



Community Development and Renewal Agency of Herriman City Agenda

Wednesday, September 11, 2024

NOTICE IS HEREBY GIVEN that the Herriman City Council shall assemble for a
meeting in the City Council Chambers, located at
5355 WEST HERRIMAN MAIN STREET, HERRIMAN, UTAH

1. Call to Order

2. Approval of Minutes

2.1. Motion for review and outline of the finalization process to approve the minutes
of September 11, 2024

3. Discussion and Action Items

3.1. Consideration of an Amendment to the Interlocal Cooperative Agreement with
Salt Lake County for the Herriman Business Center Community Development
Project Area – Blake Thomas, Community Development Director

4. Adjournment

In accordance with the Americans with Disabilities Act, Herriman City will make reasonable accommodation for participation in the meeting. Request assistance by contacting Herriman City at (801) 446-5323 or info@herriman.org and provide at least 48 hours advance notice of the meeting.

ELECTRONIC PARTICIPATION: Members may participate electronically via telephone, Skype, or other electronic means during this meeting.

I, Wendy Thorpe, certify the foregoing agenda was emailed to at least one newspaper of general circulation within the geographic jurisdiction of the public body, at the principal office of the public body, on the Utah State Public Notice website www.utah.gov/pmn/index.html and on Herriman City's website at www.herriman.org

Posted and Dated this [enter posted date]

Wendy Thorpe
Deputy City Recorder



STAFF REPORT

DATE: August 29, 2024

TO: The Community Development and Renewal Agency of Herriman Board

FROM: Blake Thomas, Community Development Director

SUBJECT: Consideration of an Amendment to the Interlocal Cooperative Agreement with Salt Lake County for the Herriman Business Center Community Development Project Area.

RECOMMENDATION:

Staff recommends that the RDA board approves the amendment as provided.

ISSUE BEFORE THE BOARD:

Should the RDA board approve the third amendment to the Interlocal Cooperative Agreement with Salt Lake County for the Herriman Business Center Community Development Project Area (CDA) modifying section 5.10 regarding residential uses in the CDA?

BACKGROUND/SUMMARY:

The Herriman Business Center CDA was established in April 2015. A Project Area Plan was prepared and adopted by the Herriman City Council at that time. The Project Area Plan included several goals as follows: Provide for strengthening of the tax base and economic health of the entire community, encourage economic use of and new construction upon the real property located within the project area, promote and market the project area for community development that would be complementary to existing businesses and industries or would enhance the economic base of the city through diversification, provide for the construction of public streets, utilities, and other public infrastructure.

The tax increment funding, for the CDA, generated from Salt Lake County is determined through an Interlocal Cooperative Agreement (ILA). The original ILA was fully executed on May 24, 2016. Section 5.10 of the original ILA stated, "The Agency shall, throughout the period of development within the project area, ensure that no more than 27 acres of taxable land within the project area is developed for residential purposes." The ILA was amended in December 2017 with an updated Project Area Plan document associated with the RSL Academy project. The ILA was amended a second time in 2022 to modify the boundary of the project area, update the project area plan, and modify the residential use to allow for 32 acres of residential housing and up to 850 residential units resulting in a maximum density of 26.5 units per acre.

DISCUSSION:

The proposed amendment would increase the allowable acreage of residential development in the CDA to 78.5 acres. There are 31.5 acres of residential development in the CDA, with 693 residential units resulting in an average density of 22 units per acre. The proposed land plan for the CDA, regarding residential use, would construct 47 additional acres of residential development that would include 24 single-family homes, 308 townhomes, and 375 apartments.

ALTERNATIVES:

| | | |
|---|---|---|
| 1. Approve the amendment as provided. [Recommended] | Pro: Allows the amendment to proceed to Salt Lake County for final approval. | Con: May not allow for a consideration not discussed or evaluated by staff. |
| 2. Approve the amendment with changes | Pro: Allows for a consideration that may have not been discussed or analyzed yet. | Con: Delay approval of the amendment and reduce potential tax increment revenue to the city. |
| 3. Continue the item. | Pro: May allow for further analysis. | Con: Delay approval of the amendment and reduce potential tax increment revenue to the city. |
| 4. Deny approval of the amendment | Pro: None identified | Con: Could stifle development of the area and surrounding properties, thus reducing tax increment revenue realized by the city. |

FISCAL IMPACT:

Overall, the increase in units will generate an additional \$22.1 million in tax increment, with the Agency receiving \$16.5 million of that amount. However, Salt Lake County, Jordan School District, Jordan Valley Water Conservancy District, and Salt Lake County Library will have already reached their cap, and any increment received from the Agency will go back to the taxing entities. With this considered, this will be an additional \$3.3 million net increment for the Agency.

ATTACHMENTS

1. Draft Amendment
2. Amended CDA Exhibit

THIRD AMENDMENT
to the
INTERLOCAL COOPERATION AGREEMENT
between
COMMUNITY DEVELOPMENT AND RENEWAL AGENCY OF HERRIMAN CITY
and
SALT LAKE COUNTY

This Third Amendment to the Interlocal Cooperation Agreement between the Community Development and Renewal Agency of Herriman City and Salt Lake County (the “Third Amendment”) is made and entered into as of the Third Amendment Effective Date (defined below) by and between the COMMUNITY DEVELOPMENT AND RENEWAL AGENCY OF HERRIMAN CITY, a Utah community development and renewal agency or redevelopment agency (the “Agency”); and SALT LAKE COUNTY, a body corporate and politic of the State of Utah (the “County”). The Agency and the County may each be referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

A. On or about May 24, 2016, the Parties entered into an interlocal cooperation agreement (the “Original Agreement”) regarding, among other things, the contribution of County Tax Increment for the purpose of providing funds to carry out the Project Area Plan for the Herriman Business Center Community Development Project Area (the “Project Area Plan”).

B. On or about December 13, 2017, the Parties entered into an amendment to the Original Agreement (the “First Amendment”) in order to Amend the Project Area Plan.

C. On or about January 1, 2022, the Parties entered into an amendment to the Original Agreement (the “Second Amendment”) in order to adjust the overall acreage of the Project Area Plan and the total number of residential units located therein. The Original Agreement, the First Amendment, and the Second Amendment are collectively referred to herein as the “Agreement.”

D. The Parties desire to enter into this Third Amendment in order to re-define the scope and intensity of Residential Uses within the Project Area Plan.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. **Amendment to Section 5.10 of the Original Agreement.** Section 5.10 of the Original Agreement is hereby replaced, in its entirety, with the following:

5.10 *Residential Uses. The Agency shall ensure that no more than 78.5 acres of taxable land within the Project Area is developed for residential purposes.*

2. **Amendment of Project Area Plan.** Exhibit A of the Agreement is hereby amended and otherwise modified, to the extent necessary, to allow for up to 78.5 acres of residential housing.

3. **Effect of Third Amendment.** Except as specifically modified and amended by the terms of this Third Amendment, the terms and conditions of the Agreement shall continue in full force and effect. If any conflict or inconsistency between the provisions of the Agreement and this Third Amendment, the provisions of this Third Amendment shall control.

4. **Defined Terms and Effective Date.** Except as provided herein, all terms used in this Third Amendment that are not otherwise defined shall have the respective meanings ascribed to such terms in the Agreement. Upon satisfaction of the requirements of Section 7.7 of the Agreement that are applicable to this Third Amendment, this Third Amendment shall relate back to and be effective as of _____ (the “Third Amendment Effective Date”).

5. **Counterparts.** This Third Amendment may be executed in counterparts, each of which shall be deemed to be an original but all of which, taken together, constitute one and the same agreement. Delivery of an executed copy of this Third Amendment by one party to the other may be made by electronic mail and may include electronic signature.

IN WITNESS WHEREOF, the Parties hereto have caused this Third Amendment to be duly executed and delivered by their property and duly authorized representatives as of the dates written below.

[signatures on following pages]

COUNTY ACKNOWLEDGEMENT

SALT LAKE COUNTY

Signature: _____

Print Name: _____

Title: _____

Date: _____

Approved by:

SALT LAKE COUNTY OFFICE OF REGIONAL DEVELOPMENT

Signature: _____

Print Name: _____

Title: _____

Date: _____

Approved as to Form and Legality:

SALT LAKE COUNTY OFFICE OF REGIONAL DEVELOPMENT

Signature: _____

Print Name: _____

Title: _____

Date: _____

AGENCY ACKNOWLEDGEMENT

**COMMUNITY DEVELOPMENT AND
RENEWAL AGENCY OF HERRIMAN CITY**

Signature: _____

Print Name: _____

Title: _____

Date: _____

ATTEST

Signature: _____

Print Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM AND LEGALITY

Signature: _____

Print Name: _____

Title: _____

Date: _____

EXHIBIT A

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HERRIMAN BUSINESS
CENTER CDA MAP



Herriman City Boundary

Herriman Business Center CDA

CDA Residential Areas

| Area | Unit Type | # of Units |
|------|-----------|------------|
| A | SF | 20 |
| | MF TH | 208 |
| | MF Apt | 217 |
| B | MF Condo | 232 |
| C | MF Apt | 215 |
| D | MF TH | 246 |
| E | MF Apt | 158 |
| F | MF TH | 89 |
| G | MF TH | 11 |
| | SF | 4 |