

HUNTINGTON CITY COMMUNITY REINVESTMENT AGENCY

RESOLUTION 5-2024

A RESOLUTION APPROVING AND ADOPTING THE AMENDED COMMUNITY REINVESTMENT PROJECT AREA PLAN FOR THE HUNTINGTON CITY COMMERCIAL CORRIDOR COMMUNITY REINVESTMENT PROJECT AREA.

WHEREAS, pursuant to the provisions of the Utah Limited Purpose Local Government Entities - Community Reinvestment Agency Act (the "**Act**"), specifically Utah Code Annotated ("**UCA**") § 17C-5, the Huntington City Community Reinvestment Agency (the "**Agency**") has created and adopted a project area plan (the "**Plan**") for the Huntington City Commercial Corridor Community Reinvestment Project Area ("**Project Area**"); and

WHEREAS, the Agency has determined that the Project Area should include only that property for which the Agency has engaged in project area development activities and therefore desires to remove the remaining property from the Project Area; and

WHEREAS, the Agency desires to remove the particular parcel from the Project Area pursuant to the provisions of UCA § 17C-5-112, which allows the Agency to amend the Plan without complying with the notice and public hearing requirements of the Act when removing property from the Project Area if the property is no longer desirable to the project area; and

WHEREAS, the Agency desires to amend the Plan to include only the specific real property by adopting an amended Plan (the "**Amended Plan**").

NOW, THEREFORE, BE IT RESOLVED BY THE HUNTINGTON CITY COMMUNITY REINVESTMENT AGENCY AS FOLLOWS:

SECTION 1 Legal Description.

§ 1.1 The boundaries of the Project Area are delineated on the Project Area map, included in the Amended Plan attached hereto as **Exhibit A**.

SECTION 2 The Agency's Purposes and Intent with Respect to the Project Area.

The purposes and intent of the Agency with respect to the Project Area are as follows:

§ 2.1 To satisfy the purposes of the Act, as defined therein, by promoting, creating, and/or retaining jobs through the planning, design, development, construction, rehabilitation, or business relocation within the Project Area, as well as the provision of office, industrial, manufacturing, warehousing, distribution, parking, public, or other facilities, or other improvements that benefit the state or a community;

§ 2.2 To increase the City's tax base as well as its commercial front so as to improve both opportunity and quality of life for all of its citizens;

§ 2.3 To promote, encourage, and bring to fruition, the development within the Project Area of a commercial development comprised of large, up-scale, reputable commercial concerns;

§ 2.4 To stimulate the economy of Huntington City and the surrounding area;

§ 2.5 To provide for the installation of needed infrastructure, if and as necessary, for development within the Project Area.

§ 2.6 To take any or all additional steps which may be appropriate or necessary to promote or further the aim of improving the Project Area (and, indirectly, surrounding areas).

SECTION 3 Designation, Adoption, and Incorporation of the Plan.

§ 3.1 The Amended Plan for the Huntington City Commercial Corridor Community Reinvestment Project Area, is hereby designated the *Official Plan for the Huntington City Commercial Corridor Community Reinvestment Project Area* (the “Official Plan”), and is incorporated herein by this reference.

§ 3.2 The Agency hereby officially approves and adopts the Amended Plan as the Official Plan for the Huntington City Commercial Corridor Community Reinvestment Project Area.

SECTION 4 Required Findings.

§ 4.1 A need exists to effectuate a public purpose; to wit, the exercise of the statutorily enacted community development mechanism for the benefit of the citizens of Huntington City.

§ 4.2 Benefit to the public shall accrue from the execution of the Official Plan, as each project undertaken thereunder shall be subject to the analysis described in UCA § 17C-4-103.

§ 4.4 The adoption and carrying out of the Official Plan is economically sound and feasible.

§ 4.5 The Official Plan conforms to the Huntington City General Plan.

§ 4.6 Carrying out the Official Plan will promote the public peace, health, safety, and welfare of Huntington City.

§ 4.8 Inclusion of the real property being removed from the Project Area is no longer necessary or desirable to the Project Area.

SECTION 5 Submission of the Official Plan to the Huntington City Council for Adoption by Ordinance.

§ 5.1 Pursuant to UCA §§ 17C-4-102 & 105, the Agency Board hereby submits the Official Plan to the Huntington City Council for review and adoption.

Exhibit A

*Amended Huntington City Commercial Corridor Community
Reinvestment Project Area Plan*

Amended Project Area Plan for the Huntington City Commercial Corridor Community Reinvestment Project Area

Adopted on March 20, 2024

The following amended project area plan for the Huntington City Commercial Corridor Community Reinvestment Project Area reflects the removal of Parcel # 01-177A-0019 from the Project Area, as shown on the map below. Parcel # 01-177A-0018 remains in the Project Area.



Huntington City Commercial Corridor Project Area

Introduction and Overview

The Huntington City Commercial Corridor Project Area ("Project Area"), administered by the Huntington City Community Reinvestment Agency ("Agency"), will serve as a catalyst in stimulating private investment and developing commercial activities to service residents and visitors to Huntington City ("City"). The use of tax increment financing ("TIF") and other tax revenue sources will facilitate the creation of visitor related and commercial within the Project Area.

Utah Code 17C-5-105(1) Requirements

A) Subject to Section 17C-1-414, if applicable, include a boundary description and a map of the community reinvestment project area

Project Area Map



Boundary Description

01-177A-0018

Beginning 504 feet West of the Northeast corner of the NE1/4 of the NE1/4 of Section 24, Township 17 South, Range 8 East, Salt Lake Meridian; thence West 816 feet, more or less, to the Northwest corner of the NE1/4 of the NE1/4 thence South 332 feet, more or less, to the intersection of the State Road; thence South 59 13' East along North boundary line of State Road 945 feet, more or less, to a point 795 feet South of beginning; thence North 795 feet to beginning. Also, beginning 174 feet West of Northeast corner of said Section; thence West 330 feet, thence South to North boundary line of State Road to a point due South of beginning; thence North to beginning.

Project Area Parcels

Parcel ID	Owner	Acreage
01-177A-0018	Nielson Business Properties, LLC	16.62

B) Contain a general statement of the existing land uses, layout of principal streets, population densities, and building intensities of the community reinvestment project area and how each will be affected by the project area development

Land Uses

Existing: The 16.62-acre Project Area consists of undeveloped land.

Anticipated: The Project Area will be developed to serve both visitors and residence with future commercial activities.

Layout of Principal Streets

Existing: The eastern boundary of the Project Area follows Highway 10. The southern boundary follows Highway 31, which leads up to Huntington Canyon.

Anticipated: The state is finalizing road improvements at this intersection allowing for future traffic activity.

Population Densities

Existing: The Project Area consists of undeveloped property.

Anticipated: The future development will increase sales and property tax revenue in the City and County, and it will also increase employment.

Building Intensities

Existing: The Project Area consists of undeveloped property.

Anticipated: During the first 10 years of the Project Area life, the developer anticipates constructing an additional commercial space along with visitor amenities that will include an RV Park.

C) State the standards that will guide the project area development

The Emery County General Plan will guide Project Area development. This proposed development also fits the goal of the County Economic Development Strategic Plan by:

- Adding employment to the local economy
- Create a better quality of life and aesthetic experience for citizens and visitors
- Increasing sales and property tax revenue

D) Show how the project area development will further the purposes of this title (17C)

The Project Area will further develop the property within its boundaries expanding an already existing commercial corridor with the city and county. The planned and potential private investment made within the project area will generate growth in the city's and county's overall tax base, but the site and market constraints will require an incentive to fully develop the property within the project area.

E) Be consistent with the general plan of the community in which the community reinvestment project area is located and show that the project area development will conform to the community's general plan

The Emery County General Plan includes the following objectives that the Project Area will support and conform to:

- Section 8.15: Economic Development
- Section 8.15: Recreation and Tourism
- Section 8.15: Business Expansion and Retention
- Section 8.15: Small Business Assistance

F) If applicable, describe how project area development will eliminate or reduce blight in the community reinvestment project area

Not applicable

G) Describe any specific project area development that is the object of the community reinvestment project area plan

The Project Area will include visitor related amenities like an RV park, hotel, etc.

H) If applicable, explain how the agency plans to select a participant

The Agency intends to enter into a post-performance tax increment reimbursement agreement with the developer. The tax increment reimbursement will only be given following the planned and potential private investment that generates tax increment above the baseline assessed taxable value within the Project Area. The Agency is also contemplating making sales tax revenue available if the developer makes greater investment.

I) State each reason the agency selected the community reinvestment project area

1. The Project Area will facilitate the expansion of commercial development within Huntington City improving the services and experience of residents and visitors.
2. The private investments made within the Project Area will increase sales and property tax revenue within the City and County.

J) Describe the physical, social, and economic conditions that exist in the community reinvestment project area

The Project Area consists of an existing facility and undeveloped property. The immediate impact will be the foundational infrastructure required to construct new commercial facilities within the boundaries of the Project Area. In the end, the Project Area will undergo significant improvements and house significant commercial development. The Project Area sits directly on Highway 10 just inside the Huntington City line, and it will give passersby a great impression of the community.

K) Describe each type of financial assistance that the agency anticipates offering a participant

The Agency intends to enter into a post-performance tax increment reimbursement agreement with the developer. The developer will potentially receive a portion of the tax increment generated within the Project Area that is above the agreed base taxable value at the onset of the project. Additionally, the Agency will set-aside 10% of the tax increment toward targeted housing uses as required by Utah Code Title 17C, and the agency will also consider providing other tax revenue depending on the scale of development.

L) Report the results of the public benefit analysis

The following analysis shall consider the benefit of any financial assistance or other public subsidy proposed to be provided by the agency, including:

- A) An evaluation of the reasonableness of the costs of the proposed project area development:

The Agency plans to use the available tax increment as a post-performance incentive to be provided to the Developer. The incentive will encourage the developer to make private investments necessary to create commercial activities for visitors and residents.

- B) Efforts that have been, or will be made, to maximize private investment:

The Project Area will house commercial development targeted at visitors and residents. This project area will attract private investment into the community by providing a post-performance incentive.

- C) The rationale for the use of project area funds, including an analysis of whether the proposed project area development might reasonably be expected to occur in the foreseeable future solely through private investment. The Agency's rationale for use of Project Area funds includes the following:

- The developer would not consider an expanded investment without the post-performance incentive because of the speculative nature of the city's real estate market.
- The developer is considering investing in other locations throughout the western states with higher rates of return in the near term.

The Agency has conducted an analysis that compares an adjacent development to underscore the need for, and benefits from, public assistance:

This project is located near Highway 10, a major connection route for both travelers and heavy truck traffic. Given the proximity to the highway and the availability of land and property nearby this project could spur other major developments along this critical corridor.

Beyond the increases in taxable value, the Project Area will have a significant impact on visitor related activities.

Comparison Property

The Project Area is necessary to support the comprehensive and significant development that includes dramatic increases in property values, employment, property development and tax base. When compared with nearby properties, it is evident the Project Area is essential to supporting the project and its myriad benefits. Below is an aerial map that displays the parcels required for the potential development on the westside of the

highway, and when compared to the undeveloped properties in the surrounding, it is evident that the primary land use is very underdeveloped. The Project Area will incent a substantial investment and lead to other potential development in the area.



D) An estimate of the total amount of project area funds that the agency intends to spend on project area development and the length of time over which the project area funds will be spent:

- On offsetting development expenses that will be incurred to fully build out the site.
- Partnering with the city and county to attract visitors to the community.

M) The anticipated public benefit derived from the proposed project area development, including:

A) The beneficial influence on the community's tax base

- This Project Area will generate new property tax through the construction of new commercial facilities, which will strengthen the County's economic well-being and its desire to avoid raising taxes on its residents. The Project Area will also generate new tax revenue from visitors coming to the area.

B) The associated business and economic activity the proposed project area development will likely stimulate:

- Increased commercial and retail services for county and city residents
- Increased commercial and retail services for county and city visitors

- Increased revenue for the county taxing entities
- Increased employment opportunities in the county and city

C) The adoption of the proposed community reinvestment project area plan is necessary and appropriate to undertake the proposed project area development:

- The Project Area is necessary to support the extraordinary capital investment that is required in developing a commercial development that supports the needs of the community while also servicing the growing visitors coming to the city and county. The public investment assures that a comprehensive and impactful development will occur in a timely manner. The construction costs, combined with new projected revenue, deems this project an appropriate undertaking that will position the City and County to better serve visitors and residents alike.

SECTION 6 Recording and Transmittal.

§ 6.1 Pursuant to UCA § 17C-4-107, the Agency Staff is hereby directed and authorized to take the following actions within 30 days after adoption of the Official Plan by the Huntington City Council:

a) to record with the Emery County Recorder a document containing a description of the land within the Project Area, a statement that the Official Plan for the Project Area has been adopted; and the date of its adoption by the County Commission; and

b) to transmit a copy of the description of the land within the Project Area, a copy of the City ordinance adopting the Official Plan, and a map indicating the boundaries of the Project Area to each of the following: (i) the auditor and assessor of the county in which the project area is located; (ii) the officer or officers performing the function of auditor or assessor for each taxing entity, if any, that does not use the county assessment roll or collect its taxes through the county; (iii) the legislative body or governing board of each taxing entity; (iv) the State Tax Commission; and (v) the State Board of Education.

SECTION 7 Execution of the Plan.

§ 7.1 Following adoption of the Official Plan by the Huntington City Council, the Agency shall proceed to carry out the Plan.

SECTION 8 Directions to the Agency Staff.

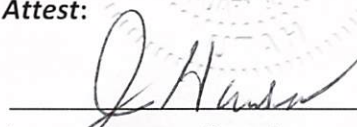
§ 8.1 The Agency Staff is hereby directed and authorized to take all such actions as necessary to effectuate the purposes and aims of this resolution.

SECTION 9 Effective Date

§ 9.1 This Resolution shall take effect upon its adoption.

APPROVED AND ADOPTED this 20th day of March, 2024.

Attest:


Jenene Hansen, Secretary



Leonard Norton, Chair

Huntington City Community Reinvestment Agency

