting an annual budget, each [agency] board shall hold a public  
2479 hearing on the annual budget.
- 2480 (b) Each agency shall provide notice of the public hearing on the annual budget by:
- 2481 (i) (A) publishing at least one notice in a newspaper of general circulation within the  
2482 agency boundaries, one week before the public hearing; or
- 2483 (B) if there is no newspaper of general circulation within the agency boundaries,  
2484 posting a notice of the public hearing in at least three public places within the agency  
2485 boundaries; and
- 2486 (ii) publishing notice on the Utah Public Notice Website created in Section 63F-1-701,  
2487 at least one week before the public hearing.
- 2488 (c) Each agency shall make the annual budget available for public inspection at least  
2489 three days before the date of the public hearing.
- 2490 (5) The state auditor shall prescribe the budget forms and the categories to be contained  
2491 in each [agency] annual budget, including:
- 2492 (a) revenues and expenditures for the budget year;
- 2493 (b) legal fees; and
- 2494 (c) administrative costs, including rent, supplies, and other materials, and salaries of  
2495 agency personnel.
- 2496 (6) (a) Within 90 days after adopting an annual budget, each [agency] board shall file a  
2497 copy of the annual budget with the auditor of the county in which the agency is located, the  
2498 State Tax Commission, the state auditor, the State Board of Education, and each taxing entity  
2499 [~~that levies a tax on property~~] from which the agency [~~collects tax increment~~] receives project  
2500 area funds.
- 2501 (b) The requirement of Subsection (6)(a) to file a copy of the annual budget with the  
2502 state as a taxing entity is met if the agency files a copy with the State Tax Commission and the  
2503 state auditor.
- 2504 Section 55. Section 17C-1-602 is amended to read:
- 2505 **17C-1-602. Amending the agency annual budget.**

2506 (1) ~~[An agency]~~ A board may by resolution amend an annual ~~[agency]~~ budget.

2507 (2) An amendment ~~[of the]~~ to an annual ~~[agency]~~ budget that would increase the total  
2508 expenditures may be made only after a public hearing ~~[by notice published as required for~~  
2509 ~~initial adoption of the annual budget]~~ is held in accordance with Subsection 17C-1-601.5(4).

2510 (3) An agency may not make expenditures in excess of the total expenditures  
2511 established in the annual budget as ~~[it]~~ the annual budget is adopted or amended.

2512 Section 56. Section **17C-1-603** is amended to read:

2513 **17C-1-603. Annual report.**

2514 ~~[(1)(a) Unless an agency submits a report to the county auditor, the State Tax~~  
2515 ~~Commission, the State Board of Education, and each taxing entity that levies a tax on property~~  
2516 ~~from which the agency collects tax increment as provided under Subsection 17C-1-402(9)(b);~~  
2517 ~~on or before November 1 of each year, each agency shall prepare and file a report with the~~  
2518 ~~county auditor, the State Tax Commission, the State Board of Education, and each taxing entity~~  
2519 ~~that levies a tax on property from which the agency collects tax increment.]~~

2520 ~~[(b) The requirement of Subsection (1)(a) to file a copy of the report with the state as a~~  
2521 ~~taxing entity is met if the agency files a copy with the State Tax Commission and the state~~  
2522 ~~auditor.]~~

2523 ~~[(2) Each report under Subsection (1) shall contain:]~~

2524 ~~[(a) an estimate of the tax increment to be paid to the agency for the calendar year~~  
2525 ~~ending December 31;]~~

2526 ~~[(b) an estimate of the tax increment to be paid to the agency for the calendar year~~  
2527 ~~beginning the next January 1;]~~

2528 ~~[(c) a narrative description of each active project area within the agency's boundaries;]~~

2529 ~~[(d) a narrative description of any significant activity related to each active project area~~  
2530 ~~that occurred during the immediately preceding fiscal year;]~~

2531 ~~[(e) a summary description of the overall project timeline for each active project area;]~~

2532 ~~[(f) any other information specifically requested by the taxing entity committee or~~  
2533 ~~required by the project area plan or budget; and]~~

2534 ~~[(g) any other information included by the agency;]~~

2535 (1) Beginning in 2016, on or before November 1 of each year, an agency shall:

2536 (a) prepare an annual report as described in Subsection (2); and

2537 (b) submit the annual report electronically to the county auditor, the State Tax  
2538 Commission, the State Board of Education, and each taxing entity from which the agency  
2539 receives project area funds.

2540 (2) The annual report shall, for each active project area whose project area funds  
2541 collection period has not expired, contain the following information:

2542 (a) an assessment of the change in marginal value, including:

2543 (i) the base taxable value;

2544 (ii) the prior year's assessed value;

2545 (iii) the estimated current assessed value; and

2546 (iv) a narrative description of the relative growth in assessed value;

2547 (b) the amount of project area funds the agency received, including:

2548 (i) a comparison of the actual project area funds received for the previous year to the  
2549 amount of project area funds forecasted when the project area was created, if available;

2550 (ii) (A) the agency's historical receipts of project area funds, including the tax year for  
2551 which the agency first received project area funds from the project area; or

2552 (B) if the agency has not yet received project area funds from the project area, the year  
2553 in which the agency expects each project area funds collection period to begin;

2554 (iii) a list of each taxing entity that levies or imposes a tax within the project area and a  
2555 description of the benefits that each taxing entity receives from the project area; and

2556 (iv) the amount paid to other taxing entities under Section 17C-1-410, if applicable;

2557 (c) a description of current and anticipated project area development, including:

2558 (i) a narrative of any significant project area development, including infrastructure  
2559 development, site development, participation agreements, or vertical construction; and

2560 (ii) other details of development within the project area, including total developed  
2561 acreage and total undeveloped acreage;

2562 (d) the project area budget, if applicable, or other project area funds analysis,  
2563 including:

2564 (i) each project area funds collection period;

2565 (ii) the number of years remaining in each project area funds collection period;

2566 (iii) the total amount of project area funds the agency is authorized to receive from the  
2567 project area cumulatively and from each taxing entity; and

2568 (iv) the remaining amount of project area funds the agency is authorized to receive  
2569 from the project area cumulatively and from each taxing entity;

2570 (e) the estimated amount of project area funds that the agency is authorized to receive  
2571 from the project area for the current calendar year;

2572 (f) the estimated amount of project area funds to be paid to the agency for the next  
2573 calendar year;

2574 (g) a map of the project area; and

2575 (h) any other relevant information the agency elects to provide.

2576 (3) A report prepared in accordance with this section:

2577 (a) is for informational purposes only; and

2578 (b) does not alter the amount of ~~[tax increment]~~ project area funds that an agency is  
2579 ~~[entitled to collect]~~ authorized to receive from a project area.

2580 (4) The provisions of this section apply regardless of when the agency or project area is  
2581 created.

2582 Section 57. Section **17C-1-605** is amended to read:

2583 **17C-1-605. Audit report.**

2584 (1) Each agency required to be audited under Section **17C-1-604** shall, within 180 days  
2585 after the end of the agency's fiscal year, file a copy of the audit report with the county auditor,  
2586 the State Tax Commission, the State Board of Education, and each taxing entity ~~[that levies a~~  
2587 ~~tax on property]~~ from which the agency ~~[collects]~~ receives tax increment.

2588 (2) Each audit report under Subsection (1) shall include:

2589 (a) the tax increment collected by the agency for each project area;

2590 (b) the amount of tax increment paid to each taxing entity under Section **17C-1-410**;

2591 (c) the outstanding principal amount of bonds issued or other loans incurred to finance  
2592 the costs associated with the agency's project areas; and

2593 (d) the actual amount expended for:

2594 (i) acquisition of property;

2595 (ii) site improvements or site preparation costs;

2596 (iii) installation of public utilities or other public improvements; and

2597 (iv) administrative costs of the agency.

2598 Section 58. Section **17C-1-606** is amended to read:

2599 **17C-1-606. County auditor report on project areas.**

2600 (1) (a) On or before March 31 of each year, the auditor of each county in which an  
2601 agency is located shall prepare a report on the project areas within each agency.

2602 (b) The county auditor shall send a copy of each report under Subsection (1)(a) to the  
2603 agency that is the subject of the report, the State Tax Commission, the State Board of  
2604 Education, and each taxing entity [~~that levies a tax on property~~] from which the agency  
2605 [~~collects~~] receives tax increment.

2606 (2) Each report under Subsection (1)(a) shall report:

2607 (a) the total assessed property value within each project area for the previous tax year;

2608 (b) the base taxable value of [~~property within~~] each project area for the previous tax  
2609 year;

2610 (c) the tax increment available to be paid to the agency for the previous tax year;

2611 (d) the tax increment requested by the agency for the previous tax year; and

2612 (e) the tax increment paid to the agency for the previous tax year.

2613 (3) Within 30 days after a request by an agency, the State Tax Commission, the State  
2614 Board of Education, or any taxing entity [~~that levies a tax on property~~] from which the agency  
2615 receives tax increment, the county auditor or the county assessor shall provide access to:

2616 (a) the county auditor's method and calculations used to make adjustments under  
2617 Section [17C-1-408](#);

2618 (b) the unequalized assessed valuation of an existing or proposed project area, or any  
2619 parcel or parcels within an existing or proposed project area, if the equalized assessed valuation  
2620 has not yet been determined for that year;

2621 (c) the most recent equalized assessed valuation of an existing or proposed project area  
2622 or any parcel or parcels within an existing or proposed project area; and

2623 (d) the tax rate of each taxing entity adopted as of November 1 for the previous tax  
2624 year.

2625 (4) Each report described in Subsection (1)(a) shall include:

2626 (a) sufficient detail regarding the calculations performed by a county auditor so that an  
2627 agency or other interested party could repeat and verify the calculations; and

2628 (b) a detailed explanation of any adjustments made to the base taxable value of each  
2629 project area.

2630 Section 59. Section 17C-1-607 is amended to read:

2631 **17C-1-607. State Tax Commission and county assessor required to account for**  
2632 **new growth.**

2633 Upon the expiration of a project area funds collection period, the State Tax  
2634 Commission and the assessor of each county in which [~~an urban renewal, economic~~  
2635 ~~development, or community development~~] a project area is located shall count as new growth  
2636 the assessed value of property with respect to which the taxing entity is receiving taxes or  
2637 increased taxes for the first time.

2638 Section 60. Section 17C-1-701.1 is enacted to read:

2639 **Part 7. Agency and Project Area Dissolution**

2640 **17C-1-701.1. Title.**

2641 This part is known as "Agency and Project Area Dissolution."

2642 Section 61. Section 17C-1-701.5, which is renumbered from Section 17C-1-701 is  
2643 renumbered and amended to read:

2644 [~~17C-1-701~~]. **17C-1-701.5. Agency dissolution -- Restrictions -- Notice --**  
2645 **Recording requirements -- Agency records -- Dissolution expenses.**

2646 (1) (a) Subject to Subsection (1)(b), the community legislative body [~~of the community~~  
2647 ~~that created an agency~~] may, by ordinance, [~~approve the deactivation and dissolution of the~~  
2648 ~~dissolve an~~] dissolve an agency.

2649 (b) [~~Am~~] A community legislative body may adopt an ordinance [~~under~~] described in  
2650 Subsection (1)(a) [~~approving the deactivation and dissolution of an agency may not be~~  
2651 ~~adopted unless~~] only if the agency has no outstanding bonded indebtedness, other unpaid loans,  
2652 indebtedness, or advances, and no legally binding contractual obligations with [~~persons or~~  
2653 ~~entities~~] a person other than the community.

2654 (2) (a) The community legislative body shall:

2655 (i) within 10 days after adopting an ordinance [~~under~~] described in Subsection (1), file  
2656 with the lieutenant governor a copy of a notice of an impending boundary action, as defined in  
2657 Section 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3); and

2658 (ii) upon the lieutenant governor's issuance of a certificate of dissolution under Section  
2659 67-1a-6.5, submit to the recorder of the county in which the agency is located:

2660 (A) the original notice of an impending boundary action;

2661 (B) the original certificate of dissolution; and  
2662 (C) a certified copy of the ordinance [~~approving the deactivation and dissolution of~~  
2663 that dissolves the agency.

2664 (b) Upon the lieutenant governor's issuance of the certificate of dissolution under  
2665 Section ~~67-1a-6.5~~, the agency is dissolved.

2666 (c) Within 10 days after receiving the certificate of dissolution from the lieutenant  
2667 governor under Section ~~67-1a-6.5~~, the community legislative body shall send a copy of the  
2668 certificate of dissolution and the ordinance adopted under Subsection (1) to the State Board of  
2669 Education, and each taxing entity.

2670 (d) The community legislative body shall publish a notice of dissolution in a  
2671 newspaper of general circulation in the county in which the dissolved agency is located.

2672 (3) The books, documents, records, papers, and seal of each dissolved agency shall be  
2673 deposited for safekeeping and reference with the recorder of the community that dissolved the  
2674 agency.

2675 (4) The agency shall pay all expenses of the [~~deactivation and~~] dissolution.  
2676 Section 62. Section **17C-1-702** is enacted to read:

2677 **17C-1-702. Project area dissolution.**

2678 (1) Regardless of when a project area funds collection period ends, the project area  
2679 remains in existence until:

2680 (a) the agency adopts a resolution dissolving the project area; and

2681 (b) the community legislative body adopts an ordinance dissolving the project area.

2682 (2) The ordinance described in Subsection (1)(b) shall include:

2683 (a) the name of the project area; and

2684 (b) a project area map or boundary description.

2685 (3) Within 30 days after the day on which the community legislative body adopts an  
2686 ordinance described in Subsection (1)(b), the community legislative body shall:

2687 (a) submit a copy of the ordinance to the county recorder of the county in which the  
2688 dissolved project area is located; and

2689 (b) mail or electronically submit a copy of the ordinance to the county auditor, the State  
2690 Tax Commission, the State Board of Education, and each taxing entity that levies or imposes a  
2691 tax on property within the dissolved project area.

2692 Section 63. Section 17C-1-801 is enacted to read:

2693 **Part 8. Hearing and Notice Requirements**

2694 **17C-1-801. Title.**

2695 This part is known as "Hearing and Notice Requirements."

2696 Section 64. Section 17C-1-802, which is renumbered from Section 17C-2-401 is  
2697 renumbered and amended to read:

2698 ~~[17C-2-401].~~ **17C-1-802. Combining hearings.**

2699 A board may combine any combination of a blight hearing, a plan hearing, and a budget  
2700 hearing.

2701 Section 65. Section 17C-1-803, which is renumbered from Section 17C-2-402 is  
2702 renumbered and amended to read:

2703 ~~[17C-2-402].~~ **17C-1-803. Continuing a hearing.**

2704 Subject to Section ~~[17C-2-403]~~ 17C-1-804, the board may continue ~~[from time to time~~  
2705 a]:

- 2706 (1) a blight hearing;
- 2707 (2) a plan hearing;
- 2708 (3) a budget hearing; or
- 2709 (4) a combined hearing under Section ~~[17C-2-401]~~ 17C-1-802.

2710 Section 66. Section 17C-1-804, which is renumbered from Section 17C-2-403 is  
2711 renumbered and amended to read:

2712 ~~[17C-2-403].~~ **17C-1-804. Notice required for continued hearing.**

2713 The board shall give notice of a hearing continued under Section ~~[17C-2-402]~~  
2714 17C-1-802 by announcing at the hearing:

- 2715 (1) the date, time, and place the hearing will be resumed; or
- 2716 (2) (a) that ~~[it]~~ the hearing is being continued to a later time; and ~~[causing]~~  
2717 (b) that the board will cause a notice of the continued hearing to be ~~[(a) (i) published~~  
2718 ~~once in a newspaper of general circulation within the agency boundaries at least seven days~~  
2719 ~~before the hearing is scheduled to resume; or(ii) if there is no newspaper of general circulation;~~  
2720 ~~posted in at least three conspicuous places within the boundaries of the agency in which the~~  
2721 ~~project area or proposed project area is located; and (b)]~~ published on the Utah Public Notice  
2722 Website created in Section 63F-1-701, at least seven days before the day on which the hearing



2723 is ~~[schedule]~~ scheduled to resume.

2724 Section 67. Section **17C-1-805**, which is renumbered from Section 17C-2-501 is  
2725 renumbered and amended to read:

2726 ~~[17C-2-501]~~. **17C-1-805. Agency to provide notice of hearings.**

2727 (1) Each agency shall provide notice, ~~[as provided]~~ in accordance with this part, of  
2728 each:

2729 (a) blight hearing;

2730 (b) plan hearing; ~~[and]~~ or

2731 (c) budget hearing.

2732 (2) The notice required under Subsection (1) ~~[for any of the hearings listed in that~~  
2733 ~~subsection]~~ may be combined with the notice required for any of the other hearings if the  
2734 hearings are combined under Section ~~[17C-2-401]~~ 17C-1-802.

2735 Section 68. Section **17C-1-806**, which is renumbered from Section 17C-2-502 is  
2736 renumbered and amended to read:

2737 ~~[17C-2-502]~~. **17C-1-806. Requirements for notice provided by agency.**

2738 (1) The notice required by Section ~~[17C-2-501]~~ 17C-1-805 shall be given by:

2739 (a) (i) publishing one notice, excluding the map referred to in Subsection (3)(b), in a  
2740 newspaper of general circulation within the county in which the project area or proposed  
2741 project area is located, at least 14 days before the hearing;

2742 (ii) if there is no newspaper of general circulation, posting notice at least 14 days  
2743 before the day of the hearing in at least three conspicuous places within the county in which the  
2744 project area or proposed project area is located; or

2745 (iii) posting notice, excluding the map described in Subsection (3)(b), at least 14 days  
2746 before the day on which the hearing is held on:

2747 (A) the Utah Public Notice Website described in Section 63F-1-701; and

2748 (B) the public website of a community located within the boundaries of the project  
2749 area; and

2750 (b) at least 30 days before the hearing, mailing notice to:

2751 (i) ~~[mailing notice to]~~ each record owner of property located within the project area or  
2752 proposed project area; ~~[and]~~

2753 ~~[(ii) mailing notice to:]~~

2754            ~~[(A)]~~ (ii) the State Tax Commission;

2755            ~~[(B)]~~ (iii) the assessor and auditor of the county in which the project area or proposed  
2756 project area is located; and

2757            ~~[(C)]~~ ~~[(F)]~~ (iv) (A) each member of the taxing entity committee, if applicable; or

2758            ~~[(H)]~~ (B) if a taxing entity committee has not ~~[yet]~~ been formed, the State Board of  
2759 Education and the legislative body or governing board of each taxing entity.

2760            (2) The mailing of the notice to record property owners required under Subsection  
2761 (1)(b)(i) shall be conclusively considered to have been properly completed if:

2762            (a) the agency mails the notice to the property owners as shown in the records,  
2763 including an electronic database, of the county recorder's office and at the addresses shown in  
2764 those records; and

2765            (b) the county recorder's office records used by the agency in identifying owners to  
2766 whom the notice is mailed and their addresses were obtained or accessed from the county  
2767 recorder's office no earlier than 30 days before the mailing.

2768            (3) The agency shall include in each notice required under Section ~~[17C-2-501]~~  
2769 17C-1-805:

2770            (a) (i) a ~~[specific description of the boundaries]~~ boundary description of the project  
2771 area or proposed project area; or

2772            (ii) (A) a mailing address or telephone number where a person may request that a copy  
2773 of the boundary description be sent at no cost to the person by mail, email, or facsimile  
2774 transmission; and

2775            (B) if the agency or community has an Internet website, an Internet address where a  
2776 person may gain access to an electronic, printable copy of the boundary description and other  
2777 related information;

2778            (b) a map of the boundaries of the project area or proposed project area;

2779            (c) an explanation of the purpose of the hearing; and

2780            (d) a statement of the date, time, and location of the hearing.

2781            (4) The agency shall include in each notice under Subsection (1)(b)~~[(ii)]~~:

2782            (a) a statement that property tax revenues resulting from an increase in valuation of  
2783 property within the project area or proposed project area will be paid to the agency for ~~[urban~~  
2784 ~~renewal purposes]~~ project area development rather than to the taxing entity to which the tax

2785 revenues would otherwise have been paid if:

- 2786 (i) the taxing entity committee consents to the project area budget; and
- 2787 (ii) the project area plan provides for the agency to receive tax increment; and
- 2788 (b) an invitation to the recipient of the notice to submit to the agency comments
- 2789 concerning the subject matter of the hearing before the date of the hearing.

2790 (5) An agency may include in a notice under Subsection (1) any other information the  
2791 agency considers necessary or advisable, including the public purpose ~~[served]~~ achieved by the  
2792 project area development and any future tax benefits expected to result from the project area  
2793 development.

2794 Section 69. Section **17C-1-807**, which is renumbered from Section 17C-2-503 is  
2795 renumbered and amended to read:

2796 ~~[17C-2-503]~~. **17C-1-807**. **Additional requirements for notice of a blight**  
2797 **hearing.**

2798 Each notice under Section ~~[17C-2-502]~~ 17C-1-806 for a blight hearing shall also  
2799 include:

- 2800 (1) a statement that:
  - 2801 (a) ~~[an urban renewal]~~ a project area is being proposed;
  - 2802 (b) the proposed ~~[urban renewal]~~ project area may be declared to have blight;
  - 2803 (c) the record owner of property within the proposed project area has the right to
  - 2804 present evidence at the blight hearing contesting the existence of blight;
  - 2805 (d) except for a hearing continued under Section ~~[17C-2-402]~~ 17C-1-803, the agency
  - 2806 will notify the record owner of property ~~[owners]~~ referred to in Subsection ~~[17C-2-502]~~
  - 2807 17C-1-806(1)(b)(i) of each additional public hearing held by the agency concerning the ~~[urban~~
  - 2808 ~~renewal project prior to]~~ proposed project area before the adoption of the ~~[urban renewal]~~
  - 2809 project area plan; and
  - 2810 (e) ~~[persons]~~ a person contesting the existence of blight in the proposed ~~[urban~~
  - 2811 ~~renewal]~~ project area may appear before the ~~[agency]~~ board and show cause why the proposed
  - 2812 ~~[urban renewal]~~ project area should not be designated as ~~[an urban renewal]~~ a project area; and
- 2813 (2) if the agency anticipates acquiring property in an urban renewal project area or a
- 2814 community reinvestment project area by eminent domain, a clear and plain statement that:
  - 2815 (a) the project area plan may require the agency to use eminent domain; and

2816 (b) the proposed use of eminent domain will be discussed at the blight hearing.

2817 Section 70. Section **17C-1-808**, which is renumbered from Section 17C-2-504 is  
2818 renumbered and amended to read:

2819 ~~[17C-2-504]~~. **17C-1-808**. **Additional requirements for notice of a plan**  
2820 **hearing.**

2821 Each notice under Section ~~[17C-2-502]~~ 17C-1-806 of a plan hearing shall also include:

2822 (1) a statement that any person objecting to the ~~[draft]~~ proposed project area plan or  
2823 contesting the regularity of any of the proceedings to adopt ~~[it]~~ the proposed project area plan  
2824 may appear before the ~~[agency]~~ board at the hearing to show cause why the ~~[draft]~~ proposed  
2825 project area plan should not be adopted; and

2826 (2) a statement that the proposed project area plan is available for inspection at the  
2827 agency offices.

2828 Section 71. Section **17C-1-809**, which is renumbered from Section 17C-2-505 is  
2829 renumbered and amended to read:

2830 ~~[17C-2-505]~~. **17C-1-809**. **Additional requirements for notice of a budget**  
2831 **hearing.**

2832 Each notice under Section ~~[17C-2-502]~~ 17C-1-806 of a budget hearing shall contain:

2833 (1) the following statement:

2834 "The (name of agency) has requested \$\_\_\_\_\_ in property tax revenues that will be  
2835 generated by development within the (name of project area) to fund a portion of project costs  
2836 within the (name of project area). These property tax revenues will be used for the following:  
2837 (list major budget categories and amounts). These property taxes will be taxes levied by the  
2838 following governmental entities, and, assuming current tax rates, the taxes paid to the agency  
2839 for this project area from each taxing entity will be as follows: (list each taxing entity levying  
2840 taxes and the amount of total taxes that would be paid from each taxing entity). All of the  
2841 property taxes to be paid to the agency for the development in the project area are taxes that  
2842 will be generated only if the project area is developed.

2843 All concerned citizens are invited to attend the project area budget hearing scheduled  
2844 for (date, time, and place of hearing). A copy of the (name of project area) project area budget  
2845 is available at the offices of (name of agency and office address)."; and

2846 (2) other information that the agency considers appropriate.

2847 Section 72. Section 17C-1-901 is enacted to read:

2848 **Part 9. Eminent Domain**

2849 **17C-1-901. Title.**

2850 This part is known as "Eminent Domain."

2851 Section 73. Section 17C-1-902, which is renumbered from Section 17C-1-206 is  
2852 renumbered and amended to read:

2853 ~~[17C-1-206].~~ **17C-1-902. Use of eminent domain -- Conditions.**

2854 (1) Except as provided in Subsection (2), an agency may not use eminent domain to  
2855 acquire property.

2856 (2) ~~[An]~~ Subject to the provisions of this part, an agency may, in accordance with Title  
2857 78B, Chapter 6, Part 5, Eminent Domain, use eminent domain to acquire an interest in  
2858 property:

2859 (a) ~~[any interest in property]~~ within an urban renewal project area~~[-, subject to Chapter~~  
2860 ~~2, Part 6, Eminent Domain in an Urban Renewal Project Area; and]~~ if:

2861 (i) the board makes a finding of blight under Chapter 2, Part 3, Blight Determination in  
2862 Urban Renewal Project Areas; and

2863 (ii) the urban renewal project area plan provides for the use of eminent domain;

2864 (b) ~~[any interest in property]~~ that is owned by an agency board member or officer and  
2865 located within a project area, if the board member or officer consents~~[-];~~

2866 (c) within a community reinvestment project area if:

2867 (i) the board makes a finding of blight under Section 17C-5-405;

2868 (ii) the community reinvestment project area plan provides for the use of eminent  
2869 domain; and

2870 (iii) the agency creates a taxing entity committee in accordance with Section  
2871 17C-1-402;

2872 (d) that:

2873 (i) is owned by a participant or a property owner that is entitled to receive tax  
2874 increment or other assistance from the agency;

2875 (ii) is within a project area, regardless of when the project area is created, for which the  
2876 agency made a finding of blight under Section 17C-2-102 or 17C-5-405; and

2877 (iii) (A) the participant or property owner described in Subsection (2)(d)(i) fails to

2878 develop or improve in accordance with the participation agreement or the project area plan; or

2879 (B) for a period of 36 months does not generate the amount of tax increment that the

2880 agency projected to receive under the project area budget; or

2881 (e) if a property owner requests in writing that the agency exercise eminent domain to

2882 acquire the property owner's property within a project area.

2883 (3) An agency shall, in accordance with the provisions of this part, commence the

2884 acquisition of property described in Subsections (2)(a) through (c) by eminent domain within

2885 five years after the day on which the project area plan is effective.

2886 Section 74. Section **17C-1-903**, which is renumbered from Section 17C-2-602 is

2887 renumbered and amended to read:

2888 ~~[17C-2-602]~~. **17C-1-903. Prerequisites to the acquisition of property by**

2889 **eminent domain -- Civil action authorized -- Record of good faith negotiations to be**

2890 **retained.**

2891 (1) Before an agency may ~~[acquire]~~ initiate an action in district court to property by

2892 eminent domain, the agency shall:

2893 (a) negotiate in good faith with the affected record property owner;

2894 (b) provide to each affected record property owner a written declaration that includes:

2895 (i) an explanation of the eminent domain process and the reasons for using it,

2896 including:

2897 (A) the need for the agency to obtain an independent appraisal that indicates the fair

2898 market value of the property and how the fair market value was determined;

2899 (B) a statement that the agency may adopt a resolution authorizing the agency to make

2900 an offer to the record property owner to purchase the property for the fair market value amount

2901 determined by the appraiser and that, if the offer is rejected, the agency has the right to acquire

2902 the property through an eminent domain proceeding; and

2903 (C) a statement that the agency will prepare an offer that will include the price the

2904 agency is offering for the property, an explanation of how the agency determined the price

2905 being offered, the legal description of the property, conditions of the offer, and the time at

2906 which the offer will expire;

2907 (ii) an explanation of the record property owner's relocation rights under Title 57,

2908 Chapter 12, Utah Relocation Assistance Act, and how to receive relocation assistance; and

2909 (iii) a statement that the owner has the right to receive just compensation and an  
2910 explanation of how to obtain it; and

2911 (c) provide to the affected record property owner or the owner's designated  
2912 representative a notice that is printed in a type size of at least ten-point type that contains:

2913 (i) a description of the property to be acquired;

2914 (ii) the name of the agency acquiring the property and the agency's contact person and  
2915 telephone number; and

2916 (iii) a copy of Title 57, Chapter 12, Utah Relocation Assistance Act.

2917 (2) A person may bring a civil action against an agency for a violation of Subsection  
2918 (1)(b) that results in damage to that person.

2919 (3) Each agency shall keep a record and evidence of the good faith negotiations  
2920 required under Subsection (1)(a) and retain the record and evidence as provided in:

2921 (a) Title 63G, Chapter 2, Government Records Access and Management Act; or

2922 (b) an ordinance or policy that the agency had adopted under Section 63G-2-701.

2923 (4) A record property owner whose property is being taken by an agency through the  
2924 exercise of eminent domain may elect to receive for the real property being taken:

2925 (a) fair market value; or

2926 (b) replacement property under Section 57-12-7.

2927 Section 75. Section 17C-1-904, which is renumbered from Section 17C-2-601 is  
2928 renumbered and amended to read:

2929 ~~[17C-2-601].~~ **17C-1-904. Acquiring single family owner occupied**  
2930 **residential property or commercial property -- Acquiring property already devoted to a**  
2931 **public use -- Relocation assistance requirement.**

2932 [~~(1) Subject to Section 17C-2-602, an agency may use eminent domain to acquire~~  
2933 ~~property:]~~

2934 [~~(a) within an urban renewal project area if:]~~

2935 [~~(i) the agency board makes a finding of blight under Part 3, Blight Determination in~~  
2936 ~~Urban Renewal Project Areas;]~~

2937 [~~(ii) the urban renewal project area plan provides for the use of eminent domain; and]~~

2938 [~~(iii) the agency commences the acquisition of the property within five years after the~~  
2939 ~~effective date of the urban renewal project area plan; or]~~

2940 ~~[(b) within a project area established after December 31, 2001 but before April 30,~~  
2941 ~~2007 if:]~~

2942 ~~[(i) the agency board made a finding of blight with respect to the project area as~~  
2943 ~~provided under the law in effect at the time of the finding;]~~

2944 ~~[(ii) the project area plan provides for the use of eminent domain; and]~~

2945 ~~[(iii) the agency commences the acquisition of the property before January 1, 2010.]~~

2946 ~~[(2) (a) As used in this Subsection (2):]~~

2947 ~~[(i) "Commercial property" means a property used, in whole or in part, by the owner or~~  
2948 ~~possessor of the property for a commercial, industrial, retail, or other business purpose,~~  
2949 ~~regardless of the identity of the property owner.]~~

2950 ~~[(ii) "Owner occupied property" means private real property:]~~

2951 ~~[(A) whose use is single-family residential or commercial; and]~~

2952 ~~[(B) that is occupied by the owner of the property.]~~

2953 ~~[(iii) "Relevant area" means:]~~

2954 ~~[(A) except as provided in Subsection (2)(a)(iii)(B), the project area; or]~~

2955 ~~[(B) the area included within a phase of a project under a project area plan if the phase~~  
2956 ~~and the area included within the phase are described in the project area plan.]~~

2957 ~~[(b) For purposes of each provision of this Subsection (2) relating to the submission of~~  
2958 ~~a petition by the owners of property, a parcel of real property is included in the calculation of~~  
2959 ~~the applicable percentage if the petition is signed by:]~~

2960 ~~[(i) except as provided in Subsection (2)(b)(ii), owners representing a majority~~  
2961 ~~ownership interest in that parcel; or]~~

2962 ~~[(ii) if the parcel is owned by joint tenants or tenants by the entirety, 50% of the~~  
2963 ~~number of owners of that parcel.]~~

2964 ~~[(c) An agency may not acquire by eminent domain single-family residential owner~~  
2965 ~~occupied property unless:]~~

2966 ~~[(i) the owner consents; or]~~

2967 ~~[(ii) (A) a written petition requesting the agency to use eminent domain to acquire the~~  
2968 ~~property is submitted by the owners of at least 80% of the owner occupied property within the~~  
2969 ~~relevant area representing at least 70% of the value of owner occupied property within the~~  
2970 ~~relevant area; and]~~



2971 ~~[(B) 2/3 of all agency board members vote in favor of using eminent domain to acquire~~  
2972 ~~the property.]~~

2973 ~~[(d) An agency may not acquire commercial property by eminent domain unless:]~~

2974 ~~[(i) the owner consents; or]~~

2975 ~~[(ii) (A) a written petition requesting the agency to use eminent domain to acquire the~~  
2976 ~~property is submitted by the owners of at least 75% of the commercial property within the~~  
2977 ~~relevant area representing at least 60% of the value of commercial property within the relevant~~  
2978 ~~area; and]~~

2979 ~~[(B) 2/3 of all agency board members vote in favor of using eminent domain to acquire~~  
2980 ~~the property.]~~

2981 ~~[(3) An agency may not acquire any real property on which an existing building is to be~~  
2982 ~~continued on its present site and in its present form and use unless:]~~

2983 ~~[(a) the owner consents; or]~~

2984 ~~[(b) (i) the building requires structural alteration, improvement, modernization, or~~  
2985 ~~rehabilitation;]~~

2986 ~~[(ii) the site or lot on which the building is situated requires modification in size,~~  
2987 ~~shape, or use; or]~~

2988 ~~[(iii) (A) it is necessary to impose upon the property any of the standards, restrictions,~~  
2989 ~~and controls of the project area plan; and]~~

2990 ~~[(B) the owner fails or refuses to agree to participate in the project area plan.]~~

2991 ~~[(4) (a) Subject to Subsection (4)(b), an agency may acquire by eminent domain~~  
2992 ~~property that is already devoted to a public use and located in:]~~

2993 ~~[(i) an urban renewal project area; or]~~

2994 ~~[(ii) a project area described in Subsection (1)(b).]~~

2995 ~~[(b) An agency may not acquire property of a public entity under Subsection (4)(a)~~  
2996 ~~without the public entity's consent.]~~

2997 (1) As used in this section:

2998 (a) "Commercial property" means real property used, in whole or in part, by the owner  
2999 or possessor of the property for a commercial, industrial, retail, or other business purpose,  
3000 regardless of the identity of the property owner.

3001 (b) "Owner occupied property" means private real property that is:

3002 (i) used for a single-family residential or commercial purpose; and

3003 (ii) occupied by the owner of the property.

3004 (c) "Relevant area" means:

3005 (i) except as provided in Subsection (1)(c)(ii), the project area; or

3006 (ii) the area included within a phase of a project under a project area plan if the phase  
3007 and the area included within the phase are described in the project area plan.

3008 (2) An agency may not initiate an action in district court acquire by eminent domain a  
3009 residential owner occupied property unless:

3010 (a) (i) a written petition requesting the agency to use eminent domain to acquire the  
3011 property is submitted by the owners of at least 80% of the residential owner occupied property  
3012 within the relevant area representing at least 70% of the value of residential owner occupied  
3013 property within the relevant area; or

3014 (ii) a written petition of 90% of the owners of real property, including property owned  
3015 by the agency or a public entity within the project area is submitted to the agency, requesting  
3016 the use of eminent domain to acquire the property; and

3017 (b) at least two-thirds of all board members vote in favor of using eminent domain to  
3018 acquire the property.

3019 (3) An agency may not initiate an action in district court to acquire commercial owner  
3020 occupied property by eminent domain unless:

3021 (a) a written petition requesting the agency to use eminent domain to acquire the  
3022 property is submitted by the owners of at least 75% of the commercial property within the  
3023 relevant area representing at least 60% of the value of commercial property within the relevant  
3024 area; and

3025 (b) at least two-thirds of all board members vote in favor of using eminent domain to  
3026 acquire the property.

3027 (4) For purposes of this section an owner is considered to have signed a petition if:

3028 (a) owners representing a majority ownership interest in the property sign the petition;

3029 or

3030 (b) if the property is owned by joint tenants or tenants by the entirety, 50% of the  
3031 number of owners of the property sign the petition.

3032 (5) An agency may not acquire by eminent domain any real property on which an

3033 existing building is to be continued on the building's present site and in the building's present  
3034 form and use unless:

3035 (a) the building requires structural alteration, improvement, modernization, or  
3036 rehabilitation;

3037 (b) the site or lot on which the building is situated requires modification in size, shape,  
3038 or use; or

3039 (c) (i) it is necessary to impose upon the property a standard, restriction, or control of  
3040 the project area plan; and

3041 (ii) the owner fails or refuses to agree to participate in the project area plan.

3041a **Ŝ→ (6) An agency may not acquire by eminent domain property that is owned by a public**  
3041b **entity. ←Ŝ**

3042 [~~(5) Each~~] **Ŝ→ [(6)] (7) ←Ŝ** An agency that acquires property by eminent domain shall  
3042a comply with  
3043 Title 57, Chapter 12, Utah Relocation Assistance Act.

3044 Section 76. Section **17C-1-905**, which is renumbered from Section 17C-2-603 is  
3045 renumbered and amended to read:

3046 **[~~17C-2-603~~]. 17C-1-905. Court award for court costs and attorney fees,**  
3047 **relocation expenses, and damage to fixtures or personal property.**

3048 [~~If a property owner brings an action in district court contesting an agency's exercise of]~~  
3049 In an eminent domain [against that owner's property] action under this part, the court may  
3050 award:

3051 (1) [~~award court~~] costs and [a] reasonable attorney [~~fee, as determined by the court, to~~  
3052 ~~the owner;~~] fees to the condemnee if the amount of the court or jury award for the property  
3053 exceeds the amount offered by the agency;

3054 (2) [~~award~~] a reasonable sum, as determined by the court or jury, as compensation for  
3055 any costs [~~and~~] or expenses [of] relating to relocating:

3056 (a) an owner who occupied the acquired property[;];

3057 (b) a party conducting a business on the acquired property[;]; or

3058 (c) a person displaced from the property, as permitted by Title 57, Chapter 12, Utah  
3059 Relocation Assistance Act; and

3060 (3) [~~award~~] an amount[~~, as determined by the court or jury,~~] to compensate for any  
3061 fixtures or personal property that is:

3062 (a) owned by the owner of the acquired property or by a person conducting a business  
3063 on the acquired property; and

3064 (b) damaged as a result of the acquisition or relocation.

3065 Section 77. Section **17C-2-101.1** is enacted to read:

3066 **CHAPTER 2. URBAN RENEWAL**

3067 **17C-2-101.1. Title.**

3068 This chapter is known as "Urban Renewal."

3069 Section 78. Section **17C-2-101.2** is enacted to read:

3070 **17C-2-101.2. Applicability of chapter.**

3071 This chapter applies to an urban renewal project area that is effective:

3072 (1) before May 10, 2016; or

3073 (2) before September 1, 2016, if an agency adopted a resolution in accordance with

3074 Section [17C-2-101.5](#) before April 1, 2016.

3075 Section 79. Section **17C-2-101.5**, which is renumbered from Section 17C-2-101 is

3076 renumbered and amended to read:

3077 ~~[17C-2-101].~~ **17C-2-101.5. Resolution designating survey area -- Request**  
3078 **to adopt resolution.**

3079 (1) ~~[An agency]~~ A board may begin the process of adopting an urban renewal project  
3080 area plan by adopting a resolution that:

3081 (a) designates an area located within the agency's boundaries as a survey area;

3082 (b) contains a statement that the survey area requires study to determine whether:

3083 (i) one or more urban renewal ~~[projects]~~ project areas within the survey area are  
3084 feasible; and

3085 (ii) blight exists within the survey area; and

3086 (c) contains a boundary description or map ~~[of the boundaries]~~ of the survey area.

3087 (2) (a) Any person or any group, association, corporation, or other entity may submit a  
3088 written request to the board to adopt a resolution under Subsection (1).

3089 (b) A request under Subsection (2)(a) may include plans showing the ~~[urban renewal]~~  
3090 project area development proposed for an area within the agency's boundaries.

3091 (c) The board may, in ~~[its]~~ the board's sole discretion, grant or deny a request under  
3092 Subsection (2)(a).

3093 Section 80. Section **17C-2-102** is amended to read:

3094 **17C-2-102. Process for adopting urban renewal project area plan -- Prerequisites**

3095 -- **Restrictions.**

3096 (1) (a) In order to adopt an urban renewal project area plan, after adopting a resolution  
3097 under Subsection [~~17C-2-101~~] 17C-2-101.5(1) the agency shall:

3098 (i) unless a finding of blight is based on a finding made under Subsection  
3099 17C-2-303(1)(b) relating to an inactive industrial site or inactive airport site:

3100 (A) cause a blight study to be conducted within the survey area as provided in Section  
3101 17C-2-301;

3102 (B) provide notice of a blight hearing as required under [~~Part 5, Urban Renewal~~]  
3103 Chapter 1, Part 8, Hearing and Notice Requirements; and

3104 (C) hold a blight hearing as [~~provided~~] described in Section 17C-2-302;

3105 (ii) after the blight hearing has been held or, if no blight hearing is required under  
3106 Subsection (1)(a)(i), after adopting a resolution under Subsection [~~17C-2-101~~] 17C-2-101.5(1),  
3107 hold a board meeting at which the board shall:

3108 (A) consider:

3109 (I) the issue of blight and the evidence and information relating to the existence or  
3110 nonexistence of blight; and

3111 (II) whether adoption of one or more urban renewal project area plans should be  
3112 pursued; and

3113 (B) by resolution:

3114 (I) make a finding regarding the existence of blight in the proposed urban renewal  
3115 project area;

3116 (II) select one or more project areas comprising part or all of the survey area; and

3117 (III) authorize the preparation of a [~~draft~~] proposed project area plan for each project  
3118 area;

3119 (iii) prepare a [~~draft of a~~] proposed project area plan and conduct any examination,  
3120 investigation, and negotiation regarding the project area plan that the agency considers  
3121 appropriate;

3122 (iv) make the [~~draft~~] proposed project area plan available to the public at the agency's  
3123 offices during normal business hours;

3124 (v) provide notice of the plan hearing [~~as provided~~] in accordance with Sections  
3125 [~~17C-2-502 and 17C-2-504~~] 17C-1-806 and 17C-1-808;

3126 (vi) hold a [public] plan hearing on the [draft] proposed project area plan and, at [that  
3127 public] the plan hearing:

3128 (A) allow public comment on:

3129 (I) the [draft] proposed project area plan; and

3130 (II) whether the [draft] proposed project area plan should be revised, approved, or  
3131 rejected; and

3132 (B) receive all written and hear all oral objections to the [draft] proposed project area  
3133 plan;

3134 (vii) before holding the plan hearing, provide an opportunity for the State Board of  
3135 Education and each taxing entity that levies a tax on property within the proposed project area  
3136 to consult with the agency regarding the [draft] proposed project area plan;

3137 (viii) if applicable, hold the election required under Subsection 17C-2-105(3);

3138 (ix) after holding the plan hearing, at the same meeting or at a subsequent meeting  
3139 consider:

3140 (A) the oral and written objections to the [draft] proposed project area plan and  
3141 evidence and testimony for and against adoption of the [draft] proposed project area plan; and

3142 (B) whether to revise, approve, or reject the [draft] proposed project area plan;

3143 (x) approve the [draft] proposed project area plan, with or without revisions, as the  
3144 project area plan by a resolution that complies with Section 17C-2-106; and

3145 (xi) submit the project area plan to the community legislative body for adoption.

3146 (b) (i) If an agency makes a finding under Subsection (1)(a)(ii)(B) that blight exists in  
3147 the proposed urban renewal project area, the agency may not adopt the project area plan until  
3148 the taxing entity committee approves the finding of blight.

3149 (ii) (A) A taxing entity committee may not disapprove an agency's finding of blight  
3150 unless the committee demonstrates that the conditions the agency found to exist in the urban  
3151 renewal project area that support the agency's finding of blight under Section 17C-2-303:

3152 (I) do not exist; or

3153 (II) do not constitute blight.

3154 (B) (I) If the taxing entity committee questions or disputes the existence of some or all  
3155 of the blight conditions that the agency found to exist in the urban renewal project area or that  
3156 those conditions constitute blight, the taxing entity committee may hire a consultant, mutually

3157 agreed upon by the taxing entity committee and the agency, with the necessary expertise to  
3158 assist the taxing entity committee to make a determination as to the existence of the questioned  
3159 or disputed blight conditions.

3160 (II) The agency shall pay the fees and expenses of each consultant hired under  
3161 Subsection (1)(b)(ii)(B)(I).

3162 (III) The findings of a consultant under this Subsection (1)(b)(ii)(B) shall be binding on  
3163 the taxing entity committee and the agency.

3164 (2) An agency may not propose a project area plan under Subsection (1) unless the  
3165 community in which the proposed project area is located:

3166 (a) has a planning commission; and

3167 (b) has adopted a general plan under:

3168 (i) if the community is a [~~city or town~~] municipality, Title 10, Chapter 9a, Part 4,  
3169 General Plan; or

3170 (ii) if the community is a county, Title 17, Chapter 27a, Part 4, General Plan.

3171 (3) (a) Subject to Subsection (3)(b), [~~an agency~~] a board may not approve a project area  
3172 plan more than one year after adoption of a resolution making a finding of blight under  
3173 Subsection (1)(a)(ii)(B).

3174 (b) If a project area plan is submitted to an election under Subsection [17C-2-105](#)(3),  
3175 the time between the plan hearing and the date of the election does not count for purposes of  
3176 calculating the year period under Subsection (3)(a).

3177 (4) (a) Except as provided in Subsection (4)(b), a [~~draft~~] proposed project area plan  
3178 may not be modified to add real property to the proposed project area unless the board holds a  
3179 plan hearing to consider the addition and gives notice of the plan hearing as required under  
3180 Sections [~~17C-2-502 and 17C-2-504~~] [17C-1-806](#) and [17C-1-808](#).

3181 (b) The notice and hearing requirements under Subsection (4)(a) do not apply to a  
3182 [~~draft~~] proposed project area plan being modified to add real property to the proposed project  
3183 area if:

3184 (i) the property is contiguous to the property already included in the proposed project  
3185 area under the [~~draft~~] proposed project area plan;

3186 (ii) the record owner of the property consents to adding the real property to the  
3187 proposed project area; and

3188 (iii) the property is located within the survey area.  
3189 Section 81. Section **17C-2-103** is amended to read:  
3190 **17C-2-103. Urban renewal project area plan requirements.**  
3191 (1) Each urban renewal project area plan and ~~[draft]~~ proposed project area plan shall:  
3192 (a) describe the boundaries of the project area, subject to Section **17C-1-414**, if  
3193 applicable;  
3194 (b) contain a general statement of the land uses, layout of principal streets, population  
3195 densities, and building intensities of the project area and how they will be affected by the  
3196 ~~[urban renewal]~~ project area development;  
3197 (c) state the standards that will guide the ~~[urban renewal]~~ project area development;  
3198 (d) show how the purposes of this title will be attained by the ~~[urban renewal]~~ project  
3199 area development;  
3200 (e) be consistent with the general plan of the community in which the project area is  
3201 located and show that the ~~[urban renewal]~~ project area development will conform to the  
3202 community's general plan;  
3203 (f) describe how the ~~[urban renewal]~~ project area development will reduce or eliminate  
3204 blight in the project area;  
3205 (g) describe any specific project or projects that are the object of the proposed ~~[urban~~  
3206 ~~renewal]~~ project area development;  
3207 (h) identify how ~~[private developers, if any,]~~ a participant will be selected to undertake  
3208 the ~~[urban renewal]~~ project area development and identify each ~~[private developer]~~ participant  
3209 currently involved in the ~~[urban renewal process]~~ project area development;  
3210 (i) state the reasons for the selection of the project area;  
3211 (j) describe the physical, social, and economic conditions existing in the project area;  
3212 (k) describe any tax incentives offered private entities for facilities located in the  
3213 project area;  
3214 (l) include the analysis described in Subsection (2);  
3215 (m) if any of the existing buildings or uses in the project area are included in or eligible  
3216 for inclusion in the National Register of Historic Places or the State Register, state that the  
3217 agency shall comply with Section **9-8-404** as though the agency were a state agency; and  
3218 (n) include other information that the agency determines to be necessary or advisable.



3219 (2) Each analysis under Subsection (1)(l) shall consider:

3220 (a) the benefit of any financial assistance or other public subsidy proposed to be  
3221 provided by the agency, including:

3222 (i) an evaluation of the reasonableness of the costs of the ~~[urban renewal]~~ project area  
3223 development;

3224 (ii) efforts the agency or ~~[developer]~~ participant has made or will make to maximize  
3225 private investment;

3226 (iii) the rationale for use of tax increment, including an analysis of whether the  
3227 proposed project area development might reasonably be expected to occur in the foreseeable  
3228 future solely through private investment; and

3229 (iv) an estimate of the total amount of tax increment that will be expended in  
3230 undertaking ~~[urban renewal]~~ project area development and the ~~[length of time for which it will~~  
3231 ~~be expended]~~ project area funds collection period; and

3232 (b) the anticipated public benefit to be derived from the ~~[urban renewal]~~ project area  
3233 development, including:

3234 (i) the beneficial influences upon the tax base of the community;

3235 (ii) the associated business and economic activity likely to be stimulated; and

3236 (iii) whether adoption of the project area plan is necessary and appropriate to reduce or  
3237 eliminate blight.

3238 Section 82. Section ~~17C-2-105~~ is amended to read:

3239 **17C-2-105. Objections to urban renewal project area plan -- Owners' alternative**  
3240 **project area plan -- Election if 40% of property owners object.**

3241 (1) At any time before the plan hearing, any person may file with the agency a written  
3242 statement of objections to the ~~[draft]~~ proposed urban renewal project area plan.

3243 (2) If the record owners of property of a majority of the private real property included  
3244 within the proposed urban renewal project area file a written petition before or at the plan  
3245 hearing, proposing an alternative project area plan, the agency shall consider that proposed plan  
3246 in conjunction with the project area plan proposed by the agency.

3247 (3) (a) If the record property owners of at least 40% of the private land area within the  
3248 most recently proposed urban renewal project area object in writing to the ~~[draft]~~ proposed  
3249 project area plan before or at the plan hearing, or object orally at the plan hearing, and do not

3250 withdraw their objections, an agency may not approve the project area plan until approved by  
3251 voters within the boundaries of the agency in which the proposed project area is located at an  
3252 election as provided in Subsection (3)(b).

3253 (b) (i) Except as provided in this section, each election required under Subsection  
3254 (3)(a) shall comply with Title 20A, Election Code.

3255 (ii) An election under Subsection (3)(a) may be held on the same day and with the  
3256 same election officials as an election held by the community in which the proposed project area  
3257 is located.

3258 (iii) If a majority of those voting on the proposed project area plan vote in favor of it,  
3259 the project area plan shall be considered approved and the agency shall confirm the approval by  
3260 resolution.

3261 (4) If the record property owners of 2/3 of the private land area within the proposed  
3262 project area object in writing to the [~~draft~~] proposed project area plan before or at the plan  
3263 hearing and do not withdraw their objections, the project area plan may not be adopted and the  
3264 agency may not reconsider the project area plan for three years.

3265 Section 83. Section 17C-2-106 is amended to read:

3266 **17C-2-106. Board resolution approving urban renewal project area plan --**  
3267 **Requirements.**

3268 Each board resolution approving a [~~draft~~] proposed urban renewal project area plan as  
3269 the project area plan under Subsection 17C-2-102(1)(a)(x) shall contain:

3270 (1) a [~~legal~~] boundary description of the boundaries of the project area that is the  
3271 subject of the project area plan;

3272 (2) the agency's purposes and intent with respect to the project area;

3273 (3) the project area plan incorporated by reference;

3274 (4) a statement that the board previously made a finding of blight within the project  
3275 area and the date of the board's finding of blight; and

3276 (5) the board findings and determinations that:

3277 (a) there is a need to effectuate a public purpose;

3278 (b) there is a public benefit under the analysis described in Subsection 17C-2-103(2);

3279 (c) it is economically sound and feasible to adopt and carry out the project area plan;

3280 (d) the project area plan conforms to the community's general plan; and

3281 (e) carrying out the project area plan will promote the public peace, health, safety, and  
3282 welfare of the community in which the project area is located.

3283 Section 84. Section 17C-2-108 is amended to read:

3284 **17C-2-108. Notice of urban renewal project area plan adoption -- Effective date**  
3285 **of plan -- Contesting the formation of the plan.**

3286 (1) (a) Upon the community legislative body's adoption of an urban renewal project  
3287 area plan, or an amendment to a project area plan under Section 17C-2-110, the community  
3288 legislative body shall provide notice as provided in Subsection (1)(b) by:

3289 (i) (A) publishing or causing to be published a notice in a newspaper of general  
3290 circulation within the agency's boundaries; or

3291 (B) if there is no newspaper of general circulation within the agency's boundaries,  
3292 causing a notice to be posted in at least three public places within the agency's boundaries; and

3293 (ii) posting a notice on the Utah Public Notice Website described in Section  
3294 63F-1-701.

3295 (b) Each notice under Subsection (1)(a) shall:

3296 (i) set forth the community legislative body's ordinance adopting the project area plan  
3297 or a summary of the ordinance; and

3298 (ii) include a statement that the project area plan is available for general public  
3299 inspection and the hours for inspection.

3300 (2) The project area plan shall become effective on the date of:

3301 (a) if notice was published under Subsection (1)(a), publication of the notice; or

3302 (b) if notice was posted under Subsection (1)(a), posting of the notice.

3303 (3) (a) For a period of 30 days after the effective date of the project area plan under  
3304 Subsection (2), any person [~~in interest~~] may contest the project area plan or the procedure used  
3305 to adopt the project area plan if the plan or procedure fails to comply with applicable statutory  
3306 requirements.

3307 (b) After the 30-day period under Subsection (3)(a) expires, [~~no~~] a person may not  
3308 contest the project area plan or procedure used to adopt the project area plan for any cause.

3309 (4) Upon adoption of the project area plan by the [~~community's~~] community legislative  
3310 body, the agency may carry out the project area plan.

3311 (5) Each agency shall make the [~~adopted~~] project area plan available to the general

3312 public at ~~[its offices]~~ the agency's office during normal business hours.

3313 Section 85. Section **17C-2-109** is amended to read:

3314 **17C-2-109. Agency required to transmit and record documents after adoption of**  
3315 **an urban renewal project area plan.**

3316 Within 30 days after the community legislative body adopts, under Section **17C-2-107**,  
3317 an urban renewal project area plan, the agency shall:

3318 (1) record with the recorder of the county in which the project area is located a  
3319 document containing:

3320 (a) a description of the land within the project area;

3321 (b) a statement that the project area plan for the project area has been adopted; and

3322 (c) the date of adoption;

3323 (2) transmit a copy of the description of the land within the project area and an accurate  
3324 map or plat indicating the boundaries of the project area to the Automated Geographic  
3325 Reference Center created under Section **63F-1-506**; and

3326 (3) for a project area plan that provides for ~~[the payment of tax increment to]~~ the  
3327 agency to receive tax increment, transmit a copy of the description of the land within the  
3328 project area, a copy of the community legislative body ordinance adopting the project area plan,  
3329 and a map or plat indicating the boundaries of the project area to:

3330 (a) the auditor, recorder, attorney, surveyor, and assessor of each county in which any  
3331 part of the project area is located;

3332 (b) the officer or officers performing the function of auditor or assessor for each taxing  
3333 entity that does not use the county assessment roll or collect ~~[its]~~ the taxing entity's taxes  
3334 through the county;

3335 (c) the legislative body or governing board of each taxing entity;

3336 (d) the State Tax Commission; and

3337 (e) the State Board of Education.

3338 Section 86. Section **17C-2-110** is amended to read:

3339 **17C-2-110. Amending an urban renewal project area plan.**

3340 (1) An ~~[adopted]~~ urban renewal project area plan may be amended as provided in this  
3341 section.

3342 (2) If an agency proposes to amend ~~[an adopted]~~ an urban renewal project area plan to

3343 enlarge the project area:

3344 (a) subject to Subsection (2)(e), the requirements under this part that apply to adopting  
3345 a project area plan apply equally to the proposed amendment as if it were a proposed project  
3346 area plan;

3347 (b) for a pre-July 1, 1993 project area plan, the base year [~~taxable value~~] for the new  
3348 area added to the project area shall be determined under Subsection ~~17C-1-102~~17C-1-102~~[(6)](9)~~(a)(i)  
3349 using the effective date of the amended project area plan;

3350 (c) for a post-June 30, 1993 project area plan:

3351 (i) the base year [~~taxable value~~] for the new area added to the project area shall be  
3352 determined under Subsection ~~17C-1-102~~17C-1-102~~[(6)](9)~~(a)(ii) using the date of the taxing entity  
3353 committee's consent referred to in Subsection (2)(c)(ii); and

3354 (ii) the agency shall obtain the consent of the taxing entity committee before the agency  
3355 may collect tax increment from the area added to the project area by the amendment;

3356 (d) the agency shall make a finding regarding the existence of blight in the area  
3357 proposed to be added to the project area by following the procedure set forth in Subsections  
3358 ~~17C-2-102~~17C-2-102(1)(a)(i) and (ii); and

3359 (e) the agency need not make a finding regarding the existence of blight in the project  
3360 area as described in the original project area plan, if the agency made a finding of the existence  
3361 of blight regarding that project area in connection with adoption of the original project area  
3362 plan.

3363 (3) If a proposed amendment does not propose to enlarge an urban renewal project  
3364 area, [~~an agency~~] a board may adopt a resolution approving an amendment to [~~an adopted~~] a  
3365 project area plan after:

3366 (a) the agency gives notice, as provided in Section [~~17C-2-502~~] 17C-1-806, of the  
3367 proposed amendment and of the public hearing required by Subsection (3)(b);

3368 (b) the [~~agency~~] board holds a public hearing on the proposed amendment that meets  
3369 the requirements of a plan hearing;

3370 (c) the agency obtains the taxing entity committee's consent to the amendment, if the  
3371 amendment proposes:

3372 (i) to enlarge the area within the project area from which tax increment is collected;

3373 (ii) to permit the agency to receive a greater percentage of tax increment or to [~~receive~~

3374 ~~tax increment for a longer period of time]~~ extend the project area funds collection period, or  
3375 both, than allowed under the adopted project area plan; or

3376 (iii) for an amendment to a project area plan that was adopted before April 1, 1983, to  
3377 expand the area from which tax increment is collected to exceed 100 acres of private property;  
3378 and

3379 (d) the agency obtains the consent of the legislative body or governing board of each  
3380 taxing entity affected, if the amendment proposes to permit the agency to receive, from less  
3381 than all taxing entities, a greater percentage of tax increment or to ~~[receive tax increment for a~~  
3382 ~~longer period of time]~~ extend the project area funds collection period, or both, than allowed  
3383 under the adopted project area plan.

3384 (4) (a) An ~~[adopted]~~ urban renewal project area plan may be amended without  
3385 complying with the notice and public hearing requirements of Subsections (2)(a) and (3)(a) and  
3386 (b) and without obtaining taxing entity committee approval under Subsection (3)(c) if the  
3387 amendment:

3388 (i) makes a minor adjustment in the ~~[legal]~~ boundary description of a project area  
3389 boundary requested by a county assessor or county auditor to avoid inconsistent property  
3390 boundary lines; or

3391 (ii) subject to Subsection (4)(b), removes a parcel ~~[of real property]~~ from a project area  
3392 because the agency determines that the parcel is:

3393 ~~[(A) the parcel is no longer blighted; or]~~

3394 ~~[(B) inclusion of the parcel is no longer necessary or desirable to the project area.]~~

3395 (A) tax exempt;

3396 (B) no longer blighted; or

3397 (C) no longer necessary or desirable to the project area.

3398 (b) An amendment removing a parcel ~~[of real property]~~ from a project area under  
3399 Subsection (4)(a)(ii) may ~~[not]~~ be made without the consent of the record property owner of the  
3400 parcel being removed.

3401 (5) (a) An amendment approved by board resolution under this section may not take  
3402 effect until adopted by ordinance of the legislative body of the community in which the project  
3403 area that is the subject of the project area plan being amended is located.

3404 (b) Upon a community legislative body passing an ordinance adopting an amendment

3405 to a project area plan, the agency whose project area plan was amended shall comply with the  
3406 requirements of Sections 17C-2-108 and 17C-2-109 to the same extent as if the amendment  
3407 were a project area plan.

3408 (6) (a) Within 30 days after the day on which an amendment to a project area plan  
3409 becomes effective, a person may contest the amendment to the project area plan or the  
3410 procedure used to adopt the amendment to the project area plan if the amendment or procedure  
3411 fails to comply with a provision of this title.

3412 (b) After the 30-day period described in Subsection (6)(a) expires, a person may not  
3413 contest the amendment to the project area plan or procedure used to adopt the amendment to  
3414 the project area plan for any cause.

3415 Section 87. Section 17C-2-201 is amended to read:

3416 **17C-2-201. Project area budget -- Requirements for adopting -- Contesting the**  
3417 **budget or procedure -- Time limit.**

3418 (1) (a) If an agency anticipates funding all or a portion of a post-June 30, 1993 urban  
3419 renewal project area plan with tax increment, the agency shall, subject to Section 17C-2-202,  
3420 adopt a project area budget as provided in this part.

3421 (b) An urban renewal project area budget adopted on or after March 30, 2009 shall  
3422 specify:

3423 (i) for a project area budget adopted on or after March 30, 2009:

3424 (A) the ~~[number of tax years for which the agency will be allowed to receive tax~~  
3425 ~~increment from the project area]~~ project area funds collection period; and

3426 (B) the percentage of tax increment the agency is ~~[entitled]~~ authorized to receive from  
3427 the project area under the project area budget; and

3428 (ii) for a project area budget adopted on or after March 30, 2013, unless approval is  
3429 obtained under Subsection 17C-1-402(4)(b)(vi)(C), the maximum cumulative dollar amount of  
3430 tax increment that the agency may receive from the project area under the project area budget.

3431 (2) To adopt an urban renewal project area budget, the agency shall:

3432 (a) prepare a ~~[draft of a]~~ proposed project area budget;

3433 (b) make a copy of the ~~[draft]~~ proposed project area budget available to the public at  
3434 the agency's offices during normal business hours;

3435 (c) provide notice of the budget hearing as required by ~~[Part 5, Urban Renewal Notice~~

3436 Requirements] Chapter 1, Part 8, Hearing and Notice Requirements;

3437 (d) hold a public hearing on the [~~draft~~] proposed project area budget and, at that public  
3438 hearing, allow public comment on:

3439 (i) the [~~draft~~] proposed project area budget; and

3440 (ii) whether the [~~draft~~] proposed project area budget should be revised, adopted, or  
3441 rejected;

3442 (e) (i) if required under Subsection 17C-2-204(1), obtain the approval of the taxing  
3443 entity committee on the [~~draft~~] proposed project area budget or a revised version of the [~~draft~~]  
3444 proposed project area budget; or

3445 (ii) if applicable, comply with the requirements of Subsection 17C-2-204(2);

3446 (f) if approval of the taxing entity committee is required under Subsection (2)(e)(i),  
3447 obtain a written certification, signed by an attorney licensed to practice law in this state, stating  
3448 that the taxing entity committee followed the appropriate procedures to approve the project  
3449 area budget; and

3450 (g) after the budget hearing, hold a board meeting in the same meeting as the public  
3451 hearing or in a subsequent meeting to:

3452 (i) consider comments made and information presented at the public hearing relating to  
3453 the [~~draft~~] proposed project area budget; and

3454 (ii) adopt by resolution the [~~draft~~] proposed project area budget, with any revisions, as  
3455 the project area budget.

3456 (3) (a) For a period of 30 days after the agency's adoption of the project area budget  
3457 under Subsection (2)(g), any person [~~in interest~~] may contest the project area budget or the  
3458 procedure used to adopt the project area budget if the budget or procedure fails to comply with  
3459 applicable statutory requirements.

3460 (b) After the 30-day period under Subsection (3)(a) expires, a person, [~~for any cause,~~]  
3461 may not contest:

3462 (i) the project area budget or procedure used by either the taxing entity committee or  
3463 the agency to approve and adopt the project area budget;

3464 (ii) a [~~payment~~] distribution of tax increment to the agency under the project area  
3465 budget; or

3466 (iii) the agency's use of tax increment under the project area budget.



3467 Section 88. Section 17C-2-203 is amended to read:

3468 **17C-2-203. Part of tax increment funds in urban renewal project area budget to**  
 3469 **be used for housing -- Waiver of requirement.**

3470 (1) (a) Except as provided in ~~Ĥ→ [Subsection] Subsections ←Ĥ~~ (1)(b) ~~Ĥ→ and (c) ←Ĥ~~ ,  
 3470a each urban renewal project area budget  
 3471 adopted on or after May 1, 2000, that provides for more than \$100,000 of annual tax increment  
 3472 to be paid to the agency shall allocate at least 20% of the tax increment for housing as provided  
 3473 in Section 17C-1-412.

3474 (b) The 20% requirement of Subsection (1)(a) may be waived in part or whole by the  
 3475 ~~[mutual consent of the loan fund board and the]~~ taxing entity committee if ~~[they determine]~~ the  
 3476 taxing entity committee determines that 20% of tax increment is more than is needed to address  
 3477 the community's need for income targeted housing.

3477a ~~Ĥ→~~ **(c) An agency is not subject to the 20% requirement described in Subsection (1)(a) if:**  
 3477b **(i) an inactive industrial site is located within an urban renewal project area; and**  
 3477c **(ii) the inactive industrial site's remediation costs are estimated to exceed 20% of the**  
 3477d **project area funds under the urban renewal project area budget.** ~~←Ĥ~~

3478 (2) An urban renewal project area budget not required under Subsection (1)(a) to  
 3479 allocate tax increment for housing may allocate 20% of tax increment ~~[payable to]~~ received by  
 3480 the agency over the life of the project area for housing as provided in Section 17C-1-412 if the  
 3481 project area budget is under a project area plan that is adopted on or after July 1, 1998.

3482 Section 89. Section 17C-2-204 is amended to read:

3483 **17C-2-204. Consent of taxing entity committee required for urban renewal**  
 3484 **project area budget -- Exception.**

3485 (1) (a) Except as provided in Subsection (1)(b) and subject to Subsection (2), each  
 3486 agency shall obtain the consent of the taxing entity committee for each urban renewal project  
 3487 area budget under a post-June 30, 1993 project area plan before the agency may ~~[collect]~~  
 3488 receive any tax increment from the urban renewal project area.

3489 (b) For an urban renewal project area budget adopted from July 1, 1998 through May 1,  
 3490 2000 that allocates 20% or more of the tax increment for housing as provided in Section  
 3491 17C-1-412, an agency:

3492 (i) need not obtain the consent of the taxing entity committee for the project area  
 3493 budget; and

3494 (ii) may not ~~[collect]~~ receive any tax increment from all or part of the project area until  
 3495 after:

3496 (A) the loan fund board has certified the project area budget as complying with the  
 3497 requirements of Section 17C-1-412; and

3498 (B) the [agency] board has approved and adopted the project area budget by a  
3499 two-thirds vote.

3500 (2) (a) Before a taxing entity committee may consent to an urban renewal project area  
3501 budget adopted on or after May 1, 2000 that is required under Subsection 17C-2-203(1)(a) to  
3502 allocate 20% of tax increment for housing, the agency shall:

3503 (i) adopt a housing plan showing the uses for the housing funds; and

3504 (ii) provide a copy of the housing plan to the taxing entity committee and the loan fund  
3505 board.

3506 (b) If an agency amends a housing plan prepared under Subsection (2)(a), the agency  
3507 shall provide a copy of the amendment to the taxing entity committee and the loan fund board.

3508 Section 90. Section 17C-2-206 is amended to read:

3509 **17C-2-206. Amending an urban renewal project area budget.**

3510 (1) An agency may by resolution amend an urban renewal project area budget as  
3511 provided in this section.

3512 (2) To amend an adopted urban renewal project area budget, the agency shall:

3513 (a) advertise and hold one public hearing on the proposed amendment as provided in  
3514 Subsection (3);

3515 (b) if approval of the taxing entity committee was required for adoption of the original  
3516 project area budget, obtain the approval of the taxing entity committee to the same extent that  
3517 the agency was required to obtain the consent of the taxing entity committee for the project  
3518 area budget as originally adopted;

3519 (c) if approval of the taxing entity committee is required under Subsection (2)(b),  
3520 obtain a written certification, signed by an attorney licensed to practice law in this state, stating  
3521 that the taxing entity committee followed the appropriate procedures to approve the project  
3522 area budget; and

3523 (d) adopt a resolution amending the project area budget.

3524 (3) The public hearing required under Subsection (2)(a) shall be conducted according  
3525 to the procedures and requirements of Subsections 17C-2-201(2)(c) and (d), except that if the  
3526 amended project area budget proposes that the agency be paid a greater proportion of tax  
3527 increment from a project area than was to be paid under the previous project area budget, the  
3528 notice shall state the percentage paid under the previous project area budget and the percentage

3529 proposed under the amended project area budget.

3530 (4) If the removal of a parcel under Subsection [17C-2-110\(4\)\(a\)\(ii\)](#) reduces the base  
3531 taxable value of the project area, an agency may amend the project area budget to conform with  
3532 the new base taxable value without:

3533 (a) complying with Subsections (2)(a) and (3); and

3534 (b) if applicable, obtaining taxing entity committee approval described in Subsection  
3535 (2)(b).

3536 ~~[(4)]~~ (5) If a proposed amendment is not adopted, the agency shall continue to operate  
3537 under the previously adopted project area budget without the proposed amendment.

3538 ~~[(5)]~~ (6) (a) A person may contest the agency's adoption of a budget amendment within  
3539 30 days after the day on which the agency adopts the amendment.

3540 (b) A person who fails to contest a budget amendment under Subsection ~~[(5)]~~ (6)(a):

3541 (i) forfeits any claim against an agency's adoption of the amendment; and

3542 (ii) may not contest:

3543 (A) a ~~[payment]~~ distribution of tax increment to the agency under the budget  
3544 amendment; or

3545 (B) an agency's use of a tax increment under the budget amendment.

3546 Section 91. Section **17C-2-207** is amended to read:

3547 **17C-2-207. Extending collection of tax increment in an urban renewal project**  
3548 **area budget.**

3549 (1) An ~~[amendment or]~~ extension approved by a taxing entity or taxing entity  
3550 committee before May 10, 2011, is not subject to this section.

3551 (2) (a) An agency's collection of tax increment under an ~~[adopted]~~ urban renewal  
3552 project area budget may be extended by:

3553 (i) following the project area budget amendment procedures outlined in Section  
3554 [17C-2-206](#); or

3555 (ii) following the procedures outlined in this section.

3556 (b) The base taxable value for an urban renewal project area budget may not be altered  
3557 as a result of an extension under this section unless otherwise expressly provided for in an  
3558 interlocal agreement adopted in accordance with Subsection (3)(a).

3559 (3) To extend under this section the ~~[agency's collection of tax increment from a taxing~~

3560 ~~entity]~~ project area funds collection period under a previously approved project area budget, the  
3561 agency shall:

3562 (a) obtain the approval of the taxing entity through an interlocal agreement;

3563 (b) (i) hold a public hearing on the proposed extension in accordance with Subsection  
3564 17C-2-201(2)(d) in the same manner as required for a ~~[draft]~~ proposed project area budget; and

3565 (ii) provide notice of the hearing:

3566 (A) as required by ~~[Part 5, Urban Renewal]~~ Chapter 1, Part 8, Hearing and Notice  
3567 Requirements; and

3568 (B) including the proposed ~~[period of extension of the project area budget]~~ project area  
3569 budget's extension period; and

3570 (c) after obtaining the ~~[approval of the taxing entity]~~ taxing entity's approval in  
3571 accordance with Subsection (3)(a), at or after the public hearing, adopt a resolution approving  
3572 the extension.

3573 (4) After the ~~[expiration of a project area budget]~~ project area funds collection period  
3574 expires, an agency may continue to receive ~~[tax increment]~~ project area funds from those  
3575 taxing entities that ~~[have agreed]~~ agree to an extension through an interlocal agreement in  
3576 accordance with Subsection (3)(a).

3577 (5) (a) A person may contest the agency's adoption of ~~[a budget]~~ an extension within 30  
3578 days after the day on which the agency adopts the resolution providing for the extension.

3579 (b) A person who fails to contest ~~[a budget]~~ an extension under Subsection (5)(a):

3580 (i) shall forfeit any claim against the agency's adoption of the extension; and

3581 (ii) may not contest:

3582 (A) a ~~[payment]~~ distribution of tax increment to the agency under the budget, as  
3583 extended; or

3584 (B) an agency's use of tax increment under the budget, as extended.

3585 Section 92. Section 17C-2-303 is amended to read:

3586 **17C-2-303. Conditions on board determination of blight -- Conditions of blight**  
3587 **caused by the participant.**

3588 (1) ~~[An agency]~~ A board may not make a finding of blight in a resolution under  
3589 Subsection 17C-2-102(1)(a)(ii)(B) unless the board finds that:

3590 (a) (i) the proposed project area consists predominantly of nongreenfield parcels;

3591 (ii) the proposed project area is currently zoned for urban purposes and generally  
3592 served by utilities;

3593 (iii) at least 50% of the parcels within the proposed project area contain nonagricultural  
3594 or nonaccessory buildings or improvements used or intended for residential, commercial,  
3595 industrial, or other urban purposes, or any combination of those uses;

3596 (iv) the present condition or use of the proposed project area substantially impairs the  
3597 sound growth of the municipality, retards the provision of housing accommodations, or  
3598 constitutes an economic liability or is detrimental to the public health, safety, or welfare, as  
3599 shown by the existence within the proposed project area of at least four of the following  
3600 factors:

3601 (A) one of the following, although sometimes interspersed with well maintained  
3602 buildings and infrastructure:

3603 (I) substantial physical dilapidation, deterioration, or defective construction of  
3604 buildings or infrastructure; or

3605 (II) significant noncompliance with current building code, safety code, health code, or  
3606 fire code requirements or local ordinances;

3607 (B) unsanitary or unsafe conditions in the proposed project area that threaten the  
3608 health, safety, or welfare of the community;

3609 (C) environmental hazards, as defined in state or federal law, that require remediation  
3610 as a condition for current or future use and development;

3611 (D) excessive vacancy, abandoned buildings, or vacant lots within an area zoned for  
3612 urban use and served by utilities;

3613 (E) abandoned or outdated facilities that pose a threat to public health, safety, or  
3614 welfare;

3615 (F) criminal activity in the project area, higher than that of comparable nonblighted  
3616 areas in the municipality or county; and

3617 (G) defective or unusual conditions of title rendering the title nonmarketable; and

3618 (v) (A) at least 50% of the privately-owned parcels within the proposed project area are  
3619 affected by at least one of the factors, but not necessarily the same factor, listed in Subsection  
3620 (1)(a)(iv); and

3621 (B) the affected parcels comprise at least 66% of the privately-owned acreage of the

3622 proposed project area; or

3623 (b) the proposed project area includes some or all of a superfund site, inactive  
3624 industrial site, or inactive airport site.

3625 (2) No single parcel comprising 10% or more of the acreage of the proposed project  
3626 area may be counted as satisfying Subsection (1)(a)(iii) or (iv) unless at least 50% of the area of  
3627 that parcel is occupied by buildings or improvements.

3628 (3) (a) For purposes of Subsection (1), if a [~~developer~~] participant involved in the  
3629 [~~urban renewal~~] project area development has caused a condition listed in Subsection (1)(a)(iv)  
3630 within the proposed project area, that condition may not be used in the determination of blight.

3631 (b) Subsection (3)(a) does not apply to a condition that was caused by an owner or  
3632 tenant who becomes a [~~developer~~] participant.

3633 Section 93. Section **17C-3-101.1** is enacted to read:

3634 **CHAPTER 3. ECONOMIC DEVELOPMENT**

3635 **17C-3-101.1. Title.**

3636 This chapter is known as "Economic Development."

3637 Section 94. Section **17C-3-101.2** is enacted to read:

3638 **17C-3-101.2. Applicability of chapter.**

3639 This chapter applies to an economic development project area that is effective:

3640 (1) before May 10, 2016; or

3641 (2) before September 1, 2016, if an agency adopted a resolution in accordance with

3642 Section [17C-3-101.5](#) before April 1, 2016.

3643 Section 95. Section **17C-3-101.5**, which is renumbered from Section 17C-3-101 is  
3644 renumbered and amended to read:

3645 [~~17C-3-101~~]. **17C-3-101.5. Resolution authorizing the preparation of a**  
3646 **proposed economic development project area plan -- Request to adopt resolution.**

3647 (1) [~~An agency~~] A board may begin the process of adopting an economic development  
3648 project area plan by adopting a resolution that authorizes the preparation of a [~~draft~~] proposed  
3649 project area plan.

3650 (2) (a) Any person or any group, association, corporation, or other entity may submit a  
3651 written request to the board to adopt a resolution under Subsection (1).

3652 (b) A request under Subsection (2)(a) may include plans showing the [~~economic~~]

3653 project area development proposed for an area within the agency's boundaries.

3654 (c) The board may, in [its] the board's sole discretion, grant or deny a request under  
3655 Subsection (2)(a).

3656 Section 96. Section **17C-3-102** is amended to read:

3657 **17C-3-102. Process for adopting an economic development project area plan --**  
3658 **Prerequisites -- Restrictions.**

3659 (1) In order to adopt an economic development project area plan, after adopting a  
3660 resolution under Subsection [~~17C-3-101~~] [17C-3-101.5](#)(1) the agency shall:

3661 (a) prepare a [~~draft of an~~] proposed economic development project area plan and  
3662 conduct any examination, investigation, and negotiation regarding the project area plan that the  
3663 agency considers appropriate;

3664 (b) make the [~~draft~~] proposed project area plan available to the public at the agency's  
3665 offices during normal business hours;

3666 (c) provide notice of the plan hearing as provided in [~~Part 4, Economic Development~~  
3667 ~~Notice Requirements~~] Chapter 1, Part 8, Hearing and Notice Requirements;

3668 (d) hold a public hearing on the [~~draft~~] proposed project area plan and, at that public  
3669 hearing:

3670 (i) allow public comment on:

3671 (A) the [~~draft~~] proposed project area plan; and

3672 (B) whether the [~~draft~~] proposed project area plan should be revised, approved, or  
3673 rejected; and

3674 (ii) receive all written and hear all oral objections to the [~~draft~~] proposed project area  
3675 plan;

3676 (e) before holding the plan hearing, provide an opportunity for the State Board of  
3677 Education and each taxing entity [~~that levies a tax on property~~] within the proposed project area  
3678 to consult with the agency regarding the [~~draft~~] proposed project area plan;

3679 (f) after holding the plan hearing, at the same meeting or at a subsequent meeting  
3680 consider:

3681 (i) the oral and written objections to the [~~draft~~] proposed project area plan and evidence  
3682 and testimony for or against adoption of the [~~draft~~] proposed project area plan; and

3683 (ii) whether to revise, approve, or reject the [~~draft~~] proposed project area plan;

3684 (g) approve the [~~draft~~] proposed project area plan, with or without revisions, as the  
3685 project area plan by a resolution that complies with Section 17C-3-105; and

3686 (h) submit the project area plan to the community legislative body for adoption.

3687 (2) An agency may not propose a project area plan under Subsection (1) unless the  
3688 community in which the proposed project area is located:

3689 (a) has a planning commission; and

3690 (b) has adopted a general plan under:

3691 (i) if the community is a [~~city or town~~] municipality, Title 10, Chapter 9a, Part 4,

3692 General Plan; or

3693 (ii) if the community is a county, Title 17, Chapter 27a, Part 4, General Plan.

3694 (3) [~~An agency~~] A board may not approve a project area plan more than one year after  
3695 the date of the plan hearing.

3696 (4) (a) Except as provided in Subsection (4)(b), a [~~draft~~] proposed project area plan  
3697 may not be modified to add [~~real property~~] one or more parcels to the proposed project area  
3698 unless the board holds a plan hearing to consider the addition and gives notice of the plan  
3699 hearing as required under [~~Part 4, Economic Development~~] Chapter 1, Part 8, Hearing and  
3700 Notice Requirements.

3701 (b) The notice and hearing requirements under Subsection (4)(a) do not apply to a  
3702 [~~draft~~] proposed project area plan being modified to add [~~real property~~] one or more parcels to  
3703 the proposed project area if:

3704 (i) the [~~property~~] parcel is contiguous to the [~~property~~] parcels already included in the  
3705 proposed project area under the [~~draft~~] proposed project area plan; and

3706 (ii) the record owner of the property consents to adding the [~~real property~~] parcel to the  
3707 proposed project area.

3708 Section 97. Section 17C-3-103 is amended to read:

3709 **17C-3-103. Economic development project area plan requirements.**

3710 (1) Each economic development project area plan and [~~draft~~] proposed project area  
3711 plan shall:

3712 (a) describe the boundaries of the project area, subject to Section 17C-1-414, if  
3713 applicable;

3714 (b) contain a general statement of the land uses, layout of principal streets, population



3715 densities, and building intensities of the project area and how they will be affected by the  
3716 [economic] project area development;

3717 (c) state the standards that will guide the [economic] project area development;

3718 (d) show how the purposes of this title will be attained by the [economic] project area  
3719 development;

3720 (e) be consistent with the general plan of the community in which the project area is  
3721 located and show that the [economic] project area development will conform to the  
3722 community's general plan;

3723 (f) describe how the [economic] project area development will create additional jobs;

3724 (g) describe any specific project or projects that are the object of the proposed  
3725 [economic] project area development;

3726 (h) identify how ~~[private developers, if any;]~~ a participant will be selected to undertake  
3727 the [economic] project area development and identify each ~~[private developer]~~ participant  
3728 currently involved in the [economic] project area development ~~[process]~~;

3729 (i) state the reasons for the selection of the project area;

3730 (j) describe the physical, social, and economic conditions existing in the project area;

3731 (k) describe any tax incentives offered private entities for facilities located in the  
3732 project area;

3733 (l) include an analysis, as provided in Subsection (2), of whether adoption of the  
3734 project area plan is beneficial under a benefit analysis;

3735 (m) if any of the existing buildings or uses in the project area are included in or eligible  
3736 for inclusion in the National Register of Historic Places or the State Register, state that the  
3737 agency shall comply with Subsection 9-8-404(1) as though the agency were a state agency; and

3738 (n) include other information that the agency determines to be necessary or advisable.

3739 (2) Each analysis under Subsection (1)(l) shall consider:

3740 (a) the benefit of any financial assistance or other public subsidy proposed to be  
3741 provided by the agency, including:

3742 (i) an evaluation of the reasonableness of the costs of [economic] project area  
3743 development;

3744 (ii) efforts the agency or ~~[developer]~~ participant has made or will make to maximize  
3745 private investment;

3746 (iii) the rationale for use of tax increment, including an analysis of whether the  
3747 proposed project area development might reasonably be expected to occur in the foreseeable  
3748 future solely through private investment; and

3749 (iv) an estimate of the total amount of tax increment that will be expended in  
3750 undertaking [~~economic~~] project area development and the length of time for which it will be  
3751 expended; and

3752 (b) the anticipated public benefit to be derived from the [~~economic~~] project area  
3753 development, including:

3754 (i) the beneficial influences upon the tax base of the community;

3755 (ii) the associated business and economic activity likely to be stimulated; and

3756 (iii) the number of jobs or employment anticipated to be generated or preserved.

3757 Section 98. Section **17C-3-105** is amended to read:

3758 **17C-3-105. Board resolution approving an economic development project area**  
3759 **plan -- Requirements.**

3760 Each board resolution approving a [~~draft~~] proposed economic development project area  
3761 plan as the project area plan under Subsection **17C-3-102(1)(g)** shall contain:

3762 (1) a [~~legal~~] boundary description of the boundaries of the project area that is the  
3763 subject of the project area plan;

3764 (2) the agency's purposes and intent with respect to the project area;

3765 (3) the project area plan incorporated by reference; and

3766 (4) the board findings and determinations that:

3767 (a) there is a need to effectuate a public purpose;

3768 (b) there is a public benefit under the analysis described in Subsection **17C-3-103(2)**;

3769 (c) it is economically sound and feasible to adopt and carry out the project area plan;

3770 (d) the project area plan conforms to the community's general plan; and

3771 (e) carrying out the project area plan will promote the public peace, health, safety, and  
3772 welfare of the community in which the project area is located.

3773 Section 99. Section **17C-3-107** is amended to read:

3774 **17C-3-107. Notice of economic development project area plan adoption --**  
3775 **Effective date of plan -- Contesting the formation of the plan.**

3776 (1) (a) Upon the community legislative body's adoption of an economic development

3777 project area plan, or an amendment to the project area plan under Section 17C-3-109 that  
3778 requires notice, the legislative body shall provide notice as provided in Subsection (1)(b) by:  
3779 (i) publishing or causing to be published a notice:  
3780 (A) in a newspaper of general circulation within the agency's boundaries; or  
3781 (B) if there is no newspaper of general circulation within the agency's boundaries,  
3782 causing a notice to be posted in at least three public places within the agency's boundaries; and  
3783 (ii) on the Utah Public Notice Website described in Section 63F-1-701.  
3784 (b) Each notice under Subsection (1)(a) shall:  
3785 (i) set forth the community legislative body's ordinance adopting the project area plan  
3786 or a summary of the ordinance; and  
3787 (ii) include a statement that the project area plan is available for ~~general~~ public  
3788 inspection and the hours for inspection.  
3789 (2) The project area plan shall become effective on the date of:  
3790 (a) if notice was published under Subsection (1)(a), publication of the notice; or  
3791 (b) if notice was posted under Subsection (1)(a), posting of the notice.  
3792 (3) (a) For a period of 30 days after the effective date of the project area plan under  
3793 Subsection (2), any person ~~in interest~~ may contest the project area plan or the procedure used  
3794 to adopt the project area plan if the plan or procedure fails to comply with applicable statutory  
3795 requirements.  
3796 (b) After the 30-day period under Subsection (3)(a) expires, ~~no~~ a person may not  
3797 contest the project area plan or procedure used to adopt the project area plan for any cause.  
3798 (4) Upon adoption of the economic development project area plan by the  
3799 ~~community's~~ community legislative body, the agency may ~~carry out~~ implement the project  
3800 area plan.  
3801 (5) Each agency shall make the ~~adopted~~ economic development project area plan  
3802 available to the general public at ~~its offices~~ the agency's office during normal business hours.  
3803 Section 100. Section 17C-3-108 is amended to read:  
3804 **17C-3-108. Agency required to transmit and record documents after adoption of**  
3805 **economic development project area plan.**  
3806 Within 30 days after the community legislative body adopts, under Section 17C-3-106,  
3807 an economic development project area plan, the agency shall:

3808 (1) record with the recorder of the county in which the economic development project  
3809 area is located a document containing:

3810 (a) a description of the land within the project area;

3811 (b) a statement that the project area plan for the project area has been adopted; and

3812 (c) the date of adoption;

3813 (2) transmit a copy of the description of the land within the project area and an accurate  
3814 map or plat indicating the boundaries of the project area to the Automated Geographic  
3815 Reference Center created under Section 63F-1-506; and

3816 (3) for a project area plan that provides for [~~the payment of tax increment to~~] the  
3817 agency to receive tax increment, transmit a copy of the description of the land within the  
3818 project area, a copy of the community legislative body ordinance adopting the project area plan,  
3819 and a map or plat indicating the boundaries of the project area to:

3820 (a) the auditor, recorder, attorney, surveyor, and assessor of each county in which any  
3821 part of the project area is located;

3822 (b) the officer or officers performing the function of auditor or assessor for each taxing  
3823 entity that does not use the county assessment roll or collect [~~its~~] the taxing entity's taxes  
3824 through the county;

3825 (c) the legislative body or governing board of each taxing entity;

3826 (d) the State Tax Commission; and

3827 (e) the State Board of Education.

3828 Section 101. Section 17C-3-109 is amended to read:

3829 **17C-3-109. Amending an economic development project area plan.**

3830 (1) An [~~adopted~~] economic development project area plan may be amended as  
3831 provided in this section.

3832 (2) If an agency proposes to amend an [~~adopted~~] economic development project area  
3833 plan to enlarge the project area:

3834 (a) the requirements under this part that apply to adopting a project area plan apply  
3835 equally to the proposed amendment as if it were a proposed project area plan;

3836 (b) the base year [~~taxable value~~] for the new area added to the project area shall be  
3837 determined under Subsection 17C-1-102[~~(6)~~](9)(a)(ii) using the date of the taxing entity  
3838 committee's consent referred to in Subsection (2)(c); and

3839 (c) the agency shall obtain the consent of the taxing entity committee before the agency  
3840 may collect tax increment from the area added to the project area by the amendment.

3841 (3) If a proposed amendment does not propose to enlarge an economic development  
3842 project area, ~~[an agency]~~ a board may adopt a resolution approving an amendment to an  
3843 ~~[adopted]~~ economic development project area plan after:

3844 (a) the agency gives notice, as provided in ~~[Section 17C-3-402]~~ Chapter 1, Part 8,  
3845 Hearing and Notice Requirement, of the proposed amendment and of the public hearing  
3846 required by Subsection (3)(b);

3847 (b) the ~~[agency]~~ board holds a public hearing on the proposed amendment that meets  
3848 the requirements of a plan hearing;

3849 (c) the agency obtains the taxing entity committee's consent to the amendment, if the  
3850 amendment proposes:

3851 (i) to enlarge the area within the project area from which tax increment is ~~[collected]~~  
3852 received; or

3853 (ii) to permit the agency to receive a greater percentage of tax increment or to ~~[receive~~  
3854 ~~tax increment for a longer period of time than allowed]~~ extend the project area funds collection  
3855 period under the ~~[adopted]~~ economic development project area plan; and

3856 (d) the agency obtains the consent of the legislative body or governing board of each  
3857 taxing entity affected, if the amendment proposes to permit the agency to receive, from less  
3858 than all taxing entities, a greater percentage of tax increment or to ~~[receive tax increment for a~~  
3859 ~~longer period of time]~~ extend the project area funds collection period, or both, than allowed  
3860 under the ~~[adopted]~~ economic development project area plan.

3861 (4) (a) An ~~[adopted]~~ economic development project area plan may be amended without  
3862 complying with the notice and public hearing requirements of Subsections (2)(a) and (3)(a) and  
3863 (b) and without obtaining taxing entity committee approval under Subsection (3)(c) if the  
3864 amendment:

3865 (i) makes a minor adjustment in the ~~[legal]~~ boundary description of a project area  
3866 boundary requested by a county assessor or county auditor to avoid inconsistent property  
3867 boundary lines; or

3868 (ii) subject to Subsection (4)(b), removes a parcel ~~[of real property]~~ from a project area  
3869 because the agency determines that ~~[inclusion of the parcel is no longer necessary or desirable~~

3870 ~~to the project area]~~ the parcel is:

3871 (A) tax exempt; or

3872 (B) no longer necessary or desirable to the project area.

3873 (b) An amendment removing a parcel [~~of real property~~] from a project area under  
3874 Subsection (4)(a) may [~~not~~] be made without the consent of the record property owner of the  
3875 parcel being removed.

3876 (5) (a) An amendment approved by board resolution under this section may not take  
3877 effect until adopted by ordinance of the legislative body of the community in which the project  
3878 area that is the subject of the project area plan being amended is located.

3879 (b) Upon a community legislative body passing an ordinance adopting an amendment  
3880 to a project area plan, the agency whose project area plan was amended shall comply with the  
3881 requirements of Sections 17C-3-107 and 17C-3-108 to the same extent as if the amendment  
3882 were a project area plan.

3883 (6) (a) Within 30 days after the day on which an amendment to a project area plan  
3884 becomes effective, a person may contest the amendment to the project area plan or the  
3885 procedure used to adopt the amendment to the project area plan if the amendment or procedure  
3886 fails to comply with a provision of this title.

3887 (b) After the 30-day period described in Subsection (6)(a) expires, a person may not  
3888 contest the amendment to the project area plan or procedure used to adopt the amendment to  
3889 the project area plan for any cause.

3890 Section 102. Section 17C-3-201 is amended to read:

3891 **17C-3-201. Economic development project area budget -- Requirements for**  
3892 **adopting -- Contesting the budget or procedure -- Time limit.**

3893 (1) (a) If an agency anticipates funding all or a portion of a post-June 30, 1993  
3894 economic development project area plan with tax increment, the agency shall, subject to  
3895 Section 17C-3-202, adopt a project area budget as provided in this part.

3896 (b) An economic development project area budget adopted on or after March 30, 2009  
3897 shall specify:

3898 (i) for a project area budget adopted on or after March 30, 2009:

3899 (A) the [~~number of tax years for which the agency will be allowed to receive tax~~  
3900 ~~increment from the project area]~~ project area funds collection period; and

- 3901 (B) the percentage of tax increment the agency is ~~[entitled]~~ authorized to receive from  
3902 the project area under the project area budget; and
- 3903 (ii) for a project area budget adopted on or after March 30, 2013, unless approval is  
3904 obtained under Subsection 17C-1-402(4)(b)(vi)(C), the maximum cumulative dollar amount of  
3905 tax increment that the agency may receive from the project area under the project area budget.
- 3906 (2) To adopt an economic development project area budget, the agency shall:
- 3907 (a) prepare a ~~[draft of an]~~ proposed economic development project area budget;
- 3908 (b) make a copy of the ~~[draft]~~ proposed project area budget available to the public at  
3909 the agency's offices during normal business hours;
- 3910 (c) provide notice of the budget hearing as required by ~~[Part 4, Economic~~  
3911 Development] Chapter 1, Part 8, Hearing and Notice Requirements;
- 3912 (d) hold a public hearing on the ~~[draft]~~ proposed project area budget and, at that public  
3913 hearing, allow public comment on:
- 3914 (i) the ~~[draft]~~ proposed project area budget; and
- 3915 (ii) whether the ~~[draft]~~ proposed project area budget should be revised, adopted, or  
3916 rejected;
- 3917 (e) (i) if required under Subsection 17C-3-203(1), obtain the approval of the taxing  
3918 entity committee on the ~~[draft]~~ proposed project area budget or a revised version of the ~~[draft]~~  
3919 proposed project area budget; or
- 3920 (ii) if applicable, comply with the requirements of Subsection 17C-3-203(2);
- 3921 (f) if approval of the taxing entity committee is required under Subsection (2)(e)(i),  
3922 obtain a written certification, signed by an attorney licensed to practice law in this state, stating  
3923 that the taxing entity committee followed the appropriate procedures to approve the project  
3924 area budget; and
- 3925 (g) after the budget hearing, hold a board meeting in the same meeting as the public  
3926 hearing or in a subsequent meeting to:
- 3927 (i) consider comments made and information presented at the public hearing relating to  
3928 the ~~[draft]~~ proposed project area budget; and
- 3929 (ii) adopt by resolution the ~~[draft]~~ proposed project area budget, with any revisions, as  
3930 the project area budget.
- 3931 (3) (a) For a period of 30 days after the agency's adoption of the project area budget

3932 under Subsection (2)(g), any person [~~in interest~~] may contest the project area budget or the  
3933 procedure used to adopt the project area budget if the budget or procedure fails to comply with  
3934 applicable statutory requirements.

3935 (b) After the 30-day period under Subsection (3)(a) expires, a person[~~, for any cause,~~]  
3936 may not contest:

3937 (i) the project area budget or procedure used by either the taxing entity committee or  
3938 the agency to approve and adopt the project area budget;

3939 (ii) a [~~payment~~] distribution of tax increment to the agency under the project area  
3940 budget; or

3941 (iii) the agency's use of tax increment under the project area budget.

3942 Section 103. Section **17C-3-203** is amended to read:

3943 **17C-3-203. Consent of taxing entity committee required for economic**  
3944 **development project area budget -- Exception.**

3945 (1) (a) Except as provided in Subsection (1)(b) and subject to Subsection (2), each  
3946 agency shall obtain the consent of the taxing entity committee for each economic development  
3947 project area budget under a post-June 30, 1993 economic development project area plan before  
3948 the agency may collect any tax increment from the project area.

3949 (b) For an economic development project area budget adopted from July 1, 1998  
3950 through May 1, 2000 that allocates 20% or more of the tax increment for housing as provided  
3951 in Section **17C-1-412**, an agency:

3952 (i) need not obtain the consent of the taxing entity committee for the project area  
3953 budget; and

3954 (ii) may not [~~collect~~] receive any tax increment from all or part of the project area until  
3955 after:

3956 (A) the loan fund board has certified the project area budget as complying with the  
3957 requirements of Section **17C-1-412**; and

3958 (B) the [~~agency~~] board has approved and adopted the project area budget by a  
3959 two-thirds vote.

3960 (2) (a) Before a taxing entity committee may consent to an economic development  
3961 project area budget adopted on or after May 1, 2000 that allocates 20% of tax increment for  
3962 housing under Subsection **17C-3-202**(2)(a) or (3), the agency shall:



3963 (i) adopt a housing plan showing the uses for the housing funds; and  
3964 (ii) provide a copy of the housing plan to the taxing entity committee and the loan fund  
3965 board.

3966 (b) If an agency amends a housing plan prepared under Subsection (2)(a), the agency  
3967 shall provide a copy of the amendment to the taxing entity committee and the loan fund board.

3968 Section 104. Section **17C-3-205** is amended to read:

3969 **17C-3-205. Amending an economic development project area budget.**

3970 (1) An agency may by resolution amend an economic development project area budget  
3971 as provided in this section.

3972 (2) To amend an adopted economic development project area budget, the agency shall:

3973 (a) advertise and hold one public hearing on the proposed amendment as provided in  
3974 Subsection (3);

3975 (b) if approval of the taxing entity committee was required for adoption of the original  
3976 project area budget, obtain the approval of the taxing entity committee to the same extent that  
3977 the agency was required to obtain the consent of the taxing entity committee for the project  
3978 area budget as originally adopted;

3979 (c) if approval of the taxing entity committee is required under Subsection (2)(b),  
3980 obtain a written certification, signed by an attorney licensed to practice law in this state, stating  
3981 that the taxing entity committee followed the appropriate procedures to approve the project  
3982 area budget; and

3983 (d) adopt a resolution amending the project area budget.

3984 (3) The public hearing required under Subsection (2)(a) shall be conducted according  
3985 to the procedures and requirements of Section **17C-3-201**, except that if the amended project  
3986 area budget proposes that the agency be paid a greater proportion of tax increment from a  
3987 project area than was to be paid under the previous project area budget, the notice shall state  
3988 the percentage paid under the previous project area budget and the percentage proposed under  
3989 the amended project area budget.

3990 (4) If the removal of a parcel under Subsection **17C-3-109**(4)(a)(ii) reduces the base  
3991 taxable value of the project area, an agency may amend the project area budget to conform with  
3992 the new base taxable value without:

3993 (a) complying with Subsections (2)(a) and (3); and

3994 (b) if applicable, obtaining taxing entity committee approval described in Subsection  
3995 (2)(b).

3996 [~~(4)~~] (5) If a proposed amendment is not adopted, the agency shall continue to operate  
3997 under the previously adopted economic development project area budget without the proposed  
3998 amendment.

3999 [~~(5)~~] (6) (a) A person may contest the agency's adoption of a budget amendment within  
4000 30 days after the day on which the agency adopts the amendment.

4001 (b) A person who fails to contest a budget amendment under Subsection [~~(5)~~] (6)(a):

4002 (i) forfeits any claim against an agency's adoption of the amendment; and

4003 (ii) may not contest:

4004 (A) a [~~payment~~] distribution of tax increment to the agency under the budget  
4005 amendment; or

4006 (B) an agency's use of a tax increment under a budget amendment.

4007 Section 105. Section **17C-3-206** is amended to read:

4008 **17C-3-206. Extending collection of tax increment under an economic**  
4009 **development project area budget.**

4010 (1) An amendment or extension approved by a taxing entity or taxing entity committee  
4011 before May 10, 2011, is not subject to this section.

4012 (2) (a) An agency's collection of tax increment under an adopted economic  
4013 development project area budget may be extended by:

4014 (i) following the project area budget amendment procedures outlined in Section  
4015 [17C-3-205](#); or

4016 (ii) following the procedures outlined in this section.

4017 (b) The base taxable value for an urban renewal project area budget may not be altered  
4018 as a result of an extension under this section unless otherwise expressly provided for in an  
4019 interlocal agreement adopted in accordance with Subsection (3)(a).

4020 (3) To extend under this section the agency's collection of tax increment from a taxing  
4021 entity under a previously approved project area budget, the agency shall:

4022 (a) obtain the approval of the taxing entity through an interlocal agreement;

4023 (b) (i) hold a public hearing on the proposed extension in accordance with Subsection  
4024 [17C-2-201](#)(2)(d) in the same manner as required for a [~~draft~~] proposed project area budget; and

- 4025 (ii) provide notice of the hearing:
- 4026 (A) as required by [~~Part 4, Economic Development~~] Chapter 1, Part 8, Hearing and
- 4027 Notice Requirements; and
- 4028 (B) including the proposed period of extension of the project area budget; and
- 4029 (c) after obtaining the approval of the taxing entity in accordance with Subsection
- 4030 (3)(a), at or after the public hearing, adopt a resolution approving the extension.
- 4031 (4) After the expiration of a project area budget, an agency may continue to receive tax
- 4032 increment from those taxing entities that have agreed to an extension through an interlocal
- 4033 agreement in accordance with Subsection (3)(a).
- 4034 (5) (a) A person may contest the agency's adoption of a budget extension within 30
- 4035 days after the day on which the agency adopts the resolution providing for the extension.
- 4036 (b) A person who fails to contest a budget extension under Subsection (5)(a):
- 4037 (i) shall forfeit any claim against the agency's adoption of the extension; and
- 4038 (ii) may not contest:
- 4039 (A) a [~~payment~~] distribution of tax increment to the agency under the budget, as
- 4040 extended; or
- 4041 (B) an agency's use of tax increment under the budget, as extended.

4042 Section 106. Section **17C-4-101.1** is enacted to read:

4043 **CHAPTER 4. COMMUNITY DEVELOPMENT**

4044 **17C-4-101.1. Title.**

4045 This chapter is known as "Community Development."

4046 Section 107. Section **17C-4-101.2** is enacted to read:

4047 **17C-4-101.2. Applicability of chapter.**

4048 This chapter applies to a community development project area that is effective:

- 4049 (1) before May 10, 2016; or
- 4050 (2) before September 1, 2016, if an agency adopted a resolution in accordance with
- 4051 Section [17C-4-101.5](#) before April 1, 2016.

4052 Section 108. Section **17C-4-101.5**, which is renumbered from Section 17C-4-101 is

4053 renumbered and amended to read:

4054 [~~17C-4-101~~]. **17C-4-101.5. Resolution authorizing the preparation of a**

4055 **community development proposed project area plan -- Request to adopt resolution.**

4056 (1) ~~[An agency]~~ A board may begin the process of adopting a community development  
4057 project area plan by adopting a resolution that authorizes the preparation of a ~~[draft]~~ proposed  
4058 community development project area plan.

4059 (2) (a) Any person or any group, association, corporation, or other entity may submit a  
4060 written request to the board to adopt a resolution under Subsection (1).

4061 (b) A request under Subsection (2)(a) may include plans showing the ~~[community]~~  
4062 project area development proposed for an area within the agency's boundaries.

4063 (c) The board may, in ~~[its]~~ the board's sole discretion, grant or deny a request under  
4064 Subsection (2)(a).

4065 Section 109. Section **17C-4-102** is amended to read:

4066 **17C-4-102. Process for adopting a community development project area plan --**  
4067 **Prerequisites -- Restrictions.**

4068 (1) In order to adopt a community development project area plan, after adopting a  
4069 resolution under Subsection ~~[17C-4-101]~~ 17C-4-101.5(1) the agency shall:

4070 (a) prepare a ~~[draft of a]~~ proposed community development project area plan and  
4071 conduct any examination, investigation, and negotiation regarding the project area plan that the  
4072 agency considers appropriate;

4073 (b) make the ~~[draft]~~ proposed project area plan available to the public at the agency's  
4074 offices during normal business hours;

4075 (c) provide notice of the plan hearing as ~~[provided in Section 17C-4-402]~~ described in  
4076 Chapter 1, Part 8, Hearing and Notice Requirements;

4077 (d) hold a public hearing on the ~~[draft]~~ proposed project area plan and, at that public  
4078 hearing:

4079 (i) allow public comment on:

4080 (A) the ~~[draft]~~ proposed project area plan; and

4081 (B) whether the ~~[draft]~~ proposed project area plan should be revised, approved, or  
4082 rejected; and

4083 (ii) receive all written and hear all oral objections to the ~~[draft]~~ proposed project area  
4084 plan;

4085 (e) after holding the plan hearing, at the same meeting or at one or more subsequent  
4086 meetings consider:

4087 (i) the oral and written objections to the [~~draft~~] proposed project area plan and evidence  
4088 and testimony for or against adoption of the [~~draft~~] proposed project area plan; and

4089 (ii) whether to revise, approve, or reject the [~~draft~~] proposed project area plan;

4090 (f) approve the [~~draft~~] proposed project area plan, with or without revisions, as the  
4091 project area plan by a resolution that complies with Section 17C-4-104; and

4092 (g) submit the project area plan to the community legislative body for adoption.

4093 (2) An agency may not propose a community development project area plan under  
4094 Subsection (1) unless the community in which the proposed project area is located:

4095 (a) has a planning commission; and

4096 (b) has adopted a general plan under:

4097 (i) if the community is a [~~city or town~~] municipality, Title 10, Chapter 9a, Part 4,  
4098 General Plan; or

4099 (ii) if the community is a county, Title 17, Chapter 27a, Part 4, General Plan.

4100 (3) (a) Except as provided in Subsection (3)(b), a [~~draft~~] proposed project area plan  
4101 may not be modified to add [~~real property~~] a parcel to the proposed project area unless the  
4102 board holds a plan hearing to consider the addition and gives notice of the plan hearing as  
4103 required under [~~Section 17C-4-402~~] Chapter 1, Part 8, Hearing and Notice Requirements.

4104 (b) The notice and hearing requirements under Subsection (3)(a) do not apply to a  
4105 [~~draft~~] proposed project area plan being modified to add [~~real property~~] a parcel to the proposed  
4106 project area if:

4107 (i) the [~~property~~] parcel is contiguous to [~~the property~~] one or more parcels already  
4108 included in the proposed project area under the [~~draft~~] proposed project area plan; and

4109 (ii) the record owner of the property consents to adding the [~~real property~~] parcel to the  
4110 proposed project area.

4111 Section 110. Section 17C-4-103 is amended to read:

4112 **17C-4-103. Community development project area plan requirements.**

4113 Each community development project area plan and [~~draft~~] proposed project area plan  
4114 shall:

4115 (1) describe the boundaries of the project area, subject to Section 17C-1-414, if  
4116 applicable;

4117 (2) contain a general statement of the land uses, layout of principal streets, population

4118 densities, and building intensities of the project area and how they will be affected by the  
4119 community development;

4120 (3) state the standards that will guide the [community] project area development;

4121 (4) show how the purposes of this title will be attained by the [community] project area  
4122 development;

4123 (5) be consistent with the general plan of the community in which the project area is  
4124 located and show that the [community] project area development will conform to the  
4125 community's general plan;

4126 (6) describe any specific project or projects that are the object of the proposed  
4127 [community] project area development;

4128 (7) identify how ~~[private developers, if any,]~~ a participant will be selected to undertake  
4129 the [community] project area development and identify each ~~[private developer]~~ participant  
4130 currently involved in the [community] project area development ~~[process]~~;

4131 (8) state the reasons for the selection of the project area;

4132 (9) describe the physical, social, and economic conditions existing in the project area;

4133 (10) describe any tax incentives offered private entities for facilities located in the  
4134 project area;

4135 (11) include an analysis or description of the anticipated public benefit to be derived  
4136 from the [community] project area development, including:

4137 (a) the beneficial influences upon the tax base of the community; and

4138 (b) the associated business and economic activity likely to be stimulated; and

4139 (12) include other information that the agency determines to be necessary or advisable.

4140 Section 111. Section **17C-4-104** is amended to read:

4141 **17C-4-104. Board resolution approving a community development project area**  
4142 **plan -- Requirements.**

4143 Each board resolution approving a ~~[draft]~~ proposed community development project  
4144 area plan as the project area plan under Subsection **17C-4-102**(1)(f) shall contain:

4145 (1) a ~~[legal]~~ boundary description of the boundaries of the project area that is the  
4146 subject of the project area plan;

4147 (2) the agency's purposes and intent with respect to the project area;

4148 (3) the project area plan incorporated by reference; and

4149 (4) the board findings and determinations that adoption of the community development  
4150 project area plan will:

4151 (a) satisfy a public purpose;

4152 (b) provide a public benefit as shown by the analysis described in Subsection

4153 [17C-4-103](#)(11);

4154 (c) be economically sound and feasible;

4155 (d) conform to the community's general plan; and

4156 (e) promote the public peace, health, safety, and welfare of the community in which the

4157 project area is located.

4158 Section 112. Section [17C-4-106](#) is amended to read:

4159 **[17C-4-106](#). Notice of community development project area plan adoption --**

4160 **Effective date of plan -- Contesting the formation of the plan.**

4161 (1) (a) Upon the community legislative body's adoption of a community development

4162 project area plan, the community legislative body shall provide notice as provided in

4163 Subsection (1)(b) by:

4164 (i) (A) publishing or causing to be published a notice in a newspaper of general

4165 circulation within the agency's boundaries; or

4166 (B) if there is no newspaper of general circulation within the agency's boundaries,

4167 causing a notice to be posted in at least three public places within the agency's boundaries; and

4168 (ii) publishing or causing to be published in accordance with Section [45-1-101](#).

4169 (b) Each notice under Subsection (1)(a) shall:

4170 (i) set forth the community legislative body's ordinance adopting the community

4171 development project area plan or a summary of the ordinance; and

4172 (ii) include a statement that the project area plan is available for general public

4173 inspection and the hours for inspection.

4174 (2) The community development project area plan shall become effective on the date

4175 of:

4176 (a) if notice was published under Subsection (1)(a), publication of the notice; or

4177 (b) if notice was posted under Subsection (1)(a), posting of the notice.

4178 (3) (a) For a period of 30 days after the effective date of the community development

4179 project area plan under Subsection (2), any person [~~in interest~~] may contest the project area

4180 plan or the procedure used to adopt the project area plan if the plan or procedure fails to  
4181 comply with applicable statutory requirements.

4182 (b) After the 30-day period under Subsection (3)(a) expires, ~~[no]~~ a person may not  
4183 contest the community development project area plan or procedure used to adopt the project  
4184 area plan for any cause.

4185 (4) Upon adoption of the community development project area plan by the  
4186 ~~[community's]~~ community legislative body, the agency may carry out the project area plan.

4187 (5) Each agency shall make the adopted project area plan available to the ~~[general]~~  
4188 public at ~~[its offices]~~ the agency's office during normal business hours.

4189 Section 113. Section **17C-4-107** is amended to read:

4190 **17C-4-107. Agency required to transmit and record documents after adoption of**  
4191 **community development project area plan.**

4192 Within 30 days after the community legislative body adopts, under Section **17C-4-105**,  
4193 a community development project area plan, the agency shall:

4194 (1) record with the recorder of the county in which the project area is located a  
4195 document containing:

4196 (a) a description of the land within the project area;

4197 (b) a statement that the project area plan for the project area has been adopted; and

4198 (c) the date of adoption;

4199 (2) transmit a copy of the description of the land within the project area and an accurate  
4200 map or plat indicating the boundaries of the project area to the Automated Geographic  
4201 Reference Center created under Section **63F-1-506**; and

4202 (3) for a project area plan that provides for ~~[the payment of tax increment to]~~ the  
4203 agency to receive tax increment, transmit a copy of the description of the land within the  
4204 project area, a copy of the community legislative body ordinance adopting the project area plan,  
4205 and a map or plat indicating the boundaries of the project area to:

4206 (a) the auditor, recorder, attorney, surveyor, and assessor of each county in which any  
4207 part of the project area is located;

4208 (b) the officer or officers performing the function of auditor or assessor for each taxing  
4209 entity that does not use the county assessment roll or collect ~~[its]~~ the taxing entity's taxes  
4210 through the county;



4211 (c) the legislative body or governing board of each taxing entity;

4212 (d) the State Tax Commission; and

4213 (e) the State Board of Education.

4214 Section 114. Section **17C-4-108** is amended to read:

4215 **17C-4-108. Amending a community development project area plan.**

4216 (1) Except as provided in Subsection (2) and Section **17C-4-109**, the requirements  
4217 under this part that apply to adopting a community development project area plan apply equally  
4218 to a proposed amendment of a community development project area plan as though the  
4219 amendment were a proposed project area plan.

4220 (2) (a) Notwithstanding Subsection (1), ~~[an adopted]~~ a community development project  
4221 area plan may be amended without complying with the ~~[notice and public hearing]~~  
4222 requirements of ~~[this part]~~ Chapter 1, Part 8, Hearing and Notice Requirements, if the proposed  
4223 amendment:

4224 (i) makes a minor adjustment in the ~~[legal]~~ boundary description of a project area  
4225 boundary requested by a county assessor or county auditor to avoid inconsistent property  
4226 boundary lines; or

4227 (ii) subject to Subsection (2)(b), removes a parcel ~~[of real property]~~ from a project area  
4228 because the agency determines that ~~[inclusion of the parcel is no longer necessary or desirable~~  
4229 ~~to the project area.]~~ the parcel is:

4230 (A) tax exempt; or

4231 (B) no longer necessary or desirable to the project area.

4232 (b) An amendment removing a parcel ~~[of real property]~~ from a community  
4233 development project area under Subsection (2)(a)(ii) may ~~[not]~~ be made without the consent of  
4234 the record property owner of the parcel being removed.

4235 (3) (a) An amendment approved by board resolution under this section may not take  
4236 effect until adopted by ordinance of the legislative body of the community in which the project  
4237 area that is the subject of the project area plan being amended is located.

4238 (b) Upon a community legislative body passing an ordinance adopting an amendment  
4239 to a community development project area plan, the agency whose project area plan was  
4240 amended shall comply with the requirements of Sections **17C-4-106** and **17C-4-107** to the  
4241 same extent as if the amendment were a project area plan.

4242 (4) (a) Within 30 days after the day on which an amendment to a project area plan  
4243 becomes effective, a person may contest the amendment to the project area plan or the  
4244 procedure used to adopt the amendment to the project area plan if the amendment or procedure  
4245 fails to comply with a provision of this title.

4246 (b) After the 30-day period described in Subsection (4)(a) expires, a person may not  
4247 contest the amendment to the project area plan or procedure used to adopt the amendment to  
4248 the project area plan for any cause.

4249 Section 115. Section **17C-4-109** is amended to read:

4250 **17C-4-109. Expedited community development project area plan.**

4251 (1) As used in this section, "tax increment incentive" means the portion of tax  
4252 increment awarded to an industry or business.

4253 (2) A community development project area plan may be adopted or amended without  
4254 complying with the notice and public hearing requirements of this part and [Section  
4255 **17C-4-402**] Chapter 1, Part 8, Hearing and Notice Requirements, if the following requirements  
4256 are met:

4257 (a) the agency determines by resolution adopted in an open and public meeting the  
4258 need to create or amend a project area plan on an expedited basis, which resolution shall  
4259 include a description of why expedited action is needed;

4260 (b) a public hearing on the amendment or adoption of the project area plan is held by  
4261 the agency;

4262 (c) notice of the public hearing is published at least 14 days before the public hearing  
4263 on:

4264 (i) the website of the community that created the agency; and

4265 (ii) the Utah Public Notice Website created in Section **63F-1-701**;

4266 (d) written consent to the amendment or adoption of the project area plan is given by  
4267 all record property owners within the existing or proposed project area;

4268 (e) each taxing entity [~~and public entity~~] that will be affected by the tax increment  
4269 incentive [~~enter~~] enters into or [~~amend~~] amends an interlocal agreement in accordance with  
4270 Title 11, Chapter 13, Interlocal Cooperation Act, and Sections **17C-4-201**, **17C-4-203**, and  
4271 **17C-4-204**;

4272 (f) the primary market for the goods or services that will be created by the industry or

4273 business entity that will receive a tax increment incentive from the amendment or adoption of  
 4274 the project area plan is outside of the state;

4275 (g) the industry or business entity that will receive a tax increment incentive from the  
 4276 amendment or adoption of the project area plan is not primarily engaged in retail trade; and

4277 (h) a tax increment incentive is only provided to an industry or business entity:

4278 (i) on a postperformance basis as described in Subsection (3); and

4279 (ii) on an annual basis after the tax increment is received by the agency.

4280 (3) An industry or business entity may only receive a tax increment incentive under this  
 4281 section after entering into an agreement with the agency that sets postperformance targets that  
 4282 shall be met before the industry or business entity may receive the tax increment incentive,  
 4283 including annual targets for:

4284 (a) capital investment in the project area;

4285 (b) the increase in the taxable value of the project area;

4286 (c) the number of new jobs created in the project area;

4287 (d) the average wages of the jobs created, which shall be at least 110% of the  
 4288 prevailing wage of the county where the project area is located; and

4289 (e) the amount of local vendor opportunity generated by the industry or business entity.

4290 Section 116. Section **17C-4-201** is amended to read:

4291 **17C-4-201. Consent of a taxing entity to an agency receiving tax increment or**  
 4292 **sales tax funds for community development project.**

4293 (1) An agency may negotiate with a taxing entity [~~and public entity~~] for the taxing  
 4294 entity's [~~or public entity's~~] consent to the agency receiving the taxing entity's [~~or public entity's~~  
 4295 ~~tax increment or sales tax revenues, or both,~~] project area funds for the purpose of providing  
 4296 [~~funds~~] money to carry out a proposed or adopted community development project area plan.

4297 (2) The consent of a taxing entity [~~or public entity~~] under Subsection (1) may be  
 4298 expressed in:

4299 (a) a resolution adopted by the taxing entity [~~or public entity~~]; or

4300 (b) an interlocal agreement, under Title 11, Chapter 13, Interlocal Cooperation Act,  
 4301 between the taxing entity [~~or public entity~~] and the agency.

4302 (3) Before an agency may use [~~tax increment or sales tax revenues collected~~] project  
 4303 area funds received under a resolution or interlocal agreement adopted for the purpose of

4304 providing ~~[funds]~~ money to ~~[carry out]~~ implement a proposed or adopted community  
4305 development project area plan, the agency shall:

4306 (a) obtain a written certification, signed by an attorney licensed to practice law in this  
4307 state, stating that the agency and the taxing entity have each followed all legal requirements  
4308 relating to the adoption of the resolution or interlocal agreement, respectively; and

4309 (b) provide a signed copy of the certification described in Subsection (3)(a) to the  
4310 appropriate taxing entity.

4311 (4) A resolution adopted or interlocal agreement entered under Subsection (2) on or  
4312 after March 30, 2009 shall specify:

4313 (a) if the resolution or interlocal agreement provides for the agency to be paid tax  
4314 increment:

4315 (i) the method of calculating the amount of the taxing entity's tax increment from the  
4316 project area that will be paid to the agency, including the agreed base year and agreed base  
4317 taxable value;

4318 (ii) ~~the [number of tax years that the agency will be paid the taxing entity's tax~~  
4319 ~~increment from the project area]~~ project area funds collection period; and

4320 (iii) the percentage of the taxing entity's tax increment or maximum cumulative dollar  
4321 amount of the taxing entity's tax increment that the agency will be paid; and

4322 (b) if the resolution or interlocal agreement provides for the agency to be paid a  
4323 ~~[public]~~ taxing entity's sales and use tax revenue:

4324 (i) the method of calculating the amount of the ~~[public]~~ taxing entity's sales and use tax  
4325 revenue that the agency will be paid;

4326 (ii) ~~[the number of tax years that the agency will be paid the sales tax revenue]~~ the  
4327 project area funds collection period; and

4328 (iii) the percentage of sales tax revenue or the maximum cumulative dollar amount of  
4329 sales and use tax revenue that the agency will be paid.

4330 (5) (a) Unless the taxing entity otherwise agrees, an agency may not be paid a taxing  
4331 entity's tax increment:

4332 (i) that exceeds the percentage or maximum cumulative dollar amount of tax increment  
4333 specified in the resolution or interlocal agreement under Subsection (2); or

4334 (ii) for more tax years than specified in the resolution or interlocal agreement under

4335 Subsection (2).

4336 (b) Unless the [public] taxing entity otherwise agrees, an agency may not be paid a  
4337 [public] taxing entity's sales and use tax revenue:

4338 (i) that exceeds the percentage or maximum cumulative dollar amount of sales and use  
4339 tax revenue specified in the resolution or interlocal agreement under Subsection (2); or

4340 (ii) for more tax years than specified in the resolution or interlocal agreement under  
4341 Subsection (2).

4342 (6) A school district may consent to an agency receiving tax increment from the school  
4343 district's basic levy only to the extent that the school district also consents to the agency  
4344 receiving tax increment from the school district's local levy.

4345 (7) (a) A resolution or interlocal agreement under this section may be amended from  
4346 time to time.

4347 (b) Each amendment of a resolution or interlocal agreement shall be subject to and  
4348 receive the benefits of the provisions of this part to the same extent as if the amendment were  
4349 an original resolution or interlocal agreement.

4350 (8) A taxing entity's [~~or public entity's~~] consent to an agency receiving funds under this  
4351 section is not subject to the requirements of Section 10-8-2.

4352 (9) (a) For purposes of this Subsection (9), "successor taxing entity" means any taxing  
4353 entity that:

4354 (i) is created after the date of adoption of a resolution or execution of an interlocal  
4355 agreement under this section; and

4356 (ii) levies a tax on any parcel of property located within the project area that is the  
4357 subject of the resolution or the interlocal agreement described in Subsection (9)(a)(i).

4358 (b) A resolution or interlocal agreement executed by a taxing entity under this section  
4359 may be enforced by or against any successor taxing entity.

4360 Section 117. Section 17C-4-202 is amended to read:

4361 **17C-4-202. Resolution or interlocal agreement to provide project area funds for**  
4362 **the community development project area plan -- Notice -- Effective date of resolution or**  
4363 **interlocal agreement -- Time to contest resolution or interlocal agreement -- Availability**  
4364 **of resolution or interlocal agreement.**

4365 (1) The approval and adoption of each resolution or interlocal agreement under

4366 Subsection 17C-4-201(2) shall be in an open and public meeting.

4367 (2) (a) Upon the adoption of a resolution or interlocal agreement under Section  
4368 17C-4-201, the agency shall provide notice as provided in Subsection (2)(b) by:

4369 (i) (A) publishing or causing to be published a notice in a newspaper of general  
4370 circulation within the agency's boundaries; or

4371 (B) if there is no newspaper of general circulation within the agency's boundaries,  
4372 causing a notice to be posted in at least three public places within the agency's boundaries; and

4373 (ii) publishing or causing to be published a notice on the Utah Public Notice Website  
4374 created in Section 63F-1-701.

4375 (b) Each notice under Subsection (2)(a) shall:

4376 (i) set forth a summary of the resolution or interlocal agreement; and

4377 (ii) include a statement that the resolution or interlocal agreement is available for  
4378 [general] public inspection and the hours of inspection.

4379 (3) The resolution or interlocal agreement shall become effective on the date of:

4380 (a) if notice was published under Subsection (2)(a)(i)(A) or (2)(a)(ii), publication of the  
4381 notice; or

4382 (b) if notice was posted under Subsection (2)(a)(i)(B), posting of the notice.

4383 (4) (a) For a period of 30 days after the effective date of the resolution or interlocal

4384 agreement under Subsection (3), any person [~~in interest~~] may contest the resolution or

4385 interlocal agreement or the procedure used to adopt the resolution or interlocal agreement if the

4386 resolution or interlocal agreement or procedure fails to comply with applicable statutory  
4387 requirements.

4388 (b) After the 30-day period under Subsection (4)(a) expires, a person may not~~[, for any~~  
4389 ~~cause,]~~ contest:

4390 (i) the resolution or interlocal agreement;

4391 (ii) a [~~payment~~] distribution of tax increment to the agency under the resolution or  
4392 interlocal agreement; or

4393 (iii) the agency's use of [~~tax increment~~] project area funds under the resolution or  
4394 interlocal agreement.

4395 (5) Each agency that is to receive project area funds under a resolution or interlocal  
4396 agreement under Section 17C-4-201 and each taxing entity [~~or public entity~~] that approves a

4397 resolution or enters into an interlocal agreement under Section 17C-4-201 shall make the  
4398 resolution or interlocal agreement, as the case may be, available at [its] the taxing entity's  
4399 offices to the [~~general~~] public for inspection and copying during normal business hours.

4400 Section 118. Section 17C-4-203 is amended to read:

4401 **17C-4-203. Requirement to file a copy of the resolution or interlocal agreement --**  
4402 **County payment of tax increment to the agency.**

4403 (1) Each agency that is to receive funds under a resolution or interlocal agreement  
4404 under Section 17C-4-201 shall, within 30 days after the effective date of the resolution or  
4405 interlocal agreement, file a copy of it with:

4406 (a) the State Tax Commission, the State Board of Education, and the state auditor; and

4407 (b) the auditor of the county in which the project area is located, if the resolution or  
4408 interlocal agreement provides for the agency to receive tax increment from the taxing entity [~~or~~  
4409 ~~public entity~~] that adopted the resolution or entered into the interlocal agreement.

4410 (2) Each county that collects property tax on property within a community  
4411 development project area shall, in the manner and at the time provided in Section 59-2-1365,  
4412 pay and distribute to the agency the tax increment that the agency is [~~entitled~~] authorized to  
4413 receive under a resolution approved or an interlocal agreement adopted under Section  
4414 17C-4-201.

4415 Section 119. Section 17C-4-204 is amended to read:

4416 **17C-4-204. Adoption of a budget for a community development project area plan**  
4417 **-- Amendment.**

4418 (1) An agency may prepare and, by resolution adopted at a regular or special meeting  
4419 of the [~~agency~~] board, adopt a community development project area budget setting forth:

4420 (a) the anticipated costs, including administrative costs, of implementing the  
4421 community development project area plan; and

4422 (b) the tax increment, sales and use tax revenue, and other revenue the agency  
4423 anticipates receiving to fund the project.

4424 (2) An agency may, by resolution adopted at a regular or special meeting of the  
4425 [~~agency~~] board, amend a budget adopted under Subsection (1).

4426 (3) Each resolution to adopt or amend a budget under this section shall appear as an  
4427 item on the agenda for the regular or special [~~agency~~] board meeting at which the resolution is

4428 adopted without additional required notice.

4429 (4) An agency is not required to obtain [~~approval of the~~] taxing entity or taxing entity  
4430 committee [for] approval to adopt or amend a community development project area budget.

4431 Section 120. Section **17C-5-101** is enacted to read:

4432 **CHAPTER 5. COMMUNITY REINVESTMENT**

4433 **Part 1. Community Reinvestment Project Area Plan**

4434 **17C-5-101. Title.**

4435 (1) This chapter is known as "Community Reinvestment."

4436 (2) This part is known as "Community Reinvestment Project Area Plan."

4437 Section 121. Section **17C-5-102** is enacted to read:

4438 **17C-5-102. Applicability of chapter.**

4439 This chapter applies to a community reinvestment project area created on or after May  
4440 10, 2016.

4441 Section 122. Section **17C-5-103** is enacted to read:

4442 **17C-5-103. Initiating a community reinvestment project area plan.**

4443 (1) A board shall initiate the process of adopting a community reinvestment project  
4444 area plan by adopting a survey area resolution that:

4445 (a) designates a geographic area located within the agency's boundaries as a survey  
4446 area;

4447 (b) contains a description or map of the boundaries of the survey area;

4448 (c) contains a statement that the survey area requires study to determine whether  
4449 project area development is feasible within one or more proposed community reinvestment  
4450 project areas within the survey area; and

4451 (d) authorizes the agency to:

4452 (i) prepare a proposed community reinvestment project area plan for each proposed  
4453 community reinvestment project area; and

4454 (ii) conduct any examination, investigation, or negotiation regarding the proposed  
4455 community reinvestment project area that the agency considers appropriate.

4456 (2) If an agency anticipates an activity described in Subsection [17C-5-402](#)(1) within the  
4457 survey area, the resolution described in Subsection (1) shall include:

4458 (a) a statement that the survey area requires study to determine whether blight exists



4459 within the survey area; and

4460 (b) authorization for the agency to conduct a blight study in accordance with Section  
4461 17C-5-403.

4462 Section 123. Section **17C-5-104** is enacted to read:

4463 **17C-5-104. Process for adopting a community reinvestment project area plan --**  
4464 **Prerequisites -- Restrictions.**

4465 (1) An agency may not propose a community reinvestment project area plan unless the  
4466 community in which the proposed community reinvestment project area plan is located:

4467 (a) has a planning commission; and

4468 (b) has adopted a general plan under:

4469 (i) if the community is a municipality, Title 10, Chapter 9a, Part 4, General Plan; or

4470 (ii) if the community is a county, Title 17, Chapter 27a, Part 4, General Plan.

4471 (2) (a) Before an agency may adopt a proposed community reinvestment project area  
4472 plan, the agency shall make a blight determination in accordance with Section 17C-5-402 if the  
4473 agency anticipates an activity described in Subsection 17C-5-402(1) for which a blight  
4474 determination is required.

4475 (b) If applicable, an agency may not approve a community reinvestment project area  
4476 plan more than one year after the adoption of a resolution making a finding of blight under  
4477 Section 17C-5-402.

4478 (3) To adopt a community reinvestment project area plan, an agency shall:

4479 (a) prepare a proposed community reinvestment project area plan in accordance with  
4480 Section 17C-5-105;

4481 (b) make the proposed community reinvestment project area plan available to the  
4482 public at the agency's office during normal business hours for at least 30 days before the plan  
4483 hearing described in Subsection (3)(e);

4484 (c) before holding the plan hearing described in Subsection (3)(e), provide an  
4485 opportunity for the State Board of Education and each taxing entity that levies or imposes a tax  
4486 within the proposed community reinvestment project area to consult with the agency regarding  
4487 the proposed community reinvestment project area plan;

4488 (d) provide notice of the plan hearing in accordance with Chapter 1, Part 8, Hearing  
4489 and Notice Requirements;

4490 (e) hold a plan hearing on the proposed community reinvestment project area plan and,  
4491 at the plan hearing:

4492 (i) allow public comment on:

4493 (A) the proposed community reinvestment project area plan; and

4494 (B) whether the agency should revise, approve, or reject the proposed community  
4495 reinvestment project area plan; and

4496 (ii) receive all written and oral objections to the proposed community reinvestment  
4497 project area plan; and

4498 (f) following the plan hearing described in Subsection (3)(e), or at a subsequent agency  
4499 meeting:

4500 (i) consider:

4501 (A) the oral and written objections to the proposed community reinvestment project  
4502 area plan and evidence and testimony for and against adoption of the proposed community  
4503 reinvestment project area plan; and

4504 (B) whether to revise, approve, or reject the proposed community reinvestment project  
4505 area plan;

4506 (ii) adopt a resolution in accordance with Section [17C-5-108](#) that approves the  
4507 proposed community reinvestment project area plan, with or without revisions, as the  
4508 community reinvestment project area plan; and

4509 (iii) submit the community reinvestment project area plan to the community legislative  
4510 body for adoption.

4511 (4) (a) Except as provided in Subsection (4)(b), an agency may not modify a proposed  
4512 community reinvestment project area plan to add a parcel to the proposed community  
4513 reinvestment project area unless the agency holds a plan hearing to consider the addition and  
4514 gives notice of the plan hearing in accordance with Chapter 1, Part 8, Hearing and Notice  
4515 Requirements.

4516 (b) The notice and hearing requirements described in Subsection (4)(a) do not apply to  
4517 a proposed community reinvestment project area plan being modified to add a parcel to the  
4518 proposed community reinvestment project area if:

4519 (i) the parcel is contiguous to one or more parcels already included in the proposed  
4520 community reinvestment project area under the proposed community reinvestment project area

4521 plan;

4522 (ii) the record owner of the parcel consents to adding the parcel to the proposed

4523 community reinvestment project area; and

4524 (iii) the parcel is located within the survey area.

4525 Section 124. Section **17C-5-105** is enacted to read:

4526 **17C-5-105. Community reinvestment project area plan requirements.**

4527 (1) Each community reinvestment project area plan and proposed community

4528 reinvestment project area plan shall:

4529 (a) subject to Section [17C-1-414](#), if applicable, include a boundary description and a

4530 map of the community reinvestment project area;

4531 (b) contain a general statement of the existing land uses, layout of principal streets,

4532 population densities, and building intensities of the community reinvestment project area and

4533 how each will be affected by the project area development;

4534 (c) state the standards that will guide the project area development;

4535 (d) show how the project area development will further purposes of this title;

4536 (e) be consistent with the general plan of the community in which the community

4537 reinvestment project area is located and show that the project area development will conform to

4538 the community's general plan;

4539 (f) if applicable, describe how project area development will eliminate or reduce blight

4540 in the community reinvestment project area;

4541 (g) describe any specific project area development that is the object of the community

4542 reinvestment project area plan;

4543 (h) if applicable, explain how the agency plans to select a participant;

4544 (i) state each reason the agency selected the community reinvestment project area;

4545 (j) describe the physical, social, and economic conditions that exist in the community

4546 reinvestment project area;

4547 (k) describe each type of financial assistance that the agency anticipates offering a

4548 participant;

4549 (l) report the results of the public benefit analysis described in Subsection (2);

4550 (m) if applicable, state that the agency shall comply with Section [9-8-404](#) as required

4551 under Section [17C-5-106](#);

4552 (n) state whether the community reinvestment project area plan or proposed  
4553 community reinvestment project area plan is subject to a taxing entity committee or an  
4554 interlocal agreement; and

4555 (o) include other information that the agency determines to be necessary or advisable.

4556 (2) (a) An agency shall conduct an analysis in accordance with Subsection (2)(b) to  
4557 determine whether the proposed community reinvestment project area plan will provide a  
4558 public benefit.

4559 (b) The analysis described in Subsection (2)(a) shall consider:

4560 (i) the benefit of any financial assistance or other public subsidy proposed to be  
4561 provided by the agency, including:

4562 (A) an evaluation of the reasonableness of the costs of the proposed project area  
4563 development;

4564 (B) efforts that have been, or will be made, to maximize private investment;

4565 (C) the rationale for use of project area funds, including an analysis of whether the  
4566 proposed project area development might reasonably be expected to occur in the foreseeable  
4567 future solely through private investment; and

4568 (D) an estimate of the total amount of project area funds that the agency intends to  
4569 spend on project area development and the length of time over which the project area funds  
4570 will be spent; and

4571 (ii) the anticipated public benefit derived from the proposed project area development,  
4572 including:

4573 (A) the beneficial influences on the community's tax base;

4574 (B) the associated business and economic activity the proposed project area  
4575 development will likely stimulate; and

4576 (C) whether adoption of the proposed community reinvestment project area plan is  
4577 necessary and appropriate to undertake the proposed project area development.

4578 Section 125. Section **17C-5-106** is enacted to read:

4579 **17C-5-106. Existing and historic buildings and uses in a community reinvestment**  
4580 **project area.**

4581 An agency shall comply with Section [9-8-404](#) as though the agency is a state agency if:

4582 (1) any of the existing buildings or uses in a community reinvestment project area are

4583 included in, or eligible for inclusion in, the National Register of Historic Places or the State  
4584 Register; and

4585 (2) the agency spends agency funds on the demolition or rehabilitation of existing  
4586 buildings described in Subsection (1).

4587 Section 126. Section **17C-5-107** is enacted to read:

4588 **17C-5-107. Objections to a community reinvestment project area plan.**

4589 (1) A person may object to a proposed community reinvestment project area plan:

4590 (a) in writing at any time before or during a plan hearing; or

4591 (b) orally during a plan hearing.

4592 (2) An agency may not approve a proposed community reinvestment project area plan

4593 if, after receiving public comment at a plan hearing in accordance with Subsection

4594 17C-5-104(3)(e)(i), the record property owners of at least 51% of the private land area within

4595 the most recently proposed community reinvestment project area object to the proposed

4596 community reinvestment project area plan.

4597 Section 127. Section **17C-5-108** is enacted to read:

4598 **17C-5-108. Board resolution approving a community reinvestment project area**  
4599 **plan -- Requirements.**

4600 A board resolution approving a proposed community reinvestment area plan as the  
4601 community reinvestment project area plan under Section 17C-5-104 shall contain:

4602 (1) a boundary description of the community reinvestment project area that is the  
4603 subject of the community reinvestment project area plan;

4604 (2) the agency's purposes and intent with respect to the community reinvestment  
4605 project area;

4606 (3) the proposed community reinvestment project area plan incorporated by reference;

4607 (4) the board findings and determinations that the proposed community reinvestment  
4608 project area plan:

4609 (a) serves a public purpose;

4610 (b) produces a public benefit as demonstrated by the analysis described in Subsection  
4611 17C-5-105(2);

4612 (c) is economically sound and feasible;

4613 (d) conforms to the community's general plan; and

4614 (e) promotes the public peace, health, safety, and welfare of the community in which  
4615 the proposed community reinvestment project area is located; and

4616 (5) if the board made a finding of blight under Section 17C-5-402, a statement that the  
4617 board made a finding of blight within the proposed community reinvestment project area and  
4618 the date on which the board made the finding of blight.

4619 Section 128. Section 17C-5-109 is enacted to read:

4620 **17C-5-109. Community reinvestment project area plan to be adopted by**  
4621 **community legislative body.**

4622 (1) A proposed community reinvestment project area plan approved by board  
4623 resolution under Section 17C-5-104 may not take effect until the community legislative body:

4624 (a) by ordinance, adopts the proposed community reinvestment project area plan; and

4625 (b) provides notice in accordance with Section 17C-5-110.

4626 (2) An ordinance described in Subsection (1)(a) shall designate the community  
4627 reinvestment project area plan as the official plan of the community reinvestment project area.

4628 Section 129. Section 17C-5-110 is enacted to read:

4629 **17C-5-110. Notice of community reinvestment project area plan adoption --**  
4630 **Effective date of plan -- Contesting the formation of the plan.**

4631 (1) (a) Upon a community legislative body's adoption of a community reinvestment  
4632 project area plan in accordance with Section 17C-5-109, or an amendment to a community  
4633 reinvestment project area plan in accordance with Section 17C-5-112, the community  
4634 legislative body shall provide notice of the adoption or amendment in accordance with  
4635 Subsection (1)(b) by:

4636 (i) (A) causing a notice to be published in a newspaper of general circulation within the  
4637 community; or

4638 (B) if there is no newspaper of general circulation within the community, causing a  
4639 notice to be posted in at least three public places within the community; and

4640 (ii) posting a notice on the Utah Public Notice Website described in Section  
4641 63F-1-701.

4642 (b) A notice described in Subsection (1)(a) shall include:

4643 (i) a copy of the community legislative body's ordinance, or a summary of the  
4644 ordinance, that adopts the community reinvestment project area plan; and

4645 (ii) a statement that the community reinvestment project area plan is available for  
4646 public inspection and the hours for inspection.

4647 (2) A community reinvestment project area plan is effective on the day on which notice  
4648 of adoption is published or posted in accordance with Subsection (1)(a).

4649 (3) A community reinvestment project area is considered created the day on which the  
4650 community reinvestment project area plan becomes effective as described in Subsection (2).

4651 (4) (a) Within 30 days after the day on which a community reinvestment project area  
4652 plan is effective, a person may contest the community reinvestment project area plan or the  
4653 procedure used to adopt the community reinvestment project area plan if the community  
4654 reinvestment project area plan or the procedure fails to comply with a provision of this title.

4655 (b) After the 30-day period described in Subsection (4)(a) expires, a person may not  
4656 contest the community reinvestment project area plan or the procedure used to adopt the  
4657 community reinvestment project area plan.

4658 (5) Upon adoption of a community reinvestment project area plan by the community  
4659 legislative body, the agency may implement the community reinvestment project area plan.

4660 (6) The agency shall make the community reinvestment project area plan available to  
4661 the public at the agency's office during normal business hours.

4662 Section 130. Section **17C-5-111** is enacted to read:

4663 **17C-5-111. Agency required to transmit and record documentation after adoption**  
4664 **of community reinvestment project area plan.**

4665 Within 30 days after the day on which a community legislative body adopts a  
4666 community reinvestment project area plan under Section [17C-5-109](#), the agency shall:

4667 (1) record with the recorder of the county in which the community reinvestment project  
4668 area is located a document containing:

4669 (a) the name of the community reinvestment project area;

4670 (b) a boundary description of the community reinvestment project area; and

4671 (c) (i) a statement that the community legislative body adopted the community  
4672 reinvestment project area plan; and

4673 (ii) the day on which the community legislative body adopted the community  
4674 reinvestment project area plan;

4675 (2) transmit a copy of a description of the land within the community reinvestment

4676 project area and an accurate map or plat indicating the boundaries of the community  
4677 reinvestment project area to the Automated Geographic Reference Center created in Section  
4678 63F-1-506; and

4679 (3) for a community reinvestment project area plan that provides for the agency to  
4680 receive tax increment, transmit a copy of a description of the land within the community  
4681 reinvestment project area, a copy of the community legislative body ordinance adopting the  
4682 community reinvestment project area plan, and an accurate map or plat indicating the  
4683 boundaries of the community reinvestment project area to:

4684 (a) the auditor, recorder, county or district attorney, surveyor, and assessor of each  
4685 county in which any part of the community reinvestment project area is located;

4686 (b) the officer or officers performing the function of auditor or assessor for each taxing  
4687 entity that does not use the county assessment roll or collect the taxing entity's taxes through  
4688 the county;

4689 (c) the legislative body or governing board of each taxing entity;

4690 (d) the State Tax Commission; and

4691 (e) the State Board of Education.

4692 Section 131. Section **17C-5-112** is enacted to read:

4693 **17C-5-112. Amending a community reinvestment area plan.**

4694 (1) An agency may amend a community reinvestment project area plan in accordance  
4695 with this section.

4696 (2) (a) If an amendment proposes to enlarge a community reinvestment project area's  
4697 geographic area, the agency shall:

4698 (i) comply with this part as though the agency were creating a community reinvestment  
4699 project area;

4700 (ii) if the agency anticipates receiving project area funds from the area proposed to be  
4701 added to the community reinvestment project area, before the agency may collect project area  
4702 funds:

4703 (A) for a community reinvestment project area plan that is subject to a taxing entity  
4704 committee, obtain approval to receive tax increment from the taxing entity committee; or

4705 (B) for a community reinvestment project area plan that is subject to an interlocal  
4706 agreement, obtain the approval of the taxing entity that is a party to the interlocal agreement;



4707 and

4708 (iii) if the agency anticipates activity within the area proposed to be added to the  
4709 community reinvestment project area that requires a finding of blight under Subsection  
4710 17C-5-402(2), follow the procedures described in Section 17C-5-402.

4711 (b) The base year for the area proposed to be added to the community reinvestment  
4712 project area shall be determined using the date of:

4713 (i) the taxing entity committee's consent as described in Subsection (2)(a)(ii)(A); or

4714 (ii) the taxing entity's consent as described in Subsection (2)(a)(ii)(B).

4715 (3) If an amendment does not propose to enlarge a community reinvestment project  
4716 area's geographic area, the board may adopt a resolution approving the amendment after the  
4717 agency:

4718 (a) if the amendment does not propose to allow the agency to receive a greater amount  
4719 of project area funds or to extend a project area funds collection period:

4720 (i) gives notice in accordance with Section 17C-1-806; and

4721 (ii) holds a public hearing on the proposed amendment that meets the requirements  
4722 described in Subsection 17C-5-104(2); or

4723 (b) if the amendment proposes to also allow the agency to receive a greater amount of  
4724 project area funds or to extend a project area funds collection period:

4725 (i) complies with Subsection (3)(a)(i) and (ii); and

4726 (ii) (A) for a community reinvestment project area plan that is subject to a taxing entity  
4727 committee, obtains approval from the taxing entity committee; or

4728 (B) for a community reinvestment project area plan that is subject to an interlocal  
4729 agreement, obtains approval to receive project area funds from the taxing entity that is a party  
4730 to the interlocal agreement.

4731 (4) An agency may amend a community reinvestment project area plan without  
4732 obtaining the consent of a taxing entity or a taxing entity committee and without providing  
4733 notice or holding a public hearing if the amendment:

4734 (a) makes a minor adjustment in the community reinvestment project area boundary  
4735 that is requested by a county assessor or county auditor to avoid inconsistent property boundary  
4736 lines; or

4737 (b) removes a parcel from a community reinvestment project area because the agency

4738 determines that the parcel is:

4739 (i) tax exempt;

4740 (ii) no longer blighted; or

4741 (iii) no longer necessary or desirable to the project area.

4742 (5) (a) An amendment approved by board resolution under this section may not take  
4743 effect until the community legislative body adopts an ordinance approving the amendment.

4744 (b) Upon the community legislative body adopting an ordinance approving an  
4745 amendment under Subsection (5)(a), the agency shall comply with the requirements described  
4746 in Sections 17C-5-110 and 17C-5-111 as if the amendment were a community reinvestment  
4747 project area plan.

4748 (6) (a) Within 30 days after the day on which an amendment to a project area plan  
4749 becomes effective, a person may contest the amendment to the project area plan or the  
4750 procedure used to adopt the amendment to the project area plan if the amendment or procedure  
4751 fails to comply with a provision of this title.

4752 (b) After the 30-day period described in Subsection (6)(a) expires, a person may not  
4753 contest the amendment to the project area plan or procedure used to adopt the amendment to  
4754 the project area plan for any cause.

4755 Section 132. Section **17C-5-113** is enacted to read:

4756 **17C-5-113. Expedited community reinvestment project area plan.**

4757 (1) As used in this section:

4758 (a) "Qualified business entity" means a business entity that:

4759 (i) has a primary market for the qualified business entity's goods or services outside of  
4760 the state; and

4761 (ii) is not primarily engaged in retail sales.

4762 (b) "Tax increment incentive" means the portion of an agency's tax increment that is  
4763 paid to a qualified business entity for the purpose of implementing a community reinvestment  
4764 project area plan.

4765 (2) An agency and a qualified business entity may, in accordance with Subsection (3),  
4766 enter into an agreement that allows the qualified business entity to receive a tax increment  
4767 incentive.

4768 (3) An agreement described in Subsection (2) shall set annual postperformance targets

4769 for:

4770 (a) capital investment within the community reinvestment project area;

4771 (b) the number of new jobs created within the community reinvestment project area;

4772 (c) the average wage of the jobs described in Subsection (3)(b) that is at least 110% of

4773 the prevailing wage of the county within which the community reinvestment project area is

4774 located; and

4775 (d) the amount of local vendor opportunity generated by the qualified business entity.

4776 (4) A qualified business entity may only receive a tax increment incentive:

4777 (a) if the qualified business entity complies with the agreement described in Subsection

4778 (3);

4779 (b) on a postperformance basis; and

4780 (c) on an annual basis after the agency receives tax increment from a taxing entity.

4781 (5) An agency may create or amend a community reinvestment project area plan for the

4782 purpose of providing a tax increment incentive without complying with the requirements

4783 described in Chapter 1, Part 8, Hearing and Notice Requirements, if:

4784 (a) the agency:

4785 (i) holds a public hearing to consider the need to create or amend a community

4786 reinvestment project area plan on an expedited basis;

4787 (ii) posts notice at least 14 days before the day on which the public hearing described

4788 in Subsection (5)(a)(i) is held on:

4789 (A) the community's website; and

4790 (B) the Utah Public Notice Website as described in Section [63F-1-701](#); and

4791 (iii) at the hearing described in Subsection (5)(a)(i), adopts a resolution to create or

4792 amend the community reinvestment project area plan on an expedited basis;

4793 (b) all record property owners within the existing or proposed community reinvestment

4794 project area plan give written consent; and

4795 (c) each taxing entity affected by the tax increment incentive consents and enters into

4796 an interlocal agreement with the agency authorizing the agency to pay a tax increment incentive

4797 to the qualified business entity.

4798 Section 133. Section **17C-5-201** is enacted to read:

4799 **Part 2. Community Reinvestment Project Area Funds**

4800 17C-5-201. Title.

4801 This part is known as "Community Reinvestment Project Area Funds."

4802 Section 134. Section **17C-5-202** is enacted to read:

4803 **17C-5-202. Community reinvestment project area funding options.**

4804 (1) (a) Except as provided in Subsection (1)(b), for the purpose of receiving project  
4805 area funds for use within a community reinvestment project area, an agency shall negotiate and  
4806 enter into an interlocal agreement with a taxing entity in accordance with Section [17C-5-204](#) to  
4807 receive all or a portion of the taxing entity's tax increment or sales and use tax revenue in  
4808 accordance with the interlocal agreement.

4809 (b) If an agency plans to use eminent domain to acquire property within a community  
4810 reinvestment project area, the agency shall create a taxing entity committee as described in  
4811 Section [17C-1-402](#) and receive tax increment in accordance with Section [17C-5-203](#).

4812 (2) An agency shall comply with Chapter 5, Part 3, Community Reinvestment Project  
4813 Area Budget, regardless of whether an agency enters into an interlocal agreement under  
4814 Subsection (1)(a) or creates a taxing entity committee under Subsection (1)(b).

4815 Section 135. Section **17C-5-203** is enacted to read:

4816 **17C-5-203. Community reinvestment project area subject to taxing entity**  
4817 **committee -- Tax increment.**

4818 (1) This section applies to a community reinvestment project area that is subject to a  
4819 taxing entity committee under Subsection [17C-5-202](#)(1)(b).

4820 (2) Subject to the taxing entity committee's approval of a community reinvestment  
4821 project area budget under Section [17C-5-304](#), and for the purpose of implementing a  
4822 community reinvestment project area plan, an agency may receive up to 100% of a taxing  
4823 entity's tax increment, or any specified dollar amount of tax increment, for any period of time.

4824 (3) Notwithstanding Subsection (2), an agency that adopts a community reinvestment  
4825 project area plan that is subject to a taxing entity committee may negotiate and enter into an  
4826 interlocal agreement with a taxing entity and receive all or a portion of the taxing entity's sales  
4827 and use tax revenue for any period of time.

4828 Section 136. Section **17C-5-204** is enacted to read:

4829 **17C-5-204. Community reinvestment project area subject to interlocal agreement**  
4830 **-- Consent of a taxing entity to an agency receiving project area funds.**

- 4831 (1) As used in this section, "successor taxing entity" means a taxing entity that:  
4832 (a) is created after the day on which an interlocal agreement is executed to allow an  
4833 agency to receive a taxing entity's project area funds; and  
4834 (b) levies or imposes a tax within the community reinvestment project area.  
4835 (2) This section applies to a community reinvestment project area that is subject to an  
4836 interlocal agreement under Subsection 17C-5-202(1)(a).  
4837 (3) For the purpose of implementing a community reinvestment project area plan, an  
4838 agency may negotiate with a taxing entity for all or a portion of the taxing entity's project area  
4839 funds.  
4840 (4) A taxing entity may agree to allow an agency to receive the taxing entity's project  
4841 area funds by executing an interlocal agreement with the agency in accordance with Title 11,  
4842 Chapter 13, Interlocal Cooperation Act.  
4843 (5) Before an agency may use project area funds received under an interlocal  
4844 agreement described in Subsection (4), the agency shall:  
4845 (a) obtain a written certification, signed by an attorney licensed to practice law in the  
4846 state, stating that the agency and the taxing entity have each followed all legal requirements  
4847 relating to the adoption of the interlocal agreement; and  
4848 (b) provide a signed copy of the certification described in Subsection (5)(a) to the  
4849 taxing entity.  
4850 (6) An interlocal agreement described in Subsection (4) shall:  
4851 (a) if the interlocal agreement provides for the agency to receive tax increment, state:  
4852 (i) the method of calculating the amount of the taxing entity's tax increment from the  
4853 community reinvestment project area that the agency receives, including the base year and base  
4854 taxable value;  
4855 (ii) the project area funds collection period; and  
4856 (iii) the percentage of the taxing entity's tax increment or the maximum cumulative  
4857 dollar amount of the taxing entity's tax increment that the agency receives;  
4858 (b) if the interlocal agreement provides for the agency to receive the taxing entity's  
4859 sales and use tax revenue, state:  
4860 (i) the method of calculating the amount of the taxing entity's sales and use tax revenue  
4861 that the agency receives;

- 4862           (ii) the project area funds collection period; and  
4863           (iii) the percentage of sales tax revenue or the maximum cumulative dollar amount of  
4864 sales and use tax revenue that the agency receives; and  
4865           (c) include a copy of the community reinvestment project area budget.  
4866           (7) A school district may consent to allow an agency to receive tax increment from the  
4867 school district's basic levy only to the extent that the school district also consents to allow the  
4868 agency to receive tax increment from the school district's local levy.  
4869           (8) The parties may amend an interlocal agreement under this section by mutual  
4870 consent.  
4871           (9) A taxing entity's consent to allow an agency to receive project area funds under this  
4872 section is not subject to the requirements of Section [10-8-2](#).  
4873           (10) An interlocal agreement executed by a taxing entity under this section may be  
4874 enforced by or against any successor taxing entity.  
4875           Section 137. Section **17C-5-205** is enacted to read:  
4876           **17C-5-205. Interlocal agreement to provide project area funds for the community**  
4877 **reinvestment project area subject to interlocal agreement -- Notice -- Effective date of**  
4878 **interlocal agreement -- Time to contest interlocal agreement -- Availability of interlocal**  
4879 **agreement.**  
4880           (1) The agency shall approve and adopt an interlocal agreement described in Section  
4881 [17C-5-204](#) at an open and public meeting.  
4882           (2) (a) Upon the execution of an interlocal agreement described in Section [17C-5-204](#),  
4883 the agency shall provide notice of the execution by:  
4884           (i) (A) publishing or causing to be published a notice in a newspaper of general  
4885 circulation within the agency's boundaries; or  
4886           (B) if there is no newspaper of general circulation within the agency's boundaries,  
4887 causing the notice to be posted in at least three public places within the agency's boundaries;  
4888 and  
4889           (ii) publishing or causing the notice to be published on the Utah Public Notice Website  
4890 created in Section [63F-1-701](#).  
4891           (b) A notice described in Subsection (2)(a) shall include:  
4892           (i) a summary of the interlocal agreement; and

4893 (ii) a statement that the interlocal agreement is available for public inspection and the  
4894 hours for inspection.

4895 (3) An interlocal agreement described in Section 17C-5-204 is effective the day on  
4896 which the notice described in Subsection (2) is published or posted in accordance with  
4897 Subsection (2)(a).

4898 (4) (a) Within 30 days after the day on which the interlocal agreement is effective, a  
4899 person may contest the interlocal agreement or the procedure used to adopt the interlocal  
4900 agreement if the interlocal agreement or procedure fails to comply with a provision of this title.

4901 (b) After the 30-day period described in Subsection (4)(a) expires, a person may not  
4902 contest:

4903 (i) the interlocal agreement;

4904 (ii) a distribution of tax increment to the agency under the interlocal agreement; or

4905 (iii) the agency's use of project area funds under the interlocal agreement.

4906 (5) A taxing entity that enters into an interlocal agreement under Section 17C-5-204  
4907 shall make a copy of the interlocal agreement available to the public at the taxing entity's office  
4908 for inspection and copying during normal business hours.

4909 Section 138. Section 17C-5-206 is enacted to read:

4910 **17C-5-206. Requirement to file a copy of the interlocal agreement -- County**  
4911 **payment of tax increment.**

4912 (1) An agency that receives project area funds under an interlocal agreement shall,  
4913 within 30 days after the day on which the interlocal agreement is effective, file a copy of the  
4914 interlocal agreement with:

4915 (a) the State Tax Commission, the State Board of Education, and the state auditor; and

4916 (b) the auditor of the county in which the community reinvestment project area is  
4917 located, if the interlocal agreement authorizes the agency to receive tax increment.

4918 (2) A county that collects property tax on property within a community reinvestment  
4919 project area that is subject to an interlocal agreement shall, in accordance with Section  
4920 59-2-1365, pay and distribute to the agency the tax increment that the agency is authorized to  
4921 receive under the interlocal agreement.

4922 Section 139. Section 17C-5-301 is enacted to read:

4923 **Part 3. Community Reinvestment Project Area Budget**

4924 17C-5-301. Title.

4925 This part is known as "Community Reinvestment Project Area Budget."

4926 Section 140. Section **17C-5-302** is enacted to read:

4927 17C-5-302. Procedure for adopting a community reinvestment project area

4928 **budget -- Contesting the budget -- Time limit.**

4929 (1) An agency shall adopt a community reinvestment project area budget in accordance  
4930 with this part.

4931 (2) To adopt a community reinvestment project area budget, an agency shall:

4932 (a) prepare a proposed community reinvestment project area budget in accordance with  
4933 Section [17C-5-303](#);

4934 (b) obtain the consent of the taxing entity committee or taxing entity in accordance  
4935 with Section [17C-5-304](#);

4936 (c) make a copy of the proposed community reinvestment project area budget available  
4937 to the public at the agency's office during normal business hours for at least 30 days before the  
4938 budget hearing described in Subsection (2)(e);

4939 (d) provide notice of the budget hearing in accordance with Chapter 1, Part 8, Hearing  
4940 and Notice Requirements;

4941 (e) hold a budget hearing on the proposed community reinvestment project area budget  
4942 and, at the budget hearing, allow public comment on:

4943 (i) the proposed community reinvestment project area budget; and

4944 (ii) whether the agency should revise, adopt, or reject the proposed community  
4945 reinvestment project area budget; and

4946 (f) after the budget hearing described in Subsection (2)(e), or at a subsequent meeting:

4947 (i) consider the comments and information from the budget hearing relating to the  
4948 proposed community reinvestment project area budget; and

4949 (ii) reject or adopt by resolution the proposed community reinvestment project area  
4950 budget, with any revisions, as the community reinvestment project area budget.

4951 (3) (a) Within 30 days after the day on which the agency adopts a community  
4952 reinvestment project area budget, a person may contest the community reinvestment project  
4953 area budget or the procedure used to adopt the community reinvestment project area budget if  
4954 the community reinvestment project area budget or procedure fails to comply with a provision



4955 of this title.

4956 (b) After the 30-day period described in Subsection (3)(a) expires, a person may not  
4957 contest:

4958 (i) the community reinvestment project area budget or the procedure used by the taxing  
4959 entity, the taxing entity committee, or the agency to adopt the community reinvestment project  
4960 area budget;

4961 (ii) a payment to the agency under the community reinvestment project area budget; or

4962 (iii) the agency's use of project area funds under the community reinvestment project  
4963 area budget.

4964 Section 141. Section **17C-5-303** is enacted to read:

4965 **17C-5-303. Community reinvestment project area budget -- Requirements.**

4966 A community reinvestment project area budget shall include:

4967 (1) if the agency receives tax increment:

4968 (a) the base taxable value;

4969 (b) the projected amount of tax increment to be generated within the community  
4970 reinvestment project area;

4971 (c) each project area funds collection period;

4972 (d) if applicable, the projected amount of tax increment to be paid to other taxing  
4973 entities in accordance with Section [17C-1-410](#);

4974 (e) if the area from which tax increment is collected is less than the entire community  
4975 reinvestment project area:

4976 (i) a boundary description of the portion or portions of the community reinvestment  
4977 project area from which the agency receives tax increment; and

4978 (ii) for each portion described in Subsection (1)(e)(i), the period of time during which  
4979 tax increment is collected;

4980 (f) the percentage of tax increment the agency is authorized to receive from the  
4981 community reinvestment project area; and

4982 (g) the maximum cumulative dollar amount of tax increment the agency is authorized  
4983 to receive from the community reinvestment project area;

4984 (2) if the agency receives sales and use tax revenue:

4985 (a) the percentage and total amount of sales and use tax revenue to be paid to the

4986 agency; and

4987 (b) each project area funds collection period;

4988 (3) the amount of project area funds the agency will use to implement the community  
4989 reinvestment project area plan, including the estimated amount of project area funds that will  
4990 be used for land acquisition, public improvements, infrastructure improvements, or any loans,  
4991 grants, or other incentives to private or public entities;

4992 (4) the agency's combined incremental value;

4993 (5) the amount of project area funds that will be used to cover the cost of administering  
4994 the community reinvestment project area plan; and

4995 (6) for property that the agency owns and expects to sell, the expected total cost of the  
4996 property to the agency and the expected sale price.

4997 Section 142. Section **17C-5-304** is enacted to read:

4998 **17C-5-304. Consent of each taxing entity or taxing entity committee required for**  
4999 **community reinvestment project area budget.**

5000 Before an agency may collect any project area funds from a community reinvestment  
5001 project area, the agency shall obtain consent for each community reinvestment project area  
5002 budget from:

5003 (1) for a community reinvestment project area that is subject to an interlocal  
5004 agreement, each taxing entity that is a party to an interlocal agreement; or

5005 (2) for a community reinvestment project area that is subject to a taxing entity  
5006 committee, the taxing entity committee.

5007 Section 143. Section **17C-5-305** is enacted to read:

5008 **17C-5-305. Filing a copy of the community reinvestment project area budget.**

5009 Within 30 days after the day on which an agency adopts a community reinvestment  
5010 project area budget, the agency shall file a copy of the community reinvestment project area  
5011 budget with:

5012 (1) the State Tax Commission;

5013 (2) the State Board of Education;

5014 (3) the state auditor;

5015 (4) the auditor of the county in which the community reinvestment project area is  
5016 located; and

5017 (5) each taxing entity affected by the agency's collection of project area funds under the  
5018 community reinvestment project area budget.

5019 Section 144. Section **17C-5-306** is enacted to read:

5020 **17C-5-306. Amending a community reinvestment project area budget.**

5021 (1) Before a project area funds collection period ends, an agency may amend a  
5022 community reinvestment project area budget in accordance with this section.

5023 (2) To amend a community reinvestment project area budget, an agency shall:

5024 (a) provide notice and hold a public hearing on the proposed amendment in accordance  
5025 with Chapter 1, Part 8, Hearing and Notice Requirements;

5026 (b) (i) if the community reinvestment project area budget required approval from a  
5027 taxing entity committee, obtain the taxing entity committee's approval; or

5028 (ii) if the community reinvestment project area budget required an interlocal agreement  
5029 with a taxing entity, obtain approval from the taxing entity that is a party to the interlocal  
5030 agreement; and

5031 (c) at the public hearing described in Subsection (2)(a) or at a subsequent board  
5032 meeting, by resolution, adopt the community reinvestment project area budget amendment.

5033 (3) If an agency proposes a community reinvestment project area budget amendment  
5034 under which the agency is paid a greater proportion of tax increment from the community  
5035 reinvestment project area than provided under the community reinvestment project area budget,  
5036 the notice described in Subsection (2)(a) shall state:

5037 (a) the percentage of tax increment paid under the community reinvestment project  
5038 area budget; and

5039 (b) the proposed percentage of tax increment paid under the community reinvestment  
5040 project area budget amendment.

5041 (4) (a) If an agency proposes a community reinvestment project area budget  
5042 amendment that extends a project area funds collection period, before a taxing entity  
5043 committee or taxing entity may provide the taxing entity committee's or taxing entity's approval  
5044 described in Subsection (2)(b), the agency shall provide to the taxing entity committee or  
5045 taxing entity:

5046 (i) the reasons why the extension is required;

5047 (ii) a description of the project area development for which project area funds received

5048 by the agency under the extension will be used;

5049 (iii) a statement of whether the project area funds received by the agency under the  
5050 extension will be used within an active project area or a proposed project area; and

5051 (iv) a revised community reinvestment project area budget that includes:

5052 (A) the annual and total amounts of project area funds that the agency receives under  
5053 the extension; and

5054 (B) the number of years that are added to each project area funds collection period  
5055 under the extension.

5056 (b) With respect to an amendment described in Subsection (4)(a), a taxing entity  
5057 committee or taxing entity may consent to:

5058 (i) allow an agency to use project area funds received under an extension within a  
5059 different project area from which the project area funds are generated; or

5060 (ii) alter the base taxable value in connection with a community reinvestment project  
5061 area budget extension.

5062 (5) If an agency proposes a community reinvestment project area budget amendment  
5063 that reduces the base taxable value of the project area due to the removal of a parcel under  
5064 Subsection 17C-5-112(4)(b), an agency may amend a project area budget without:

5065 (a) complying with Subsection (2)(a); and

5066 (b) obtaining taxing entity committee or taxing entity approval described in Subsection  
5067 (2)(b).

5068 (6) (a) A person may contest an agency's adoption of a community reinvestment project  
5069 area budget amendment within 30 days after the day on which the agency adopts the  
5070 community reinvestment project area budget amendment.

5071 (b) After the 30-day period described in Subsection (6)(a), a person may not contest:

5072 (i) the agency's adoption of the community reinvestment project area budget  
5073 amendment;

5074 (ii) a payment to the agency under the community reinvestment project area budget  
5075 amendment; or

5076 (iii) the agency's use of project area funds received under the community reinvestment  
5077 project area budget amendment.

5078 Section 145. Section 17C-5-307 is enacted to read:

5079 **17C-5-307. Allocating project area funds for housing.**

5080 (1) (a) For a community reinvestment project area that is subject to a taxing entity  
5081 committee, an agency shall allocate at least 20% of the agency's annual tax increment for  
5082 housing in accordance with Section [17C-1-412](#) if the community reinvestment project area  
5083 budget provides for more than \$100,000 of annual tax increment to be distributed to the  
5084 agency.

5085 (b) The taxing entity committee may waive ~~Š~~ → **[no more than 10% of the allocation**  
5086 **described in Subsection (1)(a) in part or whole if the taxing entity committee determines that**  
5087 **20% of tax increment is more than is needed to address the community's need for income**  
5088 **targeted housing or homeless assistance]** **a portion of the allocation described in Subsection (1)(a)**  
5088a **if:**

5088b (i) **the taxing entity committee determines that 20% of the agency's annual tax**  
5088c **increment is more than is needed to address the community's need for income targeted housing**  
5088d **or homeless assistance; and**

5088e (ii) **after the waiver, the agency's housing allocation is equal to at least 10% of the**  
5088f **agency's annual tax increment** ← Š .

5089 (2) For a community reinvestment project area that is subject to an interlocal  
5090 agreement, an agency shall allocate at least 10% of the project area funds for housing in  
5091 accordance with Section [17C-1-412](#) if the community reinvestment project area budget  
5092 provides for more than \$100,000 of annual project area funds to be distributed to the agency.

5093 Section 146. Section **17C-5-401** is enacted to read:

5094 **Part 4. Blight Determination in a Community Reinvestment Project Area**  
5095 **17C-5-401. Title.**

5096 **This part is known as "Blight Determination in a Community Reinvestment Project**  
5097 **Area."**

5098 Section 147. Section **17C-5-402** is enacted to read:

5099 **17C-5-402. Blight determination in a community reinvestment project area --**  
5100 **Prerequisites -- Restrictions.**

5101 (1) **An agency shall comply with the provisions of this section before the agency may**  
5102 **use eminent domain to acquire property under Chapter 1, Part 9, Eminent Domain.**

5103 (2) **An agency shall, after adopting a survey area resolution as described in Section**  
5104 **[17C-5-103](#):**

5105 (a) **cause a blight study to be conducted within the survey area in accordance with**  
5106 **Section [17C-5-403](#);**

5107 (b) **provide notice and hold a blight hearing in accordance with Chapter 1, Part 8,**  
5108 **Hearing and Notice Requirements; and**

5109 (c) **after the blight hearing, at the same or at a subsequent meeting;**

5110           (i) consider:  
5111           (A) the issue of blight and the evidence and information relating to the existence or  
5112 nonexistence of blight; and  
5113           (B) whether the agency should pursue adoption of one or more community  
5114 reinvestment project area plans; and  
5115           (ii) by resolution, make a finding regarding whether blight exists in the proposed  
5116 community reinvestment project area.  
5117           (3) (a) If an agency makes a finding of blight under Subsection (2), the agency may not  
5118 adopt the community reinvestment project area plan until the taxing entity committee approves  
5119 the finding of blight.  
5120           (b) (i) A taxing entity committee shall approve an agency's finding of blight unless the  
5121 taxing entity committee demonstrates that the conditions the agency found to exist in the  
5122 community reinvestment project area that support the agency's finding of blight:  
5123           (A) do not exist; or  
5124           (B) do not constitute blight under Section [17C-5-405](#).  
5125           (ii) (A) If the taxing entity committee questions or disputes the existence of some or all  
5126 of the blight conditions that the agency found to exist in the proposed community reinvestment  
5127 area, the taxing entity committee may hire a consultant, mutually agreed upon by the taxing  
5128 entity committee and the agency, with the necessary expertise to assist the taxing entity  
5129 committee in making a determination as to the existence of the questioned or disputed blight  
5130 conditions.  
5131           (B) The agency shall pay the fees and expenses of each consultant hired under  
5132 Subsection (3)(b)(ii)(A).  
5133           (C) The findings of a consultant hired under Subsection (3)(b)(ii)(A) are binding on the  
5134 taxing entity committee and the agency.  
5135           Section 148. Section **17C-5-403** is enacted to read:  
5136           **17C-5-403. Blight study -- Requirements -- Deadline.**  
5137           (1) A blight study shall:  
5138           (a) undertake a parcel by parcel survey of the survey area;  
5139           (b) provide data so the board and taxing entity committee may determine:  
5140           (i) whether the conditions described in Subsection [17C-5-405](#):

- 5141 (A) exist in part or all of the survey area; and  
5142 (B) meet the qualifications for a finding of blight in all or part of the survey area; and  
5143 (ii) whether the survey area contains all or part of a superfund site;  
5144 (c) include a written report that states:  
5145 (i) the conclusions reached;  
5146 (ii) any area within the survey area that meets the statutory criteria of blight under  
5147 Section [17C-5-405](#); and  
5148 (iii) any other information requested by the agency to determine whether blight exists  
5149 within the survey area; and  
5150 (d) be completed within one year after the day on which the survey area resolution is  
5151 adopted.
- 5152 (2) (a) If a blight study is not completed within the time described in Subsection (1)(d),  
5153 the agency may not approve a community reinvestment project area plan based on a blight  
5154 study unless the agency first adopts a new resolution under Subsection [17C-5-103](#)(1).
- 5155 (b) A new resolution described in Subsection (2)(a) shall in all respects be considered  
5156 to be a resolution under Subsection [17C-5-103](#)(1) adopted for the first time, except that any  
5157 actions taken toward completing a blight study under the resolution that the new resolution  
5158 replaces shall be considered to have been taken under the new resolution.
- 5159 (3) (a) For the purpose of making a blight determination under Subsection  
5160 [17C-5-402](#)(2)(c)(ii), a blight study is valid for one year from the day on which the blight study  
5161 is completed.
- 5162 (b) (i) Except as provided in Subsection (3)(b)(ii), an agency that makes a blight  
5163 determination under a valid blight study and subsequently adopts a community reinvestment  
5164 project area plan in accordance with Section [17C-5-104](#) may amend the community  
5165 reinvestment project area plan without conducting a new blight study.
- 5166 (ii) An agency shall conduct a supplemental blight study for the area proposed to be  
5167 added to the community reinvestment project area if the agency proposes an amendment to a  
5168 community reinvestment project area plan that:
- 5169 (A) increases the community reinvestment project area's geographic boundary and the  
5170 area proposed to be added was not included in the original blight study; and  
5171 (B) provides for the use of eminent domain within the area proposed to be added to the

5172 community reinvestment project area.

5173 Section 149. Section **17C-5-404** is enacted to read:

5174 **17C-5-404. Blight hearing -- Owners may review evidence of blight.**

5175 (1) In a hearing required under Subsection [17C-5-402\(2\)\(b\)](#), an agency shall:

5176 (a) permit all evidence of the existence or nonexistence of blight within the survey area  
5177 to be presented; and

5178 (b) permit each record owner of property located within the survey area or the record  
5179 property owner's representative the opportunity to:

5180 (i) examine and cross-examine each witness that provides evidence of the existence or  
5181 nonexistence of blight; and

5182 (ii) present evidence and testimony, including expert testimony, concerning the  
5183 existence or nonexistence of blight.

5184 (2) An agency shall allow each record owner of property located within a survey area  
5185 the opportunity, for at least 30 days before the day on which the hearing takes place, to review  
5186 the evidence of blight compiled by the agency or by the person or firm conducting the blight  
5187 study for the agency, including any expert report.

5188 Section 150. Section **17C-5-405** is enacted to read:

5189 **17C-5-405. Conditions on board determination of blight -- Conditions of blight**  
5190 **caused by a participant.**

5191 (1) A board may not make a finding of blight in a resolution under Subsection  
5192 [17C-5-402\(2\)\(c\)\(ii\)](#) unless the board finds that:

5193 (a) (i) the survey area consists predominantly of nongreenfield parcels;

5194 (ii) the survey area is currently zoned for urban purposes and generally served by  
5195 utilities;

5196 (iii) at least 50% of the parcels within the survey area contain nonagricultural or  
5197 nonaccessory buildings or improvements used or intended for residential, commercial,  
5198 industrial, or other urban purposes;

5199 (iv) the present condition or use of the survey area substantially impairs the sound  
5200 growth of the community, delays the provision of housing accommodations, constitutes an  
5201 economic liability, or is detrimental to the public health, safety, or welfare, as shown by the  
5202 existence within the survey area of at least four of the following factors:



5203 (A) although sometimes interspersed with well maintained buildings and infrastructure,  
5204 substantial physical dilapidation, deterioration, or defective construction of buildings or  
5205 infrastructure, or significant noncompliance with current building code, safety code, health  
5206 code, or fire code requirements or local ordinances;

5207 (B) unsanitary or unsafe conditions in the survey area that threaten the health, safety, or  
5208 welfare of the community;

5209 (C) environmental hazards, as defined in state or federal law, which require  
5210 remediation as a condition for current or future use and development;

5211 (D) excessive vacancy, abandoned buildings, or vacant lots within an area zoned for  
5212 urban use and served by utilities;

5213 (E) abandoned or outdated facilities that pose a threat to public health, safety, or  
5214 welfare;

5215 (F) criminal activity in the survey area, higher than that of comparable nonblighted  
5216 areas in the municipality or county; and

5217 (G) defective or unusual conditions of title rendering the title nonmarketable; and

5218 (v) (A) at least 50% of the privately owned parcels within the survey area are affected  
5219 by at least one of the factors, but not necessarily the same factor, listed in Subsection (1)(a)(iv);  
5220 and

5221 (B) the affected parcels comprise at least 66% of the privately owned acreage within  
5222 the survey area; or

5223 (b) the survey area includes some or all of a superfund site, inactive industrial site, or  
5224 inactive airport site.

5225 (2) A single parcel comprising 10% or more of the acreage within the survey area may  
5226 not be counted as satisfying the requirement described in Subsection (1)(a)(iii) or (iv) unless at  
5227 least 50% of the area of the parcel is occupied by buildings or improvements.

5228 (3) (a) Except as provided in Subsection (3)(b), for purposes of Subsection (1), if a  
5229 participant or proposed participant involved in the project area development has caused a  
5230 condition listed in Subsection (1)(a)(iv) within the survey area, that condition may not be used  
5231 in the determination of blight.

5232 (b) Subsection (3)(a) does not apply to a condition that was caused by an owner or  
5233 tenant who later becomes a participant.

5234 Section 151. Section **17C-5-406** is enacted to read:

5235 **17C-5-406. Challenging a finding of blight -- Time limit -- Standards governing**  
5236 **court review.**

5237 (1) If a board makes a finding of blight under Subsection [17C-5-402\(2\)\(c\)\(ii\)](#) and the  
5238 finding is approved by resolution adopted by the taxing entity committee, a record owner of  
5239 property located within the survey area may challenge the finding by filing an action in the  
5240 district court in the county in which the property is located.

5241 (2) A person shall file an action under Subsection (1) no later than 30 days after the day  
5242 on which the taxing entity committee approves the board's finding of blight.

5243 (3) In an action under this section:

5244 (a) the agency shall transmit to the district court the record of the agency's proceedings,  
5245 including any minutes, findings, orders, or transcripts of the agency's proceedings;

5246 (b) the district court shall review the finding of blight under the standards of review  
5247 provided in Subsection [10-9a-801\(3\)](#); and

5248 (c) (i) if there is a record:

5249 (A) the district court's review is limited to the record provided by the agency; and

5250 (B) the district court may not accept or consider any evidence outside the record of the  
5251 agency, unless the evidence was offered to the agency and the district court determines that the  
5252 agency improperly excluded the evidence; or

5253 (ii) if there is no record, the district court may call witnesses and take evidence.

5254 Section 152. Section **20A-7-613** is amended to read:

5255 **20A-7-613. Property tax referendum petition.**

5256 (1) As used in this section:

5257 (a) "Certified tax rate" [~~is~~ as] means the same as that term is defined in Subsection  
5258 [59-2-924\(3\)\(5\)\(a\)](#).

5259 (b) "Fiscal year taxing entity" means a taxing entity that operates under a fiscal year  
5260 that begins on July 1 and ends on June 30.

5261 (2) Except as provided in this section, the requirements of this part apply to a  
5262 referendum petition challenging a fiscal year taxing entity's legislative body's vote to impose a  
5263 tax rate that exceeds the certified tax rate.

5264 (3) Notwithstanding Subsection [20A-7-604\(5\)](#), the local clerk shall number each of the

5265 referendum packets and return them to the sponsors within two working days.

5266 (4) Notwithstanding Subsection 20A-7-606(1), the sponsors shall deliver each signed  
5267 and verified referendum packet to the county clerk of the county in which the packet was  
5268 circulated no later than 40 days after the day on which the local clerk complies with Subsection  
5269 (3).

5270 (5) Notwithstanding Subsections 20A-7-606(2) and (3), the county clerk shall take the  
5271 actions required in Subsections 20A-7-606(2) and (3) within 10 working days after the day on  
5272 which the county clerk receives the signed and verified referendum packet as described in  
5273 Subsection (4).

5274 (6) The local clerk shall take the actions required by Section 20A-7-607 within two  
5275 working days after the day on which the local clerk receives the referendum packets from the  
5276 county clerk.

5277 (7) Notwithstanding Subsection 20A-7-608(2), the local attorney shall prepare the  
5278 ballot title within two working days after the day on which the referendum petition is declared  
5279 sufficient for submission to a vote of the people.

5280 (8) Notwithstanding Subsection 20A-7-609(2)(c), a referendum that qualifies for the  
5281 ballot under this section shall appear on the ballot for the earlier of the next regular general  
5282 election or the next municipal general election unless a special election is called.

5283 (9) Notwithstanding the requirements related to absentee ballots under this title:

5284 (a) the election officer shall prepare absentee ballots for those voters who have  
5285 requested an absentee ballot as soon as possible after the ballot title is prepared as described in  
5286 Subsection (7); and

5287 (b) the election officer shall mail absentee ballots on a referendum under this section  
5288 the later of:

5289 (i) the time provided in Section 20A-3-305 or 20A-16-403; or

5290 (ii) the time that absentee ballots are prepared for mailing under this section.

5291 (10) Section 20A-7-402 does not apply to a referendum described in this section.

5292 (11) (a) If a majority of voters does not vote against imposing the tax at a rate  
5293 calculated to generate the increased revenue budgeted, adopted, and approved by the fiscal year  
5294 taxing entity's legislative body:

5295 (i) the certified tax rate for the fiscal year during which the referendum petition is filed

5296 is its most recent certified tax rate; and

5297 (ii) the proposed increased revenues for purposes of establishing the certified tax rate  
5298 for the fiscal year after the fiscal year described in Subsection (11)(a)(i) are the proposed  
5299 increased revenues budgeted, adopted, and approved by the fiscal year taxing entity's legislative  
5300 body before the filing of the referendum petition.

5301 (b) If a majority of voters votes against imposing a tax at the rate established by the  
5302 vote of the fiscal year taxing entity's legislative body, the certified tax rate for the fiscal year  
5303 taxing entity is its most recent certified tax rate.

5304 (c) If the tax rate is set in accordance with Subsection (11)(a)(ii), a fiscal year taxing  
5305 entity is not required to comply with the notice and public hearing requirements of Section  
5306 59-2-919 if the fiscal year taxing entity complies with those notice and public hearing  
5307 requirements before the referendum petition is filed.

5308 (12) The ballot title shall, at a minimum, include in substantially this form the  
5309 following: "Shall the [name of the taxing entity] be authorized to levy a tax rate in the amount  
5310 sufficient to generate an increased property tax revenue of [amount] for fiscal year [year] as  
5311 budgeted, adopted, and approved by the [name of the taxing entity]".

5312 (13) A fiscal year taxing entity shall pay the county the costs incurred by the county  
5313 that are directly related to meeting the requirements of this section and that the county would  
5314 not have incurred but for compliance with this section.

5315 (14) (a) An election officer shall include on a ballot a referendum that has not yet  
5316 qualified for placement on the ballot, if:

5317 (i) sponsors file an application for a referendum described in this section;

5318 (ii) the ballot will be used for the election for which the sponsors are attempting to  
5319 qualify the referendum; and

5320 (iii) the deadline for qualifying the referendum for placement on the ballot occurs after  
5321 the day on which the ballot will be printed.

5322 (b) If an election officer includes on a ballot a referendum described in Subsection  
5323 (14)(a), the ballot title shall comply with Subsection (12).

5324 (c) If an election officer includes on a ballot a referendum described in Subsection  
5325 (14)(a) that does not qualify for placement on the ballot, the election officer shall inform the  
5326 voters by any practicable method that the referendum has not qualified for the ballot and that

5327 votes cast in relation to the referendum will not be counted.

5328 Section 153. Section **35A-8-504** is amended to read:

5329 **35A-8-504. Distribution of fund money.**

5330 (1) The executive director shall:

5331 (a) make grants and loans from the fund for any of the activities authorized by Section  
5332 **35A-8-505**, as directed by the board;

5333 (b) establish the criteria with the approval of the board by which loans and grants will  
5334 be made; and

5335 (c) determine with the approval of the board the order in which projects will be funded.

5336 (2) The executive director shall distribute, as directed by the board, any federal money  
5337 contained in the fund according to the procedures, conditions, and restrictions placed upon the  
5338 use of the money by the federal government.

5339 (3) (a) The executive director shall distribute, as directed by the board, any funds  
5340 received under Section **17C-1-412** to pay the costs of providing income targeted housing within  
5341 the community that created the community [~~development and renewal~~] reinvestment agency  
5342 under Title 17C, Limited Purpose Local Government Entities - Community [~~Development and~~  
5343 ~~Renewal Agencies~~] Reinvestment Agency Act.

5344 (b) As used in Subsection (3)(a):

5345 (i) "Community" [~~has the meaning as~~] means the same as that term is defined in  
5346 Section **17C-1-102**.

5347 (ii) "Income targeted housing" [~~has the meaning as~~] means the same as that term is  
5348 defined in Section **17C-1-102**.

5349 (4) Except for federal money and money received under Section **17C-1-412**, the  
5350 executive director shall distribute, as directed by the board, money from the fund according to  
5351 the following requirements:

5352 (a) Not less than 30% of all fund money shall be distributed to rural areas of the state.

5353 (b) At least 50% of the money in the fund shall be distributed as loans to be repaid to  
5354 the fund by the entity receiving them.

5355 (i) (A) Of the fund money distributed as loans, at least 50% shall be distributed to  
5356 benefit persons whose annual income is at or below 50% of the median family income for the  
5357 state.

5358 (B) The remaining loan money shall be distributed to benefit persons whose annual  
5359 income is at or below 80% of the median family income for the state.

5360 (ii) The executive director or the executive director's designee shall lend money in  
5361 accordance with this Subsection (4) at a rate based upon the borrower's ability to pay.

5362 (c) Any fund money not distributed as loans shall be distributed as grants.

5363 (i) At least 90% of the fund money distributed as grants shall be distributed to benefit  
5364 persons whose annual income is at or below 50% of the median family income for the state.

5365 (ii) The remaining fund money distributed as grants may be used by the executive  
5366 director to obtain federal matching funds or for other uses consistent with the intent of this part,  
5367 including the payment of reasonable loan servicing costs, but no more than 3% of the revenues  
5368 of the fund may be used to offset other department or board administrative expenses.

5369 (5) The executive director may with the approval of the board:

5370 (a) enact rules to establish procedures for the grant and loan process by following the  
5371 procedures and requirements of Title 63G, Chapter 3, Utah Administrative Rulemaking Act;  
5372 and

5373 (b) service or contract, under Title 63G, Chapter 6a, Utah Procurement Code, for the  
5374 servicing of loans made by the fund.

5375 Section 154. Section **38-1b-102** is amended to read:

5376 **38-1b-102. Definitions.**

5377 As used in this chapter:

5378 (1) "Alternate means" [~~has the same meaning as~~] means the same as that term is  
5379 defined in Section [38-1a-102](#).

5380 (2) "Construction project" [~~has the same meaning as~~] means the same as that term is  
5381 defined in Section [38-1a-102](#).

5382 (3) "Construction work" [~~has the same meaning as~~] means the same as that term is  
5383 defined in Section [38-1a-102](#).

5384 (4) "Designated agent" [~~has the same meaning as~~] means the same as that term is  
5385 defined in Section [38-1a-102](#).

5386 (5) "Division" means the Division of Occupational and Professional Licensing created  
5387 in Section [58-1-103](#).

5388 (6) "Government project" means a construction project undertaken by or for:

5389 (a) the state, including a department, division, or other agency of the state; or  
5390 (b) a county, city, town, school district, local district, special service district,  
5391 community [~~development and renewal~~] reinvestment agency, or other political subdivision of  
5392 the state.

5393 (7) "Government project-identifying information" means:

5394 (a) the lot or parcel number of each lot included in the project property that has a lot or  
5395 parcel number; or

5396 (b) the unique project number assigned by the designated agent.

5397 (8) "Original contractor" [~~has the same meaning as~~] means the same as that term is  
5398 defined in Section 38-1a-102.

5399 (9) "Owner" [~~has the same meaning as~~] means the same as that term is defined in  
5400 Section 38-1a-102.

5401 (10) "Owner-builder" [~~has the same meaning as~~] means the same as that term is  
5402 defined in Section 38-1a-102.

5403 (11) "Private project" means a construction project that is not a government project.

5404 (12) "Project property" [~~has the same meaning as~~] means the same as that term is  
5405 defined in Section 38-1a-102.

5406 (13) "Registry" [~~has the same meaning as~~] means the same as that term is defined in  
5407 Section 38-1a-102.

5408 Section 155. Section 53-3-207 is amended to read:

5409 **53-3-207. License certificates or driving privilege cards issued to drivers by class**  
5410 **of motor vehicle -- Contents -- Release of anatomical gift information -- Temporary**  
5411 **licenses or driving privilege cards -- Minors' licenses, cards, and permits -- Violation.**

5412 (1) As used in this section:

5413 (a) "Driving privilege" means the privilege granted under this chapter to drive a motor  
5414 vehicle.

5415 (b) "Governmental entity" means the state and its political subdivisions as defined in  
5416 this Subsection (1).

5417 (c) "Political subdivision" means any county, city, town, school district, public transit  
5418 district, community [~~development and renewal~~] reinvestment agency, special improvement or  
5419 taxing district, local district, special service district, an entity created by an interlocal

5420 agreement adopted under Title 11, Chapter 13, Interlocal Cooperation Act, or other  
5421 governmental subdivision or public corporation.

5422 (d) "State" means this state, and includes any office, department, agency, authority,  
5423 commission, board, institution, hospital, college, university, children's justice center, or other  
5424 instrumentality of the state.

5425 (2) (a) The division shall issue to every person privileged to drive a motor vehicle, a  
5426 regular license certificate, a limited-term license certificate, or a driving privilege card  
5427 indicating the type or class of motor vehicle the person may drive.

5428 (b) A person may not drive a class of motor vehicle unless granted the privilege in that  
5429 class.

5430 (3) (a) Every regular license certificate, limited-term license certificate, or driving  
5431 privilege card shall bear:

5432 (i) the distinguishing number assigned to the person by the division;

5433 (ii) the name, birth date, and Utah residence address of the person;

5434 (iii) a brief description of the person for the purpose of identification;

5435 (iv) any restrictions imposed on the license under Section 53-3-208;

5436 (v) a photograph of the person;

5437 (vi) a photograph or other facsimile of the person's signature;

5438 (vii) an indication whether the person intends to make an anatomical gift under Title  
5439 26, Chapter 28, Revised Uniform Anatomical Gift Act, unless the driving privilege is extended  
5440 under Subsection 53-3-214(3); and

5441 (viii) except as provided in Subsection (3)(b), if the person states that the person is a  
5442 veteran of the United States military on the application for a driver license in accordance with  
5443 Section 53-3-205 and provides verification that the person was granted an honorable or general  
5444 discharge from the United States Armed Forces, an indication that the person is a United States  
5445 military veteran for a regular license certificate or limited-term license certificate issued on or  
5446 after July 1, 2011.

5447 (b) A regular license certificate or limited-term license certificate issued to any person  
5448 younger than 21 years on a portrait-style format as required in Subsection (5)(b)(i) is not  
5449 required to include an indication that the person is a United States military veteran under  
5450 Subsection (3)(a)(viii).



5451 (c) A new license certificate issued by the division may not bear the person's Social  
5452 Security number.

5453 (d) (i) The regular license certificate, limited-term license certificate, or driving  
5454 privilege card shall be of an impervious material, resistant to wear, damage, and alteration.

5455 (ii) Except as provided under Subsection (4)(b), the size, form, and color of the regular  
5456 license certificate, limited-term license certificate, or driving privilege card shall be as  
5457 prescribed by the commissioner.

5458 (iii) The commissioner may also prescribe the issuance of a special type of limited  
5459 regular license certificate, limited-term license certificate, or driving privilege card under  
5460 Subsection 53-3-220(4).

5461 (4) (a) (i) The division, upon determining after an examination that an applicant is  
5462 mentally and physically qualified to be granted a driving privilege, may issue to an applicant a  
5463 receipt for the fee if the applicant is eligible for a regular license certificate or limited-term  
5464 license certificate.

5465 (ii) (A) The division shall issue a temporary regular license certificate or temporary  
5466 limited-term license certificate allowing the person to drive a motor vehicle while the division  
5467 is completing its investigation to determine whether the person is entitled to be granted a  
5468 driving privilege.

5469 (B) A temporary regular license certificate or a temporary limited-term license  
5470 certificate issued under this Subsection (4) shall be recognized and have the same rights and  
5471 privileges as a regular license certificate or a limited-term license certificate.

5472 (b) The temporary regular license certificate or temporary limited-term license  
5473 certificate shall be in the person's immediate possession while driving a motor vehicle, and it is  
5474 invalid when the person's regular license certificate or limited-term license certificate has been  
5475 issued or when, for good cause, the privilege has been refused.

5476 (c) The division shall indicate on the temporary regular license certificate or temporary  
5477 limited-term license certificate a date after which it is not valid as a temporary license.

5478 (d) (i) Except as provided in Subsection (4)(d)(ii), the division may not issue a  
5479 temporary driving privilege card or other temporary permit to an applicant for a driving  
5480 privilege card.

5481 (ii) The division may issue a learner permit issued in accordance with Section

5482 53-3-210.5 to an applicant for a driving privilege card.

5483 (5) (a) The division shall distinguish learner permits, temporary permits, regular  
5484 license certificates, limited-term license certificates, and driving privilege cards issued to any  
5485 person younger than 21 years of age by use of plainly printed information or the use of a color  
5486 or other means not used for other regular license certificates, limited-term license certificates,  
5487 or driving privilege cards.

5488 (b) The division shall distinguish a regular license certificate, limited-term license  
5489 certificate, or driving privilege card issued to any person:

5490 (i) younger than 21 years of age by use of a portrait-style format not used for other  
5491 regular license certificates, limited-term license certificates, or driving privilege cards and by  
5492 plainly printing the date the regular license certificate, limited-term license certificate, or  
5493 driving privilege card holder is 21 years of age, which is the legal age for purchasing an  
5494 alcoholic beverage or alcoholic product under Section 32B-4-403; and

5495 (ii) younger than 19 years of age, by plainly printing the date the regular license  
5496 certificate, limited-term license certificate, or driving privilege card holder is 19 years of age,  
5497 which is the legal age for purchasing tobacco products under Section 76-10-104.

5498 (6) The division shall distinguish a limited-term license certificate by clearly indicating  
5499 on the document:

5500 (a) that it is temporary; and

5501 (b) its expiration date.

5502 (7) (a) The division shall only issue a driving privilege card to a person whose privilege  
5503 was obtained without providing evidence of lawful presence in the United States as required  
5504 under Subsection 53-3-205(8).

5505 (b) The division shall distinguish a driving privilege card from a license certificate by:

5506 (i) use of a format, color, font, or other means; and

5507 (ii) clearly displaying on the front of the driving privilege card a phrase substantially  
5508 similar to "FOR DRIVING PRIVILEGES ONLY -- NOT VALID FOR IDENTIFICATION".

5509 (8) The provisions of Subsection (5)(b) do not apply to a learner permit, temporary  
5510 permit, temporary regular license certificate, temporary limited-term license certificate, or any  
5511 other temporary permit.

5512 (9) The division shall issue temporary license certificates of the same nature, except as

5513 to duration, as the license certificates that they temporarily replace, as are necessary to  
5514 implement applicable provisions of this section and Section 53-3-223.

5515 (10) (a) A governmental entity may not accept a driving privilege card as proof of  
5516 personal identification.

5517 (b) A driving privilege card may not be used as a document providing proof of a  
5518 person's age for any government required purpose.

5519 (11) A person who violates Subsection (2)(b) is guilty of an infraction.

5520 (12) Unless otherwise provided, the provisions, requirements, classes, endorsements,  
5521 fees, restrictions, and sanctions under this code apply to a:

5522 (a) driving privilege in the same way as a license or limited-term license issued under  
5523 this chapter; and

5524 (b) limited-term license certificate or driving privilege card in the same way as a  
5525 regular license certificate issued under this chapter.

5526 Section 156. Section 53A-16-106 is amended to read:

5527 **53A-16-106. Annual certification of tax rate proposed by local school board --**  
5528 **Inclusion of school district budget -- Modified filing date.**

5529 (1) Prior to June 22 of each year, each local school board shall certify to the county  
5530 legislative body in which the district is located, on forms prescribed by the State Tax  
5531 Commission, the proposed tax rate approved by the local school board.

5532 (2) A copy of the district's budget, including items under Section 53A-19-101, and a  
5533 certified copy of the local school board's resolution which approved the budget and set the tax  
5534 rate for the subsequent school year beginning July 1 shall accompany the tax rate.

5535 (3) If the tax rate approved by the board is in excess of the "certified tax rate" as  
5536 defined under Subsection 59-2-924~~(3)~~(5)(a), the date for filing the tax rate and budget  
5537 adopted by the board shall be that established under Section 59-2-919.

5538 Section 157. Section 53A-16-113 is amended to read:

5539 **53A-16-113. Capital local levy -- First class county required levy -- Allowable**  
5540 **uses of collected revenue.**

5541 (1) (a) Subject to the other requirements of this section, a local school board may levy a  
5542 tax to fund the school district's capital projects.

5543 (b) A tax rate imposed by a school district pursuant to this section may not exceed

5544 .0030 per dollar of taxable value in any calendar year.

5545 (2) A school district that imposes a capital local levy in the calendar year beginning on  
5546 January 1, 2012, is exempt from the public notice and hearing requirements of Section  
5547 59-2-919 if the school district budgets an amount of ad valorem property tax revenue equal to  
5548 or less than the sum of the following amounts:

5549 (a) the amount of revenue generated during the calendar year beginning on January 1,  
5550 2011, from the sum of the following levies of a school district:

5551 (i) a capital outlay levy imposed under Section 53A-16-107; and

5552 (ii) the portion of the 10% of basic levy described in Section 53A-17a-145 that is  
5553 budgeted for debt service or capital outlay; and

5554 (b) revenue from new growth as defined in Subsection 59-2-924[(4)(c)](1).

5555 (3) Beginning January 1, 2012, in order to qualify for receipt of the state contribution  
5556 toward the minimum school program described in Section 53A-17a-103, a local school board  
5557 in a county of the first class shall impose a capital local levy of at least .0006 per dollar of  
5558 taxable value.

5559 (4) (a) The county treasurer of a county of the first class shall distribute revenues  
5560 generated by the .0006 portion of the capital local levy required in Subsection (2) to school  
5561 districts within the county in accordance with Section 53A-16-114.

5562 (b) If a school district in a county of the first class imposes a capital local levy pursuant  
5563 to this section that exceeds .0006 per dollar of taxable value, the county treasurer shall  
5564 distribute revenues generated by the portion of the capital local levy that exceeds .0006 to the  
5565 school district imposing the levy.

5566 (5) (a) Subject to Subsections (5)(b), (c), and (d), for fiscal year 2013-14, a local school  
5567 board may utilize the proceeds of a maximum of .0024 per dollar of taxable value of the local  
5568 school board's annual capital local levy for general fund purposes if the proceeds are not  
5569 committed or dedicated to pay debt service or bond payments.

5570 (b) If a local school board uses the proceeds described in Subsection (5)(a) for general  
5571 fund purposes, the local school board shall notify the public of the local school board's use of  
5572 the capital local levy proceeds for general fund purposes:

5573 (i) prior to the local school board's budget hearing in accordance with the notification  
5574 requirements described in Section 53A-19-102; and

5575 (ii) at a budget hearing required in Section 53A-19-102.

5576 (c) A local school board may not use the proceeds described in Subsection (5)(a) to  
5577 fund the following accounting function classifications as provided in the Financial Accounting  
5578 for Local and State School Systems guidelines developed by the National Center for Education  
5579 Statistics:

5580 (i) 2300 Support Services - General District Administration; or

5581 (ii) 2500 Support Services - Central Services.

5582 (d) A local school board may not use the proceeds from a distribution described in  
5583 Subsection (4) for general fund purposes.

5584 Section 158. Section 53A-17a-133 is amended to read:

5585 **53A-17a-133. State-supported voted local levy authorized -- Election**  
5586 **requirements -- State guarantee -- Reconsideration of the program.**

5587 (1) As used in this section, "voted and board local levy funding balance" means the  
5588 difference between:

5589 (a) the amount appropriated for the voted and board local levy program in a fiscal year;  
5590 and

5591 (b) the amount necessary to provide the state guarantee per weighted pupil unit as  
5592 determined under this section and Section 53A-17a-164 in the same fiscal year.

5593 (2) An election to consider adoption or modification of a voted local levy is required if  
5594 initiative petitions signed by 10% of the number of electors who voted at the last preceding  
5595 general election are presented to the local school board or by action of the board.

5596 (3) (a) (i) To impose a voted local levy, a majority of the electors of a district voting at  
5597 an election in the manner set forth in Subsections (9) and (10) must vote in favor of a special  
5598 tax.

5599 (ii) The tax rate may not exceed .002 per dollar of taxable value.

5600 (b) Except as provided in Subsection (3)(c), in order to receive state support the first  
5601 year, a district must receive voter approval no later than December 1 of the year prior to  
5602 implementation.

5603 (c) Beginning on or after January 1, 2012, a school district may receive state support in  
5604 accordance with Subsection (4) without complying with the requirements of Subsection (3)(b)  
5605 if the local school board imposed a tax in accordance with this section during the taxable year

5606 beginning on January 1, 2011, and ending on December 31, 2011.

5607 (4) (a) In addition to the revenue a school district collects from the imposition of a levy  
5608 pursuant to this section, the state shall contribute an amount sufficient to guarantee \$33.27 per  
5609 weighted pupil unit for each .0001 of the first .0016 per dollar of taxable value.

5610 (b) The same dollar amount guarantee per weighted pupil unit for the .0016 per dollar  
5611 of taxable value under Subsection (4)(a) shall apply to the portion of the board local levy  
5612 authorized in Section 53A-17a-164, so that the guarantee shall apply up to a total of .002 per  
5613 dollar of taxable value if a school district levies a tax rate under both programs.

5614 (c) (i) Beginning July 1, 2015, the \$33.27 guarantee under Subsections (4)(a) and (b)  
5615 shall be indexed each year to the value of the weighted pupil unit for the grades 1 through 12  
5616 program by making the value of the guarantee equal to .011194 times the value of the prior  
5617 year's weighted pupil unit for the grades 1 through 12 program.

5618 (ii) The guarantee shall increase by .0005 times the value of the prior year's weighted  
5619 pupil unit for the grades 1 through 12 program for each succeeding year subject to the  
5620 Legislature appropriating funds for an increase in the guarantee.

5621 (d) (i) The amount of state guarantee money to which a school district would otherwise  
5622 be entitled to receive under this Subsection (4) may not be reduced for the sole reason that the  
5623 district's levy is reduced as a consequence of changes in the certified tax rate under Section  
5624 59-2-924 pursuant to changes in property valuation.

5625 (ii) Subsection (4)(d)(i) applies for a period of five years following any such change in  
5626 the certified tax rate.

5627 (e) The guarantee provided under this section does not apply to the portion of a voted  
5628 local levy rate that exceeds the voted local levy rate that was in effect for the previous fiscal  
5629 year, unless an increase in the voted local levy rate was authorized in an election conducted on  
5630 or after July 1 of the previous fiscal year and before December 2 of the previous fiscal year.

5631 (f) (i) If a voted and board local levy funding balance exists for the prior fiscal year, the  
5632 State Board of Education shall:

5633 (A) use the voted and board local levy funding balance to increase the value of the state  
5634 guarantee per weighted pupil unit described in Subsection (4)(c) in the current fiscal year; and

5635 (B) distribute the state contribution to the voted and board local levy programs to  
5636 school districts based on the increased value of the state guarantee per weighted pupil unit

5637 described in Subsection (4)(f)(i)(A).

5638 (ii) The State Board of Education shall report action taken under this Subsection (4)(f)  
5639 to the Office of the Legislative Fiscal Analyst and the Governor's Office of Planning and  
5640 Budget.

5641 (5) (a) An election to modify an existing voted local levy is not a reconsideration of the  
5642 existing authority unless the proposition submitted to the electors expressly so states.

5643 (b) A majority vote opposing a modification does not deprive the district of authority to  
5644 continue the levy.

5645 (c) If adoption of a voted local levy is contingent upon an offset reducing other local  
5646 school board levies, the board must allow the electors, in an election, to consider modifying or  
5647 discontinuing the imposition of the levy prior to a subsequent increase in other levies that  
5648 would increase the total local school board levy.

5649 (d) Nothing contained in this section terminates, without an election, the authority of a  
5650 school district to continue imposing an existing voted local levy previously authorized by the  
5651 voters as a voted leeway program.

5652 (6) Notwithstanding Section 59-2-919, a school district may budget an increased  
5653 amount of ad valorem property tax revenue derived from a voted local levy imposed under this  
5654 section in addition to revenue from new growth as defined in Subsection 59-2-924[(4)](1),  
5655 without having to comply with the notice requirements of Section 59-2-919, if:

5656 (a) the voted local levy is approved:

5657 (i) in accordance with Subsections (9) and (10) on or after January 1, 2003; and

5658 (ii) within the four-year period immediately preceding the year in which the school  
5659 district seeks to budget an increased amount of ad valorem property tax revenue derived from  
5660 the voted local levy; and

5661 (b) for a voted local levy approved or modified in accordance with this section on or  
5662 after January 1, 2009, the school district complies with the requirements of Subsection (8).

5663 (7) Notwithstanding Section 59-2-919, a school district may levy a tax rate under this  
5664 section that exceeds the certified tax rate without having to comply with the notice  
5665 requirements of Section 59-2-919 if:

5666 (a) the levy exceeds the certified tax rate as the result of a school district budgeting an  
5667 increased amount of ad valorem property tax revenue derived from a voted local levy imposed

5668 under this section;

5669 (b) the voted local levy was approved:

5670 (i) in accordance with Subsections (9) and (10) on or after January 1, 2003; and

5671 (ii) within the four-year period immediately preceding the year in which the school  
5672 district seeks to budget an increased amount of ad valorem property tax revenue derived from  
5673 the voted local levy; and

5674 (c) for a voted local levy approved or modified in accordance with this section on or  
5675 after January 1, 2009, the school district complies with requirements of Subsection (8).

5676 (8) For purposes of Subsection (6)(b) or (7)(c), the proposition submitted to the  
5677 electors regarding the adoption or modification of a voted local levy shall contain the following  
5678 statement:

5679 "A vote in favor of this tax means that (name of the school district) may increase  
5680 revenue from this property tax without advertising the increase for the next five years."

5681 (9) (a) Before imposing a property tax levy pursuant to this section, a school district  
5682 shall submit an opinion question to the school district's registered voters voting on the  
5683 imposition of the tax rate so that each registered voter has the opportunity to express the  
5684 registered voter's opinion on whether the tax rate should be imposed.

5685 (b) The election required by this Subsection (9) shall be held:

5686 (i) at a regular general election conducted in accordance with the procedures and  
5687 requirements of Title 20A, Election Code, governing regular elections;

5688 (ii) at a municipal general election conducted in accordance with the procedures and  
5689 requirements of Section [20A-1-202](#); or

5690 (iii) at a local special election conducted in accordance with the procedures and  
5691 requirements of Section [20A-1-203](#).

5692 (c) Notwithstanding the requirements of Subsections (9)(a) and (b), beginning on or  
5693 after January 1, 2012, a school district may levy a tax rate in accordance with this section  
5694 without complying with the requirements of Subsections (9)(a) and (b) if the school district  
5695 imposed a tax in accordance with this section at any time during the taxable year beginning on  
5696 January 1, 2011, and ending on December 31, 2011.

5697 (10) If a school district determines that a majority of the school district's registered  
5698 voters voting on the imposition of the tax rate have voted in favor of the imposition of the tax



5699 rate in accordance with Subsection (9), the school district may impose the tax rate.

5700 Section 159. Section **53A-17a-164** is amended to read:

5701 **53A-17a-164. Board local levy -- State guarantee.**

5702 (1) Subject to the other requirements of this section, for a calendar year beginning on  
5703 or after January 1, 2012, a local school board may levy a tax to fund the school district's  
5704 general fund.

5705 (2) (a) Except as provided in Subsection (2)(b), a tax rate imposed by a school district  
5706 pursuant to this section may not exceed .0018 per dollar of taxable value in any calendar year.

5707 (b) A tax rate imposed by a school district pursuant to this section may not exceed  
5708 .0025 per dollar of taxable value in any calendar year if, during the calendar year beginning on  
5709 January 1, 2011, the school district's combined tax rate for the following levies was greater  
5710 than .0018 per dollar of taxable value:

5711 (i) a recreation levy imposed under Section [11-2-7](#);

5712 (ii) a transportation levy imposed under Section [53A-17a-127](#);

5713 (iii) a board-authorized levy imposed under Section [53A-17a-134](#);

5714 (iv) an impact aid levy imposed under Section [53A-17a-143](#);

5715 (v) the portion of a 10% of basic levy imposed under Section [53A-17a-145](#) that is  
5716 budgeted for purposes other than capital outlay or debt service;

5717 (vi) a reading levy imposed under Section [53A-17a-151](#); and

5718 (vii) a tort liability levy imposed under Section [63G-7-704](#).

5719 (3) (a) In addition to the revenue a school district collects from the imposition of a levy  
5720 pursuant to this section, the state shall contribute an amount sufficient to guarantee that each  
5721 .0001 of the first .0004 per dollar of taxable value generates an amount equal to the state  
5722 guarantee per weighted pupil unit described in Subsection [53A-17a-133](#)(4).

5723 (b) (i) The amount of state guarantee money to which a school district would otherwise  
5724 be entitled to under this Subsection (3) may not be reduced for the sole reason that the district's  
5725 levy is reduced as a consequence of changes in the certified tax rate under Section [59-2-924](#)  
5726 pursuant to changes in property valuation.

5727 (ii) Subsection (3)(b)(i) applies for a period of five years following any changes in the  
5728 certified tax rate.

5729 (4) A school district that imposes a board local levy in the calendar year beginning on

5730 January 1, 2012, is exempt from the public notice and hearing requirements of Section  
5731 59-2-919 if the school district budgets an amount of ad valorem property tax revenue equal to  
5732 or less than the sum of the following amounts:

5733 (a) the amount of revenue generated during the calendar year beginning on January 1,  
5734 2011, from the sum of the following levies of a school district:

5735 (i) a recreation levy imposed under Section 11-2-7;

5736 (ii) a transportation levy imposed under Section 53A-17a-127;

5737 (iii) a board-authorized levy imposed under Section 53A-17a-134;

5738 (iv) an impact aid levy imposed under Section 53A-17a-143;

5739 (v) the portion of a 10% of basic levy imposed under Section 53A-17a-145 that is  
5740 budgeted for purposes other than capital outlay or debt service;

5741 (vi) a reading levy imposed under Section 53A-17a-151; and

5742 (vii) a tort liability levy imposed under Section 63G-7-704; and

5743 (b) revenue from new growth as defined in Subsection 59-2-924[(4)(c)](1).

5744 Section 160. Section 53A-19-105 is amended to read:

5745 **53A-19-105. School district interfund transfers.**

5746 (1) A school district shall spend revenues only within the fund for which they were  
5747 originally authorized, levied, collected, or appropriated.

5748 (2) Except as otherwise provided in this section, school district interfund transfers of  
5749 residual equity are prohibited.

5750 (3) The State Board of Education may authorize school district interfund transfers of  
5751 residual equity when a district states its intent to create a new fund or expand, contract, or  
5752 liquidate an existing fund.

5753 (4) The State Board of Education may also authorize school district interfund transfers  
5754 of residual equity for a financially distressed district if the board determines the following:

5755 (a) the district has a significant deficit in its maintenance and operations fund caused  
5756 by circumstances not subject to the administrative decisions of the district;

5757 (b) the deficit cannot be reasonably reduced under Section 53A-19-104; and

5758 (c) without the transfer, the school district will not be capable of meeting statewide  
5759 educational standards adopted by the State Board of Education.

5760 (5) The board shall develop standards for defining and aiding financially distressed

5761 school districts under this section in accordance with Title 63G, Chapter 3, Utah  
5762 Administrative Rulemaking Act.

5763 (6) (a) All debt service levies not subject to certified tax rate hearings shall be recorded  
5764 and reported in the debt service fund.

5765 (b) Debt service levies under Subsection 59-2-924~~(3)~~(5)(e)(iii) that are not subject to  
5766 the public hearing provisions of Section 59-2-919 may not be used for any purpose other than  
5767 retiring general obligation debt.

5768 (c) Amounts from these levies remaining in the debt service fund at the end of a fiscal  
5769 year shall be used in subsequent years for general obligation debt retirement.

5770 (d) Any amounts left in the debt service fund after all general obligation debt has been  
5771 retired may be transferred to the capital projects fund upon completion of the budgetary hearing  
5772 process required under Section 53A-19-102.

5773 Section 161. Section 59-2-913 is amended to read:

5774 **59-2-913. Definitions -- Statement of amount and purpose of levy -- Contents of**  
5775 **statement -- Filing with county auditor -- Transmittal to commission -- Calculations for**  
5776 **establishing tax levies -- Format of statement.**

5777 (1) As used in this section, "budgeted property tax revenues" does not include property  
5778 tax revenue received by a taxing entity from personal property that is:

5779 (a) assessed by a county assessor in accordance with Part 3, County Assessment; and  
5780 (b) semiconductor manufacturing equipment.

5781 (2) (a) The legislative body of each taxing entity shall file a statement as provided in  
5782 this section with the county auditor of the county in which the taxing entity is located.

5783 (b) The auditor shall annually transmit the statement to the commission:

5784 (i) before June 22; or

5785 (ii) with the approval of the commission, on a subsequent date prior to the date  
5786 required by Section 59-2-1317 for the county treasurer to provide the notice under Section  
5787 59-2-1317.

5788 (c) The statement shall contain the amount and purpose of each levy fixed by the  
5789 legislative body of the taxing entity.

5790 (3) For purposes of establishing the levy set for each of a taxing entity's applicable  
5791 funds, the legislative body of the taxing entity shall calculate an amount determined by dividing

5792 the budgeted property tax revenues, specified in a budget [~~which~~] that has been adopted and  
5793 approved prior to setting the levy, by the amount calculated under Subsections  
5794 [59-2-924](#)~~(3)~~(5)(c)(ii)(A) through (C).

5795 (4) The format of the statement under this section shall:

5796 (a) be determined by the commission; and

5797 (b) cite any applicable statutory provisions that:

5798 (i) require a specific levy; or

5799 (ii) limit the property tax levy for any taxing entity.

5800 (5) The commission may require certification that the information submitted on a  
5801 statement under this section is true and correct.

5802 Section 162. Section [59-2-924](#) is amended to read:

5803 **[59-2-924. Report of valuation of property to county auditor and commission --](#)**

5804 **[Transmittal by auditor to governing bodies -- Certified tax rate -- Calculation of certified](#)**  
5805 **[tax rate -- Rulemaking authority -- Adoption of tentative budget.](#)**

5806 (1) (a) Subject to Subsection (2), "new growth" means:

5807 (i) the difference between the taxable value of the following property of the taxing  
5808 entity from the previous calendar year to the current year:

5809 (A) real property assessed by a county assessor in accordance with Part 3, County  
5810 Assessment; and

5811 (B) property assessed by the commission under Section [59-2-201](#); plus

5812 (ii) the difference between the taxable year end value of personal property of the taxing  
5813 entity for:

5814 (A) the calendar year immediately preceding the previous calendar year; and

5815 (B) the previous calendar year; minus

5816 (iii) the amount of an increase in taxable value described in Subsection (2)(b).

5817 (b) Except as provided in Subsection (1)(c), new growth shall equal the greater of:

5818 (i) the amount calculated under Subsection (1)(a); or

5819 (ii) zero.

5820 (c) (i) When a project area funds collection period as defined in Section [17C-1-102](#)  
5821 ends, the project area's incremental value as defined in Section [17C-1-102](#) shall be:

5822 (A) considered new growth; and

- 5823 (B) added to the amount described in Subsection (1)(b).
- 5824 (ii) The amount calculated in Subsection (1)(c)(i)(B) shall not equal less than zero.
- 5825 (2) (a) For purposes of Subsection (1)(a)(ii), taxable value of personal property of the
- 5826 taxing entity does not include the taxable value of personal property that is:
- 5827 (i) contained on the tax rolls of the taxing entity if that property is assessed by a county
- 5828 assessor in accordance with Part 3, County Assessment; and
- 5829 (ii) semiconductor manufacturing equipment.
- 5830 (b) Subsection (1)(a)(iii) applies to the following increases in taxable value:
- 5831 (i) the amount of increase to locally assessed real property taxable values resulting
- 5832 from factoring, reappraisal, or any other adjustments; or
- 5833 (ii) the amount of an increase in the taxable value of property assessed by the
- 5834 commission under Section 59-2-201 resulting from a change in the method of apportioning the
- 5835 taxable value prescribed by:
- 5836 (A) the Legislature;
- 5837 (B) a court;
- 5838 (C) the commission in an administrative rule; or
- 5839 (D) the commission in an administrative order.
- 5840 [+] (3) Before June 1 of each year, the county assessor of each county shall deliver to
- 5841 the county auditor and the commission the following statements:
- 5842 (a) a statement containing the aggregate valuation of all taxable real property assessed
- 5843 by a county assessor in accordance with Part 3, County Assessment, for each taxing entity; and
- 5844 (b) a statement containing the taxable value of all personal property assessed by a
- 5845 county assessor in accordance with Part 3, County Assessment, from the prior year end values.
- 5846 ~~[(2)]~~ (4) The county auditor shall, on or before June 8, transmit to the governing body
- 5847 of each taxing entity:
- 5848 (a) the statements described in Subsections ~~[(+)]~~ (3)(a) and (b);
- 5849 (b) an estimate of the revenue from personal property;
- 5850 (c) the certified tax rate; and
- 5851 (d) all forms necessary to submit a tax levy request.
- 5852 ~~[(3)]~~ (5) (a) The "certified tax rate" means a tax rate that will provide the same ad
- 5853 valorem property tax revenues for a taxing entity as were budgeted by that taxing entity for the

5854 prior year.

5855 (b) For purposes of this Subsection [~~(3)~~] (5):

5856 (i) "Ad valorem property tax revenues" do not include:

5857 (A) interest;

5858 (B) penalties; and

5859 (C) revenue received by a taxing entity from personal property that is:

5860 (I) assessed by a county assessor in accordance with Part 3, County Assessment; and

5861 (II) semiconductor manufacturing equipment.

5862 (ii) "Aggregate taxable value of all property taxed" means:

5863 (A) the aggregate taxable value of all real property assessed by a county assessor in

5864 accordance with Part 3, County Assessment, for the current year;

5865 (B) the aggregate taxable year end value of all personal property assessed by a county

5866 assessor in accordance with Part 3, County Assessment, for the prior year; and

5867 (C) the aggregate taxable value of all real and personal property assessed by the

5868 commission in accordance with Part 2, Assessment of Property, for the current year.

5869 (c) (i) Except as otherwise provided in this section, the certified tax rate shall be

5870 calculated by dividing the ad valorem property tax revenues budgeted for the prior year by the

5871 taxing entity by the amount calculated under Subsection [~~(3)~~] (5)(c)(ii).

5872 (ii) For purposes of Subsection [~~(3)~~] (5)(c)(i), the legislative body of a taxing entity

5873 shall calculate an amount as follows:

5874 (A) calculate for the taxing entity the difference between:

5875 (I) the aggregate taxable value of all property taxed; and

5876 (II) any redevelopment adjustments for the current calendar year;

5877 (B) after making the calculation required by Subsection [~~(3)~~] (5)(c)(ii)(A), calculate an

5878 amount determined by increasing or decreasing the amount calculated under Subsection [~~(3)~~]

5879 (5)(c)(ii)(A) by the average of the percentage net change in the value of taxable property for the

5880 equalization period for the three calendar years immediately preceding the current calendar

5881 year;

5882 (C) after making the calculation required by Subsection [~~(3)~~] (5)(c)(ii)(B), calculate the

5883 product of:

5884 (I) the amount calculated under Subsection [~~(3)~~] (5)(c)(ii)(B); and

5885 (II) the percentage of property taxes collected for the five calendar years immediately  
5886 preceding the current calendar year; and

5887 (D) after making the calculation required by Subsection [~~(3)~~] (5)(c)(ii)(C), calculate an  
5888 amount determined by subtracting from the amount calculated under Subsection [~~(3)~~]

5889 (5)(c)(ii)(C) any new growth as defined in this section:

5890 (I) within the taxing entity; and

5891 (II) for the following calendar year:

5892 (Aa) for new growth from real property assessed by a county assessor in accordance  
5893 with Part 3, County Assessment and all property assessed by the commission in accordance  
5894 with Section 59-2-201, the current calendar year; and

5895 (Bb) for new growth from personal property assessed by a county assessor in  
5896 accordance with Part 3, County Assessment, the prior calendar year.

5897 (iii) For purposes of Subsection [~~(3)~~] (5)(c)(ii)(A), the aggregate taxable value of all  
5898 property taxed:

5899 (A) except as provided in Subsection [~~(3)~~] (5)(c)(iii)(B) or [~~(3)~~] (5)(c)(ii)(C), is as  
5900 defined in Subsection [~~(3)~~] (5)(b)(ii);

5901 (B) does not include the total taxable value of personal property contained on the tax  
5902 rolls of the taxing entity that is:

5903 (I) assessed by a county assessor in accordance with Part 3, County Assessment; and

5904 (II) semiconductor manufacturing equipment; and

5905 (C) for personal property assessed by a county assessor in accordance with Part 3,  
5906 County Assessment, the taxable value of personal property is the year end value of the personal  
5907 property contained on the prior year's tax rolls of the entity.

5908 (iv) For purposes of Subsection [~~(3)~~] (5)(c)(ii)(B), for calendar years beginning on or  
5909 after January 1, 2007, the value of taxable property does not include the value of personal  
5910 property that is:

5911 (A) within the taxing entity assessed by a county assessor in accordance with Part 3,  
5912 County Assessment; and

5913 (B) semiconductor manufacturing equipment.

5914 (v) For purposes of Subsection [~~(3)~~] (5)(c)(ii)(C)(II), for calendar years beginning on or  
5915 after January 1, 2007, the percentage of property taxes collected does not include property taxes

5916 collected from personal property that is:

5917 (A) within the taxing entity assessed by a county assessor in accordance with Part 3,  
5918 County Assessment; and

5919 (B) semiconductor manufacturing equipment.

5920 (vi) For purposes of Subsection [~~(3)~~] (5)(c)(ii)(B), for calendar years beginning on or  
5921 after January 1, 2009, the value of taxable property does not include the value of personal  
5922 property that is within the taxing entity assessed by a county assessor in accordance with Part 3,  
5923 County Assessment.

5924 (vii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
5925 the commission may prescribe rules for calculating redevelopment adjustments for a calendar  
5926 year.

5927 (viii) (A) Except as provided in Subsections [~~(3)~~] (5)(c)(ix) and (x), for purposes of  
5928 Subsection [~~(3)~~] (5)(c)(i), a taxing entity's ad valorem property tax revenues budgeted for the  
5929 prior year shall be decreased by an amount of revenue equal to the five-year average of the  
5930 most recent prior five years of redemptions adjusted by the five-year average redemption  
5931 calculated for the prior year as reported on the county treasurer's final annual settlement  
5932 required under Subsection 59-2-1365(2).

5933 (B) A decrease under Subsection [~~(3)~~] (5)(c)(viii)(A) does not apply to the multicounty  
5934 assessing and collecting levy authorized in Subsection 59-2-1602(2)(a), the certified revenue  
5935 levy, or the minimum basic tax rate established in Section 53A-17a-135.

5936 (ix) As used in Subsection [~~(3)~~] (5)(c)(x):

5937 (A) "One-fourth of qualifying redemptions excess amount" means a qualifying  
5938 redemptions excess amount divided by four.

5939 (B) "Qualifying redemptions" means that, for a calendar year, a taxing entity's total  
5940 amount of redemptions is greater than three times the five-year average of the most recent prior  
5941 five years of redemptions calculated for the prior year under Subsection [~~(3)~~] (5)(c)(viii)(A).

5942 (C) "Qualifying redemptions base amount" means an amount equal to three times the  
5943 five-year average of the most recent prior five years of redemptions for a taxing entity, as  
5944 reported on the county treasurer's final annual settlement required under Subsection  
5945 59-2-1365(2).

5946 (D) "Qualifying redemptions excess amount" means the amount by which a taxing



5947 entity's qualifying redemptions for a calendar year exceed the qualifying redemptions base  
5948 amount for that calendar year.

5949 (x) (A) If, for a calendar year, a taxing entity has qualifying redemptions, the  
5950 redemption amount for purposes of calculating the five-year redemption average required by  
5951 Subsection ~~[(3)]~~ (5)(c)(viii)(A) is as provided in Subsections ~~[(3)]~~ (5)(c)(x)(B) and (C).

5952 (B) For the initial calendar year a taxing entity has qualifying redemptions, the taxing  
5953 entity's redemption amount for that calendar year is the qualifying redemptions base amount.

5954 (C) For each of the four calendar years after the calendar year described in Subsection  
5955 ~~[(3)]~~ (5)(c)(x)(B), one-fourth of the qualifying redemptions excess amount shall be added to the  
5956 redemption amount.

5957 (d) (i) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
5958 the commission shall make rules determining the calculation of ad valorem property tax  
5959 revenues budgeted by a taxing entity.

5960 (ii) For purposes of Subsection ~~[(3)]~~ (5)(d)(i), ad valorem property tax revenues  
5961 budgeted by a taxing entity shall be calculated in the same manner as budgeted property tax  
5962 revenues are calculated for purposes of Section 59-2-913.

5963 (e) The certified tax rates for the taxing entities described in this Subsection ~~[(3)]~~ (5)(e)  
5964 shall be calculated as follows:

5965 (i) except as provided in Subsection ~~[(3)]~~ (5)(e)(ii), for new taxing entities the certified  
5966 tax rate is zero;

5967 (ii) for each municipality incorporated on or after July 1, 1996, the certified tax rate is:

5968 (A) in a county of the first, second, or third class, the levy imposed for municipal-type  
5969 services under Sections 17-34-1 and 17-36-9; and

5970 (B) in a county of the fourth, fifth, or sixth class, the levy imposed for general county  
5971 purposes and such other levies imposed solely for the municipal-type services identified in  
5972 Section 17-34-1 and Subsection 17-36-3(22); and

5973 (iii) for debt service voted on by the public, the certified tax rate shall be the actual  
5974 levy imposed by that section, except that the certified tax rates for the following levies shall be  
5975 calculated in accordance with Section 59-2-913 and this section:

5976 (A) school levies provided for under Sections 53A-16-113, 53A-17a-133, and  
5977 53A-17a-164; and

5978 (B) levies to pay for the costs of state legislative mandates or judicial or administrative  
5979 orders under Section 59-2-1602.

5980 (f) (i) A judgment levy imposed under Section 59-2-1328 or 59-2-1330 shall be  
5981 established at that rate which is sufficient to generate only the revenue required to satisfy one  
5982 or more eligible judgments, as defined in Section 59-2-102.

5983 (ii) The ad valorem property tax revenue generated by the judgment levy shall not be  
5984 considered in establishing the taxing entity's aggregate certified tax rate.

5985 (g) The ad valorem property tax revenue generated by the capital local levy described  
5986 in Section 53A-16-113 within a taxing entity in a county of the first class:

5987 (i) may not be considered in establishing the school district's aggregate certified tax  
5988 rate; and

5989 (ii) shall be included by the commission in establishing a certified tax rate for that  
5990 capital outlay levy determined in accordance with the calculation described in Subsection  
5991 59-2-913(3).

5992 ~~[(4)]~~ (6) (a) For the purpose of calculating the certified tax rate, the county auditor shall  
5993 use:

5994 (i) the taxable value of real property assessed by a county assessor contained on the  
5995 assessment roll;

5996 (ii) the taxable value of real and personal property assessed by the commission; and

5997 (iii) the taxable year end value of personal property assessed by a county assessor  
5998 contained on the prior year's assessment roll.

5999 (b) For purposes of Subsection ~~[(4)]~~ (6)(a)(i), the taxable value of real property on the  
6000 assessment roll does not include new growth as defined in Subsection ~~[(4)(c)]~~ (1).

6001 ~~[(c) "New growth" means:]~~

6002 ~~[(i) the difference between the increase in taxable value of the following property of~~  
6003 ~~the taxing entity from the previous calendar year to the current year:]~~

6004 ~~[(A) real property assessed by a county assessor in accordance with Part 3, County~~  
6005 ~~Assessment; and]~~

6006 ~~[(B) property assessed by the commission under Section 59-2-201; plus]~~

6007 ~~[(ii) the difference between the increase in taxable year end value of personal property~~  
6008 ~~of the taxing entity from the year prior to the previous calendar year to the previous calendar~~

6009 year; minus]

6010 [~~(iii) the amount of an increase in taxable value described in Subsection (4)(e).]~~

6011 [~~(d) For purposes of Subsection (4)(c)(ii), the taxable value of personal property of the~~

6012 ~~taxing entity does not include the taxable value of personal property that is:]~~

6013 [~~(i) contained on the tax rolls of the taxing entity if that property is assessed by a~~

6014 ~~county assessor in accordance with Part 3, County Assessment; and]~~

6015 [~~(ii) semiconductor manufacturing equipment.]~~

6016 [~~(e) Subsection (4)(c)(iii) applies to the following increases in taxable value:]~~

6017 [~~(i) the amount of increase to locally assessed real property taxable values resulting~~

6018 ~~from factoring, reappraisal, or any other adjustments; or]~~

6019 [~~(ii) the amount of an increase in the taxable value of property assessed by the~~

6020 ~~commission under Section 59-2-201 resulting from a change in the method of apportioning the~~

6021 ~~taxable value prescribed by:]~~

6022 [~~(A) the Legislature;]~~

6023 [~~(B) a court;]~~

6024 [~~(C) the commission in an administrative rule; or]~~

6025 [~~(D) the commission in an administrative order.]~~

6026 [~~(F)~~ (c) For purposes of Subsection [~~(4)~~] (6)(a)(ii), the taxable year end value of

6027 personal property on the prior year's assessment roll does not include:

6028 (i) new growth as defined in Subsection [~~(4)(e)~~] (1); or

6029 (ii) the total taxable year end value of personal property contained on the prior year's

6030 tax rolls of the taxing entity that is:

6031 (A) assessed by a county assessor in accordance with Part 3, County Assessment; and

6032 (B) semiconductor manufacturing equipment.

6033 [~~(5)~~] (7) (a) On or before June 22, each taxing entity shall annually adopt a tentative

6034 budget.

6035 (b) If the taxing entity intends to exceed the certified tax rate, it shall notify the county

6036 auditor of:

6037 (i) its intent to exceed the certified tax rate; and

6038 (ii) the amount by which it proposes to exceed the certified tax rate.

6039 (c) The county auditor shall notify property owners of any intent to levy a tax rate that

6040 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.

6041 Section 163. Section 59-2-924.2 is amended to read:

6042 **59-2-924.2. Adjustments to the calculation of a taxing entity's certified tax rate.**

6043 (1) For purposes of this section, "certified tax rate" means a certified tax rate calculated  
6044 in accordance with Section 59-2-924.

6045 (2) Beginning January 1, 1997, if a taxing entity receives increased revenues from  
6046 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,  
6047 59-2-405.2, or 59-2-405.3 as a result of any county imposing a sales and use tax under Chapter  
6048 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax  
6049 rate to offset the increased revenues.

6050 (3) (a) Beginning July 1, 1997, if a county has imposed a sales and use tax under  
6051 Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:

6052 (i) decreased on a one-time basis by the amount of the estimated sales and use tax  
6053 revenue to be distributed to the county under Subsection 59-12-1102(3); and

6054 (ii) increased by the amount necessary to offset the county's reduction in revenue from  
6055 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,  
6056 59-2-405.2, or 59-2-405.3 as a result of the decrease in the certified tax rate under Subsection  
6057 (3)(a)(i).

6058 (b) The commission shall determine estimates of sales and use tax distributions for  
6059 purposes of Subsection (3)(a).

6060 (4) Beginning January 1, 1998, if a municipality has imposed an additional resort  
6061 communities sales and use tax under Section 59-12-402, the municipality's certified tax rate  
6062 shall be decreased on a one-time basis by the amount necessary to offset the first 12 months of  
6063 estimated revenue from the additional resort communities sales and use tax imposed under  
6064 Section 59-12-402.

6065 (5) (a) This Subsection (5) applies to each county that:

6066 (i) establishes a countywide special service district under Title 17D, Chapter 1, Special  
6067 Service District Act, to provide jail service, as provided in Subsection 17D-1-201(10); and

6068 (ii) levies a property tax on behalf of the special service district under Section  
6069 17D-1-105.

6070 (b) (i) The certified tax rate of each county to which this Subsection (5) applies shall be

6071 decreased by the amount necessary to reduce county revenues by the same amount of revenues  
6072 that will be generated by the property tax imposed on behalf of the special service district.

6073 (ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the  
6074 levy on behalf of the special service district under Section 17D-1-105.

6075 (6) (a) As used in this Subsection (6):

6076 (i) "Annexing county" means a county whose unincorporated area is included within a  
6077 public safety district by annexation.

6078 (ii) "Annexing municipality" means a municipality whose area is included within a  
6079 public safety district by annexation.

6080 (iii) "Equalized public safety protection tax rate" means the tax rate that results from:

6081 (A) calculating, for each participating county and each participating municipality, the  
6082 property tax revenue necessary:

6083 (I) in the case of a fire district, to cover all of the costs associated with providing fire  
6084 protection, paramedic, and emergency services:

6085 (Aa) for a participating county, in the unincorporated area of the county; and

6086 (Bb) for a participating municipality, in the municipality; or

6087 (II) in the case of a police district, to cover all the costs:

6088 (Aa) associated with providing law enforcement service:

6089 (Ii) for a participating county, in the unincorporated area of the county; and

6090 (IIii) for a participating municipality, in the municipality; and

6091 (Bb) that the police district board designates as the costs to be funded by a property  
6092 tax; and

6093 (B) adding all the amounts calculated under Subsection (6)(a)(iii)(A) for all  
6094 participating counties and all participating municipalities and then dividing that sum by the  
6095 aggregate taxable value of the property, as adjusted in accordance with Section 59-2-913:

6096 (I) for participating counties, in the unincorporated area of all participating counties;  
6097 and

6098 (II) for participating municipalities, in all the participating municipalities.

6099 (iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service  
6100 Area Act:

6101 (A) created to provide fire protection, paramedic, and emergency services; and

- 6102 (B) in the creation of which an election was not required under Subsection  
6103 17B-1-214(3)(c).
- 6104 (v) "Participating county" means a county whose unincorporated area is included  
6105 within a public safety district at the time of the creation of the public safety district.
- 6106 (vi) "Participating municipality" means a municipality whose area is included within a  
6107 public safety district at the time of the creation of the public safety district.
- 6108 (vii) "Police district" means a service area under Title 17B, Chapter 2a, Part 9, Service  
6109 Area Act, within a county of the first class:
- 6110 (A) created to provide law enforcement service; and
- 6111 (B) in the creation of which an election was not required under Subsection  
6112 17B-1-214(3)(c).
- 6113 (viii) "Public safety district" means a fire district or a police district.
- 6114 (ix) "Public safety service" means:
- 6115 (A) in the case of a public safety district that is a fire district, fire protection,  
6116 paramedic, and emergency services; and
- 6117 (B) in the case of a public safety district that is a police district, law enforcement  
6118 service.
- 6119 (b) In the first year following creation of a public safety district, the certified tax rate of  
6120 each participating county and each participating municipality shall be decreased by the amount  
6121 of the equalized public safety tax rate.
- 6122 (c) In the first budget year following annexation to a public safety district, the certified  
6123 tax rate of each annexing county and each annexing municipality shall be decreased by an  
6124 amount equal to the amount of revenue budgeted by the annexing county or annexing  
6125 municipality:
- 6126 (i) for public safety service; and
- 6127 (ii) in:
- 6128 (A) for a taxing entity operating under a January 1 through December 31 fiscal year,  
6129 the prior calendar year; or
- 6130 (B) for a taxing entity operating under a July 1 through June 30 fiscal year, the prior  
6131 fiscal year.
- 6132 (d) Each tax levied under this section by a public safety district shall be considered to

6133 be levied by:

6134 (i) each participating county and each annexing county for purposes of the county's tax  
6135 limitation under Section 59-2-908; and

6136 (ii) each participating municipality and each annexing municipality for purposes of the  
6137 municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a  
6138 city.

6139 (e) The calculation of a public safety district's certified tax rate for the year of  
6140 annexation shall be adjusted to include an amount of revenue equal to one half of the amount  
6141 of revenue budgeted by the annexing entity for public safety service in the annexing entity's  
6142 prior fiscal year if:

6143 (i) the public safety district operates on a January 1 through December 31 fiscal year;

6144 (ii) the public safety district approves an annexation of an entity operating on a July 1  
6145 through June 30 fiscal year; and

6146 (iii) the annexation described in Subsection (6)(e)(ii) takes effect on July 1.

6147 (7) (a) The base taxable value under [~~Subsection~~] Section 17C-1-102~~[(6)]~~ shall be  
6148 reduced for any year to the extent necessary to provide a community [~~development and~~  
6149 ~~renewal~~] reinvestment agency established under Title 17C, Limited Purpose Local Government  
6150 Entities - Community [~~Development and Renewal Agencies~~] Reinvestment Agency Act, with  
6151 approximately the same amount of money the agency would have received without a reduction  
6152 in the county's certified tax rate, calculated in accordance with Section 59-2-924, if:

6153 (i) in that year there is a decrease in the certified tax rate under Subsection (2) or (3)(a);

6154 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of the  
6155 previous year; and

6156 (iii) the decrease results in a reduction of the amount to be paid to the agency under  
6157 Section 17C-1-403 or 17C-1-404.

6158 (b) The base taxable value under [~~Subsection~~] Section 17C-1-102~~[(6)]~~ shall be  
6159 increased in any year to the extent necessary to provide a community [~~development and~~  
6160 ~~renewal~~] reinvestment agency with approximately the same amount of money as the agency  
6161 would have received without an increase in the certified tax rate that year if:

6162 (i) in that year the base taxable value under [~~Subsection~~] Section 17C-1-102~~[(6)]~~ is  
6163 reduced due to a decrease in the certified tax rate under Subsection (2) or (3)(a); and

6164 (ii) the certified tax rate of a city, school district, local district, or special service  
6165 district increases independent of the adjustment to the taxable value of the base year.

6166 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a),  
6167 the amount of money allocated and, when collected, paid each year to a community  
6168 [~~development and renewal~~] reinvestment agency established under Title 17C, Limited Purpose  
6169 Local Government Entities - Community [~~Development and Renewal Agencies~~] Reinvestment  
6170 Agency Act, for the payment of bonds or other contract indebtedness, but not for administrative  
6171 costs, may not be less than that amount would have been without a decrease in the certified tax  
6172 rate under Subsection (2) or (3)(a).

6173 (8) (a) For the calendar year beginning on January 1, 2014, the calculation of a county  
6174 assessing and collecting levy shall be adjusted by the amount necessary to offset:

6175 (i) any change in the certified tax rate that may result from amendments to Part 16,  
6176 Multicounty Assessing and Collecting Levy, in Laws of Utah 2014, Chapter 270, Section 3;  
6177 and

6178 (ii) the difference in the amount of revenue a taxing entity receives from or contributes  
6179 to the Property Tax Valuation Agency Fund, created in Section [59-2-1602](#), that may result from  
6180 amendments to Part 16, Multicounty Assessing and Collecting Levy, in Laws of Utah 2014,  
6181 Chapter 270, Section 3.

6182 (b) A taxing entity is not required to comply with the notice and public hearing  
6183 requirements in Section [59-2-919](#) for an adjustment to the county assessing and collecting levy  
6184 described in Subsection (8)(a).

6185 (9) (a) For the calendar year beginning on January 1, 2017, the commission shall  
6186 increase or decrease a school district's certified tax rate to offset a change in revenues from the  
6187 calendar year beginning on January 1, 2016, to the calendar year beginning on January 1, 2017,  
6188 as follows:

6189 (i) the commission shall increase a school district's certified tax rate by the amount  
6190 necessary to offset a decrease in revenues that may result from the repeal of Section [59-2-924.3](#)  
6191 on December 31, 2016; and

6192 (ii) the commission shall decrease a school district's certified tax rate by the amount  
6193 necessary to offset an increase in revenues that may result from the repeal of Section  
6194 [59-2-924.3](#) on December 31, 2016.



6195 (b) (i) A school district is not required to comply with the notice and public hearing  
6196 requirements of Section 59-2-919 for an offset to the certified tax rate described in Subsection  
6197 (9)(a).

6198 (ii) If a school district's certified tax rate is increased in accordance with Subsection  
6199 (9)(a)(i), the school district shall:

6200 (A) on or before June 15, 2017, publish the statement provided in Subsection (9)(c)  
6201 one or more times in a newspaper or combination of newspapers of general circulation in the  
6202 taxing entity, in a portion of the newspaper where legal notices and classified advertisements  
6203 do not appear;

6204 (B) on or before June 30, 2017, read the statement provided in Subsection (9)(c) at a  
6205 public meeting of the school district; and

6206 (C) if the school district maintains a database containing electronic mail addresses of  
6207 one or more persons who reside within the school district boundaries, send the statement  
6208 provided in Subsection (9)(c) to those electronic mail addresses.

6209 (c) For purposes of Subsection (9)(b)(ii), the statement is: "For calendar year 2017, the  
6210 State Tax Commission is required to increase a property tax rate of this school district to offset  
6211 a loss in revenue due to the repeal of a statute to equalize certain school district property taxes.  
6212 This offset may result in an increase in your property taxes."

6213 Section 164. Section 59-2-924.3 is amended to read:

6214 **59-2-924.3. Adjustment of the calculation of the certified tax rate for a school**  
6215 **district imposing a capital local levy in a county of the first class.**

6216 (1) As used in this section:

6217 (a) "Capital local levy increment" means the amount of revenue equal to the difference  
6218 between:

6219 (i) the amount of revenue generated by a levy of .0006 per dollar of taxable value  
6220 within a school district during a fiscal year; and

6221 (ii) the amount of revenue the school district received during the same fiscal year from  
6222 the distribution described in Section 53A-16-114.

6223 (b) "Contributing school district" means a school district in a county of the first class  
6224 that in a fiscal year receives less revenue from the distribution described in Section  
6225 53A-16-114 than it would have received during the same fiscal year from a levy imposed

6226 within the school district of .0006 per dollar of taxable value.

6227 (c) "Receiving school district" means a school district in a county of the first class that  
6228 in a fiscal year receives more revenue from the distribution described in Section 53A-16-114  
6229 than it would have received during the same fiscal year from a levy imposed within the school  
6230 district of .0006 per dollar of taxable value.

6231 (2) A receiving school district shall decrease its capital local levy certified tax rate  
6232 under Subsection 59-2-924~~(3)~~(5)(g)(ii) by the amount required to offset the receiving school  
6233 district's estimated capital local levy increment for the prior fiscal year.

6234 (3) A contributing school district is exempt from the notice and public hearing  
6235 provisions of Section 59-2-919 for the school district's capital local levy certified tax rate  
6236 calculated pursuant to Subsection 59-2-924~~(3)~~(5)(g)(ii) if:

6237 (a) the contributing school district budgets an increased amount of ad valorem property  
6238 tax revenue exclusive of new growth as defined in Subsection 59-2-924~~(4)~~(1) for the capital  
6239 local levy described in Section 53A-16-113; and

6240 (b) the increased amount of ad valorem property tax revenue described in Subsection  
6241 (3)(a) is less than or equal to the difference between:

6242 (i) the amount of revenue generated by a levy of .0006 per dollar of taxable value  
6243 imposed within the contributing school district during the current taxable year; and

6244 (ii) the amount of revenue generated by a levy of .0006 per dollar of taxable value  
6245 imposed within the contributing school district during the prior taxable year.

6246 (4) Regardless of the amount a school district receives from the revenue collected from  
6247 the .0006 portion of the capital local levy required in Section 53A-16-113, the revenue  
6248 generated within the school district from the .0006 portion of the capital local levy required in  
6249 Section 53A-16-113 shall be considered to be budgeted ad valorem property tax revenues of  
6250 the school district that levies the .0006 portion of the capital local levy for purposes of  
6251 calculating the school district's certified tax rate in accordance with Subsection  
6252 59-2-924~~(3)~~(5)(g)(ii).

6253 Section 165. Section 59-7-614.2 is amended to read:

6254 **59-7-614.2. Refundable economic development tax credit.**

6255 (1) As used in this section:

6256 (a) "Business entity" means a taxpayer that meets the definition of "business entity" as

6257 defined in Section [63N-2-103](#).

6258 (b) "Community [~~development and renewal~~] reinvestment agency" is as defined in  
6259 Section [17C-1-102](#).

6260 (c) "Local government entity" is as defined in Section [63N-2-103](#).

6261 (d) "Office" means the Governor's Office of Economic Development.

6262 (2) Subject to the other provisions of this section, a business entity, local government  
6263 entity, or community [~~development and renewal~~] reinvestment agency may claim a refundable  
6264 tax credit for economic development.

6265 (3) The tax credit under this section is the amount listed as the tax credit amount on the  
6266 tax credit certificate that the office issues to the business entity, local government entity, or  
6267 community [~~development and renewal~~] reinvestment agency for the taxable year.

6268 (4) A community [~~development and renewal~~] reinvestment agency may claim a tax  
6269 credit under this section only if a local government entity assigns the tax credit to the  
6270 community [~~development and renewal~~] reinvestment agency in accordance with Section  
6271 [63N-2-104](#).

6272 (5) (a) In accordance with any rules prescribed by the commission under Subsection  
6273 (5)(b), the commission shall make a refund to the following that claim a tax credit under this  
6274 section:

6275 (i) a local government entity;

6276 (ii) a community [~~development and renewal~~] reinvestment agency; or

6277 (iii) a business entity if the amount of the tax credit exceeds the business entity's tax  
6278 liability for a taxable year.

6279 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
6280 commission may make rules providing procedures for making a refund to a business entity,  
6281 local government entity, or community [~~development and renewal~~] reinvestment agency as  
6282 required by Subsection (5)(a).

6283 (6) (a) On or before October 1, 2013, and every five years after October 1, 2013, the  
6284 Revenue and Taxation Interim Committee shall study the tax credit allowed by this section and  
6285 make recommendations to the Legislative Management Committee concerning whether the tax  
6286 credit should be continued, modified, or repealed.

6287 (b) For purposes of the study required by this Subsection (6), the office shall provide

6288 the following information to the Revenue and Taxation Interim Committee:

6289 (i) the amount of tax credit that the office grants to each business entity, local  
6290 government entity, or community [~~development and renewal~~] reinvestment agency for each  
6291 calendar year;

6292 (ii) the criteria that the office uses in granting a tax credit;

6293 (iii) (A) for a business entity, the new state revenues generated by the business entity  
6294 for the calendar year; or

6295 (B) for a local government entity, regardless of whether the local government entity  
6296 assigns the tax credit in accordance with Section 63N-2-104, the new state revenues generated  
6297 as a result of a new commercial project within the local government entity for each calendar  
6298 year;

6299 (iv) the information contained in the office's latest report to the Legislature under  
6300 Section 63N-2-106; and

6301 (v) any other information that the Revenue and Taxation Interim Committee requests.

6302 (c) The Revenue and Taxation Interim Committee shall ensure that its  
6303 recommendations under Subsection (6)(a) include an evaluation of:

6304 (i) the cost of the tax credit to the state;

6305 (ii) the purpose and effectiveness of the tax credit; and

6306 (iii) the extent to which the state benefits from the tax credit.

6307 Section 166. Section 59-12-603 is amended to read:

6308 **59-12-603. County tax -- Bases -- Rates -- Use of revenues -- Adoption of**  
6309 **ordinance required -- Advisory board -- Administration -- Collection -- Administrative**  
6310 **charge -- Distribution -- Enactment or repeal of tax or tax rate change -- Effective date --**  
6311 **Notice requirements.**

6312 (1) (a) In addition to any other taxes, a county legislative body may, as provided in this  
6313 part, impose a tax as follows:

6314 (i) (A) a county legislative body of any county may impose a tax of not to exceed 3%  
6315 on all short-term leases and rentals of motor vehicles not exceeding 30 days, except for leases  
6316 and rentals of motor vehicles made for the purpose of temporarily replacing a person's motor  
6317 vehicle that is being repaired pursuant to a repair or an insurance agreement; and

6318 (B) beginning on or after January 1, 1999, a county legislative body of any county

6319 imposing a tax under Subsection (1)(a)(i)(A) may, in addition to imposing the tax under  
6320 Subsection (1)(a)(i)(A), impose a tax of not to exceed 4% on all short-term leases and rentals  
6321 of motor vehicles not exceeding 30 days, except for leases and rentals of motor vehicles made  
6322 for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant  
6323 to a repair or an insurance agreement;

6324 (ii) a county legislative body of any county may impose a tax of not to exceed 1% of all  
6325 sales of the following that are sold by a restaurant:

6326 (A) alcoholic beverages;

6327 (B) food and food ingredients; or

6328 (C) prepared food; and

6329 (iii) a county legislative body of a county of the first class may impose a tax of not to  
6330 exceed .5% on charges for the accommodations and services described in Subsection

6331 [59-12-103\(1\)\(i\)](#).

6332 (b) A tax imposed under Subsection (1)(a) is subject to the audit provisions of Section  
6333 [17-31-5.5](#).

6334 (2) (a) Subject to Subsection (2)(b), revenue from the imposition of the taxes provided  
6335 for in Subsections (1)(a)(i) through (iii) may be used for:

6336 (i) financing tourism promotion; and

6337 (ii) the development, operation, and maintenance of:

6338 (A) an airport facility;

6339 (B) a convention facility;

6340 (C) a cultural facility;

6341 (D) a recreation facility; or

6342 (E) a tourist facility.

6343 (b) A county of the first class shall expend at least \$450,000 each year of the revenues  
6344 from the imposition of a tax authorized by Subsection (1)(a)(iii) within the county to fund a  
6345 marketing and ticketing system designed to:

6346 (i) promote tourism in ski areas within the county by persons that do not reside within  
6347 the state; and

6348 (ii) combine the sale of:

6349 (A) ski lift tickets; and

6350 (B) accommodations and services described in Subsection 59-12-103(1)(i).

6351 (3) A tax imposed under this part may be pledged as security for bonds, notes, or other  
6352 evidences of indebtedness incurred by a county, city, or town under Title 11, Chapter 14, Local  
6353 Government Bonding Act, or a community [~~development and renewal~~] reinvestment agency  
6354 under Title 17C, Chapter 1, Part 5, Agency Bonds, to finance:

6355 (a) an airport facility;

6356 (b) a convention facility;

6357 (c) a cultural facility;

6358 (d) a recreation facility; or

6359 (e) a tourist facility.

6360 (4) (a) In order to impose the tax under Subsection (1), each county legislative body  
6361 shall adopt an ordinance imposing the tax.

6362 (b) The ordinance under Subsection (4)(a) shall include provisions substantially the  
6363 same as those contained in Part 1, Tax Collection, except that the tax shall be imposed only on  
6364 those items and sales described in Subsection (1).

6365 (c) The name of the county as the taxing agency shall be substituted for that of the state  
6366 where necessary, and an additional license is not required if one has been or is issued under  
6367 Section 59-12-106.

6368 (5) In order to maintain in effect its tax ordinance adopted under this part, each county  
6369 legislative body shall, within 30 days of any amendment of any applicable provisions of Part 1,  
6370 Tax Collection, adopt amendments to its tax ordinance to conform with the applicable  
6371 amendments to Part 1, Tax Collection.

6372 (6) (a) Regardless of whether a county of the first class creates a tourism tax advisory  
6373 board in accordance with Section 17-31-8, the county legislative body of the county of the first  
6374 class shall create a tax advisory board in accordance with this Subsection (6).

6375 (b) The tax advisory board shall be composed of nine members appointed as follows:

6376 (i) four members shall be appointed by the county legislative body of the county of the  
6377 first class as follows:

6378 (A) one member shall be a resident of the unincorporated area of the county;

6379 (B) two members shall be residents of the incorporated area of the county; and

6380 (C) one member shall be a resident of the unincorporated or incorporated area of the

6381 county; and

6382 (ii) subject to Subsections (6)(c) and (d), five members shall be mayors of cities or  
6383 towns within the county of the first class appointed by an organization representing all mayors  
6384 of cities and towns within the county of the first class.

6385 (c) Five members of the tax advisory board constitute a quorum.

6386 (d) The county legislative body of the county of the first class shall determine:

6387 (i) terms of the members of the tax advisory board;

6388 (ii) procedures and requirements for removing a member of the tax advisory board;

6389 (iii) voting requirements, except that action of the tax advisory board shall be by at  
6390 least a majority vote of a quorum of the tax advisory board;

6391 (iv) chairs or other officers of the tax advisory board;

6392 (v) how meetings are to be called and the frequency of meetings; and

6393 (vi) the compensation, if any, of members of the tax advisory board.

6394 (e) The tax advisory board under this Subsection (6) shall advise the county legislative  
6395 body of the county of the first class on the expenditure of revenues collected within the county  
6396 of the first class from the taxes described in Subsection (1)(a).

6397 (7) (a) (i) Except as provided in Subsection (7)(a)(ii), a tax authorized under this part  
6398 shall be administered, collected, and enforced in accordance with:

6399 (A) the same procedures used to administer, collect, and enforce the tax under:

6400 (I) Part 1, Tax Collection; or

6401 (II) Part 2, Local Sales and Use Tax Act; and

6402 (B) Chapter 1, General Taxation Policies.

6403 (ii) A tax under this part is not subject to Section [59-12-107.1](#) or [59-12-123](#) or  
6404 Subsections [59-12-205](#)(2) through (6).

6405 (b) Except as provided in Subsection (7)(c):

6406 (i) for a tax under this part other than the tax under Subsection (1)(a)(i)(B), the  
6407 commission shall distribute the revenues to the county imposing the tax; and

6408 (ii) for a tax under Subsection (1)(a)(i)(B), the commission shall distribute the revenues  
6409 according to the distribution formula provided in Subsection (8).

6410 (c) The commission shall retain and deposit an administrative charge in accordance  
6411 with Section [59-1-306](#) from the revenues the commission collects from a tax under this part.

6412 (8) The commission shall distribute the revenues generated by the tax under Subsection  
6413 (1)(a)(i)(B) to each county collecting a tax under Subsection (1)(a)(i)(B) according to the  
6414 following formula:

6415 (a) the commission shall distribute 70% of the revenues based on the percentages  
6416 generated by dividing the revenues collected by each county under Subsection (1)(a)(i)(B) by  
6417 the total revenues collected by all counties under Subsection (1)(a)(i)(B); and

6418 (b) the commission shall distribute 30% of the revenues based on the percentages  
6419 generated by dividing the population of each county collecting a tax under Subsection  
6420 (1)(a)(i)(B) by the total population of all counties collecting a tax under Subsection (1)(a)(i)(B).

6421 (9) (a) For purposes of this Subsection (9):

6422 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,  
6423 County Annexation.

6424 (ii) "Annexing area" means an area that is annexed into a county.

6425 (b) (i) Except as provided in Subsection (9)(c), if, on or after July 1, 2004, a county  
6426 enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal, or  
6427 change shall take effect:

6428 (A) on the first day of a calendar quarter; and

6429 (B) after a 90-day period beginning on the date the commission receives notice meeting  
6430 the requirements of Subsection (9)(b)(ii) from the county.

6431 (ii) The notice described in Subsection (9)(b)(i)(B) shall state:

6432 (A) that the county will enact or repeal a tax or change the rate of a tax under this part;

6433 (B) the statutory authority for the tax described in Subsection (9)(b)(ii)(A);

6434 (C) the effective date of the tax described in Subsection (9)(b)(ii)(A); and

6435 (D) if the county enacts the tax or changes the rate of the tax described in Subsection  
6436 (9)(b)(ii)(A), the rate of the tax.

6437 (c) (i) The enactment of a tax or a tax rate increase shall take effect on the first day of  
6438 the first billing period:

6439 (A) that begins after the effective date of the enactment of the tax or the tax rate  
6440 increase; and

6441 (B) if the billing period for the transaction begins before the effective date of the  
6442 enactment of the tax or the tax rate increase imposed under Subsection (1).



6443 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last  
6444 billing period:

6445 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;  
6446 and

6447 (B) if the billing period for the transaction begins before the effective date of the repeal  
6448 of the tax or the tax rate decrease imposed under Subsection (1).

6449 (d) (i) Except as provided in Subsection (9)(e), if, for an annexation that occurs on or  
6450 after July 1, 2004, the annexation will result in the enactment, repeal, or change in the rate of a  
6451 tax under this part for an annexing area, the enactment, repeal, or change shall take effect:

6452 (A) on the first day of a calendar quarter; and

6453 (B) after a 90-day period beginning on the date the commission receives notice meeting  
6454 the requirements of Subsection (9)(d)(ii) from the county that annexes the annexing area.

6455 (ii) The notice described in Subsection (9)(d)(i)(B) shall state:

6456 (A) that the annexation described in Subsection (9)(d)(i) will result in an enactment,  
6457 repeal, or change in the rate of a tax under this part for the annexing area;

6458 (B) the statutory authority for the tax described in Subsection (9)(d)(ii)(A);

6459 (C) the effective date of the tax described in Subsection (9)(d)(ii)(A); and

6460 (D) if the county enacts the tax or changes the rate of the tax described in Subsection  
6461 (9)(d)(ii)(A), the rate of the tax.

6462 (e) (i) The enactment of a tax or a tax rate increase shall take effect on the first day of  
6463 the first billing period:

6464 (A) that begins after the effective date of the enactment of the tax or the tax rate  
6465 increase; and

6466 (B) if the billing period for the transaction begins before the effective date of the  
6467 enactment of the tax or the tax rate increase imposed under Subsection (1).

6468 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last  
6469 billing period:

6470 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;  
6471 and

6472 (B) if the billing period for the transaction begins before the effective date of the repeal  
6473 of the tax or the tax rate decrease imposed under Subsection (1).

6474 Section 167. Section **63G-7-102** is amended to read:

6475 **63G-7-102. Definitions.**

6476 As used in this chapter:

6477 (1) "Claim" means any asserted demand for or cause of action for money or damages,  
6478 whether arising under the common law, under state constitutional provisions, or under state  
6479 statutes, against a governmental entity or against an employee in the employee's personal  
6480 capacity.

6481 (2) (a) "Employee" includes:

6482 (i) a governmental entity's officers, employees, servants, trustees, or commissioners;

6483 (ii) members of a governing body;

6484 (iii) members of a government entity board;

6485 (iv) members of a government entity commission;

6486 (v) members of an advisory body, officers, and employees of a Children's Justice  
6487 Center created in accordance with Section [67-5b-104](#);

6488 (vi) student teachers holding a letter of authorization in accordance with Sections  
6489 [53A-6-103](#) and [53A-6-104](#);

6490 (vii) educational aides;

6491 (viii) students engaged in providing services to members of the public in the course of  
6492 an approved medical, nursing, or other professional health care clinical training program;

6493 (ix) volunteers as defined by Subsection [67-20-2\(3\)](#); and

6494 (x) tutors.

6495 (b) "Employee" includes all of the positions identified in Subsection (2)(a), whether or  
6496 not the individual holding that position receives compensation.

6497 (c) "Employee" does not include an independent contractor.

6498 (3) "Governmental entity" means the state and its political subdivisions as both are  
6499 defined in this section.

6500 (4) (a) "Governmental function" means each activity, undertaking, or operation of a  
6501 governmental entity.

6502 (b) "Governmental function" includes each activity, undertaking, or operation  
6503 performed by a department, agency, employee, agent, or officer of a governmental entity.

6504 (c) "Governmental function" includes a governmental entity's failure to act.

6505 (5) "Injury" means death, injury to a person, damage to or loss of property, or any other  
6506 injury that a person may suffer to the person or estate, that would be actionable if inflicted by a  
6507 private person or the private person's agent.

6508 (6) "Personal injury" means an injury of any kind other than property damage.

6509 (7) "Political subdivision" means any county, city, town, school district, community  
6510 [~~development and renewal~~] reinvestment agency, special improvement or taxing district, local  
6511 district, special service district, an entity created by an interlocal agreement adopted under Title  
6512 11, Chapter 13, Interlocal Cooperation Act, or other governmental subdivision or public  
6513 corporation.

6514 (8) "Property damage" means injury to, or loss of, any right, title, estate, or interest in  
6515 real or personal property.

6516 (9) "State" means the state of Utah, and includes each office, department, division,  
6517 agency, authority, commission, board, institution, hospital, college, university, Children's  
6518 Justice Center, or other instrumentality of the state.

6519 (10) "Willful misconduct" means the intentional doing of a wrongful act, or the  
6520 wrongful failure to act, without just cause or excuse, where the actor is aware that the actor's  
6521 conduct will probably result in injury.

6522 Section 168. Section **63G-9-201** is amended to read:

6523 **63G-9-201. Members -- Functions.**

6524 (1) As used in this chapter:

6525 (a) "Political subdivision" means any county, city, town, school district, community  
6526 [~~development and renewal~~] reinvestment agency, special improvement or taxing district, local  
6527 district, special service district, an entity created by an interlocal agreement adopted under Title  
6528 11, Chapter 13, Interlocal Cooperation Act, or other governmental subdivision or public  
6529 corporation.

6530 (b) "State" means the state of Utah, and includes each office, department, division,  
6531 agency, authority, commission, board, institution, college, university, Children's Justice Center,  
6532 or other instrumentality of the state.

6533 (2) The governor, the state auditor, and the attorney general shall constitute a Board of  
6534 Examiners, with power to examine all claims against the state or a political subdivision, for the  
6535 payment of which funds appropriated by the Legislature or derived from any other source are

6536 not available.

6537 (3) No claim against the state or a political subdivision, for the payment of which  
6538 specifically designated funds are required to be appropriated by the Legislature shall be passed  
6539 upon by the Legislature without having been considered and acted upon by the Board of  
6540 Examiners.

6541 (4) The governor shall be the president, and the state auditor shall be the secretary of  
6542 the board, and in the absence of either an officer pro tempore may be elected from among the  
6543 members of the board.

6544 Section 169. Section **63I-1-259** is amended to read:

6545 **63I-1-259. Repeal dates, Title 59.**

6546 (1) Subsection [59-2-924](#)~~(3)~~(5)(g) is repealed on December 31, 2016.

6547 (2) Subsection [59-2-924.2](#)(9) is repealed on December 31, 2017.

6548 (3) Section [59-2-924.3](#) is repealed on December 31, 2016.

6549 (4) Section [59-7-618](#) is repealed July 1, 2020.

6550 (5) Section [59-9-102.5](#) is repealed December 31, 2020.

6551 (6) Section [59-10-1033](#) is repealed July 1, 2020.

6552 (7) Subsection [59-12-2219](#)(10) is repealed on June 30, 2020.

6553 Section 170. Section **63N-2-103** is amended to read:

6554 **63N-2-103. Definitions.**

6555 As used in this part:

6556 (1) "Business entity" means a person that enters into an agreement with the office to  
6557 initiate a new commercial project in Utah that will qualify the person to receive a tax credit  
6558 under Section [59-7-614.2](#) or [59-10-1107](#).

6559 (2) "Community [~~development and renewal~~] reinvestment agency" has the same  
6560 meaning as that term is defined in Section [17C-1-102](#).

6561 (3) "Development zone" means an economic development zone created under Section  
6562 [63N-2-104](#).

6563 (4) "High paying jobs" means:

6564 (a) with respect to a business entity, the aggregate average annual gross wages, not  
6565 including healthcare or other paid or unpaid benefits, of newly created full-time employment  
6566 positions in a business entity that are at least 110% of the average wage of a community in

6567 which the employment positions will exist;

6568 (b) with respect to a county, the aggregate average annual gross wages, not including  
6569 healthcare or other paid or unpaid benefits, of newly created full-time employment positions in  
6570 a new commercial project within the county that are at least 110% of the average wage of the  
6571 county in which the employment positions will exist; or

6572 (c) with respect to a city or town, the aggregate average annual gross wages, not  
6573 including healthcare or other paid or unpaid benefits of newly created full-time employment  
6574 positions in a new commercial project within the city or town that are at least 110% of the  
6575 average wages of the city or town in which the employment positions will exist.

6576 (5) "Local government entity" means a county, city, or town that enters into an  
6577 agreement with the office to have a new commercial project that:

6578 (a) is initiated within the county's, city's, or town's boundaries; and

6579 (b) qualifies the county, city, or town to receive a tax credit under Section 59-7-614.2.

6580 (6) (a) "New commercial project" means an economic development opportunity that  
6581 involves new or expanded industrial, manufacturing, distribution, or business services in Utah.

6582 (b) "New commercial project" does not include retail business.

6583 (7) (a) "New incremental jobs" means full-time employment positions that are filled by  
6584 employees who work at least 30 hours per week and that are:

6585 (i) with respect to a business entity, created in addition to the baseline count of  
6586 employment positions that existed within the business entity before the new commercial  
6587 project;

6588 (ii) with respect to a county, created as a result of a new commercial project with  
6589 respect to which the county or a community development and renewal agency seeks to claim a  
6590 tax credit under Section 59-7-614.2; or

6591 (iii) with respect to a city or town, created as a result of a new commercial project with  
6592 respect to which the city, town, or a community development and renewal agency seeks to  
6593 claim a tax credit under Section 59-7-614.2.

6594 (b) "New incremental jobs" may include full-time equivalent positions that are filled by  
6595 more than one employee, if each employee who works less than 30 hours per week is provided  
6596 benefits comparable to a full-time employee.

6597 (c) "New incremental jobs" does not include jobs that are shifted from one jurisdiction

6598 in the state to another jurisdiction in the state.

6599 (8) "New state revenues" means:

6600 (a) with respect to a business entity:

6601 (i) incremental new state sales and use tax revenues that a business entity pays under  
6602 Title 59, Chapter 12, Sales and Use Tax Act, as a result of a new commercial project in a  
6603 development zone;

6604 (ii) incremental new state tax revenues that a business entity pays as a result of a new  
6605 commercial project in a development zone under:

6606 (A) Title 59, Chapter 7, Corporate Franchise and Income Taxes;

6607 (B) Title 59, Chapter 10, Part 1, Determination and Reporting of Tax Liability and  
6608 Information;

6609 (C) Title 59, Chapter 10, Part 2, Trusts and Estates;

6610 (D) Title 59, Chapter 10, Part 4, Withholding of Tax; or

6611 (E) a combination of Subsections (8)(a)(ii)(A) through (D);

6612 (iii) incremental new state tax revenues paid as individual income taxes under Title 59,  
6613 Chapter 10, Part 1, Determination and Reporting of Tax Liability and Information, by  
6614 employees of a new or expanded industrial, manufacturing, distribution, or business service  
6615 within a new commercial project as evidenced by payroll records that indicate the amount of  
6616 employee income taxes withheld and transmitted to the State Tax Commission by the new or  
6617 expanded industrial, manufacturing, distribution, or business service within the new  
6618 commercial project; or

6619 (iv) a combination of Subsections (8)(a)(i) through (iii); or

6620 (b) with respect to a local government entity:

6621 (i) incremental new state sales and use tax revenues that are collected under Title 59,  
6622 Chapter 12, Sales and Use Tax Act, as a result of a new commercial project in a development  
6623 zone;

6624 (ii) incremental new state tax revenues that are collected as a result of a new  
6625 commercial project in a development zone under:

6626 (A) Title 59, Chapter 7, Corporate Franchise and Income Taxes;

6627 (B) Title 59, Chapter 10, Part 1, Determination and Reporting of Tax Liability and  
6628 Information;

- 6629 (C) Title 59, Chapter 10, Part 2, Trusts and Estates;
- 6630 (D) Title 59, Chapter 10, Part 4, Withholding of Tax; or
- 6631 (E) a combination of Subsections (8)(b)(ii)(A) through (D);
- 6632 (iii) incremental new state tax revenues paid as individual income taxes under Title 59,
- 6633 Chapter 10, Part 1, Determination and Reporting of Tax Liability and Information, by
- 6634 employees of a new or expanded industrial, manufacturing, distribution, or business service
- 6635 within a new commercial project as evidenced by payroll records that indicate the amount of
- 6636 employee income taxes withheld and transmitted to the State Tax Commission by the new or
- 6637 expanded industrial, manufacturing, distribution, or business service within the new
- 6638 commercial project; or
- 6639 (iv) a combination of Subsections (8)(b)(i) through (iii).
- 6640 (9) "Significant capital investment" means an amount of at least \$10,000,000 to
- 6641 purchase capital or fixed assets, which may include real property, personal property, and other
- 6642 fixtures related to a new commercial project:
- 6643 (a) that represents an expansion of existing operations in the state; or
- 6644 (b) that maintains or increases the business entity's existing work force in the state.
- 6645 (10) "Tax credit" means an economic development tax credit created by Section
- 6646 [59-7-614.2](#) or [59-10-1107](#).
- 6647 (11) "Tax credit amount" means the amount the office lists as a tax credit on a tax
- 6648 credit certificate for a taxable year.
- 6649 (12) "Tax credit certificate" means a certificate issued by the office that:
- 6650 (a) lists the name of the business entity, local government entity, or community
- 6651 development and renewal agency to which the office authorizes a tax credit;
- 6652 (b) lists the business entity's, local government entity's, or community development and
- 6653 renewal agency's taxpayer identification number;
- 6654 (c) lists the amount of tax credit that the office authorizes the business entity, local
- 6655 government entity, or community development and renewal agency for the taxable year; and
- 6656 (d) may include other information as determined by the office.
- 6657 Section 171. Section **63N-2-104** is amended to read:
- 6658 **63N-2-104. Creation of economic development zones -- Tax credits -- Assignment**
- 6659 **of tax credit.**

6660 (1) The office, with advice from the board, may create an economic development zone  
6661 in the state if the following requirements are satisfied:

6662 (a) the area is zoned commercial, industrial, manufacturing, business park, research  
6663 park, or other appropriate business related use in a community-approved master plan;

6664 (b) the request to create a development zone has first been approved by an appropriate  
6665 local government entity; and

6666 (c) local incentives have been or will be committed to be provided within the area.

6667 (2) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
6668 the office shall make rules establishing the requirements for a business entity or local  
6669 government entity to qualify for a tax credit for a new commercial project in a development  
6670 zone under this part.

6671 (b) The office shall ensure that the requirements described in Subsection (2)(a) include  
6672 the following:

6673 (i) the new commercial project is within the development zone;

6674 (ii) the new commercial project includes direct investment within the geographic  
6675 boundaries of the development zone;

6676 (iii) the new commercial project brings new incremental jobs to Utah;

6677 (iv) the new commercial project includes the creation of high paying jobs in the state,  
6678 significant capital investment in the state, or significant purchases from vendors and providers  
6679 in the state, or a combination of these three economic factors;

6680 (v) the new commercial project generates new state revenues; and

6681 (vi) a business entity, a local government entity, or a community [~~development and~~  
6682 ~~renewal~~] reinvestment agency to which a local government entity assigns a tax credit under this  
6683 section meets the requirements of Section [63N-2-105](#).

6684 (3) (a) The office, after consultation with the board, may enter into a written agreement  
6685 with a business entity or local government entity authorizing a tax credit to the business entity  
6686 or local government entity if the business entity or local government entity meets the  
6687 requirements described in this section.

6688 (b) (i) With respect to a new commercial project, the office may authorize a tax credit  
6689 to a business entity or a local government entity, but not both.

6690 (ii) In determining whether to authorize a tax credit with respect to a new commercial



6691 project to a business entity or a local government entity, the office shall authorize the tax credit  
6692 in a manner that the office determines will result in providing the most effective incentive for  
6693 the new commercial project.

6694 (c) (i) Except as provided in Subsection (3)(c)(ii), the office may not authorize or  
6695 commit to authorize a tax credit that exceeds:

6696 (A) 50% of the new state revenues from the new commercial project in any given year;

6697 or

6698 (B) 30% of the new state revenues from the new commercial project over the lesser of  
6699 the life of a new commercial project or 20 years.

6700 (ii) If the eligible business entity makes capital expenditures in the state of  
6701 \$1,500,000,000 or more associated with a new commercial project, the office may:

6702 (A) authorize or commit to authorize a tax credit not exceeding 60% of new state  
6703 revenues over the lesser of the life of the project or 20 years, if the other requirements of this  
6704 part are met;

6705 (B) establish the year that state revenues and incremental jobs baseline data are  
6706 measured for purposes of an incentive under this Subsection (3)(c)(ii); and

6707 (C) offer an incentive under this Subsection (3)(c)(ii) or modify an existing incentive  
6708 previously granted under Subsection (3)(c)(i) that is based on the baseline measurements  
6709 described in Subsection (3)(c)(ii)(B), except that the incentive may not authorize or commit to  
6710 authorize a tax credit of more than 60% of new state revenues in any one year.

6711 (d) (i) A local government entity may by resolution assign a tax credit authorized by  
6712 the office to a community [~~development and renewal~~] reinvestment agency.

6713 (ii) The local government entity shall provide a copy of the resolution described in  
6714 Subsection (3)(d)(i) to the office.

6715 (iii) If a local government entity assigns a tax credit to a community [~~development and  
6716 renewal~~] reinvestment agency, the written agreement described in Subsection (3)(a) shall:

6717 (A) be between the office, the local government entity, and the community  
6718 [~~development and renewal~~] reinvestment agency;

6719 (B) establish the obligations of the local government entity and the community  
6720 [~~development and renewal~~] reinvestment agency; and

6721 (C) establish the extent to which any of the local government entity's obligations are

6722 transferred to the community [~~development and renewal~~] reinvestment agency.

6723 (iv) If a local government entity assigns a tax credit to a community [~~development and~~  
6724 ~~renewal~~] reinvestment agency:

6725 (A) the community [~~development and renewal~~] reinvestment agency shall retain  
6726 records as described in Subsection (4)(d); and

6727 (B) a tax credit certificate issued in accordance with Section [63N-2-106](#) shall list the  
6728 community [~~development and renewal~~] reinvestment agency as the named applicant.

6729 (4) The office shall ensure that the written agreement described in Subsection (3):

6730 (a) specifies the requirements that the business entity or local government entity shall  
6731 meet to qualify for a tax credit under this part;

6732 (b) specifies the maximum amount of tax credit that the business entity or local  
6733 government entity may be authorized for a taxable year and over the life of the new commercial  
6734 project;

6735 (c) establishes the length of time the business entity or local government entity may  
6736 claim a tax credit;

6737 (d) requires the business entity or local government entity to retain records supporting a  
6738 claim for a tax credit for at least four years after the business entity or local government entity  
6739 claims a tax credit under this part; and

6740 (e) requires the business entity or local government entity to submit to audits for  
6741 verification of the tax credit claimed.

6742 Section 172. Section [63N-2-105](#) is amended to read:

6743 **[63N-2-105. Qualifications for tax credit -- Procedure.](#)**

6744 (1) The office shall certify a business entity's or local government entity's eligibility for  
6745 a tax credit as provided in this part.

6746 (2) A business entity or local government entity seeking to receive a tax credit as  
6747 provided in this part shall provide the office with:

6748 (a) an application for a tax credit certificate, including a certification, by an officer of  
6749 the business entity, of any signature on the application;

6750 (b) (i) for a business entity, documentation of the new state revenues from the business  
6751 entity's new commercial project that were paid during the preceding calendar year; or

6752 (ii) for a local government entity, documentation of the new state revenues from the

6753 new commercial project within the area of the local government entity that were paid during  
6754 the preceding calendar year;

6755 (c) known or expected detriments to the state or existing businesses in the state;

6756 (d) if a local government entity seeks to assign the tax credit to a community  
6757 [~~development and renewal~~] reinvestment agency as described in Section 63N-2-104, a  
6758 statement providing the name and taxpayer identification number of the community  
6759 [~~development and renewal~~] reinvestment agency to which the local government entity seeks to  
6760 assign the tax credit;

6761 (e) (i) with respect to a business entity, a document that expressly directs and  
6762 authorizes the State Tax Commission to disclose to the office the business entity's returns and  
6763 other information that would otherwise be subject to confidentiality under Section 59-1-403 or  
6764 Section 6103, Internal Revenue Code;

6765 (ii) with respect to a local government entity that seeks to claim the tax credit:

6766 (A) a document that expressly directs and authorizes the State Tax Commission to  
6767 disclose to the office the local government entity's returns and other information that would  
6768 otherwise be subject to confidentiality under Section 59-1-403 or Section 6103, Internal  
6769 Revenue Code; and

6770 (B) if the new state revenues collected as a result of a new commercial project are  
6771 attributable in whole or in part to a new or expanded industrial, manufacturing, distribution, or  
6772 business service within a new commercial project within the area of the local government  
6773 entity, a document signed by an authorized representative of the new or expanded industrial,  
6774 manufacturing, distribution, or business service that:

6775 (I) expressly directs and authorizes the State Tax Commission to disclose to the office  
6776 the returns of the new or expanded industrial, manufacturing, distribution, or business service  
6777 and other information that would otherwise be subject to confidentiality under Section  
6778 59-1-403 or Section 6103, Internal Revenue Code; and

6779 (II) lists the taxpayer identification number of the new or expanded industrial,  
6780 manufacturing, distribution, or business service; or

6781 (iii) with respect to a local government entity that seeks to assign the tax credit to a  
6782 community [~~development and renewal~~] reinvestment agency:

6783 (A) a document signed by the members of the governing body of the community

6784 [~~development and renewal~~] reinvestment agency that expressly directs and authorizes the State  
6785 Tax Commission to disclose to the office the returns of the community [~~development and~~  
6786 ~~renewal~~] reinvestment agency and other information that would otherwise be subject to  
6787 confidentiality under Section 59-1-403 or Section 6103, Internal Revenue Code; and

6788 (B) if the new state revenues collected as a result of a new commercial project are  
6789 attributable in whole or in part to a new or expanded industrial, manufacturing, distribution, or  
6790 business service within a new commercial project within the community [~~development and~~  
6791 ~~renewal~~] reinvestment agency, a document signed by an authorized representative of the new or  
6792 expanded industrial, manufacturing, distribution, or business service that:

6793 (I) expressly directs and authorizes the State Tax Commission to disclose to the office  
6794 the returns of the new or expanded industrial, manufacturing, distribution, or business service  
6795 and other information that would otherwise be subject to confidentiality under Section  
6796 59-1-403 or Section 6103, Internal Revenue Code; and

6797 (II) lists the taxpayer identification number of the new or expanded industrial,  
6798 manufacturing, distribution, or business service; and

6799 (f) for a business entity only, documentation that the business entity has satisfied the  
6800 performance benchmarks outlined in the written agreement described in Subsection  
6801 63N-2-104(3)(a), including:

6802 (i) the creation of new incremental jobs that are also high paying jobs;

6803 (ii) significant capital investment;

6804 (iii) significant purchases from Utah vendors and providers; or

6805 (iv) a combination of these benchmarks.

6806 (3) (a) The office shall submit the documents described in Subsection (2)(e) to the  
6807 State Tax Commission.

6808 (b) Upon receipt of a document described in Subsection (2)(e), the State Tax  
6809 Commission shall provide the office with the returns and other information requested by the  
6810 office that the State Tax Commission is directed or authorized to provide to the office in  
6811 accordance with Subsection (2)(e).

6812 (4) If, after review of the returns and other information provided by the State Tax  
6813 Commission, or after review of the ongoing performance of the business entity or local  
6814 government entity, the office determines that the returns and other information are inadequate

6815 to provide a reasonable justification for authorizing or continuing a tax credit, the office shall:

6816 (a) (i) deny the tax credit; or

6817 (ii) terminate the agreement described in Subsection 63N-2-104(3)(a) for failure to  
6818 meet the performance standards established in the agreement; or

6819 (b) inform the business entity or local government entity that the returns or other  
6820 information were inadequate and ask the business entity or local government entity to submit  
6821 new documentation.

6822 (5) If after review of the returns and other information provided by the State Tax  
6823 Commission, the office determines that the returns and other information provided by the  
6824 business entity or local government entity provide reasonable justification for authorizing a tax  
6825 credit, the office shall, based upon the returns and other information:

6826 (a) determine the amount of the tax credit to be granted to the business entity, local  
6827 government entity, or if the local government entity assigns the tax credit as described in  
6828 Section 63N-2-104, to the community [~~development and renewal~~] reinvestment agency to  
6829 which the local government entity assigns the tax credit;

6830 (b) issue a tax credit certificate to the business entity, local government entity, or if the  
6831 local government entity assigns the tax credit as described in Section 63N-2-104, to the  
6832 community [~~development and renewal~~] reinvestment agency to which the local government  
6833 entity assigns the tax credit; and

6834 (c) provide a duplicate copy of the tax credit certificate to the State Tax Commission.

6835 (6) A business entity, local government entity, or community [~~development and~~  
6836 ~~renewal~~] reinvestment agency may not claim a tax credit unless the business entity, local  
6837 government entity, or community [~~development and renewal~~] reinvestment agency has a tax  
6838 credit certificate issued by the office.

6839 (7) (a) A business entity, local government entity, or community [~~development and~~  
6840 ~~renewal~~] reinvestment agency may claim a tax credit in the amount listed on the tax credit  
6841 certificate on its tax return.

6842 (b) A business entity, local government entity, or community [~~development and~~  
6843 ~~renewal~~] reinvestment agency that claims a tax credit under this section shall retain the tax  
6844 credit certificate in accordance with Section 59-7-614.2 or 59-10-1107.

6845 Section 173. Section 63N-2-107 is amended to read:

6846 **63N-2-107. Reports of new state revenues, partial rebates, and tax credits.**

6847 (1) Before October 1 of each year, the office shall submit a report to the Governor's  
6848 Office of Management and Budget, the Office of Legislative Fiscal Analyst, and the Division  
6849 of Finance identifying:

6850 (a) (i) the total estimated amount of new state revenues created from new commercial  
6851 projects in development zones;

6852 (ii) the estimated amount of new state revenues from new commercial projects in  
6853 development zones that will be generated from:

6854 (A) sales tax;

6855 (B) income tax; and

6856 (C) corporate franchise and income tax; and

6857 (iii) the minimum number of new incremental jobs and high paying jobs that will be  
6858 created before any tax credit is awarded; and

6859 (b) the total estimated amount of tax credits that the office projects that business  
6860 entities, local government entities, or community [~~development and renewal~~] reinvestment  
6861 agencies will qualify to claim under this part.

6862 (2) By the first business day of each month, the office shall submit a report to the  
6863 Governor's Office of Management and Budget, the Office of Legislative Fiscal Analyst, and the  
6864 Division of Finance identifying:

6865 (a) each new agreement entered into by the office since the last report;

6866 (b) the estimated amount of new state revenues that will be generated under each  
6867 agreement;

6868 (c) the estimated maximum amount of tax credits that a business entity, local  
6869 government entity, or community [~~development and renewal~~] reinvestment agency could  
6870 qualify for under each agreement; and

6871 (d) the minimum number of new incremental jobs and high paying jobs that will be  
6872 created before any tax credit is awarded.

6873 (3) At the reasonable request of the Governor's Office of Management and Budget, the  
6874 Office of Legislative Fiscal Analyst, or the Division of Finance, the office shall provide  
6875 additional information about the tax credit, new incremental jobs and high paying jobs, costs,  
6876 and economic benefits related to this part, if the information is part of a public record as

6877 defined in Section [63G-2-103](#).

6878 Section 174. Section **63N-2-108** is amended to read:

6879 **63N-2-108. Expenditure of amounts received by a local government entity or**  
6880 **community reinvestment agency as a tax credit -- Commingling of tax credit amounts**  
6881 **with certain other amounts.**

6882 (1) Subject to Subsections (2) and (3), a local government entity or community  
6883 [~~development and renewal~~] reinvestment agency may expend amounts the local government  
6884 entity or community [~~development and renewal~~] reinvestment agency receives as a tax credit  
6885 under Section [59-7-614.2](#):

6886 (a) for infrastructure, including real property or personal property, if that infrastructure  
6887 is related to the new commercial project with respect to which the local government entity or  
6888 community [~~development and renewal~~] reinvestment agency claims the tax credit under  
6889 Section [59-7-614.2](#); or

6890 (b) for another economic development purpose related to the new commercial project  
6891 with respect to which the local government entity or community [~~development and renewal~~]  
6892 reinvestment agency claims the tax credit under Section [59-7-614.2](#).

6893 (2) A local government entity may:

6894 (a) commingle amounts the local government entity receives as a tax credit under  
6895 Section [59-7-614.2](#) with amounts the local government entity receives under Title 63N,  
6896 Chapter 3, Part 1, Industrial Assistance Account; and

6897 (b) expend the commingled amounts described in Subsection (2)(a) for a purpose  
6898 described in Title 63N, Chapter 3, Part 1, Industrial Assistance Account, if that purpose is  
6899 related to the new commercial project with respect to which the local government entity claims  
6900 the tax credit under Section [59-7-614.2](#).

6901 (3) A community [~~development and renewal~~] reinvestment agency may:

6902 (a) commingle amounts the community [~~development and renewal~~] reinvestment  
6903 agency receives as a tax credit under Section [59-7-614.2](#) with amounts the community  
6904 [~~development and renewal~~] reinvestment agency receives under Title 17C, Chapter 1, Part 4,  
6905 [~~Tax Increment and Sales Tax~~] Project Area Funds; and

6906 (b) expend the commingled amounts described in Subsection (3)(a) for a purpose  
6907 described in Title 17C, Chapter 1, Part 4, [~~Tax Increment and Sales Tax~~] Project Area Funds, if

6908 that purpose is related to the new commercial project with respect to which the community  
6909 [~~development and renewal~~] reinvestment agency claims the tax credit under Section  
6910 59-7-614.2.

6911 Section 175. Section **63N-2-502** is amended to read:

6912 **63N-2-502. Definitions.**

6913 As used in this part:

6914 (1) "Agreement" means an agreement described in Section 63N-2-503.

6915 (2) "Base taxable value" means the value of hotel property before the construction on a  
6916 qualified hotel begins, as that value is established by the county in which the hotel property is  
6917 located, using a reasonable valuation method that may include the value of the hotel property  
6918 on the county assessment rolls the year before the year during which construction on the  
6919 qualified hotel begins.

6920 (3) "Certified claim" means a claim that the office has approved and certified as  
6921 provided in Section 63N-2-505.

6922 (4) "Claim" means a written document submitted by a qualified hotel owner or host  
6923 local government to request a convention incentive.

6924 (5) "Claimant" means the qualified hotel owner or host local government that submits a  
6925 claim under Subsection 63N-2-505(1)(a) for a convention incentive.

6926 (6) "Commission" means the Utah State Tax Commission.

6927 (7) "Community [~~development and renewal~~] reinvestment agency" means the same as  
6928 that term is defined in Section 17C-1-102.

6929 (8) "Construction revenue" means revenue generated from state taxes and local taxes  
6930 imposed on transactions occurring during the eligibility period as a result of the construction of  
6931 the hotel property, including purchases made by a qualified hotel owner and its subcontractors.

6932 (9) "Convention incentive" means an incentive for the development of a qualified  
6933 hotel, in the form of payment from the incentive fund as provided in this part, as authorized in  
6934 an agreement.

6935 (10) "Eligibility period" means:

6936 (a) the period that:

6937 (i) begins the date construction of a qualified hotel begins; and

6938 (ii) ends:



6939 (A) for purposes of the state portion, 20 years after the date of initial occupancy of that  
6940 qualified hotel; or

6941 (B) for purposes of the local portion and incremental property tax revenue, 25 years  
6942 after the date of initial occupancy of that hotel; or

6943 (b) as provided in an agreement between the office and a qualified hotel owner or host  
6944 local government, a period that:

6945 (i) begins no earlier than the date construction of a qualified hotel begins; and

6946 (ii) is shorter than the period described in Subsection (10)(a).

6947 (11) "Endorsement letter" means a letter:

6948 (a) from the county in which a qualified hotel is located or is proposed to be located;

6949 (b) signed by the county executive; and

6950 (c) expressing the county's endorsement of a developer of a qualified hotel as meeting  
6951 all the county's criteria for receiving the county's endorsement.

6952 (12) "Host agency" means the community [~~development and renewal~~] reinvestment  
6953 agency of the host local government.

6954 (13) "Host local government" means:

6955 (a) a county that enters into an agreement with the office for the construction of a  
6956 qualified hotel within the unincorporated area of the county; or

6957 (b) a city or town that enters into an agreement with the office for the construction of a  
6958 qualified hotel within the boundary of the city or town.

6959 (14) "Hotel property" means a qualified hotel and any property that is included in the  
6960 same development as the qualified hotel, including convention, exhibit, and meeting space,  
6961 retail shops, restaurants, parking, and other ancillary facilities and amenities.

6962 (15) "Incentive fund" means the Convention Incentive Fund created in Section  
6963 [63N-2-503.5](#).

6964 (16) "Incremental property tax revenue" means the amount of property tax revenue  
6965 generated from hotel property that equals the difference between:

6966 (a) the amount of property tax revenue generated in any tax year by all taxing entities  
6967 from hotel property, using the current assessed value of the hotel property; and

6968 (b) the amount of property tax revenue that would be generated that tax year by all  
6969 taxing entities from hotel property, using the hotel property's base taxable value.

6970 (17) "Local portion" means the portion of new tax revenue that is generated by local  
6971 taxes.

6972 (18) "Local taxes" means a tax imposed under:

6973 (a) Section 59-12-204;

6974 (b) Section 59-12-301;

6975 (c) Sections 59-12-352 and 59-12-353;

6976 (d) Subsection 59-12-603(1)(a)(i)(A);

6977 (e) Subsection 59-12-603(1)(a)(i)(B);

6978 (f) Subsection 59-12-603(1)(a)(ii);

6979 (g) Subsection 59-12-603(1)(a)(iii); or

6980 (h) Section 59-12-1102.

6981 (19) "New tax revenue" means construction revenue, offsite revenue, and onsite  
6982 revenue.

6983 (20) "Offsite revenue" means revenue generated from state taxes and local taxes  
6984 imposed on transactions by a third-party seller occurring other than on hotel property during the  
6985 eligibility period, if:

6986 (a) the transaction is subject to a tax under Title 59, Chapter 12, Sales and Use Tax  
6987 Act; and

6988 (b) the third-party seller voluntarily consents to the disclosure of information to the  
6989 office, as provided in Subsection 63N-2-505(2)(b)(i)(E).

6990 (21) "Onsite revenue" means revenue generated from state taxes and local taxes  
6991 imposed on transactions occurring on hotel property during the eligibility period.

6992 (22) "Public infrastructure" means:

6993 (a) water, sewer, storm drainage, electrical, telecommunications, and other similar  
6994 systems and lines;

6995 (b) streets, roads, curbs, gutters, sidewalks, walkways, parking facilities, and public  
6996 transportation facilities; and

6997 (c) other buildings, facilities, infrastructure, and improvements that benefit the public.

6998 (23) "Qualified hotel" means a full-service hotel development constructed in the state  
6999 on or after July 1, 2014 that:

7000 (a) requires a significant capital investment;

7001 (b) includes at least 85 square feet of convention, exhibit, and meeting space per guest  
7002 room; and

7003 (c) is located within 1,000 feet of a convention center that contains at least 500,000  
7004 square feet of convention, exhibit, and meeting space.

7005 (24) "Qualified hotel owner" means a person who owns a qualified hotel.

7006 (25) "Review committee" means the independent review committee established under  
7007 Section [63N-2-504](#).

7008 (26) "Significant capital investment" means an amount of at least \$200,000,000.

7009 (27) "State portion" means the portion of new tax revenue that is generated by state  
7010 taxes.

7011 (28) "State taxes" means a tax imposed under Subsection [59-12-103](#)(2)(a)(i), (2)(b)(i),  
7012 (2)(c)(i), or (2)(d)(i)(A).

7013 (29) "Third-party seller" means a person who is a seller in a transaction:

7014 (a) occurring other than on hotel property;

7015 (b) that is:

7016 (i) the sale, rental, or lease of a room or of convention or exhibit space or other  
7017 facilities on hotel property; or

7018 (ii) the sale of tangible personal property or a service that is part of a bundled  
7019 transaction, as defined in Section [59-12-102](#), with a sale, rental, or lease described in  
7020 Subsection (29)(b)(i); and

7021 (c) that is subject to a tax under Title 59, Chapter 12, Sales and Use Tax Act.  
7022 Section 176. Section [63N-2-505](#) is amended to read:

7023 **63N-2-505. Submission of written claim for convention incentive -- Disclosure of**  
7024 **tax returns and other information -- Determination of claim.**

7025 (1) The office may not pay any money from the incentive fund to a qualified hotel  
7026 owner or host local government unless:

7027 (a) the qualified hotel owner or host local government submits a claim and other  
7028 required documentation, as provided in this section; and

7029 (b) the office approves and certifies the claim, as provided in this section.

7030 (2) A qualified hotel owner or host local government that desires to qualify for a  
7031 convention incentive shall submit to the office:

- 7032 (a) a written claim for a convention incentive;
- 7033 (b) (i) for a claim submitted by a qualified hotel owner:
- 7034 (A) a certification by the individual signing the claim that the individual is duly
- 7035 authorized to sign the claim on behalf of the qualified hotel owner;
- 7036 (B) documentation of the new tax revenue previously generated, itemized by
- 7037 construction revenue, offsite revenue, onsite revenue, type of sales or use tax, and the location
- 7038 of the transaction generating the new tax revenue as determined under Sections [59-12-211](#),
- 7039 [59-12-211.1](#), [59-12-212](#), [59-12-213](#), [59-12-214](#), and [59-12-215](#);
- 7040 (C) the identity of sellers collecting onsite revenue and the date the sellers will begin
- 7041 collecting onsite revenue;
- 7042 (D) a document in which the qualified hotel owner expressly directs and authorizes the
- 7043 commission to disclose to the office the qualified hotel owner's tax returns and other
- 7044 information that would otherwise be subject to confidentiality under Section [59-1-403](#) or
- 7045 Section 6103, Internal Revenue Code;
- 7046 (E) a document in which the qualified hotel's direct vendors, lessees, or subcontractors,
- 7047 as applicable, expressly direct and authorize the commission to disclose to the office the tax
- 7048 returns and other information of those vendors, lessees, or subcontractors that would otherwise
- 7049 be subject to confidentiality under Section [59-1-403](#) or Section 6103, Internal Revenue Code;
- 7050 (F) a document in which a third-party seller expressly and voluntarily directs and
- 7051 authorizes the commission to disclose to the office the third-party seller's tax returns and other
- 7052 information that would otherwise be subject to confidentiality under Section [59-1-403](#) or
- 7053 Section 6103, Internal Revenue Code;
- 7054 (G) documentation verifying that the qualified hotel owner is in compliance with the
- 7055 terms of the agreement; and
- 7056 (H) any other documentation that the agreement or office requires; and
- 7057 (ii) for an application submitted by a host local government, documentation of the new
- 7058 tax revenue generated during the preceding year;
- 7059 (c) if the host local government intends to assign the convention incentive to a
- 7060 community [~~development and renewal~~] reinvestment agency, a document signed by the
- 7061 governing body members of the community [~~development and renewal~~] reinvestment agency
- 7062 that expressly directs and authorizes the commission to disclose to the office the agency's tax

7063 returns and other information that would otherwise be subject to confidentiality under Section  
7064 [59-1-403](#) or Section 6103, Internal Revenue Code; and

7065 (d) an audit level attestation, or other level of review approved by the office, from an  
7066 independent certified public accountant, hired by the claimant, attesting to the accuracy and  
7067 validity of the amount of the state portion and the local portion being claimed by the claimant.

7068 (3) (a) The office shall submit to the commission the documents described in  
7069 Subsections (2)(b)(i)(C), (D), and (E) and (2)(c) authorizing disclosure of the tax returns and  
7070 other information.

7071 (b) Upon receipt of the documents described in Subsection (3)(a), the commission shall  
7072 provide to the office the tax returns and other information described in those documents.

7073 (4) If the office determines that the tax returns and other information are inadequate to  
7074 enable the office to approve and certify a claim, the office shall inform the claimant that the tax  
7075 returns and other information were inadequate and request the tax credit applicant to submit  
7076 additional documentation to validate the claim.

7077 (5) If the office determines that the returns and other information, including any  
7078 additional documentation provided under Subsection (4), comply with applicable requirements  
7079 and provide reasonable justification to approve and certify the claim, the office shall:

7080 (a) approve and certify the claim;

7081 (b) determine the amount of the certified claim; and

7082 (c) disburse money from the incentive fund to pay the certified claim as provided in  
7083 Subsection (6).

7084 (6) The office shall pay claims from available money in the incentive fund at least  
7085 annually.

7086 (7) For each certified claim, the office shall provide the commission:

7087 (a) for onsite revenue:

7088 (i) the identity of sellers operating upon the hotel property;

7089 (ii) the date that the commission is to begin depositing or transferring onsite revenue  
7090 under Section [63N-2-503.5](#) for each seller operating upon the hotel property;

7091 (iii) the date that the commission is to stop depositing or transferring onsite revenue to  
7092 the incentive fund under Section [63N-2-503.5](#) for each seller operating upon the hotel property;  
7093 and

7094 (iv) the type of sales or use tax subject to the commission's deposit or transfer to the  
7095 incentive fund under Section 63N-2-503.5;

7096 (b) for construction revenue and offsite revenue:

7097 (i) the amount of new tax revenue authorized under the agreement constituting  
7098 construction revenue or offsite revenue;

7099 (ii) the location of the transactions generating the construction revenue and offsite  
7100 revenue, as determined under Sections 59-12-211, 59-12-211.1, 59-12-212, 59-12-213,  
7101 59-12-214, and 59-12-215; and

7102 (iii) the type of sales or use tax that constitutes the construction revenue of offsite  
7103 revenue described in Subsection (7)(b)(ii); and

7104 (c) any other information the commission requires.

7105 Section 177. Section 63N-2-507 is amended to read:

7106 **63N-2-507. Assigning convention incentive.**

7107 (1) A host local government that enters into an agreement with the office may, by  
7108 resolution, assign a convention incentive to a community [~~development and renewal~~  
7109 reinvestment] agency, in accordance with rules adopted by the office.

7110 (2) A host local government that adopts a resolution assigning a convention incentive  
7111 under Subsection (1) shall provide a copy of the resolution to the office.

7112 Section 178. Section 63N-2-508 is amended to read:

7113 **63N-2-508. Payment of incremental property tax revenue.**

7114 (1) As used in this section:

7115 (a) "Displaced tax increment" means the amount of tax increment that a county would  
7116 have paid to the host agency, except for Subsection (2)(b), from tax increment revenue  
7117 generated from the project area in which the hotel property is located.

7118 (b) "Secured obligations" means bonds or other obligations of a host agency for the  
7119 payment of which the host agency has, before March 13, 2015, pledged tax increment  
7120 generated from the project area in which the hotel property is located.

7121 (c) "Tax increment" means the same as that term is defined in Section 17C-1-102.

7122 (d) "Tax increment shortfall" means the amount of displaced tax increment a host  
7123 agency needs to receive, in addition to any other tax increment the host agency receives from  
7124 the project area in which the hotel property is located, to provide the host agency sufficient tax

7125 increment funds to be able to pay the debt service on its secured obligations.

7126 (2) (a) In accordance with rules adopted by the office and subject to Subsection (5), a  
7127 county in which a qualified hotel is located shall retain incremental property tax revenue during  
7128 the eligibility period.

7129 (b) The amount of incremental property tax revenue that a county retains under  
7130 Subsection (2)(a) for a taxable year reduces by that amount any tax increment that the county  
7131 would otherwise have paid to the host agency for that year, subject to Subsection (5).

7132 (c) For any taxable year in which a reduction of tax increment occurs as provided in  
7133 Subsection (2)(b), the county shall provide the host agency a notice that:

7134 (i) states the amount of displaced tax increment for that year;

7135 (ii) states the number of years remaining in the eligibility period;

7136 (iii) provides a detailed accounting of how the displaced tax increment was used; and

7137 (iv) explains how the displaced tax increment will be used in the following taxable  
7138 year.

7139 (3) Incremental property tax revenue may be used only for:

7140 (a) the purchase of or payment for, or reimbursement of a previous purchase of or  
7141 payment for:

7142 (i) tangible personal property used in the construction of convention, exhibit, or  
7143 meeting space on hotel property;

7144 (ii) tangible personal property that, upon the construction of hotel property, becomes  
7145 affixed to hotel property as real property; or

7146 (iii) any labor and overhead costs associated with the construction described in  
7147 Subsections (3)(a)(i) and (ii); and

7148 (b) public infrastructure.

7149 (4) (a) Incremental property tax:

7150 (i) is not tax increment; and

7151 (ii) is not subject to:

7152 (A) Title 17C, Limited Purpose Local Government Entities - Community

7153 [~~Development and Renewal Agencies~~] Reinvestment Agency Act; or

7154 (B) any other law governing tax increment, except as provided in Subsection (4)(c).

7155 (b) The payment and use of incremental property tax, as provided in this part, is not

7156 subject to the approval of any taxing entity, as defined in Section 17C-1-102.

7157 (c) Revenue from an increase in the taxable value of hotel property is considered to be  
7158 a redevelopment adjustment for purposes of calculating the certified tax rate under Section  
7159 59-2-924.

7160 (5) (a) Subject to Subsection (5)(b), a county may not spend the portion of incremental  
7161 property tax revenue that is displaced tax increment until after 30 days after the county  
7162 provides the notice required under Subsection (2)(c).

7163 (b) If, within 30 days after the county provides the notice required under Subsection  
7164 (2)(c), a host agency provides written notice to the county that the host agency will experience  
7165 a tax increment shortfall, the county shall, unless the host agency agrees otherwise, pay to the  
7166 host agency displaced tax increment in the amount of the tax increment shortfall.

7167 Section 179. Section 67-1a-6.5 is amended to read:

7168 **67-1a-6.5. Certification of local entity boundary actions -- Definitions -- Notice**  
7169 **requirements -- Electronic copies -- Filing.**

7170 (1) As used in this section:

7171 (a) "Applicable certificate" means:

7172 (i) for the impending incorporation of a city, town, local district, conservation district,  
7173 or incorporation of a local district from a reorganized special service district, a certificate of  
7174 incorporation;

7175 (ii) for the impending creation of a county, school district, special service district,  
7176 community [~~development and renewal~~] reinvestment agency, or interlocal entity, a certificate  
7177 of creation;

7178 (iii) for the impending annexation of territory to an existing local entity, a certificate of  
7179 annexation;

7180 (iv) for the impending withdrawal or disconnection of territory from an existing local  
7181 entity, a certificate of withdrawal or disconnection, respectively;

7182 (v) for the impending consolidation of multiple local entities, a certificate of  
7183 consolidation;

7184 (vi) for the impending division of a local entity into multiple local entities, a certificate  
7185 of division;

7186 (vii) for the impending adjustment of a common boundary between local entities, a



- 7187 certificate of boundary adjustment; and
- 7188 (viii) for the impending dissolution of a local entity, a certificate of dissolution.
- 7189 (b) "Approved final local entity plat" means a final local entity plat, as defined in
- 7190 Section 17-23-20, that has been approved under Section 17-23-20 as a final local entity plat by
- 7191 the county surveyor.
- 7192 (c) "Approving authority" has the same meaning as defined in Section 17-23-20.
- 7193 (d) "Boundary action" has the same meaning as defined in Section 17-23-20.
- 7194 (e) "Center" means the Automated Geographic Reference Center created under Section
- 7195 63F-1-506.
- 7196 (f) "Community [~~development and renewal~~] reinvestment agency" has the same
- 7197 meaning as defined in Section 17C-1-102.
- 7198 (g) "Conservation district" has the same meaning as defined in Section 17D-3-102.
- 7199 (h) "Interlocal entity" has the same meaning as defined in Section 11-13-103.
- 7200 (i) "Local district" has the same meaning as defined in Section 17B-1-102.
- 7201 (j) "Local entity" means a county, city, town, school district, local district, community
- 7202 [~~development and renewal~~] reinvestment agency, special service district, conservation district,
- 7203 or interlocal entity.
- 7204 (k) "Notice of an impending boundary action" means a written notice, as described in
- 7205 Subsection (3), that provides notice of an impending boundary action.
- 7206 (l) "Special service district" has the same meaning as defined in Section 17D-1-102.
- 7207 (2) Within 10 days after receiving a notice of an impending boundary action, the
- 7208 lieutenant governor shall:
- 7209 (a) (i) issue the applicable certificate, if:
- 7210 (A) the lieutenant governor determines that the notice of an impending boundary action
- 7211 meets the requirements of Subsection (3); and
- 7212 (B) except in the case of an impending local entity dissolution, the notice of an
- 7213 impending boundary action is accompanied by an approved final local entity plat;
- 7214 (ii) send the applicable certificate to the local entity's approving authority;
- 7215 (iii) return the original of the approved final local entity plat to the local entity's
- 7216 approving authority;
- 7217 (iv) send a copy of the applicable certificate and approved final local entity plat to:

- 7218 (A) the State Tax Commission;
- 7219 (B) the center; and
- 7220 (C) the county assessor, county surveyor, county auditor, and county attorney of each
- 7221 county in which the property depicted on the approved final local entity plat is located; and
- 7222 (v) send a copy of the applicable certificate to the state auditor, if the boundary action
- 7223 that is the subject of the applicable certificate is:
- 7224 (A) the incorporation or creation of a new local entity;
- 7225 (B) the consolidation of multiple local entities;
- 7226 (C) the division of a local entity into multiple local entities; or
- 7227 (D) the dissolution of a local entity; or
- 7228 (b) (i) send written notification to the approving authority that the lieutenant governor
- 7229 is unable to issue the applicable certificate, if:
- 7230 (A) the lieutenant governor determines that the notice of an impending boundary action
- 7231 does not meet the requirements of Subsection (3); or
- 7232 (B) the notice of an impending boundary action is:
- 7233 (I) not accompanied by an approved final local entity plat; or
- 7234 (II) accompanied by a plat or final local entity plat that has not been approved as a final
- 7235 local entity plat by the county surveyor under Section 17-23-20; and
- 7236 (ii) explain in the notification under Subsection (2)(b)(i) why the lieutenant governor is
- 7237 unable to issue the applicable certificate.
- 7238 (3) Each notice of an impending boundary action shall:
- 7239 (a) be directed to the lieutenant governor;
- 7240 (b) contain the name of the local entity or, in the case of an incorporation or creation,
- 7241 future local entity, whose boundary is affected or established by the boundary action;
- 7242 (c) describe the type of boundary action for which an applicable certificate is sought;
- 7243 (d) be accompanied by a letter from the Utah State Retirement Office, created under
- 7244 Section 49-11-201, to the approving authority that identifies the potential provisions under
- 7245 Title 49, Utah State Retirement and Insurance Benefit Act, that the local entity shall comply
- 7246 with, related to the boundary action, if the boundary action is an impending incorporation or
- 7247 creation of a local entity that may result in the employment of personnel; and
- 7248 (e) (i) contain a statement, signed and verified by the approving authority, certifying

7249 that all requirements applicable to the boundary action have been met; or

7250 (ii) in the case of the dissolution of a municipality, be accompanied by a certified copy  
7251 of the court order approving the dissolution of the municipality.

7252 (4) The lieutenant governor may require the approving authority to submit a paper or  
7253 electronic copy of a notice of an impending boundary action and approved final local entity plat  
7254 in conjunction with the filing of the original of those documents.

7255 (5) (a) The lieutenant governor shall:

7256 (i) keep, index, maintain, and make available to the public each notice of an impending  
7257 boundary action, approved final local entity plat, applicable certificate, and other document that  
7258 the lieutenant governor receives or generates under this section;

7259 (ii) make a copy of each document listed in Subsection (5)(a)(i) available on the  
7260 Internet for 12 months after the lieutenant governor receives or generates the document;

7261 (iii) furnish a paper copy of any of the documents listed in Subsection (5)(a)(i) to any  
7262 person who requests a paper copy; and

7263 (iv) furnish a certified copy of any of the documents listed in Subsection (5)(a)(i) to  
7264 any person who requests a certified copy.

7265 (b) The lieutenant governor may charge a reasonable fee for a paper copy or certified  
7266 copy of a document that the lieutenant governor provides under this Subsection (5).

7267 Section 180. Section **72-1-208** is amended to read:

7268 **72-1-208. Cooperation with counties, cities, towns, the federal government, and**  
7269 **all state departments -- Inspection of work done by a public transit district.**

7270 (1) The department shall cooperate with the counties, cities, towns, and community  
7271 [~~development and renewal~~] reinvestment agencies in the construction, maintenance, and use of  
7272 the highways and in all related matters, and may provide services to the counties, cities, towns,  
7273 and community [~~development and renewal~~] reinvestment agencies on terms mutually agreed  
7274 upon.

7275 (2) The department, with the approval of the governor, shall cooperate with the federal  
7276 government in all federal-aid projects and with all state departments in all matters in  
7277 connection with the use of the highways.

7278 (3) The department:

7279 (a) shall inspect all work done by a public transit district under Title 17B, Chapter 2a,

7280 Part 8, Public Transit District Act, relating to safety appliances and procedures; and  
7281 (b) may make further additions or changes necessary for the purpose of safety to  
7282 employees and the general public.

7283 Section 181. **Repealer.**

7284 This bill repeals:

7285 Section **17C-1-303**, Summary of sale or other disposition of agency property --

7286 **Publication of summary.**

7287 Section **17C-3-301**, Combining hearings.

7288 Section **17C-3-302**, Continuing a hearing.

7289 Section **17C-3-303**, Notice required for continued hearing.

7290 Section **17C-3-401**, Agency to provide notice of hearings.

7291 Section **17C-3-402**, Requirements for notice provided by agency.

7292 Section **17C-3-403**, Additional requirements for notice of a plan hearing.

7293 Section **17C-3-404**, Additional requirements for notice of a budget hearing.

7294 Section **17C-4-301**, Continuing a plan hearing.

7295 Section **17C-4-302**, Notice required for continued hearing.

7296 Section **17C-4-401**, Agency required to provide notice of plan hearing.

7297 Section **17C-4-402**, Requirements for notice provided by agency.

7297a **Ĥ→ Section 182. Coordinating S.B. 151 with H.B. 25 -- Superseding technical and substantive**  
7297b **amendments.**

7297c **If this S.B. 151 and H.B. 25, Property Tax Changes, both pass and become law, it is the**  
7297d **intent of the Legislature that the Office of Legislative Research and General Counsel prepare**  
7297e **the Utah Code database for publication as follows:**

7297f **(1) the amendments to Section 59-2-924 in H.B. 25 supersede the amendments to**  
7297g **Section 59-2-924 in this bill; and**

7297h **(2) modify Subsection 59-2-924(1)(g) to read:**

7297i **"(g) "Incremental value" means the same as that term is defined in Section**

7297j **17C-1-102."** ←Ĥ