

ESHB 1189 - S COMM AMD

By Committee on Business, Financial Services & Trade

ADOPTED AS AMENDED 04/05/2021

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The definitions in this section apply
4 throughout this chapter unless the context clearly requires
5 otherwise.

6 (1) "Assessed value of real property" means the valuation of
7 taxable real property as placed on the last completed assessment roll
8 prepared pursuant to Title 84 RCW.

9 (2) "Increment area" means the geographic area within which
10 regular property tax revenues are to be apportioned to pay public
11 improvement costs, as authorized under this chapter.

12 (3) "Increment value" means 100 percent of any increase in the
13 true and fair value of real property in an increment area that is
14 placed on the tax rolls after the increment area is created. The
15 increment value shall not be less than zero.

16 (4) "Local government" means any city, town, county, port
17 district, or any combination thereof.

18 (5) "Ordinance" means any appropriate method of taking
19 legislative action by a local government, including a resolution
20 adopted by a port district organized under Title 53 RCW.

21 (6) "Public improvement costs" means the costs of:

22 (a) Design, planning, acquisition, required permitting, required
23 environmental studies and mitigation, seismic studies or surveys,
24 archaeological studies or surveys, land surveying, site preparation,
25 construction, reconstruction, rehabilitation, improvement, and
26 installation of public improvements and other directly related costs;

27 (b) Relocating, maintaining, and operating property pending
28 construction of public improvements;

29 (c) Relocating utilities as a result of public improvements;

30 (d) Financing public improvements, including capitalized interest
31 for up to six months following completion of construction, legal and
32 other professional services, taxes, insurance, principal and interest

1 costs on general indebtedness issued to finance public improvements,
2 and any necessary debt service reserves;

3 (e) Expenses incurred in revaluing real property for the purpose
4 of determining the tax allocation base value by a county assessor
5 under chapter 84.41 RCW and expenses incurred by a county treasurer
6 under chapter 84.56 RCW in apportioning the taxes and complying with
7 this chapter and other applicable law. For purposes of this
8 subsection (6)(e), "expenses incurred" means actual staff and
9 software costs directly related to the implementation and ongoing
10 administration of increment areas under this chapter; and

11 (f) Administrative expenses and feasibility studies reasonably
12 necessary and related to these costs, including related costs that
13 may have been incurred before adoption of the ordinance authorizing
14 the public improvements and the use of tax increment financing to
15 fund the costs of the public improvements.

16 (7) "Public improvements" means:

17 (a) Infrastructure improvements owned by a local government
18 within or outside of and serving the increment area that include:

19 (i) Street and road construction;

20 (ii) Water and sewer system construction and improvements;

21 (iii) Sidewalks and other nonmotorized transportation
22 improvements and streetlights;

23 (iv) Parking, terminal, and dock facilities;

24 (v) Park and ride facilities or other transit facilities;

25 (vi) Park and community facilities and recreational areas;

26 (vii) Stormwater and drainage management systems;

27 (viii) Electric, broadband, or rail service;

28 (ix) Mitigation of brownfields; or

29 (b) Expenditures for any of the following purposes:

30 (i) Purchasing, rehabilitating, retrofitting for energy
31 efficiency, and constructing housing for the purpose of creating or
32 preserving long-term affordable housing;

33 (ii) Purchasing, rehabilitating, retrofitting for energy
34 efficiency, and constructing child care facilities serving children
35 and youth that are low-income, homeless, or in foster care;

36 (iii) Providing maintenance and security for the public
37 improvements; or

38 (iv) Historic preservation activities authorized under RCW
39 35.21.395.

1 (8) "Regular property taxes" means regular property taxes as
2 defined in RCW 84.04.140, except: (a) Regular property taxes levied
3 by port districts or public utility districts to the extent necessary
4 for the payments of principal and interest on general obligation
5 debt; and (b) regular property taxes levied by the state for the
6 support of the common schools under RCW 84.52.065. Regular property
7 taxes do not include excess property tax levies that are exempt from
8 the aggregate limits for junior and senior taxing districts as
9 provided in RCW 84.52.043. "Regular property taxes" does not include
10 excess property taxes levied by local school districts.

11 (9) "Tax allocation base value" means the assessed value of real
12 property located within an increment area for taxes imposed in the
13 year in which the increment area is first designated.

14 (10) "Tax allocation revenues" means those revenues derived from
15 the imposition of regular property taxes on the increment value.

16 (11) "Taxing district" means a governmental entity that levies or
17 has levied for it regular property taxes upon real property located
18 within a proposed or approved increment area.

19 NEW SECTION. **Sec. 2.** (1) A local government may designate an
20 increment area under this chapter and use the tax allocation revenues
21 to pay public improvement costs, subject to the following conditions:

22 (a) The local government must adopt an ordinance designating an
23 increment area within its boundaries and describing the public
24 improvements proposed to be paid for, or financed with, tax
25 allocation revenues;

26 (b) The local government may not designate increment area
27 boundaries such that the entirety of its territory falls within an
28 increment area;

29 (c) The increment area may not have an assessed valuation of more
30 than \$200,000,000 or more than 20 percent of the sponsoring
31 jurisdiction's total assessed valuation, whichever is less, when the
32 ordinance is passed. If a sponsoring jurisdiction creates two
33 increment areas, the total combined assessed valuation in both of the
34 two increment areas may not equal more than \$200,000,000 or more than
35 20 percent of the sponsoring jurisdiction's total assessed valuation,
36 whichever is less, when the ordinances are passed creating the
37 increment areas;

38 (d) A local government can create no more than two active
39 increment areas at any given time and they may not physically overlap

1 by including the same land in more than one increment area at any
2 time;

3 (e) The ordinance must set a sunset date for the increment area,
4 which may be no more than 25 years after the first year in which tax
5 allocation revenues are collected from the increment area;

6 (f) The ordinance must identify the public improvements to be
7 financed and indicate whether the local government intends to issue
8 bonds or other obligations, payable in whole or in part, from tax
9 allocation revenues to finance the public improvement costs, and must
10 estimate the maximum amount of obligations contemplated;

11 (g) The ordinance must provide that the increment takes effect on
12 June 1st following the adoption of the ordinance in (a) of this
13 subsection;

14 (h) The sponsoring jurisdiction may not add additional public
15 improvements to the project after adoption of the ordinance creating
16 the increment area or change the boundaries of the increment area.
17 The sponsoring jurisdiction may expand, alter, or add to the original
18 public improvements when doing so is necessary to assure the
19 originally approved improvements can be constructed or operated;

20 (i) The ordinance must impose a deadline by which commencement of
21 construction of the public improvements shall begin, which deadline
22 must be at least five years into the future and for which extensions
23 shall be made available for good cause; and

24 (j) The local government must make a finding that:

25 (i) The public improvements proposed to be paid or financed with
26 tax allocation revenues are expected to encourage private development
27 within the increment area and to increase the assessed value of real
28 property within the increment area;

29 (ii) Private development that is anticipated to occur within the
30 increment area as a result of the proposed public improvements will
31 be permitted consistent with the permitting jurisdiction's applicable
32 zoning and development standards;

33 (iii) The private development would not reasonably be expected to
34 occur solely through private investment within the reasonably
35 foreseeable future without the proposed public improvements; and

36 (iv) The increased assessed value within the increment area that
37 could reasonably be expected to occur without the proposed public
38 improvements would be less than the increase in the assessed value
39 estimated to result from the proposed development with the proposed
40 public improvements.

1 (2) In considering whether to designate an increment area, the
2 legislative body of the local government must prepare a project
3 analysis that shall include, but need not be limited to, the
4 following:

5 (a) A statement of objectives of the local government for the
6 designated increment area;

7 (b) A statement as to the property within the increment area, if
8 any, that the local government may intend to acquire;

9 (c) The duration of the increment area;

10 (d) Identification of all parcels to be included in the area;

11 (e) A description of the expected private development within the
12 increment area, including a comparison of scenarios with the proposed
13 public improvements and without the proposed public improvements;

14 (f) A description of the public improvements, estimated public
15 improvement costs, and the estimated amount of bonds or other
16 obligations expected to be issued to finance the public improvement
17 costs and repaid with tax allocation revenues;

18 (g) The assessed value of real property listed on the tax roll as
19 certified by the county assessor under RCW 84.52.080 from within the
20 increment area and an estimate of the increment value and tax
21 allocation revenues expected to be generated;

22 (h) An estimate of the job creation reasonably expected to result
23 from the public improvements and the private development expected to
24 occur in the increment area; and

25 (i) An assessment of any impacts and any necessary mitigation to
26 address the impacts identified on the following:

27 (i) Affordable and low-income housing;

28 (ii) The local business community;

29 (iii) The local school districts; and

30 (iv) The local fire service.

31 (3) The local government may charge a private developer, who
32 agrees to participate in creating the increment area, a fee
33 sufficient to cover the cost of the project analysis and establishing
34 the increment area, including staff time, professionals and
35 consultants, and other administrative costs related to establishing
36 the increment area.

37 (4) Nothing in this section prohibits a local government from
38 entering into an agreement under chapter 39.34 RCW with another local
39 government for the administration or other activities related to tax
40 increment financing authorized under this section.

1 (5) If the project analysis indicates that an increment area will
2 impact at least 20 percent of the assessed value in a fire district,
3 the local government must negotiate a mitigation plan with the fire
4 district prior to implementing the increment area.

5 (6) The local government may reimburse the assessor and treasurer
6 for their costs as provided in section 1(6)(e) of this act.

7 (7) Prior to the adoption of an ordinance authorizing creation of
8 an increment area, the local government must:

9 (a) Hold at least two public briefings for the community solely
10 on the tax increment project that include the description of the
11 increment area, the public improvements proposed to be financed with
12 the tax allocation revenues, and a detailed estimate of tax revenues
13 for the participating local governments and taxing districts,
14 including the amounts allocated to the increment public improvements.
15 The briefings must be announced at least two weeks prior to the date
16 being held, including publishing in a legal newspaper of general
17 circulation and posting information on the local government website
18 and all local government social media sites; and

19 (b) Submit the project analysis to the office of the treasurer
20 for review and consider any comments that the treasurer may provide
21 upon completion of their review of the project analysis as provided
22 under this subsection. The treasurer must complete the review within
23 90 days of receipt of the project analysis and may consult with other
24 agencies and outside experts as necessary. Upon completing their
25 review, the treasurer must promptly provide to the local government
26 any comments regarding suggested revisions or enhancements to the
27 project analysis that the treasurer deems appropriate based on the
28 requirements in subsection (2) of this section.

29 NEW SECTION. **Sec. 3.** (1) Public improvements that are financed
30 under this chapter may be undertaken and coordinated with other
31 programs or efforts undertaken by the local government and other
32 taxing districts and may be funded in part from revenue sources other
33 than tax allocation revenues.

34 (2) Public improvements that are constructed by a private
35 developer must meet all applicable state and local laws.

36 NEW SECTION. **Sec. 4.** The local government designating the
37 increment area must:

1 (1) Publish notice in a legal newspaper of general circulation
2 within the jurisdiction of the local government that describes the
3 public improvements, describes the boundaries of the increment area,
4 and identifies the location and times where the ordinance and other
5 public information concerning the public improvement may be
6 inspected; and

7 (2) Deliver a certified copy of the ordinance to the county
8 treasurer, the county assessor, and the governing body of each taxing
9 district within which the increment area is located.

10 NEW SECTION. **Sec. 5.** Apportionment of taxes shall be as
11 follows:

12 (1) Commencing in the calendar year following the passage of the
13 ordinance, the county treasurer shall distribute receipts from
14 regular property taxes imposed on real property located in the
15 increment area as follows:

16 (a) Each taxing district shall receive that portion of its
17 regular property taxes produced by the rate of tax levied by or for
18 the taxing district on the tax allocation base value for that
19 increment area;

20 (b) The local government that designated the increment area shall
21 be entitled to receive an additional amount equal to the amount
22 derived from the regular property taxes levied by or for each taxing
23 district upon the increment value within the increment area. The
24 local government that designated the increment area shall receive no
25 more than is needed to pay or repay costs directly associated with
26 the public improvements identified in the approved ordinance and may
27 agree to receive less than the full amount of this portion, as long
28 as bond debt service, reserve, and other bond covenant requirements
29 are satisfied, in which case the balance of these tax receipts shall
30 be allocated to the taxing districts that imposed regular property
31 taxes, or have regular property taxes imposed for them, in the
32 increment area for collection that year in proportion to their
33 regular tax levy rates for collection that year. The local government
34 may request that the treasurer transfer this additional portion of
35 the property taxes to its designated agent. The portion of the tax
36 receipts distributed to the local government or its agent under this
37 subsection (1)(b) may only be expended to finance public improvement
38 costs associated with the public improvements financed in whole or in
39 part by tax increment financing; and

1 (c) This section shall not apply to any receipts from the regular
2 property taxes levied by:

3 (i) The state for the support of the common schools under RCW
4 84.52.065;

5 (ii) Local school district excess levies; and

6 (iii) Port districts or public utility districts specifically for
7 the purpose of making required payments of principal and interest or
8 general indebtedness.

9 (2) The apportionment of tax allocation revenues must cease when
10 the taxing district certifies to the county assessor in writing that
11 tax allocation revenues are no longer necessary or obligated to pay
12 public improvement costs, but in no event shall the apportionment of
13 tax allocation revenues continue beyond the sunset date established
14 pursuant to section 2(1)(e) of this act. Any excess tax allocation
15 revenues and earnings on the tax allocation revenues remaining at the
16 time the apportionment of tax receipts terminates must be returned to
17 the county treasurer and distributed to the taxing districts that
18 imposed regular property taxes, or had regular property taxes imposed
19 for it, in the increment area for collection that year, in proportion
20 to the rates of their regular property tax levies for collection that
21 year.

22 (3) The apportionment and distribution of portions of the regular
23 property taxes levied by or for each taxing district upon the
24 increment value within the increment area pursuant to and subject to
25 the requirements of this chapter is declared to be a public purpose
26 of and benefit each such taxing district.

27 (4) The apportionment and distribution of portions of the regular
28 property taxes levied by or for each taxing district upon the
29 increment value within the increment area pursuant to this section
30 shall not affect or be deemed to affect the rate of taxes levied by
31 or within any such taxing district or the consistency of any such
32 levies with the uniformity requirement of Article VII, section 1 of
33 the state Constitution.

34 NEW SECTION. **Sec. 6.** (1) A local government designating an
35 increment area may incur general indebtedness, and issue general
36 obligation bonds or notes to finance the public improvements and
37 retire the indebtedness, in whole or in part, from tax allocation
38 revenues it receives.

1 (2) The general indebtedness incurred under subsection (1) of
2 this section may be payable from tax allocation revenues and any
3 other sources available to the local government for payment of the
4 public improvement costs, including without limitation: Other tax
5 revenues; the full faith and credit of the local government; nontax
6 income, revenues, fees, and rents from the public improvements; and
7 contributions, grants, and nontax resources.

8 (3) In addition to the requirements in subsection (1) of this
9 section, a local government designating an increment area and
10 authorizing the use of tax increment financing may require the
11 nonpublic participant to provide adequate security to protect the
12 public investment in the public improvement within the increment
13 area.

14 NEW SECTION. **Sec. 7.** A direct or collateral attack on the
15 designation of the increment area or the allocation of regular
16 property tax revenues in conformance with applicable legal
17 requirements, including this chapter, may not be commenced more than
18 30 days after adoption of the ordinance as required by section 2 of
19 this act.

20 NEW SECTION. **Sec. 8.** (1) A local government may issue revenue
21 bonds to fund revenue-generating public improvements, or portions of
22 public improvements, that are located within an increment area and
23 that it is authorized to provide or operate. Whenever revenue bonds
24 are to be issued, the legislative authority of the local government
25 shall create or have created a special fund or funds from which,
26 along with any reserves created pursuant to RCW 39.44.140, the
27 principal and interest on these revenue bonds shall exclusively be
28 payable. The legislative authority of the local government may
29 obligate the local government to set aside and pay into the special
30 fund or funds a fixed proportion or a fixed amount of the revenues
31 from the public improvements that are funded by the revenue bonds.
32 This amount or proportion is a lien and charge against these
33 revenues, subject only to operating and maintenance expenses. The
34 local government shall have due regard for the cost of operation and
35 maintenance of the public improvements that are funded by the revenue
36 bonds, and shall not set aside into the special fund or funds a
37 greater amount or proportion of the revenues that in its judgment
38 will be available over and above the cost of maintenance and

1 operation and the amount or proportion, if any, of the revenue
2 previously pledged. The local government may also provide that
3 revenue bonds payable out of the same source or sources of revenue
4 may later be issued on a parity with any revenue bonds being issued
5 and sold.

6 (2) Revenue bonds issued under this section are not an
7 indebtedness of the local government issuing the bonds, and the
8 interest and principal on the bonds shall only be payable from the
9 revenues lawfully pledged to meet the principal and interest
10 requirements and any reserves created pursuant to RCW 39.44.140. The
11 owner or bearer of a revenue bond or any interest coupon issued under
12 this section shall not have any claim against the local government
13 arising from the bond or coupon except for payment from the revenues
14 lawfully pledged to meet the principal and interest requirements and
15 any reserves created pursuant to RCW 39.44.140. The substance of the
16 limitations included in this subsection shall be plainly printed,
17 written, or engraved on each bond issued under this section.

18 (3) Revenue bonds with a maturity in excess of 25 years shall not
19 be issued under this section.

20 (4) The legislative authority of the local government shall by
21 resolution determine for each revenue bond issue the amount, date,
22 form, terms, conditions, denominations, maximum fixed or variable
23 interest rate or rates, maturity or maturities, redemption rights,
24 registration privileges, manner of execution, manner of sale,
25 callable provisions, if any, and covenants including the refunding of
26 existing revenue bonds. Facsimile signatures may be used on the bonds
27 and any coupons. Refunding revenue bonds may be issued in the same
28 manner as revenue bonds are issued.

29 (5) The authority to issue revenue bonds under this section is
30 supplementary and in addition to any authority otherwise existing.
31 Nothing in this section limits a local government in the issuance of
32 revenue bonds that are otherwise authorized by law for the
33 construction of additions, betterments, or extensions of utilities
34 within the increment area.

35 (6) Notwithstanding anything to the contrary in this section,
36 revenue bonds issued to finance public improvements may be issued in
37 accordance with chapter 39.46 RCW.

1 NEW SECTION. **Sec. 9.** This chapter supplements and neither
2 restricts nor limits any powers that the state or any local
3 government might otherwise have under any laws of this state.

4 **Sec. 10.** RCW 84.55.010 and 2017 3rd sp.s. c 13 s 302 are each
5 amended to read as follows:

6 (1) Except as provided in this chapter, the levy for a taxing
7 district in any year must be set so that the regular property taxes
8 payable in the following year do not exceed the limit factor
9 multiplied by the amount of regular property taxes lawfully levied
10 for such district in the highest of the three most recent years in
11 which such taxes were levied for such district, excluding any
12 increase due to (e) of this subsection, unless the highest levy was
13 the statutory maximum rate amount, plus an additional dollar amount
14 calculated by multiplying the regular property tax levy rate of that
15 district for the preceding year by the increase in assessed value in
16 that district resulting from:

17 (a) New construction;

18 (b) Increases in assessed value due to construction of wind
19 turbine, solar, biomass, and geothermal facilities, if such
20 facilities generate electricity and the property is not included
21 elsewhere under this section for purposes of providing an additional
22 dollar amount. The property may be classified as real or personal
23 property;

24 (c) Improvements to property; ~~((and))~~

25 (d) Any increase in the assessed value of state-assessed
26 property; and

27 (e) Any increase in the assessed value of real property, as that
28 term is defined in section 1 of this act, within an increment area as
29 designated by any local government in section 2 of this act provided
30 that such increase is not included elsewhere under this section. This
31 subsection (1)(e) does not apply to levies by the state or by port
32 districts and public utility districts for the purpose of making
33 required payments of principal and interest on general indebtedness.

34 (2) The requirements of this section do not apply to:

35 (a) State property taxes levied under RCW 84.52.065(1) for
36 collection in calendar years 2019 through 2021; and

37 (b) State property taxes levied under RCW 84.52.065(2) for
38 collection in calendar years 2018 through 2021.

1 **Sec. 11.** RCW 84.55.120 and 2014 c 4 s 5 are each amended to read
2 as follows:

3 (1) A taxing district, other than the state, that collects
4 regular levies must hold a public hearing on revenue sources for the
5 district's following year's current expense budget. The hearing must
6 include consideration of possible increases in property tax revenues
7 and must be held prior to the time the taxing district levies the
8 taxes or makes the request to have the taxes levied. The county
9 legislative authority, or the taxing district's governing body if the
10 district is a city, town, or other type of district, must hold the
11 hearing. For purposes of this section, "current expense budget" means
12 that budget which is primarily funded by taxes and charges and
13 reflects the provision of ongoing services. It does not mean the
14 capital, enterprise, or special assessment budgets of cities, towns,
15 counties, or special purpose districts.

16 (2) If the taxing district is otherwise required to hold a public
17 hearing on its proposed regular tax levy, a single public hearing may
18 be held on this matter.

19 (3) (a) Except as provided in (b) of this subsection (3), no
20 increase in property tax revenue may be authorized by a taxing
21 district, other than the state, except by adoption of a separate
22 ordinance or resolution, pursuant to notice, specifically authorizing
23 the increase in terms of both dollars and percentage. The ordinance
24 or resolution may cover a period of up to two years, but the
25 ordinance must specifically state for each year the dollar increase
26 and percentage change in the levy from the previous year.

27 (b) Exempt from the requirements of (a) of this subsection are
28 increases in revenue resulting from the addition of:

29 (i) New construction;

30 (ii) Increases in assessed value due to construction of wind
31 turbine, solar, biomass, and geothermal facilities, if such
32 facilities generate electricity and the property is not included
33 elsewhere under this section for purposes of providing an additional
34 dollar amount. The property may be classified as real or personal
35 property;

36 (iii) Improvements to property; (~~and~~)

37 (iv) Any increase in the value of state-assessed property; and

38 (v) Any increase in the assessed value of real property, as that
39 term is defined in section 1 of this act, within an increment area as
40 designated by any local government in section 2 of this act provided

1 that such increase is not included elsewhere under this section. This
2 subsection (3)(b)(v) does not apply to levies by the state or by port
3 districts and public utility districts for the purpose of making
4 required payments of principal and interest on general indebtedness.

5 NEW SECTION. Sec. 12. Sections 1 through 9 of this act
6 constitute a new chapter in Title 39 RCW.

7 NEW SECTION. Sec. 13. If any provision of this act or its
8 application to any person or circumstance is held invalid, the
9 remainder of the act or the application of the provision to other
10 persons or circumstances is not affected."

ESHB 1189 - S COMM AMD

By Committee on Business, Financial Services & Trade

ADOPTED AS AMENDED 04/05/2021

11 On page 1, line 1 of the title, after "financing;" strike the
12 remainder of the title and insert "amending RCW 84.55.010 and
13 84.55.120; and adding a new chapter to Title 39 RCW."

EFFECT: (1) Makes technical corrections to fix a grammatical error and properly cite a subsection reference.

(2) Changes the title of the bill to "AN ACT Relating to tax increment financing; amending RCW 84.55.010 and 84.55.120; and adding a new chapter to Title 39 RCW."

(3) Clarifies the definition of "increment value" so that "increment value" cannot be less than zero.

(4) Expands the definition of "ordinance" to include resolutions adopted by port districts.

(5) Narrows the definition of "public improvements" by removing road maintenance from the definition.

(6) Clarifies the definition of public "improvements" to include park and ride facilities or other transit facilities.

(7) Clarifies one of the exceptions to the definition of "regular property taxes" to include regular property taxes levied by port districts or public utility districts to the extent necessary for the payments of principal and interest on general obligation debt.

(8) Changes the assessed value limit for the increment area to \$200,000,000 and removes reference to underlying land as the basis for assessed value. Clarifies that if a jurisdiction sponsors two increment areas, the two areas may not equal more than \$200,000,000 or more than 20 percent of the sponsoring jurisdiction's total assessed value, whichever is less.

(9) Reduces the number of active increment areas a local government can create from three to two.

(10) Clarifies that the ordinance must set a sunset date to be no more than 25 years after the first year in which tax allocation revenues are collected.

(11) The adopting ordinance must identify the public improvements to be financed, in addition to indicating whether the local government intends to issue bonds or other obligations.

(12) Adds language specifying that a sponsoring jurisdiction cannot add additional improvements to the project after the creation of the ordinance, but still allows the jurisdiction to expand, alter, or add to the original public improvement.

(13) Mandates the adopting ordinance to impose a deadline by which commencement of construction of the public improvements shall begin with a deadline of five years into the future, but allows for extensions for good cause.

(14) Clarifies that the local government may charge a private developer a fee to cover the cost of the project analysis if the developer agrees to participate in creating the increment area.

(15) Clarifies that the local government that designates the increment area is not to receive more than what is necessary to pay or repay costs directly associated with the public improvements.

(16) Makes the trigger for a direct or collateral attack on the designation of an increment area 30 days after the adoption of an ordinance, rather than the publication of notice.

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