

SB0234S01 compared with SB0234

~~deleted text~~ shows text that was in SB0234 but was deleted in SB0234S01.

Inserted text shows text that was not in SB0234 but was inserted into SB0234S01.

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Senator Jerry W. Stevenson proposes the following substitute bill:

UTAH INLAND PORT AUTHORITY

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jerry W. Stevenson

House Sponsor: _____

LONG TITLE

General Description:

This bill enacts and modifies provisions related to the Utah Inland Port Authority.

Highlighted Provisions:

This bill:

- ▶ creates the Utah Inland Port Authority;
- ▶ establishes the duties, responsibilities, and powers of the Utah Inland Port Authority;
- ▶ establishes a board to govern the port authority and provides for the board membership, terms, and responsibilities and provides limits on board members;
- ▶ requires the port authority board to hire an executive director;
- ▶ defines land that is under the jurisdiction of the port authority;
- ▶ authorizes the port authority to work to establish an inland port and a foreign trade

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zone;

- ▶ provides for the port authority to receive tax increment funds;
- ▶ authorizes the port authority board to hear and decide certain appeals ~~and requests~~ related to certain land use actions;
- ▶ requires the port authority to prepare and adopt a budget and provides a process for preparing, adopting, and amending a budget;
- ▶ requires the port authority to comply with certain audit requirements; and
- ▶ modifies tax increment provisions to require port authority board approval under certain circumstances relating to community reinvestment project area plans that include land under the port authority's jurisdiction.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

17C-1-102, as last amended by Laws of Utah 2017, Chapter 456

17C-1-409, as last amended by Laws of Utah 2016, Chapter 350

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

ENACTS:

11-58-101, Utah Code Annotated 1953

11-58-102, Utah Code Annotated 1953

11-58-201, Utah Code Annotated 1953

11-58-202, Utah Code Annotated 1953

11-58-203, Utah Code Annotated 1953

11-58-204, Utah Code Annotated 1953

11-58-205, Utah Code Annotated 1953

11-58-206, Utah Code Annotated 1953

11-58-301, Utah Code Annotated 1953

11-58-302, Utah Code Annotated 1953

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11-58-303, Utah Code Annotated 1953
11-58-304, Utah Code Annotated 1953
11-58-305, Utah Code Annotated 1953
11-58-401, Utah Code Annotated 1953
11-58-402, Utah Code Annotated 1953
11-58-403, Utah Code Annotated 1953
11-58-404, Utah Code Annotated 1953
11-58-501, Utah Code Annotated 1953
11-58-502, Utah Code Annotated 1953
11-58-503, Utah Code Annotated 1953
11-58-504, Utah Code Annotated 1953
11-58-601, Utah Code Annotated 1953

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

Section 1. Section **11-58-101** is enacted to read:

CHAPTER 58. UTAH INLAND PORT AUTHORITY ACT

Part 1. General Provisions

11-58-101. Title.

This chapter is known as the "Utah Inland Port Authority Act."

Section 2. Section **11-58-102** is enacted to read:

11-58-102. Definitions.

As used in this chapter:

(1) "Authority" means the Utah Inland Port Authority, created in Section 11-58-201.

(2) "Authority jurisdictional land":

(a) means ~~the~~:

(i) land ~~that is located within an area that has:~~

~~(i) the same boundary on the west and south as the west and south~~ north of I-80 in Salt Lake City that has:

(A) ~~a northern boundary defined by the northern~~ boundary of Salt Lake ~~City's~~ Northwest Quadrant Master Plan Area as of January 1, 2018; City;

~~(ii) B~~ an eastern boundary defined by I-215; ~~and~~

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~~(iii) the same boundary on the north as the northern~~ C) a southern boundary defined by I-80; and

(D) a western boundary defined by the western boundary of Salt Lake ~~City; and~~

~~(b) excludes~~ City's Northwest Quadrant Master Plan Area as of January 1, 2018; and

(ii) land south of I-80 in Salt Lake City that has:

(A) a northern boundary defined by I-80;

(B) an eastern boundary defined by SR 154;

(C) a southern boundary defined by California Avenue; and

(D) a western boundary defined by the western boundary of Salt Lake City's Northwest

Quadrant Master Plan Area as of January 1, 2018; and

(b) excludes:

(i) the Salt Lake City airport; ~~and~~

(ii) an area that has:

(A) a northern boundary defined by Harold Gatty Drive;

(B) an eastern boundary defined by the eastern boundary of Salt Lake City's Northwest

Quadrant Master Plan Area as of January 1, 2018;

(C) a southern boundary defined by I-80; and

(D) a western boundary defined by 5600 West.

(3) "Board" means the authority's governing body, created in Section 11-58-301.

(4) "Business plan":

(a) means a plan designed to:

(i) achieve the participation of all applicable state and local government entities,

property owners, private parties, and other stakeholders;

(ii) facilitate, encourage, and bring about development of the authority jurisdictional land to further and achieve the policies and objectives described in Subsection 11-58-203(1),

including the development and establishment of an inland port; and

(iii) coordinate with, follow, and complement the municipal master plan and applicable zoning and other land use ordinances; and

(b) except to the extent of the appeal responsibility provided in Part 4, Appeals to Appeals Panel, does not include municipal planning and zoning activities.

(5) "Development" means:

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(a) the demolition, construction, reconstruction, modification, expansion, or improvement of a building, utility, infrastructure, landscape, parking lot, park, trail, recreational amenity, or other facility, including publicly owned infrastructure and improvements; and

(b) the planning of, arranging for, or participation in any of the activities listed in Subsection (5)(a).

(6) "Inland port" means a site ~~or group of sites~~ that:

(a) ~~contains a portfolio of~~ ~~contain~~ multimodal transportation assets and the ability to allow global trade to be processed and altered by value-added services as goods move through the supply chain; and

(b) may include a satellite customs clearance terminal, an intermodal distribution facility, a customs pre-clearance for international trade, or other facilities that facilitate, encourage, and enhance regional, national, and international trade.

Section 3. Section **11-58-201** is enacted to read:

Part 2. Utah Inland Port Authority

11-58-201. Creation of Utah Inland Port Authority -- Status and purpose.

(1) There is created the Utah Inland Port Authority.

(2) The authority is:

(a) an independent, nonprofit, separate body corporate and politic, with perpetual succession;

(b) a political subdivision of the state; and

(c) a public corporation, as defined in Section 63E-1-102.

(3) The purpose of the authority is to fulfill the statewide public purpose of working in concert with applicable state and local government entities, property owners and other private parties, and other stakeholders to maximize the long-term economic and other benefit for the state from:

(a) the development of ~~an~~ inland port ~~uses~~ on the authority jurisdictional land;

~~(b) the development of infrastructure to support inland port uses and associated uses in the authority jurisdictional land;~~

~~(c) the coordination and encouragement of taxing entities to devote resources and tax increment to community reinvestment areas within the authority jurisdictional land; and~~

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(f)(b)(d) other development on the authority jurisdictional land consistent with the policies and objectives described in Section 11-58-203.

Section 4. Section **11-58-202** is enacted to read:

11-58-202. Authority powers and duties.

(1) The authority has exclusive jurisdiction, responsibility, and power to coordinate the efforts of all applicable state and local government entities, property owners and other private parties, and other stakeholders to:

(a) develop and implement a business plan for the authority jurisdictional land;

(b) ~~{plan,}~~ facilitate ~~{, develop, and manage an}~~ inland port uses on the authority jurisdictional land;

(c) ~~manage any inland port located on land owned or leased by the authority;~~ and

(f)(c)(d) establish a foreign trade zone, as provided under federal law, covering some or all of the authority jurisdictional land.

(2) The authority may:

(a) facilitate and bring about the development of ~~{an}~~ inland port uses on land that is part of the authority jurisdictional land, including engaging in marketing and business recruitment activities and efforts to encourage and facilitate:

(i) the development of an inland port on land that is part of the authority jurisdictional land; and

(ii) other development ~~{off}~~on the authority jurisdictional land consistent with the strategies, policies, and objectives described in ~~{Subsection 11-58-203(1)}~~this part;

(b) apply for and take all other necessary actions for the establishment of a foreign trade zone, as provided under federal law, covering some or all of the authority jurisdictional land;

(c) sue and be sued;

(d) enter into contracts generally;

(e) as the authority considers necessary or advisable to carry out any of its duties or responsibilities under this chapter:

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

(ii) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real or

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personal property; or

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

(f) exercise powers and perform functions under a contract, as authorized in the contract;

(g) accept financial or other assistance from any public or private source for the authority's activities, powers, and duties, and expend any funds so received for any of the purposes of this chapter;

(h) borrow money from, contract with, or accept financial or other assistance from the federal government, a public entity, or any other source for any of the purposes of this chapter and comply with any conditions of the loan, contract, or assistance;

(i) hire employees, including contract employees;

(j) transact other business and exercise all other powers provided for in this chapter;

(k) engage one or more consultants to advise or assist the authority in the performance of the authority's duties and responsibilities; and

(l) exercise powers and perform functions that the authority is authorized by statute to exercise or perform.

Section 5. Section **11-58-203** is enacted to read:

11-58-203. Strategies, policies, and objectives to be pursued by authority.

In fulfilling its duties and responsibilities relating to the development of the authority jurisdictional land, the authority shall:

(1) pursue strategies, policies, and objectives that are designed to:

(a) maximize long-term economic benefits to the area, the region, and the state;

(b) promote a high quality of life for residents of the area, the region, and the state;

(c) facilitate and encourage the development of appropriate infrastructure to serve the authority jurisdictional land and surrounding areas, including rail, heavy haul roads, arterial streets, and other infrastructure to provide water, sewer, and other services to the authority jurisdictional land;

(d) mitigate any negative impacts on and enhance opportunities for surrounding communities;

(e) maximize the creation of high-quality jobs;

(f) respect and maintain sensitivity to the unique natural environment of areas in

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proximity to the authority jurisdictional land;

(g) improve air quality and minimize resource use;

(h) respect existing land use and other agreements and arrangements between property owners within the authority jurisdictional land and applicable governmental authorities;

(i) promote and encourage development and uses that are compatible with or complement uses in areas in proximity to the authority jurisdictional land; and

(j) take advantage of the authority jurisdictional land's strategic location and other features, including the proximity to transportation and other infrastructure and facilities, that make the authority jurisdictional land attractive to:

(i) businesses that engage in regional, national, or international trade; and

(ii) businesses that complement businesses engaged in regional, national, or international trade;

(2) work to identify funding sources, including federal, state, and local government funding and private funding, for capital improvement projects in and around the authority jurisdictional land and for an inland port;

(3) review and identify land use and zoning policies and practices to recommend to municipal land use policymakers and administrators that are consistent with and will help to achieve:

(a) the strategies, policies, and objectives stated in Subsection (1); and

(b) the mutual goals of Salt Lake City, Salt Lake County, and the state with respect to the authority jurisdictional land; and

(4) consult and coordinate with other applicable governmental entities to improve and enhance transportation and other infrastructure and facilities in order to maximize the potential of the authority jurisdictional land to attract, retain, and service users who will help maximize the long-term economic benefit to the state.

Section 6. Section **11-58-204** is enacted to read:

11-58-204. Applicability of other law -- Cooperation of other governmental entities.

(1) Except as provided in Part 4, Appeals to Appeals Panel, the authority does not have and may not exercise any powers relating to the regulation of land uses within the authority jurisdictional land.

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(2) The authority is subject to and governed by Sections 63E-2-106, 63E-2-107, 63E-2-108, 63E-2-109, 63E-2-110, and 63E-2-111, but is not otherwise subject to or governed by Title 63E, Independent Entities Code.

(3) A department, division, or other agency of the state and a political subdivision of the state shall cooperate with the authority to the fullest extent possible to provide whatever support, information, or other assistance the board requests that is reasonably necessary to help the authority fulfill its duties and responsibilities under this chapter.

(4) In making decisions affecting the authority jurisdictional land, the legislative body of a municipality in which the authority jurisdictional land is located shall consider input from the authority board.

Section 7. Section **11-58-205** is enacted to read:

11-58-205. Authority funds.

The authority may use authority funds for any purpose authorized under this chapter, including:

(1) advancing inland port uses; and

(2) paying any consulting fees and staff salaries and other administrative, overhead, legal, and operating expenses of the authority.

Section 8. Section **11-58-206** is enacted to read:

11-58-206. Authority to receive tax increment funds.

(1) As used in this section:

(a) "Community reinvestment agency" means the same as that term is defined in Section 17C-1-102.

(b) "Inland port project area plan" means the same as that term is defined in Section 17C-1-102.

(c) "Inland port tax increment" means the same as that term is defined in Section 17C-1-102.

(d) "Taxing entity" means the same as that term is defined in Section 17C-1-102.

(2) A community reinvestment agency that has adopted an inland port project area plan shall pay the authority 5% of the total annual amount of inland port tax increment that the community reinvestment agency receives under the inland port project area plan or under any agreement that the community reinvestment agency has executed with taxing entities under the

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inland port project area plan.

Section 9. Section **11-58-301** is enacted to read:

Part 3. Authority Board

11-58-301. Authority board -- Delegation of power.

(1) The authority shall be governed by a board, which shall manage and conduct the business and affairs of the authority and shall determine all questions of authority policy.

(2) All powers of the authority are exercised through the board.

(3) The board may by resolution delegate powers to authority staff.

Section 10. Section **11-58-302** is enacted to read:

11-58-302. Number of board members -- Appointment.

(1) The authority's board shall consist of nine ~~+~~voting members, as provided in Subsection (2) ~~+~~, and one nonvoting member, as provided in Subsection (3) ~~+~~.

(2) (a) The governor shall appoint two board members, one of whom shall be an employee or officer of the Governor's Office of Economic Development, created in Section 63N-1-201.

(b) The president of the Senate shall appoint one board member.

(c) The speaker of the House of Representatives shall appoint one board member.

(d) The Salt Lake City mayor shall appoint two board members, one of whom shall be from the Salt Lake Airport Authority.

(e) The Salt Lake City council shall appoint one board member.

(f) The Salt Lake County mayor shall appoint one board member.

(g) The chair of the Permanent Community Impact Fund Board, created in Section 35A-8-304, shall appoint one board member from among the members of the Permanent Community Impact Fund Board.

~~+~~ (3) The economic development director of Salt Lake County shall be a nonvoting member of the board.

~~+~~ (4) (3) An individual ~~or council~~ required under Subsection (2) to appoint a board member shall appoint each initial board member the individual is required to appoint no later than July 15, 2018.

~~+~~ (5) (4) (a) A vacancy in the board shall be filled in the same manner under this section as the appointment of the member whose vacancy is being filled.

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(b) A person appointed to fill a vacancy shall serve the remaining unexpired term of the member whose vacancy the person is filling.

(~~f6~~5) A board member appointed by the governor, president of the Senate, or speaker of the House of Representatives serves at the pleasure of and may be removed and replaced at any time, with or without cause, by the governor, president of the Senate, or speaker of the House of Representatives, respectively.

(~~f7~~6) The authority may:

(a) appoint ~~fadditional~~ nonvoting members of the board; and

(b) set terms for nonvoting members appointed under Subsection (~~f7~~6)(a).

Section 11. Section **11-58-303** is enacted to read:

11-58-303. Term of board members -- Quorum -- Compensation.

(1) The term of board members is four years, except that the initial term of one of the two members appointed under Subsections 11-58-302(2)(a) and (d) and of the members appointed under Subsections 11-58-302(2)(c) and (f) is two years.

(2) A board member may serve multiple terms if duly appointed to serve each term under Subsection 11-58-302(2).

(3) Each board member shall serve until a successor is duly appointed and qualified.

(4) A majority of ~~f~~voting board members constitutes a quorum, and the action of a majority of a quorum constitutes action of the board.

(5) (a) A board member who is not a legislator may not receive compensation or benefits for the member's service on the board, but may receive per diem and reimbursement for travel expenses incurred as a board member as allowed in:

(i) Sections 63A-3-106 and 63A-3-107; and

(ii) rules made by the Division of Finance according to Sections 63A-3-106 and 63A-3-107.

(b) Compensation and expenses of a board member who is a legislator are governed by Section 36-2-2 and Legislative Joint Rules, Title 5, Chapter 3, Legislator Compensation.

Section 12. Section **11-58-304** is enacted to read:

11-58-304. Limitations on board members and executive director.

(1) As used in this section:

(a) "Direct financial benefit":

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(i) means any form of financial benefit that accrues to an individual directly as a result of the development of the authority jurisdictional land, including:

(A) compensation, commission, or any other form of a payment or increase of money;
and

(B) an increase in the value of a business or property; and

(ii) does not include a financial benefit that accrues to the public generally as a result of the development of the authority jurisdictional state land.

(b) "Family member" means a parent, spouse, sibling, child, or grandchild.

(2) An individual may not serve as a member of the board ~~or as executive director~~ if:

(a) the individual owns real property, other than a personal residence in which the individual resides, on or within two miles of the authority jurisdictional land, whether or not the ownership interest is a recorded interest;

(b) a family member of the individual owns an interest in real property, other than a personal residence in which the family member resides, located on or within one-half mile of the authority jurisdictional land; or

(c) the individual or a family member of the individual owns an interest in, is directly affiliated with, or is an employee or officer of a firm, company, or other entity that the individual reasonably believes is likely to:

(i) participate in or receive compensation or other direct financial benefit from the development of the authority jurisdictional land; or

(ii) acquire an interest in or locate a facility on the authority jurisdictional land.

(3) Before taking office as a board member ~~or accepting a position as executive director~~, an individual shall submit to the authority a statement verifying that the individual's service as a board member ~~or employment as executive director~~ does not violate Subsection (2).

(4) ~~{A board member}~~ ~~An individual~~ may not, at any time during the ~~{board member's service on the board}~~ ~~individual's service as a member of the board or employment as executive director~~, take any action to initiate, negotiate, or otherwise arrange for the acquisition of an interest in real property located on or within five miles of the authority jurisdictional state land.

Section 13. Section **11-58-305** is enacted to read:

11-58-305. Executive director.

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(1) On or before November 1, 2018, the board shall hire a full-time executive director to manage and oversee the day-to-day operations of the authority.

(2) The executive director shall have the education, experience, and training necessary to perform the functions that the board assigns to the executive director in a way that maximizes the potential for successfully achieving and implementing the strategies, policies, and objectives stated in Subsection 11-58-203(1).

(3) An executive director is an at-will employee who serves at the pleasure of the board and may be removed by the board at any time.

(4) The board shall establish the compensation and benefits of an executive director.

Section 14. Section **11-58-401** is enacted to read:

Part 4. Appeals to Appeals Panel

11-58-401. Definitions.

As used in this part:

(1) "~~{Action request}~~" means a request under Subsection 11-58-403(1)(b) for the appeals panel to expedite or take a land use action that has been subject to an unreasonable delay.

~~(2) "~~Adversely affected person" means ~~{a person}~~an owner of land within the authority jurisdictional land who has been adversely affected by~~;~~

~~(a) a land use action; or~~

~~(b) an unreasonable delay in a land use action.~~

~~(3) a land use decision.~~

(2) "Appeals panel" means the panel established under Section 11-58-402 to hear and decide appeals ~~{and action requests}~~ under this part.

~~(4) "Land use action" means:~~

~~(a) a legislative body decision on a land use regulation that applies only or primarily to land that is part of the authority jurisdictional land; or~~

~~(b) a land use authority's land use decision affecting land that is part of the authority jurisdictional land.~~

~~(5) "Land use authority" means the same as that term is defined in Section 10-9a-103.~~

~~(6) "Land use decision" means the same as that term is defined in Section 10-9a-103.~~

~~(7) "Land use regulation" means the same as that term is defined in Section 10-9a-103.~~

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~~§~~ ~~(8)3~~ "~~Legislative body~~ Land use decision" means the same as that term is defined in Section 10-9a-103.

Section 15. Section **11-58-402** is enacted to read:

11-58-402. Appeals panel.

(1) ~~{(a)}~~ The board shall establish an appeals panel to hear and decide appeals ~~and action requests~~ under this part.

~~(b) The appeals panel to hear and decide appeals may be different from the appeals panel to hear and decide action requests.~~

(2) The appeals panel consists of:

(a) the board; or

(b) one or more individuals designated by the board.

Section 16. Section **11-58-403** is enacted to read:

11-58-403. Appeals process.

(1) An adversely affected person may:

~~(a)~~ appeal a land use ~~action to the appeals panel; or~~

~~(b) submit a written action request~~ decision to the appeals panel.

(2) (a) Notwithstanding the provisions of Title 10, Chapter 9a, Municipal Land Use, Development, and Management Act, an appeal under Subsection (1) ~~{(a)}~~ is the exclusive appeal of a land use ~~action~~ decision available to an adversely affected person.

(b) An appeal of a land use ~~action~~ decision under this section may not be considered unless it is submitted to the appeals panel in writing within 10 calendar days after the date of the land use ~~action~~ decision being appealed.

(3) In deciding an appeal of a land use ~~action or an action request~~ decision, an appeals panel may hold an informal hearing to receive information and hear arguments from the parties.

(4) An appeals panel shall decide and issue a written decision:

~~(a)~~ on an appeal of a land use ~~action~~ decision within 21 days after the appeal ~~is filed; and~~

~~(b) on an action request within 10 business days after the action request~~ is filed.

(5) (a) A person aggrieved by an appeals panel decision may seek judicial review of the decision in district court by filing a petition with the court within 30 days after the appeals

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panel decision.

(b) The court shall uphold the appeals panel decision unless the court determines that the decision is:

(i) arbitrary and capricious; or

(ii) illegal.

Section 17. Section **11-58-404** is enacted to read:

11-58-404. Standards governing appeals~~{and action requests}~~.

~~{(1)}~~ The appeals panel may decide an appeal in favor of the adversely affected person if the appeals panel concludes that the land use ~~{action}~~ **decision** that is the subject of the appeal:

~~{(a)}~~ (1) is detrimental to achieving or implementing the strategies, policies, and objectives stated in Subsection 11-58-203(1); or

~~{(b)}~~ (2) substantially impedes, interferes with, or impairs authority jurisdictional land development that is consistent with the strategies, policies, and objectives stated in Subsection 11-58-203(1).

~~{(2)}~~ (a) The appeals panel may grant an action request if the adversely affected person demonstrates that:

~~{(i)}~~ (i) a land use action has been subject to an unreasonable delay, and

~~{(ii)}~~ (ii) the unreasonable delay substantially impedes, interferes with, or impairs authority jurisdictional land development that is consistent with the strategies, policies, and objectives stated in Subsection 11-58-203(1).

~~{(b)}~~ (b) In granting an action request, the appeals panel may:

~~{(i)}~~ (i) impose a deadline on the legislative body or land use authority for taking the land use action that is the subject of the action request; or

~~{(ii)}~~ (ii) take the land use action that is the subject of the action request.

~~{(3)}~~ (3) A decision of the appeals panel is binding to the same extent as if the legislative body or land use authority had taken the land use action that is the subject of the appeals panel decision.

~~{(4)}~~ Section 18. Section **11-58-501** is enacted to read:

Part 5. Authority Budget, Reporting, and Audits

11-58-501. Annual authority budget -- Fiscal year -- Public hearing required --

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Auditor forms -- Requirement to file form.

(1) The authority shall prepare and its board adopt an annual budget of revenues and expenditures for the authority for each fiscal year.

(2) Each annual authority budget shall be adopted before June 22.

(3) The authority's fiscal year shall be the period from July 1 to the following June 30.

(4) (a) Before adopting an annual budget, the authority board shall hold a public hearing on the annual budget.

(b) The authority shall provide notice of the public hearing on the annual budget by publishing notice:

(i) at least once in a newspaper of general circulation within the state, one week before the public hearing; and

(ii) on the Utah Public Notice Website created in Section 63F-1-701, for at least one week immediately before the public hearing.

(c) The authority shall make the annual budget available for public inspection at least three days before the date of the public hearing.

(5) The state auditor shall prescribe the budget forms and the categories to be contained in each authority budget, including:

(a) revenues and expenditures for the budget year;

(b) legal fees; and

(c) administrative costs, including rent, supplies, and other materials, and salaries of authority personnel.

(6) (a) Upon adopting an annual budget, the board shall make a copy of the annual budget available to the public.

(b) Within 30 days after adopting an annual budget, the board shall submit a copy of the budget to the state auditor.

Section 19. Section **11-58-502** is enacted to read:

11-58-502. Amending the authority annual budget.

(1) The board may by resolution amend an annual authority budget.

(2) An amendment of the annual authority budget that would increase the total expenditures may be made only after public hearing by notice published as required for initial adoption of the annual budget.

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(3) The authority may not make expenditures in excess of the total expenditures established in the annual budget as it is adopted or amended.

Section 20. Section **11-58-503** is enacted to read:

11-58-503. Audit requirements.

The authority shall comply with the audit requirements of Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal Organizations, and Other Local Entities Act.

Section 21. Section **11-58-504** is enacted to read:

11-58-504. Authority chief financial officer is a public treasurer -- Certain authority funds are public funds.

(1) The authority's chief financial officer:

(a) is a public treasurer, as defined in Section 51-7-3; and

(b) shall invest the authority funds specified in Subsection (2) as provided in that subsection.

(2) Notwithstanding Subsection 63E-2-110(2)(a), tax increment funds and appropriations that the authority receives from the state:

(a) are public funds; and

(b) shall be invested as provided in Title 51, Chapter 7, State Money Management Act.

Section 22. Section **11-58-601** is enacted to read:

Part 6. Authority Dissolution

11-58-601. Dissolution of authority -- Restrictions -- Filing copy of ordinance -- Authority records -- Dissolution expenses.

(1) The authority may not be dissolved unless the authority has no outstanding indebtedness, other unpaid loans, indebtedness, or advances, and no legally binding contractual obligations with persons or entities other than the state.

(2) Upon the dissolution of the authority:

(a) the Governor's Office of Economic Development shall publish a notice of dissolution:

(i) in a newspaper of general circulation in the county in which the dissolved authority is located; and

(ii) as required in Section 45-1-101; and

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(b) all title to property owned by the authority vests in the state.

(3) The books, documents, records, papers, and seal of each dissolved authority shall be deposited for safekeeping and reference with the state auditor.

(4) The authority shall pay all expenses of the deactivation and dissolution.

Section 23. 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.

(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, including:

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- (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) "Authority board" means the Utah Inland Port Authority's board, established under Section 11-58-301.

~~[(8)]~~ (9) "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)]~~ (10) "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:

(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

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project area plan that is subject to an interlocal agreement, as described in the interlocal agreement.

~~[(10)]~~ (11) "Basic levy" means the portion of a school district's tax levy constituting the minimum basic levy under Section 59-2-902.

~~[(11)]~~ (12) "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)]~~ (13) "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)]~~ (14) "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)]~~ (15) "Board" means the governing body of an agency, as described in Section 17C-1-203.

~~[(15)]~~ (16) "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.

~~[(16)]~~ (17) "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)]~~ (18) "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)]~~ (19) "Community" means a county or municipality.

~~[(19)]~~ (20) "Community development project area plan" means a project area plan

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adopted under Chapter 4, Part 1, Community Development Project Area Plan.

~~[(20)]~~ (21) "Community legislative body" means the legislative body of the community that created the agency.

~~[(21)]~~ (22) "Community reinvestment project area plan" means a project area plan adopted under Chapter 5, Part 1, Community Reinvestment Project Area Plan.

~~[(22)]~~ (23) "Contest" means to file a written complaint in the district court of the county in which the agency is located.

~~[(23)]~~ (24) "Economic development project area plan" means a project area plan adopted under Chapter 3, Part 1, Economic Development Project Area Plan.

~~[(24)]~~ (25) "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)]~~ (26) "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)]~~ (27) "Greenfield" means land not developed beyond agricultural, range, or forestry use.

~~[(27)]~~ (28) "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)]~~ (29) "Housing allocation" means tax increment 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)]~~ (30) "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:

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

~~[(30)]~~ (31) (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)]~~ (31)(a).

~~[(31)]~~ (32) (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)]~~ (32)(a).

~~[(32)]~~ (33) "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)]~~ (34) "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.

(35) "Inland port project area plan" means a community reinvestment project area plan that describes a project area that is partly or wholly within the boundary of authority

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jurisdictional land, as defined in Section 11-58-102.

~~(36)~~ (36) "Inland port tax increment" means tax increment collected under an inland port project area plan.

~~(34)~~ (37) "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)~~ (38) (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)~~ (39) "Marginal value" means the difference between actual taxable value and base taxable value.

~~(37)~~ (40) "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)~~ (41) "Municipality" means a city, town, or metro township as defined in Section 10-2a-403.

~~(39)~~ (42) "Participant" means one or more persons that enter into a participation agreement with an agency.

~~(40)~~ (43) "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
 - (iii) the terms and conditions under which the person may receive project area funds;

and

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

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~~[(41)]~~ (44) "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)]~~ (45) "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)]~~ (46) "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)]~~ (47) "Private," with respect to real property, means:

- (a) not owned by a public entity or any other governmental entity; and
- (b) not dedicated to public use.

~~[(45)]~~ (48) "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)]~~ (49) "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)]~~ (50) "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;
- (b) providing office, manufacturing, warehousing, distribution, parking, or other facilities or improvements;
- (c) planning, designing, demolishing, clearing, constructing, rehabilitating, or

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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)~~] (50)(a) through (k) outside of a project area that:

(i) the board determines to be a benefit to the project area[-]; and

(ii) for an inland port project area plan, the authority board determines to be a benefit to the project area.

[~~(48)~~] (51) "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)~~] (52) "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 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 by a taxing entity committee or an interlocal agreement.

[~~(50)~~] (53) "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)]~~ (54) (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)]~~ (55) "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, or interlocal cooperation entity.

~~[(53)]~~ (56) "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)]~~ (57) "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)]~~ (58) "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)]~~ (59) "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)]~~ (59)(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)]~~ (60) "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

(b) blight exists within the survey area.

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~~[(58)]~~ (61) "Survey area resolution" means a resolution adopted by a board that designates a survey area.

~~[(60)]~~ (62) (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.

~~[(59)]~~ (63) "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.

~~[(61)]~~ (64) "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)]~~ (65) "Taxing entity committee" means a committee representing the interests of taxing entities, created in accordance with Section 17C-1-402.

~~[(63)]~~ (66) "Unincorporated" means not within a municipality.

~~[(64)]~~ (67) "Urban renewal project area plan" means a project area plan adopted under Chapter 2, Part 1, Urban Renewal Project Area Plan.

Section 24. Section **17C-1-409** is amended to read:

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17C-1-409. Allowable uses of agency funds.

(1) (a) An agency may use agency funds:

(i) for any purpose authorized under this title;

(ii) for administrative, overhead, legal, or other operating expenses of the agency, including consultant fees and expenses under Subsection 17C-2-102(1)(b)(ii)(B) or funding for a business resource center;

(iii) to pay for, including financing or refinancing, all or part of:

(A) project area development in a project area, including environmental remediation activities occurring before or after adoption of the project area plan;

(B) housing-related expenditures, projects, or programs as described in Section 17C-1-411 or 17C-1-412;

(C) an incentive or other consideration paid to a participant under a participation agreement;

(D) subject to Subsections (1)(c) and (4), the value of the land for and the cost of the installation and construction of any publicly owned building, facility, structure, landscaping, or other improvement within the project area from which the project area funds are collected; or

(E) the cost of the installation of publicly owned infrastructure and improvements outside the project area from which the project area funds are collected if the board and the community legislative body and, in the case of inland port tax increment, the authority board determine by resolution that the publicly owned infrastructure and improvements benefit the project area; or

(iv) in an urban renewal project area that includes some or all of an inactive industrial site and subject to Subsection (1)(e), to reimburse the Department of Transportation created under Section 72-1-201, or a public transit district created under Title 17B, Chapter 2a, Part 8, Public Transit District Act, for the cost of:

(A) construction of a public road, bridge, or overpass;

(B) relocation of a railroad track within the urban renewal project area; or

(C) relocation of a railroad facility within the urban renewal project area.

(b) The determination of the board and the community legislative body under Subsection (1)(a)(iii)(E) regarding benefit to the project area shall be final and conclusive.

(c) An agency may not use project area funds received from a taxing entity for the

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purposes stated in Subsection (1)(a)(iii)(D) under an urban renewal project area plan, an economic development project area plan, or a community reinvestment project area plan without the community legislative body's consent.

(d) (i) Subject to Subsection (1)(d)(ii), an agency may loan project area funds from a project area fund to another project area fund if:

(A) the board approves; [~~and~~]

(B) the community legislative body approves[-]; and

(C) in the case of inland port tax increment, the authority board approves.

(ii) An agency may not loan project area funds under Subsection (1)(d)(i) unless the projections for agency funds are sufficient to repay the loan amount.

(iii) A loan described in Subsection (1)(d) is not subject to Title 10, Chapter 5, Uniform Fiscal Procedures Act for Utah Towns, Title 10, Chapter 6, Uniform Fiscal Procedures Act for Utah Cities, Title 17, Chapter 36, Uniform Fiscal Procedures Act for Counties, or Title 17B, Chapter 1, Part 6, Fiscal Procedures for Local Districts.

(e) Before an agency may pay any tax increment or sales tax revenue under Subsection (1)(a)(iv), the agency shall enter into an interlocal agreement defining the terms of the reimbursement with:

(i) the Department of Transportation; or

(ii) a public transit district.

(2) (a) Sales and use tax revenue that an agency receives from a taxing entity is not subject to the prohibition or limitations of Title 11, Chapter 41, Prohibition on Sales and Use Tax Incentive Payments Act.

(b) An agency may use sales and use tax revenue that the agency receives under an interlocal agreement under Section 17C-4-201 or 17C-5-204 for the uses authorized in the interlocal agreement.

(3) (a) An agency may contract with the community that created the agency or another public entity to use agency funds to reimburse the cost of items authorized by this title to be paid by the agency that are paid by the community or other public entity.

(b) If land is acquired or the cost of an improvement is paid by another public entity and the land or improvement is leased to the community, an agency may contract with and make reimbursement from agency funds to the community.

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(4) Notwithstanding any other provision of this title, an agency may not use project area funds to construct a local government building unless the taxing entity committee or each taxing entity party to an interlocal agreement with the agency consents.

Section 25. 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:

(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)](10)(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)](10)(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); 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);

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(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 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 from a project area because the agency determines that the parcel 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 from a project area under Subsection (4)(a)(ii) may be made without the consent of the record property owner of the 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.

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(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 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 26. 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)](10) 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

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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

(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 from a project area because the agency determines that the parcel is:

(A) tax exempt; or

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

(b) An amendment removing a parcel from a project area under Subsection (4)(a) may be made without the consent of the record property owner of the 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

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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 the project area plan for any cause.

Section 27. Effective date.

If approved by two-thirds of all the members elected to each house, this bill takes effect upon approval by the governor, or the day following the constitutional time limit of Utah Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto, the date of veto override.

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Legislative Review Note

Office of Legislative Research and General Counsel†