

THE CITY OF WEST JORDAN COMMITTEE OF THE WHOLE April 12, 2023

Thomas M. Rees Justice Center 8040 S Redwood Road West Jordan, UT 84088

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WORK SESSION 6:00 pm (or as soon thereafter as possible)

1. CALL TO ORDER

2. DISCUSSION TOPICS

a. Discuss participation in the Salt Lake County Convention and Tourism Assessment Area ("SLCo CTAA")

3. ADMINISTRATIVE ITEMS

4. ADJOURN

UPCOMING CITY COUNCIL MEETINGS

- Thursday, April 13, 2023 Committee of the Whole Meeting 6:00p
- Wednesday, April 26, 2023 Regular City Council Meeting 6:00p
- Tuesday, May 9, 2023 Committee of the Whole Meeting 6:00p
- Wednesday, May 10, 2023 Regular City Council Meeting 6:00p

- Wednesday, May 17, 2023 Committee of the Whole Meeting 6:00p
- Wednesday, May 24, 2023 Regular City Council Meeting 6:00p

Interested parties may contact the Council PRIOR to the meeting in one of the following ways: (your comment will not be part of the meeting but will be provided to all members of the entire City Council)

- Call the 24-hour Public Comment Line PRIOR to the meeting and leave a message: **(801) 569-5052**. Please include your name and phone number.
- Send an email to <u>councilcomments@westjordan.utah.gov</u>. Please include your name and phone number.

You can follow the City Council on Twitter @WJCityCouncil and on Facebook @WestJordanCityCouncil

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ELECTRONIC PARTICIPATION

One or more council members may participate electronically in this meeting using online video conferencing technology per Utah Code (§52-4-207) and West Jordan City Ordinance 1-13-1-E. Members' participation via electronic communication will be broadcast and amplified so other Council Members and all other persons present in the Council Chambers will be able to hear or see the communication.

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CERTIFICATE OF POSTING

I certify that the foregoing agenda was posted at the principal office of the public body, on the Utah Public Notice website https://www.utah.gov/pmn/, on West Jordan City's website https://westjordan.primegov.com/public/portal, and notification was sent to the Salt Lake Tribune, Deseret News, and the West Jordan Journal.

Please note: agenda items are subject to change and may be reordered or tabled in order to accommodate the needs of the City Council, staff, and the public.

Posted and dated April 6, 2023 Cindy M. Quick, MMC, Council Office Clerk



REQUEST FOR COUNCIL ACTION

Action: Request feedback from Council Meeting Date Requested : 04/12/2023

Presenter: Chris Pengra Deadline of item : 05/15/2023

Applicant: Clay Partain from Sports Salt Lake

Department Sponsor: Economic Development

Agenda Type: DISCUSSION TOPICS

Time Requested: 10 minutes presentation, 10 minutes council (Council may elect to provide more or less time)

1. AGENDA SUBJECT

Discuss participation in the Salt Lake County Convention and Tourism Assessment Area ("SLCo CTAA")

2. EXECUTIVE SUMMARY

Council is being asked whether or not they wish to participate in the SLCo CTAA. The SLCo CTAA is a benefit assessment district proposed to create a revenue source to provide specific benefits to payors by funding brand development and sales promotional efforts for assessed hotel businesses.

Lodging business owners decided to pursue formation of the SLCo CTAA in order to create a revenue source devoted to marketing Salt Lake County as a tourist, meeting, and event destination. If established, the SLCo CTAA would generate an estimated \$7,500,000 in the initial year of operation for promotion of travel and tourism specific to the represented area within Salt Lake County.

An assessment is levied upon benefitted property, identified as lodging businesses as defined in the SLCo CTAA Management Plan. The proposed SLCo CTAA includes all lodging businesses, existing and future located within the boundaries of the West Valley, Taylorsville, West Jordan, Township of Kearns, Sandy, South Jordan, Riverton, Draper, and zip codes 84103, 84101, and 84111 in Salt Lake City.

CTAAs utilize the efficiencies of private sector operations in the market-based promotion of tourism. These special assessment districts allow lodging business owners to organize their efforts to increase tourism. Lodging business owners within the CTAA fund the CTAA, and those funds are used to provide services that are desired by and benefit the lodging businesses within the CTAA.

CTAAs are formed pursuant to Convention and Tourism Business Assessment Area Act, Title 11, Chapter 42b. This law allows for the creation of a CTAAs to raise funds within a specific geographic area.

3. TIME SENSITIVITY / URGENCY

Salt Lake County Council requires a resolution of participation in late May 2023.

4. FISCAL NOTE

None immediately. Because SLCo CTAA programs are intended to increase room night sales for assessed businesses within the SLCo CTAA, there may be an increase in tax collections.

Salt Lake County would receive a fee equal to one percent (1%) of the amount of assessment collected, or the actual cost, to cover their costs of collection and administration.

5. PLANNING COMMISSION RECOMMENDATION

N/A

6. STAFF ANALYSIS

The benefit to West Jordan cannot be quantified at this time, however it is expected that existing West Jordan hotels would benefit from sports related marketing investments targeting certain sports venues including the Olympic Oval, and other regional amenities in close proximity to West Jordan. New hotels are also going through the permitting process, which is expected to increase City tax revenue, in addition to CTAA resources for additional investment in sports related tourism.

7. MOTION RECOMMENDED

No motion is necessary, but feedback is appreciated.

8. MAYOR RECOMMENDATION

N/A

9. PACKET ATTACHMENT(S)

CTAA One Sheet West Region

10. OTHER INFORMATION

Utah Code Title 11 Chapter 42b Convention and Tourism Business Assessment Area Act

THE OPPORTUNITY TO LEVERAGE CTAA LEGISLATION IN THE WEST REGION

When comparing our annual budget to destination marketing organizations with whom we are competing for meetings, conventions, sports, and leisure visitors, Visit Salt Lake is one of the least funded organizations.

CTAAs are an effective and proven solution for destination marketing and sales funding. Over 200 CTAAs have been established across the USA, and Salt Lake County is currently at a funding disadvange to drive demand for the destination.

There are many benefits to CTTAs:

- Pass through paid by visitors—not a tax and no additional charges to properties;
- Drives increased demand and increases participating hotel sales and revenues;
- Hotel led initiative that will have oversight by you and your peers;
- Will not put us at a disadvantage for room costs;
- Funds must be spent on services and improvements that provide a specific benefit to you;
- Will provide a stable, long-term funding source for tourism promotion to keep Salt Lake competitive.

City	Bed Tax Amount*	Tourism Assessment	Total Pass Thru To Guest
San Antonio	16.75%	1.25%	18.00%
Nashville	15.25% + \$2.50 CC tax		15.25% + \$2.50 CC Tax
Seattle	15.60%	\$2.00	15.60% + \$2.00
Anaheim	15.20%	2.0%	17.20%
Austin**	17.00%		17.00%
Houston	17.00%		17.00%
Long Beach	13.20%	3.0%	16.20%
Denver	14.75%	1.0%	15.75%
Los Angeles	14.20%	1.5%	15.70%
Portland	13.00%	2.0%	15.00%
Salt Lake	13.82%		13.82%
Reno	13.50%		13.50%
Phoenix	12.57%		12.57%

Destination	DMO Total Budget ^
Discover Los Angeles	\$ 58,000,000
Visit Denver	\$ 38,800,000
Visit San Antonio	\$ 35,400,000
Visit Reno Tahoe	\$ 30,000,000
Visit Houston	\$ 27,600,000
Travel Portland	\$ 26,812,000
Visit Music City	\$ 25,000,000
Visit Seattle	\$ 23,500,000
Visit Anaheim	\$ 21,500,000
Visit Phoenix	\$ 16,500,000
Visit Austin	\$ 15,700,000
Visit Salt Lake	\$ 12,400,000
Visit Long Beach	\$ 4,200,000

Pink highlighted cities have assessments in place. Average Lodging Charge for Top 100 Cities – 14.92% Average Lodging Charge for Cities w/ 350k+ Residents – 15.91%

WEST REGION PARTICIPATION

West Region Hotels: 19

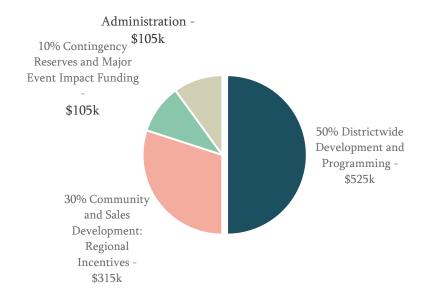
Estimated Total Contribution from West Region Hotels with 2% Assessment Rate: \$1,050,000 (14% of total)

Total Hotels Across 3 Participating Districts (Convention, West Region, South Region): 77 Esimated Total Contribution from All District Hotels with 2% Assessment Rate: \$7,500,000

^{*}Includes all bed taxes and other fees

^{**}TID Formation in Progress

CTAA'S PROPOSED PARAMETERS



Districtwide Development & Programming: For every \$1 spent on districtwide advertising, \$6+ will be returned on investment.

- Districtwide marketing campaigns to drive demand for West Region and Salt Lake
- Performance marketing and OTA campaigns to drive West Region room nights during holidays and need periods highlighting unique West Region benefits like proximity to the Maverik Center, USANA amphitheater and other attractions;
- Districtwide event booking incentives and sale co-op programming;
- Tourism experience development and promotion to increase length of stay
- West Region visitor profile research

Community & Sales Development – Regional Incentives:

Thirty percent of the budget shall be dedicated to individual regions for region-specific visitor economy improvement activities.

- Tourism infrastructure and facility enhancement. This could include additional bleachers, scoreboards, or other similar upgrades at existing venues to enhance their competitive edge. Another example might be snapcourt flooring for spaces such as Olympic Oval or other indoor spaces to allow for conversion to basketball, pickleball, or volleyball courts.
- Attracting large events that would directly impact the West Region, with examples such as an esports championships at Maverik (20,000 rooms), USA Curling at the Oval (10,000 rooms), USA Softball Nationals (50,000 rooms), among others. The limitations on venues in the West Region has been mostly associated with rental rates. The larger national events typically demand a competitive package to book with a destination. This often includes heavily discounted rental at venues. Transportation is another limiting factor in the West Region. Often sports groups desire walking distance venues from hotels. Venues such as the Olympic Oval do not have any walkable hotels. CTAA funds could be used to supplement transportation between venue and hotel for certain sports events.
- Sports, meeting, & convention growth through booking incentives and sales co-op programming; and
- Creative advertising and content development

Contingency Reserves and Major Event Impact Funding: The budget for continency, reserves, and a major event impact fund shall be ten percent (10%) of the assessment budget. Can fund bringing major events, like the National Senior Games to Salt Lake that will generate rooms in the West Region.

Boundaries:





Assessment Rate:

2% of gross short-term guest room rental revenue

Governance:

The CTAA shall be managed by a non-profit organization, primarily engaged in the marketing and promotion of Salt Lake County, which shall enter into a contract with Salt Lake County to provide the beneficial activities in accordance with this Management Plan. The third-party administrator shall establish a CTAA Management Committee ("Committee").

Every property will have a seat at the table to oversee how funds are spend with a committee chair elected by you and your district peers to reporesent your hotel.

The SLCo CTAA will have a five (5) year life, beginning May 1, 2023, or as soon as possible thereafter and end five (5) years from its start date.

CTAA and TRT Funding

80% of the proposed CTAA budget is recommended to be applied towards Districtwide Development and region-specific Community Development & Sales Incentives. If this additional funding is secured, VSL will have the opportunity to make a dramatic impact on the districtwide visitor economy in several key areas outlined in the tables below (estimated).

Marketing With TRT Funding Only	Marketing With CTAA Funding
Reach up to 27MM* people with ad spend with 3.54 frequency (*Estimated)	Reach up to 50MM* people with ad spend with 6 frequency, 69% reach increase with 92% frequency increase (*Estimated)
Fluid Geo Targeting for Summer and Winter: Los Angeles, Denver, Austin, Dallas, San Fran, New York/New Jersey	Fluid Geo Targeting Summer: Los Angeles, Denver, Austin, Dallas, San Francisco Winter: National targeting with heavy up in regional markets (several market increases) 4 Connected TV Markets for hero video to increase ad effectiveness: Denver, Dallas, San Fran, Los Angeles
Adara impact bookings estimated \$12.6MM*	Adara impact bookings estimated \$70MM*, 550% increase in Adara impact bookings from TRT
(*Estimated)	(*Estimated)

Meetings, Conventions, and Sports with TRT Funding Only	Meetings, Conventions, and Sports with CTAA Funding
Utilize promotional funds to incentivize large conventions to book Salt Lake, on track to nearly 900,000 room nights in 2023	Book three additional citywide conventions every year. Average of \$4,631,670 in delegate spending or \$13,895,010 for 3 new citywide bookings
Influence direct delegate spending of \$399,000,000+	Increase the average citywide convention size by 10% – increasing each citywide by 477 attendees and \$463,167 in Delegate spending per citywide
Host, trade shows, deploy sales staff in key focused markets, host familiarization trips for small groups of select convention and sports event planners	Hire a fourth National Sales Manager to pursue meetings with 201-1,700 attendees – resulting in 225,000 additional room nights
\$102 million in total economic impact from sports	Book 7-10 additional events and 2-3 "higher caliber" (defined as larger events with less direct impact by high profile media exposure opportunities) sports events per year, providing an additional direct impact of \$20-30 million in total economic impact

Community Development with TRT Funding Only	Community Development with CTAA Funding
	Investment into sports facilities to maintain and attract new sports tournaments in the West Region
	Work with hotels to activate regions during Districtwide events to encourage guest participation in the community
	Identify environmental sustainability initiatives the hotel industry can participate in to elevate Salt Lake's perception
	Develop a program to elevate tourism champions for workforce development & increase voluntourism opportunities for community engagement

Effective 5/4/2022

Chapter 42b Convention and Tourism Business Assessment Area Act

11-42b-101 Definitions.

As used in this chapter:

- (1) "Assessment" means the assessment that a specified county levies on benefitted properties under this chapter to pay for beneficial activities.
- (2) "Assessment area" means a convention and tourism business assessment area designated under this chapter.

(3)

- (a) "Beneficial activity" means any activity or service that increases hotel room rates or occupancy levels at lodging establishments.
- (b) "Beneficial activity" includes an activity to:
 - (i) promote tourism;
 - (ii) sponsor or incentivize a cultural or sports event, festival, conference, or convention;
 - (iii) facilitate economic or workforce development for the lodging industry, including workforce recruitment or retention; or
 - (iv) promote placemaking, visitor management, or destination enhancement.
- (4) "Benefitted property" means a lodging establishment that directly or indirectly benefits from a beneficial activity.
- (5) "Guest" means an individual for whom a lodging establishment provides lodging accommodations for compensation.
- (6) "Lodging establishment" means the same as that term is defined in Section 29-2-102.
- (7) "Municipality" means a city, town, or metro township.
- (8) "Owner" means the owner of a benefitted property, or the authorized agent or employee of the owner.
- (9) "Qualified number of owners" means a number of owners of benefitted properties that represents 60% or more of the total assessment amount levied against all benefitted properties within a proposed or existing assessment area, provided that if an owner of one or more benefitted properties represents 40% or more of the total assessment amount levied against all benefitted properties within a proposed or existing assessment area, no more than 40% of the total assessment amount shall be attributed to that owner.
- (10) "Specified county" means a county of the first or second class.
- (11) "Third party administrator" means a private nonprofit organization, primarily engaged in destination marketing and promotion, that enters into a contract with a specified county to provide beneficial activities within an assessment area in accordance with the management plan.

Enacted by Chapter 376, 2022 General Session

11-42b-102 Designating an assessment area -- Levying and paying an assessment - Requirements and prohibitions.

- (1) Subject to the requirements of this part, the legislative body of a specified county intending to levy an assessment on benefitted properties to pay for beneficial activities shall adopt an ordinance or resolution designating an assessment area.
- (2) A specified county that levies an assessment under this chapter for beneficial activities:

- (a) shall:
 - (i) levy an assessment on each benefitted property within the assessment area;
 - (ii) use an assessment method that, when applied to a benefitted property, reflects an equitable portion of the benefit the benefitted property will receive for the beneficial activities for which the assessment is levied:
 - (iii) levy and collect an assessment in accordance with a management plan that meets the requirements of Subsection 11-42b-103(2)(a); and
 - (iv) contract with a third party administrator to implement beneficial activities within the assessment areas;
- (b) may:
 - (i) levy an assessment only on lodging establishments located within the geographical boundaries of the specified county;
 - (ii) establish benefit zones that divide the assessment area into multiple types or classifications to:
 - (A) levy a different level of assessment; or
 - (B) use a different assessment method in each classification to reflect more fairly the benefits that property within the different types or classifications is expected to receive because of the proposed beneficial activities;
 - (iii) rely on estimated benefits from an increase in:
 - (A) retail sales rates;
 - (B) customer base;
 - (C) public perception;
 - (D) hotel room rates and occupancy levels;
 - (E) the commercial environment from enhanced services;
 - (F) another articulable method of estimating benefits; or
 - (G) a combination of the methods described in Subsections (2)(b)(iii)(A) through (F); and (iv) may not:
 - (A) include, within an assessment area, any area of land that is included within the geographic boundaries of a municipality unless the legislative body of the municipality adopts an ordinance or resolution consenting to the municipality's inclusion in the assessment area; or
 - (B) levy an assessment for a period longer than 10 years, unless the assessment area is renewed in accordance with Section 11-42b-109.
- (3) The legislative body of a specified county may not adopt a designation ordinance or resolution under Subsection (1) unless the legislative body:
 - (a) receives a petition that meets the requirements of Section 11-42b-103;
 - (b) gives notice as provided in Section 11-42b-104;
 - (c) receives and considers all protests filed under Section 11-42b-105;
 - (d) holds a public hearing as provided in Section 11-42b-106; and
 - (e) holds a public meeting as provided in Section 11-42b-107.

(4)

- (a) The owner of a benefitted property that pays an assessment under this chapter may place the assessment as a mandatory surcharge on guest receipts.
- (b) A surcharge under this Subsection (4):
 - (i) shall be disclosed on all information and communication platforms of the benefitted property in the same manner as other surcharges, hotel and occupancy taxes, and sales and use taxes as required by applicable laws and regulations; and
 - (ii) may not:

- (A) be used to calculate a benefitted property's gross receipts or gross revenues for any purpose, including the calculation of sales revenue, occupancy taxes, or state income taxes; or
- (B) be considered as part of income pursuant to any lease or operator agreement.
- (5) The payment of an assessment under this chapter may not be taken as a deduction from income for state income tax purposes.

11-42b-103 Petition to designate assessment area -- Requirements -- Management plan contents.

- (1) The process for a specified county to designate an assessment area is initiated by the filing of a petition with the legislative body of the specified county.
- (2) A petition under Subsection (1) shall:
 - (a) include a proposed management plan that:
 - (i) describes:
 - (A) the boundaries and duration of the proposed assessment area;
 - (B) each benefitted property proposed to be assessed;
 - (C) the total estimated amount of assessment to be levied against all benefitted properties for each year an assessment is levied;
 - (D) the method by which the proposed assessment is calculated;
 - (E) the beneficial activities to be paid by assessments for each year an assessment is levied;
 - (F) the total estimated amount of assessment to be expended on beneficial activities for each year an assessment is levied;
 - (G) the proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each owner of benefitted property to calculate the amount of the assessment to be levied against the owner's benefitted property;
 - (H) any proposed benefit zones as described in Subsection 11-42b-102(2)(b)(ii); and
 - (I) the interest, penalties, and costs or other requirements of the proposed assessment;
 - (ii) establishes procedures for collecting the proposed assessment;
 - (iii) requires the legislative body to contract with a third party administrator to implement the proposed beneficial activities within the assessment area;
 - (iv) includes a statement regarding the right of a benefitted property to impose a surcharge on guests of the benefitted property as provided in Subsection 11-42b-102(4); and
 - (b) be signed by a qualified number of owners.

Enacted by Chapter 376, 2022 General Session

11-42b-104 Notice of proposed assessment area -- Requirements.

- (1) If the legislative body of a specified county receives a petition that meets the requirements of Section 11-42b-103, the legislative body shall give notice of the proposed assessment area.
- (2) The notice under Subsection (1) shall:
 - (a) include the following information:
 - (i) a statement that the legislative body received a petition to designate an assessment area under Section 11-42b-103;
 - (ii) a statement that the specified county proposes to:

- (A) designate one or more areas within the specified county's geographic boundaries as an assessment area:
- (B) contract with a third party administrator to provide beneficial activities within the proposed assessment area; and
- (C) finance some or all of the cost of providing beneficial activities by an assessment on benefitted properties within the assessment area;
- (iii) a summary of the contents of the proposed management plan, including the information described in Subsection 11-42b-103(2)(a)(i);
- (iv) a statement explaining how an individual can access the petition described in Subsection (2)(a), including the contents of the proposed management plan;
- (v) a statement that contains:
 - (A) the date described in Section 11-42b-105 and the location at which a protest under Section 11-42b-105 may be filed;
 - (B) the method by which the legislative body will determine the number of protests required to defeat the designation of the proposed assessment area or implementation of the proposed beneficial activities, subject to Subsection 11-42b-107(1)(b); and
 - (C) a statement in large, boldface, and conspicuous type explaining that an owner of a benefitted property must protest the designation of the assessment area in writing if the owner objects to the area designation or being assessed for the proposed beneficial activities;
- (vi) the date, time, and place of the public hearing required in Section 11-42b-106; and
- (vii) any other information the legislative body considers appropriate;

(b)

- (i) be posted in at least three public places within the specified county's geographic boundaries at least 20 but not more than 35 days before the day of the hearing required in Section 11-42b-106; and
- (ii) be published on the Utah Public Notice Website described in Section 63A-16-601 for four weeks before the deadline for filing protests specified in the notice under Subsection (2)(a) (v); and
- (c) be mailed, postage prepaid, within 10 days after the first publication or posting of the notice under Subsection (2)(b) to each owner of benefitted property within the proposed assessment area at the owner's mailing address.

(3)

- (a) The legislative body may record the version of the notice that is published or posted in accordance with Subsection (2)(b) with the office of the county recorder.
- (b) The notice recorded under Subsection (3)(a) expires and is no longer valid one year after the day on which the legislative body records the notice if the legislative body has failed to adopt the designation ordinance or resolution under Section 11-42b-102 designating the assessment area for which the notice was recorded.

Enacted by Chapter 376, 2022 General Session

11-42b-105 Protests.

- (1) An owner of a benefitted property that is proposed to be assessed and who does not want the benefitted property to be included in the assessment area may, within 30 days after the day of the hearing described in Section 11-42b-106, file a written protest with the legislative body:
 - (a) against:
 - (i) the designation of an assessment area;

- (ii) the inclusion of the owner's benefitted property in the proposed assessment area; or
- (iii) the proposed beneficial activities to be implemented; or
- (b) protesting:
 - (i) whether the assessment meets the requirements of Section 11-42b-102; or
 - (ii) any other aspect of the proposed designation of an assessment area.
- (2) Each protest under Subsection (1) shall:
 - (a) describe or otherwise identify the benefitted property owned by the person filing the protest; and
 - (b) include the signature of the owner of the benefitted property.
- (3) An owner subject to assessment may withdraw a protest at any time before the expiration of the 30-day period described in Subsection (1) by filing a written withdrawal with the legislative body.
- (4) If the legislative body intends to assess benefitted properties within the proposed assessment area by establishing benefit zones, as described in Subsection 11-42b-102(2)(b)(ii), and the legislative body has clearly noticed the legislative body's intent, the legislative body shall:
 - (a) in determining whether adequate protests have been filed, aggregate the protests by the type of beneficial activity or by classification; and
 - (b) apply to and calculate for each type of beneficial activity or classification the threshold requirements of adequate protests.
- (5) The failure of an owner of a benefitted property within the proposed assessment area to file a timely written protest constitutes a waiver of any objection to:
 - (a) the designation of the assessment area;
 - (b) any beneficial activity to be implemented within the assessment area;
 - (c) the inclusion of the owner's benefitted property within the assessment area; and
 - (d) the fact, but not amount, of benefit to the owner's benefitted property.
- (6) The legislative body shall post the total and percentage of the written protests the legislative body receives under this section on the legislative body's website, or, if no website is available, at the legislative body's place of business at least five days before the public meeting described in Section 11-42b-106.

11-42b-106 Public hearing.

- (1) On the date and at the time and place specified in the notice under Section 11-42b-104, the legislative body shall hold a public hearing.
- (2)
 - (a) The legislative body:
 - (i) subject to Subsection (2)(a)(ii), may continue the public hearing from time to time to a fixed future date and time; and
 - (ii) may not hold a public hearing that is a continuance less than five days before the deadline for filing protests described in Section 11-42b-105.
 - (b) The continuance of a public hearing does not restart or extend the protest period described in Subsection 11-42b-105.
- (3) At the public hearing, the legislative body shall hear all:
 - (a) objections to the designation of the proposed assessment area or the beneficial activities proposed to be implemented within the assessment area;
 - (b) objections to whether the assessment will meet the requirements of Section 11-42b-102; and
 - (c) persons desiring to be heard.

11-42b-107 Public meeting -- Adoption of ordinance or resolution regarding proposed assessment area -- Limitations.

(1)

- (a) After holding a public hearing under Section 11-42b-106 and within 90 days after the day that the protest period expires in accordance with Section 11-42b-105, the legislative body shall:
 - (i) count the written protests filed or withdrawn in accordance with Section 11-42b-105 and calculate whether adequate protests have been filed; and
 - (ii) hold a public meeting to announce the protest tally and whether adequate protests have been filed.
- (b) Adequate protests are filed under Subsection (1)(a) if protests have been filed by a qualified number of owners.
- (c) If adequate protests are not filed, the legislative body at the public meeting may adopt a resolution or ordinance:
 - (i) abandoning the proposal to designate an assessment area; or

(ii)

- (A) designating an assessment area; and
- (B) approving a management plan as proposed under Section 11-42b-103, or with changes under Subsection (1)(e).
- (d) If adequate protests are filed, the legislative body at the public meeting:
 - (i) may not adopt a resolution or ordinance designating the assessment area; and
 - (ii) may adopt a resolution or ordinance to abandon the proposal to designate the assessment area.
- (e) In the absence of adequate protests upon the expiration of the protest period and subject to Subsection (1)(e)(ii), the legislative body may make changes to:
 - (i) a beneficial activity proposed for implementation under the proposed management plan; or
 - (ii) the area or areas proposed to be included within the assessment area under the proposed management plan.
- (2) A legislative body may not make a change in accordance with Subsection (1)(e)(i) if the change would result in:
 - (a) a change in the nature of a beneficial activity or reduction in the estimated amount of benefit to a benefitted property, whether in size, quality, or otherwise, than that described in the proposed management plan;
 - (b) an estimated total assessment to any benefitted business within the assessment area that exceeds the estimate described in the proposed management plan; or
 - (c) a financing term that extends beyond the estimated term of financing under the proposed management plan.
- (3) After the adoption of an ordinance or resolution described in Subsection (1)(c)(ii), the legislative body may contract with a third party administrator to provide beneficial activities within the assessment area.

Enacted by Chapter 376, 2022 General Session

11-42b-108 Amendments to management plan -- Procedure -- Notice requirements.

(1) After the legislative body adopts an ordinance or resolution approving a management plan as provided in Subsection 11-42b-107(1)(c)(ii) and contracts with a third party administrator to

- provide beneficial activities within the assessment area, the legislative body may amend the management plan if:
- (a) the third party administrator submits to the legislative body a written request for amendments;
- (b) subject to Subsection (2), the legislative body gives notice of the proposed amendments;
- (c) the legislative body holds a public meeting no more than 90 days after the day on which the legislative body gives notice under Subsection (1)(b); and
- (d) at the public meeting described in Subsection (1)(c), the legislative body adopts an ordinance or resolution approving the amendments to the management plan.
- (2) The notice described in Subsection (1)(b) shall:
 - (a) describe the proposed amendments to the management plan;
 - (b) state the date, time, and place of the public meeting described in Subsection (1)(c); and
 - (i) be posted in at least three public places within the specified county's geographic boundaries at least 20 but not more than 35 days before the day of the public meeting described in Subsection (1)(c); and
 - (ii) be published on the Utah Public Notice Website described in Section 63A-16-601 for four weeks before the public meeting described in Subsection (1)(c); and
 - (d) be mailed, postage prepaid, within 10 days after the first publication or posting of the notice under Subsection (2)(c) to each owner of benefitted property within the assessment area at the owner's mailing address.

11-42b-109 Renewal of assessment area designation -- Procedure -- Disposition of previous revenues.

(1) Upon the expiration of an assessment area, the legislative body may, for a period not to exceed 10 years, renew the assessment area as provided in this section.

(2)

- (a) If there are no changes to the management plan or the designation of the third party administrator, the legislative body may not renew the assessment area unless:
 - (i) subject to Subsection (2)(c), the legislative body gives notice of the proposed renewal;
 - (ii) the legislative body holds a public meeting no more than 90 days after the day on which the legislative body gives notice under Subsection (2)(a)(i); and
 - (iii) at the public meeting described in Subsection (2)(a)(ii), the legislative body adopts an ordinance or resolution renewing the assessment area designation.
- (b) If there are changes to the management plan or the designation of the third party administrator, the legislative body may not renew the assessment area unless the legislative body:
 - (i) gives notice of the proposed renewal in accordance with Section 11-42b-104;
 - (ii) receives and considers all protests filed under Section 11-42b-105;
 - (iii) holds a public hearing as provided in Section 11-42b-106;
 - (iv) holds a public meeting as provided in Section 11-42b-107; and
 - (v) at the public meeting described in Subsection (2)(b)(iv), adopts an ordinance or resolution renewing the assessment area.
- (c) The notice described in Subsection (2)(a)(i) shall:
 - (i) state:
 - (A) that the legislative body proposes to renew the assessment area with no changes; and
 - (B) the date, time, and place of the public meeting described in Subsection (2)(a)(ii);

(ii)

- (A) be posted in at least three public places within the specified county's geographic boundaries at least 20 but not more than 35 days before the day of the public meeting described in Subsection (2)(a)(ii); and
- (B) be published on the Utah Public Notice Website described in Section 63A-16-601 for four weeks before the public meeting described in Subsection (2)(a)(ii); and
- (iii) be mailed, postage prepaid, within 10 days after the first publication or posting of the notice under Subsection (2)(c)(ii) to each owner of benefitted property within the assessment area at the owner's mailing address.

(3)

- (a) Upon renewal of an assessment area, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed assessment area.
- (b) If the renewed assessment area includes a benefitted property that was not included in the previous assessment area, the third party administrator may only expend revenues described in Subsection (3)(a) on benefitted properties that were included in the previous assessment area.
- (c) If the renewed assessment area does not include a benefitted property that was included in the previous assessment area, the third party administrator shall refund to the owner of the benefitted property the revenues described in Subsection (3)(a) attributable to the benefitted property.

Enacted by Chapter 376, 2022 General Session

11-42b-110 Dissolution of assessment area -- Procedure -- Disposition of revenues.

- (1) The legislative body may dissolve an assessment area before the assessment area expires as provided in this section.
- (2) The legislative body may not dissolve an assessment area under Subsection (1) unless:

(a)

- (i) the legislative body determines there has been a misappropriation of funds, malfeasance, or a violation of law in connection with the management of the assessment area; or
- (ii) a petition to dissolve the assessment area:
 - (A) is signed by a qualified number of owners; and
 - (B) is submitted to the legislative body within the period described in Subsection (3);
- (b) subject to Subsection (4), the legislative body gives notice of the proposed dissolution;
- (c) the legislative body holds a public meeting; and
- (d) at the public meeting described in Subsection (2)(c), the legislative body adopts an ordinance or resolution dissolving the assessment area.
- (3) The owners of benefitted properties may submit to the legislative body a petition described in Subsection (2)(a)(ii):
 - (a) within a 30-day period that begins after the day on which the assessment area is designated by ordinance or resolution under Section 11-42b-107; or
 - (b) within the same 30-day period during each subsequent year in which the assessment area exists
- (4) The notice described in Subsection (2)(b) shall:
 - (a) state:
 - (i) the reasons for the proposed dissolution; and
 - (ii) the date, time, and place of the public meeting described in Subsection (2)(c);

(b)

- (i) be posted in at least three public places within the specified county's geographic boundaries at least 20 but not more than 35 days before the day of the public meeting described in Subsection (2)(c); and
- (ii) be published on the Utah Public Notice Website described in Section 63A-16-601 for four weeks before the public meeting described in Subsection (2)(c); and
- (c) be mailed, postage prepaid, within 10 days after the first publication or posting of the notice under Subsection (4)(b) to each owner of benefitted property within the assessment area at the owner's mailing address.
- (5) Upon the dissolution of an assessment area, the third party administrator shall return to the owner of each benefitted property any remaining revenues attributable to the benefitted property.

Enacted by Chapter 376, 2022 General Session

11-42b-111 Action to contest assessment or proceeding.

- (1) A person who contests an assessment or any proceeding to designate an assessment area may commence a civil action against the specified county to:
 - (a) set aside a proceeding to designate an assessment area; or
 - (b) enjoin the levy or collection of an assessment.
- (2) A person bringing an action under Subsection (1) shall bring the action in the district court with jurisdiction in the specified county.

(3)

- (a) Except as provided in Subsection (3)(b), a person may not begin the action against or serve a summons relating to the action on the specified county more than 30 days after:
 - (i) the effective date of the designation ordinance or resolution adopted under Section 11-42b-107, if the action relates to the designation of an assessment area or the levying of an assessment; or
 - (ii) the effective date of the ordinance or resolution adopted under Section 11-42b-108, if the action relates to the levying of an assessment under an amended management plan.
- (b) If each benefitted property within an assessment area consents to the designation of the assessment area and the levying of an assessment, or if each benefitted property within an assessment area consents to the amendments to the management plan, as applicable, a person may not bring an action against or serve a summons relating to the action on the specified county more than 15 days after:
 - (i) the effective date of the designation ordinance or resolution adopted under Section 11-42b-107, if the action relates to the designation of an assessment area or the levying of an assessment; or
 - (ii) the effective date of the ordinance or resolution adopted under Section 11-42b-108, if the action relates to the levying of an assessment under an amended management plan.
- (4) An action under Subsection (1) is the exclusive remedy of a person who contests an assessment or any proceeding to designate an assessment area.
- (5) A court may not set aside, in part or in whole or declare invalid an assessment, a proceeding to designate an assessment area, or a proceeding to levy an assessment that meets the requirements of Section 11-42b-102 because of an error or irregularity that does not relate to the equity or justice of the assessment or proceeding.

(6)

- (a) A person may bring a claim of misuse of assessment funds through a mandamus action regardless of the expiration of the period for bringing an action under Subsection (3).
- (b) This section does not prohibit the filing of criminal charges against or the prosecution of a party for the misuse of assessment funds.

11-42b-112 No limitation on other county powers.

- (1) This chapter does not limit a power that a specified county has under other applicable law to:
 - (a) make an improvement or provide a service;
 - (b) create a district:
 - (c) levy an assessment or tax; or
 - (d) issue a bond or a refunding bond.
- (2) If there is a conflict between a provision of this chapter and any other statutory provision, the provision of this chapter governs.

Enacted by Chapter 376, 2022 General Session

11-42b-113 Severability.

A court's invalidation of any provision of this chapter does not affect the validity of any other provision of this chapter.

Enacted by Chapter 376, 2022 General Session