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LLS NO. 15-0657.01 Bob Lackner x4350 **HOUSE BILL 15-1348**

House Committees	Senate Committees
Finance	

### A BILL FOR AN ACT

**CONCERNING MODIFICATIONS TO STATUTORY PROVISIONS  
GOVERNING URBAN REDEVELOPMENT TO PROMOTE THE  
EQUITABLE FINANCIAL CONTRIBUTION AMONG AFFECTED  
PUBLIC BODIES IN CONNECTION WITH URBAN  
REDEVELOPMENT PROJECTS ALLOCATING TAX REVENUES.**

### Bill Summary

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

The bill modifies statutory provisions governing an urban renewal authority (URA) in the following respects:

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

- **Section 1** of the bill modifies the number of commissioners of a URA. Specifically, the bill deletes the requirement that a URA have an odd number of commissioners and allows a URA to have up to 13 commissioners.

- In all cases where an urban renewal plan (plan) managed by the URA includes an allocation of property tax increment generated by the mill levy imposed by one or more counties, except where the municipality is a city and county, section 1 of the bill requires one commissioner to be appointed by agreement of the boards of county commissioners of each county whose property taxes are subject to allocation under any such plan. Where any plan managed by the authority includes an allocation of property tax increment generated by the mill levy imposed by any special district or school district, one such commissioner must also be a board member of a special district whose property taxes are subject to allocation under any such plan, selected by agreement of such special districts whose property taxes are subject to allocation under any such plan, and one such commissioner must also be an elected member of a board of education of a school district, selected by agreement of the school districts whose property taxes are subject to allocation under any such plan. This section of the bill also specifies the time by which such representational appointments must be made and the terms of such appointments.

- **Section 4** of the bill imposes similar representational requirements when the governing body of a municipality designates itself as the URA.

- Under current law, if the property taxes collected as a result of the county levy will be used in the plan, the governing body of the municipality or the URA is required to submit a report discussing the impact to the county (report). **Section 2** of the bill clarifies that the report is required to be sent to the board of county commissioners and also to the governing body of each taxing entity for which the revenues from its general fund mill levy is proposed to be allocated under the plan. The report is required to be developed in consultation with such board as well any such governing bodies. This section of the bill also extends the time by which the report must be initially submitted and requires the report to address impacts on districts in addition to those of the county.

- Section 2 of the bill clarifies that the provisions in a plan allowing for tax increment financing apply with respect to the property taxes of specifically designated public bodies.

- Section 2 of the bill also requires that, in the case of the special fund established to collect the revenues from certain taxes allocated to the URA upon the payment of indebtedness, all funds remaining in the special fund that have not previously been rebated

and that originated as property tax increment generated based on the mill levy of a taxing body within the boundaries of the urban renewal area must be repaid to each taxing body based on requirements specified in the bill.

- Before any urban renewal plan containing any tax allocation provisions that allocates any taxes of any public body other than the municipality may be approved by the municipal governing body, section 2 of the bill also requires the governing body to notify the board of county commissioners of each county and the governing boards of each other public body whose property tax revenues would be allocated under such proposed plan. Representatives of the municipal governing body and each board of county commissioners and each public body are then required to meet and attempt to negotiate an agreement governing the types and limits of tax revenues of each taxing entity to be allocated to the urban renewal plan. Any allocated shared tax revenues governed by any agreement are limited to all or any portion of the taxes levied upon taxable property by the public body within the area covered by the urban renewal plan in addition to any sales tax revenues generated within the area covered by the urban renewal plan by the imposition of the sales tax of the municipality and any other public body.

- In the absence of an agreement between the municipality and any taxing entity, section 2 of the bill prohibits the percentage of property tax increment revenues of any public body that may be allocated to the URA from exceeding the percentage of municipal sales tax increment revenues allocated to the URA under the provisions of the urban renewal plan. The bill specifies the manner in which the percentage of municipal sales tax increment revenue allocated to the URA is to be determined as well as the determination of the amount of any moneys that the municipality pays to, contributes to, or invests in the URA for the project.

*Be it enacted by the General Assembly of the State of Colorado:*

**1.SECTION** In Colorado Revised Statutes, 31-25-104, **amend**

(2) (a) and (2) (b); and **add** (2) (d) as follows:

**31-25-104. Urban renewal authority.** (2) (a) (I) An authority ~~shall consist~~ CONSISTS of any ~~odd~~ number of ~~commissioners which~~  
~~shall be~~ not less than five nor more than ~~eleven~~ THIRTEEN

COMMISSIONERS, each of whom ~~shall~~ MUST be appointed by the mayor, who shall designate the ~~chairman~~ CHAIRPERSON for the first year; ~~Such~~ EXCEPT THAT, IN ALL CASES WHERE ANY URBAN RENEWAL PLAN MANAGED BY THE AUTHORITY INCLUDES AN ALLOCATION OF PROPERTY TAX INCREMENT GENERATED BY THE MILL LEVY IMPOSED BY ONE OR MORE COUNTIES, AND EXCEPT WHERE THE MUNICIPALITY IN WHICH THE AUTHORITY HAS BEEN ESTABLISHED IS A CITY AND COUNTY, ONE SUCH COMMISSIONER MUST BE APPOINTED BY AGREEMENT OF THE BOARDS OF COUNTY COMMISSIONERS OF EACH COUNTY WHOSE PROPERTY TAXES ARE SUBJECT TO ALLOCATION UNDER ANY SUCH PLAN. THE COMMISSIONER APPOINTED BY AGREEMENT BETWEEN OR AMONG THE BOARDS OF COUNTY COMMISSIONERS MUST BE EITHER A MEMBER OF ONE SUCH BOARD OR A DESIGNEE APPOINTED BY SUCH BOARDS WHO SERVES AT THE PLEASURE OF SUCH BOARDS. WHERE ANY URBAN RENEWAL PLAN MANAGED BY THE AUTHORITY INCLUDES AN ALLOCATION OF PROPERTY TAX INCREMENT GENERATED BY THE MILL LEVY IMPOSED BY ANY SPECIAL DISTRICT OR SCHOOL DISTRICT, ONE SUCH COMMISSIONER MUST ALSO BE A BOARD MEMBER OF A SPECIAL DISTRICT WHOSE PROPERTY TAXES ARE SUBJECT TO ALLOCATION UNDER ANY SUCH PLAN, SELECTED BY AGREEMENT OF SPECIAL DISTRICTS WHOSE PROPERTY TAXES ARE SUBJECT TO ALLOCATION UNDER ANY SUCH PLAN, AND ONE SUCH COMMISSIONER MUST ALSO BE AN ELECTED MEMBER OF A BOARD OF EDUCATION OF A SCHOOL

DISTRICT, SELECTED BY AGREEMENT OF THE SCHOOL DISTRICTS WHOSE PROPERTY TAXES ARE SUBJECT TO ALLOCATION UNDER ANY SUCH PLAN. ANY INDIVIDUAL APPOINTED AS A COMMISSIONER REPRESENTING A SPECIAL DISTRICT OR A SCHOOL DISTRICT PURSUANT TO THIS SUBPARAGRAPH (I) MUST BE EITHER A MEMBER OF ONE SUCH BOARD OF DIRECTORS OR BOARD OF EDUCATION, AS APPLICABLE, OR A DESIGNEE APPOINTED BY SUCH BOARDS WHO SERVES AT THE PLEASURE OF SUCH BOARDS. IN ITS SOLE DISCRETION, A COUNTY, SPECIAL DISTRICT, OR SCHOOL DISTRICT MAY DECLINE TO FILL A COMMISSIONER APPOINTMENT AUTHORIZED UNDER THIS SUBPARAGRAPH (I).

(II) ALL MAYORAL appointments TO THE AUTHORITY MADE PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (a) and ~~designation shall be~~ CHAIR DESIGNATIONS ARE subject to approval by the governing body. Not more than one of the commissioners APPOINTED BY THE MAYOR may be an official of the municipality. In the event that an official of the municipality is appointed as commissioner of an authority, acceptance or retention of such appointment ~~shall not be~~ IS NOT deemed a forfeiture of his OR HER office, or incompatible therewith, ~~or~~ AND DOES NOT affect his OR HER tenure or compensation in any way. The term of office of a commissioner of an authority who is a municipal official ~~shall~~ IS not ~~be~~ affected or curtailed by the expiration of the term of his OR HER municipal office.

(b) The commissioners who are first appointed ~~shall~~ MUST be designated by the mayor to serve for staggered terms so that the term of at least one commissioner will expire each year. Thereafter, the term of office ~~shall be~~ IS five years. A commissioner ~~shall hold~~ HOLDS office until his OR HER successor has been appointed and has qualified. Vacancies other than by reason of expiration of terms ~~shall~~ MUST be filled by the mayor for the unexpired term; EXCEPT THAT A VACANCY OF A COUNTY-APPOINTED SEAT MUST BE FILLED BY AGREEMENT BY THE BOARDS OF COUNTY COMMISSIONERS FOR THE UNEXPIRED TERM, A VACANCY OF THE SPECIAL DISTRICT-APPOINTED SEAT MUST BE FILLED BY AGREEMENT OF THE AFFECTED SPECIAL DISTRICTS, AND A VACANCY OF THE SCHOOL DISTRICT-APPOINTED SEAT MUST BE FILLED BY AGREEMENT OF THE AFFECTED SCHOOL DISTRICTS. A majority of the commissioners ~~shall constitute~~ CONSTITUTES a quorum. The mayor shall file with the clerk a certificate of the appointment or reappointment of any commissioner, and such certificate ~~shall be~~ IS conclusive evidence of the due and proper appointment of such commissioner. A commissioner ~~shall receive~~ RECEIVES no compensation for his OR HER services, but ~~he shall be~~ IS entitled to the necessary expenses, including traveling expenses, incurred in the discharge of his OR HER duties.

(d) (I) ANY ADDITIONAL COMMISSIONER APPOINTMENTS REPRESENTING ONE OR MORE COUNTIES, SPECIAL DISTRICTS, OR

SCHOOL DISTRICTS PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (2) MUST BE MADE BY THE APPLICABLE APPOINTING AUTHORITY NOT LESS THAN ONE HUNDRED TWENTY DAYS BEFORE THE DATE OF THE ADOPTION OR MODIFICATION OF ANY URBAN RENEWAL PLAN THAT ALLOCATES ANY PORTION OF THE PROPERTY TAX INCREMENT GENERATED BY THE MILL LEVY IMPOSED BY SUCH COUNTY, SPECIAL DISTRICT, OR SCHOOL DISTRICT.

(II) THE TERM OF OFFICE FOR A COMMISSIONER REPRESENTING ONE OR MORE COUNTIES, SPECIAL DISTRICTS, OR SCHOOL DISTRICTS PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (2) IS FIVE YEARS AND ANY SUCH COMMISSIONER MAY BE APPOINTED BY HIS OR HER APPOINTING AUTHORITY FOR AN UNLIMITED NUMBER OF ADDITIONAL TERMS UNTIL EITHER THE URBAN RENEWAL PLAN OR THE USE UNDER THE PLAN OF PROPERTY TAX INCREMENT REVENUE GENERATED BY THE MILL LEVY IMPOSED BY THE PARTICULAR APPOINTING AUTHORITY TERMINATES, WHICHEVER IS EARLIER.

**2.SECTION** In Colorado Revised Statutes, 31-25-107, **amend** (3.5), (3.7), (9) (a) introductory portion, and (9) (a) (II); and **add** (9.5) as follows:

**31-25-107. Approval of urban renewal plans by local governing body.** (3.5) (a) At least ~~thirty~~ NINETY days prior to the hearing on an urban renewal plan or a substantial modification to such plan, regardless of when the urban renewal plan was first approved, the

governing body or the authority shall submit such plan or modification to the board of county commissioners, and, if property taxes collected as a result of the county levy will be utilized, the governing body or the authority shall also submit an urban renewal impact report ~~which shall include~~, TO THE BOARD OF COUNTY COMMISSIONERS AND TO THE GOVERNING BODY OF EACH TAXING ENTITY FOR WHICH THE REVENUES FROM ITS GENERAL FUND MILL LEVY IS PROPOSED TO BE ALLOCATED UNDER THE PLAN. THE URBAN RENEWAL IMPACT REPORT MUST BE DEVELOPED IN CONSULTATION WITH SUCH BOARD OF COUNTY COMMISSIONERS AND ANY SUCH GOVERNING BODIES AND MUST INCLUDE, at a minimum, the following information concerning the impact of such plan:

(I) The estimated duration of time to complete the urban renewal project;

(II) The estimated annual property tax increment to be generated by the urban renewal project and the portion of such property tax increment to be allocated during this period to fund the urban renewal project;

(III) An estimate of the impact of the urban renewal project on county AND DISTRICT revenues and on the cost and extent of additional county AND DISTRICT infrastructure and services required to serve development within the proposed urban renewal area, and the benefit of improvements within the urban renewal area to existing county AND



DISTRICT infrastructure;

(IV) A statement setting forth the method under which the authority or the municipality will finance, or that agreements are in place to finance, any additional county AND DISTRICT infrastructure and services required to serve development in the urban renewal area for the period in which all or any portion of the property taxes described in subparagraph (II) of paragraph (a) of subsection (9) of this section and levied by a county OR DISTRICT are paid to the authority; and

(V) Any other estimated impacts of the urban renewal project on county AND DISTRICT services or revenues.

(b) The inadvertent failure of a governing body or an authority to submit an urban renewal plan, substantial modification to the plan, or an urban renewal impact report, as applicable, to a board of county commissioners OR TO THE GOVERNING BODY OF A TAXING ENTITY in accordance with ~~the requirements of~~ paragraph (a) of this subsection (3.5) ~~shall neither create~~ CREATES a cause of action in favor of any party nor ~~invalidate~~ INVALIDATES any urban renewal plan or modification to the plan.

(c) Notwithstanding any other provision of this section, a city and county shall not be required to submit an urban renewal impact report satisfying the requirements of paragraph (a) of this subsection (3.5).

(3.7) Upon request of the governing body or the authority, each county AND DISTRICT that is entitled to receive a copy of the plan ~~shall~~ MUST provide available county AND DISTRICT data and projections to assist the governing body or the authority in preparing the urban renewal impact report required pursuant to subsection (3.5) of this section.

(9) (a) Notwithstanding any law to the contrary, any urban renewal plan, as originally approved or as later modified pursuant to this part 1, may contain a provision that THE PROPERTY taxes OF SPECIFICALLY DESIGNATED PUBLIC BODIES, if any, levied after the effective date of the approval of such urban renewal plan upon taxable property in an urban renewal area each year or that municipal sales taxes collected within said area, or both such taxes, by or for the benefit of ~~any~~ THE DESIGNATED public body ~~shall~~ MUST be divided for a period not to exceed twenty-five years after the effective date of adoption of such a provision, as follows:

(II) That portion of said property taxes or all or any portion of said sales taxes, or both, in excess of the amount of property taxes or sales taxes paid into the funds of each such public body in accordance with the requirements of subparagraph (I) of this paragraph (a) ~~shall~~ MUST be allocated to and, when collected, paid into a special fund of the authority to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans or advances to, or

indebtedness incurred by, whether funded, refunded, assumed, or otherwise, the authority for financing or refinancing, in whole or in part, an urban renewal project, or to make payments under an agreement executed pursuant to subsection (11) of this section. Any excess municipal sales tax collections not allocated pursuant to this subparagraph (II) ~~shall~~ MUST be paid into the funds of the municipality. Unless and until the total valuation for assessment of the taxable property in an urban renewal area exceeds the base valuation for assessment of the taxable property in such urban renewal area, as provided in subparagraph (I) of this paragraph (a), all of the taxes levied upon the taxable property in such urban renewal area ~~shall~~ MUST be paid into the funds of the respective public bodies. Unless and until the total municipal sales tax collections in an urban renewal area exceed the base year municipal sales tax collections in such urban renewal area, as provided in subparagraph (I) of this paragraph (a), all such sales tax collections ~~shall~~ MUST be paid into the funds of the municipality. When such bonds, loans, advances, and indebtedness, if any, including interest thereon and any premiums due in connection therewith, have been paid, all taxes upon the taxable property or the total municipal sales tax collections, or both, in such urban renewal area ~~shall~~ MUST be paid into the funds of the respective public bodies, AND ALL FUNDS REMAINING IN THE SPECIAL FUND ESTABLISHED PURSUANT TO THIS SUBPARAGRAPH (II) THAT HAVE NOT PREVIOUSLY

BEEN REBATED AND THAT ORIGINATED AS PROPERTY TAX INCREMENT GENERATED BASED ON THE MILL LEVY OF A TAXING BODY WITHIN THE BOUNDARIES OF THE URBAN RENEWAL AREA MUST BE REPAYED TO EACH TAXING BODY BASED ON THE PRO RATA SHARE OF THE TOTAL MILL LEVY ATTRIBUTABLE TO EACH TAXING BODY'S MILL LEVY IN THE LAST YEAR IN WHICH PROPERTY TAXES WERE DIVIDED PURSUANT TO THIS SUBSECTION (9). ANY FUNDS REMAINING IN THE SPECIAL FUND NOT GENERATED BY PROPERTY TAX INCREMENT ARE EXCLUDED FROM ANY SUCH REPAYMENT REQUIREMENT.

(9.5) (a) BEFORE ANY URBAN RENEWAL PLAN CONTAINING ANY TAX ALLOCATION PROVISIONS THAT ALLOCATES ANY TAXES OF ANY PUBLIC BODY OTHER THAN THE MUNICIPALITY MAY BE APPROVED BY THE MUNICIPAL GOVERNING BODY PURSUANT TO SUBSECTION (9) OF THIS SECTION, THE GOVERNING BODY SHALL NOTIFY THE BOARD OF COUNTY COMMISSIONERS OF EACH COUNTY AND THE GOVERNING BOARDS OF EACH OTHER PUBLIC BODY WHOSE PROPERTY TAX REVENUES WOULD BE ALLOCATED UNDER SUCH PROPOSED PLAN. REPRESENTATIVES OF THE MUNICIPAL GOVERNING BODY AND EACH BOARD OF COUNTY COMMISSIONERS AND EACH PUBLIC BODY SHALL THEN MEET AND ATTEMPT TO NEGOTIATE AN AGREEMENT GOVERNING THE TYPES AND LIMITS OF TAX REVENUES OF EACH TAXING ENTITY TO BE ALLOCATED TO THE URBAN RENEWAL PLAN. THE AGREEMENT MUST ADDRESS, WITHOUT LIMITATION, ESTIMATED IMPACTS OF THE URBAN

RENEWAL PLAN ON COUNTY OR DISTRICT SERVICES OR REVENUES. THE AGREEMENT MAY BE ENTERED INTO SEPARATELY BETWEEN THE MUNICIPALITY AND EACH SUCH COUNTY OR OTHER PUBLIC BODY, OR THROUGH A JOINT AGREEMENT BETWEEN THE MUNICIPALITY AND ANY PUBLIC BODY THAT HAS CHOSEN TO ENTER THAT AGREEMENT. ANY SUCH ALLOCATED SHARED TAX REVENUES GOVERNED BY ANY AGREEMENT ARE LIMITED TO ALL OR ANY PORTION OF THE TAXES LEVIED UPON TAXABLE PROPERTY BY THE PUBLIC BODY WITHIN THE AREA COVERED BY THE URBAN RENEWAL PLAN IN ADDITION TO ANY SALES TAX REVENUES GENERATED WITHIN THE AREA COVERED BY THE URBAN RENEWAL PLAN BY THE IMPOSITION OF THE SALES TAX OF THE MUNICIPALITY AND ANY OTHER PUBLIC BODY.

(b) THE AGREEMENT DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (9.5) MAY PROVIDE FOR A WAIVER OF ANY PROVISION OF THIS PART 1 THAT PROVIDES FOR NOTICE TO THE PUBLIC BODY, REQUIRES ANY FILING WITH OR BY THE PUBLIC BODY, REQUIRES OR PERMITS CONSENT FROM THE PUBLIC BODY, OR PROVIDES ANY ENFORCEMENT RIGHT TO THE PUBLIC BODY. THE MUNICIPALITY MAY DELEGATE TO THE AUTHORITY THE RESPONSIBILITY FOR NEGOTIATING THE AGREEMENT DESCRIBED IN THIS SUBSECTION (9.5) AS LONG AS FINAL APPROVAL OF THE PLAN OR ANY MODIFICATION OF THE PLAN IS MADE BY THE GOVERNING BODY OF THE MUNICIPALITY IN ACCORDANCE WITH SUBSECTION (4) OF THIS SECTION.

(c) IF, AFTER A PERIOD OF ONE HUNDRED TWENTY DAYS FROM THE DATE OF NOTICE OR SUCH LONGER PERIOD AS THE MUNICIPAL GOVERNING BODY AND ANY PUBLIC BODY MAY AGREE, THERE IS NO AGREEMENT BETWEEN THE MUNICIPAL GOVERNING BODY AND ANY PUBLIC BODY AS DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (9.5), THE PROVISIONS AND LIMITATIONS OF PARAGRAPH (d) OF THIS SUBSECTION (9.5) GOVERN THE ALLOCATION OF TAX REVENUES FOR EACH PUBLIC BODY FOR WHICH THERE IS NO AGREEMENT.

(d) (I) IN THE ABSENCE OF AN AGREEMENT BETWEEN THE MUNICIPALITY AND ANY TAXING ENTITY AS DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (9.5), THE PERCENTAGE OF PROPERTY TAX INCREMENT REVENUES OF ANY PUBLIC BODY THAT MAY BE ALLOCATED TO THE AUTHORITY PURSUANT TO SUBPARAGRAPH (II) OF PARAGRAPH (a) OF SUBSECTION (9) OF THIS SECTION SHALL NOT EXCEED THE PERCENTAGE OF MUNICIPAL SALES TAX INCREMENT REVENUES ALLOCATED TO THE AUTHORITY PURSUANT TO SAID SUBPARAGRAPH (II) UNDER THE PROVISIONS OF THE PLAN, AS ORIGINALLY APPROVED AND AS IT MAY BE LATER MODIFIED.

(II) ANY AMOUNT OF FUNDS THAT ARE SUBJECT TO EXEMPTIONS, REBATES, OR REPAYMENTS THAT ARE PAID OR THAT ARE REQUIRED OR CONTRACTED TO BE PAID TO THE MUNICIPALITY MUST BE EXCLUDED IN DETERMINING THE PERCENTAGE OF MUNICIPAL SALES TAX INCREMENT REVENUE ALLOCATED TO THE AUTHORITY.

(III) WITHIN THE TWELVE-MONTH PERIOD PRIOR TO THE EFFECTIVE DATE OF THE APPROVAL OR MODIFICATION OF THE URBAN RENEWAL PLAN REQUIRING THE ALLOCATION OF MONEYS TO AN AUTHORITY PURSUANT TO PARAGRAPH (a) OF SUBSECTION (9) OF THIS SECTION, THE AMOUNT OF ANY MONEYS THAT THE MUNICIPALITY PAYS TO, CONTRIBUTES TO, OR INVESTS IN THE AUTHORITY FOR THE PROJECT, OR THAT ARE SPENT BY A PRIVATE ENTITY FOR WHICH THE MUNICIPALITY HAS AGREED IN WRITING TO REIMBURSE THE ENTITY WITH SALES TAX REVENUE COLLECTED IN THE AREA OF THE URBAN RENEWAL PROJECT, IS TO BE DETERMINED BY THE MUNICIPALITY AND THE AUTHORITY PRIOR TO THE ALLOCATION OF REVENUES PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (d) AND THE MUNICIPALITY IS ENTITLED TO REIMBURSEMENT OF SUCH AMOUNT FROM THE SPECIAL FUND OF THE AUTHORITY ESTABLISHED PURSUANT TO PARAGRAPH (a) OF SUBSECTION (9) OF THIS SECTION.

**3.SECTION** In Colorado Revised Statutes, 31-25-115, **add** (1.5) as follows:

**31-25-115. Transfer - abolishment.** (1.5) WHEN THE GOVERNING BODY OF A MUNICIPALITY DESIGNATES ITSELF AS THE AUTHORITY OR TRANSFERS AN EXISTING AUTHORITY TO THE GOVERNING BODY AND WHERE AN URBAN RENEWAL PLAN MANAGED BY THE GOVERNING BODY INCLUDES AN ALLOCATION OF PROPERTY TAX INCREMENT GENERATED BY THE MILL LEVY IMPOSED BY ONE OR MORE

COUNTIES, THE BOARDS OF COUNTY COMMISSIONERS OF EACH COUNTY WHOSE PROPERTY TAXES ARE SUBJECT TO ALLOCATION UNDER ANY SUCH PLAN MAY, BY AGREEMENT, APPOINT ONE COMMISSIONER TO THE AUTHORITY. WHERE ANY URBAN RENEWAL PLAN MANAGED BY THE AUTHORITY INCLUDES AN ALLOCATION OF PROPERTY TAX INCREMENT GENERATED BY THE MILL LEVY IMPOSED BY ANY SPECIAL DISTRICT OR SCHOOL DISTRICT, THE SPECIAL DISTRICTS AND SCHOOL DISTRICTS WHOSE PROPERTY TAXES ARE SUBJECT TO ALLOCATION UNDER ANY SUCH PLAN MAY EACH ALSO APPOINT ONE BOARD MEMBER TO THE AUTHORITY. APPOINTMENTS MADE PURSUANT TO THIS SUBSECTION (1.5) MUST BE MADE IN ACCORDANCE WITH THE PROCEDURES SPECIFIED IN SECTION 31-25-104 (2).

**4.SECTION Act subject to petition - effective date - applicability.** (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 5, 2015, if adjournment sine die is on May 6, 2015); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2016 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.



(2) This act applies to:

(a) Urban renewal authorities and any urban renewal plans created or modified on or after January 1, 2016; and

(b) Urban renewal authorities considering urban renewal plan amendments or modifications, including, without limitation, any addition of an urban renewal project; an alteration of urban renewal area boundaries; any change in the structure of the tax increment financing components of the plan, including, without limitation, any change in the mill levy on the sales tax component of the plan or any modifications of the percentages of sales tax increment revenue used in the plan; or an extension of an urban renewal plan or the duration of specific projects regardless of whether such extension or related changes in duration require actual alteration of the terms of the urban renewal plan.