

Layton City

State of the City Community & Economic Development 2010 through June, 2013



PREPARED BY:
LAYTON CITY
COMMUNITY AND ECONOMIC DEVELOPMENT



Executive Summary

State of the City Community & Economic Development 2010 through June, 2013

Layton City is excited to provide information on the numerous community and economic development activities that have taken place over the past three and half years. This report shows how the residential market is recovering and that commercial activity is strong. It also highlights some new activities that are taking place, such as a joint use runway proposal with Hill Air Force Base.

In the past 3 ½ years, Layton City has seen over a quarter of a billion dollars of investment. Here are some specific numbers and projects that will assist you in understanding the amount of activity that has occurred from 2010 through June, 2013:

- \$294 million: Commercial & Residential Construction Valuation
- 732: Single Family Dwelling Permits
- 730: Multifamily Units
- 35/793: Subdivisions/Lots
- 469: New Commercial Business Licenses
- \$3.6 million: Redevelopment Agency investments
- 140,000 sq. ft.: 2013 reoccupation of three vacant buildings, filling 10% of the 2012 available vacant retail and commercial space in Davis County.
- 1,000 jobs, \$20 million+ in annual salaries: Black Turtle Services, Inc.
- 120,000 sq. ft.: New Weber State University – Davis campus building

The following pages further expand on specific development activities occurring within Layton City.



"These three businesses accounted for 140,000 sq. ft. of major retail and office reoccupation in 2013"

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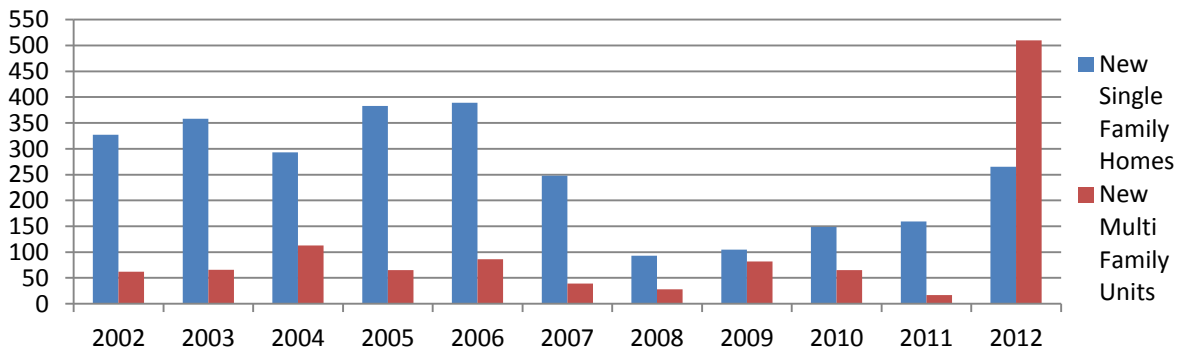
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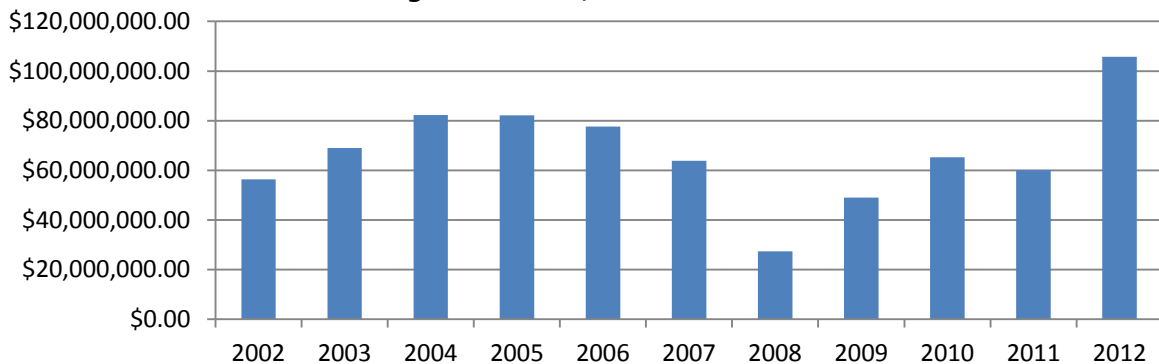
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In 2008, Layton experienced the effects of the National recession, with a considerable pause in housing and commercial markets. In 2010, housing and commercial activity started up again and has continued into a brisk pace, reminiscent of the peak development years of 2004. Layton experienced the highest residential permits ever in 2012, issuing 775 new residential building permits. Also in 2012, commercial building permits were the 2nd highest in a decade of sustained market growth and total building valuation exceeded \$105 million, the highest ever recorded.

Residential Permits



Total Building Valuation / Residential & Commercial



At the January 24, 2013 Northern Wasatch Home Builders Association luncheon, a notable expert in the field of residential development, Mr. Eric Allen, advised the

gathering of home builders and developers along the Wasatch Front of the market status. In his review of the Northern Utah housing market, he instructed builders,

"If you are not building in Layton, then you are not building!"
 Mr. Eric Allen
 Metrostudy

This comment was attributed to the shortest monthly inventory of new product, best market price point, most available Class "A" Subdivision lots, excellent community attributes, superior location and confident buyers.



The subdivision of land creating new residential neighborhoods continues at a sustaining pace to keep up with the market demand. The largest of these include:

Adamswood Landing PRUD	10 lots
Estates @ Mutton Hollow	121 lots
Evergreen Farms Phase 1	92 lots
Foothills @ Cherry Lane	77 lots
Foothills @ Cherry Lane PRUD	30 lots
Harmony Place PRUD	111 lots
Kennington Parkway	90 lots
Oakridge Estates	9 lots
Old Farm @ Parkway	66 lots
Roberts Farms – Phases 7 & 8	44 lots
The Cottages @ Chapel Park	49 lots
Weaver Park	52 lots
	751 lots

Starting in 2012, the pent-up demand for Class "A" multifamily communities was finally addressed by the development community. Five market-rate apartment communities have been added to the Layton residential inventory, the sixth is in the final planning stages and is soon to commence construction. These include:

Eastgate @ Greyhawk	108 units
Fernwood Place	74 units
Seasons of Layton	164 units
Villas on Main	144 units
Creekside (under construction)	24 units
Kays Crossing (under construction)	156 units
Legacy Cottages senior housing (final planning stages)	150 units

These Class "A" apartment communities are leasing up immediately, even before completion. Many of the existing apartment communities are reinvesting with improvements and additional amenities to meet the market expectation. This market demand for multi-family dwellings is real – it is a residential product that is needed for our growing population. This is a housing "choice" – with a real life-cycle demand.

The \$20 million, 5-story, Kays Crossing Apartments in Historic Downtown Layton will add a new level of vibrancy to a revitalizing downtown. This transit oriented development (TOD) will have 156 residential units, all the parking located underground within the building, and 3,000 square feet of retail uses. A full 20% of the occupants are expected to use *FrontRunner* as their prime commuting method.

Kays Crossing Apartments - Rendering



Kays Crossing Apartments – Under Construction, September, 2013



"For the first time in decades, the Layton skyline includes a construction crane!"

Commercial Activity

With the consistently fully leased Layton Hills Mall and a Wal-Mart that is #2 in statewide sales, the Layton City market place is alive and well. During the recovery years of 2010 through June 2013, the city added significant commercial development to serve its citizens and the region. The commercial offerings has expanded with the addition of new retailers including, but not limited to:

Sample of New Major Retailers 2010-2013

Bajio Mexican Grill	Five Guys	Salvo Guns
Bandidos Border Grill	Franz Family Bakeries	Sears Home Appliance
Beyond Spa	Happy Hashi	Shoe Carnival
Big Sai's Hawaiian BBQ	Hibachi Buffett	Simply Mac
Bohme	Hive Winery	Skywalker Haven
Brick Oven Pizza	Kneaders	Sports Clips
Buffalo Wild Wings	Maid-Rite	Sub Zero
C-A-L Ranch	Mattress Firm	Sweet Tooth Fairy
Cantina Southwestern Grill	Mejor Que Nada	Taco Maker
Cherry Berry	Morgan Jewelers	TCBY
Chick-Fil-A	O'Reilly Auto Parts	Texas Roadhouse
Chuck E. Cheese	Papa Murphy's Pizza	Tonys' Grill & Sushi
Dickey's Barbecue Pit	Red Dot Firearms	Utah Mattress Outlet
Dicks Sporting Goods	Red Zone	Wight House Reception Center
Dress Barn	Rue 21	
Fanzz	Salt City Sweets	

Existing Layton Retailers have upgraded buildings or relocated to new sites

Big Lots	McDonald's
Burger King	PetSmart
Cineplex Theater (under construction)	Smith's
Deseret Book	Standard Plumbing
Deseret Industries	Target
JCPenney	Young Chevrolet & Pontiac

WinCo Foods – In 2010, the City completed all approvals for *WinCo* to locate in Fort Lane Village Center. The corporate decision was to break ground in March 2012. In fall of 2012, a new *WinCo* corporate decision was to delay the Layton store indefinitely as Utah stores were not meeting expectations. The CEO decided to focus expansions into Las Vegas and allow approvals for the Layton store to expire. *WinCo Foods* owns 8.75 acres in the middle of the Fort Lane Village Center.

The City Council directed staff to market the Fort Lane Village Development Plan to retailers that fit the profile of the City approved plan. That effort has been extensive and continues with potential retailers.



Hotel users have expanded/upgraded in Layton

Best Western Hotel
 Hampton Inn Addition
 Holiday Inn Express Remodel
 Home 2 Suites by Hilton
 Marriot Courtyard Remodel

"With the completion of the Best Western Hotel, Layton now has 1,000+ hotel beds, further establishing Layton as the hospitality center for northern Utah."

Office and Institutional users have expanded/upgraded in Layton

Axiom Financial	Gordon Avenue Office
Bank of American Fork	Layton Medical Complex @ GreyHawk Plaza
Biolife Plasma Services	NES
Black Turtle Services, Inc.	Northrop Grumman Technical Services, Inc.
Citywide Home Loans	Pluralsight
Coldwell Banker	Re/Max Unlimited
Davis Hospital Expansion (Surgical center, etc.)	State Farm Insurance
Farm Bureau Financial Services	U.S. Bank
General Atomics Aeronautical, Inc.	Weber State University – Davis Campus – new 120,000 sq. ft. building

In June, 2013, Black Turtle Services, Inc. located to Layton, bringing with them 1,000 new jobs to the State of Utah. They are an inbound call center, assisting callers in navigating the new Health Insurance Marketplace national website. The benefits package makes this company unique in the call center industry. They have a minimum starting wage of \$11.52 an hour, and include full benefits and paid federal holidays and vacation. This will result in over \$20 million in new annual salaries to Layton and Utah.

New & Expanding Manufacturing

Follett Commercial Building	Kroger Ice Cream Expansion
Harmon & Sons Lawn Care	Masco Insulation Products – (Under construction)
Janicki Industries – Composites Milling – <i>"The best on the planet"</i>	Platt Electric
KIHOMAC	Robinson Waste
Kroger Manufacturing – (re-zoning for expansion plans)	Wolf Peak International, Inc. – 10,000 sq ft. expansion (under construction)



Major Capital Improvement Projects

- Fire Training Tower
- I-15 Layton Parkway Interchange and Layton Parkway from Fort Lane to Flint St.
- Layton Parkway extension – Flint St. to Angel St.
- Splash Pad at Ellison Park
- Train Station parking lot improvements and restoration and reuse as a private commercial development (ongoing)

Hill Air Force Base – Our prime employer for Layton and the State of Utah

In an effort to increase our economic development, defend against a future BRAC, and respond to sequestration, Layton City and Hill Air Force Base (HAFB) have engaged in a “Partnership” effort to develop a “Joint Use Runway”, expanding the opportunity for commercial use of the 13,500 foot runway. This partnership will provide an improved efficiency of use of the Base runway. This will add another airfield to Utah’s inventory to support our growing economy.

“These are challenging times for HAFB, but with innovative partnerships with the community, we can withstand sequestration and sustain our future. It is not business as usual on Base – we will develop revenue sources that will maintain the mission of the HAFB and provide greater opportunity for the economic success of the region.”

Colonel Kathryn Kolbe
HAFB Commander



– See following two pages for “Joint Use Runway” flyer –

Layton City and Hill Air Force Base Joint Use Runway Proposal

DESCRIPTION

In March of 2013, Hill Air Force Base (HAFB) contacted Layton City, Utah, to determine interest in participating as a civilian sponsor for joint use of the HAFB runway by a civilian tenant. On June 6, 2013, Layton City staff presented an east side concept proposal to HAFB personnel at the P4 Partnership Table Top Exercise. On July 8, 2013, Layton City received approval from HAFB to market the property identified in the concept proposal for Joint Use Runway tenants.

EAST SIDE CONCEPT – see following page for Concept Map (can be amended)

- Potential of over 1 million square feet of building space.
- Approximately 180 acres.
- Costs: TBD.

RUNWAY

- Runway length is 13,500 ft. and can support large/heavy aircraft operations.
- HAFB was a designated alternate landing site for space shuttles and support aircraft.
- HAFB estimates that 5,000 operations would be available to a civilian tenant per year (95 per week).

NEXT STEPS (Estimated, August 2013-June 2016)

- Meet with HAFB and Falcon Hill staff regarding application of an Enhanced Use Lease.
- Interact with the State of Utah, Utah Legislators, Utah State Governor's Office of Economic Development, the Economic Development Corporation of Utah, and Davis County Commissioners to establish partnerships and shared cost opportunities.
- Market the availability for a tenant as a part of a Joint Use Runway proposal.
- Environmental Review Process (once a tenant is identified).
- Submit Layton City and HAFB Joint Use Agreement Proposal to the U.S. Air Force.

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Redevelopment Incentives & Investments

Layton City has a tradition of being fiscally conservative; however, this does not imply that Layton leadership is unwilling to participate financially with projects that make sense for taxpayers. The Layton City Redevelopment Agency administers tax increment generated by a redevelopment area (RDA) and an economic development area (EDA). The Redevelopment Agency provided or programmed over \$3.6 million in incentives to assist growth in targeted areas. These investments include:

- \$2,380,000 – Fairfield Extension for East Gate Business Park
 - \$ 310,000 – East Gate Business Park Impact Fees
 - \$ 142,000 – East Gate Business Park Utilities
 - \$ 600,000 – Kays Crossing Impact Fees
 - \$ 180,000 – Kays Crossing Repayment
- \$3,612,000**

Conclusion

Under the leadership of the Mayor and City Council, Layton City has withstood the storm of the National recession, planned for a vibrant future and maintained the distinctive characteristics of our quality of life. Our business community is the third strongest along the entire Wasatch Front as assessed by the Brokerage experts, our residential neighborhoods are flourishing with vitality and our City is managed as efficiently as any in the State of Utah.

