

1 LOCAL ECONOMIC DEVELOPMENT AMENDMENTS

2 2014 GENERAL SESSION

3 STATE OF UTAH

4 Chief Sponsor: V. Lowry Snow

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

6  
7 LONG TITLE

8 General Description:

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

10 Highlighted Provisions:

11 This bill:

12 ▶ provides that community development project area plans that are created to provide  
13 tax increment funding for development related to a specific industry or business  
14 entity are not subject to certain notice and public hearing requirements, if certain  
15 requirements are met, including that:

- 16 • the community development and renewal agency and each taxing entity and  
17 public entity that will be affected by the tax increment incentive enter into an  
18 interlocal agreement;
- 19 • the interlocal agreement is made in accordance with certain statutory provisions,  
20 including the public meeting requirements described in Section 17C-4-202;
- 21 • the primary market for the goods or services that will be created by the industry  
22 or business entity is outside of the state; and
- 23 • the specific industry or business entity receives a tax increment incentive only  
24 on a postperformance basis.

25 Money Appropriated in this Bill:

26 None

27 Other Special Clauses:



28 None

29 **Utah Code Sections Affected:**

30 ENACTS:

31 **17C-4-109**, Utah Code Annotated 1953



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

34 Section 1. Section **17C-4-109** is enacted to read:

35 **17C-4-109. Community development project area plan for a specific industry or**  
36 **business entity.**

37 (1) A community development project area plan that is created to provide a tax  
38 increment incentive for development related to a specific industry or business entity may be  
39 adopted or amended without complying with the notice and public hearing requirements of this  
40 part, if the following requirements are met:

41 (a) the agency and each taxing entity and public entity that will be affected by the tax  
42 increment incentive enter into an interlocal agreement in accordance with Title 11, Chapter 13,  
43 Interlocal Cooperation Act, and Title 17C, Chapter 4, Part 2, Funds for Community  
44 Development Project from Other Entities, including the public meeting requirements described  
45 in Section **17C-4-202**;

46 (b) the primary market for the goods or services that will be created by the industry or  
47 business entity is outside of the state; and

48 (c) a tax increment incentive is only provided to the specific industry or business entity  
49 on a postperformance basis as described in Subsection (2).

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

55 (a) capital investment in the project area;

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

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

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

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

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

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**Legislative Review Note**  
as of 2-25-14 4:21 PM

**Office of Legislative Research and General Counsel**