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H.B. 245

COMMUNITY REINVESTMENT AGENCY REVISIONS

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Mike Winder

Senate Sponsor: Wayne A. Harper

LONG TITLE

General Description:

This bill amends provisions related to community reinvestment agencies.

Highlighted Provisions:

This bill:

- defines terms;
- replaces the term "blight" with "development impediment";
- beginning on May 14, 2019, prohibits an agency from creating a taxing entity committee for a community reinvestment project area;
- requires an agency that allocates the agency's community reinvestment project area funds for housing to:
  - adopt a housing plan; or
  - implement the housing plan that the community that created the agency adopted;
- under certain circumstances, requires a limited purpose taxing entity to execute an interlocal agreement authorizing an agency to receive the limited purpose taxing entity's project area funds; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

H.B. 245

Utah Code Sections Affected:

AMENDS:

10-8-2, as last amended by Laws of Utah 2014, Chapter 59

10-9a-403, as last amended by Laws of Utah 2018, Chapter 218

11-58-601, as last amended by Laws of Utah 2018, Second Special Session, Chapter 1

17-27a-403, as last amended by Laws of Utah 2018, Chapter 218

17-50-303, as last amended by Laws of Utah 2014, Chapter 66

17C-1-102, as last amended by Laws of Utah 2018, Chapter 364

17C-1-207, as last amended by Laws of Utah 2018, Chapters 364 and 366

17C-1-402, as last amended by Laws of Utah 2018, Chapter 364

17C-1-407, as last amended by Laws of Utah 2016, Chapter 350

17C-1-409, as last amended by Laws of Utah 2018, Chapter 312

17C-1-411, as last amended by Laws of Utah 2018, Chapter 312

17C-1-412, as last amended by Laws of Utah 2018, Chapter 312

17C-1-802, as renumbered and amended by Laws of Utah 2016, Chapter 350

17C-1-803, as renumbered and amended by Laws of Utah 2016, Chapter 350

17C-1-804, as renumbered and amended by Laws of Utah 2016, Chapter 350

17C-1-805, as renumbered and amended by Laws of Utah 2016, Chapter 350

17C-1-807, as renumbered and amended by Laws of Utah 2016, Chapter 350

17C-1-902, as last amended by Laws of Utah 2018, Chapter 364

17C-2-101.5, as renumbered and amended by Laws of Utah 2016, Chapter 350

17C-2-102, as last amended by Laws of Utah 2016, Chapter 350

17C-2-103, as last amended by Laws of Utah 2016, Chapter 350

17C-2-106, as last amended by Laws of Utah 2016, Chapter 350

17C-2-110, as last amended by Laws of Utah 2018, Chapter 364

17C-2-202, as last amended by Laws of Utah 2007, Chapter 364

17C-2-204, as last amended by Laws of Utah 2016, Chapter 350

17C-2-301, as last amended by Laws of Utah 2008, Chapter 125

17C-2-302, as last amended by Laws of Utah 2007, Chapter 364

17C-2-303, as last amended by Laws of Utah 2016, Chapter 350

17C-2-304, as last amended by Laws of Utah 2007, Chapter 364

17C-5-103, as last amended by Laws of Utah 2017, Chapter 456
17C-5-104, as last amended by Laws of Utah 2018, Chapter 364
17C-5-105, as last amended by Laws of Utah 2018, Chapter 364
17C-5-108, as last amended by Laws of Utah 2018, Chapter 364
17C-5-112, as last amended by Laws of Utah 2018, Chapter 364
17C-5-202, as last amended by Laws of Utah 2017, Chapter 456
17C-5-203, as last amended by Laws of Utah 2017, Chapter 456
17C-5-204, as enacted by Laws of Utah 2016, Chapter 350
17C-5-401, as enacted by Laws of Utah 2016, Chapter 350
17C-5-402, as last amended by Laws of Utah 2017, Chapter 456
17C-5-403, as last amended by Laws of Utah 2017, Chapter 456
17C-5-404, as enacted by Laws of Utah 2016, Chapter 350
17C-5-405, as last amended by Laws of Utah 2018, Chapter 422
17C-5-406, as enacted by Laws of Utah 2016, Chapter 350

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

Section 1. Section **10-8-2** is amended to read:

10-8-2. Appropriations -- Acquisition and disposal of property -- Municipal authority -- Corporate purpose -- Procedure -- Notice of intent to acquire real property.

(1) (a) A municipal legislative body may:

(i) appropriate money for corporate purposes only;

(ii) provide for payment of debts and expenses of the corporation;

(iii) subject to Subsections (4) and (5), purchase, receive, hold, sell, lease, convey, and dispose of real and personal property for the benefit of the municipality, whether the property is within or without the municipality's corporate boundaries, if the action is in the public interest and complies with other law;

(iv) improve, protect, and do any other thing in relation to this property that an individual could do; and

(v) subject to Subsection (2) and after first holding a public hearing, authorize municipal services or other nonmonetary assistance to be provided to or waive fees required to be paid by a nonprofit entity, whether or not the municipality receives consideration in return.

(b) A municipality may:

(i) furnish all necessary local public services within the municipality;

(ii) purchase, hire, construct, own, maintain and operate, or lease public utilities located and operating within and operated by the municipality; and

(iii) subject to Subsection (1)(c), acquire by eminent domain, or otherwise, property located inside or outside the corporate limits of the municipality and necessary for any of the purposes stated in Subsections (1)(b)(i) and (ii), subject to restrictions imposed by Title 78B, Chapter 6, Part 5, Eminent Domain, and general law for the protection of other communities.

(c) Each municipality that intends to acquire property by eminent domain under Subsection (1)(b) shall comply with the requirements of Section 78B-6-505.

(d) Subsection (1)(b) may not be construed to diminish any other authority a municipality may claim to have under the law to acquire by eminent domain property located inside or outside the municipality.

(2) (a) Services or assistance provided pursuant to Subsection (1)(a)(v) is not subject to the provisions of Subsection (3).

(b) The total amount of services or other nonmonetary assistance provided or fees waived under Subsection (1)(a)(v) in any given fiscal year may not exceed 1% of the municipality's budget for that fiscal year.

(3) It is considered a corporate purpose to appropriate money for any purpose that, in the judgment of the municipal legislative body, provides for the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the municipality subject [~~to the following:~~] to this Subsection (3).

(a) The net value received for any money appropriated shall be measured on a project-by-project basis over the life of the project.

(b) (i) [~~The~~] A municipal legislative body shall establish the criteria for a determination under this Subsection (3) [~~shall be established by the municipality's legislative body. A determination of value received, made by the municipality's legislative body, shall be~~].

(ii) A municipal legislative body's determination of value received is presumed valid unless [~~it can be shown~~] a person can show that the determination was arbitrary, capricious, or illegal.

(c) The municipality may consider intangible benefits received by the municipality in

determining net value received.

(d) (i) [~~Prior to~~] Before the municipal legislative body [~~making~~] makes any decision to appropriate any funds for a corporate purpose under this section, [~~a public hearing shall be held~~] the municipal legislative body shall hold a public hearing.

(ii) [~~Notice of the hearing described in Subsection (3)(d)(i) shall be published~~] The municipal legislative body shall publish a notice of the hearing described in Subsection (3)(d)(i):

(A) [~~(I)~~] in a newspaper of general circulation at least 14 days before the date of the hearing[~~;~~] or, [~~(II)~~] if there is no newspaper of general circulation, by posting notice in at least three conspicuous places within the municipality for the same time period; and

(B) on the Utah Public Notice Website created in Section 63F-1-701, at least 14 days before the date of the hearing.

[~~(c) A study shall be performed before notice of the public hearing is given and shall be made available at the municipality for review by interested parties at least 14 days immediately prior to the public hearing, setting forth an analysis and demonstrating the purpose for the appropriation. In making the study, the following factors shall be considered:~~]

(e) (i) Before a municipality provides notice as described in Subsection (3)(d)(ii), the municipality shall perform a study that analyzes and demonstrates the purpose for an appropriation described in this Subsection (3) in accordance with Subsection (3)(e)(iii).

(ii) A municipality shall make the study described in Subsection (3)(e)(i) available at the municipality for review by interested parties at least 14 days immediately before the public hearing described in Subsection (3)(d)(i).

(iii) A municipality shall consider the following factors when conducting the study described in Subsection (3)(e)(i):

[~~(i)~~] (A) what identified benefit the municipality will receive in return for any money or resources appropriated;

[~~(ii)~~] (B) the municipality's purpose for the appropriation, including an analysis of the way the appropriation will be used to enhance the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the municipality; and

[~~(iii)~~] (C) whether the appropriation is necessary and appropriate to accomplish the reasonable goals and objectives of the municipality in the area of economic development, job

creation, affordable housing, [~~blight~~] elimination of a development impediment, job preservation, the preservation of historic structures and property, and any other public purpose.

(f) (i) An appeal may be taken from a final decision of the municipal legislative body, to make an appropriation.

(ii) [~~The appeal shall be filed within 30 days after the date of that decision, to the district court.~~] A person shall file an appeal as described in Subsection (3)(f)(i) with the district court within 30 days after the day on which the municipal legislative body makes a decision.

(iii) Any appeal shall be based on the record of the proceedings before the legislative body.

(iv) A decision of the municipal legislative body shall be presumed to be valid unless the appealing party shows that the decision was arbitrary, capricious, or illegal.

(g) The provisions of this Subsection (3) apply only to those appropriations made after May 6, 2002.

(h) This section applies only to appropriations not otherwise approved pursuant to Title 10, Chapter 5, Uniform Fiscal Procedures Act for Utah Towns, or Title 10, Chapter 6, Uniform Fiscal Procedures Act for Utah Cities.

(4) (a) Before a municipality may dispose of a significant parcel of real property, the municipality shall:

(i) provide reasonable notice of the proposed disposition at least 14 days before the opportunity for public comment under Subsection (4)(a)(ii); and

(ii) allow an opportunity for public comment on the proposed disposition.

(b) Each municipality shall, by ordinance, define what constitutes:

(i) a significant parcel of real property for purposes of Subsection (4)(a); and

(ii) reasonable notice for purposes of Subsection (4)(a)(i).

(5) (a) Except as provided in Subsection (5)(d), each municipality intending to acquire real property for the purpose of expanding the municipality's infrastructure or other facilities used for providing services that the municipality offers or intends to offer shall provide written notice, as provided in this Subsection (5), of its intent to acquire the property if:

(i) the property is located:

(A) outside the boundaries of the municipality; and

(B) in a county of the first or second class; and

(ii) the intended use of the property is contrary to:

(A) the anticipated use of the property under the general plan of the county in whose unincorporated area or the municipality in whose boundaries the property is located; or

(B) the property's current zoning designation.

(b) Each notice under Subsection (5)(a) shall:

(i) indicate that the municipality intends to acquire real property;

(ii) identify the real property; and

(iii) be sent to:

(A) each county in whose unincorporated area and each municipality in whose boundaries the property is located; and

(B) each affected entity.

(c) A notice under this Subsection (5) is a protected record as provided in Subsection 63G-2-305(8).

(d) (i) The notice requirement of Subsection (5)(a) does not apply if the municipality previously provided notice under Section 10-9a-203 identifying the general location within the municipality or unincorporated part of the county where the property to be acquired is located.

(ii) If a municipality is not required to comply with the notice requirement of Subsection (5)(a) because of application of Subsection (5)(d)(i), the municipality shall provide the notice specified in Subsection (5)(a) as soon as practicable after its acquisition of the real property.

Section 2. Section **10-9a-403** is amended to read:

10-9a-403. General plan preparation.

(1) (a) The planning commission shall provide notice, as provided in Section 10-9a-203, of its intent to make a recommendation to the municipal legislative body for a general plan or a comprehensive general plan amendment when the planning commission initiates the process of preparing its recommendation.

(b) The planning commission shall make and recommend to the legislative body a proposed general plan for the area within the municipality.

(c) The plan may include areas outside the boundaries of the municipality if, in the planning commission's judgment, those areas are related to the planning of the municipality's territory.

(d) Except as otherwise provided by law or with respect to a municipality's power of eminent domain, when the plan of a municipality involves territory outside the boundaries of the municipality, the municipality may not take action affecting that territory without the concurrence of the county or other municipalities affected.

(2) (a) At a minimum, the proposed general plan, with the accompanying maps, charts, and descriptive and explanatory matter, shall include the planning commission's recommendations for the following plan elements:

(i) a land use element that:

(A) designates the long-term goals and the proposed extent, general distribution, and location of land for housing, business, industry, agriculture, recreation, education, public buildings and grounds, open space, and other categories of public and private uses of land as appropriate; and

(B) may include a statement of the projections for and standards of population density and building intensity recommended for the various land use categories covered by the plan;

(ii) a transportation and traffic circulation element consisting of the general location and extent of existing and proposed freeways, arterial and collector streets, mass transit, and any other modes of transportation that the planning commission considers appropriate, all correlated with the population projections and the proposed land use element of the general plan; and

(iii) for a municipality described in Subsection 10-9a-401(3)(b), a plan that provides a realistic opportunity to meet the need for additional moderate income housing.

(b) In drafting the moderate income housing element, the planning commission:

(i) shall consider the Legislature's determination that municipalities shall facilitate a reasonable opportunity for a variety of housing, including moderate income housing:

(A) to meet the needs of people desiring to live in the community; and

(B) to allow persons with moderate incomes to benefit from and fully participate in all aspects of neighborhood and community life; and

(ii) for a town, may include, and for other municipalities, shall include, an analysis of why the recommended means, techniques, or combination of means and techniques provide a realistic opportunity for the development of moderate income housing within the next five years, which means or techniques may include a recommendation to:

(A) rezone for densities necessary to assure the production of moderate income housing;

(B) facilitate the rehabilitation or expansion of infrastructure that will encourage the construction of moderate income housing;

(C) encourage the rehabilitation of existing uninhabitable housing stock into moderate income housing;

(D) consider general fund subsidies to waive construction related fees that are otherwise generally imposed by the city;

(E) consider utilization of state or federal funds or tax incentives to promote the construction of moderate income housing;

(F) consider utilization of programs offered by the Utah Housing Corporation within that agency's funding capacity;

(G) consider utilization of affordable housing programs administered by the Department of Workforce Services; and

(H) consider utilization of programs administered by an association of governments established by an interlocal agreement under Title 11, Chapter 13, Interlocal Cooperation Act.

(c) In drafting the land use element, the planning commission shall:

(i) identify and consider each agriculture protection area within the municipality; and

(ii) avoid proposing a use of land within an agriculture protection area that is inconsistent with or detrimental to the use of the land for agriculture.

(3) The proposed general plan may include:

(a) an environmental element that addresses:

(i) the protection, conservation, development, and use of natural resources, including the quality of air, forests, soils, rivers and other waters, harbors, fisheries, wildlife, minerals, and other natural resources; and

(ii) the reclamation of land, flood control, prevention and control of the pollution of streams and other waters, regulation of the use of land on hillsides, stream channels and other environmentally sensitive areas, the prevention, control, and correction of the erosion of soils, protection of watersheds and wetlands, and the mapping of known geologic hazards;

(b) a public services and facilities element showing general plans for sewage, water, waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for them,

police and fire protection, and other public services;

(c) a rehabilitation, redevelopment, and conservation element consisting of plans and programs for:

(i) historic preservation;

(ii) the diminution or elimination of [~~blight~~] a development impediment as defined in Section 17C-1-102; and

(iii) redevelopment of land, including housing sites, business and industrial sites, and public building sites;

(d) an economic element composed of appropriate studies and forecasts, as well as an economic development plan, which may include review of existing and projected municipal revenue and expenditures, revenue sources, identification of basic and secondary industry, primary and secondary market areas, employment, and retail sales activity;

(e) recommendations for implementing all or any portion of the general plan, including the use of land use ordinances, capital improvement plans, community development and promotion, and any other appropriate action;

(f) provisions addressing any of the matters listed in Subsection 10-9a-401(2) or (3); and

(g) any other element the municipality considers appropriate.

Section 3. Section **11-58-601** is amended to read:

11-58-601. Port authority receipt and use of property tax differential -- Distribution of property tax differential.

(1) (a) The authority may:

(i) subject to Subsections (1)(b), (c), and (d), receive up to 100% of the property tax differential for a period ending up to 25 years after a certificate of occupancy is issued with respect to improvements on a parcel, as determined by the board and as provided in this part; and

(ii) use the property tax differential during and after the period described in Subsection (1)(a)(i).

(b) With respect to a parcel located within a project area, the 25-year period described in Subsection (1)(a)(i) begins on the day on which the authority receives the first property tax differential from that parcel.

(c) The authority may not receive property tax differential from an area included within a community reinvestment project area[~~, as defined in Section 17C-1-102~~,] under a community reinvestment project area plan, as defined in Section 17C-1-102, adopted before March 1, 2018, from a taxing entity that has, before March 1, 2018, entered into a fully executed, legally binding agreement under which the taxing entity agrees to the use of its tax increment, as defined in Section 17C-1-102, under the community reinvestment project area plan.

(d) The authority shall pay to a community reinvestment agency 10% of the property tax differential generated from land located within that community reinvestment agency, to be used for affordable housing as provided in Section 17C-1-412.

(2) A county that collects property tax on property within a project area shall pay and distribute to the authority the property tax differential that the authority is entitled to collect under this title, in the manner and at the time provided in Section 59-2-1365.

(3) (a) The board shall determine by resolution when the entire project area or an individual parcel within a project area is subject to property tax differential.

(b) The board shall amend the project area budget to reflect whether a parcel within a project area is subject to property tax differential.

Section 4. Section **17-27a-403** is amended to read:

17-27a-403. Plan preparation.

(1) (a) The planning commission shall provide notice, as provided in Section 17-27a-203, of its intent to make a recommendation to the county legislative body for a general plan or a comprehensive general plan amendment when the planning commission initiates the process of preparing its recommendation.

(b) The planning commission shall make and recommend to the legislative body a proposed general plan for:

(i) the unincorporated area within the county; or

(ii) if the planning commission is a planning commission for a mountainous planning district, the mountainous planning district.

(c) (i) The plan may include planning for incorporated areas if, in the planning commission's judgment, they are related to the planning of the unincorporated territory or of the county as a whole.

(ii) Elements of the county plan that address incorporated areas are not an official plan

or part of a municipal plan for any municipality, unless it is recommended by the municipal planning commission and adopted by the governing body of the municipality.

(iii) Notwithstanding Subsection (1)(c)(ii), if property is located in a mountainous planning district, the plan for the mountainous planning district controls and precedes a municipal plan, if any, to which the property would be subject.

(2) (a) At a minimum, the proposed general plan, with the accompanying maps, charts, and descriptive and explanatory matter, shall include the planning commission's recommendations for the following plan elements:

(i) a land use element that:

(A) designates the long-term goals and the proposed extent, general distribution, and location of land for housing, business, industry, agriculture, recreation, education, public buildings and grounds, open space, and other categories of public and private uses of land as appropriate; and

(B) may include a statement of the projections for and standards of population density and building intensity recommended for the various land use categories covered by the plan;

(ii) a transportation and traffic circulation element consisting of the general location and extent of existing and proposed freeways, arterial and collector streets, mass transit, and any other modes of transportation that the planning commission considers appropriate, all correlated with the population projections and the proposed land use element of the general plan;

(iii) a plan for the development of additional moderate income housing within the unincorporated area of the county or the mountainous planning district, and a plan to provide a realistic opportunity to meet the need for additional moderate income housing; and

(iv) before May 1, 2017, a resource management plan detailing the findings, objectives, and policies required by Subsection 17-27a-401(3).

(b) In drafting the moderate income housing element, the planning commission:

(i) shall consider the Legislature's determination that counties should facilitate a reasonable opportunity for a variety of housing, including moderate income housing:

(A) to meet the needs of people desiring to live there; and

(B) to allow persons with moderate incomes to benefit from and fully participate in all aspects of neighborhood and community life; and

(ii) shall include an analysis of why the recommended means, techniques, or combination of means and techniques provide a realistic opportunity for the development of moderate income housing within the planning horizon, which means or techniques may include a recommendation to:

(A) rezone for densities necessary to assure the production of moderate income housing;

(B) facilitate the rehabilitation or expansion of infrastructure that will encourage the construction of moderate income housing;

(C) encourage the rehabilitation of existing uninhabitable housing stock into moderate income housing;

(D) consider county general fund subsidies to waive construction related fees that are otherwise generally imposed by the county;

(E) consider utilization of state or federal funds or tax incentives to promote the construction of moderate income housing;

(F) consider utilization of programs offered by the Utah Housing Corporation within that agency's funding capacity; and

(G) consider utilization of affordable housing programs administered by the Department of Workforce Services.

(c) In drafting the land use element, the planning commission shall:

(i) identify and consider each agriculture protection area within the unincorporated area of the county or mountainous planning district; and

(ii) avoid proposing a use of land within an agriculture protection area that is inconsistent with or detrimental to the use of the land for agriculture.

(3) The proposed general plan may include:

(a) an environmental element that addresses:

(i) to the extent not covered by the county's resource management plan, the protection, conservation, development, and use of natural resources, including the quality of air, forests, soils, rivers and other waters, harbors, fisheries, wildlife, minerals, and other natural resources; and

(ii) the reclamation of land, flood control, prevention and control of the pollution of streams and other waters, regulation of the use of land on hillsides, stream channels and other

environmentally sensitive areas, the prevention, control, and correction of the erosion of soils, protection of watersheds and wetlands, and the mapping of known geologic hazards;

(b) a public services and facilities element showing general plans for sewage, water, waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for them, police and fire protection, and other public services;

(c) a rehabilitation, redevelopment, and conservation element consisting of plans and programs for:

(i) historic preservation;

(ii) the diminution or elimination of [~~blight~~] a development impediment as defined in Section 17C-1-102; and

(iii) redevelopment of land, including housing sites, business and industrial sites, and public building sites;

(d) an economic element composed of appropriate studies and forecasts, as well as an economic development plan, which may include review of existing and projected county revenue and expenditures, revenue sources, identification of basic and secondary industry, primary and secondary market areas, employment, and retail sales activity;

(e) recommendations for implementing all or any portion of the general plan, including the use of land use ordinances, capital improvement plans, community development and promotion, and any other appropriate action;

(f) provisions addressing any of the matters listed in Subsection 17-27a-401(2) or (3)(a)(i); and

(g) any other element the county considers appropriate.

Section 5. Section **17-50-303** is amended to read:

17-50-303. County may not give or lend credit -- County may borrow in anticipation of revenues -- Assistance to nonprofit and private entities.

(1) A county may not give or lend its credit to or in aid of any person or corporation, or, except as provided in Subsection (3), appropriate money in aid of any private enterprise.

(2) (a) A county may borrow money in anticipation of the collection of taxes and other county revenues in the manner and subject to the conditions of Title 11, Chapter 14, Local Government Bonding Act.

(b) A county may incur indebtedness under Subsection (2)(a) for any purpose for which

funds of the county may be expended.

(3) (a) A county may appropriate money to or provide nonmonetary assistance to a nonprofit entity, or waive fees required to be paid by a nonprofit entity, if, in the judgment of the county legislative body, the assistance contributes to the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of county residents.

(b) A county may appropriate money to a nonprofit entity from the county's own funds or from funds the county receives from the state or any other source.

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

(i) "Private enterprise" means a person that engages in an activity for profit.

(ii) "Project" means an activity engaged in by a private enterprise.

(b) A county may appropriate money in aid of a private enterprise project if:

(i) subject to Subsection (4)(c), the county receives value in return for the money appropriated; and

(ii) in the judgment of the county legislative body, the private enterprise project provides for the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the county residents.

(c) The county shall measure the net value received by the county for money appropriated by the county to a private entity on a project-by-project basis over the life of the project.

(d) (i) Before a county legislative body may appropriate funds in aid of a private enterprise project under this Subsection (4), the county legislative body shall:

(A) adopt by ordinance criteria to determine what value, if any, the county will receive in return for money appropriated under this Subsection (4);

(B) conduct a study as described in Subsection (4)(e) on the proposed appropriation and private enterprise project; and

(C) post notice, subject to Subsection (4)(f), and hold a public hearing on the proposed appropriation and the private enterprise project.

(ii) The county legislative body may consider an intangible benefit as a value received by the county.

(e) (i) Before publishing or posting notice in accordance with Subsection (4)(f), the county shall study:

(A) any value the county will receive in return for money or resources appropriated to a private entity;

(B) the county's purpose for the appropriation, including an analysis of the way the appropriation will be used to enhance the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the county residents; and

(C) whether the appropriation is necessary and appropriate to accomplish the reasonable goals and objectives of the county in the area of economic development, job creation, affordable housing, [~~blight~~] elimination of a development impediment, as defined in Section 17C-1-102, job preservation, the preservation of historic structures, analyzing and improving county government structure or property, or any other public purpose.

(ii) The county shall:

(A) prepare a written report of the results of the study; and

(B) make the report available to the public at least 14 days immediately prior to the scheduled day of the public hearing described in Subsection (4)(d)(i)(C).

(f) The county shall publish notice of the public hearing required in Subsection (4)(d)(i)(C):

(i) in a newspaper of general circulation at least 14 days before the date of the hearing or, if there is no newspaper of general circulation, by posting notice in at least three conspicuous places within the county for the same time period; and

(ii) on the Utah Public Notice Website created in Section 63F-1-701, at least 14 days before the date of the hearing.

(g) (i) A person may appeal the decision of the county legislative body to appropriate funds under this Subsection (4).

(ii) A person shall file an appeal with the district court within 30 days after the day on which the legislative body adopts an ordinance or approves a budget to appropriate the funds.

(iii) A court shall:

(A) presume that an ordinance adopted or appropriation made under this Subsection (4) is valid; and

(B) determine only whether the ordinance or appropriation is arbitrary, capricious, or illegal.

(iv) A determination of illegality requires a determination that the decision or

ordinance violates a law, statute, or ordinance in effect at the time the decision was made or the ordinance was adopted.

(v) The district court's review is limited to:

(A) a review of the criteria adopted by the county legislative body under Subsection (4)(d)(i)(A);

(B) the record created by the county legislative body at the public hearing described in Subsection (4)(d)(i)(C); and

(C) the record created by the county in preparation of the study and the study itself as described in Subsection (4)(e).

(vi) If there is no record, the court may call witnesses and take evidence.

(h) This section applies only to an appropriation not otherwise approved in accordance with Title 17, Chapter 36, Uniform Fiscal Procedures Act for Counties.

Section 6. 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 agency operations, 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:

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

[~~(15)~~] (12) "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)~~] (13) "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)~~] (14) "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)~~] (15) "Community" means a county or municipality.

[~~(19)~~] (16) "Community development project area plan" means a project area plan adopted under Chapter 4, Part 1, Community Development Project Area Plan.

[~~(20)~~] (17) "Community legislative body" means the legislative body of the community that created the agency.

[~~(21)~~] (18) "Community reinvestment project area plan" means a project area plan adopted under Chapter 5, Part 1, Community Reinvestment Project Area Plan.

[~~(22)~~] (19) "Contest" means to file a written complaint in the district court of the county in which the agency is located.

(20) "Development impediment" means a condition of an area that meets the requirements described in Section 17C-2-303 for an urban renewal project area or Section 17C-5-405 for a community reinvestment project area.

(21) "Development impediment hearing" means a public hearing regarding whether a development impediment 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-5-404.

(22) "Development impediment study" means a study to determine whether a development impediment 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.

(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.

(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 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).

(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

(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 property not owned by a public entity or any other governmental entity.

(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~~] 17C-2-201;

(b) for an economic development project area, Section [~~17C-3-202~~] 17C-3-201;

(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;

(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~~] a development impediment or the causes of [~~blight~~] a development impediment;

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

(l) any activity described in 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 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 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.

(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

(b) [~~blight~~] a development impediment 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.

Section 7. 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) notwithstanding any law to the contrary, enter into an agreement for a period of time 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 agency bond or obligation; and

(b) for less than fair market value or for no consideration, and subject to Subsection (3):

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

(ii) lease property from an agency;

(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 an agency.

(2) The following are not subject to [~~Sections~~] Section 10-8-2 [~~or~~], 17-50-312, or 17-50-303:

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

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

(3) 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 8. 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 adopted before May 14, 2019, 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 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 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 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~~] development impediment determination 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

(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(12);

(D) the [~~blight~~] development impediment study;

(E) the agency's resolution making a [~~finding of blight~~] development impediment determination 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) Each taxing entity committee shall be governed by Title 52, Chapter 4, Open and Public Meetings Act.

(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.

(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.

(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 (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 (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.

(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 agreement.

(14) (a) A taxing entity committee resolution approving a [~~blight finding~~] development impediment determination, 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 (14)(a) apply regardless of when the resolution is adopted.

Section 9. Section **17C-1-407** is amended to read:

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

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

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

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

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

budget, the taxing entity committee approves payment of those increased taxes to the agency.

(b) If the taxing entity committee does not approve payment of the increased taxes to the agency under Subsection (2)(a), the county shall distribute to the taxing entity the taxes attributable to the tax rate increase in the same manner as other property taxes.

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

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

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

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

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

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

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

Section 10. Section **17C-1-409** is amended to read:

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 determine by resolution that the publicly owned infrastructure and improvements benefit the project area;

(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; or

(v) subject to Subsection (5), to transfer funds to a community that created the agency.

(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 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.

(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.

(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.

(5) For the purpose of offsetting the community's annual local contribution to the Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in a calendar year to a community under Subsections (1)(a)(v), 17C-1-411(1)(d), and 17C-1-412 [~~(1)~~] (3)(a)(x) may not exceed the community's annual local contribution as defined in Section 35A-8-606.

Section 11. Section **17C-1-411** is amended to read:

17C-1-411. Use of project area funds for housing-related improvements and for relocating mobile home park residents -- Funds to be held in separate accounts.

(1) An agency may use project area funds:

(a) to pay all or part of the value of the land for and the cost of installation, construction, or rehabilitation of any housing-related building, facility, structure, or other housing improvement, including infrastructure improvements related to housing, located in any project area within the agency's boundaries;

(b) outside of a project area for the purpose of:

(i) replacing housing units lost by project area development; or

(ii) increasing, improving, or preserving the affordable housing supply within the boundary of the agency;

(c) for relocating mobile home park residents displaced by project area development, whether inside or outside a project area; or

(d) subject to Subsection (4), to transfer funds to a community that created the agency.

(2) (a) Each agency shall create a housing fund and separately account for project area funds allocated under this section.

(b) Interest earned by the housing fund described in Subsection (2)(a), and any payments or repayments made to the agency for loans, advances, or grants of any kind from the housing fund, shall accrue to the housing fund.

(c) An agency that designates a housing fund under this section shall use the housing fund for the purposes set forth in this section or Section 17C-1-412.

(3) An agency may lend, grant, or contribute funds from the housing fund to a person, public entity, housing authority, private entity or business, or nonprofit corporation for affordable housing or homeless assistance.

(4) For the purpose of offsetting the community's annual local contribution to the Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in a calendar year to a community under Subsections (1)(d), 17C-1-409(1)(a)(v), and 17C-1-412 [~~(1)~~] (3)(a)(x) may not exceed the community's annual local contribution as defined in Section 35A-8-606.

Section 12. Section **17C-1-412** is amended to read:

17C-1-412. Use of housing allocation -- Separate accounting required -- Issuance

of bonds for housing -- Action to compel agency to provide housing allocation.

(1) This section applies to an agency that allocates urban renewal project area funds under Section 17C-2-203 or community reinvestment project area funds under Section 17C-5-307.

(2) (a) Except as provided in Subsection (2)(b), before using all or a portion of an agency's housing allocation, the agency shall adopt a housing plan that shows how the agency will use the agency's housing allocation to accomplish the purposes described in this section.

(b) An agency is not required to adopt a housing plan under Subsection (2)(a) if the agency is implementing the moderate income housing element of the general plan that the community that created the agency adopted in accordance with Section 10-9a-403 or 17-27a-403.

[~~(1)~~] (3) (a) An agency shall use the agency's housing allocation[~~, if applicable,~~] to:

(i) pay part or all of the cost of land or construction of income targeted housing within the boundary of the agency, if practicable in a mixed income development or area;

(ii) pay part or all of the cost of rehabilitation of income targeted housing within the boundary of the agency;

(iii) lend, grant, or contribute money to a person, public entity, housing authority, private entity or business, or nonprofit corporation for income targeted housing within the boundary of the agency;

(iv) plan or otherwise promote income targeted housing within the boundary of the agency;

(v) pay part or all of the cost of land or installation, construction, or rehabilitation of any building, facility, structure, or other housing improvement, including infrastructure improvements, related to housing located in a project area where [~~blight has been found to exist~~] a board has determined that a development impediment exists;

(vi) replace housing units lost as a result of the project area development;

(vii) make payments on or establish a reserve fund for bonds:

(A) issued by the agency, the community, or the housing authority that provides income targeted housing within the community; and

(B) all or part of the proceeds of which are used within the community for the purposes stated in Subsection [~~(1)~~] (3)(a)(i), (ii), (iii), (iv), (v), or (vi);

(viii) if the community's fair share ratio at the time of the first adoption of the project area budget is at least 1.1 to 1.0, make payments on bonds:

(A) that were previously issued by the agency, the community, or the housing authority that provides income targeted housing within the community; and

(B) all or part of the proceeds of which were used within the community for the purposes stated in Subsection [~~(1)~~] (3)(a)(i), (ii), (iii), (iv), (v), or (vi);

(ix) relocate mobile home park residents displaced by project area development; or

(x) subject to Subsection [~~(6)~~] (8), transfer funds to a community that created the agency.

(b) As an alternative to the requirements of Subsection [~~(1)~~] (3)(a), an agency may pay all or any portion of the agency's housing allocation to:

(i) the community for use as described in Subsection [~~(1)~~] (3)(a);

(ii) a housing authority that provides income targeted housing within the community for use in providing income targeted housing within the community;

(iii) a housing authority established by the county in which the agency is located for providing:

(A) income targeted housing within the county;

(B) permanent housing, permanent supportive housing, or a transitional facility, as defined in Section 35A-5-302, within the county; or

(C) homeless assistance within the county; or

(iv) the Olene Walker Housing Loan Fund, established under Title 35A, Chapter 8, Part 5, Olene Walker Housing Loan Fund, for use in providing income targeted housing within the community.

[~~(2)~~] (4) The agency shall create a housing fund and separately account for the agency's housing allocation, together with all interest earned by the housing allocation and all payments or repayments for loans, advances, or grants from the housing allocation.

[~~(3)~~] (5) An agency may:

(a) issue bonds to finance a housing-related project under this section, including the payment of principal and interest upon advances for surveys and plans or preliminary loans; and

(b) issue refunding bonds for the payment or retirement of bonds under Subsection

[~~(3)~~] (5)(a) previously issued by the agency.

[~~(4)~~] (6) (a) Except as provided in Subsection [~~(4)~~] (6)(b), an agency shall allocate money to the housing fund each year in which the agency receives sufficient tax increment to make a housing allocation required by the project area budget.

(b) Subsection [~~(4)~~] (6)(a) does not apply in a year in which tax increment is insufficient.

[~~(5)~~] (7) (a) Except as provided in Subsection [~~(4)~~] (6)(b), if an agency fails to provide a housing allocation in accordance with the project area budget and[~~, if applicable,~~] the housing plan adopted under Subsection 17C-2-204(2), the loan fund board may bring legal action to compel the agency to provide the housing allocation.

(b) In an action under Subsection [~~(5)~~] (7)(a), the court:

(i) shall award the loan fund board reasonable attorney fees, unless the court finds that the action was frivolous; and

(ii) may not award the agency the agency's attorney fees, unless the court finds that the action was frivolous.

[~~(6)~~] (8) For the purpose of offsetting the community's annual local contribution to the Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in a calendar year to a community under Subsections [~~(1)~~] (3)(a)(x), 17C-1-409(1)(a)(v), and 17C-1-411(1)(d) may not exceed the community's annual local contribution as defined in Section 35A-8-606.

Section 13. Section **17C-1-802** is amended to read:

17C-1-802. Combining hearings.

A board may combine any combination of a [~~blight~~] development impediment hearing, a plan hearing, and a budget hearing.

Section 14. Section **17C-1-803** is amended to read:

17C-1-803. Continuing a hearing.

Subject to Section 17C-1-804, the board may continue:

(1) a [~~blight~~] development impediment hearing;

(2) a plan hearing;

(3) a budget hearing; or

(4) a combined hearing under Section 17C-1-802.

Section 15. Section **17C-1-804** is amended to read:

17C-1-804. Notice required for continued hearing.

The board shall give notice of a hearing continued under Section [~~17C-1-802~~] 17C-1-803 by announcing at the hearing:

(1) the date, time, and place the hearing will be resumed; or

(2) (a) that the hearing is being continued to a later time; and

(b) that the board will cause a notice of the continued hearing to be published on the Utah Public Notice Website created in Section 63F-1-701, at least seven days before the day on which the hearing is scheduled to resume.

Section 16. Section **17C-1-805** is amended to read:

17C-1-805. Agency to provide notice of hearings.

(1) Each agency shall provide notice, in accordance with this part, of each:

(a) [~~blight~~] development impediment hearing;

(b) plan hearing; or

(c) budget hearing.

(2) The notice required under Subsection (1) may be combined with the notice required for any of the other hearings if the hearings are combined under Section 17C-1-802.

Section 17. Section **17C-1-807** is amended to read:

17C-1-807. Additional requirements for notice of a development impediment hearing.

Each notice under Section 17C-1-806 for a [~~blight~~] development impediment hearing shall also include:

(1) a statement that:

(a) a project area is being proposed;

(b) the proposed project area may be [~~declared~~] determined to have [~~blight~~] a development impediment;

(c) the record owner of property within the proposed project area has the right to present evidence at the [~~blight~~] development impediment hearing contesting the existence of [~~blight~~] a development impediment;

(d) except for a hearing continued under Section 17C-1-803, the agency will notify the record owner of property referred to in Subsection 17C-1-806(1)(b)(i) of each additional public

hearing held by the agency concerning the proposed project area before the adoption of the project area plan; and

(e) a person contesting the existence of [~~blight~~] a development impediment in the proposed project area may appear before the board and show cause why the proposed project area should not be designated as a project area; and

(2) if the agency anticipates acquiring property in an urban renewal project area or a community reinvestment project area by eminent domain, a clear and plain statement that:

(a) the project area plan may require the agency to use eminent domain; and

(b) the proposed use of eminent domain will be discussed at the [~~blight~~] development impediment hearing.

Section 18. 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~~] development impediment determination under Chapter 2, Part 3, [~~Blight~~] Development Impediment Determination in Urban Renewal Project Areas; and

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

(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~~] development impediment determination under Chapter 5, Part 4, [~~Blight~~] Development Impediment 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~~] board made a development impediment determination under Chapter 2, Part 3, Development Impediment Determination in Urban Renewal Project Areas, or Chapter 5, Part 4, Development Impediment Determination in a Community Reinvestment Project Area; 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 19. Section **17C-2-101.5** is amended to read:

17C-2-101.5. Resolution designating survey area -- Request to adopt resolution.

(1) A board may begin the process of adopting an urban renewal project area plan by adopting a resolution that:

(a) designates an area located within the agency's boundaries as a survey area;

(b) contains a statement that the survey area requires study to determine whether:

(i) one or more urban renewal project areas within the survey area are feasible; and

(ii) [~~blight~~] a development impediment exists within the survey area; and

(c) contains a boundary description or map of the survey area.

(2) (a) Any person or any group, association, corporation, or other entity may submit a written request to the board to adopt a resolution under Subsection (1).

(b) A request under Subsection (2)(a) may include plans showing the project area development proposed for an area within the agency's boundaries.

(c) The board may, in the board's sole discretion, grant or deny a request under Subsection (2)(a).

Section 20. Section **17C-2-102** is amended to read:

17C-2-102. Process for adopting urban renewal project area plan -- Prerequisites -- Restrictions.

(1) (a) In order to adopt an urban renewal project area plan, after adopting a resolution under Subsection 17C-2-101.5(1) the agency shall:

(i) unless a [~~finding of blight~~] development impediment determination is based on a [~~finding~~] determination made under Subsection 17C-2-303(1)(b) relating to an inactive industrial site or inactive airport site:

(A) cause a [~~blight~~] development impediment study to be conducted within the survey area as provided in Section 17C-2-301;

(B) provide notice of a [~~blight~~] development impediment hearing as required under Chapter 1, Part 8, Hearing and Notice Requirements; and

(C) hold a [~~blight~~] development impediment hearing as described in Section 17C-2-302;

(ii) after the [~~blight~~] development impediment hearing has been held or, if no [~~blight~~] development impediment hearing is required under Subsection (1)(a)(i), after adopting a resolution under Subsection 17C-2-101.5(1), hold a board meeting at which the board shall:

(A) consider:

(I) [~~the issue of blight and~~] the evidence and information relating to the existence or nonexistence of [~~blight~~] a development impediment; and

(II) whether adoption of one or more urban renewal project area plans should be pursued; and

(B) by resolution:

(I) make a [~~finding~~] determination regarding the existence of [~~blight~~] a development impediment in the proposed urban renewal project area;

(II) select one or more project areas comprising part or all of the survey area; and

(III) authorize the preparation of a proposed project area plan for each project area;

(iii) prepare a proposed project area plan and conduct any examination, investigation, and negotiation regarding the project area plan that the agency considers appropriate;

(iv) make the proposed project area plan available to the public at the agency's offices during normal business hours;

(v) provide notice of the plan hearing in accordance with Sections 17C-1-806 and 17C-1-808;

(vi) hold a plan hearing on the proposed project area plan and, at the plan hearing:

(A) allow public comment on:

(I) the proposed project area plan; and

(II) whether the proposed project area plan should be revised, approved, or rejected; and

(B) receive all written and hear all oral objections to the proposed project area plan;

(vii) before holding the plan hearing, provide an opportunity for the State Board of Education and each taxing entity that levies a tax on property within the proposed project area to consult with the agency regarding the proposed project area plan;

(viii) if applicable, hold the election required under Subsection 17C-2-105(3);

(ix) after holding the plan hearing, at the same meeting or at a subsequent meeting consider:

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

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

(x) approve the proposed project area plan, with or without revisions, as the project area plan by a resolution that complies with Section 17C-2-106; and

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

(b) (i) If an agency makes a [~~finding~~] determination under Subsection (1)(a)(ii)(B) that [~~blight~~] a development impediment exists in the proposed urban renewal project area, the agency may not adopt the project area plan until the taxing entity committee approves the [~~finding of blight~~] development impediment determination.

(ii) (A) A taxing entity committee may not disapprove an agency's [~~finding of blight~~] development impediment determination unless the committee demonstrates that the conditions the agency found to exist in the urban renewal project area that support the agency's [~~finding of~~

~~blight~~] development impediment determination under Section 17C-2-303:

(I) do not exist; or

(II) do not constitute [~~blight~~] a development impediment.

(B) (I) If the taxing entity committee questions or disputes the existence of some or all of the [~~blight~~] development impediment conditions that the agency [~~found~~] determined to exist in the urban renewal project area or that those conditions constitute [~~blight~~] a development impediment, the taxing entity committee may hire a consultant, mutually agreed upon by the taxing entity committee and the agency, with the necessary expertise to assist the taxing entity committee to make a determination as to the existence of the questioned or disputed [~~blight~~] development impediment conditions.

(II) The agency shall pay the fees and expenses of each consultant hired under Subsection (1)(b)(ii)(B)(I).

(III) The [~~findings~~] determination of a consultant under this Subsection (1)(b)(ii)(B) shall be binding on the taxing entity committee and the agency.

(2) An agency may not propose a project area plan under Subsection (1) unless the community in which the proposed project area 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.

(3) (a) Subject to Subsection (3)(b), a board may not approve a project area plan more than one year after adoption of a resolution making a [~~finding of blight~~] development impediment determination under Subsection (1)(a)(ii)(B).

(b) If a project area plan is submitted to an election under Subsection 17C-2-105(3), the time between the plan hearing and the date of the election does not count for purposes of calculating the year period under Subsection (3)(a).

(4) (a) Except as provided in Subsection (4)(b), a proposed project area plan may not be modified to add real property to the proposed project area unless the board holds a plan hearing to consider the addition and gives notice of the plan hearing as required under Sections 17C-1-806 and 17C-1-808.

(b) The notice and hearing requirements under Subsection (4)(a) do not apply to a

proposed project area plan being modified to add real property to the proposed project area if:

(i) the property is contiguous to the property already included in the proposed project area under the proposed project area plan;

(ii) the record owner of the property consents to adding the real property to the proposed project area; and

(iii) the property is located within the survey area.

Section 21. Section **17C-2-103** is amended to read:

17C-2-103. Urban renewal project area plan requirements.

(1) [~~Each~~] An agency shall ensure that each urban renewal project area plan and proposed project area plan [~~shall~~]:

(a) [~~describe~~] describes the boundaries of the project area, subject to Section 17C-1-414, if applicable;

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

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

(d) [~~show~~] shows how the purposes of this title will be attained by the project area development;

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

(f) [~~describe~~] describes how the project area development will reduce or eliminate [~~blight~~] a development impediment in the project area;

(g) [~~describe~~] describes any specific project or projects that are the object of the proposed project area development;

(h) [~~identify~~] identifies how a participant will be selected to undertake the project area development and identify each participant currently involved in the project area development;

(i) [~~state~~] states the reasons for the selection of the project area;

(j) [~~describe~~] describes the physical, social, and economic conditions existing in the project area;

(k) [~~describe~~] describes any tax incentives offered private entities for facilities located

in the project area;

(l) [~~include~~] includes the analysis described in Subsection (2);

(m) if any of the existing buildings or uses in the project area are included in or eligible for inclusion in the National Register of Historic Places or the State Register, [~~state~~] states that the agency shall comply with Section 9-8-404 as though the agency were a state agency; and

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

(2) [~~Each~~] An agency shall ensure that each analysis under Subsection (1)(l) [~~shall consider~~] considers:

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

(i) an evaluation of the reasonableness of the costs of the project area development;

(ii) efforts the agency or participant has made or will make to maximize private investment;

(iii) the rationale for use of tax increment, 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

(iv) an estimate of the total amount of tax increment that will be expended in undertaking project area development and the project area funds collection period; and

(b) the anticipated public benefit to be derived from the project area development, including:

(i) the beneficial influences upon the tax base of the community;

(ii) the associated business and economic activity likely to be stimulated; and

(iii) whether adoption of the project area plan is necessary and appropriate to reduce or eliminate [~~blight~~] a development impediment.

Section 22. Section **17C-2-106** is amended to read:

17C-2-106. Board resolution approving urban renewal project area plan -- Requirements.

[~~Each board~~] A board shall ensure that each resolution approving a proposed urban renewal project area plan as the project area plan under Subsection 17C-2-102(1)(a)(x) [~~shall contain~~] contains:

(1) a boundary description of the boundaries of the project area that is the subject of the project area plan;

(2) the agency's purposes and intent with respect to the project area;

(3) the project area plan incorporated by reference;

(4) a statement that the board previously made a [~~finding of blight~~] development impediment determination within the project area and the date of the board's [~~finding of blight~~] determination; and

(5) the board findings and determinations that:

(a) there is a need to effectuate a public purpose;

(b) there is a public benefit under the analysis described in Subsection 17C-2-103(2);

(c) it is economically sound and feasible to adopt and carry out the project area plan;

(d) the project area plan conforms to the community's general plan; and

(e) carrying out the project area plan will promote the public peace, health, safety, and welfare of the community in which the project area is located.

Section 23. Section **17C-2-110** is amended to read:

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

(1) [~~An~~] An agency may amend 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) 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) 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~~] determination regarding the existence of [~~blight~~] a development impediment in the area proposed to be added to the project area by following the procedure set forth in Chapter 2, Part 3, [~~Blight~~] Development Impediment Determination in Urban Renewal Project Areas; and

(e) the agency need not make a [~~finding regarding the existence of blight~~] development impediment determination in the project area as described in the original project area plan, if the agency made a [~~finding of the existence of blight~~] development impediment determination 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 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~~] An agency may amend 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 one or more parcels from a project area because the agency determines that each parcel removed is:

(A) tax exempt;

(B) [~~no longer blighted~~] without a development impediment; or

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

(b) [~~An~~] An agency may make an amendment removing 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 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 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 24. Section **17C-2-202** is amended to read:

17C-2-202. Combined incremental value -- Restriction against adopting an urban renewal project area budget -- Taxing entity committee may waive restriction.

(1) Except as provided in Subsection (2), an agency may not adopt an urban renewal project area budget if, at the time the urban renewal project area budget is being considered, the

combined incremental value for the agency exceeds 10% of the total taxable value of property within the agency's boundaries in the year that the urban renewal project area budget is being considered.

(2) (a) A taxing entity committee may waive the restrictions imposed by Subsection (1).

(b) Subsection (1) does not apply to an urban renewal project area budget if the agency's [~~finding of blight~~] development impediment determination in the project area to which the budget relates is based on a [~~finding~~] determination under Subsection 17C-2-303(1)(b).

Section 25. Section **17C-2-204** is amended to read:

17C-2-204. Consent of taxing entity committee required for urban renewal project area budget -- Exception.

(1) (a) Except as provided in Subsection (1)(b) and subject to Subsection (2), each agency shall obtain the consent of the taxing entity committee for each urban renewal project area budget under a post-June 30, 1993, project area plan before the agency may receive any tax increment from the urban renewal project area.

(b) For an urban renewal project area budget adopted from July 1, 1998, through May 1, 2000, that allocates 20% or more of the tax increment for housing as [~~provided~~] described in Section 17C-1-412, an agency:

(i) need not obtain the consent of the taxing entity committee for the project area budget; and

(ii) may not receive any tax increment from all or part of the project area until after:

(A) the loan fund board has certified the project area budget as complying with the requirements of Section 17C-1-412; and

(B) the board has approved and adopted the project area budget by a two-thirds vote.

(2) (a) Before a taxing entity committee may consent to an urban renewal project area budget adopted on or after May 1, 2000, that is required under Subsection 17C-2-203(1)(a) to allocate 20% of tax increment for housing, the agency shall:

(i) adopt a housing plan [~~showing the uses for the housing funds~~] in accordance with Subsection 17C-1-412(2); and

(ii) provide a copy of the housing plan to the taxing entity committee and the loan fund board.

(b) If an agency amends a housing plan prepared under Subsection (2)(a), the agency shall provide a copy of the amendment to the taxing entity committee and the loan fund board.

Section 26. Section **17C-2-301** is amended to read:

Part 3. Development Impediment Determination in Urban Renewal Project Areas

17C-2-301. Development impediment study -- Requirements -- Deadline.

(1) [~~Each blight~~] An agency shall ensure that each development impediment study required under Subsection 17C-2-102(1)(a)(i)(A) [~~shall~~]:

(a) [~~undertake~~] undertakes a parcel by parcel survey of the survey area;

(b) [~~provide~~] provides data so the board and taxing entity committee may determine:

(i) whether the conditions described in Subsection 17C-2-303(1):

(A) exist in part or all of the survey area; and

(B) qualify an area within the survey area as a project area; and

(ii) whether the survey area contains all or part of a superfund site, an inactive industrial site, or inactive airport site;

(c) [~~include~~] includes a written report setting forth:

(i) the conclusions reached;

(ii) any recommended area within the survey area qualifying as a project area; and

(iii) any other information requested by the agency to determine whether an urban renewal project area is feasible; and

(d) [~~be~~] is completed within one year after the adoption of the survey area resolution.

(2) (a) If a [~~blight~~] development impediment study is not completed within one year after the adoption of the resolution under Subsection 17C-2-101.5(1) designating a survey area, the agency may not approve an urban renewal project area plan based on that [~~blight~~] development impediment study unless [~~it~~] the agency first adopts a new resolution under Subsection 17C-2-101.5(1).

(b) A new resolution under Subsection (2)(a) shall in all respects be considered to be a resolution under Subsection 17C-2-101.5(1) adopted for the first time, except that any actions taken toward completing a [~~blight~~] development impediment study under the resolution that the new resolution replaces shall be considered to have been taken under the new resolution.

Section 27. Section **17C-2-302** is amended to read:

17C-2-302. Development impediment hearing -- Owners may review evidence of

a development impediment.

(1) In each hearing required under Subsection 17C-2-102(1)(a)(i)(C), the agency shall:

(a) permit all evidence of the existence or nonexistence of [~~blight~~] a development impediment within the proposed urban renewal project area to be presented; and

(b) permit each record owner of property located within the proposed urban renewal project area or the record property owner's representative the opportunity to:

(i) examine and cross-examine witnesses providing evidence of the existence or nonexistence of [~~blight~~] a development impediment; and

(ii) present evidence and testimony, including expert testimony, concerning the existence or nonexistence of [~~blight~~] a development impediment.

(2) The agency shall allow record owners of property located within a proposed urban renewal project area the opportunity, for at least 30 days before the hearing, to review the evidence of [~~blight~~] a development impediment compiled by the agency or by the person or firm conducting the [~~blight~~] development impediment study for the agency, including any expert report.

Section 28. Section **17C-2-303** is amended to read:

17C-2-303. Conditions on board determination of a development impediment -- Conditions of a development impediment caused by the participant.

(1) A board may not make a [~~finding of blight~~] development impediment determination in a resolution under Subsection 17C-2-102(1)(a)(ii)(B) unless the board finds that:

(a) (i) the proposed project area consists predominantly of nongreenfield parcels;

(ii) the proposed project area is currently zoned for urban purposes and generally served by utilities;

(iii) at least 50% of the parcels within the proposed project area contain nonagricultural or nonaccessory buildings or improvements used or intended for residential, commercial, industrial, or other urban purposes, or any combination of those uses;

(iv) the present condition or use of the proposed project area substantially impairs the sound growth of the municipality, retards the provision of housing accommodations, or constitutes an economic liability or is detrimental to the public health, safety, or welfare, as shown by the existence within the proposed project area of at least four of the following factors:

(A) one of the following, although sometimes interspersed with well maintained buildings and infrastructure:

(I) substantial physical dilapidation, deterioration, or defective construction of buildings or infrastructure; or

(II) significant noncompliance with current building code, safety code, health code, or fire code requirements or local ordinances;

(B) unsanitary or unsafe conditions in the proposed project area that threaten the health, safety, or welfare of the community;

(C) environmental hazards, as defined in state or federal law, that require remediation as a condition for current or future use and development;

(D) excessive vacancy, abandoned buildings, or vacant lots within an area zoned for urban use and served by utilities;

(E) abandoned or outdated facilities that pose a threat to public health, safety, or welfare;

(F) criminal activity in the project area, higher than that of comparable [~~nonblighted~~] areas in the municipality or county that are without a development impediment; and

(G) defective or unusual conditions of title rendering the title nonmarketable; and

(v) (A) at least 50% of the privately-owned parcels within the proposed project area are affected by at least one of the factors, but not necessarily the same factor, listed in Subsection (1)(a)(iv); and

(B) the affected parcels comprise at least 66% of the privately-owned acreage of the proposed project area; or

(b) the proposed project area includes some or all of a superfund site, inactive industrial site, or inactive airport site.

(2) No single parcel comprising 10% or more of the acreage of the proposed project area may be counted as satisfying Subsection (1)(a)(iii) or (iv) unless at least 50% of the area of that parcel is occupied by buildings or improvements.

(3) (a) For purposes of Subsection (1), if a participant involved in the project area development has caused a condition listed in Subsection (1)(a)(iv) within the proposed project area, that condition may not be used in the determination of [~~blight~~] a development impediment.

(b) Subsection (3)(a) does not apply to a condition that was caused by an owner or tenant who becomes a participant.

Section 29. Section **17C-2-304** is amended to read:

17C-2-304. Challenging a development impediment determination -- Time limit -- De novo review.

(1) If the board makes a [~~finding of blight~~] development impediment determination under Subsection 17C-2-102(1)(a)(ii)(B) and that [~~finding~~] determination is approved by resolution adopted by the taxing entity committee, a record owner of property located within the proposed urban renewal project area may challenge the [~~finding~~] determination by filing an action with the district court for the county in which the property is located.

(2) [~~Each~~] A person shall file a challenge under Subsection (1) [~~shall be filed~~] within 30 days after the taxing entity committee approves the board's [~~finding of blight~~] development impediment determination.

(3) In each action under this section, the district court shall review the [~~finding of blight~~] development impediment determination under the standards of review provided in Subsection 10-9a-801(3).

Section 30. Section **17C-5-103** is amended to read:

17C-5-103. Initiating a community reinvestment project area plan.

(1) Subject to Subsection (2), a board shall initiate the process of adopting a community reinvestment project area plan by adopting a survey area resolution that:

(a) designates a geographic area located within the agency's boundaries as a survey area;

(b) contains a description or map of the boundaries of the survey area;

(c) contains a statement that the survey area requires study to determine whether project area development is feasible within one or more proposed community reinvestment project areas within the survey area; and

(d) authorizes the agency to:

(i) prepare a proposed community reinvestment project area plan for each proposed community reinvestment project area; and

(ii) conduct any examination, investigation, or negotiation regarding the proposed community reinvestment project area that the agency considers appropriate.

(2) If an agency anticipates using eminent domain to acquire property within the survey area, the resolution described in Subsection (1) shall include:

(a) a statement that the survey area requires study to determine whether [~~blight~~] a development impediment exists within the survey area; and

(b) authorization for the agency to conduct a [~~blight~~] development impediment study in accordance with Section 17C-5-403.

Section 31. 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~~] development impediment study and make a [~~blight~~] development impediment determination in accordance with Part 4, [~~Blight~~] Development Impediment 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~~] development impediment determination 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 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 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 one or more parcels to the proposed community reinvestment project area if:

(i) each parcel is contiguous to one or more parcels already included in the proposed community reinvestment project area under the proposed community reinvestment project area plan;

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

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

Section 32. Section **17C-5-105** is amended to read:

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

[~~Each~~] An agency shall ensure that each community reinvestment project area plan and proposed community reinvestment project area plan [~~shall~~]:

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

(2) [~~contain~~] contains 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 project area development;

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

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

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

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

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

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

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

(10) [~~describe~~] describes the physical, social, and economic conditions that exist in the

community reinvestment project area;

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

(12) [~~include~~] includes an analysis or description of the anticipated public benefit resulting from project area development, including benefits to the community's economic activity and tax base;

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

(14) [~~state~~] for a community reinvestment project area plan that an agency adopted before May 14, 2019, states 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

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

Section 33. Section **17C-5-108** is amended to read:

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

A board shall ensure that a resolution approving a proposed community reinvestment area plan as the community reinvestment project area plan under Section 17C-5-104 [~~shall contain~~] contains:

(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(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~~] development impediment determination under Section 17C-5-402, a statement that the board made a [~~finding of blight~~] development impediment determination within the proposed community reinvestment project area and the date on which the board made the [~~finding of blight~~] determination.

Section 34. 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 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 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 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.~~]

(4) (a) If a board has not made a determination under Part 4, Development Impediment Determination in a Community Reinvestment Project Area, but intends to use eminent domain within a community reinvestment project area, the agency may amend the community reinvestment project area plan in accordance with this Subsection (4).

(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~~] a development impediment exists;

(ii) in accordance with Part 4, [~~Blight~~] Development Impediment Determination in a Community Reinvestment Project Area, conduct a [~~blight~~] development impediment study within the survey area and make a [~~blight~~] development impediment determination; and

[~~(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)~~] (iii) obtain approval to amend the community reinvestment project area plan from each taxing entity that is a 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 one or more parcels from a community reinvestment project area because the agency determines that each parcel is:

(i) tax exempt;

(ii) [~~no longer blighted~~] without a development impediment; 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 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 35. Section **17C-5-202** is amended to read:

17C-5-202. Community reinvestment project area funding.

(1) (a) [~~Except~~] Beginning on May 14, 2019, and except as provided in Subsection (2), for the purpose of receiving project area funds for use within a community reinvestment project area, an agency shall negotiate and enter into an interlocal agreement with a taxing entity in accordance with Section 17C-5-204 to receive all or a portion of the taxing entity's tax increment or sales and use tax revenue in accordance with the interlocal agreement.

(b) If a community reinvestment project area is subject to an interlocal agreement under Subsection (1)(a) and the agency subsequently amends the community reinvestment project area plan as described in Subsection 17C-5-112(4), the agency shall continue to receive project area funds under the interlocal agreement.

[~~(2) If an agency plans to create a community reinvestment project area and adopt a community reinvestment project area plan that provides for the use of eminent domain to acquire property within the community reinvestment project area, the agency shall create a taxing entity committee as described in Section 17C-1-402 and receive tax increment in accordance with Section 17C-5-203.~~]

(2) Notwithstanding Subsection (1), an agency may receive tax increment in accordance with Section 17C-5-203 if the agency created a community reinvestment project area before May 14, 2019, that is subject to a taxing entity committee and provides for the use of eminent domain to acquire property within the community reinvestment project area.

(3) An agency shall comply with [~~Chapter 5,~~] Part 3, Community Reinvestment Project Area Budget, regardless of whether an agency enters into an interlocal agreement under Subsection [~~(1) or creates a taxing entity committee~~] (1) or receives tax increment under Subsection (2).

Section 36. Section **17C-5-203** is amended to read:

17C-5-203. Community reinvestment project area subject to taxing entity committee -- Tax increment.

(1) This section applies to a community reinvestment project area that an agency created before May 14, 2019, and that is subject to a taxing entity committee under Subsection

17C-5-202(2).

(2) Subject to the taxing entity committee's approval of a community reinvestment project area budget under Section 17C-5-304, and for the purpose of implementing a community reinvestment project area plan, an agency may receive up to 100% of a taxing entity's tax increment, or any specified dollar amount of tax increment, for any period of time.

(3) Notwithstanding Subsection (2), an agency that adopts a community reinvestment project area plan that is subject to a taxing entity committee may negotiate and enter into an interlocal agreement with a taxing entity and receive all or a portion of the taxing entity's sales and use tax revenue for any period of time.

Section 37. Section **17C-5-204** is amended to read:

17C-5-204. Community reinvestment project area subject to interlocal agreement -- Consent of a taxing entity to an agency receiving project area funds.

(1) As used in this section[~~, "successor~~]:

(a) "Limited purpose taxing entity" means the following public entities that levy or impose a tax on property located within a community reinvestment project area:

(i) a local district created under Title 17B, Limited Purpose Local Government Entities - Local Districts;

(ii) a special service district created under Title 17D, Chapter 1, Special Service District Act; or

(iii) a school district.

(b) "Successor taxing entity" means a taxing entity that:

[~~(a)~~] (i) is created after the day on which an interlocal agreement is executed to allow an agency to receive a taxing entity's project area funds; and

[~~(b)~~] (ii) levies or imposes a tax on property located within the community reinvestment project area.

(2) This section applies to a community reinvestment project area that is subject to an interlocal agreement under Subsection 17C-5-202(1)[~~(a)~~].

(3) For the purpose of implementing a community reinvestment project area plan, an agency may negotiate with a taxing entity for all or a portion of the taxing entity's project area funds.

(4) (a) [~~A~~] Except as provided in Subsection (4)(b), a taxing entity may agree to allow

an agency to receive the taxing entity's project area funds by executing an interlocal agreement with the agency in accordance with Title 11, Chapter 13, Interlocal Cooperation Act.

(b) (i) Notwithstanding Subsection (4)(a) and subject to Subsection (4)(b)(ii), all limited purpose taxing entities shall execute an interlocal agreement with an agency as described in Subsection (4)(a) if:

(A) the agency executes an interlocal agreement as described in Subsection (4)(a) with the municipality and county within which the community reinvestment project area is located;

(B) the agency allocates at least 20% of the agency's community reinvestment project area funds for housing as described in Section 17C-5-307; and

(C) the agency has adopted or is implementing a housing plan in accordance with Subsection 17C-1-412(2).

(ii) An agency and a limited purpose taxing entity shall ensure that the terms of an interlocal agreement under Subsection (4)(b)(i) are similar to the terms of an interlocal agreement under Subsection (4)(b)(i)(A), including a substantially similar:

(A) project area funds collection period; and

(B) method of calculating the amount of the taxing entity's tax increment from the community reinvestment project area that the agency receives, including the base year and base taxable value.

(5) Before an agency may use project area funds received under an interlocal agreement described in Subsection (4), the agency shall:

(a) obtain a written certification, signed by an attorney licensed to practice law in the state, stating that the agency and the taxing entity have each followed all legal requirements relating to the adoption of the interlocal agreement; and

(b) provide a signed copy of the certification described in Subsection (5)(a) to the taxing entity.

(6) An agency and a taxing entity shall ensure that an interlocal agreement described in Subsection (4) [~~shall~~]:

(a) if the interlocal agreement provides for the agency to receive tax increment, [~~state~~] states:

(i) the method of calculating the amount of the taxing entity's tax increment from the community reinvestment project area that the agency receives, including the base year and base

taxable value;

(ii) the project area funds collection period; and

(iii) the percentage of the taxing entity's tax increment or the maximum cumulative dollar amount of the taxing entity's tax increment that the agency receives;

(b) if the interlocal agreement provides for the agency to receive the taxing entity's sales and use tax revenue, [~~state~~] states:

(i) the method of calculating the amount of the taxing entity's sales and use tax revenue that the agency receives;

(ii) the project area funds collection period; and

(iii) the percentage of sales and use tax revenue or the maximum cumulative dollar amount of sales and use tax revenue that the agency receives; and

(c) [~~include~~] includes a copy of the community reinvestment project area budget.

(7) A school district may consent to allow an agency to receive tax increment from the school district's basic levy only to the extent that the school district also consents to allow the agency to receive tax increment from the school district's local levy.

(8) The parties may amend an interlocal agreement under this section by mutual consent.

(9) A taxing entity's consent to allow an agency to receive project area funds under this section is not subject to the requirements of Section 10-8-2 or 17-50-312.

(10) An interlocal agreement executed by a taxing entity under this section may be enforced by or against any successor taxing entity.

Section 38. Section **17C-5-401** is amended to read:

Part 4. Development Impediment Determination in a Community Reinvestment Project Area

17C-5-401. Title.

This part is known as "[~~Blight~~] Development Impediment Determination in a Community Reinvestment Project Area."

Section 39. Section **17C-5-402** is amended to read:

17C-5-402. Development impediment determination in a community reinvestment project area -- Prerequisites -- Restrictions.

(1) An agency shall comply with the provisions of this section before the agency may

use eminent domain to acquire property under Chapter 1, Part 9, Eminent Domain.

(2) An agency shall, after adopting a survey area resolution as described in Section 17C-5-103:

(a) cause a [~~blight~~] development impediment study to be conducted within the survey area in accordance with Section 17C-5-403;

(b) provide notice and hold a [~~blight~~] development impediment hearing in accordance with Chapter 1, Part 8, Hearing and Notice Requirements; and

(c) after the [~~blight~~] development impediment hearing, at the same or at a subsequent meeting:

(i) consider [~~the issue of blight and~~] the evidence and information relating to the existence or nonexistence of [~~blight~~] a development impediment; and

(ii) by resolution, make a [~~finding~~] determination regarding whether [~~blight~~] a development impediment exists in all or part of the survey area.

[~~(3) (a) If an agency makes a finding of blight under Subsection (2), the agency may not adopt an original community reinvestment project area plan or an amendment to a community reinvestment project area plan under Subsection 17C-5-112(4) until the taxing entity committee approves the finding of blight.~~]

[~~(b) (i) A taxing entity committee shall approve an agency's finding of blight unless the taxing entity committee demonstrates that the conditions the agency found to exist in the survey area that support the agency's finding of blight:~~]

[~~(A) do not exist; or~~]

[~~(B) do not constitute blight under Section 17C-5-405.~~]

[~~(ii) (A) If the taxing entity committee questions or disputes the existence of some or all of the blight conditions that the agency found to exist in the survey area, the taxing entity committee may hire a consultant, mutually agreed upon by the taxing entity committee and the agency, with the necessary expertise to assist the taxing entity committee in making a determination as to the existence of the questioned or disputed blight conditions.~~]

[~~(B) The agency shall pay the fees and expenses of each consultant hired under Subsection (3)(b)(ii)(A).~~]

[~~(C) The findings of a consultant hired under Subsection (3)(b)(ii)(A) are binding on the taxing entity committee and the agency.~~]

Section 40. Section **17C-5-403** is amended to read:

17C-5-403. Development impediment study -- Requirements -- Deadline.

(1) [~~A blight~~] An agency shall ensure that a development impediment study [~~shall~~]:

(a) [~~undertake~~] undertakes a parcel by parcel survey of the survey area;

(b) [~~provide~~] provides data so the board [~~and taxing entity committee~~] may determine:

(i) whether the conditions described in Section 17C-5-405:

(A) exist in part or all of the survey area; and

(B) meet the qualifications for a [~~finding of blight~~] development impediment determination in all or part of the survey area; and

(ii) whether the survey area contains all or part of a superfund site;

(c) [~~include~~] includes a written report that states:

(i) the conclusions reached;

(ii) any area within the survey area that meets the statutory criteria of [~~blight~~] a development impediment under Section 17C-5-405; and

(iii) any other information requested by the agency to determine whether [~~blight~~] a development impediment exists within the survey area; and

(d) [~~be~~] is completed within one year after the day on which the survey area resolution is adopted.

(2) (a) If a [~~blight~~] development impediment study is not completed within the time described in Subsection (1)(d), the agency may not approve a community reinvestment project area plan or an amendment to a community reinvestment project area plan under Subsection 17C-5-112(4) based on a [~~blight~~] development impediment study unless the agency first adopts a new resolution under Subsection 17C-5-103(1).

(b) A new resolution described in Subsection (2)(a) shall in all respects be considered to be a resolution under Subsection 17C-5-103(1) adopted for the first time, except that any actions taken toward completing a [~~blight~~] development impediment study under the resolution that the new resolution replaces shall be considered to have been taken under the new resolution.

(3) (a) For the purpose of making a [~~blight~~] development impediment determination under Subsection 17C-5-402(2)(c)(ii), a [~~blight~~] development impediment study is valid for one year from the day on which the [~~blight~~] development impediment study is completed.

(b) (i) Except as provided in Subsection (3)(b)(ii), an agency that makes a [~~blight~~] development impediment determination under a valid [~~blight~~] development impediment study and subsequently adopts a community reinvestment project area plan in accordance with Section 17C-5-104 may amend the community reinvestment project area plan without conducting a new [~~blight~~] development impediment study.

(ii) An agency shall conduct a supplemental [~~blight~~] development impediment study for the area proposed to be added to the community reinvestment project area if the agency proposes an amendment to a community reinvestment project area plan that:

(A) increases the community reinvestment project area's geographic boundary and the area proposed to be added was not included in the original [~~blight~~] development impediment study; and

(B) provides for the use of eminent domain within the area proposed to be added to the community reinvestment project area.

Section 41. Section **17C-5-404** is amended to read:

17C-5-404. Development impediment hearing -- Owners may review evidence of a development impediment.

(1) In a hearing required under Subsection 17C-5-402(2)(b), an agency shall:

(a) permit all evidence of the existence or nonexistence of [~~blight~~] a development impediment within the survey area to be presented; and

(b) permit each record owner of property located within the survey area or the record property owner's representative the opportunity to:

(i) examine and cross-examine each witness that provides evidence of the existence or nonexistence of [~~blight~~] a development impediment; and

(ii) present evidence and testimony, including expert testimony, concerning the existence or nonexistence of [~~blight~~] a development impediment.

(2) An agency shall allow each record owner of property located within a survey area the opportunity, for at least 30 days before the day on which the hearing takes place, to review the evidence of [~~blight~~] a development impediment compiled by the agency or by the person or firm conducting the [~~blight~~] development impediment study for the agency, including any expert report.

Section 42. Section **17C-5-405** is amended to read:

17C-5-405. Conditions on a development impediment determination -- Conditions of a development impediment caused by a participant.

(1) A board may not make a [~~finding of blight~~] development impediment determination in a resolution under Subsection 17C-5-402(2)(c)(ii) unless the board finds that:

(a) (i) the survey area consists predominantly of nongreenfield parcels;

(ii) the survey area is currently zoned for urban purposes and generally served by utilities;

(iii) at least 50% of the parcels within the survey area contain nonagricultural or nonaccessory buildings or improvements used or intended for residential, commercial, industrial, or other urban purposes;

(iv) the present condition or use of the survey area substantially impairs the sound growth of the community, delays the provision of housing accommodations, constitutes an economic liability, or is detrimental to the public health, safety, or welfare, as shown by the existence within the survey area of at least four of the following factors:

(A) although sometimes interspersed with well maintained buildings and infrastructure, substantial physical dilapidation, deterioration, or defective construction of buildings or infrastructure, or significant noncompliance with current building code, safety code, health code, or fire code requirements or local ordinances;

(B) unsanitary or unsafe conditions in the survey area that threaten the health, safety, or welfare of the community;

(C) environmental hazards, as defined in state or federal law, which require remediation as a condition for current or future use and development;

(D) excessive vacancy, abandoned buildings, or vacant lots within an area zoned for urban use and served by utilities;

(E) abandoned or outdated facilities that pose a threat to public health, safety, or welfare;

(F) criminal activity in the survey area, higher than that of comparable [~~nonblighted~~] areas in the municipality or county that are without a development impediment; and

(G) defective or unusual conditions of title rendering the title nonmarketable; and

(v) (A) at least 50% of the privately owned parcels within the survey area are affected by at least one of the factors, but not necessarily the same factor, listed in Subsection (1)(a)(iv);

and

(B) the affected parcels comprise at least 66% of the privately owned acreage within the survey area; or

(b) the survey area includes some or all of:

(i) a superfund site;

(ii) a site used for the disposal of solid waste or hazardous waste, as those terms are defined in Section 19-6-102;

(iii) an inactive industrial site; or

(iv) an inactive airport site.

(2) A single parcel comprising 10% or more of the acreage within the survey area may not be counted as satisfying the requirement described in Subsection (1)(a)(iii) or (iv) unless at least 50% of the area of the parcel is occupied by buildings or improvements.

(3) (a) Except as provided in Subsection (3)(b), for purposes of Subsection (1), if a participant or proposed participant involved in the project area development has caused a condition listed in Subsection (1)(a)(iv) within the survey area, that condition may not be used in the determination of [~~blight~~] a development impediment.

(b) Subsection (3)(a) does not apply to a condition that was caused by an owner or tenant who later becomes a participant.

Section 43. Section **17C-5-406** is amended to read:

17C-5-406. Challenging a finding of development impediment determination -- Time limit -- Standards governing court review.

(1) If a board makes a [~~finding of blight~~] development impediment determination under Subsection 17C-5-402(2)(c)(ii) [~~and the finding is approved by resolution adopted by the taxing entity committee~~], a record owner of property located within the survey area may challenge the [~~finding~~] determination by filing an action in the district court in the county in which the property is located no later than 30 days after the day on which the board makes the determination.

[~~(2) A person shall file an action under Subsection (1) no later than 30 days after the day on which the taxing entity committee approves the board's finding of blight.~~]

[~~(3)~~] (2) In an action under this section:

(a) the agency shall transmit to the district court the record of the agency's proceedings,

including any minutes, findings, determinations, orders, or transcripts of the agency's proceedings;

(b) the district court shall review the [~~finding of blight~~] development impediment determination under the standards of review provided in Subsection 10-9a-801(3); and

(c) (i) if there is a record:

(A) the district court's review is limited to the record provided by the agency; and

(B) the district court may not accept or consider any evidence outside the record of the agency, unless the evidence was offered to the agency and the district court determines that the agency improperly excluded the evidence; or

(ii) if there is no record, the district court may call witnesses and take evidence.