

HB0015S01 compared with HB0015

~~{deleted text}~~ shows text that was in HB0015 but was deleted in HB0015S01.

Inserted text shows text that was not in HB0015 but was inserted into HB0015S01.

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Representative Stephen G. Handy proposes the following substitute bill:

COMMUNITY REINVESTMENT AGENCY AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Stephen G. Handy

Senate Sponsor: _____

LONG TITLE

~~{Committee Note:~~

~~—The Political Subdivisions Interim Committee recommended this bill.~~

~~{General Description:~~

This bill amends Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ requires a city and a county to report use of a housing allocation;
- ▶ authorizes a public entity to donate the public entity's property to an agency;
- ▶ modifies requirements for notice provided by an agency;
- ▶ modifies the public benefit analysis required for a community reinvestment project

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area plan;

- ▶ removes the requirement that a taxing entity committee meet at least annually; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

- 10-9a-408**, as last amended by Laws of Utah 2012, Chapter 212
- 17-27a-408**, as last amended by Laws of Utah 2012, Chapter 212
- 17C-1-102**, as last amended by Laws of Utah 2017, Chapter 456
- 17C-1-202**, as last amended by Laws of Utah 2016, Chapter 350
- 17C-1-207**, as last amended by Laws of Utah 2016, Chapter 350
- 17C-1-401.5**, as renumbered and amended by Laws of Utah 2016, Chapter 350
- 17C-1-402**, as last amended by Laws of Utah 2016, Chapter 350
- 17C-1-403**, as last amended by Laws of Utah 2016, Chapter 350
- 17C-1-603**, as last amended by Laws of Utah 2016, Chapter 350
- 17C-1-806**, as renumbered and amended by Laws of Utah 2016, Chapter 350
- 17C-1-902**, as last amended by Laws of Utah 2017, Chapter 456
- 17C-2-110**, as last amended by Laws of Utah 2017, Chapter 181
- 17C-3-109**, as last amended by Laws of Utah 2017, Chapter 181
- 17C-4-108**, as last amended by Laws of Utah 2016, Chapter 350
- 17C-5-104**, as last amended by Laws of Utah 2017, Chapter 456
- 17C-5-105**, as enacted by Laws of Utah 2016, Chapter 350
- 17C-5-108**, as enacted by Laws of Utah 2016, Chapter 350
- 17C-5-112**, as last amended by Laws of Utah 2017, Chapter 456
- 59-2-924.2**, as last amended by Laws of Utah 2016, Chapter 350

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

Section 1. Section **10-9a-408** is amended to read:

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10-9a-408. Biennial review of moderate income housing element of general plan.

(1) The legislative body of each city shall biennially:

(a) review the moderate income housing plan element of its general plan and its implementation; and

(b) in accordance with Subsection (2), prepare a report setting forth the findings of the review.

(2) Each report under Subsection (1) shall include a description of:

(a) efforts made by the city to reduce, mitigate, or eliminate local regulatory barriers to moderate income housing;

(b) actions taken by the city to encourage preservation of existing moderate income housing and development of new moderate income housing;

(c) progress made within the city to provide moderate income housing, as measured by permits issued for new units of moderate income housing; ~~and~~

(d) efforts made by the city to coordinate moderate income housing plans and actions with neighboring municipalities~~[-]~~; and

(e) if applicable, the city's use of a housing allocation, as defined in Section 17C-1-102.

(3) The legislative body of each city shall send a copy of the report under Subsection (1) to the Department of Workforce Services and the association of governments in which the city is located.

(4) In a civil action seeking enforcement or claiming a violation of this section or of Subsection 10-9a-404(5)(c), a plaintiff may not recover damages but may be awarded only injunctive or other equitable relief.

Section 2. Section **17-27a-408** is amended to read:

17-27a-408. Biennial review of moderate income housing element of general plan.

(1) The legislative body of each county with a population over 25,000 shall biennially:

(a) review the moderate income housing plan element of its general plan and its implementation; and

(b) in accordance with Subsection (2), prepare a report setting forth the findings of the review.

(2) Each report under Subsection (1) shall include a description of:

(a) efforts made by the county to reduce, mitigate, or eliminate local regulatory barriers

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to moderate income housing;

(b) actions taken by the county to encourage preservation of existing moderate income housing and development of new moderate income housing;

(c) progress made within the county to provide moderate income housing, as measured by permits issued for new units of moderate income housing; ~~and~~

(d) efforts made by the county to coordinate moderate income housing plans and actions with neighboring counties and municipalities[-]; and

(e) if applicable, the county's use of a housing allocation, as defined in Section 17C-1-102.

(3) The legislative body of each county with a population over 25,000 shall send a copy of the report under Subsection (1) to the Department of Workforce Services and the association of governments in which the county is located.

(4) In a civil action seeking enforcement or claiming a violation of this section or of Subsection 17-27a-404(6)(c), a plaintiff may not recover damages but may be awarded only injunctive or other equitable relief.

Section 3. Section **17C-1-102** is amended to read:

17C-1-102. Definitions.

As used in this title:

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

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

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

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

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

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

(3) "Affordable housing" means housing owned or occupied by a low or moderate income family, as determined by resolution of the agency.

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(4) "Agency" or "community reinvestment agency" means a separate body corporate and politic, created under Section 17C-1-201.5 or as a redevelopment agency or community development and renewal agency under previous law:

(a) that is a political subdivision of the state;

(b) that is created to undertake or promote project area development as provided in this title; and

(c) whose geographic boundaries are coterminous with:

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

(ii) for an agency created by a municipality, the boundaries of the municipality.

(5) "Agency funds" means money that an agency collects or receives for ~~[the purposes of]~~ agency operations ~~[or]~~, implementing a project area plan, or other agency purposes, including:

(a) project area funds;

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

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

(6) "Annual income" means the same as that term is defined in regulations of the United States Department of Housing and Urban Development, 24 C.F.R. Sec. 5.609, as amended or as superseded by replacement regulations.

(7) "Assessment roll" means the same as that term is defined in Section 59-2-102.

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

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

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

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

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

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

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

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

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

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

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

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

(12) "Blight hearing" means a public hearing regarding whether blight exists within a proposed:

(a) urban renewal project area under Subsection 17C-2-102(1)(a)(i)(C) and Section 17C-2-302; or

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

(13) "Blight study" means a study to determine whether blight exists within a survey area as described in Section 17C-2-301 for an urban renewal project area or Section 17C-5-403 for a community reinvestment project area.

(14) "Board" means the governing body of an agency, as described in Section 17C-1-203.

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

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

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

(18) "Community" means a county or municipality.

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

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

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

(22) "Contest" means to file a written complaint in the district court of the county in which the agency is located.

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

(24) "Fair share ratio" means the ratio derived by:

(a) for a municipality, comparing the percentage of all housing units within the municipality that are publicly subsidized income targeted housing units to the percentage of all housing units within the county in which the municipality is located that are publicly subsidized income targeted housing units; or

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

(25) "Family" means the same as that term is defined in regulations of the United States Department of Housing and Urban Development, 24 C.F.R. Section 5.403, as amended or as superseded by replacement regulations.

(26) "Greenfield" means land not developed beyond agricultural, range, or forestry use.

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

(28) "Housing allocation" means [~~tax increment~~] project area funds allocated for housing under Section 17C-2-203, 17C-3-202, or 17C-5-307 for the purposes described in Section 17C-1-412.

(29) "Housing fund" means a fund created by an agency for purposes described in Section 17C-1-411 or 17C-1-412 that is comprised of:

- (a) project area funds allocated for the purposes described in Section 17C-1-411; or
- (b) an agency's housing allocation.

(30) (a) "Inactive airport site" means land that:

- (i) consists of at least 100 acres;
- (ii) is occupied by an airport:
 - (A) (I) that is no longer in operation as an airport; or
 - (II) (Aa) that is scheduled to be decommissioned; and
 - (Bb) for which a replacement commercial service airport is under construction; and
- (B) that is owned or was formerly owned and operated by a public entity; and
- (iii) requires remediation because:
 - (A) of the presence of hazardous waste or solid waste; or
 - (B) the site lacks sufficient public infrastructure and facilities, including public roads, electric service, water system, and sewer system, needed to support development of the site.

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

(31) (a) "Inactive industrial site" means land that:

- (i) consists of at least 1,000 acres;
- (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial facility; and
- (iii) requires remediation because of the presence of hazardous waste or solid waste.

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

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(32) "Income targeted housing" means housing that is owned or occupied by a family whose annual income is at or below 80% of the median annual income for a family within the county in which the housing is located.

(33) "Incremental value" means a figure derived by multiplying the marginal value of the property located within a project area on which tax increment is collected by a number that represents the adjusted tax increment from that project area that is paid to the agency.

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

(35) (a) "Local government building" means a building owned and operated by a community for the primary purpose of providing one or more primary community functions, including:

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

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

(36) "Marginal value" means the difference between actual taxable value and base taxable value.

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

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

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

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

- (a) includes a description of:
 - (i) the project area development that the person will undertake;
 - (ii) the amount of project area funds the person may receive; and

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(iii) the terms and conditions under which the person may receive project area funds;
and

(b) is approved by resolution of the board.

(41) "Plan hearing" means the public hearing on a proposed project area plan required under Subsection 17C-2-102(1)(a)(vi) for an urban renewal project area plan, Subsection 17C-3-102(1)(d) for an economic development project area plan, Subsection 17C-4-102(1)(d) for a community development project area plan, or Subsection 17C-5-104(3)(e) for a community reinvestment project area plan.

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

(43) "Pre-July 1, 1993, project area plan" means a project area plan adopted before July 1, 1993, whether or not amended subsequent to the project area plan's adoption.

(44) "Private," with respect to real property, means ~~[(a)]~~ property not owned by a public entity or any other governmental entity ~~[, and]~~.

~~[(b) not dedicated to public use.]~~

(45) "Project area" means the geographic area described in a project area plan within which the project area development described in the project area plan takes place or is proposed to take place.

(46) "Project area budget" means a multiyear projection of annual or cumulative revenues and expenses and other fiscal matters pertaining to a project area prepared in accordance with:

- (a) for an urban renewal project area, Section 17C-2-202;
- (b) for an economic development project area, Section 17C-3-202;
- (c) for a community development project area, Section 17C-4-204; or
- (d) for a community reinvestment project area, Section 17C-5-302.

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

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

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

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

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

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

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

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

(h) relocating a business;

(i) improving public or private recreation areas or other public grounds;

(j) eliminating blight or the causes of blight;

(k) redevelopment as defined under the law in effect before May 1, 2006; or

(l) any activity described in [~~Subsections (47)(a) through (k)~~] this Subsection (47) outside of a project area that the board determines to be a benefit to the project area.

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

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

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

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

(50) "Project area plan" means an urban renewal project area plan, an economic development project area plan, a community development project area plan, or a community reinvestment project area plan that, after the project area plan's effective date, guides and controls the project area development.

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(51) (a) "Property tax" means each levy on an ad valorem basis on tangible or intangible personal or real property.

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

(52) "Public entity" means:

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

(b) the state, including any of the state's departments or agencies; or

(c) a political subdivision of the state, including a county, municipality, school district, local district, special service district, community reinvestment agency, or interlocal cooperation entity.

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

(54) "Record property owner" or "record owner of property" means the owner of real property, as shown on the records of the county in which the property is located, to whom the property's tax notice is sent.

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

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

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

(56) "Superfund site":

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

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

(57) "Survey area" means a geographic area designated for study by a survey area resolution to determine whether:

(a) one or more project areas within the survey area are feasible; or

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(b) blight exists within the survey area.

(58) "Survey area resolution" means a resolution adopted by a board that designates a survey area.

(59) "Taxable value" means:

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

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

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

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

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

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

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

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

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

(61) "Taxing entity" means a public entity that:

(a) levies a tax on property located within a project area; or

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

(62) "Taxing entity committee" means a committee representing the interests of taxing entities, created in accordance with Section 17C-1-402.

(63) "Unincorporated" means not within a municipality.

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

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Section 4. Section **17C-1-202** is amended to read:

17C-1-202. Agency powers.

(1) An agency may:

(a) sue and be sued;

(b) enter into contracts generally;

(c) buy, obtain an option upon, acquire by gift, or otherwise acquire any interest in real or personal property;

(d) sell, convey, grant, gift, or otherwise dispose of any interest in real or personal property;

(e) enter into a lease agreement on real or personal property, either as lessee or lessor;

(f) provide for project area development as provided in this title;

(g) receive and use agency funds as provided in this title;

(h) if disposing of or leasing land, retain controls or establish restrictions and covenants running with the land consistent with the project area plan;

(i) accept financial or other assistance from any public or private source for the agency's activities, powers, and duties, and expend any funds the agency receives for any purpose described in this title;

(j) borrow money or accept financial or other assistance from a public entity or any other source for any of the purposes of this title and comply with any conditions of any loan or assistance;

(k) issue bonds to finance the undertaking of any project area development or for any of the agency's other purposes, including:

(i) reimbursing an advance made by the agency or by a public entity to the agency;

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

(iii) refunding bonds to pay or retire bonds previously issued by the community that created the agency for expenses associated with project area development;

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

(m) transact other business and exercise all other powers described in this title.

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

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(3) An agency may acquire real property under Subsection (1)(c) that is outside a project area only if the board determines that the property will benefit a project area.

Section 5. Section **17C-1-207** is amended to read:

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

(1) In order to assist and cooperate in the planning, undertaking, construction, or operation of project area development within an area in which the public entity is authorized to act, a public entity may:

- (a) (i) provide or cause to be furnished:
 - (A) parks, playgrounds, or other recreational facilities;
 - (B) community, educational, water, sewer, or drainage facilities; or
 - (C) any other works which the public entity is otherwise empowered to undertake;
- (ii) provide, furnish, dedicate, close, vacate, pave, install, grade, regrade, plan, or replan streets, roads, roadways, alleys, sidewalks, or other places;
 - (iii) in any part of the project area:
 - (A) (I) plan or replan any property within the project area;
 - (II) plat or replat any property within the project area;
 - (III) vacate a plat;
 - (IV) amend a plat; or
 - (V) zone or rezone any property within the project area; and
 - (B) make any legal exceptions from building regulations and ordinances;
 - (iv) purchase or legally invest in any of the bonds of an agency and exercise all of the rights of any holder of the bonds;
 - (v) enter into an agreement with another public entity concerning action to be taken pursuant to any of the powers granted in this title;
 - (vi) do anything necessary to aid or cooperate in the planning or implementation of the project area development;
 - (vii) in connection with the project area plan, become obligated to the extent authorized and funds have been made available to make required improvements or construct required structures; and
 - (viii) lend, grant, or contribute funds to an agency for project area development or proposed project area development, including assigning revenue or taxes in support of an

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agency bond or obligation; and

~~[(b) 15 days after posting public notice:]~~

(b) for less than fair market value or for no consideration, and subject to Subsection

(4):

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

(ii) lease property from ~~[the]~~ an agency; ~~[or]~~

~~[(iii)]~~ (iii) sell, grant, convey, donate, or otherwise dispose of the public entity's

property to an agency; or

(iv) lease the public entity's property to ~~[the]~~ an agency.

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

~~[(3) A grant or contribution of funds from a public entity to an agency, or from an agency under a project area plan or project area budget,]~~

(3) A public entity that provides assistance under this section is not subject to ~~[the requirements of Section]~~ Section 10-8-2 or 17-50-312.

(4) A public entity may provide assistance described in Subsection (1)(b) no sooner than 15 days after the day on which the public entity posts notice of the assistance on:

(a) the Utah Public Notice Website described in Section 63F-1-701; and

(b) the public entity's public website.

Section 6. Section **17C-1-401.5** is amended to read:

17C-1-401.5. Agency receipt and use of project area funds -- Distribution of project area funds.

(1) An agency may receive and use project area funds in accordance with this title.

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

(b) Tax increment distributed to an agency in accordance with Subsection (2)(a) is not revenue of the taxing entity.

(3) (a) The project area funds collection period shall be measured:

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

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

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

(B) with respect to sales and use tax revenue, as indicated in the interlocal agreement between the agency and the taxing entity that authorizes the agency to receive all or a portion of the taxing entity's sales and use tax revenue;

(iii) for a community development project area plan, as indicated in the resolution or interlocal agreement of a taxing entity that authorizes the agency to receive the taxing entity's project area funds;

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

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

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

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

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

(i) for an urban renewal project area plan, an economic development project area plan, or a community reinvestment project area plan that is subject to a taxing entity committee, the effective date of the project area plan; and

(ii) for a community development project area plan or a community reinvestment project area plan that is subject to an interlocal agreement, the effective date of the interlocal agreement that authorizes the agency to receive tax increment.

(4) With respect to a community development project area plan or a community reinvestment project area plan that is subject to an interlocal agreement:

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(a) a taxing entity may, through interlocal agreement, authorize an agency to be paid any or all of the taxing entity's project area funds for any period of time; and

(b) the interlocal agreement authorizing the agency to be paid project area funds shall specify:

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

(ii) the method of calculating the amount of project area funds to be paid to the agency.

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

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

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

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

(c) Nothing in this Subsection (5) gives an agency a right to receive project area funds that the agency is not otherwise authorized to receive under this title.

(d) The collection of project area funds from an overlapping project area described in Subsection (5)(a) does not affect an agency's use of project area funds within the other overlapping project area.

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

(7) Subject to Section 17C-1-407, an agency is authorized to receive tax increment as described in:

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

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

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

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

(iii) Section 17C-1-406;

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

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

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

Section 7. Section **17C-1-402** is amended to read:

17C-1-402. Taxing entity committee.

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

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

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

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

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

(A) two school district representatives appointed in accordance with Subsection

(2)(a)(ii);

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

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

(C) if the agency is created by a municipality, two representatives appointed by

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resolution of the legislative body of the municipality;

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

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

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

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

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

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

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

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

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

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

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

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

(3) At a taxing entity committee's first meeting, the taxing entity committee shall adopt

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an organizing resolution that:

- (a) designates a chair and a secretary of the taxing entity committee; and
- (b) if the taxing entity committee considers it appropriate, governs the use of electronic

meetings under Section 52-4-207.

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

- (i) an urban renewal project area plan;
- (ii) an economic development project area plan; or
- (iii) a community reinvestment project area plan that is subject to a taxing entity

committee.

(b) A taxing entity committee may:

- (i) cast votes that are binding on all taxing entities;
- (ii) negotiate with the agency concerning a proposed project area plan;
- (iii) approve or disapprove:
 - (A) an urban renewal project area budget as described in Section 17C-2-204;
 - (B) an economic development project area budget as described in Section 17C-3-203;

or

(C) for a community reinvestment project area plan that is subject to a taxing entity committee, a community reinvestment project area budget as described in Section 17C-5-302;

(iv) approve or disapprove an amendment to a project area budget as described in Section 17C-2-206, 17C-3-205, or 17C-5-306;

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

(vi) approve:

- (A) an exception to the percentage of tax increment to be paid to the agency;
- (B) except for a project area funds collection period that is approved by an interlocal

agreement, each project area funds collection period; and

(C) an exception to the requirement for an urban renewal project area budget, an economic development project area budget, or a community reinvestment project area budget to include a maximum cumulative dollar amount of tax increment that the agency may receive;

(vii) approve the use of tax increment for publicly owned infrastructure and improvements outside of a project area that the agency and community legislative body

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determine to be of benefit to the project area, as described in Subsection 17C-1-409(1)(a)(iii)(D);

(viii) waive the restrictions described in Subsection 17C-2-202(1);

(ix) subject to Subsection (4)(c), designate the base taxable value for a project area budget; and

(x) give other taxing entity committee approval or consent required or allowed under this title.

(c) (i) Except as provided in Subsection (4)(c)(ii), the base year may not be a year that is earlier than five years before the beginning of a project area funds collection period.

(ii) The taxing entity committee may approve a base year that is earlier than the year described in Subsection (4)(c)(i).

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

(a) if the project area is located within a municipality, five members; or

(b) if the project area is not located within a municipality, four members.

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

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

(i) at which a quorum is present; and

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

(A) an inactive industrial site;

(B) an inactive airport site; or

(C) a closed military base; or

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

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

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

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

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

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

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

(C) the analysis required under Subsection 17C-2-103(2), 17C-3-103(2), or 17C-5-105[~~(2)~~](12);

(D) the blight study;

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

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

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

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

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

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

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

~~[(b) A taxing entity committee is not required to meet in accordance with Subsection (9)(a) if the agency prepares and distributes on or before November 1 of each year a report as described in Section 17C-1-603.]~~

~~[(10)]~~ (9) Each taxing entity committee shall be governed by Title 52, Chapter 4, Open and Public Meetings Act.

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~~[(11)]~~ (10) A taxing entity committee's records shall be:

- (a) considered the records of the agency that created the taxing entity committee; and
- (b) maintained by the agency in accordance with Section 17C-1-209.

~~[(12)]~~ (11) Each time a school district representative or a representative of the State Board of Education votes as a member of a taxing entity committee to allow an agency to receive tax increment, to increase the amount of tax increment the agency receives, or to extend a project area funds collection period, that representative shall, within 45 days after the vote, provide to the representative's respective school board an explanation in writing of the representative's vote and the reasons for the vote.

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

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

(ii) the assessed value.

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

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

(ii) estimated amounts for each year beginning the year after the time of the report and ending the time that each project area funds collection period ends.

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

(i) at least annually; and

(ii) upon request of the taxing entity committee, before a taxing entity committee meeting at which the committee considers whether to allow the agency to receive tax increment, to increase the amount of tax increment that the agency receives, or to extend a project area funds collection period.

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

(a) a community development project area plan; or

(b) a community reinvestment project area plan that is subject to an interlocal

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agreement.

~~[(15)]~~ (14) (a) A taxing entity committee resolution approving a blight finding, approving a project area budget, or approving an amendment to a project area budget:

(i) is final; and

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

(b) The provisions of Subsection ~~[(15)]~~ (14)(a) apply regardless of when the resolution is adopted.

Section 8. Section **17C-1-403** is amended to read:

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

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

(2) (a) Beginning with the first tax year after April 1, 1983, for which an agency accepts tax increment, an agency is authorized to receive:

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

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

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

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

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

(ii) for an agency that has caused a taxing entity committee to be created under Subsection 17C-1-402(1)(a), any percentage of tax increment up to 100% and for any length of time that the taxing entity committee approves.

(b) Notwithstanding any other provision of this section:

(i) an agency is authorized to receive 100% of tax increment from a project area for 32 years after April 1, 1983, to pay principal and interest on agency indebtedness incurred before April 1, 1983, even though the size of the project area from which tax increment is paid to the agency exceeds 100 acres of privately owned property under a project area plan adopted on or before April 1, 1983; and

(ii) for up to 32 years after April 1, 1983, an agency debt incurred before April 1, 1983, may be refinanced and paid from 100% of tax increment if the principal amount of the debt is

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not increased in the refinancing.

(3) (a) For purposes of this Subsection (3)[;]:

(i) [~~"additional"~~] "Additional tax increment" means the difference between 100% of tax increment for a tax year and the amount of tax increment an agency is paid for that tax year under the percentages and time periods specified in Subsection (2)(a).

(ii) "Pledged" means a commitment by a board or a community legislative body to pay the costs of bond indebtedness, an interfund loan, a reimbursement, or other contractual obligation of the board or the community legislative body related to a convention center or sports complex described in Subsection (3)(b).

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

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

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

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

(D) the board and the community legislative body have determined by resolution that the convention center or sports complex is:

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

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

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

(ii) (A) the additional tax increment is used to pay some or all of the cost of the land for and installation and construction of a recreational facility, as defined in Section 59-12-702,

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or a cultural facility, including parking and infrastructure improvements related to the recreational or cultural facility, whether or not the facility is located within a project area;

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

(C) the additional tax increment is pledged on or before July 1, 2005, to pay all or part of the cost of the land for and the installation and construction of the recreational or cultural facility, including parking and infrastructure improvements related to the recreational or cultural facility.

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

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

Section 9. Section **17C-1-603** is amended to read:

17C-1-603. Annual report.

(1) Beginning in 2016, on or before November 1 of each year, an agency shall:

(a) prepare an annual report as described in Subsection (2); ~~and~~

(b) submit the annual report electronically to the community in which the agency operates, the county auditor, the State Tax Commission, the State Board of Education, and each taxing entity from which the agency receives project area funds~~;~~;

~~(c) post the annual report on the agency's website; and~~

~~(d) ensure that the community in which the agency operates posts the annual report on the community's website.~~

(2) The annual report shall, for each active project area whose project area funds collection period has not expired, contain the following information:

(a) an assessment of the change in marginal value, including:

~~(i) the base year;~~

~~(i)~~ ~~(ii)~~ the base taxable value;

~~(ii)~~ ~~(iii)~~ the prior year's assessed value;

~~(iii)~~ ~~(iv)~~ the estimated current assessed value; ~~and~~

~~(iv)~~ ~~and~~

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(v) the percentage change in marginal value; and

~~[(iv)]~~ (vi) a narrative description of the relative growth in assessed value;

(b) the amount of project area funds the agency received for each year of the project area funds collection period, including:

(i) a comparison of the actual project area funds received for ~~[the previous]~~ each year to the amount of project area funds forecasted for each year when the project area was created, if available;

(ii) (A) the agency's historical receipts of project area funds, including the tax year for which the agency first received project area funds from the project area ~~{, if available}~~; or

(B) if the agency has not yet received project area funds from the project area, the year in which the agency expects each project area funds collection period to begin;

(iii) a list of each taxing entity that levies or imposes a tax within the project area and a description of the benefits that each taxing entity receives from the project area; and

(iv) the amount paid to other taxing entities under Section 17C-1-410, if applicable;

(c) a description of current and anticipated project area development, including:

(i) a narrative of any significant project area development, including infrastructure development, site development, participation agreements, or vertical construction; and

(ii) other details of development within the project area, including:

(A) the total developed acreage [and];

(B) the total undeveloped acreage;

(C) the percentage of residential development; and

(D) the total number of housing units authorized, if applicable;

(d) the project area budget, if applicable, or other project area funds ~~[analysis]~~ analyses, including:

(i) each project area funds collection period ~~{~~;

~~[(ii)]~~ {, including:

(A) the start and end date of the project area funds collection period; and

~~[(iii)]~~ (B) the number of years remaining in each project area funds collection period;

~~[(iii)]~~ (ii) the [total] amount of project area funds the agency is authorized to receive from the project area cumulatively and from each taxing entity {, and

~~[(iv)]~~ {, and}, including:

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(A) the total dollar amount; and

(B) the percentage of the total amount of project area funds generated within the project area;

~~(iv)~~ (iii) the remaining amount of project area funds the agency is authorized to receive from the project area cumulatively and from each taxing entity; and

(iv) the amount of project area funds the agency is authorized to use to pay for the agency's administrative costs, as described in Subsection 17B-1-409(1), including:

(A) the total dollar amount; and

(B) the percentage of the total amount of all project area funds;

(e) the estimated amount of project area funds that the agency is authorized to receive from the project area for the current calendar year;

(f) the estimated amount of project area funds to be paid to the agency for the next calendar year;

(g) a map of the project area; and

(h) any other relevant information the agency elects to provide.

(3) A report prepared in accordance with this section:

(a) is for informational purposes only; and

(b) does not alter the amount of project area funds that an agency is authorized to receive from a project area.

(4) The provisions of this section apply regardless of when the agency or project area is created.

Section 10. Section **17C-1-806** is amended to read:

17C-1-806. Requirements for notice provided by agency.

(1) The notice required by Section 17C-1-805 shall be given by:

(a) (i) publishing one notice, excluding the map referred to in Subsection (3)(b), in a newspaper of general circulation within the county in which the project area or proposed project area is located, at least 14 days before the hearing;

(ii) if there is no newspaper of general circulation, posting notice at least 14 days before the day of the hearing in at least three conspicuous places within the county in which the project area or proposed project area is located; or

(iii) posting notice, excluding the map described in Subsection (3)(b), at least 14 days

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before the day on which the hearing is held on:

(A) the Utah Public Notice Website described in Section 63F-1-701; and

(B) the public website of a community located within the boundaries of the project area; and

(b) at least 30 days before the hearing, mailing notice to:

(i) each record owner of property located within the project area or proposed project area;

(ii) the State Tax Commission;

(iii) the assessor and auditor of the county in which the project area or proposed project area is located; and

~~[(iv) (A) each member of the taxing entity committee, if applicable; or]~~

~~[(B) if a taxing entity committee has not been formed, the State Board of Education and the legislative body or governing board of each taxing entity.]~~

(iv) (A) if a project area is subject to a taxing entity committee, each member of the taxing entity committee and the State Board of Education; or

(B) if a project area is not subject to a taxing entity committee, the legislative body or governing board of each taxing entity within the boundaries of the project area or proposed project area.

(2) The mailing of the notice to record property owners required under Subsection (1)(b)(i) shall be conclusively considered to have been properly completed if:

(a) the agency mails the notice to the property owners as shown in the records, including an electronic database, of the county recorder's office and at the addresses shown in those records; and

(b) the county recorder's office records used by the agency in identifying owners to whom the notice is mailed and their addresses were obtained or accessed from the county recorder's office no earlier than 30 days before the mailing.

(3) The agency shall include in each notice required under Section 17C-1-805:

(a) (i) a boundary description of the project area or proposed project area; or

(ii) (A) a mailing address or telephone number where a person may request that a copy of the boundary description be sent at no cost to the person by mail, email, or facsimile transmission; and

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(B) if the agency or community has an Internet website, an Internet address where a person may gain access to an electronic, printable copy of the boundary description and other related information;

(b) a map of the boundaries of the project area or proposed project area;

(c) an explanation of the purpose of the hearing; and

(d) a statement of the date, time, and location of the hearing.

(4) The agency shall include in each notice under Subsection (1)(b):

(a) a statement that property tax [~~revenues~~] revenue resulting from an increase in valuation of property within the project area or proposed project area will be paid to the agency for project area development rather than to the taxing entity to which the tax [~~revenues~~] revenue would otherwise have been paid if:

(i) (A) the taxing entity committee consents to the project area budget; [~~and~~] or

(B) one or more taxing entities agree to share property tax revenue under an interlocal agreement; and

(ii) the project area plan provides for the agency to receive tax increment; and

(b) an invitation to the recipient of the notice to submit to the agency comments concerning the subject matter of the hearing before the date of the hearing.

(5) An agency may include in a notice under Subsection (1) any other information the agency considers necessary or advisable, including the public purpose achieved by the project area development and any future tax benefits expected to result from the project area development.

Section 11. Section **17C-1-902** is amended to read:

17C-1-902. Use of eminent domain -- Conditions.

(1) Except as provided in Subsection (2), an agency may not use eminent domain to acquire property.

(2) Subject to the provisions of this part, an agency may, in accordance with Title 78B, Chapter 6, Part 5, Eminent Domain, use eminent domain to acquire an interest in property:

(a) within an urban renewal project area if:

(i) the board makes a finding of blight under Chapter 2, Part 3, Blight Determination in Urban Renewal Project Areas; and

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

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(b) that is owned by an agency board member or officer and located within a project area, if the board member or officer consents;

(c) within a community reinvestment project area if:

(i) the board makes a finding of blight in accordance with Chapter 5, Part 4, Blight Determination in a Community Reinvestment Project Area;

(ii) (A) the original community reinvestment project area plan provides for the use of eminent domain; or

(B) the community reinvestment project area plan is amended in accordance with Subsection 17C-5-112(4); and

(iii) the agency creates a taxing entity committee in accordance with Section 17C-1-402;

(d) that:

(i) is owned by a participant or a property owner that is entitled to receive tax increment or other assistance from the agency;

(ii) is within a project area, regardless of when the project area is created, for which the agency made a finding of blight under Section 17C-2-102 or 17C-5-405; and

(iii) (A) the participant or property owner described in Subsection (2)(d)(i) fails to develop or improve in accordance with the participation agreement or the project area plan; or

(B) for a period of 36 months does not generate the amount of tax increment that the agency projected to receive under the project area budget; or

(e) if a property owner requests in writing that the agency exercise eminent domain to acquire the property owner's property within a project area.

(3) An agency shall, in accordance with the provisions of this part, commence the acquisition of property described in Subsections (2)(a) through (c) by adopting a resolution authorizing eminent domain within five years after the day on which the project area plan is effective.

Section 12. Section **17C-2-110** is amended to read:

17C-2-110. Amending an urban renewal project area plan.

(1) An urban renewal project area plan may be amended as provided in this section.

(2) If an agency proposes to amend an urban renewal project area plan to enlarge the project area:

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(a) subject to Subsection (2)(e), the requirements under this part that apply to adopting a project area plan apply equally to the proposed amendment as if it were a proposed project area plan;

(b) for a pre-July 1, 1993 project area plan, the base year for the new area added to the project area shall be determined under Subsection 17C-1-102(9)[(a)] using the effective date of the amended project area plan;

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

(i) the base year for the new area added to the project area shall be determined under Subsection 17C-1-102(9)[(b)] using the date of the taxing entity committee's consent referred to in Subsection (2)(c)(ii); and

(ii) the agency shall obtain the consent of the taxing entity committee before the agency may collect tax increment from the area added to the project area by the amendment;

(d) the agency shall make a finding regarding the existence of blight in the area proposed to be added to the project area by following the procedure set forth in [~~Subsections 17C-2-102(1)(a)(i) and (ii)~~] Chapter 2, Part 3, Blight Determination in Urban Renewal Project Areas; and

(e) the agency need not make a finding regarding the existence of blight in the project area as described in the original project area plan, if the agency made a finding of the existence of blight regarding that project area in connection with adoption of the original project area plan.

(3) If a proposed amendment does not propose to enlarge an urban renewal project area, a board may adopt a resolution approving an amendment to a project area plan after:

(a) the agency gives notice, as provided in Section 17C-1-806, of the proposed amendment and of the public hearing required by Subsection (3)(b);

(b) the board holds a public hearing on the proposed amendment that meets the requirements of a plan hearing;

(c) the agency obtains the taxing entity committee's consent to the amendment, if the amendment proposes:

(i) to enlarge the area within the project area from which tax increment is collected;

(ii) to permit the agency to receive a greater percentage of tax increment or to extend the project area funds collection period, or both, than allowed under the adopted project area

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plan; or

(iii) for an amendment to a project area plan that was adopted before April 1, 1983, to expand the area from which tax increment is collected to exceed 100 acres of private property; and

(d) the agency obtains the consent of the legislative body or governing board of each taxing entity affected, if the amendment proposes to permit the agency to receive, from less than all taxing entities, a greater percentage of tax increment or to extend the project area funds collection period, or both, than allowed under the adopted project area plan.

(4) (a) An urban renewal project area plan may be amended without complying with the notice and public hearing requirements of Subsections (2)(a) and (3)(a) and (b) and without obtaining taxing entity committee approval under Subsection (3)(c) if the amendment:

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

(ii) subject to Subsection (4)(b), removes [~~a parcel~~] one or more parcels from a project area because the agency determines that [~~the~~] each parcel removed is:

(A) tax exempt;

(B) no longer blighted; or

(C) no longer necessary or desirable to the project area.

(b) An amendment removing [~~a parcel~~] one or more parcels from a project area under Subsection (4)(a)(ii) may be made without the consent of the record property owner of [~~the~~] each parcel being removed.

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

(b) Upon a community legislative body passing an ordinance adopting an amendment to a project area plan, the agency whose project area plan was amended shall comply with the requirements of Sections 17C-2-108 and 17C-2-109 to the same extent as if the amendment were a project area plan.

(6) (a) Within 30 days after the day on which an amendment to a project area plan becomes effective, a person may contest the amendment to the project area plan or the

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procedure used to adopt the amendment to the project area plan if the amendment or procedure fails to comply with a provision of this title.

(b) After the 30-day period described in Subsection (6)(a) expires, a person may not contest the amendment to the project area plan or procedure used to adopt the amendment to the project area plan for any cause.

Section 13. Section **17C-3-109** is amended to read:

17C-3-109. Amending an economic development project area plan.

(1) An economic development project area plan may be amended as provided in this section.

(2) If an agency proposes to amend an economic development project area plan to enlarge the project area:

(a) the requirements under this part that apply to adopting a project area plan apply equally to the proposed amendment as if it were a proposed project area plan;

(b) the base year for the new area added to the project area shall be determined under Subsection 17C-1-102(9) using the date of the taxing entity committee's consent referred to in Subsection (2)(c); and

(c) the agency shall obtain the consent of the taxing entity committee before the agency may collect tax increment from the area added to the project area by the amendment.

(3) If a proposed amendment does not propose to enlarge an economic development project area, a board may adopt a resolution approving an amendment to an economic development project area plan after:

(a) the agency gives notice, as provided in Chapter 1, Part 8, Hearing and Notice Requirements, of the proposed amendment and of the public hearing required by Subsection (3)(b);

(b) the board holds a public hearing on the proposed amendment that meets the requirements of a plan hearing;

(c) the agency obtains the taxing entity committee's consent to the amendment, if the amendment proposes:

(i) to enlarge the area within the project area from which tax increment is received; or

(ii) to permit the agency to receive a greater percentage of tax increment or to extend the project area funds collection period under the economic development project area plan; and

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(d) the agency obtains the consent of the legislative body or governing board of each taxing entity affected, if the amendment proposes to permit the agency to receive, from less than all taxing entities, a greater percentage of tax increment or to extend the project area funds collection period, or both, than allowed under the economic development project area plan.

(4) (a) An economic development project area plan may be amended without complying with the notice and public hearing requirements of Subsections (2)(a) and (3)(a) and (b) and without obtaining taxing entity committee approval under Subsection (3)(c) if the amendment:

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

(ii) subject to Subsection (4)(b), removes [~~a parcel~~] one or more parcels from a project area because the agency determines that [~~the~~] each parcel removed is:

(A) tax exempt; or

(B) no longer necessary or desirable to the project area.

(b) An amendment removing [~~a parcel~~] one or more parcels from a project area under Subsection (4)(a) may be made without the consent of the record property owner of [~~the~~] each parcel being removed.

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

(b) Upon a community legislative body passing an ordinance adopting an amendment to a project area plan, the agency whose project area plan was amended shall comply with the requirements of Sections 17C-3-107 and 17C-3-108 to the same extent as if the amendment were a project area plan.

(6) (a) Within 30 days after the day on which an amendment to a project area plan becomes effective, a person may contest the amendment to the project area plan or the procedure used to adopt the amendment to the project area plan if the amendment or procedure fails to comply with a provision of this title.

(b) After the 30-day period described in Subsection (6)(a) expires, a person may not contest the amendment to the project area plan or procedure used to adopt the amendment to

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the project area plan for any cause.

Section 14. Section **17C-4-108** is amended to read:

17C-4-108. Amending a community development project area plan.

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

(2) (a) Notwithstanding Subsection (1), a community development project area plan may be amended without complying with the requirements of Chapter 1, Part 8, Hearing and Notice Requirements, if the proposed amendment:

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

(ii) subject to Subsection (2)(b), removes [~~a parcel~~] one or more parcels from a project area because the agency determines that [~~the~~] each parcel removed is:

(A) tax exempt; or

(B) no longer necessary or desirable to the project area.

(b) An amendment removing [~~a parcel~~] one or more parcels from a community development project area under Subsection (2)(a)(ii) may be made without the consent of the record property owner of [~~the~~] each parcel being removed.

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

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

(4) (a) Within 30 days after the day on which an amendment to a project area plan becomes effective, a person may contest the amendment to the project area plan or the procedure used to adopt the amendment to the project area plan if the amendment or procedure fails to comply with a provision of this title.

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(b) After the 30-day period described in Subsection (4)(a) expires, a person may not contest the amendment to the project area plan or procedure used to adopt the amendment to the project area plan for any cause.

Section 15. Section **17C-5-104** is amended to read:

17C-5-104. Process for adopting a community reinvestment project area plan -- Prerequisites -- Restrictions.

(1) An agency may not propose a community reinvestment project area plan unless the community in which the proposed community reinvestment project area plan is located:

(a) has a planning commission; and

(b) has adopted a general plan under:

(i) if the community is a municipality, Title 10, Chapter 9a, Part 4, General Plan; or

(ii) if the community is a county, Title 17, Chapter 27a, Part 4, General Plan.

(2) (a) Before an agency may adopt a proposed community reinvestment project area plan, the agency shall conduct a blight study and make a blight determination in accordance with Part 4, Blight Determination in a Community Reinvestment Project Area, if the agency anticipates using eminent domain to acquire property within the proposed community reinvestment project area.

(b) If applicable, an agency may not approve a community reinvestment project area plan more than one year after the agency adopts a resolution making a finding of blight under Section 17C-5-402.

(3) To adopt a community reinvestment project area plan, an agency shall:

(a) prepare a proposed community reinvestment project area plan in accordance with Section 17C-5-105;

(b) make the proposed community reinvestment project area plan available to the public at the agency's office during normal business hours for at least 30 days before the plan hearing described in Subsection (3)(e);

(c) before holding the plan hearing described in Subsection (3)(e), provide an opportunity for the State Board of Education and each taxing entity that levies or imposes a tax within the proposed community reinvestment project area to consult with the agency regarding the proposed community reinvestment project area plan;

(d) provide notice of the plan hearing in accordance with Chapter 1, Part 8, Hearing

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and Notice Requirements;

(e) hold a plan hearing on the proposed community reinvestment project area plan and, at the plan hearing:

(i) allow public comment on:

(A) the proposed community reinvestment project area plan; and

(B) whether the agency should revise, approve, or reject the proposed community reinvestment project area plan; and

(ii) receive all written and oral objections to the proposed community reinvestment project area plan; and

(f) following the plan hearing described in Subsection (3)(e), or at a subsequent agency meeting:

(i) consider:

(A) the oral and written objections to the proposed community reinvestment project area plan and evidence and testimony for and against adoption of the proposed community reinvestment project area plan; and

(B) whether to revise, approve, or reject the proposed community reinvestment project area plan;

(ii) adopt a resolution in accordance with Section 17C-5-108 that approves the proposed community reinvestment project area plan, with or without revisions, as the community reinvestment project area plan; and

(iii) submit the community reinvestment project area plan to the community legislative body for adoption.

(4) (a) Except as provided in Subsection (4)(b), an agency may not modify a proposed community reinvestment project area plan to add [~~a parcel~~] one or more parcels to the proposed community reinvestment project area unless the agency holds a plan hearing to consider the addition and gives notice of the plan hearing in accordance with Chapter 1, Part 8, Hearing and Notice Requirements.

(b) The notice and hearing requirements described in Subsection (4)(a) do not apply to a proposed community reinvestment project area plan being modified to add [~~a parcel~~] one or more parcels to the proposed community reinvestment project area if:

(i) [~~the~~] each parcel is contiguous to one or more parcels already included in the

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proposed community reinvestment project area under the proposed community reinvestment project area plan;

(ii) the record owner of ~~[the]~~ each parcel consents to adding the parcel to the proposed community reinvestment project area; and

(iii) ~~[the]~~ each parcel is located within the survey area.

Section 16. Section **17C-5-105** is amended to read:

17C-5-105. Community reinvestment project area plan requirements.

~~[(+)]~~ Each community reinvestment project area plan and proposed community reinvestment project area plan shall:

~~[(a)]~~ (1) subject to Section 17C-1-414, if applicable, include a boundary description and a map of the community reinvestment project area;

~~[(b)]~~ (2) contain a general statement of the existing land uses, layout of principal streets, population densities, and building intensities of the community reinvestment project area and how each will be affected by ~~[the]~~ project area development;

~~[(c)]~~ (3) state the standards that will guide ~~[the]~~ project area development;

~~[(d)]~~ (4) show how ~~[the]~~ project area development will further purposes of this title;

~~[(e)]~~ (5) be consistent with the general plan of the community in which the community reinvestment project area is located and show that ~~[the]~~ project area development will conform to the community's general plan;

~~[(f)]~~ (6) if applicable, describe how project area development will eliminate or reduce blight in the community reinvestment project area;

~~[(g)]~~ (7) describe any specific project area development that is the object of the community reinvestment project area plan;

~~[(h)]~~ (8) if applicable, explain how the agency plans to select a participant;

~~[(+)]~~ (9) state each reason the agency selected the community reinvestment project area;

~~[(+)]~~ (10) describe the physical, social, and economic conditions that exist in the community reinvestment project area;

~~[(*)]~~ (11) describe each type of financial assistance that the agency anticipates offering a participant;

~~[(l)]~~ report the results of the public benefit analysis described in Subsection (2);

(12) include an analysis or description of the anticipated public benefit resulting from

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project area development, including benefits to the community's economic activity and tax base;

~~[(m)] (13)~~ if applicable, state that the agency shall comply with Section 9-8-404 as required under Section 17C-5-106;

~~[(n)] (14)~~ state whether the community reinvestment project area plan or proposed community reinvestment project area plan is subject to a taxing entity committee or an interlocal agreement; and

~~[(o)] (15)~~ include other information that the agency determines to be necessary or advisable.

~~[(2)(a) An agency shall conduct an analysis in accordance with Subsection (2)(b) to determine whether the proposed community reinvestment project area plan will provide a public benefit.]~~

~~[(b) The analysis described in Subsection (2)(a) shall consider:]~~

~~[(i) the benefit of any financial assistance or other public subsidy proposed to be provided by the agency, including:]~~

~~[(A) an evaluation of the reasonableness of the costs of the proposed project area development;]~~

~~[(B) efforts that have been, or will be made, to maximize private investment;]~~

~~[(C) the rationale for use of project area funds, including an analysis of whether the proposed project area development might reasonably be expected to occur in the foreseeable future solely through private investment; and]~~

~~[(D) an estimate of the total amount of project area funds that the agency intends to spend on project area development and the length of time over which the project area funds will be spent; and]~~

~~[(ii) the anticipated public benefit derived from the proposed project area development, including:]~~

~~[(A) the beneficial influences on the community's tax base;]~~

~~[(B) the associated business and economic activity the proposed project area development will likely stimulate; and]~~

~~[(C) whether adoption of the proposed community reinvestment project area plan is necessary and appropriate to undertake the proposed project area development.]~~

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Section 17. Section **17C-5-108** is amended to read:

17C-5-108. Board resolution approving a community reinvestment project area plan -- Requirements.

A board resolution approving a proposed community reinvestment area plan as the community reinvestment project area plan under Section 17C-5-104 shall contain:

- (1) a boundary description of the community reinvestment project area that is the subject of the community reinvestment project area plan;
- (2) the agency's purposes and intent with respect to the community reinvestment project area;
- (3) the proposed community reinvestment project area plan incorporated by reference;
- (4) the board findings and determinations that the proposed community reinvestment project area plan:
 - (a) serves a public purpose;
 - (b) produces a public benefit as demonstrated by the analysis described in Subsection 17C-5-105[~~(2)~~](12);
 - (c) is economically sound and feasible;
 - (d) conforms to the community's general plan; and
 - (e) promotes the public peace, health, safety, and welfare of the community in which the proposed community reinvestment project area is located; and
- (5) if the board made a finding of blight under Section 17C-5-402, a statement that the board made a finding of blight within the proposed community reinvestment project area and the date on which the board made the finding of blight.

Section 18. Section **17C-5-112** is amended to read:

17C-5-112. Amending a community reinvestment project area plan.

- (1) An agency may amend a community reinvestment project area plan in accordance with this section.
- (2) (a) If an amendment proposes to enlarge a community reinvestment project area's geographic area, the agency shall:
 - (i) comply with this part as though the agency were creating a community reinvestment project area;
 - (ii) if the agency anticipates receiving project area funds from the area proposed to be

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added to the community reinvestment project area, before the agency may collect project area funds:

(A) for a community reinvestment project area plan that is subject to a taxing entity committee, obtain approval to receive tax increment from the taxing entity committee; or

(B) for a community reinvestment project area plan that is subject to an interlocal agreement, obtain the approval of the taxing entity that is a party to the interlocal agreement; and

(iii) if the agency anticipates acquiring property in the area proposed to be added to the community reinvestment project area by eminent domain, follow the procedures described in Section 17C-5-402.

(b) The base year for the area proposed to be added to the community reinvestment project area shall be determined using the date of:

(i) the taxing entity committee's consent as described in Subsection (2)(a)(ii)(A); or

(ii) the taxing entity's consent as described in Subsection (2)(a)(ii)(B).

(3) If an amendment does not propose to enlarge a community reinvestment project area's geographic area, the board may adopt a resolution approving the amendment after the agency:

(a) if the amendment does not propose to allow the agency to receive a greater amount of project area funds or to extend a project area funds collection period:

(i) gives notice in accordance with Section 17C-1-806; and

(ii) holds a public hearing on the proposed amendment that meets the requirements described in [~~Section 17C-1-808~~] Subsection 17C-5-104(3); or

(b) if the amendment proposes to also allow the agency to receive a greater amount of project area funds or to extend a project area funds collection period:

(i) complies with Subsection (3)(a)(i) and (ii); and

(ii) (A) for a community reinvestment project area plan that is subject to a taxing entity committee, obtains approval from the taxing entity committee; or

(B) for a community reinvestment project area plan that is subject to an interlocal agreement, obtains approval to receive project area funds from the taxing entity that is a party to the interlocal agreement.

(4) (a) An agency may amend a community reinvestment project area plan for a

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community reinvestment project area that is subject to an interlocal agreement for the purpose of using eminent domain to acquire one or more parcels within the community reinvestment project area.

(b) To amend a community reinvestment project area plan as described in Subsection (4)(a), an agency shall:

(i) adopt a survey area resolution that identifies each parcel that the agency intends to study to determine whether blight exists;

(ii) in accordance with Part 4, Blight Determination in a Community Reinvestment Project Area, conduct a blight study within the survey area and make a blight determination;

(iii) create a taxing entity committee whose sole purpose is to approve any finding of blight in accordance with Subsection 17C-5-402(3); and

(iv) obtain approval to amend the community reinvestment project area plan from each taxing entity that is party to an interlocal agreement.

(c) Amending a community reinvestment project area plan as described in this Subsection (4) does not affect:

(i) the base year of the parcel or parcels that are the subject of an amendment under this Subsection (4); and

(ii) any interlocal agreement under which the agency is authorized to receive project area funds from the community reinvestment project area.

(5) An agency may amend a community reinvestment project area plan without obtaining the consent of a taxing entity or a taxing entity committee and without providing notice or holding a public hearing if the amendment:

(a) makes a minor adjustment in the community reinvestment project area boundary that is requested by a county assessor or county auditor to avoid inconsistent property boundary lines; or

(b) removes [~~a parcel~~] one or more parcels from a community reinvestment project area because the agency determines that [~~the~~] each parcel is:

(i) tax exempt;

(ii) no longer blighted; or

(iii) no longer necessary or desirable to the project area.

(6) (a) An amendment approved by board resolution under this section may not take

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effect until the community legislative body adopts an ordinance approving the amendment.

(b) Upon the community legislative body adopting an ordinance approving an amendment under Subsection (6)(a), the agency shall comply with the requirements described in Sections 17C-5-110 and 17C-5-111 as if the amendment were a community reinvestment project area plan.

(7) (a) Within 30 days after the day on which an amendment to a project area plan becomes effective, a person may contest the amendment to the project area plan or the procedure used to adopt the amendment to the project area plan if the amendment or procedure fails to comply with a provision of this title.

(b) After the 30-day period described in Subsection (7)(a) expires, a person may not contest the amendment to the project area plan or procedure used to adopt the amendment to the project area plan for any cause.

Section 19. Section **59-2-924.2** is amended to read:

59-2-924.2. Adjustments to the calculation of a taxing entity's certified tax rate.

(1) For purposes of this section, "certified tax rate" means a certified tax rate calculated in accordance with Section 59-2-924.

(2) Beginning January 1, 1997, if a taxing entity receives increased revenues from uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1, 59-2-405.2, or 59-2-405.3 as a result of any county imposing a sales and use tax under Chapter 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax rate to offset the increased revenues.

(3) (a) Beginning July 1, 1997, if a county has imposed a sales and use tax under Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:

(i) decreased on a one-time basis by the amount of the estimated sales and use tax revenue to be distributed to the county under Subsection 59-12-1102(3); and

(ii) increased by the amount necessary to offset the county's reduction in revenue from uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1, 59-2-405.2, or 59-2-405.3 as a result of the decrease in the certified tax rate under Subsection (3)(a)(i).

(b) The commission shall determine estimates of sales and use tax distributions for purposes of Subsection (3)(a).

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(4) Beginning January 1, 1998, if a municipality has imposed an additional resort communities sales and use tax under Section 59-12-402, the municipality's certified tax rate shall be decreased on a one-time basis by the amount necessary to offset the first 12 months of estimated revenue from the additional resort communities sales and use tax imposed under Section 59-12-402.

(5) (a) This Subsection (5) applies to each county that:

(i) establishes a countywide special service district under Title 17D, Chapter 1, Special Service District Act, to provide jail service, as provided in Subsection 17D-1-201(10); and

(ii) levies a property tax on behalf of the special service district under Section 17D-1-105.

(b) (i) The certified tax rate of each county to which this Subsection (5) applies shall be decreased by the amount necessary to reduce county revenues by the same amount of revenues that will be generated by the property tax imposed on behalf of the special service district.

(ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the levy on behalf of the special service district under Section 17D-1-105.

(6) (a) As used in this Subsection (6):

(i) "Annexing county" means a county whose unincorporated area is included within a public safety district by annexation.

(ii) "Annexing municipality" means a municipality whose area is included within a public safety district by annexation.

(iii) "Equalized public safety protection tax rate" means the tax rate that results from:

(A) calculating, for each participating county and each participating municipality, the property tax revenue necessary:

(I) in the case of a fire district, to cover all of the costs associated with providing fire protection, paramedic, and emergency services:

(Aa) for a participating county, in the unincorporated area of the county; and

(Bb) for a participating municipality, in the municipality; or

(II) in the case of a police district, to cover all the costs:

(Aa) associated with providing law enforcement service:

(Ii) for a participating county, in the unincorporated area of the county; and

(IIi) for a participating municipality, in the municipality; and

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(Bb) that the police district board designates as the costs to be funded by a property tax; and

(B) adding all the amounts calculated under Subsection (6)(a)(iii)(A) for all participating counties and all participating municipalities and then dividing that sum by the aggregate taxable value of the property, as adjusted in accordance with Section 59-2-913:

(I) for participating counties, in the unincorporated area of all participating counties; and

(II) for participating municipalities, in all the participating municipalities.

(iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service Area Act:

(A) created to provide fire protection, paramedic, and emergency services; and

(B) in the creation of which an election was not required under Subsection 17B-1-214(3)~~(c)~~(d).

(v) "Participating county" means a county whose unincorporated area is included within a public safety district at the time of the creation of the public safety district.

(vi) "Participating municipality" means a municipality whose area is included within a public safety district at the time of the creation of the public safety district.

(vii) "Police district" means a service area under Title 17B, Chapter 2a, Part 9, Service Area Act, within a county of the first class:

(A) created to provide law enforcement service; and

(B) in the creation of which an election was not required under Subsection 17B-1-214(3)~~(c)~~(d).

(viii) "Public safety district" means a fire district or a police district.

(ix) "Public safety service" means:

(A) in the case of a public safety district that is a fire district, fire protection, paramedic, and emergency services; and

(B) in the case of a public safety district that is a police district, law enforcement service.

(b) In the first year following creation of a public safety district, the certified tax rate of each participating county and each participating municipality shall be decreased by the amount of the equalized public safety tax rate.

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(c) In the first budget year following annexation to a public safety district, the certified tax rate of each annexing county and each annexing municipality shall be decreased by an amount equal to the amount of revenue budgeted by the annexing county or annexing municipality:

(i) for public safety service; and

(ii) in:

(A) for a taxing entity operating under a January 1 through December 31 fiscal year, the prior calendar year; or

(B) for a taxing entity operating under a July 1 through June 30 fiscal year, the prior fiscal year.

(d) Each tax levied under this section by a public safety district shall be considered to be levied by:

(i) each participating county and each annexing county for purposes of the county's tax limitation under Section 59-2-908; and

(ii) each participating municipality and each annexing municipality for purposes of the municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a city.

(e) The calculation of a public safety district's certified tax rate for the year of annexation shall be adjusted to include an amount of revenue equal to one half of the amount of revenue budgeted by the annexing entity for public safety service in the annexing entity's prior fiscal year if:

(i) the public safety district operates on a January 1 through December 31 fiscal year;

(ii) the public safety district approves an annexation of an entity operating on a July 1 through June 30 fiscal year; and

(iii) the annexation described in Subsection (6)(e)(ii) takes effect on July 1.

(7) (a) The base taxable value [~~under~~] as defined in Section 17C-1-102 shall be reduced for any year to the extent necessary to provide a community reinvestment agency established under Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act, with approximately the same amount of money the agency would have received without a reduction in the county's certified tax rate, calculated in accordance with Section 59-2-924, if:

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(i) in that year there is a decrease in the certified tax rate under Subsection (2) or (3)(a);

(ii) the amount of the decrease is more than 20% of the county's certified tax rate of the previous year; and

(iii) the decrease results in a reduction of the amount to be paid to the agency under Section 17C-1-403 or 17C-1-404.

(b) The base taxable value [~~under~~] as defined in Section 17C-1-102 shall be increased in any year to the extent necessary to provide a community reinvestment agency with approximately the same amount of money as the agency would have received without an increase in the certified tax rate that year if:

(i) in that year the base taxable value [~~under~~] as defined in Section 17C-1-102 is reduced due to a decrease in the certified tax rate under Subsection (2) or (3)(a); and

(ii) the certified tax rate of a city, school district, local district, or special service district increases independent of the adjustment to the taxable value of the base year.

(c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a), the amount of money allocated and, when collected, paid each year to a community reinvestment agency established under Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act, for the payment of bonds or other contract indebtedness, but not for administrative costs, may not be less than that amount would have been without a decrease in the certified tax rate under Subsection (2) or (3)(a).

(8) (a) For the calendar year beginning on January 1, 2014, the calculation of a county assessing and collecting levy shall be adjusted by the amount necessary to offset:

(i) any change in the certified tax rate that may result from amendments to Part 16, Multicounty Assessing and Collecting Levy, in Laws of Utah 2014, Chapter 270, Section 3; and

(ii) the difference in the amount of revenue a taxing entity receives from or contributes to the Property Tax Valuation Agency Fund, created in Section 59-2-1602, that may result from amendments to Part 16, Multicounty Assessing and Collecting Levy, in Laws of Utah 2014, Chapter 270, Section 3.

(b) A taxing entity is not required to comply with the notice and public hearing requirements in Section 59-2-919 for an adjustment to the county assessing and collecting levy described in Subsection (8)(a).

HB0015S01 compared with HB0015

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Legislative Review Note

Office of Legislative Research and General Counsel