

# **WEST VIRGINIA LEGISLATURE**

## **2023 REGULAR SESSION**

**Introduced**

### **House Bill 3340**

By Delegates Hardy, Espinosa, Storch, Statler, Hott,

Hite, Horst and Toney

[Introduced February 08, 2023; Referred to the

Committee on Finance]



1 A BILL to amend and reenact §7-11B-3, §7-11B-7, §7-11B-8, §7-11B-9, and §7-11B-10 of the  
2 Code of West Virginia, 1931, as amended, all relating generally to property tax increment  
3 financing; amending definition of tax increment financing; modifying the existing  
4 authorization for a county commission or municipality to extend the termination time of  
5 certain districts; providing for certain notice to other levying bodies prior to a new project  
6 plan or project plan amendment for certain property tax districts being considered for  
7 approval; and eliminating certain approval of other levying bodies prior to amendment of an  
8 existing district by the county commission or governing body of the municipality making the  
9 amendment.

*Be it enacted by the Legislature of West Virginia:*

**ARTICLE 11B. WEST VIRGINIA TAX INCREMENT FINANCING ACT.**

**§7-11B-3. Definitions.**

1 (a) General. — When used in this article, words and phrases defined in this section have  
2 the meanings ascribed to them in this section unless a different meaning is clearly required either  
3 by the context in which the word or phrase is used or by specific definition in this article.

4 (b) Words and phrases defined. —

5 "Agency" includes a municipality, a county or municipal development agency established  
6 pursuant to authority granted in §7-12-1 of this code, a port authority, an airport authority or any  
7 other entity created by this state or an agency or instrumentality of this state that engages in  
8 economic development activity or the Division of Highways.

9 "Base assessed value" means the taxable assessed value of all real and tangible personal  
10 property, excluding personal motor vehicles, having a tax situs within a development or  
11 redevelopment district as shown upon the landbooks and personal property books of the assessor  
12 on July 1 of the calendar year preceding the effective date of the order or ordinance creating and  
13 establishing the development or redevelopment district: *Provided*, That for any development or  
14 redevelopment district approved after the effective date of the amendments to this section enacted

15 during the regular session of the Legislature in 2014, personal trailers, personal boats, personal  
16 campers, personal motor homes, personal ATVs and personal motorcycles having a tax situs  
17 within a development or redevelopment district are excluded from the base assessed value.

18 "Blighted area" means an area within the boundaries of a development or redevelopment  
19 district located within the territorial limits of a municipality or county in which the structures,  
20 buildings or improvements, by reason of dilapidation, deterioration, age or obsolescence,  
21 inadequate provision for access, ventilation, light, air, sanitation, open spaces, high density of  
22 population and overcrowding or the existence of conditions which endanger life or property, are  
23 detrimental to the public health, safety, morals or welfare. "Blighted area" includes any area which,  
24 by reason of the presence of a substantial number of substandard, slum, deteriorated or  
25 deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in  
26 relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions,  
27 deterioration of site or other improvements, diversity of ownership, defective or unusual conditions  
28 of title or the existence of conditions which endanger life or property by fire and other causes, or  
29 any combination of such factors, substantially impairs or arrests the sound growth of a  
30 municipality, retards the provision of housing accommodations or constitutes an economic or  
31 social liability and is a menace to the public health, safety, morals or welfare in its present condition  
32 and use, or any area which is predominantly open and which because of lack of accessibility,  
33 obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or  
34 otherwise, substantially impairs or arrests the sound growth of the community.

35 "Commissioner of Highways" means the Commissioner of the Division of Highways.

36 "Conservation area" means any improved area within the boundaries of a development or  
37 redevelopment district located within the territorial limits of a municipality or county in which fifty  
38 percent or more of the structures in the area have an age of thirty-five years or more. A  
39 conservation area is not yet a blighted area but is detrimental to the public health, safety, morals or  
40 welfare and may become a blighted area because of any one or more of the following factors:

41 Dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of  
42 structures below minimum code standards; abandonment; excessive vacancies; overcrowding of  
43 structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate  
44 utilities; excessive land coverage; deleterious land use or layout; depreciation of physical  
45 maintenance; and lack of community planning. A conservation area shall meet at least three of the  
46 factors provided in this subdivision.

47 "County commission" means the governing body of a county of this state and, for purposes  
48 of this article only, includes the governing body of a Class I, Class II or Class III municipality in this  
49 state.

50 "Current assessed value" means the annual taxable assessed value of all real and tangible  
51 personal property, excluding personal motor vehicles, having a tax situs within a development or  
52 redevelopment district as shown upon the landbook and personal property records of the  
53 assessor: *Provided*, That for any development or redevelopment district approved after the  
54 effective date of the amendments to this section enacted during the regular session of the  
55 Legislature in 2014, personal trailers, personal boats, personal campers, personal motor homes,  
56 personal ATVs and personal motorcycles having a tax situs within a development or  
57 redevelopment district are excluded from the current assessed value.

58 "Development office" means the West Virginia Department of Economic Development  
59 created in §5B-2-1 of this code.

60 "Development project" or "redevelopment project" means a project undertaken in a  
61 development or redevelopment district for eliminating or preventing the development or spread of  
62 slums or deteriorated, deteriorating or blighted areas, for discouraging the loss of commerce,  
63 industry or employment, for increasing employment or for any combination thereof in accordance  
64 with a tax increment financing plan. A development or redevelopment project may include one or  
65 more of the following:

66 (A) The acquisition of land and improvements, if any, within the development or  
67 redevelopment district and clearance of the land so acquired; or

68 (B) The development, redevelopment, revitalization or conservation of the project area  
69 whenever necessary to provide land for needed public facilities, public housing or industrial or  
70 commercial development or revitalization, to eliminate unhealthful, unsanitary or unsafe  
71 conditions, to lessen density, mitigate or eliminate traffic congestion, reduce traffic hazards,  
72 eliminate obsolete or other uses detrimental to public welfare or otherwise remove or prevent the  
73 spread of blight or deterioration;

74 (C) The financial or other assistance in the relocation of persons and organizations  
75 displaced as a result of carrying out the development or redevelopment project and other  
76 improvements necessary for carrying out the project plan, together with those site improvements  
77 that are necessary for the preparation of any sites and making any land or improvements acquired  
78 in the project area available, by sale or lease, for public housing or for development,  
79 redevelopment or rehabilitation by private enterprise for commercial or industrial uses in  
80 accordance with the plan;

81 (D) The construction of capital improvements within a development or redevelopment  
82 district designed to increase or enhance the development of commerce, industry or housing within  
83 the development project area; or

84 (E) Any other projects the county commission or the agency deems appropriate to carry  
85 out the purposes of this article.

86 "Development or redevelopment district" means an area proposed by one or more  
87 agencies as a development or redevelopment district which may include one or more counties,  
88 one or more municipalities or any combination thereof, that has been approved by the county  
89 commission of each county in which the project area is located if the project is located outside the  
90 corporate limits of a municipality, or by the governing body of a municipality if the project area is  
91 located within a municipality, or by both the county commission and the governing body of the

92 municipality when the development or redevelopment district is located both within and without a  
93 municipality.

94 "Division of Highways" means the state Department of Transportation, Division of  
95 Highways.

96 "Economic development area" means any area or portion of an area within the boundaries  
97 of a development or redevelopment district located within the territorial limits of a municipality or  
98 county that is neither a blighted area nor a conservation area and for which the county commission  
99 finds that development or redevelopment will not be solely used for development of commercial  
100 businesses that will unfairly compete in the local economy and that development or  
101 redevelopment is in the public interest because it will:

102 (A) Discourage commerce, industry or manufacturing from moving their operations to  
103 another state;

104 (B) Result in increased employment in the municipality or county, whichever is applicable;  
105 or

106 (C) Result in preservation or enhancement of the tax base of the county or municipality.

107 "Governing body of a municipality" means the city council of a Class I, Class II or Class III  
108 municipality in this state.

109 "Incremental value", for any development or redevelopment district, means the difference  
110 between the base assessed value and the current assessed value. The incremental value will be  
111 positive if the current value exceeds the base value and the incremental value will be negative if  
112 the current value is less than the base assessed value.

113 "Includes" and "including", when used in a definition contained in this article, shall not  
114 exclude other things otherwise within the meaning of the term being defined.

115 "Intergovernmental agreement" means any written agreement that may be entered into by  
116 and between two or more county commissions, or between two or more municipalities, or between  
117 a county commission and a municipality, in the singular and the plural, or between two or more

118 government entities and the Commissioner of Highways: *Provided*, That any intergovernmental  
119 agreement shall not be subject to provisions governing intergovernmental agreements set forth in  
120 other provisions of this code, including, but not limited to, §8-23-1 *et seq.* of this code, but shall be  
121 subject to the provisions of this article.

122 "Local levying body" means the county board of education and the county commission and  
123 includes the governing body of a municipality when the development or redevelopment district is  
124 located, in whole or in part, within the boundaries of the municipality.

125 "Obligations" or "tax increment financing obligations" means bonds, loans, debentures,  
126 notes, special certificates or other evidences of indebtedness issued by a county commission or  
127 municipality pursuant to this article to carry out a development or redevelopment project or to  
128 refund outstanding obligations under this article.

129 "Order" means an order of the county commission adopted in conformity with the  
130 provisions of this article and as provided in this chapter.

131 "Ordinance" means a law adopted by the governing body of a municipality in conformity  
132 with the provisions of this article and as provided in §8-1-1 *et seq.* of this code.

133 "Payment in lieu of taxes" means a payment with respect to real and personal property  
134 located in a development or redevelopment district and owned in title by this state, a political  
135 subdivision of this state or an agency or instrumentality thereof, that is made by the lessee of such  
136 property pursuant to a written payment in lieu of taxes agreement, whether in effect as of, or  
137 subsequent to, the date of creation of the development or redevelopment district.

138 "Person" means any natural person, and any corporation, association, partnership, limited  
139 partnership, limited liability company or other entity, regardless of its form, structure or nature,  
140 other than a government agency or instrumentality.

141 "Private project" means any project that is subject to ad valorem property taxation in this  
142 state or to a payment in lieu of tax agreement that is undertaken by a project developer in  
143 accordance with a tax increment financing plan in a development or redevelopment district.



144 "Project" means any capital improvement, facility or both, as specifically set forth and  
145 defined in the project plan, requiring an investment of capital including, but not limited to,  
146 extensions, additions or improvements to existing facilities, including water or wastewater  
147 facilities, and the remediation of contaminated property as provided for in §22-22-1 *et seq.* of this  
148 code, but does not include performance of any governmental service by a county or municipal  
149 government.

150 "Project area" means an area within the boundaries of a development or redevelopment  
151 district in which a development or redevelopment project is undertaken as specifically set forth and  
152 defined in the project plan.

153 "Project costs" means expenditures made in preparation of the development or  
154 redevelopment project plan and made, or estimated to be made, or monetary obligations incurred,  
155 or estimated to be incurred, by the county commission which are listed in the project plan as  
156 capital improvements within a development or redevelopment district, plus any costs incidental  
157 thereto. "Project costs" include, but are not limited to:

158 (A) Capital costs, including, but not limited to, the actual costs of the construction of public  
159 works or improvements, capital improvements and facilities, new buildings, structures and  
160 fixtures, the demolition, alteration, remodeling, repair or reconstruction of existing buildings,  
161 structures and fixtures, environmental remediation, parking and landscaping, the acquisition of  
162 equipment and site clearing, grading and preparation;

163 (B) Financing costs, including, but not limited to, an interest paid to holders of evidences of  
164 indebtedness issued to pay for project costs, all costs of issuance and any redemption premiums,  
165 credit enhancement or other related costs;

166 (C) Real property assembly costs, meaning any deficit incurred resulting from the sale or  
167 lease as lessor by the county commission of real or personal property having a tax situs within a  
168 development or redevelopment district for consideration that is less than its cost to the county  
169 commission;

170 (D) Professional service costs including, but not limited to, those costs incurred for  
171 architectural planning, engineering and legal advice and services;

172 (E) Imputed administrative costs including, but not limited to, reasonable charges for time  
173 spent by county employees or municipal employees in connection with the implementation of a  
174 project plan;

175 (F) Relocation costs including, but not limited to, those relocation payments made  
176 following condemnation and job training and retraining;

177 (G) Organizational costs including, but not limited to, the costs of conducting  
178 environmental impact and other studies and the costs of informing the public with respect to the  
179 creation of a development or redevelopment district and the implementation of project plans;

180 (H) Payments made, in the discretion of the county commission or the governing body of a  
181 municipality, which are found to be necessary or convenient to creation of development or  
182 redevelopment districts or the implementation of project plans; and

183 (I) That portion of costs related to the construction of environmental protection devices,  
184 storm or sanitary sewer lines, water lines, amenities or streets or the rebuilding or expansion of  
185 streets, or the construction, alteration, rebuilding or expansion of which is necessitated by the  
186 project plan for a development or redevelopment district, whether or not the construction,  
187 alteration, rebuilding or expansion is within the area or on land contiguous thereto.

188 "Project developer" means any person who engages in the development of projects in the  
189 state.

190 "Project plan" means the plan for a development or redevelopment project that is adopted  
191 by a county commission or governing body of a municipality in conformity with the requirements of  
192 this article and this chapter or §8-1-1 *et seq.* of this code.

193 "Real property" means all lands, including improvements and fixtures on them and  
194 property of any nature appurtenant to them or used in connection with them and every estate,

195 interest and right, legal or equitable, in them, including terms of years and liens by way of  
196 judgment, mortgage or otherwise, and indebtedness secured by the liens.

197 "Redevelopment area" means an area designated by a county commission or the  
198 governing body of a municipality in respect to which the commission or governing body has made  
199 a finding that there exist conditions which cause the area to be classified as a blighted area, a  
200 conservation area, an economic development area or a combination thereof, which area includes  
201 only those parcels of real property directly and substantially benefitted by the proposed  
202 redevelopment project located within the development or redevelopment district or land  
203 contiguous thereto.

204 "Redevelopment plan" means the comprehensive program under this article of a county or  
205 municipality for redevelopment intended by the payment of redevelopment costs to reduce or  
206 eliminate those conditions, the existence of which qualified the redevelopment area as a blighted  
207 area, conservation area, economic development area or combination thereof, and to thereby  
208 enhance the tax bases of the levying bodies which extend into the redevelopment area. Each  
209 redevelopment plan shall conform to the requirements of this article.

210 "Tax increment" means the amount of regular levy property taxes attributable to the  
211 amount by which the current assessed value of real and tangible personal property having a tax  
212 situs in a development or redevelopment district exceeds the base assessed value of the property.  
213 ~~Provided, That where the period of existence of a development or redevelopment district is~~  
214 ~~extended beyond its originally scheduled termination date as permitted by §7-11B-10 of this code,~~  
215 ~~only the regular and excess property tax levies of the county commission and any Class I, II, III or~~  
216 ~~IV municipality, a portion of which is located within the boundaries of the development or~~  
217 ~~redevelopment district, shall be included in the tax increment following the originally scheduled~~  
218 ~~termination date of the development or redevelopment district~~

219 "Tax increment financing fund" means a separate fund for a development or  
220 redevelopment district established by the county commission or governing body of the

221 municipality into which all tax increment revenues and other pledged revenues are deposited and  
222 from which projected project costs, debt service and other expenditures authorized by this article  
223 are paid.

224 "This code" means the Code of West Virginia, 1931, as amended by the Legislature.

225 "Total ad valorem property tax regular levy rate" means the aggregate levy rate of all  
226 levying bodies on all taxable property having a tax situs within a development or redevelopment  
227 district in a tax year but does not include excess levies, levies for general obligation bonded  
228 indebtedness or any other levies that are not regular levies.

**§7-11B-7. Creation of a development or redevelopment area or district.**

1 (a) County commissions and the governing bodies of Class I, Class II or Class III  
2 municipalities, upon their own initiative or upon application of an agency or a developer, may  
3 propose creation of a development or redevelopment district and designate the boundaries of the  
4 district: *Provided*, That a district may not include noncontiguous land.

5 (b) The county commission or municipality proposing creation of a development or  
6 redevelopment district shall then hold a public hearing at which interested parties are afforded a  
7 reasonable opportunity to express their views on the proposed creation of a development or  
8 redevelopment district and its proposed boundaries.

9 (1) Notice of the hearing shall be published as a Class II legal advertisement in accordance  
10 with §59-3-2 of this code.

11 (2) The notice shall include the time, place and purpose of the public hearing, describe in  
12 sufficient detail the tax increment financing plan, the proposed boundaries of the development or  
13 redevelopment district and, when a development or redevelopment project plan is being  
14 proposed, the proposed tax increment financing obligations to be issued to finance the  
15 development or redevelopment project costs.

16 (3) Prior to the first day of publication, a copy of the notice shall be sent by first-class mail to  
17 the director of the Development Office and to the chief executive officer of all other local levying

18 bodies having the power to levy taxes on real and tangible personal property located within the  
19 proposed development or redevelopment district.

20 (4) All parties who appear at the hearing shall be afforded an opportunity to express their  
21 views on the proposal to create the development or redevelopment district and, if applicable, the  
22 development or redevelopment project plan and proposed tax increment financing obligations.

23 (c) After the public hearing, the county commission, or the governing body of the  
24 municipality, shall finalize the boundaries of the development or redevelopment district, the  
25 development or redevelopment project plan, or both, and submit the same to the director of the  
26 Development Office for his or her review and approval. The director, within sixty days after receipt  
27 of the application, shall approve the application as submitted, reject the application or return the  
28 application to the county commission or governing body of the municipality for further  
29 development or review in accordance with instructions of the director of the Development Office. A  
30 development or redevelopment district or development or redevelopment project plan may not be  
31 adopted by the county commission or the governing body of a municipality until after it has been  
32 approved by the executive director of the Development Office.

33 (d) Upon approval of the application by the Development Office, the county commission  
34 may enter an order and the governing body of the municipality proposing the district or  
35 development or redevelopment project plan may adopt an ordinance, that:

36 (1) Describes the boundaries of a development or redevelopment district sufficiently to  
37 identify with ordinary and reasonable certainty the territory included in the district, which  
38 boundaries shall create a contiguous district;

39 (2) Creates the development or redevelopment district as of a date provided in the order or  
40 ordinance;

41 (3) Assigns a name to the development or redevelopment district for identification  
42 purposes.

43 (A) The name may include a geographic or other designation, shall identify the county or  
44 municipality authorizing the district and shall be assigned a number, beginning with the number  
45 one.

46 (B) Each subsequently created district in the county or municipality shall be assigned the  
47 next consecutive number;

48 (4) Contains findings that the real property within the development or redevelopment  
49 district will be benefitted by eliminating or preventing the development or spread of slums or  
50 blighted, deteriorated or deteriorating areas, discouraging the loss of commerce, industry or  
51 employment, increasing employment or any combination thereof;

52 (5) Approves the development or redevelopment project plan, if applicable;

53 (6) Establishes a tax increment financing fund as a separate fund into which all tax  
54 increment revenues and other revenues designated by the county commission, or governing body  
55 of the municipality, for the benefit of the development or redevelopment district shall be deposited,  
56 and from which all project costs shall be paid, which may be assigned to and held by a trustee for  
57 the benefit of bondholders if tax increment financing obligations are issued by the county  
58 commission or the governing body of the municipality; and

59 (7) Provides that ad valorem property taxes on real and tangible personal property having  
60 a tax situs in the development or redevelopment district shall be assessed, collected and allocated  
61 in the following manner, commencing upon the date of adoption of such order or ordinance and  
62 continuing for so long as any tax increment financing obligations are payable from the tax  
63 increment financing fund, hereinafter authorized, are outstanding and unpaid:

64 (A) For each tax year, the county assessor shall record in the land and personal property  
65 books both the base assessed value and the current assessed value of the real and tangible  
66 personal property having a tax situs in the development or redevelopment district;

67 (B) Ad valorem taxes collected from regular levies upon real and tangible personal  
68 property having a tax situs in the district that are attributable to the lower of the base assessed

69 value or the current assessed value of real and tangible personal property located in the  
70 development project area shall be allocated to the levying bodies in the same manner as  
71 applicable to the tax year in which the development or redevelopment project plan is adopted by  
72 order of the county commission or by ordinance adopted by the governing body of the municipality;

73 (C) The tax increment with respect to real and tangible personal property in the  
74 development or redevelopment district shall be allocated and paid into the tax increment financing  
75 fund and shall be used to pay the principal of and interest on tax increment financing obligations  
76 issued to finance the costs of the development or redevelopment projects in the development or  
77 redevelopment district. Any levying body having a development or redevelopment district within its  
78 taxing jurisdiction shall not receive any portion of the annual tax increment except as otherwise  
79 provided in this article; and

80 (D) In no event shall the tax increment include any taxes collected from excess levies,  
81 levies for general obligation bonded indebtedness or any levies other than the regular levies  
82 provided for in §11-8-1 *et seq.* of this code.

83 (e) Proceeds from tax increment financing obligations issued under this article may only be  
84 used to pay for costs of development and redevelopment projects to foster economic development  
85 in the development or redevelopment district or land contiguous thereto.

86 (f) Notwithstanding subsection (d) of this section, a county commission may not enter an  
87 order approving a development or redevelopment project plan unless the county commission  
88 expressly finds and states in the order that the development or redevelopment project is not  
89 reasonably expected to occur without the use of tax increment financing.

90 (g) Notwithstanding subsection (d) of this section, the governing body of a municipality  
91 may not adopt an ordinance approving a development or redevelopment project plan unless the  
92 governing body expressly finds and states in the ordinance that the development or  
93 redevelopment project is not reasonably expected to occur without the use of tax increment  
94 financing.

95 (h) No county commission shall establish a development or redevelopment district any  
96 portion of which is within the boundaries of a Class I, II, III or IV municipality without the formal  
97 consent of the governing body of such municipality.

98 (i) A tax increment financing plan that has been approved by a county commission or the  
99 governing body of a municipality may be amended by following the procedures set forth in this  
100 article for adoption of a new development or redevelopment project plan.

101 (j) The county commission may modify the boundaries of the development or  
102 redevelopment district, from time to time, or the governing body of a county may extend the length  
103 of existence of the development or redevelopment district as set forth in §7-11B-10 of this code,  
104 subject to the limitations and requirements of this section, by entry of an order modifying the order  
105 creating the development or redevelopment district.

106 (k) The governing body of a municipality may modify the boundaries of the development or  
107 redevelopment district, from time to time, or extend the length of existence of the development or  
108 redevelopment district as set forth in §7-11B-10 of this code, by amending the ordinance creating  
109 the development or redevelopment district.

110 (l) Before a county commission or the governing body of a municipality may amend such  
111 an order or ordinance, the county commission or municipality shall give the public notice as  
112 provided in subdivisions (1) and (2), subsection (b) of this section, hold a public hearing, as  
113 provided in subdivision (4), subsection (b) of this section, and obtain the approval of the director of  
114 the Development Office. ~~and obtain the formal consent of the governing body of any Class I, II, III~~  
115 ~~or IV municipality a portion of which is located within the boundaries of the development or~~  
116 ~~redevelopment district~~ No consent or approval from the local levying bodies having the power to  
117 levy taxes on property within the development or redevelopment district shall be required in order  
118 to amend such order or ordinance for the purposes herein described, aside from the county  
119 commission or the governing body of the municipality which is amending such order or ordinance.

120 In the event any tax increment financing obligations are outstanding with respect to the



121 development or redevelopment district, any change in the boundaries shall not reduce the amount  
122 of tax increment available to secure the outstanding tax increment financing obligations.

**§7-11B-8. Project plan — approval.**

1 (a) The county commission or municipality creating the district shall cause the preparation  
2 of a project plan for each development or redevelopment district and the project plan shall be  
3 adopted by order of the county commission, or ordinance adopted by the governing body of the  
4 municipality, after it is approved by the executive director of the Development Office. This process  
5 shall conform to the procedures set forth in this section.

6 (b) Each project plan shall include:

7 (1) A statement listing the kind, number and location of all proposed public works or other  
8 improvements within the district and on land outside but contiguous to the district;

9 (2) A cost-benefit analysis showing the economic impact of the plan on each levying body  
10 that is at least partially within the boundaries of the development or redevelopment district. This  
11 analysis shall show the impact on the economy if the project is not built and is built pursuant to the  
12 development or redevelopment plan under consideration. The cost-benefit analysis shall include a  
13 fiscal impact study on every affected levying body and sufficient information from the developer for  
14 the agency, if any proposing the plan, the county commission ~~be~~ being asked to approve the  
15 project and the Development Office to evaluate whether the project as proposed is financially  
16 feasible;

17 (3) An economic feasibility study;

18 (4) A detailed list of estimated project costs;

19 (5) A description of the methods of financing all estimated project costs, including the  
20 issuance of tax increment obligations and the time when the costs or monetary obligations related  
21 thereto are to be incurred;

22 (6) A certification by the county assessor of the base assessed value of real and tangible  
23 personal property having a tax situs in a development or redevelopment district: *Provided*, That if

24 such certification is made during the months of January or February of each year, the county  
25 assessor may certify an estimated base assessed value of real and tangible personal property  
26 having a tax situs in a development or redevelopment district: *Provided, however,* That prior to  
27 issuance of tax increment obligations, the county assessor shall certify a final base assessed  
28 value for the estimated base assessed value permitted by this section;

29 (7) The type and amount of any other revenues that are expected to be deposited to the tax  
30 increment financing fund of the development or redevelopment district;

31 (8) A map showing existing uses and conditions of real property in the development or  
32 redevelopment district;

33 (9) A map of proposed improvements and uses in the district;

34 (10) Proposed changes of zoning ordinances, if any;

35 (11) Appropriate cross-references to any master plan, map, building codes and municipal  
36 ordinances or county commission orders affected by the project plan;

37 (12) A list of estimated nonproject costs;

38 (13) A statement of the proposed method for the relocation of any persons, businesses or  
39 organizations to be displaced;

40 (14) A certificate from the executive director of the workers' compensation commission, the  
41 commissioner of the Bureau of Employment Programs and the State Tax Commissioner that the  
42 project developer is in good standing with the workers' compensation commission, the Bureau of  
43 Employment Programs and the state Tax Division; and

44 (15) A certificate from the sheriff of the county or counties in which the development or  
45 redevelopment district is located that the project developer is not delinquent on payment of any  
46 real and personal property taxes in such county.

47 (c) If the project plan is to include tax increment financing, the tax increment financing  
48 portion of the plan shall set forth:

49 (1) The amount of indebtedness to be incurred pursuant to this article;

50 (2) An estimate of the tax increment to be generated as a result of the project;

51 (3) The method for calculating the tax increment, which shall be in conformance with the  
52 provisions of this article, together with any provision for adjustment of the method of calculation;

53 (4) Any other revenues, such as payment in lieu of tax revenues, to be used to secure the  
54 tax increment financing; and

55 (5) Any other provisions as may be deemed necessary in order to carry out any tax  
56 increment financing to be used for the development or redevelopment project.

57 (d) If less than all of the tax increment is to be used to fund a development or  
58 redevelopment project or to pay project costs or retire tax increment financing, the project plan  
59 shall set forth the portion of the tax increment to be deposited in the tax increment financing fund of  
60 the development or redevelopment district and provide for the distribution of the remaining portion  
61 of the tax increment to the levying bodies in whose jurisdiction the district lies.

62 (e) The county commission or governing body of the municipality that established the tax  
63 increment financing fund shall hold a public hearing at which interested parties shall be afforded a  
64 reasonable opportunity to express their views on the proposed project plan being considered by  
65 the county commission or the governing body of the municipality.

66 (1) Notice of the hearing shall be published as a Class II legal advertisement in accordance  
67 with §59-3-2 of this code.

68 (2) At least 30 days prior to ~~this publication~~ the public hearing, a copy of the notice ~~and a~~  
69 ~~copy of the proposed project plan~~ shall be sent by first-class mail to the chief executive officer of all  
70 other levying bodies having the power to levy taxes on property located within the proposed  
71 development or redevelopment district.

72 (f) Approval by the county commission or the governing body of a municipality of an initial  
73 development or redevelopment project plan must be within one year after the date of the county  
74 assessor's certification required by subdivision (6), subsection (b) of this section: *Provided*, That  
75 additional development or redevelopment project plans may be approved by the county

76 commission or the governing body of a municipality in subsequent years, so long as the  
77 development or redevelopment district continues to exist. The approval shall be by order of the  
78 county commission or ordinance of the municipality, which shall contain a finding that the plan is  
79 economically feasible.

**§7-11B-9. Project plan – amendment.**

1 (a) The county commission may by order, or the governing body of a municipality by  
2 ordinance, adopt an amendment to a project plan.

3 (b) Adoption of an amendment to a project plan shall be preceded by a public hearing held  
4 by the county commission, or governing body of the municipality, at which interested parties shall  
5 be afforded a reasonable opportunity to express their views on the amendment.

6 (1) Notice of the hearing shall be published as a Class II legal advertisement in accordance  
7 with §59-3-2 of this code.

8 (2) At least 30 days prior to ~~publication~~ the public hearing, a copy of the notice shall be sent  
9 by first-class mail to the chief executive officer of all other local levying bodies having the power to  
10 levy taxes on property within the development or redevelopment district.

11 (3) Copies of the proposed plan amendments shall be made available to the public at the  
12 county clerk's office or municipal clerk's office at least fifteen days prior to the hearing.

13 (c) One or more existing development or redevelopment districts may be combined  
14 pursuant to lawfully adopted amendments to the original plans for each district: *Provided*, That the  
15 county commission, or governing body of the municipality, finds that the combination of the  
16 districts will not impair the security for any tax increment financing obligations previously issued  
17 pursuant to this article.

18 (1) The base assessed value of the real and tangible personal property located in the  
19 combined development or redevelopment district following such combination shall be the same  
20 base assessed value as existed for such real and tangible personal property in each of the  
21 separate development or redevelopment districts prior to such combination.

22           (2) The termination date for the combined development or redevelopment district which  
23 results from the combination of two or more previously created districts shall be the termination  
24 date as provided pursuant to §7-11B-10 of this code of the development or redevelopment district  
25 which had the latest termination date prior to the combination of such districts.

**§7-11B-10. Termination of development or redevelopment district.**

1           (a) No development or redevelopment district may be in existence for a period longer than  
2 30 years (unless two or more districts are combined as described in §7-11B-9(c) of this code) and  
3 no tax increment financing obligations may have a final maturity date later than the termination  
4 date of the area or district: *Provided*, That, for any existing development or redevelopment district  
5 for which tax increment financing obligations have been issued by a county commission, or the  
6 governing body of a municipality, prior to December 31, 2020, the termination date for that existing  
7 development or redevelopment district may be extended not more than five 15 years. ~~or until~~  
8 ~~December 31, 2050, whichever is earlier~~

9           (b) The county commission or governing body of the municipality creating the development  
10 or redevelopment district may set a shorter period for the existence of the district. In this event, no  
11 tax increment financing obligations may have a final maturity date later than the termination date of  
12 the district. The county commission or the governing body of the municipality which created the  
13 development or redevelopment district may not take action to terminate a district prior to the time  
14 otherwise provided in its official action creating, combining, or extending the district if the county  
15 commission or the governing body of the municipality then has tax increment revenue obligations  
16 which remain outstanding and unpaid.

17           (c) Upon termination of the district, no further ad valorem tax revenues shall be distributed  
18 to the tax increment financing fund of the district.

19           (d) The county commission shall adopt, upon the expiration of the time periods set forth in  
20 this section, an order terminating the development or redevelopment district created by the county

21 commission: *Provided*, That no district shall be terminated so long as bonds with respect to the  
22 district remain outstanding.

23 (e) The governing body of the municipality shall repeal, upon the expiration of the time  
24 periods set forth in this section, the ordinance establishing the development or redevelopment  
25 district: *Provided*, That no district shall be terminated so long as bonds with respect to the district  
26 remain outstanding.

NOTE: The purpose of this bill is to revise the West Virginia Tax Increment Financing Act to authorize a county commission or municipality to extend the termination date of certain districts in light of the impact of COVID-19 on districts which had issued bonds prior to December 31, 2020, and clarifying the notice period for providing a copy of notice of public hearing to levying bodies prior to conducting a public hearing on the approval or amendment of a project plan and making other clarifications.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.