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MEMORANDUM

TO: Members, Utah State Board of Education

FROM: Martell Menlove, Ph.D.
Chief Executive Officer

DATE: May 9, 2014

INFORMATION: Outcome of Taxing Entity Committee (TEC) Meetings

Background:

UCA 17C-1-402 (11) states:

Each time a school district representative or a representative of the State Board of Education votes as a member of a taxing entity committee to allow an agency to be paid tax increment or to increase the amount or length of time that an agency may be paid tax increment, that representative shall, within 45 days after the vote, provide to the representative's respective school board an explanation in writing of the representative's vote and the reasons for the vote.

Additionally, State Board policy now requires a report back to the Board each time there is a positive or negative Taxing Entity Committee project vote on all Community Development and Renewal Agency project budgets.

Key Points:

The outcome of the Taxing Entity Committee for the Redevelopment Agency of Mt. Pleasant City held March 31, 2014, will be reported to the Finance Committee.

Anticipated Action:

No action is required.

Contact: Bruce Williams, Associate Superintendent, 801-538-7514
David Roberts, School Finance Director, 801-538-7668
Cathy Dudley, MSP Budget and Property Tax Specialist, 801-538-7667



**Redevelopment Taxing Entity Committee Actions
and Reasons for the Vote
May 9, 2014**

First Redevelopment Agency Taxing Entity Committee Action

Summary of Action:

On March 31, 2014, the City of Mt. Pleasant Redevelopment Agency Taxing Entity Committee approved the budget (6 to 0 – Dave Cox and Leslie Kiesel were absent) for the Neighborhood Development Project Area Budget. Cathy Dudley voted to approve this budget, along with the school district.

Overview of activities to be funded:

The project area was created and approved in 1982, and in 2008, the project area was extended another seven years (through 2015). That additional tax increment was pledged to and used solely to pay for land or the cost of the installation and construction of a facility that would serve the community as a convention center and sports complex. The Redevelopment Agency of Mt. Pleasant City wanted to extend the Neighborhood Development Project Area another three years to recoup funds that were not paid to them between 1999 and 2011.

Redevelopment Agency Request:

The Agency has requested that the Taxing Entity Committee authorize an extension of the collection of tax increment for three years until tax year 2018. This will enable the Agency to collect sixty (60) percent of the available tax increment from the project area. The tax increment collected by the Agency for tax years 2016 through 2018 will be limited to a total amount of \$492,003, which is equal to the amount of tax increment to which the Agency was entitled that was not paid for tax years 1999 through 2011.

Reasons for the vote:

The reasons for the vote in favor of this new project budget are as follows:

- To allow the Agency to recoup funds they were entitled to, but did not receive;
- The North Sanpete School Board supported this extension;

A summary of all Redevelopment and Economic Development projects reviewed by Taxing Agency and Taxing Entity Committees, as well as the outcome of TAC/TEC actions, from June 1993 to the present appears on the USOE, School Finance and Statistics web page at:

<http://schools.utah.gov/finance/Property-Tax/Redevelopment.aspx>