

Representative Mike Winder proposes the following substitute bill:

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;

and

- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a coordination clause.



26 **Utah Code Sections Affected:**

27 AMENDS:

- 28 **10-8-2**, as last amended by Laws of Utah 2014, Chapter 59
- 29 **10-9a-403**, as last amended by Laws of Utah 2018, Chapter 218
- 30 **11-58-601**, as last amended by Laws of Utah 2018, Second Special Session, Chapter 1
- 31 **17-27a-403**, as last amended by Laws of Utah 2018, Chapter 218
- 32 **17-50-303**, as last amended by Laws of Utah 2014, Chapter 66
- 33 **17C-1-102**, as last amended by Laws of Utah 2018, Chapter 364
- 34 **17C-1-207**, as last amended by Laws of Utah 2018, Chapters 364 and 366
- 35 **17C-1-402**, as last amended by Laws of Utah 2018, Chapter 364
- 36 **17C-1-407**, as last amended by Laws of Utah 2016, Chapter 350
- 37 **17C-1-409**, as last amended by Laws of Utah 2018, Chapter 312
- 38 **17C-1-411**, as last amended by Laws of Utah 2018, Chapter 312
- 39 **17C-1-412**, as last amended by Laws of Utah 2018, Chapter 312
- 40 **17C-1-802**, as renumbered and amended by Laws of Utah 2016, Chapter 350
- 41 **17C-1-803**, as renumbered and amended by Laws of Utah 2016, Chapter 350
- 42 **17C-1-804**, as renumbered and amended by Laws of Utah 2016, Chapter 350
- 43 **17C-1-805**, as renumbered and amended by Laws of Utah 2016, Chapter 350
- 44 **17C-1-807**, as renumbered and amended by Laws of Utah 2016, Chapter 350
- 45 **17C-1-902**, as last amended by Laws of Utah 2018, Chapter 364
- 46 **17C-2-101.5**, as renumbered and amended by Laws of Utah 2016, Chapter 350
- 47 **17C-2-102**, as last amended by Laws of Utah 2016, Chapter 350
- 48 **17C-2-103**, as last amended by Laws of Utah 2016, Chapter 350
- 49 **17C-2-106**, as last amended by Laws of Utah 2016, Chapter 350
- 50 **17C-2-110**, as last amended by Laws of Utah 2018, Chapter 364
- 51 **17C-2-202**, as last amended by Laws of Utah 2007, Chapter 364
- 52 **17C-2-204**, as last amended by Laws of Utah 2016, Chapter 350
- 53 **17C-2-301**, as last amended by Laws of Utah 2008, Chapter 125
- 54 **17C-2-302**, as last amended by Laws of Utah 2007, Chapter 364
- 55 **17C-2-303**, as last amended by Laws of Utah 2016, Chapter 350
- 56 **17C-2-304**, as last amended by Laws of Utah 2007, Chapter 364

- 57 [17C-5-103](#), as last amended by Laws of Utah 2017, Chapter 456
- 58 [17C-5-104](#), as last amended by Laws of Utah 2018, Chapter 364
- 59 [17C-5-105](#), as last amended by Laws of Utah 2018, Chapter 364
- 60 [17C-5-108](#), as last amended by Laws of Utah 2018, Chapter 364
- 61 [17C-5-112](#), as last amended by Laws of Utah 2018, Chapter 364
- 62 [17C-5-202](#), as last amended by Laws of Utah 2017, Chapter 456
- 63 [17C-5-203](#), as last amended by Laws of Utah 2017, Chapter 456
- 64 [17C-5-401](#), as enacted by Laws of Utah 2016, Chapter 350
- 65 [17C-5-402](#), as last amended by Laws of Utah 2017, Chapter 456
- 66 [17C-5-403](#), as last amended by Laws of Utah 2017, Chapter 456
- 67 [17C-5-404](#), as enacted by Laws of Utah 2016, Chapter 350
- 68 [17C-5-405](#), as last amended by Laws of Utah 2018, Chapter 422
- 69 [17C-5-406](#), as enacted by Laws of Utah 2016, Chapter 350

70 **Utah Code Sections Affected by Coordination Clause:**

- 71 [17C-5-202](#), as last amended by Laws of Utah 2017, Chapter 456



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

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

75 **10-8-2. Appropriations -- Acquisition and disposal of property -- Municipal**
 76 **authority -- Corporate purpose -- Procedure -- Notice of intent to acquire real property.**

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

78 (i) appropriate money for corporate purposes only;

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

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

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

86 (v) subject to Subsection (2) and after first holding a public hearing, authorize
 87 municipal services or other nonmonetary assistance to be provided to or waive fees required to

88 be paid by a nonprofit entity, whether or not the municipality receives consideration in return.

89 (b) A municipality may:

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

91 (ii) purchase, hire, construct, own, maintain and operate, or lease public utilities

92 located and operating within and operated by the municipality; and

93 (iii) subject to Subsection (1)(c), acquire by eminent domain, or otherwise, property

94 located inside or outside the corporate limits of the municipality and necessary for any of the

95 purposes stated in Subsections (1)(b)(i) and (ii), subject to restrictions imposed by Title 78B,

96 Chapter 6, Part 5, Eminent Domain, and general law for the protection of other communities.

97 (c) Each municipality that intends to acquire property by eminent domain under

98 Subsection (1)(b) shall comply with the requirements of Section [78B-6-505](#).

99 (d) Subsection (1)(b) may not be construed to diminish any other authority a

100 municipality may claim to have under the law to acquire by eminent domain property located

101 inside or outside the municipality.

102 (2) (a) Services or assistance provided pursuant to Subsection (1)(a)(v) is not subject to

103 the provisions of Subsection (3).

104 (b) The total amount of services or other nonmonetary assistance provided or fees

105 waived under Subsection (1)(a)(v) in any given fiscal year may not exceed 1% of the

106 municipality's budget for that fiscal year.

107 (3) It is considered a corporate purpose to appropriate money for any purpose that, in

108 the judgment of the municipal legislative body, provides for the safety, health, prosperity,

109 moral well-being, peace, order, comfort, or convenience of the inhabitants of the municipality

110 subject ~~[to the following:]~~ to this Subsection (3).

111 (a) The net value received for any money appropriated shall be measured on a

112 project-by-project basis over the life of the project.

113 (b) (i) ~~[The]~~ A municipal legislative body shall establish the criteria for a determination

114 under this Subsection (3) ~~[shall be established by the municipality's legislative body. A~~

115 ~~determination of value received, made by the municipality's legislative body, shall be].~~

116 (ii) A municipal legislative body's determination of value received is presumed valid

117 unless ~~[it can be shown]~~ a person can show that the determination was arbitrary, capricious, or

118 illegal.

119 (c) The municipality may consider intangible benefits received by the municipality in
120 determining net value received.

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

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

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

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

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

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

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

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

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

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

149 [(iii)] (C) whether the appropriation is necessary and appropriate to accomplish the

150 reasonable goals and objectives of the municipality in the area of economic development, job
151 creation, affordable housing, ~~blight~~ elimination of a development impediment, job
152 preservation, the preservation of historic structures and property, and any other public purpose.

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

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

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

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

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

164 (h) This section applies only to appropriations not otherwise approved pursuant to Title
165 10, Chapter 5, Uniform Fiscal Procedures Act for Utah Towns, or Title 10, Chapter 6, Uniform
166 Fiscal Procedures Act for Utah Cities.

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

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

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

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

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

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

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

179 (i) the property is located:

180 (A) outside the boundaries of the municipality; and

181 (B) in a county of the first or second class; and
182 (ii) the intended use of the property is contrary to:
183 (A) the anticipated use of the property under the general plan of the county in whose
184 unincorporated area or the municipality in whose boundaries the property is located; or
185 (B) the property's current zoning designation.
186 (b) Each notice under Subsection (5)(a) shall:
187 (i) indicate that the municipality intends to acquire real property;
188 (ii) identify the real property; and
189 (iii) be sent to:
190 (A) each county in whose unincorporated area and each municipality in whose
191 boundaries the property is located; and
192 (B) each affected entity.
193 (c) A notice under this Subsection (5) is a protected record as provided in Subsection
194 [63G-2-305\(8\)](#).
195 (d) (i) The notice requirement of Subsection (5)(a) does not apply if the municipality
196 previously provided notice under Section [10-9a-203](#) identifying the general location within the
197 municipality or unincorporated part of the county where the property to be acquired is located.
198 (ii) If a municipality is not required to comply with the notice requirement of
199 Subsection (5)(a) because of application of Subsection (5)(d)(i), the municipality shall provide
200 the notice specified in Subsection (5)(a) as soon as practicable after its acquisition of the real
201 property.
202 Section 2. Section **10-9a-403** is amended to read:
203 **10-9a-403. General plan preparation.**
204 (1) (a) The planning commission shall provide notice, as provided in Section
205 [10-9a-203](#), of its intent to make a recommendation to the municipal legislative body for a
206 general plan or a comprehensive general plan amendment when the planning commission
207 initiates the process of preparing its recommendation.
208 (b) The planning commission shall make and recommend to the legislative body a
209 proposed general plan for the area within the municipality.
210 (c) The plan may include areas outside the boundaries of the municipality if, in the
211 planning commission's judgment, those areas are related to the planning of the municipality's

212 territory.

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

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

220 (i) a land use element that:

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

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

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

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

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

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

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

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

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

243 years, which means or techniques may include a recommendation to:

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

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

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

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

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

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

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

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

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

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

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

264 (3) The proposed general plan may include:

265 (a) an environmental element that addresses:

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

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

273 (b) a public services and facilities element showing general plans for sewage, water,

274 waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for them,
275 police and fire protection, and other public services;

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

278 (i) historic preservation;

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

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

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

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

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

292 (g) any other element the municipality considers appropriate.

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

294 **11-58-601. Port authority receipt and use of property tax differential --**
295 **Distribution of property tax differential.**

296 (1) (a) The authority may:

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

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

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

305 differential from that parcel.

306 (c) The authority may not receive property tax differential from an area included within
307 a community reinvestment project area~~[, as defined in Section 17C-1-102,]~~ under a community
308 reinvestment project area plan, as defined in Section 17C-1-102, adopted before March 1,
309 2018, from a taxing entity that has, before March 1, 2018, entered into a fully executed, legally
310 binding agreement under which the taxing entity agrees to the use of its tax increment, as
311 defined in Section 17C-1-102, under the community reinvestment project area plan.

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

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

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

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

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

323 **17-27a-403. Plan preparation.**

324 (1) (a) The planning commission shall provide notice, as provided in Section
325 17-27a-203, of its intent to make a recommendation to the county legislative body for a general
326 plan or a comprehensive general plan amendment when the planning commission initiates the
327 process of preparing its recommendation.

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

330 (i) the unincorporated area within the county; or

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

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

336 (ii) Elements of the county plan that address incorporated areas are not an official plan
337 or part of a municipal plan for any municipality, unless it is recommended by the municipal
338 planning commission and adopted by the governing body of the municipality.

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

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

345 (i) a land use element that:

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

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

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

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

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

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

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

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

366 (B) to allow persons with moderate incomes to benefit from and fully participate in all

367 aspects of neighborhood and community life; and

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

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

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

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

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

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

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

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

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

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

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

391 (3) The proposed general plan may include:

392 (a) an environmental element that addresses:

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

397 (ii) the reclamation of land, flood control, prevention and control of the pollution of

398 streams and other waters, regulation of the use of land on hillsides, stream channels and other
399 environmentally sensitive areas, the prevention, control, and correction of the erosion of soils,
400 protection of watersheds and wetlands, and the mapping of known geologic hazards;

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

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

406 (i) historic preservation;

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

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

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

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

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

420 (g) any other element the county considers appropriate.

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

422 **17-50-303. County may not give or lend credit -- County may borrow in**
423 **anticipation of revenues -- Assistance to nonprofit and private entities.**

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

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

429 (b) A county may incur indebtedness under Subsection (2)(a) for any purpose for which
430 funds of the county may be expended.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

459 (e) (i) Before publishing or posting notice in accordance with Subsection (4)(f), the

460 county shall study:

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

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

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

471 (ii) The county shall:

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

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

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

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

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

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

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

486 (iii) A court shall:

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

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

491 (iv) A determination of illegality requires a determination that the decision or
492 ordinance violates a law, statute, or ordinance in effect at the time the decision was made or the
493 ordinance was adopted.

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

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

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

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

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

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

504 Section 6. Section **17C-1-102** is amended to read:

505 **17C-1-102. Definitions.**

506 As used in this title:

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

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

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

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

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

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

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

520 (4) "Agency" or "community reinvestment agency" means a separate body corporate
521 and politic, created under Section [17C-1-201.5](#) or as a redevelopment agency or community

522 development and renewal agency under previous law:

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

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

526 (c) whose geographic boundaries are coterminous with:

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

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

529 (5) "Agency funds" means money that an agency collects or receives for agency
530 operations, implementing a project area plan, or other agency purposes, including:

531 (a) project area funds;

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

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

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

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

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

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

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

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

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

552 (ii) if taxing entity committee approval is not required for the project area budget,

553 before the date on which the community legislative body adopts the project area plan;

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

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

556 or

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

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

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

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

567 ~~[(12) "Blight hearing" means a public hearing regarding whether blight exists within a~~
568 ~~proposed:]~~

569 ~~[(a) urban renewal project area under Subsection 17C-2-102(1)(a)(i)(C) and Section~~
570 ~~17C-2-302; or]~~

571 ~~[(b) community reinvestment project area under Section 17C-5-405.]~~

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

575 ~~[(14)]~~ (11) "Board" means the governing body of an agency, as described in Section
576 17C-1-203.

577 ~~[(15)]~~ (12) "Budget hearing" means the public hearing on a proposed project area
578 budget required under Subsection 17C-2-201(2)(d) for an urban renewal project area budget,
579 Subsection 17C-3-201(2)(d) for an economic development project area budget, or Subsection
580 17C-5-302(2)(e) for a community reinvestment project area budget.

581 ~~[(16)]~~ (13) "Closed military base" means land within a former military base that the
582 Defense Base Closure and Realignment Commission has voted to close or realign when that
583 action has been sustained by the president of the United States and Congress.

584 [~~(17)~~] (14) "Combined incremental value" means the combined total of all incremental
585 values from all project areas, except project areas that contain some or all of a military
586 installation or inactive industrial site, within the agency's boundaries under project area plans
587 and project area budgets at the time that a project area budget for a new project area is being
588 considered.

589 [~~(18)~~] (15) "Community" means a county or municipality.

590 [~~(19)~~] (16) "Community development project area plan" means a project area plan
591 adopted under Chapter 4, Part 1, Community Development Project Area Plan.

592 [~~(20)~~] (17) "Community legislative body" means the legislative body of the community
593 that created the agency.

594 [~~(21)~~] (18) "Community reinvestment project area plan" means a project area plan
595 adopted under Chapter 5, Part 1, Community Reinvestment Project Area Plan.

596 [~~(22)~~] (19) "Contest" means to file a written complaint in the district court of the
597 county in which the agency is located.

598 (20) "Development impediment" means a condition of an area that meets the
599 requirements described in Section [17C-2-303](#) for an urban renewal project area or Section
600 [17C-5-405](#) for a community reinvestment project area.

601 (21) "Development impediment hearing" means a public hearing regarding whether a
602 development impediment exists within a proposed:

603 (a) urban renewal project area under Subsection [17C-2-102\(1\)\(a\)\(i\)\(C\)](#) and Section
604 [17C-2-302](#); or

605 (b) community reinvestment project area under Section [17C-5-404](#).

606 (22) "Development impediment study" means a study to determine whether a
607 development impediment exists within a survey area as described in Section [17C-2-301](#) for an
608 urban renewal project area or Section [17C-5-403](#) for a community reinvestment project area.

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

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

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

615 subsidized income targeted housing units; or

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

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

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

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

628 (28) "Housing allocation" means project area funds allocated for housing under Section
629 [17C-2-203](#), [17C-3-202](#), or [17C-5-307](#) for the purposes described in Section [17C-1-412](#).

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

632 (a) project area funds allocated for the purposes described in Section [17C-1-411](#); or

633 (b) an agency's housing allocation.

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

635 (i) consists of at least 100 acres;

636 (ii) is occupied by an airport:

637 (A) (I) that is no longer in operation as an airport; or

638 (II) (Aa) that is scheduled to be decommissioned; and

639 (Bb) for which a replacement commercial service airport is under construction; and

640 (B) that is owned or was formerly owned and operated by a public entity; and

641 (iii) requires remediation because:

642 (A) of the presence of hazardous waste or solid waste; or

643 (B) the site lacks sufficient public infrastructure and facilities, including public roads,
644 electric service, water system, and sewer system, needed to support development of the site.

645 (b) "Inactive airport site" includes a perimeter of up to 2,500 feet around the land

646 described in Subsection (30)(a).

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

648 (i) consists of at least 1,000 acres;

649 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial
650 facility; and

651 (iii) requires remediation because of the presence of hazardous waste or solid waste.

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

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

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

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

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

665 (i) a fire station;

666 (ii) a police station;

667 (iii) a city hall; or

668 (iv) a court or other judicial building.

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

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

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

676 (38) "Municipality" means a city, town, or metro township as defined in Section

677 [10-2a-403](#).

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

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

682 (a) includes a description of:

683 (i) the project area development that the person will undertake;

684 (ii) the amount of project area funds the person may receive; and

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

686 and

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

688 (41) "Plan hearing" means the public hearing on a proposed project area plan required
689 under Subsection [17C-2-102\(1\)\(a\)\(vi\)](#) for an urban renewal project area plan, Subsection
690 [17C-3-102\(1\)\(d\)](#) for an economic development project area plan, Subsection [17C-4-102\(1\)\(d\)](#)
691 for a community development project area plan, or Subsection [17C-5-104\(3\)\(e\)](#) for a
692 community reinvestment project area plan.

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

696 (43) "Pre-July 1, 1993, project area plan" means a project area plan adopted before July
697 1, 1993, whether or not amended subsequent to the project area plan's adoption.

698 (44) "Private," with respect to real property, means property not owned by a public
699 entity or any other governmental entity.

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

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

706 (a) for an urban renewal project area, Section [~~17C-2-202~~] [17C-2-201](#);

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

- 708 (c) for a community development project area, Section 17C-4-204; or
709 (d) for a community reinvestment project area, Section 17C-5-302.
- 710 (47) "Project area development" means activity within a project area that, as
711 determined by the board, encourages, promotes, or provides development or redevelopment for
712 the purpose of implementing a project area plan, including:
- 713 (a) promoting, creating, or retaining public or private jobs within the state or a
714 community;
 - 715 (b) providing office, manufacturing, warehousing, distribution, parking, or other
716 facilities or improvements;
 - 717 (c) planning, designing, demolishing, clearing, constructing, rehabilitating, or
718 remediating environmental issues;
 - 719 (d) providing residential, commercial, industrial, public, or other structures or spaces,
720 including recreational and other facilities incidental or appurtenant to the structures or spaces;
 - 721 (e) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating
722 existing structures;
 - 723 (f) providing open space, including streets or other public grounds or space around
724 buildings;
 - 725 (g) providing public or private buildings, infrastructure, structures, or improvements;
 - 726 (h) relocating a business;
 - 727 (i) improving public or private recreation areas or other public grounds;
 - 728 (j) eliminating [~~blight~~] a development impediment or the causes of [~~blight~~] a
729 development impediment;
 - 730 (k) redevelopment as defined under the law in effect before May 1, 2006; or
 - 731 (l) any activity described in this Subsection (47) outside of a project area that the board
732 determines to be a benefit to the project area.
- 733 (48) "Project area funds" means tax increment or sales and use tax revenue that an
734 agency receives under a project area budget adopted by a taxing entity committee or an
735 interlocal agreement.
- 736 (49) "Project area funds collection period" means the period of time that:
- 737 (a) begins the day on which the first payment of project area funds is distributed to an
738 agency under a project area budget approved by a taxing entity committee or an interlocal

739 agreement; and

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

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

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

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

751 (52) "Public entity" means:

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

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

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

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

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

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

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

767 and

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

769 (56) "Superfund site":

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

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

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

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

778 (b) ~~blight~~ a development impediment exists within the survey area.

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

781 (59) "Taxable value" means:

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

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

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

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

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

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

795 (b) "Tax increment" does not include taxes levied and collected under Section
796 [59-2-1602](#) on or after January 1, 1994, upon the taxable property in the project area unless:

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

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

- 801 (61) "Taxing entity" means a public entity that:
- 802 (a) levies a tax on property located within a project area; or
- 803 (b) imposes a sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act.
- 804 (62) "Taxing entity committee" means a committee representing the interests of taxing
- 805 entities, created in accordance with Section [17C-1-402](#).
- 806 (63) "Unincorporated" means not within a municipality.
- 807 (64) "Urban renewal project area plan" means a project area plan adopted under
- 808 Chapter 2, Part 1, Urban Renewal Project Area Plan.
- 809 Section 7. Section **17C-1-207** is amended to read:
- 810 **17C-1-207. Public entities may assist with project area development.**
- 811 (1) In order to assist and cooperate in the planning, undertaking, construction, or
- 812 operation of project area development within an area in which the public entity is authorized to
- 813 act, a public entity may:
- 814 (a) (i) provide or cause to be furnished:
- 815 (A) parks, playgrounds, or other recreational facilities;
- 816 (B) community, educational, water, sewer, or drainage facilities; or
- 817 (C) any other works which the public entity is otherwise empowered to undertake;
- 818 (ii) provide, furnish, dedicate, close, vacate, pave, install, grade, regrade, plan, or
- 819 replan streets, roads, roadways, alleys, sidewalks, or other places;
- 820 (iii) in any part of the project area:
- 821 (A) (I) plan or replan any property within the project area;
- 822 (II) plat or replat any property within the project area;
- 823 (III) vacate a plat;
- 824 (IV) amend a plat; or
- 825 (V) zone or rezone any property within the project area; and
- 826 (B) make any legal exceptions from building regulations and ordinances;
- 827 (iv) purchase or legally invest in any of the bonds of an agency and exercise all of the
- 828 rights of any holder of the bonds;
- 829 (v) notwithstanding any law to the contrary, enter into an agreement for a period of
- 830 time with another public entity concerning action to be taken pursuant to any of the powers
- 831 granted in this title;

832 (vi) do anything necessary to aid or cooperate in the planning or implementation of the
833 project area development;

834 (vii) in connection with the project area plan, become obligated to the extent
835 authorized and funds have been made available to make required improvements or construct
836 required structures; and

837 (viii) lend, grant, or contribute funds to an agency for project area development or
838 proposed project area development, including assigning revenue or taxes in support of an
839 agency bond or obligation; and

840 (b) for less than fair market value or for no consideration, and subject to Subsection
841 (3):

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

843 (ii) lease property from an agency;

844 (iii) sell, grant, convey, donate, or otherwise dispose of the public entity's property to
845 an agency; or

846 (iv) lease the public entity's property to an agency.

847 (2) The following are not subject to [~~Sections~~] Section 10-8-2 [~~or~~], 17-50-312, or
848 17-50-303:

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

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

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

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

855 (b) the public entity's public website.

856 Section 8. Section **17C-1-402** is amended to read:

857 **17C-1-402. Taxing entity committee.**

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

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

862 (b) any other project area plan adopted before May 10, 2016, for which the agency

863 created a taxing entity committee; and

864 (c) a community reinvestment project area plan adopted before May 14, 2019, that is
865 subject to a taxing entity committee.

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

867 (A) two school district representatives appointed in accordance with Subsection
868 (2)(a)(ii);

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

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

874 (C) if the agency is created by a municipality, two representatives appointed by
875 resolution of the legislative body of the municipality;

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

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

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

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

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

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

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

893 (ii) Each taxing entity committee representative shall serve until a successor is

894 appointed and qualified.

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

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

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

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

905 (3) At a taxing entity committee's first meeting, the taxing entity committee shall adopt
906 an organizing resolution that:

907 (a) designates a chair and a secretary of the taxing entity committee; and

908 (b) if the taxing entity committee considers it appropriate, governs the use of electronic
909 meetings under Section [52-4-207](#).

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

911 (i) an urban renewal project area plan;

912 (ii) an economic development project area plan; or

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

915 (b) A taxing entity committee may:

916 (i) cast votes that are binding on all taxing entities;

917 (ii) negotiate with the agency concerning a proposed project area plan;

918 (iii) approve or disapprove:

919 (A) an urban renewal project area budget as described in Section [17C-2-204](#);

920 (B) an economic development project area budget as described in Section [17C-3-203](#);

921 or

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

924 (iv) approve or disapprove an amendment to a project area budget as described in

925 Section 17C-2-206, 17C-3-205, or 17C-5-306;

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

928 (vi) approve:

929 (A) an exception to the percentage of tax increment to be paid to the agency;

930 (B) except for a project area funds collection period that is approved by an interlocal
931 agreement, each project area funds collection period; and

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

935 (vii) approve the use of tax increment for publicly owned infrastructure and
936 improvements outside of a project area that the agency and community legislative body
937 determine to be of benefit to the project area, as described in Subsection

938 17C-1-409(1)(a)(iii)(D);

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

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

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

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

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

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

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

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

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

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

954 (i) at which a quorum is present; and

955 (ii) considering an action relating to a project area budget for, or approval of a [finding

956 of blight] development impediment determination within, a project area or proposed project
957 area that contains:

958 (A) an inactive industrial site;

959 (B) an inactive airport site; or

960 (C) a closed military base; or

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

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

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

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

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

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

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

973 (C) the analysis required under Subsection 17C-2-103(2), 17C-3-103(2), or
974 17C-5-105(12);

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

976 (E) the agency's resolution making a [~~finding of blight~~] development impediment
977 determination under Subsection 17C-2-102(1)(a)(ii)(B) or [~~Subsection~~] 17C-5-402(2)(c)(ii);
978 and

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

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

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

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

987 present at the meeting consent.

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

992 (9) Each taxing entity committee shall be governed by Title 52, Chapter 4, Open and
993 Public Meetings Act.

994 (10) A taxing entity committee's records shall be:

995 (a) considered the records of the agency that created the taxing entity committee; and

996 (b) maintained by the agency in accordance with Section 17C-1-209.

997 (11) Each time a school district representative or a representative of the State Board of
998 Education votes as a member of a taxing entity committee to allow an agency to receive tax
999 increment, to increase the amount of tax increment the agency receives, or to extend a project
1000 area funds collection period, that representative shall, within 45 days after the vote, provide to
1001 the representative's respective school board an explanation in writing of the representative's
1002 vote and the reasons for the vote.

1003 (12) (a) The auditor of each county in which an agency is located shall provide a
1004 written report to the taxing entity committee stating, with respect to property within each
1005 project area:

1006 (i) the base taxable value, as adjusted by any adjustments under Section 17C-1-408;

1007 and

1008 (ii) the assessed value.

1009 (b) With respect to the information required under Subsection (12)(a), the auditor shall
1010 provide:

1011 (i) actual amounts for each year from the adoption of the project area plan to the time
1012 of the report; and

1013 (ii) estimated amounts for each year beginning the year after the time of the report and
1014 ending the time that each project area funds collection period ends.

1015 (c) The auditor of the county in which the agency is located shall provide a report
1016 under this Subsection (12):

1017 (i) at least annually; and

1018 (ii) upon request of the taxing entity committee, before a taxing entity committee
1019 meeting at which the committee considers whether to allow the agency to receive tax
1020 increment, to increase the amount of tax increment that the agency receives, or to extend a
1021 project area funds collection period.

1022 (13) This section does not apply to:

1023 (a) a community development project area plan; or

1024 (b) a community reinvestment project area plan that is subject to an interlocal
1025 agreement.

1026 (14) (a) A taxing entity committee resolution approving a [~~blight finding~~] development
1027 impediment determination, approving a project area budget, or approving an amendment to a
1028 project area budget:

1029 (i) is final; and

1030 (ii) is not subject to repeal, amendment, or reconsideration unless the agency first
1031 consents by resolution to the proposed repeal, amendment, or reconsideration.

1032 (b) The provisions of Subsection (14)(a) apply regardless of when the resolution is
1033 adopted.

1034 Section 9. Section **17C-1-407** is amended to read:

1035 **17C-1-407. Limitations on tax increment.**

1036 (1) (a) If the development of retail sales of goods is the primary objective of an urban
1037 renewal project area, tax increment from the urban renewal project area may not be paid to or
1038 used by an agency unless the agency makes a [~~finding of blight is made~~] development
1039 impediment determination under Chapter 2, Part 3, [~~Blight~~] Development Impediment
1040 Determination in Urban Renewal Project Areas.

1041 (b) Development of retail sales of goods does not disqualify an agency from receiving
1042 tax increment.

1043 (c) After July 1, 2005, an agency may not receive or use tax increment generated from
1044 the value of property within an economic development project area that is attributable to the
1045 development of retail sales of goods, unless the tax increment was previously pledged to pay
1046 for bonds or other contractual obligations of the agency.

1047 (2) (a) An agency may not be paid any portion of a taxing entity's taxes resulting from
1048 an increase in the taxing entity's tax rate that occurs after the taxing entity committee approves

1049 the project area budget unless, at the time the taxing entity committee approves the project area
1050 budget, the taxing entity committee approves payment of those increased taxes to the agency.

1051 (b) If the taxing entity committee does not approve payment of the increased taxes to
1052 the agency under Subsection (2)(a), the county shall distribute to the taxing entity the taxes
1053 attributable to the tax rate increase in the same manner as other property taxes.

1054 (c) Notwithstanding any other provision of this section, if, before tax year 2013,
1055 increased taxes are paid to an agency without the approval of the taxing entity committee, and
1056 notwithstanding the law at the time that the tax was collected or increased:

1057 (i) the State Tax Commission, the county as the collector of the taxes, a taxing entity,
1058 or any other person or entity may not recover, directly or indirectly, the increased taxes from
1059 the agency by adjustment of a tax rate used to calculate tax increment or otherwise;

1060 (ii) the county is not liable to a taxing entity or any other person or entity for the
1061 increased taxes that were paid to the agency; and

1062 (iii) tax increment, including the increased taxes, shall continue to be paid to the
1063 agency subject to the same number of tax years, percentage of tax increment, and cumulative
1064 dollar amount of tax increment as approved in the project area budget and previously paid to
1065 the agency.

1066 (3) Except as the taxing entity committee otherwise agrees, an agency may not receive
1067 tax increment under an urban renewal or economic development project area budget adopted
1068 on or after March 30, 2009:

1069 (a) that exceeds the percentage of tax increment or cumulative dollar amount of tax
1070 increment specified in the project area budget; or

1071 (b) for more tax years than specified in the project area budget.

1072 Section 10. Section **17C-1-409** is amended to read:

1073 **17C-1-409. Allowable uses of agency funds.**

1074 (1) (a) An agency may use agency funds:

1075 (i) for any purpose authorized under this title;

1076 (ii) for administrative, overhead, legal, or other operating expenses of the agency,
1077 including consultant fees and expenses under Subsection **17C-2-102(1)(b)(ii)(B)** or funding for
1078 a business resource center;

1079 (iii) to pay for, including financing or refinancing, all or part of:

1080 (A) project area development in a project area, including environmental remediation
1081 activities occurring before or after adoption of the project area plan;

1082 (B) housing-related expenditures, projects, or programs as described in Section
1083 17C-1-411 or 17C-1-412;

1084 (C) an incentive or other consideration paid to a participant under a participation
1085 agreement;

1086 (D) subject to Subsections (1)(c) and (4), the value of the land for and the cost of the
1087 installation and construction of any publicly owned building, facility, structure, landscaping, or
1088 other improvement within the project area from which the project area funds are collected; or

1089 (E) the cost of the installation of publicly owned infrastructure and improvements
1090 outside the project area from which the project area funds are collected if the board and the
1091 community legislative body determine by resolution that the publicly owned infrastructure and
1092 improvements benefit the project area;

1093 (iv) in an urban renewal project area that includes some or all of an inactive industrial
1094 site and subject to Subsection (1)(e), to reimburse the Department of Transportation created
1095 under Section 72-1-201, or a public transit district created under Title 17B, Chapter 2a, Part 8,
1096 Public Transit District Act, for the cost of:

1097 (A) construction of a public road, bridge, or overpass;

1098 (B) relocation of a railroad track within the urban renewal project area; or

1099 (C) relocation of a railroad facility within the urban renewal project area; or

1100 (v) subject to Subsection (5), to transfer funds to a community that created the agency.

1101 (b) The determination of the board and the community legislative body under
1102 Subsection (1)(a)(iii)(E) regarding benefit to the project area shall be final and conclusive.

1103 (c) An agency may not use project area funds received from a taxing entity for the
1104 purposes stated in Subsection (1)(a)(iii)(D) under an urban renewal project area plan, an
1105 economic development project area plan, or a community reinvestment project area plan
1106 without the community legislative body's consent.

1107 (d) (i) Subject to Subsection (1)(d)(ii), an agency may loan project area funds from a
1108 project area fund to another project area fund if:

1109 (A) the board approves; and

1110 (B) the community legislative body approves.

1111 (ii) An agency may not loan project area funds under Subsection (1)(d)(i) unless the
1112 projections for agency funds are sufficient to repay the loan amount.

1113 (iii) A loan described in Subsection (1)(d) is not subject to Title 10, Chapter 5,
1114 Uniform Fiscal Procedures Act for Utah Towns, Title 10, Chapter 6, Uniform Fiscal
1115 Procedures Act for Utah Cities, Title 17, Chapter 36, Uniform Fiscal Procedures Act for
1116 Counties, or Title 17B, Chapter 1, Part 6, Fiscal Procedures for Local Districts.

1117 (e) Before an agency may pay any tax increment or sales tax revenue under Subsection
1118 (1)(a)(iv), the agency shall enter into an interlocal agreement defining the terms of the
1119 reimbursement with:

1120 (i) the Department of Transportation; or

1121 (ii) a public transit district.

1122 (2) (a) Sales and use tax revenue that an agency receives from a taxing entity is not
1123 subject to the prohibition or limitations of Title 11, Chapter 41, Prohibition on Sales and Use
1124 Tax Incentive Payments Act.

1125 (b) An agency may use sales and use tax revenue that the agency receives under an
1126 interlocal agreement under Section 17C-4-201 or 17C-5-204 for the uses authorized in the
1127 interlocal agreement.

1128 (3) (a) An agency may contract with the community that created the agency or another
1129 public entity to use agency funds to reimburse the cost of items authorized by this title to be
1130 paid by the agency that are paid by the community or other public entity.

1131 (b) If land is acquired or the cost of an improvement is paid by another public entity
1132 and the land or improvement is leased to the community, an agency may contract with and
1133 make reimbursement from agency funds to the community.

1134 (4) Notwithstanding any other provision of this title, an agency may not use project
1135 area funds to construct a local government building unless the taxing entity committee or each
1136 taxing entity party to an interlocal agreement with the agency consents.

1137 (5) For the purpose of offsetting the community's annual local contribution to the
1138 Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in
1139 a calendar year to a community under Subsections (1)(a)(v), 17C-1-411(1)(d), and 17C-1-412
1140 [(+) (3)(a)(x)] may not exceed the community's annual local contribution as defined in Section
1141 35A-8-606.

1142 Section 11. Section 17C-1-411 is amended to read:

1143 **17C-1-411. Use of project area funds for housing-related improvements and for**
1144 **relocating mobile home park residents -- Funds to be held in separate accounts.**

1145 (1) An agency may use project area funds:

1146 (a) to pay all or part of the value of the land for and the cost of installation,
1147 construction, or rehabilitation of any housing-related building, facility, structure, or other
1148 housing improvement, including infrastructure improvements related to housing, located in any
1149 project area within the agency's boundaries;

1150 (b) outside of a project area for the purpose of:

1151 (i) replacing housing units lost by project area development; or

1152 (ii) increasing, improving, or preserving the affordable housing supply within the
1153 boundary of the agency;

1154 (c) for relocating mobile home park residents displaced by project area development,
1155 whether inside or outside a project area; or

1156 (d) subject to Subsection (4), to transfer funds to a community that created the agency.

1157 (2) (a) Each agency shall create a housing fund and separately account for project area
1158 funds allocated under this section.

1159 (b) Interest earned by the housing fund described in Subsection (2)(a), and any
1160 payments or repayments made to the agency for loans, advances, or grants of any kind from the
1161 housing fund, shall accrue to the housing fund.

1162 (c) An agency that designates a housing fund under this section shall use the housing
1163 fund for the purposes set forth in this section or Section 17C-1-412.

1164 (3) An agency may lend, grant, or contribute funds from the housing fund to a person,
1165 public entity, housing authority, private entity or business, or nonprofit corporation for
1166 affordable housing or homeless assistance.

1167 (4) For the purpose of offsetting the community's annual local contribution to the
1168 Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in
1169 a calendar year to a community under Subsections (1)(d), 17C-1-409(1)(a)(v), and 17C-1-412
1170 [(+) (3)(a)(x)] may not exceed the community's annual local contribution as defined in Section
1171 35A-8-606.

1172 Section 12. Section 17C-1-412 is amended to read:

1173 **17C-1-412. Use of housing allocation -- Separate accounting required -- Issuance**
 1174 **of bonds for housing -- Action to compel agency to provide housing allocation.**

1175 (1) This section applies to an agency that allocates urban renewal project area funds
 1176 under Section [17C-2-203](#) or community reinvestment project area funds under Section
 1177 [17C-5-307](#).

1178 (2) (a) Except as provided in Subsection (2)(b), before using all or a portion of an
 1179 agency's housing allocation, the agency shall adopt a housing plan that shows how the agency
 1180 will use the agency's housing allocation to accomplish the purposes described in this section.

1181 (b) An agency is not required to adopt a housing plan under Subsection (2)(a) if the
 1182 agency is implementing the moderate income housing element of the general plan that the
 1183 community that created the agency adopted in accordance with Section [10-9a-403](#) or
 1184 [17-27a-403](#).

1185 ~~(1)~~ (3) (a) An agency shall use the agency's housing allocation~~[, if applicable,]~~ to:

1186 (i) pay part or all of the cost of land or construction of income targeted housing within
 1187 the boundary of the agency, if practicable in a mixed income development or area;

1188 (ii) pay part or all of the cost of rehabilitation of income targeted housing within the
 1189 boundary of the agency;

1190 (iii) lend, grant, or contribute money to a person, public entity, housing authority,
 1191 private entity or business, or nonprofit corporation for income targeted housing within the
 1192 boundary of the agency;

1193 (iv) plan or otherwise promote income targeted housing within the boundary of the
 1194 agency;

1195 (v) pay part or all of the cost of land or installation, construction, or rehabilitation of
 1196 any building, facility, structure, or other housing improvement, including infrastructure
 1197 improvements, related to housing located in a project area where ~~[blight has been found to~~
 1198 ~~exist]~~ a board has determined that a development impediment exists;

1199 (vi) replace housing units lost as a result of the project area development;

1200 (vii) make payments on or establish a reserve fund for bonds:

1201 (A) issued by the agency, the community, or the housing authority that provides
 1202 income targeted housing within the community; and

1203 (B) all or part of the proceeds of which are used within the community for the purposes

1204 stated in Subsection [~~(1)~~] (3)(a)(i), (ii), (iii), (iv), (v), or (vi);
1205 (viii) if the community's fair share ratio at the time of the first adoption of the project
1206 area budget is at least 1.1 to 1.0, make payments on bonds:
1207 (A) that were previously issued by the agency, the community, or the housing authority
1208 that provides income targeted housing within the community; and
1209 (B) all or part of the proceeds of which were used within the community for the
1210 purposes stated in Subsection [~~(1)~~] (3)(a)(i), (ii), (iii), (iv), (v), or (vi);
1211 (ix) relocate mobile home park residents displaced by project area development; or
1212 (x) subject to Subsection [~~(6)~~] (8), transfer funds to a community that created the
1213 agency.
1214 (b) As an alternative to the requirements of Subsection [~~(1)~~] (3)(a), an agency may pay
1215 all or any portion of the agency's housing allocation to:
1216 (i) the community for use as described in Subsection [~~(1)~~] (3)(a);
1217 (ii) a housing authority that provides income targeted housing within the community
1218 for use in providing income targeted housing within the community;
1219 (iii) a housing authority established by the county in which the agency is located for
1220 providing:
1221 (A) income targeted housing within the county;
1222 (B) permanent housing, permanent supportive housing, or a transitional facility, as
1223 defined in Section [35A-5-302](#), within the county; or
1224 (C) homeless assistance within the county; or
1225 (iv) the Olene Walker Housing Loan Fund, established under Title 35A, Chapter 8,
1226 Part 5, Olene Walker Housing Loan Fund, for use in providing income targeted housing within
1227 the community.
1228 [~~(2)~~] (4) The agency shall create a housing fund and separately account for the agency's
1229 housing allocation, together with all interest earned by the housing allocation and all payments
1230 or repayments for loans, advances, or grants from the housing allocation.
1231 [~~(3)~~] (5) An agency may:
1232 (a) issue bonds to finance a housing-related project under this section, including the
1233 payment of principal and interest upon advances for surveys and plans or preliminary loans;
1234 and

1235 (b) issue refunding bonds for the payment or retirement of bonds under Subsection
1236 [~~(3)~~] (5)(a) previously issued by the agency.

1237 [~~(4)~~] (6) (a) Except as provided in Subsection [~~(4)~~] (6)(b), an agency shall allocate
1238 money to the housing fund each year in which the agency receives sufficient tax increment to
1239 make a housing allocation required by the project area budget.

1240 (b) Subsection [~~(4)~~] (6)(a) does not apply in a year in which tax increment is
1241 insufficient.

1242 [~~(5)~~] (7) (a) Except as provided in Subsection [~~(4)~~] (6)(b), if an agency fails to provide
1243 a housing allocation in accordance with the project area budget and~~[, if applicable,]~~ the housing
1244 plan adopted under Subsection [17C-2-204](#)(2), the loan fund board may bring legal action to
1245 compel the agency to provide the housing allocation.

1246 (b) In an action under Subsection [~~(5)~~] (7)(a), the court:

1247 (i) shall award the loan fund board reasonable attorney fees, unless the court finds that
1248 the action was frivolous; and

1249 (ii) may not award the agency the agency's attorney fees, unless the court finds that the
1250 action was frivolous.

1251 [~~(6)~~] (8) For the purpose of offsetting the community's annual local contribution to the
1252 Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in
1253 a calendar year to a community under Subsections [~~(1)~~] (3)(a)(x), [17C-1-409](#)(1)(a)(v), and
1254 [17C-1-411](#)(1)(d) may not exceed the community's annual local contribution as defined in
1255 Section [35A-8-606](#).

1256 Section 13. Section [17C-1-802](#) is amended to read:

1257 **[17C-1-802. Combining hearings.](#)**

1258 A board may combine any combination of a [~~blight~~] development impediment hearing,
1259 a plan hearing, and a budget hearing.

1260 Section 14. Section [17C-1-803](#) is amended to read:

1261 **[17C-1-803. Continuing a hearing.](#)**

1262 Subject to Section [17C-1-804](#), the board may continue:

1263 (1) a [~~blight~~] development impediment hearing;

1264 (2) a plan hearing;

1265 (3) a budget hearing; or

1266 (4) a combined hearing under Section 17C-1-802.

1267 Section 15. Section 17C-1-804 is amended to read:

1268 **17C-1-804. Notice required for continued hearing.**

1269 The board shall give notice of a hearing continued under Section [17C-1-802]

1270 17C-1-803 by announcing at the hearing:

1271 (1) the date, time, and place the hearing will be resumed; or

1272 (2) (a) that the hearing is being continued to a later time; and

1273 (b) that the board will cause a notice of the continued hearing to be published on the

1274 Utah Public Notice Website created in Section 63F-1-701, at least seven days before the day on

1275 which the hearing is scheduled to resume.

1276 Section 16. Section 17C-1-805 is amended to read:

1277 **17C-1-805. Agency to provide notice of hearings.**

1278 (1) Each agency shall provide notice, in accordance with this part, of each:

1279 (a) [blight] development impediment hearing;

1280 (b) plan hearing; or

1281 (c) budget hearing.

1282 (2) The notice required under Subsection (1) may be combined with the notice required

1283 for any of the other hearings if the hearings are combined under Section 17C-1-802.

1284 Section 17. Section 17C-1-807 is amended to read:

1285 **17C-1-807. Additional requirements for notice of a development impediment**

1286 **hearing.**

1287 Each notice under Section 17C-1-806 for a [blight] development impediment hearing

1288 shall also include:

1289 (1) a statement that:

1290 (a) a project area is being proposed;

1291 (b) the proposed project area may be [declared] determined to have [blight] a

1292 development impediment;

1293 (c) the record owner of property within the proposed project area has the right to

1294 present evidence at the [blight] development impediment hearing contesting the existence of

1295 [blight] a development impediment;

1296 (d) except for a hearing continued under Section 17C-1-803, the agency will notify the

1297 record owner of property referred to in Subsection 17C-1-806(1)(b)(i) of each additional public
1298 hearing held by the agency concerning the proposed project area before the adoption of the
1299 project area plan; and

1300 (e) a person contesting the existence of ~~[blight]~~ a development impediment in the
1301 proposed project area may appear before the board and show cause why the proposed project
1302 area should not be designated as a project area; and

1303 (2) if the agency anticipates acquiring property in an urban renewal project area or a
1304 community reinvestment project area by eminent domain, a clear and plain statement that:

1305 (a) the project area plan may require the agency to use eminent domain; and

1306 (b) the proposed use of eminent domain will be discussed at the ~~[blight]~~ development
1307 impediment hearing.

1308 Section 18. Section 17C-1-902 is amended to read:

1309 **17C-1-902. Use of eminent domain -- Conditions.**

1310 (1) Except as provided in Subsection (2), an agency may not use eminent domain to
1311 acquire property.

1312 (2) Subject to the provisions of this part, an agency may, in accordance with Title 78B,
1313 Chapter 6, Part 5, Eminent Domain, use eminent domain to acquire an interest in property:

1314 (a) within an urban renewal project area if:

1315 (i) the board makes a ~~[finding of blight]~~ development impediment determination under
1316 Chapter 2, Part 3, ~~[Blight]~~ Development Impediment Determination in Urban Renewal Project
1317 Areas; and

1318 (ii) the urban renewal project area plan provides for the use of eminent domain;

1319 (b) that is owned by an agency board member or officer and located within a project
1320 area, if the board member or officer consents;

1321 (c) within a community reinvestment project area if:

1322 (i) the board makes a ~~[finding of blight in accordance with]~~ development impediment
1323 determination under Chapter 5, Part 4, ~~[Blight]~~ Development Impediment Determination in a
1324 Community Reinvestment Project Area;

1325 (ii) (A) the original community reinvestment project area plan provides for the use of
1326 eminent domain; or

1327 (B) the community reinvestment project area plan is amended in accordance with

1328 Subsection 17C-5-112(4); and

1329 (iii) the agency creates a taxing entity committee in accordance with Section
1330 17C-1-402;

1331 (d) that:

1332 (i) is owned by a participant or a property owner that is entitled to receive tax
1333 increment or other assistance from the agency;

1334 (ii) is within a project area, regardless of when the project area is created, for which the
1335 ~~[agency made a finding of blight under Section 17C-2-102 or 17C-5-405]~~ board made a
1336 development impediment determination under Chapter 2, Part 3, Development Impediment
1337 Determination in Urban Renewal Project Areas, or Chapter 5, Part 4, Development Impediment
1338 Determination in a Community Reinvestment Project Area; and

1339 (iii) (A) the participant or property owner described in Subsection (2)(d)(i) fails to
1340 develop or improve in accordance with the participation agreement or the project area plan; or

1341 (B) for a period of 36 months does not generate the amount of tax increment that the
1342 agency projected to receive under the project area budget; or

1343 (e) if a property owner requests in writing that the agency exercise eminent domain to
1344 acquire the property owner's property within a project area.

1345 (3) An agency shall, in accordance with the provisions of this part, commence the
1346 acquisition of property described in Subsections (2)(a) through (c) by adopting a resolution
1347 authorizing eminent domain within five years after the day on which the project area plan is
1348 effective.

1349 Section 19. Section 17C-2-101.5 is amended to read:

1350 **17C-2-101.5. Resolution designating survey area -- Request to adopt resolution.**

1351 (1) A board may begin the process of adopting an urban renewal project area plan by
1352 adopting a resolution that:

1353 (a) designates an area located within the agency's boundaries as a survey area;

1354 (b) contains a statement that the survey area requires study to determine whether:

1355 (i) one or more urban renewal project areas within the survey area are feasible; and

1356 (ii) ~~[blight]~~ a development impediment exists within the survey area; and

1357 (c) contains a boundary description or map of the survey area.

1358 (2) (a) Any person or any group, association, corporation, or other entity may submit a

1359 written request to the board to adopt a resolution under Subsection (1).

1360 (b) A request under Subsection (2)(a) may include plans showing the project area
1361 development proposed for an area within the agency's boundaries.

1362 (c) The board may, in the board's sole discretion, grant or deny a request under
1363 Subsection (2)(a).

1364 Section 20. Section 17C-2-102 is amended to read:

1365 **17C-2-102. Process for adopting urban renewal project area plan -- Prerequisites**
1366 **-- Restrictions.**

1367 (1) (a) In order to adopt an urban renewal project area plan, after adopting a resolution
1368 under Subsection 17C-2-101.5(1) the agency shall:

1369 (i) unless a [~~finding of blight~~] development impediment determination is based on a
1370 [~~finding~~] determination made under Subsection 17C-2-303(1)(b) relating to an inactive
1371 industrial site or inactive airport site:

1372 (A) cause a [~~blight~~] development impediment study to be conducted within the survey
1373 area as provided in Section 17C-2-301;

1374 (B) provide notice of a [~~blight~~] development impediment hearing as required under
1375 Chapter 1, Part 8, Hearing and Notice Requirements; and

1376 (C) hold a [~~blight~~] development impediment hearing as described in Section
1377 17C-2-302;

1378 (ii) after the [~~blight~~] development impediment hearing has been held or, if no [~~blight~~]
1379 development impediment hearing is required under Subsection (1)(a)(i), after adopting a
1380 resolution under Subsection 17C-2-101.5(1), hold a board meeting at which the board shall:

1381 (A) consider:

1382 (I) [~~the issue of blight and~~] the evidence and information relating to the existence or
1383 nonexistence of [~~blight~~] a development impediment; and

1384 (II) whether adoption of one or more urban renewal project area plans should be
1385 pursued; and

1386 (B) by resolution:

1387 (I) make a [~~finding~~] determination regarding the existence of [~~blight~~] a development
1388 impediment in the proposed urban renewal project area;

1389 (II) select one or more project areas comprising part or all of the survey area; and

1390 (III) authorize the preparation of a proposed project area plan for each project area;
1391 (iii) prepare a proposed project area plan and conduct any examination, investigation,
1392 and negotiation regarding the project area plan that the agency considers appropriate;
1393 (iv) make the proposed project area plan available to the public at the agency's offices
1394 during normal business hours;
1395 (v) provide notice of the plan hearing in accordance with Sections 17C-1-806 and
1396 17C-1-808;
1397 (vi) hold a plan hearing on the proposed project area plan and, at the plan hearing:
1398 (A) allow public comment on:
1399 (I) the proposed project area plan; and
1400 (II) whether the proposed project area plan should be revised, approved, or rejected;
1401 and
1402 (B) receive all written and hear all oral objections to the proposed project area plan;
1403 (vii) before holding the plan hearing, provide an opportunity for the State Board of
1404 Education and each taxing entity that levies a tax on property within the proposed project area
1405 to consult with the agency regarding the proposed project area plan;
1406 (viii) if applicable, hold the election required under Subsection 17C-2-105(3);
1407 (ix) after holding the plan hearing, at the same meeting or at a subsequent meeting
1408 consider:
1409 (A) the oral and written objections to the proposed project area plan and evidence and
1410 testimony for and against adoption of the proposed project area plan; and
1411 (B) whether to revise, approve, or reject the proposed project area plan;
1412 (x) approve the proposed project area plan, with or without revisions, as the project
1413 area plan by a resolution that complies with Section 17C-2-106; and
1414 (xi) submit the project area plan to the community legislative body for adoption.
1415 (b) (i) If an agency makes a ~~[finding]~~ determination under Subsection (1)(a)(ii)(B) that
1416 ~~[blight]~~ a development impediment exists in the proposed urban renewal project area, the
1417 agency may not adopt the project area plan until the taxing entity committee approves the
1418 ~~[finding of blight]~~ development impediment determination.
1419 (ii) (A) A taxing entity committee may not disapprove an agency's ~~[finding of blight]~~
1420 development impediment determination unless the committee demonstrates that the conditions

1421 the agency found to exist in the urban renewal project area that support the agency's [~~finding of~~
1422 ~~blight~~] development impediment determination under Section 17C-2-303:

1423 (I) do not exist; or

1424 (II) do not constitute [~~blight~~] a development impediment.

1425 (B) (I) If the taxing entity committee questions or disputes the existence of some or all
1426 of the [~~blight~~] development impediment conditions that the agency [~~found~~] determined to exist
1427 in the urban renewal project area or that those conditions constitute [~~blight~~] a development
1428 impediment, the taxing entity committee may hire a consultant, mutually agreed upon by the
1429 taxing entity committee and the agency, with the necessary expertise to assist the taxing entity
1430 committee to make a determination as to the existence of the questioned or disputed [~~blight~~]
1431 development impediment conditions.

1432 (II) The agency shall pay the fees and expenses of each consultant hired under
1433 Subsection (1)(b)(ii)(B)(I).

1434 (III) The [~~findings~~] determination of a consultant under this Subsection (1)(b)(ii)(B)
1435 shall be binding on the taxing entity committee and the agency.

1436 (2) An agency may not propose a project area plan under Subsection (1) unless the
1437 community in which the proposed project area is located:

1438 (a) has a planning commission; and

1439 (b) has adopted a general plan under:

1440 (i) if the community is a municipality, Title 10, Chapter 9a, Part 4, General Plan; or

1441 (ii) if the community is a county, Title 17, Chapter 27a, Part 4, General Plan.

1442 (3) (a) Subject to Subsection (3)(b), a board may not approve a project area plan more
1443 than one year after adoption of a resolution making a [~~finding of blight~~] development
1444 impediment determination under Subsection (1)(a)(ii)(B).

1445 (b) If a project area plan is submitted to an election under Subsection 17C-2-105(3),
1446 the time between the plan hearing and the date of the election does not count for purposes of
1447 calculating the year period under Subsection (3)(a).

1448 (4) (a) Except as provided in Subsection (4)(b), a proposed project area plan may not
1449 be modified to add real property to the proposed project area unless the board holds a plan
1450 hearing to consider the addition and gives notice of the plan hearing as required under Sections
1451 17C-1-806 and 17C-1-808.

1452 (b) The notice and hearing requirements under Subsection (4)(a) do not apply to a
1453 proposed project area plan being modified to add real property to the proposed project area if:

1454 (i) the property is contiguous to the property already included in the proposed project
1455 area under the proposed project area plan;

1456 (ii) the record owner of the property consents to adding the real property to the
1457 proposed project area; and

1458 (iii) the property is located within the survey area.

1459 Section 21. Section 17C-2-103 is amended to read:

1460 **17C-2-103. Urban renewal project area plan requirements.**

1461 (1) [~~Each~~] An agency shall ensure that each urban renewal project area plan and
1462 proposed project area plan [~~shall~~]:

1463 (a) [~~describe~~] describes the boundaries of the project area, subject to Section
1464 17C-1-414, if applicable;

1465 (b) [~~contain~~] contains a general statement of the land uses, layout of principal streets,
1466 population densities, and building intensities of the project area and how they will be affected
1467 by the project area development;

1468 (c) [~~state~~] states the standards that will guide the project area development;

1469 (d) [~~show~~] shows how the purposes of this title will be attained by the project area
1470 development;

1471 (e) [~~be~~] is consistent with the general plan of the community in which the project area
1472 is located and show that the project area development will conform to the community's general
1473 plan;

1474 (f) [~~describe~~] describes how the project area development will reduce or eliminate
1475 [~~blight~~] a development impediment in the project area;

1476 (g) [~~describe~~] describes any specific project or projects that are the object of the
1477 proposed project area development;

1478 (h) [~~identify~~] identifies how a participant will be selected to undertake the project area
1479 development and identify each participant currently involved in the project area development;

1480 (i) [~~state~~] states the reasons for the selection of the project area;

1481 (j) [~~describe~~] describes the physical, social, and economic conditions existing in the
1482 project area;

1483 (k) [~~describe~~] describes any tax incentives offered private entities for facilities located
1484 in the project area;

1485 (l) [~~include~~] includes the analysis described in Subsection (2);

1486 (m) if any of the existing buildings or uses in the project area are included in or eligible
1487 for inclusion in the National Register of Historic Places or the State Register, [~~state~~] states that
1488 the agency shall comply with Section 9-8-404 as though the agency were a state agency; and

1489 (n) [~~include~~] includes other information that the agency determines to be necessary or
1490 advisable.

1491 (2) [~~Each~~] An agency shall ensure that each analysis under Subsection (1)(l) [~~shall~~
1492 ~~consider~~] considers:

1493 (a) the benefit of any financial assistance or other public subsidy proposed to be
1494 provided by the agency, including:

1495 (i) an evaluation of the reasonableness of the costs of the project area development;

1496 (ii) efforts the agency or participant has made or will make to maximize private
1497 investment;

1498 (iii) the rationale for use of tax increment, including an analysis of whether the
1499 proposed project area development might reasonably be expected to occur in the foreseeable
1500 future solely through private investment; and

1501 (iv) an estimate of the total amount of tax increment that will be expended in
1502 undertaking project area development and the project area funds collection period; and

1503 (b) the anticipated public benefit to be derived from the project area development,
1504 including:

1505 (i) the beneficial influences upon the tax base of the community;

1506 (ii) the associated business and economic activity likely to be stimulated; and

1507 (iii) whether adoption of the project area plan is necessary and appropriate to reduce or
1508 eliminate [~~blight~~] a development impediment.

1509 Section 22. Section 17C-2-106 is amended to read:

1510 **17C-2-106. Board resolution approving urban renewal project area plan --**

1511 **Requirements.**

1512 [~~Each board~~] A board shall ensure that each resolution approving a proposed urban

1513 renewal project area plan as the project area plan under Subsection 17C-2-102(1)(a)(x) [~~shall~~

1514 ~~contain~~] contains:

1515 (1) a boundary description of the boundaries of the project area that is the subject of the
1516 project area plan;

1517 (2) the agency's purposes and intent with respect to the project area;

1518 (3) the project area plan incorporated by reference;

1519 (4) a statement that the board previously made a [~~finding of blight~~] development

1520 impediment determination within the project area and the date of the board's [~~finding of blight~~]
1521 determination; and

1522 (5) the board findings and determinations that:

1523 (a) there is a need to effectuate a public purpose;

1524 (b) there is a public benefit under the analysis described in Subsection 17C-2-103(2);

1525 (c) it is economically sound and feasible to adopt and carry out the project area plan;

1526 (d) the project area plan conforms to the community's general plan; and

1527 (e) carrying out the project area plan will promote the public peace, health, safety, and
1528 welfare of the community in which the project area is located.

1529 Section 23. Section 17C-2-110 is amended to read:

1530 **17C-2-110. Amending an urban renewal project area plan.**

1531 (1) [~~An~~] An agency may amend an urban renewal project area plan [~~may be amended~~]
1532 as provided in this section.

1533 (2) If an agency proposes to amend an urban renewal project area plan to enlarge the
1534 project area:

1535 (a) subject to Subsection (2)(e), the requirements under this part that apply to adopting
1536 a project area plan apply equally to the proposed amendment as if it were a proposed project
1537 area plan;

1538 (b) for a pre-July 1, 1993₂ project area plan, the base year for the new area added to the
1539 project area shall be determined under Subsection 17C-1-102(9) using the effective date of the
1540 amended project area plan;

1541 (c) for a post-June 30, 1993₂ project area plan:

1542 (i) the base year for the new area added to the project area shall be determined under
1543 Subsection 17C-1-102(9) using the date of the taxing entity committee's consent referred to in
1544 Subsection (2)(c)(ii); and

1545 (ii) the agency shall obtain the consent of the taxing entity committee before the agency
1546 may collect tax increment from the area added to the project area by the amendment;

1547 (d) the agency shall make a [~~finding~~] determination regarding the existence of [~~blight~~]
1548 a development impediment in the area proposed to be added to the project area by following
1549 the procedure set forth in Chapter 2, Part 3, [~~Blight~~] Development Impediment Determination
1550 in Urban Renewal Project Areas; and

1551 (e) the agency need not make a [~~finding regarding the existence of blight~~] development
1552 impediment determination in the project area as described in the original project area plan, if
1553 the agency made a [~~finding of the existence of blight~~] development impediment determination
1554 regarding that project area in connection with adoption of the original project area plan.

1555 (3) If a proposed amendment does not propose to enlarge an urban renewal project
1556 area, a board may adopt a resolution approving an amendment to a project area plan after:

1557 (a) the agency gives notice, as provided in Section 17C-1-806, of the proposed
1558 amendment and of the public hearing required by Subsection (3)(b);

1559 (b) the board holds a public hearing on the proposed amendment that meets the
1560 requirements of a plan hearing;

1561 (c) the agency obtains the taxing entity committee's consent to the amendment, if the
1562 amendment proposes:

1563 (i) to enlarge the area within the project area from which tax increment is collected;

1564 (ii) to permit the agency to receive a greater percentage of tax increment or to extend
1565 the project area funds collection period, or both, than allowed under the adopted project area
1566 plan; or

1567 (iii) for an amendment to a project area plan that was adopted before April 1, 1983, to
1568 expand the area from which tax increment is collected to exceed 100 acres of private property;
1569 and

1570 (d) the agency obtains the consent of the legislative body or governing board of each
1571 taxing entity affected, if the amendment proposes to permit the agency to receive, from less
1572 than all taxing entities, a greater percentage of tax increment or to extend the project area funds
1573 collection period, or both, than allowed under the adopted project area plan.

1574 (4) (a) [~~An~~] An agency may amend an urban renewal project area plan [~~may be~~
1575 ~~amended~~] without complying with the notice and public hearing requirements of Subsections

1576 (2)(a) and (3)(a) and (b) and without obtaining taxing entity committee approval under
1577 Subsection (3)(c) if the amendment:

1578 (i) makes a minor adjustment in the boundary description of a project area boundary
1579 requested by a county assessor or county auditor to avoid inconsistent property boundary lines;
1580 or

1581 (ii) subject to Subsection (4)(b), removes one or more parcels from a project area
1582 because the agency determines that each parcel removed is:

1583 (A) tax exempt;

1584 (B) ~~[no longer blighted]~~ without a development impediment; or

1585 (C) no longer necessary or desirable to the project area.

1586 (b) ~~[An]~~ An agency may make an amendment removing one or more parcels from a
1587 project area under Subsection (4)(a)(ii) ~~[may be made]~~ without the consent of the record
1588 property owner of each parcel being removed.

1589 (5) (a) An amendment approved by board resolution under this section may not take
1590 effect until adopted by ordinance of the legislative body of the community in which the project
1591 area that is the subject of the project area plan being amended is located.

1592 (b) Upon a community legislative body passing an ordinance adopting an amendment
1593 to a project area plan, the agency whose project area plan was amended shall comply with the
1594 requirements of Sections 17C-2-108 and 17C-2-109 to the same extent as if the amendment
1595 were a project area plan.

1596 (6) (a) Within 30 days after the day on which an amendment to a project area plan
1597 becomes effective, a person may contest the amendment to the project area plan or the
1598 procedure used to adopt the amendment to the project area plan if the amendment or procedure
1599 fails to comply with a provision of this title.

1600 (b) After the 30-day period described in Subsection (6)(a) expires, a person may not
1601 contest the amendment to the project area plan or procedure used to adopt the amendment to
1602 the project area plan for any cause.

1603 Section 24. Section 17C-2-202 is amended to read:

1604 **17C-2-202. Combined incremental value -- Restriction against adopting an urban**
1605 **renewal project area budget -- Taxing entity committee may waive restriction.**

1606 (1) Except as provided in Subsection (2), an agency may not adopt an urban renewal

1607 project area budget if, at the time the urban renewal project area budget is being considered, the
1608 combined incremental value for the agency exceeds 10% of the total taxable value of property
1609 within the agency's boundaries in the year that the urban renewal project area budget is being
1610 considered.

1611 (2) (a) A taxing entity committee may waive the restrictions imposed by Subsection
1612 (1).

1613 (b) Subsection (1) does not apply to an urban renewal project area budget if the
1614 agency's [~~finding of blight~~] development impediment determination in the project area to which
1615 the budget relates is based on a [~~finding~~] determination under Subsection 17C-2-303(1)(b).

1616 Section 25. Section 17C-2-204 is amended to read:

1617 **17C-2-204. Consent of taxing entity committee required for urban renewal**
1618 **project area budget -- Exception.**

1619 (1) (a) Except as provided in Subsection (1)(b) and subject to Subsection (2), each
1620 agency shall obtain the consent of the taxing entity committee for each urban renewal project
1621 area budget under a post-June 30, 1993₂ project area plan before the agency may receive any
1622 tax increment from the urban renewal project area.

1623 (b) For an urban renewal project area budget adopted from July 1, 1998₂ through May
1624 1, 2000₂ that allocates 20% or more of the tax increment for housing as [~~provided~~] described in
1625 Section 17C-1-412, an agency:

1626 (i) need not obtain the consent of the taxing entity committee for the project area
1627 budget; and

1628 (ii) may not receive any tax increment from all or part of the project area until after:

1629 (A) the loan fund board has certified the project area budget as complying with the
1630 requirements of Section 17C-1-412; and

1631 (B) the board has approved and adopted the project area budget by a two-thirds vote.

1632 (2) (a) Before a taxing entity committee may consent to an urban renewal project area
1633 budget adopted on or after May 1, 2000₂ that is required under Subsection 17C-2-203(1)(a) to
1634 allocate 20% of tax increment for housing, the agency shall:

1635 (i) adopt a housing plan [~~showing the uses for the housing funds~~] in accordance with
1636 Subsection 17C-1-412(2); and

1637 (ii) provide a copy of the housing plan to the taxing entity committee and the loan fund

1638 board.

1639 (b) If an agency amends a housing plan prepared under Subsection (2)(a), the agency
1640 shall provide a copy of the amendment to the taxing entity committee and the loan fund board.

1641 Section 26. Section **17C-2-301** is amended to read:

1642 **Part 3. Development Impediment Determination in Urban Renewal Project Areas**

1643 **17C-2-301. Development impediment study -- Requirements -- Deadline.**

1644 (1) [~~Each blight~~] An agency shall ensure that each development impediment study
1645 required under Subsection **17C-2-102(1)(a)(i)(A)** [~~shall~~]:

1646 (a) [~~undertake~~] undertakes a parcel by parcel survey of the survey area;

1647 (b) [~~provide~~] provides data so the board and taxing entity committee may determine:

1648 (i) whether the conditions described in Subsection **17C-2-303(1)**:

1649 (A) exist in part or all of the survey area; and

1650 (B) qualify an area within the survey area as a project area; and

1651 (ii) whether the survey area contains all or part of a superfund site, an inactive

1652 industrial site, or inactive airport site;

1653 (c) [~~include~~] includes a written report setting forth:

1654 (i) the conclusions reached;

1655 (ii) any recommended area within the survey area qualifying as a project area; and

1656 (iii) any other information requested by the agency to determine whether an urban
1657 renewal project area is feasible; and

1658 (d) [~~be~~] is completed within one year after the adoption of the survey area resolution.

1659 (2) (a) If a [~~blight~~] development impediment study is not completed within one year
1660 after the adoption of the resolution under Subsection **17C-2-101.5(1)** designating a survey area,

1661 the agency may not approve an urban renewal project area plan based on that [~~blight~~]

1662 development impediment study unless [~~it~~] the agency first adopts a new resolution under

1663 Subsection **17C-2-101.5(1)**.

1664 (b) A new resolution under Subsection (2)(a) shall in all respects be considered to be a
1665 resolution under Subsection **17C-2-101.5(1)** adopted for the first time, except that any actions
1666 taken toward completing a [~~blight~~] development impediment study under the resolution that the
1667 new resolution replaces shall be considered to have been taken under the new resolution.

1668 Section 27. Section **17C-2-302** is amended to read:

1669 **17C-2-302. Development impediment hearing -- Owners may review evidence of**
1670 **a development impediment.**

1671 (1) In each hearing required under Subsection 17C-2-102(1)(a)(i)(C), the agency shall:

1672 (a) permit all evidence of the existence or nonexistence of [~~blight~~] a development
1673 impediment within the proposed urban renewal project area to be presented; and

1674 (b) permit each record owner of property located within the proposed urban renewal
1675 project area or the record property owner's representative the opportunity to:

1676 (i) examine and cross-examine witnesses providing evidence of the existence or
1677 nonexistence of [~~blight~~] a development impediment; and

1678 (ii) present evidence and testimony, including expert testimony, concerning the
1679 existence or nonexistence of [~~blight~~] a development impediment.

1680 (2) The agency shall allow record owners of property located within a proposed urban
1681 renewal project area the opportunity, for at least 30 days before the hearing, to review the
1682 evidence of [~~blight~~] a development impediment compiled by the agency or by the person or
1683 firm conducting the [~~blight~~] development impediment study for the agency, including any
1684 expert report.

1685 Section 28. Section 17C-2-303 is amended to read:

1686 **17C-2-303. Conditions on board determination of a development impediment --**
1687 **Conditions of a development impediment caused by the participant.**

1688 (1) A board may not make a [~~finding of blight~~] development impediment determination
1689 in a resolution under Subsection 17C-2-102(1)(a)(ii)(B) unless the board finds that:

1690 (a) (i) the proposed project area consists predominantly of nongreenfield parcels;

1691 (ii) the proposed project area is currently zoned for urban purposes and generally
1692 served by utilities;

1693 (iii) at least 50% of the parcels within the proposed project area contain nonagricultural
1694 or nonaccessory buildings or improvements used or intended for residential, commercial,
1695 industrial, or other urban purposes, or any combination of those uses;

1696 (iv) the present condition or use of the proposed project area substantially impairs the
1697 sound growth of the municipality, retards the provision of housing accommodations, or
1698 constitutes an economic liability or is detrimental to the public health, safety, or welfare, as
1699 shown by the existence within the proposed project area of at least four of the following

1700 factors:

1701 (A) one of the following, although sometimes interspersed with well maintained
1702 buildings and infrastructure:

1703 (I) substantial physical dilapidation, deterioration, or defective construction of
1704 buildings or infrastructure; or

1705 (II) significant noncompliance with current building code, safety code, health code, or
1706 fire code requirements or local ordinances;

1707 (B) unsanitary or unsafe conditions in the proposed project area that threaten the
1708 health, safety, or welfare of the community;

1709 (C) environmental hazards, as defined in state or federal law, that require remediation
1710 as a condition for current or future use and development;

1711 (D) excessive vacancy, abandoned buildings, or vacant lots within an area zoned for
1712 urban use and served by utilities;

1713 (E) abandoned or outdated facilities that pose a threat to public health, safety, or
1714 welfare;

1715 (F) criminal activity in the project area, higher than that of comparable [~~nonblighted~~]
1716 areas in the municipality or county that are without a development impediment; and

1717 (G) defective or unusual conditions of title rendering the title nonmarketable; and

1718 (v) (A) at least 50% of the privately-owned parcels within the proposed project area are
1719 affected by at least one of the factors, but not necessarily the same factor, listed in Subsection
1720 (1)(a)(iv); and

1721 (B) the affected parcels comprise at least 66% of the privately-owned acreage of the
1722 proposed project area; or

1723 (b) the proposed project area includes some or all of a superfund site, inactive
1724 industrial site, or inactive airport site.

1725 (2) No single parcel comprising 10% or more of the acreage of the proposed project
1726 area may be counted as satisfying Subsection (1)(a)(iii) or (iv) unless at least 50% of the area of
1727 that parcel is occupied by buildings or improvements.

1728 (3) (a) For purposes of Subsection (1), if a participant involved in the project area
1729 development has caused a condition listed in Subsection (1)(a)(iv) within the proposed project
1730 area, that condition may not be used in the determination of [~~blight~~] a development

1731 impediment.

1732 (b) Subsection (3)(a) does not apply to a condition that was caused by an owner or
1733 tenant who becomes a participant.

1734 Section 29. Section **17C-2-304** is amended to read:

1735 **17C-2-304. Challenging a development impediment determination -- Time limit --**
1736 **De novo review.**

1737 (1) If the board makes a [~~finding of blight~~] development impediment determination
1738 under Subsection **17C-2-102**(1)(a)(ii)(B) and that [~~finding~~] determination is approved by
1739 resolution adopted by the taxing entity committee, a record owner of property located within
1740 the proposed urban renewal project area may challenge the [~~finding~~] determination by filing an
1741 action with the district court for the county in which the property is located.

1742 (2) [~~Each~~] A person shall file a challenge under Subsection (1) [~~shall be filed~~] within
1743 30 days after the taxing entity committee approves the board's [~~finding of blight~~] development
1744 impediment determination.

1745 (3) In each action under this section, the district court shall review the [~~finding of~~
1746 ~~blight~~] development impediment determination under the standards of review provided in
1747 Subsection **10-9a-801**(3).

1748 Section 30. Section **17C-5-103** is amended to read:

1749 **17C-5-103. Initiating a community reinvestment project area plan.**

1750 (1) Subject to Subsection (2), a board shall initiate the process of adopting a
1751 community reinvestment project area plan by adopting a survey area resolution that:

1752 (a) designates a geographic area located within the agency's boundaries as a survey
1753 area;

1754 (b) contains a description or map of the boundaries of the survey area;

1755 (c) contains a statement that the survey area requires study to determine whether
1756 project area development is feasible within one or more proposed community reinvestment
1757 project areas within the survey area; and

1758 (d) authorizes the agency to:

1759 (i) prepare a proposed community reinvestment project area plan for each proposed
1760 community reinvestment project area; and

1761 (ii) conduct any examination, investigation, or negotiation regarding the proposed

1762 community reinvestment project area that the agency considers appropriate.

1763 (2) If an agency anticipates using eminent domain to acquire property within the survey
1764 area, the resolution described in Subsection (1) shall include:

1765 (a) a statement that the survey area requires study to determine whether ~~[blight]~~ a
1766 development impediment exists within the survey area; and

1767 (b) authorization for the agency to conduct a ~~[blight]~~ development impediment study in
1768 accordance with Section 17C-5-403.

1769 Section 31. Section 17C-5-104 is amended to read:

1770 **17C-5-104. Process for adopting a community reinvestment project area plan --**
1771 **Prerequisites -- Restrictions.**

1772 (1) An agency may not propose a community reinvestment project area plan unless the
1773 community in which the proposed community reinvestment project area plan is located:

1774 (a) has a planning commission; and

1775 (b) has adopted a general plan under:

1776 (i) if the community is a municipality, Title 10, Chapter 9a, Part 4, General Plan; or

1777 (ii) if the community is a county, Title 17, Chapter 27a, Part 4, General Plan.

1778 (2) (a) Before an agency may adopt a proposed community reinvestment project area
1779 plan, the agency shall conduct a ~~[blight]~~ development impediment study and make a ~~[blight]~~
1780 development impediment determination in accordance with Part 4, ~~[Blight]~~ Development
1781 Impediment Determination in a Community Reinvestment Project Area, if the agency
1782 anticipates using eminent domain to acquire property within the proposed community
1783 reinvestment project area.

1784 (b) If applicable, an agency may not approve a community reinvestment project area
1785 plan more than one year after the agency adopts a resolution making a ~~[finding of blight]~~
1786 development impediment determination under Section 17C-5-402.

1787 (3) To adopt a community reinvestment project area plan, an agency shall:

1788 (a) prepare a proposed community reinvestment project area plan in accordance with
1789 Section 17C-5-105;

1790 (b) make the proposed community reinvestment project area plan available to the
1791 public at the agency's office during normal business hours for at least 30 days before the plan
1792 hearing described in Subsection (3)(e);

1793 (c) before holding the plan hearing described in Subsection (3)(e), provide an
1794 opportunity for the State Board of Education and each taxing entity that levies or imposes a tax
1795 within the proposed community reinvestment project area to consult with the agency regarding
1796 the proposed community reinvestment project area plan;

1797 (d) provide notice of the plan hearing in accordance with Chapter 1, Part 8, Hearing
1798 and Notice Requirements;

1799 (e) hold a plan hearing on the proposed community reinvestment project area plan and,
1800 at the plan hearing:

1801 (i) allow public comment on:

1802 (A) the proposed community reinvestment project area plan; and

1803 (B) whether the agency should revise, approve, or reject the proposed community
1804 reinvestment project area plan; and

1805 (ii) receive all written and oral objections to the proposed community reinvestment
1806 project area plan; and

1807 (f) following the plan hearing described in Subsection (3)(e), or at a subsequent agency
1808 meeting:

1809 (i) consider:

1810 (A) the oral and written objections to the proposed community reinvestment project
1811 area plan and evidence and testimony for and against adoption of the proposed community
1812 reinvestment project area plan; and

1813 (B) whether to revise, approve, or reject the proposed community reinvestment project
1814 area plan;

1815 (ii) adopt a resolution in accordance with Section [17C-5-108](#) that approves the
1816 proposed community reinvestment project area plan, with or without revisions, as the
1817 community reinvestment project area plan; and

1818 (iii) submit the community reinvestment project area plan to the community legislative
1819 body for adoption.

1820 (4) (a) Except as provided in Subsection (4)(b), an agency may not modify a proposed
1821 community reinvestment project area plan to add one or more parcels to the proposed
1822 community reinvestment project area unless the agency holds a plan hearing to consider the
1823 addition and gives notice of the plan hearing in accordance with Chapter 1, Part 8, Hearing and

1824 Notice Requirements.

1825 (b) The notice and hearing requirements described in Subsection (4)(a) do not apply to
1826 a proposed community reinvestment project area plan being modified to add one or more
1827 parcels to the proposed community reinvestment project area if:

1828 (i) each parcel is contiguous to one or more parcels already included in the proposed
1829 community reinvestment project area under the proposed community reinvestment project area
1830 plan;

1831 (ii) the record owner of each parcel consents to adding the parcel to the proposed
1832 community reinvestment project area; and

1833 (iii) each parcel is located within the survey area.

1834 Section 32. Section 17C-5-105 is amended to read:

1835 **17C-5-105. Community reinvestment project area plan requirements.**

1836 ~~[Each]~~ An agency shall ensure that each community reinvestment project area plan and
1837 proposed community reinvestment project area plan ~~[shall]~~:

1838 (1) subject to Section 17C-1-414, if applicable, ~~[include]~~ includes a boundary
1839 description and a map of the community reinvestment project area;

1840 (2) ~~[contain]~~ contains a general statement of the existing land uses, layout of principal
1841 streets, population densities, and building intensities of the community reinvestment project
1842 area and how each will be affected by project area development;

1843 (3) ~~[state]~~ states the standards that will guide project area development;

1844 (4) ~~[show]~~ shows how project area development will further purposes of this title;

1845 (5) ~~[be]~~ is consistent with the general plan of the community in which the community
1846 reinvestment project area is located and ~~[show]~~ shows that project area development will
1847 conform to the community's general plan;

1848 (6) if applicable, ~~[describe]~~ describes how project area development will eliminate or
1849 reduce ~~[blight]~~ a development impediment in the community reinvestment project area;

1850 (7) ~~[describe]~~ describes any specific project area development that is the object of the
1851 community reinvestment project area plan;

1852 (8) if applicable, ~~[explain]~~ explains how the agency plans to select a participant;

1853 (9) ~~[state]~~ states each reason the agency selected the community reinvestment project
1854 area;

1855 (10) [~~describe~~] describes the physical, social, and economic conditions that exist in the
1856 community reinvestment project area;

1857 (11) [~~describe~~] describes each type of financial assistance that the agency anticipates
1858 offering a participant;

1859 (12) [~~include~~] includes an analysis or description of the anticipated public benefit
1860 resulting from project area development, including benefits to the community's economic
1861 activity and tax base;

1862 (13) if applicable, [~~state~~] states that the agency shall comply with Section 9-8-404 as
1863 required under Section 17C-5-106;

1864 (14) [~~state~~] for a community reinvestment project area plan that an agency adopted
1865 before May 14, 2019, states whether the community reinvestment project area plan or proposed
1866 community reinvestment project area plan is subject to a taxing entity committee or an
1867 interlocal agreement; and

1868 (15) [~~include~~] includes other information that the agency determines to be necessary or
1869 advisable.

1870 Section 33. Section 17C-5-108 is amended to read:

1871 **17C-5-108. Board resolution approving a community reinvestment project area**
1872 **plan -- Requirements.**

1873 A board shall ensure that a resolution approving a proposed community reinvestment
1874 area plan as the community reinvestment project area plan under Section 17C-5-104 [~~shall~~
1875 ~~contain~~] contains:

1876 (1) a boundary description of the community reinvestment project area that is the
1877 subject of the community reinvestment project area plan;

1878 (2) the agency's purposes and intent with respect to the community reinvestment
1879 project area;

1880 (3) the proposed community reinvestment project area plan incorporated by reference;

1881 (4) the board findings and determinations that the proposed community reinvestment
1882 project area plan:

1883 (a) serves a public purpose;

1884 (b) produces a public benefit as demonstrated by the analysis described in Subsection
1885 17C-5-105(12);

- 1886 (c) is economically sound and feasible;
- 1887 (d) conforms to the community's general plan; and
- 1888 (e) promotes the public peace, health, safety, and welfare of the community in which
- 1889 the proposed community reinvestment project area is located; and
- 1890 (5) if the board made a [~~finding of blight~~] development impediment determination
- 1891 under Section 17C-5-402, a statement that the board made a [~~finding of blight~~] development
- 1892 impediment determination within the proposed community reinvestment project area and the
- 1893 date on which the board made the [~~finding of blight~~] determination.

1894 Section 34. Section 17C-5-112 is amended to read:

1895 **17C-5-112. Amending a community reinvestment project area plan.**

1896 (1) An agency may amend a community reinvestment project area plan in accordance

1897 with this section.

1898 (2) (a) If an amendment proposes to enlarge a community reinvestment project area's

1899 geographic area, the agency shall:

1900 (i) comply with this part as though the agency were creating a community reinvestment

1901 project area;

1902 (ii) if the agency anticipates receiving project area funds from the area proposed to be

1903 added to the community reinvestment project area, before the agency may collect project area

1904 funds:

1905 (A) for a community reinvestment project area plan that is subject to a taxing entity

1906 committee, obtain approval to receive tax increment from the taxing entity committee; or

1907 (B) for a community reinvestment project area plan that is subject to an interlocal

1908 agreement, obtain the approval of the taxing entity that is a party to the interlocal agreement;

1909 and

1910 (iii) if the agency anticipates acquiring property in the area proposed to be added to the

1911 community reinvestment project area by eminent domain, follow the procedures described in

1912 Section 17C-5-402.

1913 (b) The base year for the area proposed to be added to the community reinvestment

1914 project area shall be determined using the date of:

1915 (i) the taxing entity committee's consent as described in Subsection (2)(a)(ii)(A); or

1916 (ii) the taxing entity's consent as described in Subsection (2)(a)(ii)(B).

1917 (3) If an amendment does not propose to enlarge a community reinvestment project
1918 area's geographic area, the board may adopt a resolution approving the amendment after the
1919 agency:

1920 (a) if the amendment does not propose to allow the agency to receive a greater amount
1921 of project area funds or to extend a project area funds collection period:

1922 (i) gives notice in accordance with Section 17C-1-806; and

1923 (ii) holds a public hearing on the proposed amendment that meets the requirements
1924 described in Subsection 17C-5-104(3); or

1925 (b) if the amendment proposes to also allow the agency to receive a greater amount of
1926 project area funds or to extend a project area funds collection period:

1927 (i) complies with Subsection (3)(a)(i) and (ii); and

1928 (ii) (A) for a community reinvestment project area plan that is subject to a taxing entity
1929 committee, obtains approval from the taxing entity committee; or

1930 (B) for a community reinvestment project area plan that is subject to an interlocal
1931 agreement, obtains approval to receive project area funds from the taxing entity that is a party
1932 to the interlocal agreement.

1933 ~~[(4) (a) An agency may amend a community reinvestment project area plan for a
1934 community reinvestment project area that is subject to an interlocal agreement for the purpose
1935 of using eminent domain to acquire one or more parcels within the community reinvestment
1936 project area.]~~

1937 (4) (a) If a board has not made a determination under Part 4, Development Impediment
1938 Determination in a Community Reinvestment Project Area, but intends to use eminent domain
1939 within a community reinvestment project area, the agency may amend the community
1940 reinvestment project area plan in accordance with this Subsection (4).

1941 (b) To amend a community reinvestment project area plan as described in Subsection
1942 (4)(a), an agency shall:

1943 (i) adopt a survey area resolution that identifies each parcel that the agency intends to
1944 study to determine whether ~~[blight]~~ development impediment exists;

1945 (ii) in accordance with Part 4, ~~[Blight]~~ Development Impediment Determination in a
1946 Community Reinvestment Project Area, conduct a [blight] development impediment study
1947 within the survey area and make a [blight] development impediment determination; and

1948 [~~(iii) create a taxing entity committee whose sole purpose is to approve any finding of~~
1949 ~~blight in accordance with Subsection 17C-5-402(3); and]~~

1950 [(iv)] (iii) obtain approval to amend the community reinvestment project area plan
1951 from each taxing entity that is a party to an interlocal agreement.

1952 (c) Amending a community reinvestment project area plan as described in this
1953 Subsection (4) does not affect:

1954 (i) the base year of the parcel or parcels that are the subject of an amendment under this
1955 Subsection (4); and

1956 (ii) any interlocal agreement under which the agency is authorized to receive project
1957 area funds from the community reinvestment project area.

1958 (5) An agency may amend a community reinvestment project area plan without
1959 obtaining the consent of a taxing entity or a taxing entity committee and without providing
1960 notice or holding a public hearing if the amendment:

1961 (a) makes a minor adjustment in the community reinvestment project area boundary
1962 that is requested by a county assessor or county auditor to avoid inconsistent property boundary
1963 lines; or

1964 (b) removes one or more parcels from a community reinvestment project area because
1965 the agency determines that each parcel is:

1966 (i) tax exempt;

1967 (ii) [~~no longer blighted~~] without a development impediment; or

1968 (iii) no longer necessary or desirable to the project area.

1969 (6) (a) An amendment approved by board resolution under this section may not take
1970 effect until the community legislative body adopts an ordinance approving the amendment.

1971 (b) Upon the community legislative body adopting an ordinance approving an
1972 amendment under Subsection (6)(a), the agency shall comply with the requirements described
1973 in Sections 17C-5-110 and 17C-5-111 as if the amendment were a community reinvestment
1974 project area plan.

1975 (7) (a) Within 30 days after the day on which an amendment to a project area plan
1976 becomes effective, a person may contest the amendment to the project area plan or the
1977 procedure used to adopt the amendment to the project area plan if the amendment or procedure
1978 fails to comply with a provision of this title.

1979 (b) After the 30-day period described in Subsection (7)(a) expires, a person may not
 1980 contest the amendment to the project area plan or procedure used to adopt the amendment to
 1981 the project area plan for any cause.

1982 Section 35. Section **17C-5-202** is amended to read:

1983 **17C-5-202. Community reinvestment project area funding.**

1984 (1) (a) [~~Except~~] Beginning on May 14, 2019, and except as provided in Subsection (2),
 1985 for the purpose of receiving project area funds for use within a community reinvestment project
 1986 area, an agency shall negotiate and enter into an interlocal agreement with a taxing entity in
 1987 accordance with Section **17C-5-204** to receive all or a portion of the taxing entity's tax
 1988 increment or sales and use tax revenue in accordance with the interlocal agreement.

1989 (b) If a community reinvestment project area is subject to an interlocal agreement
 1990 under Subsection (1)(a) and the agency subsequently amends the community reinvestment
 1991 project area plan as described in Subsection **17C-5-112**(4), the agency shall continue to receive
 1992 project area funds under the interlocal agreement.

1993 [~~(2) If an agency plans to create a community reinvestment project area and adopt a~~
 1994 ~~community reinvestment project area plan that provides for the use of eminent domain to~~
 1995 ~~acquire property within the community reinvestment project area, the agency shall create a~~
 1996 ~~taxing entity committee as described in Section **17C-1-402** and receive tax increment in~~
 1997 ~~accordance with Section **17C-5-203**.]~~

1998 (2) Notwithstanding Subsection (1), an agency may receive tax increment in
 1999 accordance with Section **17C-5-203** if the agency created a community reinvestment project
 2000 area before May 14, 2019, that is subject to a taxing entity committee and provides for the use
 2001 of eminent domain to acquire property within the community reinvestment project area.

2002 (3) An agency shall comply with [~~Chapter 5,~~] Part 3, Community Reinvestment Project
 2003 Area Budget, regardless of whether an agency enters into an interlocal agreement under
 2004 Subsection [~~(1) or creates a taxing entity committee~~] (1) or receives tax increment under
 2005 Subsection (2).

2006 Section 36. Section **17C-5-203** is amended to read:

2007 **17C-5-203. Community reinvestment project area subject to taxing entity**
 2008 **committee -- Tax increment.**

2009 (1) This section applies to a community reinvestment project area that an agency

2010 created before May 14, 2019, and that is subject to a taxing entity committee under Subsection
2011 17C-5-202(2).

2012 (2) Subject to the taxing entity committee's approval of a community reinvestment
2013 project area budget under Section 17C-5-304, and for the purpose of implementing a
2014 community reinvestment project area plan, an agency may receive up to 100% of a taxing
2015 entity's tax increment, or any specified dollar amount of tax increment, for any period of time.

2016 (3) Notwithstanding Subsection (2), an agency that adopts a community reinvestment
2017 project area plan that is subject to a taxing entity committee may negotiate and enter into an
2018 interlocal agreement with a taxing entity and receive all or a portion of the taxing entity's sales
2019 and use tax revenue for any period of time.

2020 Section 37. Section 17C-5-401 is amended to read:

2021 **Part 4. Development Impediment Determination in a Community**
2022 **Reinvestment Project Area**

2023 **17C-5-401. Title.**

2024 This part is known as "[~~Blight~~] Development Impediment Determination in a
2025 Community Reinvestment Project Area."

2026 Section 38. Section 17C-5-402 is amended to read:

2027 **17C-5-402. Development impediment determination in a community**
2028 **reinvestment project area -- Prerequisites -- Restrictions.**

2029 (1) An agency shall comply with the provisions of this section before the agency may
2030 use eminent domain to acquire property under Chapter 1, Part 9, Eminent Domain.

2031 (2) An agency shall, after adopting a survey area resolution as described in Section
2032 17C-5-103:

2033 (a) cause a [~~blight~~] development impediment study to be conducted within the survey
2034 area in accordance with Section 17C-5-403;

2035 (b) provide notice and hold a [~~blight~~] development impediment hearing in accordance
2036 with Chapter 1, Part 8, Hearing and Notice Requirements; and

2037 (c) after the [~~blight~~] development impediment hearing, at the same or at a subsequent
2038 meeting:

2039 (i) consider [~~the issue of blight and~~] the evidence and information relating to the
2040 existence or nonexistence of [~~blight~~] a development impediment; and

2041 (ii) by resolution, make a [~~finding~~] determination regarding whether [~~blight~~] a
 2042 development impediment exists in all or part of the survey area.

2043 [~~(3)(a) If an agency makes a finding of blight under Subsection (2), the agency may~~
 2044 ~~not adopt an original community reinvestment project area plan or an amendment to a~~
 2045 ~~community reinvestment project area plan under Subsection 17C-5-112(4) until the taxing~~
 2046 ~~entity committee approves the finding of blight.]~~

2047 [~~(b)(i) A taxing entity committee shall approve an agency's finding of blight unless the~~
 2048 ~~taxing entity committee demonstrates that the conditions the agency found to exist in the~~
 2049 ~~survey area that support the agency's finding of blight:]~~

2050 [~~(A) do not exist; or]~~

2051 [~~(B) do not constitute blight under Section 17C-5-405.]~~

2052 [~~(ii)(A) If the taxing entity committee questions or disputes the existence of some or~~
 2053 ~~all of the blight conditions that the agency found to exist in the survey area, the taxing entity~~
 2054 ~~committee may hire a consultant, mutually agreed upon by the taxing entity committee and the~~
 2055 ~~agency, with the necessary expertise to assist the taxing entity committee in making a~~
 2056 ~~determination as to the existence of the questioned or disputed blight conditions:]~~

2057 [~~(B) The agency shall pay the fees and expenses of each consultant hired under~~
 2058 ~~Subsection (3)(b)(ii)(A).]~~

2059 [~~(C) The findings of a consultant hired under Subsection (3)(b)(ii)(A) are binding on~~
 2060 ~~the taxing entity committee and the agency.]~~

2061 Section 39. Section 17C-5-403 is amended to read:

2062 **17C-5-403. Development impediment study -- Requirements -- Deadline.**

2063 (1) [~~A blight~~] An agency shall ensure that a development impediment study [~~shall~~]:

2064 (a) [~~undertake~~] undertakes a parcel by parcel survey of the survey area;

2065 (b) [~~provide~~] provides data so the board [~~and taxing entity committee~~] may determine:

2066 (i) whether the conditions described in Section 17C-5-405:

2067 (A) exist in part or all of the survey area; and

2068 (B) meet the qualifications for a [~~finding of blight~~] development impediment
 2069 determination in all or part of the survey area; and

2070 (ii) whether the survey area contains all or part of a superfund site;

2071 (c) [~~include~~] includes a written report that states:

2072 (i) the conclusions reached;
2073 (ii) any area within the survey area that meets the statutory criteria of [blight] a
2074 development impediment under Section 17C-5-405; and
2075 (iii) any other information requested by the agency to determine whether [blight] a
2076 development impediment exists within the survey area; and
2077 (d) [be] is completed within one year after the day on which the survey area resolution
2078 is adopted.

2079 (2) (a) If a [blight] development impediment study is not completed within the time
2080 described in Subsection (1)(d), the agency may not approve a community reinvestment project
2081 area plan or an amendment to a community reinvestment project area plan under Subsection
2082 17C-5-112(4) based on a [blight] development impediment study unless the agency first adopts
2083 a new resolution under Subsection 17C-5-103(1).

2084 (b) A new resolution described in Subsection (2)(a) shall in all respects be considered
2085 to be a resolution under Subsection 17C-5-103(1) adopted for the first time, except that any
2086 actions taken toward completing a [blight] development impediment study under the resolution
2087 that the new resolution replaces shall be considered to have been taken under the new
2088 resolution.

2089 (3) (a) For the purpose of making a [blight] development impediment determination
2090 under Subsection 17C-5-402(2)(c)(ii), a [blight] development impediment study is valid for
2091 one year from the day on which the [blight] development impediment study is completed.

2092 (b) (i) Except as provided in Subsection (3)(b)(ii), an agency that makes a [blight]
2093 development impediment determination under a valid [blight] development impediment study
2094 and subsequently adopts a community reinvestment project area plan in accordance with
2095 Section 17C-5-104 may amend the community reinvestment project area plan without
2096 conducting a new [blight] development impediment study.

2097 (ii) An agency shall conduct a supplemental [blight] development impediment study
2098 for the area proposed to be added to the community reinvestment project area if the agency
2099 proposes an amendment to a community reinvestment project area plan that:

2100 (A) increases the community reinvestment project area's geographic boundary and the
2101 area proposed to be added was not included in the original [blight] development impediment
2102 study; and

2103 (B) provides for the use of eminent domain within the area proposed to be added to the
2104 community reinvestment project area.

2105 Section 40. Section 17C-5-404 is amended to read:

2106 **17C-5-404. Development impediment hearing -- Owners may review evidence of**
2107 **a development impediment.**

2108 (1) In a hearing required under Subsection 17C-5-402(2)(b), an agency shall:

2109 (a) permit all evidence of the existence or nonexistence of ~~[blight]~~ a development
2110 impediment within the survey area to be presented; and

2111 (b) permit each record owner of property located within the survey area or the record
2112 property owner's representative the opportunity to:

2113 (i) examine and cross-examine each witness that provides evidence of the existence or
2114 nonexistence of ~~[blight]~~ a development impediment; and

2115 (ii) present evidence and testimony, including expert testimony, concerning the
2116 existence or nonexistence of ~~[blight]~~ a development impediment.

2117 (2) An agency shall allow each record owner of property located within a survey area
2118 the opportunity, for at least 30 days before the day on which the hearing takes place, to review
2119 the evidence of ~~[blight]~~ a development impediment compiled by the agency or by the person or
2120 firm conducting the ~~[blight]~~ development impediment study for the agency, including any
2121 expert report.

2122 Section 41. Section 17C-5-405 is amended to read:

2123 **17C-5-405. Conditions on a development impediment determination --**
2124 **Conditions of a development impediment caused by a participant.**

2125 (1) A board may not make a ~~[finding of blight]~~ development impediment determination
2126 in a resolution under Subsection 17C-5-402(2)(c)(ii) unless the board finds that:

2127 (a) (i) the survey area consists predominantly of nongreenfield parcels;

2128 (ii) the survey area is currently zoned for urban purposes and generally served by
2129 utilities;

2130 (iii) at least 50% of the parcels within the survey area contain nonagricultural or
2131 nonaccessory buildings or improvements used or intended for residential, commercial,
2132 industrial, or other urban purposes;

2133 (iv) the present condition or use of the survey area substantially impairs the sound

2134 growth of the community, delays the provision of housing accommodations, constitutes an
2135 economic liability, or is detrimental to the public health, safety, or welfare, as shown by the
2136 existence within the survey area of at least four of the following factors:

2137 (A) although sometimes interspersed with well maintained buildings and infrastructure,
2138 substantial physical dilapidation, deterioration, or defective construction of buildings or
2139 infrastructure, or significant noncompliance with current building code, safety code, health
2140 code, or fire code requirements or local ordinances;

2141 (B) unsanitary or unsafe conditions in the survey area that threaten the health, safety, or
2142 welfare of the community;

2143 (C) environmental hazards, as defined in state or federal law, which require
2144 remediation as a condition for current or future use and development;

2145 (D) excessive vacancy, abandoned buildings, or vacant lots within an area zoned for
2146 urban use and served by utilities;

2147 (E) abandoned or outdated facilities that pose a threat to public health, safety, or
2148 welfare;

2149 (F) criminal activity in the survey area, higher than that of comparable [~~nonblighted~~]
2150 areas in the municipality or county that are without a development impediment; and

2151 (G) defective or unusual conditions of title rendering the title nonmarketable; and

2152 (v) (A) at least 50% of the privately owned parcels within the survey area are affected
2153 by at least one of the factors, but not necessarily the same factor, listed in Subsection (1)(a)(iv);
2154 and

2155 (B) the affected parcels comprise at least 66% of the privately owned acreage within
2156 the survey area; or

2157 (b) the survey area includes some or all of:

2158 (i) a superfund site;

2159 (ii) a site used for the disposal of solid waste or hazardous waste, as those terms are
2160 defined in Section 19-6-102;

2161 (iii) an inactive industrial site; or

2162 (iv) an inactive airport site.

2163 (2) A single parcel comprising 10% or more of the acreage within the survey area may
2164 not be counted as satisfying the requirement described in Subsection (1)(a)(iii) or (iv) unless at

2165 least 50% of the area of the parcel is occupied by buildings or improvements.

2166 (3) (a) Except as provided in Subsection (3)(b), for purposes of Subsection (1), if a
2167 participant or proposed participant involved in the project area development has caused a
2168 condition listed in Subsection (1)(a)(iv) within the survey area, that condition may not be used
2169 in the determination of [~~blight~~] a development impediment.

2170 (b) Subsection (3)(a) does not apply to a condition that was caused by an owner or
2171 tenant who later becomes a participant.

2172 Section 42. Section 17C-5-406 is amended to read:

2173 **17C-5-406. Challenging a finding of development impediment determination --**
2174 **Time limit -- Standards governing court review.**

2175 (1) If a board makes a [~~finding of blight~~] development impediment determination
2176 under Subsection 17C-5-402(2)(c)(ii) [~~and the finding is approved by resolution adopted by the~~
2177 ~~taxing entity committee~~], a record owner of property located within the survey area may
2178 challenge the [~~finding~~] determination by filing an action in the district court in the county in
2179 which the property is located no later than 30 days after the day on which the board makes the
2180 determination.

2181 [~~(2) A person shall file an action under Subsection (1) no later than 30 days after the~~
2182 ~~day on which the taxing entity committee approves the board's finding of blight.~~]

2183 [~~(3)~~] (2) In an action under this section:

2184 (a) the agency shall transmit to the district court the record of the agency's proceedings,
2185 including any minutes, findings, determinations, orders, or transcripts of the agency's
2186 proceedings;

2187 (b) the district court shall review the [~~finding of blight~~] development impediment
2188 determination under the standards of review provided in Subsection 10-9a-801(3); and

2189 (c) (i) if there is a record:

2190 (A) the district court's review is limited to the record provided by the agency; and

2191 (B) the district court may not accept or consider any evidence outside the record of the
2192 agency, unless the evidence was offered to the agency and the district court determines that the
2193 agency improperly excluded the evidence; or

2194 (ii) if there is no record, the district court may call witnesses and take evidence.

2195 Section 43. **Coordinating H.B. 245 with S.B. 98 -- Substantive amendments.**

2196 If this H.B. 245 and S.B. 98, Community Reinvestment Agency Amendments, both
2197 pass and become law, it is the intent of the Legislature that Section 17C-5-202 shall be
2198 amended to read:

2199 **"17C-5-202. Community reinvestment project area funding options.**

2200 (1) (a) [~~Except~~] Beginning on May 14, 2019, and except as provided in Subsection (2),
2201 for the purpose of receiving project area funds for use within a community reinvestment project
2202 area, an agency shall negotiate and enter into an interlocal agreement with a taxing entity in
2203 accordance with Section 17C-5-204 to receive all or a portion of the taxing entity's tax
2204 increment or sales and use tax revenue in accordance with the interlocal agreement.

2205 (b) If a community reinvestment project area is subject to an interlocal agreement
2206 under Subsection (1)(a) and the agency subsequently amends the community reinvestment
2207 project area plan as described in Subsection 17C-5-112(4), the agency shall continue to receive
2208 project area funds under the interlocal agreement.

2209 [~~(2) If an agency plans to create a community reinvestment project area and adopt a~~
2210 ~~community reinvestment project area plan that provides for the use of eminent domain to~~
2211 ~~acquire property within the community reinvestment project area, the agency shall create a~~
2212 ~~taxing entity committee as described in Section 17C-1-402 and receive tax increment in~~
2213 ~~accordance with Section 17C-5-203.;~~]

2214 [~~(3) An agency shall comply with Chapter 5, Part 3, Community Reinvestment Project~~
2215 ~~Area Budget, regardless of whether an agency enters into an interlocal agreement under~~
2216 ~~Subsection (1) or creates a taxing entity committee under Subsection (2).;~~]

2217 (2) Notwithstanding Subsection (1), an agency may receive tax increment in
2218 accordance with Section 17C-5-203 if the agency created a community reinvestment project
2219 area before May 14, 2019, that is subject to a taxing entity committee and provides for the use
2220 of eminent domain to acquire property within the community reinvestment project area.

2221 (3) Regardless of whether an agency enters into an interlocal agreement under
2222 Subsection (1) or receives tax increment under Subsection (2), an agency:

2223 (a) shall comply with Part 3, Community Reinvestment Project Area Budget; and

2224 (b) except as provided in Subsection 17C-1-409(6)(b), may not pay a taxing entity that
2225 is not the community that created the agency a one-time or ongoing:

2226 (i) administrative fee; or

2227

(ii) fee related to the creation, operation, or administration of a project area."