

RESOLUTION 2021-002

September 2021

**(A) Title: Encouraging Economic Development while Preserving Local Land Use Authority, Local Control of Tax Increment and Municipal Water Interests**

**(B) We, the members of the Utah League of Cities and Towns find:**

Whereas, economic development is important to the prosperity of the State of Utah and the prosperity and future growth of local cities and towns; and

Whereas, the vast majority of economic development occurs on privately owned property within the boundaries of cities and towns; and

Whereas, cities and towns have utilized their traditional land use authority to enable these economic development opportunities; and

Whereas, the preservation of this local land use authority on private property is essential so that cities and towns can ensure that economic development occurs, but in a manner, location and scale that are appropriate and compatible with the long range plans for the local community; and

Whereas, cities and towns have also utilized tax increment financing, made available through the creation of Community Reinvestment Areas, to incentivize economic development or redevelopment and to help defray the costs of infrastructure necessary for that development; and

Whereas, the preservation of this local control of tax increment is also essential in order for cities and towns to have the resources necessary to facilitate economic development, but also to ensure that the local community will have sufficient funds to provide the municipal services that will be needed as that development occurs; and

Whereas, opportunities for economic development in the State of Utah are closely tied to the availability of water. Many cities and towns have made significant investments over many years to obtain and maintain valuable contractual and property interests in sources of water supply needed to meet the current and future needs of the residents and businesses within their designated water service area. While cities and towns are willing to support the State's economic development objectives, they cannot do so if those activities would impair or otherwise negatively impact their water rights or sources of water supply; and

Whereas, in recent years local municipalities have worked in cooperation with the State of Utah, the business community, and other stakeholders to support and promote economic development opportunities, which has resulted in an extraordinary level of economic prosperity within the State of Utah; and

Whereas, local municipalities are eager to promote and pursue further opportunities for economic development, particularly in proximity to State transportation infrastructure and in partnership with the State, while preserving their traditional local land use authority on private property, local control of tax increment and their water rights and sources of water supply;

**(C) Now, therefore, we the members of the Utah League of Cities and Towns, resolve that:**

1. Cities and towns within the State of Utah commit that they are willing and ready to collaborate and partner with the State, the business community, and other stakeholders to pursue a broad range of future economic development opportunities, including those located in proximity to State transportation infrastructure.
2. Cities and towns cannot support development proposals, task forces, commissions, districts, development authorities or other legislation that would deprive local municipalities of their traditional local land use authority on private property, or deprive them of control of tax increment generated within their jurisdiction, or impair their control and use of municipal water interests, without their consent.
3. League staff should seek appropriate opportunities to communicate the principles contained within this resolution with State legislative leaders.

Submitted by  
Sandy City