

**Senator Daniel W. Thatcher** proposes the following substitute bill:

**COMMUNITY REINVESTMENT AGENCIES REVISIONS**

2018 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Douglas V. Sagers**

Senate Sponsor: Daniel W. Thatcher

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**LONG TITLE**

**General Description:**

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

**Highlighted Provisions:**

This bill:

- ▶ modifies agency powers;
- ▶ allows a community to enter into an interlocal agreement with an agency to exercise agency power within the community, regardless of whether the community has created an agency;
- ▶ authorizes a public entity to dispose of or lease the public entity's property to an agency for less than fair market value; and
- ▶ makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides a coordination clause.

**Utah Code Sections Affected:**

AMENDS:



26 17C-1-202, as last amended by Laws of Utah 2016, Chapter 350

27 17C-1-204, as last amended by Laws of Utah 2016, Chapter 350

28 17C-1-207, as last amended by Laws of Utah 2016, Chapter 350

29 Utah Code Sections Affected by Coordination Clause:

30 17C-1-207, as last amended by Laws of Utah 2016, Chapter 350



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

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

33 17C-1-202. Agency powers.

34 (1) An agency may:

35 (a) sue and be sued;

36 (b) enter into contracts generally;

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

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

41 (e) own, hold, maintain, utilize, manage, or operate real or personal property, which  
42 may include the use of agency funds or the collection of revenue;

43 ~~(f)~~ (f) enter into a lease agreement on real or personal property, either as lessee or  
44 lessor;

45 ~~(g)~~ (g) provide for project area development as provided in this title;

46 ~~(h)~~ (h) receive and use agency funds as provided in this title;

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

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

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

55 ~~(l)~~ (l) issue bonds to finance the undertaking of any project area development or for  
56

57 any of the agency's other purposes, including:

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

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

60 (iii) refunding bonds to pay or retire bonds previously issued by the community that

61 created the agency for expenses associated with project area development;

62 [~~(t)~~] (m) pay an impact fee, exaction, or other fee imposed by a community in

63 connection with land development; or

64 [~~(m)~~] (n) transact other business and exercise all other powers described in this title.

65 (2) The establishment of controls or restrictions and covenants under Subsection

66 (1)[~~(t)~~](i) is a public purpose.

67 (3) An agency is not subject to Section 10-8-2 or 17-50-312.

68 Section 2. Section **17C-1-204** is amended to read:

69 **17C-1-204. Project area development by an adjoining agency -- Requirements.**

70 (1) (a) A community [~~that has not~~], regardless of whether the community has created  
71 an agency, may enter into an interlocal agreement with an agency located in the same or an  
72 abutting county that authorizes the agency to exercise all the powers granted to an agency under  
73 this title within all or a portion of the community.

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

76 (2) If an agency and a community enter into an interlocal agreement under Subsection  
77 (1):

78 (a) the agency may act in all respects as if a project area within the community were  
79 within the agency's boundaries;

80 (b) the board has all the rights, powers, and privileges with respect to a project area  
81 within the community as if the project area were within the agency's boundaries;

82 (c) the agency may be paid project area funds to the same extent as if a project area  
83 within the community were within the agency's boundaries; and

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

86 (3) If an agency's project area abuts another agency's project area, the agencies may  
87 coordinate with each other in order to assist and cooperate in the planning, undertaking,

88 construction, or operation of project area development located within each agency's project  
89 area.

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

91 (i) "County agency" means an agency that is created by a county.

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

93 (A) over half of which is located within the boundary of a town, as defined in Section  
94 10-1-104; and

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

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

97 (A) part of the inactive industrial site because the site lies within the perimeter  
98 described in Section 17C-1-102; and

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

100 (b) (i) Subject to Subsection (4)(b)(ii), a county agency may undertake project area  
101 development on industrial property if the record property owner of the industrial property  
102 submits a written request to the county agency to do so.

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

105 (c) If a county agency undertakes project area development on industrial property:

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

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

110 (iii) the county agency may be paid project area funds to the same extent as if the  
111 project area were within the county agency's boundary.

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

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

116 **17C-1-207. Public entities may assist with project area development.**

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

- 119 act, a public entity may:
- 120 (a) (i) provide or cause to be furnished:
- 121 (A) parks, playgrounds, or other recreational facilities;
- 122 (B) community, educational, water, sewer, or drainage facilities; or
- 123 (C) any other works which the public entity is otherwise empowered to undertake;
- 124 (ii) provide, furnish, dedicate, close, vacate, pave, install, grade, regrade, plan, or
- 125 replan streets, roads, roadways, alleys, sidewalks, or other places;
- 126 (iii) in any part of the project area:
- 127 (A) (I) plan or replan any property within the project area;
- 128 (II) plat or replat any property within the project area;
- 129 (III) vacate a plat;
- 130 (IV) amend a plat; or
- 131 (V) zone or rezone any property within the project area; and
- 132 (B) make any legal exceptions from building regulations and ordinances;
- 133 (iv) purchase or legally invest in any of the bonds of an agency and exercise all of the
- 134 rights of any holder of the bonds;
- 135 (v) notwithstanding any law to the contrary, enter into an agreement for any period of
- 136 time with another public entity concerning action to be taken pursuant to any of the powers
- 137 granted in this title;
- 138 (vi) do anything necessary to aid or cooperate in the planning or implementation of the
- 139 project area development;
- 140 (vii) in connection with the project area plan, become obligated to the extent
- 141 authorized and funds have been made available to make required improvements or construct
- 142 required structures; and
- 143 (viii) lend, grant, or contribute funds to an agency for project area development or
- 144 proposed project area development, including assigning revenue or taxes in support of an
- 145 agency bond or obligation; and
- 146 (b) ~~[15 days after posting public notice]~~ for less than fair market value or for no
- 147 consideration, and subject to Subsection (2):
- 148 (i) purchase or otherwise acquire property ~~[or]~~ from an agency;
- 149 (ii) lease property from ~~[the]~~ an agency; ~~[or]~~

150 [(~~it~~)] (iii) sell, grant, convey, donate, or otherwise dispose of the public entity's  
151 property to an agency; or

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

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

155 [~~(3) A grant or contribution of funds from a public entity to an agency, or from an~~  
156 ~~agency under a project area plan or project area budget, is not subject to the requirements of~~  
157 ~~Section 10-8-2.~~]

158 (2) A public entity may provide project area development assistance described in  
159 Subsection (1)(b) no sooner than 15 days after the day on which the public entity posts notice  
160 of the assistance:

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

162 (b) (i) on the public entity's public website; or

163 (ii) if the public entity does not have a public website, in a newspaper of general  
164 circulation within the county in which the project area for which the entity provides the  
165 assistance is located.

166 (3) The following are not subject to Sections 10-8-2 or 17-50-312:

167 (a) project area development assistance that a public entity provides under this section;

168 or

169 (b) a transfer of funds or property from an agency to a public entity.

170 Section 4. **Coordinating H.B. 17 with H.B. 15 -- Substantive and technical**  
171 **amendments.**

172 If this H.B. 17 and H.B. 15, Community Reinvestment Agency Amendments, both pass  
173 and become law, it is the intent of the Legislature that the Office of Legislative Research and  
174 General Counsel shall prepare the Utah Code database for publication by amending Section  
175 17C-1-207 to read:

176 **"17C-1-207. Public entities may assist with project area development.**

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

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

- 181 (A) parks, playgrounds, or other recreational facilities;
- 182 (B) community, educational, water, sewer, or drainage facilities; or
- 183 (C) any other works which the public entity is otherwise empowered to undertake;
- 184 (ii) provide, furnish, dedicate, close, vacate, pave, install, grade, regrade, plan, or
- 185 replan streets, roads, roadways, alleys, sidewalks, or other places;
- 186 (iii) in any part of the project area:
- 187 (A) (I) plan or replan any property within the project area;
- 188 (II) plat or replat any property within the project area;
- 189 (III) vacate a plat;
- 190 (IV) amend a plat; or
- 191 (V) zone or rezone any property within the project area; and
- 192 (B) make any legal exceptions from building regulations and ordinances;
- 193 (iv) purchase or legally invest in any of the bonds of an agency and exercise all of the
- 194 rights of any holder of the bonds;
- 195 (v) notwithstanding any law to the contrary, enter into an agreement for a period of
- 196 time with another public entity concerning action to be taken pursuant to any of the powers
- 197 granted in this title;
- 198 (vi) do anything necessary to aid or cooperate in the planning or implementation of the
- 199 project area development;
- 200 (vii) in connection with the project area plan, become obligated to the extent
- 201 authorized and funds have been made available to make required improvements or construct
- 202 required structures; and
- 203 (viii) lend, grant, or contribute funds to an agency for project area development or
- 204 proposed project area development, including assigning revenue or taxes in support of an
- 205 agency bond or obligation; and
- 206 (b) [~~15 days after posting public notice~~] for less than fair market value or for no
- 207 consideration, and subject to Subsection (3):
- 208 (i) purchase or otherwise acquire property [~~or~~] from an agency;
- 209 (ii) lease property from [~~the~~] an agency; [~~or~~]
- 210 [~~(ii)~~] (iii) sell, grant, convey, donate, or otherwise dispose of the public entity's
- 211 property to an agency; or

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

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

215 ~~[(3) A grant or contribution of funds from a public entity to an agency, or from an~~  
216 ~~agency under a project area plan or project area budget, is not subject to the requirements of~~  
217 ~~Section [10-8-2](#).]~~

218 (2) The following are not subject to Sections [10-8-2](#) or [17-50-312](#):

219 (a) project area development assistance that a public entity provides under this section;

220 or

221 (b) a transfer of funds or property from an agency to a public entity.

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

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

225 (b) the public entity's public website."