

**LOCAL ECONOMIC DEVELOPMENT AMENDMENTS**

2015 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: V. Lowry Snow**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

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

**Highlighted Provisions:**

This bill:

► provides that community development project area plans are not subject to certain notice and public hearing requirements, if certain requirements are met, including that:

- the community development and renewal agency and each taxing entity and public entity that will be affected by the tax increment incentive enter into an interlocal agreement; and

- an industry or business entity receives a tax increment incentive only on a postperformance basis.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**17C-4-108**, as enacted by Laws of Utah 2006, Chapter 359

ENACTS:



28 [17C-4-109](#), Utah Code Annotated 1953

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

31 Section 1. Section **17C-4-108** is amended to read:

32 **17C-4-108. Amending a community development project area plan.**

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

37 (2) (a) Notwithstanding Subsection (1), an adopted project area plan may be amended  
38 without complying with the notice and public hearing requirements of this part if the proposed  
39 amendment:

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

42 or

43 (ii) subject to Subsection (2)(b), removes a parcel of real property from a project area  
44 because the agency determines that inclusion of the parcel is no longer necessary or desirable to  
45 the project area.

46 (b) An amendment removing a parcel of real property from a community development  
47 project area under Subsection (2)(a)(ii) may not be made without the consent of the record  
48 property owner of the parcel being removed.

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

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

56 Section 2. Section **17C-4-109** is enacted to read:

57 **17C-4-109. Expedited community development project area plan.**

58 (1) A community development project area plan may be adopted or amended without

59 complying with the notice and public hearing requirements of this part and Section [17C-4-402](#),  
60 if the following requirements are met:

61 (a) the agency determines by resolution adopted in an open and public meeting the  
62 need to create or amend a project area plan on an expedited basis, which resolution shall  
63 include a description of why expedited action is needed;

64 (b) a public hearing on the amendment or adoption of the project area plan is held by  
65 the agency;

66 (c) notice of the public hearing is published at least 14 days before the public hearing  
67 on:

68 (i) the website of the community that created the agency; and

69 (ii) the Utah Public Notice Website created in Section [63F-1-701](#);

70 (d) written consent to the amendment or adoption of the project area plan is given by  
71 all record property owners within the existing or proposed project area;

72 (e) each taxing entity and public entity that will be affected by the tax increment  
73 incentive enter into or amend an interlocal agreement in accordance with Title 11, Chapter 13,  
74 Interlocal Cooperation Act, and Sections [17C-4-201](#), [17C-4-203](#), and [17C-4-204](#);

75 (f) the primary market for the goods or services that will be created by the industry or  
76 business entity that will receive a tax increment incentive from the amendment or adoption of  
77 the project area plan is outside of the state; and

78 (g) a tax increment incentive is only provided to an industry or business entity:

79 (i) on a postperformance basis as described in Subsection (2); and

80 (ii) on an annual basis after the tax increment is received by the agency.

81 (2) An industry or business entity may only receive a tax increment incentive under this  
82 section after entering into an agreement with the agency, approved by each party to the  
83 interlocal agreement described in Subsection (1)(e), that sets postperformance targets that shall  
84 be met before the industry or business entity may receive the tax increment incentive, including  
85 annual targets for:

86 (a) capital investment in the project area;

87 (b) the increase in the taxable value of the project area;

88 (c) the number of new jobs created in the project area;

89 (d) the average wages of the jobs created, which shall be at least 110% of the

90 prevailing wage of the county where the project area is located; and

91 (e) the amount of local vendor opportunity generated by the industry or business entity.

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**Legislative Review Note**  
**as of 12-5-14 4:52 PM**

**Office of Legislative Research and General Counsel**