AMENDED
CITY OF OREM
CITY COUNCIL MEETING
56 North State Street, Orem, Utah
November 11, 2014

This meeting may be held electronically to allow a Councilmember to participate.

3:00 P.M. REGULAR SESSION – CITY COUNCIL CHAMBERS

ADJOURN TO A CLOSED-DOOR MEETING – Pursuant to Sections 52-4-205 (1)(c), Pending Litigation; Purchase of Real Property, 52-4-205(1)(d); and 52-4-205(1)(e) Sale of Real Property

4:00 P.M. STUDY SESSION – PUBLIC SAFETY TRAINING ROOM

1. **Economic Development Strategic Plan – 45 minutes**
2. **SW Annexation – 45 minutes**

5:00 P.M. STUDY SESSION – PUBLIC SAFETY TRAINING ROOM

PREVIEW UPCOMING AGENDA ITEMS

3. **Staff will present to the City Council a preview of upcoming agenda items.**

AGENDA REVIEW

4. **The City Council will review the items on the agenda.**

CITY COUNCIL - NEW BUSINESS

5. **This is an opportunity for members of the City Council to raise issues of information or concern.**

THE PUBLIC IS INVITED TO PARTICIPATE IN ALL CITY COUNCIL MEETINGS.
If you need a special accommodation to participate in the City Council Meetings and Study Sessions, please call the City Recorder's Office at least 3 working days prior to the meeting.
(Voice 229-7074)

This agenda is also available on the City's Internet webpage at orem.org

6:00 P.M. REGULAR SESSION - COUNCIL CHAMBERS

CALL TO ORDER
INVOCATION/INSPIRATIONAL THOUGHT: By Invitation
PLEDGE OF ALLEGIANCE: By Invitation

ADJOURN TO A MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY OF OREM

RECONVENE CITY COUNCIL MEETING

APPROVAL OF MINUTES

6. **The minutes for the October 28, 2014, City Council meeting will be available for approval on December 9, 2014.**

MAYOR'S REPORT/ITEMS REFERRED BY COUNCIL

7. **UPCOMING EVENTS**
8. **APPOINTMENTS TO BOARDS AND COMMISSIONS**

Arts Council.....1 vacancy
Beautification Advisory Commission.....1 vacancy
CDBG Advisory Commission.....1 vacancy
Historic Preservation Advisory Commission.....3 vacancies
Library Advisory Commission.....1 vacancy
One name submitted for 2nd review.
Recreation Allocation Advisory Commission.....7 appointments
CDBG Advisory Commission.....1 vacancy
Senior Citizen Advisory Commission.....1 vacancy
Summerfest Advisory Commission.....3 vacancies
One name submitted for 1st review.
One name submitted for 2nd review

9. **RECOGNITION OF NEW NEIGHBORHOODS IN ACTION OFFICERS**
Two names submitted for 2nd review.
10. **RECOGNITION – Winner – November Orem City Logo Contest - Christina Marcano**
11. **REPORT – Metropolitan Water Board**

CITY MANAGER'S APPOINTMENTS

12. **APPOINTMENTS TO BOARDS AND COMMISSIONS**
The City Manager does not have any appointments.

PERSONAL APPEARANCES – 15 MINUTES

13. **Time has been set aside for the public to express their ideas, concerns, and comments on items not on the Agenda. Those wishing to speak should have signed in before the beginning of the meeting.** ***(Please limit your comments to 3 minutes or less.)***

CONSENT ITEMS

14. **There are no consent items.**

SCHEDULED ITEMS

6:20 P.M. PUBLIC HEARING

15. **ORDINANCE – Amending Section 22-14-29, Section 14-3-3, and Section 14 3 4 of the Orem City Code pertaining to outdoor advertising requirements – Billboards and Electronic Message Center Signs**

RECOMMENDATION: The Planning Commission recommends the City Council amend, by ordinance, Section 22-14-29, Section 14-3-3, and Section 14-3-4 of the City Code pertaining to outdoor advertising requirements.

PRESENTER: Jason Bench

POTENTIALLY AFFECTED AREA: Citywide

BACKGROUND: This application proposes amendments to three sections of the City Code pertaining to billboards.

The current ordinance allows electronic message center (EMC) signs on any billboard. The location of an EMC (LED) sign was an issue with the YESCO billboard at 2000 South Sandhill Road with the proximity of homes to that sign. There are other billboards in the City that are also close to residences on the east side of I-15.

Due to the concerns the City Council has previously expressed about the negative impact electronic signs may have on nearby residences, Staff propose to amend Section 22-14-29 to prohibit electronic message center (LED) signs on the east side of I-15 and within 500 feet of I-15. This would provide some protection to homes that are located near I-15.

Staff also recently became aware of a problem that could arise due to the application of Utah Code Section 10-9a-513. That section allows a billboard owner to relocate a billboard into any commercial, industrial or manufacturing zone within 5,280 feet of its previous location.

Staff is concerned that billboard companies might use the above-cited section to get around the City's prohibition of new billboards on the east side of I-15. Billboard companies with a billboard on the west side of I-15 (where new billboards are allowed) might apply to relocate their billboard to the east side of I-15 (where new billboards are not allowed but

where Section 10-9a-513 would allow them to be relocated) and then turn around and apply for a new billboard on the very same site where the original billboard was located.

If this were to occur, it would effectively circumvent the City's ban on east side I-15 billboards. Staff therefore proposes to amend Chapter 14 to prohibit all new billboards in the City. This may not stop the relocation of billboards to the east side of I-15, but it will prevent the relocated billboards from being replaced since an owner who relocates a billboard will not be able to construct a new billboard at the original site of the relocated billboard. There are nine potential billboard locations on the east side of I 15 where relocations could occur.

Representatives of Reagan Outdoor Advertising and YESCO are not in favor of the proposed changes and have offered alternative language that will be provided to the Council. The Planning Commission did not wish to adopt the proposal of the billboard companies, but encouraged staff to consider some of their proposed language in future amendments.

The proposed amendments are as follows:

> **22-14-29. Electronic Message Signs**. Notwithstanding any other provision in the City Code to the contrary, Electronic Message Signs (as defined in Orem City Code Section 14-3-2), shall not be allowed on any billboard located on the east side of I-15 and within 500 feet of I-15. This section shall control over any other section of City Code including, but not limited to, Section 14-3-3.

6:20 P.M. PUBLIC HEARING

16. ORDINANCE - Annexing property located generally at 1250 East Cascade Drive, and by ordinance, designating the annexed property Rural Density Residential on the General Plan land use map, and amending Article 22-5-3(A) and the zoning map of the City by zoning the property OS5

REQUEST: The applicant requests the City Council, by ordinance, annex approximately 16.477 acres of property located generally at 1250 East Cascade Drive and designate the property Rural Density Residential on the General Plan land use map and amend Article 22-5-3(A) and the zoning map of the City by zoning the property OS5.

PRESENTER: Karl Hirst

POTENTIALLY AFFECTED AREA:

BACKGROUND: The property to be annexed was brought to the City Council's attention by a resident that claimed that deer hunters were shooting too close to residential homes. The City Council discussed this issue and decided to move ahead with an annexation in order to provide a safer environment for the residents in the area as hunting is not allowed in City limits.

The property is adjacent to the Central Utah Water Conservation Districts' (CUWCD) water treatment facility. Timpanogos Park is similarly located in the northern foothills of the City which has OS5 zoning and a General Plan designation of Rural Density

Residential. The applicant requests the OS5 zone be applied to the property with the General Plan land use designation of Rural Density Residential.

The City Council accepted the petition of annexation on August 26, 2014. This then set into motion a timeline of protest and public comment periods with October 27, 2014, as the last day to file a protest. No protests have been received. Utah County was also required to certify the petition and provide evidence to the City of this certification. This took place on September 30, 2014.

6:30 P.M. PUBLIC HEARING

17. ORDINANCE - Amending the Current Fiscal Year 2014-2015 Budget

REQUEST: The City Manager requests the City Council hold a public hearing to discuss amending the current Fiscal Year 2014-2015 Budget and, by ordinance, amend Fiscal Year 2014-2015 Budget

PRESENTER: Richard Manning and Brandon Nelson

POTENTIALLY AFFECTED AREA: Citywide

BACKGROUND: The Fiscal Year 2014-2015 City of Orem budget has many adjustments that occur throughout the fiscal year. These adjustments include grants received from Federal, State, and other governmental or private entities/organizations; funding of a major water pipeline improvement project; purchase of a new server through a capital lease; the receipt and subsequent disbursement of funds to liquidate debt related to the sale of Midtown Village; the receipt of additional funds and their subsequent disbursement related to the sale of a piece of property in the Northgate SID; and various other smaller technical corrections or minor budget adjustments that need to be made.

18. ORDINANCE – Creating the CARE Tax Advisory Commission

REQUEST: The City Manager request that the City Council, by ordinance, create the CARE Tax Advisory Commission.

BACKGROUND: On August 2, 2013, the City Council passed a resolution was passed which stated:

> "The City Council expresses its intent to create a citizens' CARE Tax Advisory Commission to make recommendations to the City Council regarding how CARE funding should be allocated. The CARE Tax Advisory Commission will actively seek input from recreational organizations, cultural arts organizations and citizens, and will consider priorities outlined in the Strategic Plans of the Recreation Advisory Commission and the Orem Arts Council, before making its recommendations to the City Council."

The creation of the CARE Tax Advisory Commission fulfills the intent of the City Council to involve additional citizens in the CARE allocation process.

19. **Amplified Sound in Parks – 15 minutes**
20. **Appointments to Board and Commissions – 15 min**
21. **Update – Nuisance Ordinance – Chief Giles - 5 min**

COMMUNICATION ITEMS

22. **Notes – October 23, 2014 Meeting with Alpine School District**

CITY MANAGER INFORMATION ITEMS

23. **This is an opportunity for the City Manager to provide information to the City Council. These items are for information and do not require action by the City Council.**

ADJOURN

CITY OF OREM **CITY COUNCIL MEETING** NOVEMBER 11, 2014	
REQUEST:	**6:20 P.M. PUBLIC HEARING** **ORDINANCE – Amending Section 22-14-29, Section 14-3-3, and Section 14-3-4 of the Orem City Code pertaining to outdoor advertising requirements – Billboards and Electronic Message Center Signs**
APPLICANT:	Development Services
FISCAL IMPACT:	None

NOTICES:
-Posted in 2 public places
-Posted on City webpage
-Posted on the State noticing website
-Faxed to newspapers
-E-mailed to newspapers
-Posted at utah.gov/pmn

SITE INFORMATION:
General Plan Designation:
N/A
Current Zone:
N/A
Acreage:
N/A
Neighborhood:
N/A
Neighborhood Chair:
N/A

PLANNING COMMISSION RECOMMENDATION
Vote: Approve 5-0

PREPARED BY:
DAVID STROUD, AICP PLANNER

RECOMMENDATION: The Planning Commission recommends the City Council amend, by ordinance, Section 22-14-29, Section 14-3-3, and Section 14-3-4 of the City Code pertaining to outdoor advertising requirements.

BACKGROUND:
This application proposes amendments to three sections of the City Code pertaining to billboards.

The current ordinance allows electronic message center (EMC) signs on any billboard. The location of an EMC (LED) sign was an issue with the YESCO billboard at 2000 South Sandhill Road with the proximity of homes to that sign. There are other billboards in the City that are also close to residences on the east side of I-15.

Due to the concerns the City Council has previously expressed about the negative impact electronic signs may have on nearby residences, Staff propose to amend Section 22-14-29 to prohibit electronic message center (LED) signs on the east side of I-15 and within 500 feet of I-15. This would provide some protection to homes that are located near I-15.

Staff also recently became aware of a problem that could arise due to the application of Utah Code Section 10-9a-513. That section allows a billboard owner to relocate a billboard into any commercial, industrial or manufacturing zone within 5,280 feet of its previous location.

Staff is concerned that billboard companies might use the above-cited section to get around the City's prohibition of new billboards on the east side of I-15. Billboard companies with a billboard on the west side of I-15 (where new billboards are allowed) might apply to relocate their billboard to the east side of I-15 (where new billboards are not allowed but where Section 10-9a-513 would allow them to be relocated) and then turn around and apply for a new billboard on the very same site where the original billboard was located.

If this were to occur, it would effectively circumvent the City's ban on east side I-15 billboards. Staff therefore proposes to amend Chapter 14 to prohibit all new billboards in the City. This may not stop the relocation of billboards to the east side of I-15, but it will prevent the relocated billboards

from being replaced since an owner who relocates a billboard will not be able to construct a new billboard at the original site of the relocated billboard. There are nine potential billboard locations on the east side of I-15 where relocations could occur.

Representatives of Reagan Outdoor Advertising and YESCO are not in favor of the proposed changes and have offered alternative language that will be provided to the Council. The Planning Commission did not wish to adopt the proposal of the billboard companies, but encouraged staff to consider some of their proposed language in future amendments.

The proposed amendments are as follows:

> **22-14-29. Electronic Message Signs**. Notwithstanding any other provision in the City Code to the contrary, Electronic Message Signs (as defined in Orem City Code Section 14-3-2), shall not be allowed on any billboard located on the east side of I-15 and within 500 feet of I-15. This section shall control over any other section of City Code including, but not limited to, Section 14-3-3.

14-3-3
Billboard Signs:

1. Billboard signs are ~~only permitted in the M2 zone and PD-36 zone within three hundred feet (300') of the I-15 corridor in accordance with applicable state law~~ not permitted in any zone. All ~~other~~ lawfully existing billboards shall be nonconforming uses. ~~No new billboards or outdoor advertising signs shall be permitted outside the M2 zone or PD-36 zone in the areas described above.~~ However, off-premise public information signs and logo signs located in the State owned right-of-way shall be allowed as described in Utah Code Section 72-7-504.
2. A lawfully existing billboard sign on or adjacent to State Street, Interstate 15 or 800 North may be reconstructed or relocated by the owner of the billboard (but no other person or entity) on the same lot or adjacent property under the same ownership.
3. If any billboard sign may not be continued because of the widening, construction, or reconstruction along an interstate, federal aid primary highway existing as of June 1, 1991, national highway systems highway, or state highway, such billboard sign may be remodeled or relocated under the circumstances and conditions allowed by Utah Code Sections 72-7-510 and 72-7-513, as amended.
4. A billboard sign that is not reconstructed within one year of its removal or destruction shall be considered abandoned and may not be reconstructed or relocated.
5. A billboard sign that is erected, relocated or reconstructed under this section 14-3-3 shall:
   a. Comply with the outdoor advertising regulations of the Utah State Department of Transportation;
   b. Not exceed a maximum height of thirty-five (35') from the base of the sign, or twenty-five feet (25') above I-15 grade level at a point perpendicular to the sign, whichever is greater;
   c. Not have an area exceeding six hundred seventy-five (675) square feet per sign face in the M2 zone or three hundred (300) square feet in any other zone;
   d. Be allowed two faces or back-to-back sign faces, provided there is no more than five feet (5') separating the sign faces;
   e. Not be located any closer than five hundred feet (500') from any other billboard or off-premise sign. Notwithstanding the foregoing, if an existing billboard is currently within five hundred feet of another billboard, it may be reconstructed or relocated within five hundred feet of such other billboard provided that it is not moved any closer to such billboard.
   f. Not be located any closer than fifty feet (50') from any other freestanding pole sign;
   g. Not be erected in a clear vision area of a corner lot unless the sign face is at least ten feet (10') above the adjacent street grade;
   h. Not unreasonably obstruct any traffic control device;
   i. Not overhang public property or public right-of-way;
   j. Not be within two hundred feet (200') of any residential zone;
   k. Not be enlarged or expanded beyond the size of the original billboard sign. ~~However, the size of a new billboard sign that is allowed adjacent to I-15 pursuant to an exchange under subsection 3 above, may have up to six hundred seventy-five square feet of sign face provided that at least an equal amount of signage has been removed as part of the exchange;~~
   l. Not be increased in height if relocated pursuant to subsection 2 above; and
   m. Be constructed and maintained with neutral color.
6. ~~Billboard signs may be changed manually or electronically in any zone~~

Electronic Message Center (EMC) Signs:

1. A sign permit is required for an EMC sign.
2. EMC signs shall not be flashing signs.
3. EMC signs may have motion.
4. Brightness on EMC signs shall not exceed 0.3 lumens above ambient light.

5. EMC signs are only allowed as part of a monument sign, pole sign, wall sign or legal billboard. However, notwithstanding anything herein to the contrary, as provided in Section 22-14-29, EMC signs are not allowed on any billboard located on the east side of I-15 and within 500 feet of I-15.

6. Except as otherwise prohibited, EMC signs are permitted in the PO, C1, C2, C3, HS, CM, M1, M2, commercial PD zones and on any billboard.

14-3-4

	R & OS	PO, C1 & BP	C2, C3	M & HS
Billboard**	N	N	N	~~P**~~N

~~**Allowed only in the M2 Zone adjacent to I-15.~~

Advantages

- Eliminates conflict between the billboards with electronic display and nearby residences
- Does not prohibit electronic display on the west side of I-15
- Prevents new billboards from being located within ~~Orem~~ the City, but does not prohibit the relocation of a billboard as allowed by State Code

Disadvantages

- None identified

RECOMMENDATION: The Planning Commission recommended the City Council amend, by ordinance, Section 14-3-3, Section 14-3-4, and Section 22-14-29 of the City Code pertaining to outdoor advertising requirements.

DRAFT

ORDINANCE NO. _____

AN ORDINANCE BY THE OREM CITY COUNCIL AMENDING SECTION 22-14-29, SECTION 14-3-3, AND SECTION 14-13-4 OF THE OREM CITY CODE PERTAINING TO OUTDOOR ADVERTISING REQUIREMENTS

WHEREAS on July 14, 2014, the Department of Development Services filed an application with the City of Orem requesting the City amend Section 22-14-29 of the Orem City Code as it pertains to regulations governing outdoor advertising requirements; and

WHEREAS on September 8, 2014, Development Services filed an application with the City of Orem requesting the City amend Section 14-3-3 and Section 14-3-4 of the Orem City Code as it pertains to regulations governing outdoor advertising requirements; and

WHEREAS a public hearing considering the subject applications was held by the Planning Commission on August 6, 2014 and on October 1, 2014, and the Planning Commission recommended approval of the proposed amendments; and

WHEREAS a public hearing considering the subject appli¬cations was held by the City Council on November 11, 2014; and

WHEREAS the City posted the City Council agenda in the City Offices at 56 North State Street, at www.orem.org, and a public hearing notice was posted at www.utah.gov/pmn; and

WHEREAS the matter having been submitted and the City Council having fully considered the request as it relates to the health, safety and general welfare of the City; the orderly development of land in the City; the effect upon surrounding neighborhoods; and the special conditions applicable to the request.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, as follows:

1. The City Council hereby finds this request is in the best interest of the City because it will:

   A. Protect residences that are located close to existing billboards on the east side of I-15 from the negative impacts of electronic message center signs.

   B. Prevent the proliferation of billboards on the east side of I-15.

2. The City Council hereby amends Article 22-14 by enacting section (29) to read as follows:

DRAFT

22-14-29. Electronic Message Signs. Notwithstanding any other provision in the City Code to the contrary, Electronic Message Signs (as defined in Orem City Code Section 14-3-2), shall not be allowed on any billboard located on the east side of I-15 and within 500 feet of I-15. This section shall control over any other section of City Code including, but not limited to, Section 14-3-3.

3. The City Council hereby amends a portion of Section 14-3-3 as shown on Exhibit "A" attached hereto and incorporated herein by reference.

4. The City Council hereby amends a portion of Section 14-3-4 to read as follows:

	R & OS	PO, C1 & BP	C2, C3	M & HS
Billboard	N	N	N	N

5. This ordinance shall take effect immediately upon passage and publication in a newspaper in general circulation in the City of Orem.

6. All other ordinances and policies in conflict herewith, either in whole or in part, are hereby repealed.newspaper of general circulation in the City of Orem.

PASSED and APPROVED this **22nd** day of **July** 2014.

_____
Richard F. Brunst, Jr., Mayor

ATTEST:

_____
Donna R. Weaver, City Recorder

COUNCIL MEMBERS VOTING "AYE"

_____
_____
_____
_____
_____
_____
_____

COUNCIL MEMBERS VOTING "NAY"

_____
_____
_____
_____
_____
_____
_____

Exhibit "A"

14-3-3
Billboard Signs:

1. Billboard signs are not permitted in any zone. All lawfully existing billboards shall be nonconforming uses. However, off-premise public information signs and logo signs located in the State owned right-of-way shall be allowed as described in Utah Code Section 72-7-504.
2. A lawfully existing billboard sign on or adjacent to State Street, Interstate 15 or 800 North may be reconstructed or relocated by the owner of the billboard (but no other person or entity) on the same lot or adjacent property under the same ownership.
3. If any billboard sign may not be continued because of the widening, construction, or reconstruction along an interstate, federal aid primary highway existing as of June 1, 1991, national highway systems highway, or state highway, such billboard sign may be remodeled or relocated under the circumstances and conditions allowed by Utah Code Sections 72-7-510 and 72-7-513, as amended.
4. A billboard sign that is not reconstructed within one year of its removal or destruction shall be considered abandoned and may not be reconstructed or relocated.
5. A billboard sign that is erected, relocated or reconstructed under this section 14-3-3 shall:
   a. Comply with the outdoor advertising regulations of the Utah State Department of Transportation;
   b. Not exceed a maximum height of thirty-five (35') from the base of the sign, or twenty-five feet (25') above I-15 grade level at a point perpendicular to the sign, whichever is greater;
   c. Not have an area exceeding six hundred seventy-five (675) square feet per sign face in the M2 zone or three hundred (300) square feet in any other zone;
   d. Be allowed two faces or back-to-back sign faces, provided there is no more than five feet (5') separating the sign faces;
   e. Not be located any closer than five hundred feet (500') from any other billboard or off-premise sign. Notwithstanding the foregoing, if an existing billboard is currently within five hundred feet of another billboard, it may be reconstructed or relocated within five hundred feet of such other billboard provided that it is not moved any closer to such billboard.
   f. Not be located any closer than fifty feet (50') from any other freestanding pole sign;
   g. Not be erected in a clear vision area of a corner lot unless the sign face is at least ten feet (10') above the adjacent street grade;
   h. Not unreasonably obstruct any traffic control device;
   i. Not overhang public property or public right-of-way;
   j. Not be within two hundred feet (200') of any residential zone;
   k. Not be enlarged or expanded beyond the size of the original billboard sign.
   l. Not be increased in height if relocated pursuant to subsection 2 above; and
   m. Be constructed and maintained with neutral color.

Electronic Message Center (EMC) Signs:

1. A sign permit is required for an EMC sign.
2. EMC signs shall not be flashing signs.
3. EMC signs may have motion.
4. Brightness on EMC signs shall not exceed 0.3 lumens above ambient light.
5. EMC signs are only allowed as part of a monument sign, pole sign, wall sign or legal billboard. However, notwithstanding anything herein to the contrary, as provided in Section 22-14-29, EMC signs are not allowed on any billboard located on the east side of I-15 and within 500 feet of I-15.
6. Except as otherwise prohibited, EMC signs are permitted in the PO, C1, C2, C3, HS, CM, M1, M2, commercial PD zones and on any billboard.

REAGAN OUTDOOR ADVERTISING BILLBOARD PROPOSAL

O) Electronic Display Off-Premise Sign. An off-premise sign may be erected and utilize an electronic display provided such off-premise sign complies with all other sections of Orem City Ordinance including such spacing, lighting and curfew requirements as contained herein below. An existing off-premise sign may be modified, without affecting such sign's nonconforming use or non-complying structure status, to include an electronic display so long as the proposed modification complies with each of the following requirements:

1. The applicant must comply with the other requirements of the Orem City Code.
2. The electronic display may only use light emitting diode (LED) displays, or a similar technology approved by the planning and zoning department.
3. A changeable message sign face that utilizes lighting technologies (such as light emitting diodes) to create changeable messages shall be equipped with a light sensor that automatically adjusts the illuminance of the changeable message sign face as ambient lighting changes.
4. The interval between message changes on an electronic display shall not be more frequent than eight (8) seconds and the actual message rotation process must be accomplished in one quarter (1/4) second or less.
5. Electronic display sign faces which contain, include, or are illuminated by any flashing, intermittent, full motion video, scrolling, strobing, racing, blinking, changes in color, fade in or fade out or any other imitation of movement or motion, or any other means not providing constant illumination are prohibited.
6. Off-premise signs, that are closer than 500 linear feet, as measured along the same side of the right-of-way, to an off-premise sign that has been upgraded to include an electronic display, do not qualify to be upgraded.
7. Only one sign face of the same "layered" off-premise sign(s) (i.e.-two or more off-premise signs mounted in vertical tiers on the same support structure, so that such sign faces are effectively visible at the same time from any vantage point, as reasonably determined by the city) may be upgraded to include an electronic display.
8. Only one sign face of the same "side-by-side" off-premise sign(s) (i.e.-two or more off-premise signs mounted horizontally on the same support structure, so that such sign faces are effectively visible at the same time from any vantage point, as reasonably determined by the city) may be upgraded to include an electronic display.
9. Both faces of a double-sided off premise sign, facing opposite directions (i.e. mounted back to back on the same support structure, so that such sign faces are not visible at the same time from any vantage point), qualify to be upgraded to electronic displays.
10. The text, images and graphics of the sign shall be static and complete within themselves, without continuation in content to the next image or message or to any other sign.
11. In no event shall an electronic display sign face increase the nighttime ambient illumination when replacing an existing illuminated billboard face and in no event shall an electronic display sign face, on a new off-premise sign or replacing a non-illuminated billboard face, increase nighttime ambient illumination by more than 0.3 foot-candles. In both instances, this measurement will be determined when measured perpendicular to the electronic display sign face at a distance based on the sign face size in accordance with the following formula:

Changeable message sign face size (in sq, ft)	**Measurement Distance (in ft)**
0-100	100
101-350	150
651-1000	250

12. The applicant shall certify its compliance with the above illuminance within a week of operating the electronic display and shall produce a copy of the certification upon request.

13. Any off-premise sign face upgraded under this Section O, to a sign located within three hundred fifty feet (350') and oriented toward a legally occupied residential dwelling, measured from the electronic display face to the residential dwelling, shall be required to adhere to a curfew as described below:

    (i) If an off-premise sign with an electronic display face is within three hundred fifty (350) feet of a legally occupied dwelling that is within a forty five (45) degree radius area measured from the center point of the electronic display face, then this electronic display face shall display only one (1) static illuminated message nightly from eleven (11) pm until 6:00 am; or
    (ii) If an off-premise sign with an electronic display face is within one hundred fifty (150) feet of a legally occupied dwelling that is within a ninety (90) degree radius area measured from the center point of the electronic display face then this electronic display face shall be shut off nightly from eleven (11) pm until 6:00 am.

    The curfew conditions in subsections 14(i) and 14(ii) above, are not applicable to the extent that the message displayed is and emergency public safety warning or alert, such as an "AMBER Alert".

14. These restrictions shall apply to any and all off-premise signs located within Orem City whether such signs are erected pursuant to the above or in a planned development zone.
15. An upgrade may not increase the height or the size of the display area of the sign.
16. This Section O does not authorize the location of a new off-premise sign in a location not permitted or allowed under the existing and applicable ordinances.

PLANNING COMMISSION MINUTES – AUGUST 6, 2014

AGENDA ITEM 3.6 is a request by Development Services to amend **SECTION 22-14 BY ENACTING SUBSECTION (29) PERTAINING TO PERMITTED LOCATIONS OF ELECTRONIC MESSAGE BILLBOARDS** of the Orem City Code.

Staff Presentation: Mr. Stroud said in light of the recent request by YESCO to rezone a parcel under their ownership from residential to commercial, Staff has reviewed the ordinance applicable to billboards. The current ordinance allows any billboard, regardless of the zone in which it is located, to be permitted to change the face manually or electronically. This became an issue with the YESCO billboard and the proximity of homes to the sign. There are other billboards in the City which are close to residences. Staff feels that this should not be permitted due to the negative effects the sign may have on nearby residences.

The proposed change would eliminate the possibility of any billboard on the east side of I-15 and within 500 feet of I-15 from changing the display by electronic means. This proposed change does not affect the ability to raise the height of a static billboard because of installation of UDOT improvements such as a sound wall or bridge structure. The proposed amendment is as follows:

22-14-29. Electronic Message Signs. Notwithstanding any other provision in the City Code to the contrary, Electronic Message Signs (as defined in Orem City Code Section 14-3-2), shall not be allowed on any billboard located on the east side of I-15 and within 500 feet of I-15. This section shall have control over any other section of City Code including, but not limited to, Section 14-3-3.

Advantages

- Eliminates conflict between the electronic display and nearby residences
- Does not prohibit electronic display on the west side of I-15

Disadvantages

- None identified

Recommendation: The Project Coordinator recommends the Planning Commission forward a positive recommendation to the City Council the request to amend Section 22-14 of the Orem Code by enacting subsection (29) as shown above.

Chair Moulton asked if the Planning Commission had any questions for Mr. Stroud.

When no one did, Chair Moulton opened the public hearing and invited those from the audience who had come to speak to this item to come forward to the microphone.

Nate Seacrest, Reagan Signs, indicated that this ordinance change has not been reviewed thoroughly. He suggested tabling this issue in order to have a proper review.

Mr. Helm agreed with Mr. Seacrest and said this felt like a knee jerk reaction to the recent billboard sign issue. He had met with the citizens and staff members educating them on measuring light. This change would impact them in the future with signs already located on the east side of the freeway.

Vice Chair Walker asked what are other cities doing. Mr. Stroud said he had not researched what other cities have done.

Vice Chair Walker asked if the ordinance could be rewritten to state the billboards on the east side of the freeway in an industrial area are allowed. Mr. Earl said the area could be narrowed down.

Vice Chair Walker indicated that electronic signs are not evil. He suggested having a temporary ban and address these concerns later. Mr. Earl suggested not using a temporary measure, but have staff meet with representatives of the various sign companies and work on the ordinance, prior to going before the City Council. The city needs to start the discussion about electronic signs and converting to LED signs.

Vice Chair Walker asked if continuing this would cause a rush on billboards. Mr. Earl said no, since the item has come before Planning Commission it will freeze action until the City Council makes a decision.

Mr. Whetten said he voted in favor of the previous billboard item because Yesco promised to work with the neighbors. He is fine with the LED during the day, but during the evening there is a need to protect the neighborhoods.

Ms. Larsen suggested a ban on the east side and within 500 feet of I-15. Mr. Earl indicated there are some on State Street that are not within 500 feet of I-15. Ms. Larsen noted there are residential areas west of I-15 and Vineyard is close to I-15. Mr. Stroud said the Highway Services zone is also east of I-15.

Mr. Bench said the Planning Commission could require the sign change to non-static from dusk to dawn similar to the sound ordinance with construction. Mr. Whetten asked if they could require an agreement that will include a review process for each sign individually. Mr. Earl said the Planning Commission could continue this item and have staff meet with the professionals to more narrowly define the issues of concern. He would rather not have the City regulate more than necessary.

Ms. Buxton expressed interest in what other cities are doing.

Ms. Larsen asked how many signs were on the east side of I-15. Mr. Stroud said about five signs. Ms. Jeffreys asked how this would affect those signs that are currently LED. Mr. Stroud said it would be legal conforming. Ms. Larsen asked how many of the five signs are LED. Mr. Stroud said there is one YESCO sign, the Central Bank sign with time and temperature does not qualify. Ms. Buxton wondered how this will affect State Street.

5:25 p.m. Mr. Whetten leaves.

Planning Commission Action: Chair Moulton moved to continue the item until the September 3, 2014 Planning Commission meeting. Ms. Buxton seconded the motion. Those voting aye: Becky Buxton, Karen Jeffreys, Lynnette Larsen, David Moulton, and Michael Walker. The motion passed unanimously.

PLANNING COMMISSION MINUTES – OCTOBER 1, 2014

AGENDA ITEM 3.2 is a request by Development Services to enact **SECTION 22-14-29 AND AMEND SECTION 14-3-3 AND SECTION 14-3-4 PERTAINING TO OUTDOOR ADVERTISING REQUIREMENTS** of the Orem City Code.

Staff Presentation: David Stroud said this request was continued from the August 6, 2014, Planning Commission meeting to allow staff time to meet with those billboard companies interested in this item. This proposed request contains amendments to two sections of the Orem Code; one in Chapter 22 and another in Chapter 14.

The application to amend Section 22-14-29 would prohibit electronic message center (LED) signs on the east side of I-15 and within 500 feet of I-15. Following the meeting at which the Planning Commission first considered this amendment, staff met with a representative of Reagan Outdoor Advertising and YESCO to review the proposed change. The billboard representatives are not in favor of the proposed change and have offered an alternative, which is attached with this report.

In light of the recent request by YESCO to rezone a parcel under their ownership from residential to commercial, staff have reviewed the ordinance applicable to billboards and proposed a change to Chapter 14 of the City Code. The current ordinance allows any billboard, regardless of the zone in which it is located, to be permitted to change the face manually or electronically. This became an issue with the YESCO billboard and the proximity of homes to the sign. There are other billboards in the City which are close to residences. Staff feels that this should not be permitted due to the negative effects electronic message center signs may have on nearby residences.

Staff also proposes an additional amendment to Chapter 14 to prohibit all new billboards in the City. Utah Code Section 10-9a-513 allows a billboard owner to relocate a billboard into any commercial, industrial or manufacturing zone within 5,280 feet of its previous location. Pursuant to this section, Reagan Outdoor Advertising has applied to relocate a billboard from property in Utah County on the west side of I-15 to property immediately south of Steven Henager College on the east side of I-15. The City's current sign ordinance allows new billboards on the west side of I-15, but doesn't allow any new billboards on the east side of I-15.

Staff is concerned that others might attempt to use the above-cited section of Utah Code to get around the prohibition of new billboards on the east side of I-15. Like the case with Reagan, other billboard companies with a billboard on the west side of I-15 (where new billboards are allowed), might apply to relocate their billboard to the east side of I-15 (where new billboards are not allowed) and then turn around and apply for a new billboard on the very same site where the original billboard was located. If this were allowed to occur, it would effectively circumvent the City's ban on new billboards on the east side of I-15.

Staff, therefore, proposes to institute a ban on all new billboards in the City. This may not stop the relocation of billboards to the east side of I-15, but it will prevent the relocated billboards from being replaced since an owner who relocates a billboard will not be able to construct a new billboard at the original site of the relocated billboard. There are eight potential billboard locations on the east side of I-15 where relocations could occur.

The proposed amendments are as follows:

22-14-29. Electronic Message Signs. Notwithstanding any other provision in the City Code to the contrary, Electronic Message Signs (as defined in Orem City Code Section 14-3-2), shall not be allowed on any billboard located on the east side of I-15 and within 500 feet of I-15. This section shall have control over any other section of City Code including, but not limited to, Section 14-3-3.

14-3-3

Billboard Signs:

1. Billboard signs are ~~only permitted in the M2 zone and PD-36 zone within three hundred feet (300') of the I-15 corridor in accordance with applicable state law~~ not permitted in any zone. All ~~other~~ lawfully existing billboards shall be nonconforming uses. ~~No new billboards or outdoor advertising signs shall be permitted outside the M2 zone or PD-36 zone in the areas described above.~~ However, off-premise public information signs and logo signs located in the State owned right-of-way shall be allowed as described in Utah Code Section 72-7-504.

2. A lawfully existing billboard sign on or adjacent to State Street, Interstate 15 or 800 North may be reconstructed or relocated by the owner of the billboard (but no other person or entity) on the same lot or adjacent property under the same ownership.

3. If any billboard sign may not be continued because of the widening, construction, or reconstruction along an interstate, federal aid primary highway existing as of June 1, 1991, national highway systems highway, or state highway, such billboard sign may be remodeled or relocated under the circumstances and conditions allowed by Utah Code Sections 72-7-510 and 72-7-513, as amended.

4. A billboard sign that is not reconstructed within one year of its removal or destruction shall be considered abandoned and may not be reconstructed or relocated.

5. A billboard sign that is erected, relocated or reconstructed under this section 14-3-3 shall:

a. Comply with the outdoor advertising regulations of the Utah State Department of Transportation;

b. Not exceed a maximum height of thirty-five (35') from the base of the sign, or twenty-five feet (25') above I-15 grade level at a point perpendicular to the sign, whichever is greater;

c. Not have an area exceeding six hundred seventy-five (675) square feet per sign face in the M2 zone or three hundred (300) square feet in any other zone;

d. Be allowed two faces or back-to-back sign faces, provided there is no more than five feet (5') separating the sign faces;

e. Not be located any closer than five hundred feet (500') from any other billboard or off-premise sign. Notwithstanding the foregoing, if an existing billboard is currently within five hundred feet of another billboard, it may be reconstructed or relocated within five hundred feet of such other billboard provided that it is not moved any closer to such billboard.

f. Not be located any closer than fifty feet (50') from any other freestanding pole sign;

g. Not be erected in a clear vision area of a corner lot unless the sign face is at least ten feet (10') above the adjacent street grade;

h. Not unreasonably obstruct any traffic control device;

i. Not overhang public property or public right-of-way;

j. Not be within two hundred feet (200') of any residential zone;

k. Not be enlarged or expanded beyond the size of the original billboard sign. ~~However, the size of a new billboard sign that is allowed adjacent to I-15 pursuant to an exchange under subsection 3 above, may have up to six hundred seventy-five square feet of sign face provided that at least an equal amount of signage has been removed as part of the exchange;~~

l. Not be increased in height if relocated pursuant to subsection 2 above; and

m. Be constructed and maintained with neutral color.

6. ~~Billboard signs may be changed manually or electronically in any zone~~

Electronic Message Center (EMC) Signs:

1. A sign permit is required for an EMC sign.
2. EMC signs shall not be flashing signs.
3. EMC signs may have motion.
4. Brightness on EMC signs shall not exceed 0.3 lumens above ambient light.
5. EMC signs are only allowed as part of a monument sign, pole sign, wall sign or legal billboard. However, notwithstanding anything herein to the contrary, as provided in Section 22-14-29, EMC signs are not allowed on any billboard located on the east side of I-15 and within 500 feet of I-15.
6. Except as otherwise prohibited, EMC signs are permitted in the PO, C1, C2, C3, HS, CM, M1, M2, commercial PD zones and on any billboard.

14-3-4

	R & OS	PO, C1 & BP	C2, C3	M & HS
Billboard~~**~~	N	N	N	~~P~~**N

~~**Allowed only in the M2 Zone adjacent to I-15.~~

Advantages

- Eliminates conflict between the billboards with electronic display and nearby residences
- Does not prohibit electronic display on the west side of I-15
- Prevents new billboards from being located within Orem City, but does not prohibit the relocation of a billboard as allowed by State Code

Disadvantages

- None identified

Recommendation: The Project Coordinator recommends the Planning Commission forward a positive recommendation to the City Council regarding the request to amend Section 22-14-29, Section 14-3-3, and Section 14-3-4 of the Orem City Code pertaining to outdoor advertising requirements.

Chair Moulton asked if the Planning Commission had any questions for Mr. Stroud.

When no one did, Chair Moulton opened the public hearing and invited those from the audience who had come to speak to this item to come forward to the microphone.

Nate Seacrest, Reagan Advertising, said they have a current application to relocate their sign which was submitted prior to any of these changes and would predate any petty ordinance change. Mr. Earl said that staff understands Reagan's position on that application, but they would have a contrary view. He indicated he would be happy to discuss with Mr. Seacrest Orem City staff's reasoning after the meeting.

Mike Helm, Yesco, said they have a digital billboard at 2000 South on the east side of I-15. He wondered if that were to be relocated, based on State statute, would it be allowed to remain digital. Mr. Earl said if it was to go to the west side it could be digital. The east side could not be digital. Currently, this sign is nonconforming as to the digital component. Mr. Helm said it is digital now and wondered if it could still be digital. Mr. Earl said it could remain on the current site as it is now, if it were legal, however, that point is still in dispute.

Jared Johnson, attorney for Yesco, said the Planning Commission asked staff to meet with them and provide some sort of alternative or a reasonable approach to this ordinance. That was provided, but it is not reflected in the staff recommendation. One point that was provided in the draft was a brightness standard for electronic signs. Both approaches to this change include the use of electronic message centers on outdoor advertising displays. He highly recommended the brightness standard be incorporated. It is a national standard that was extensively researched by an independent lighting sciences group and has been used widely throughout the Wasatch Range and other State government DOT's and dozens of municipalities throughout the United States.

Mr. Stroud indicated a copy was included in the Planning Commissioner's staff report.

Mr. Earl said State law indicates that if the illumination standard is adopted for off-premise signs, on premise signs would need to be included. This is something that can be considered separately. Mr. Johnson said the International Sign Association, which is the on premise sign association; National Trade Agency and National Association of Outdoor Advertising or Billboard signs have adopted the same standard for identical brightness, which has a formula for the size of the sign to make a measurement of the distance. If the formula is included, it will be adequate for on and off premise signs for every size.

Chair Moulton said this should be considered separately. Mr. Earl said that State law will not allow them to add that because this proposal is only dealing with billboards. That specific part cannot be included without applying it to all signs.

Chair Moulton closed the public hearing and asked if the Planning Commission had any more questions for the applicant or staff.

Mr. Iglesias asked Mr. Helm if he had plans to relocate the sign on 2000 South. Mr. Helm said no he was just forward thinking.
Mr. Earl indicated there are two alternatives before the Planning Commission before the Planning Commission, one by staff and another one by Reagan. The Planning Commission can recommend either recommendation or not change the ordinance.

Chair Moulton asked Mr. Johnson to give a short presentation of the sign companies' recommendations.

Mr. Johnson said they have provided language that shows what has been used in other municipalities. He worked extensively with both Reagan and Yesco and around two dozen Utah municipalities. In his work they looked at the technology of LED or digital billboards and what the effects and what regulations might be. They provided language that would allow the digital use and impose a brightness standard and one based on the size of the sign, which could apply to on premise signs. This brightness standard has been adopted in a number of municipalities in Utah, with .3 foot candles and an above ambient light standard. It is a simple standard to implement and easy to regulate. It uses equipment that cities already have. It has been very successful and addresses the concern of interstate locations of digital billboards, but also primary highways that have some proximity to residential areas, also. It also requires that the signs that are used within the city would have the necessary equipment installed that would help them be regulated. The sign should be equipped with a photo-cell with the ability to adjust brightness. That would concern most of the concerns that would come up. The other area they addressed in the ordinance is taking into consideration the proximity to residential areas and having a curfew of being turned off from 11:00 pm to 6:00 am. In cases of questionable areas, the picture is static from 11:00 pm to 6:00 am, which makes the billboard have no more impact than it had with floodlights. The sign companies would like to use their structures to the highest and best use. Digital sign installation to billboards has been a way to meet the demand for additional space on advertising signs without building additional structures. The use of displays for off premise billboards conforms to State law, in that they are static messages without animation or flash or scroll. They put static messages with an eight second hold time and have an instant transition; those signs will match State requirements for the type of road the billboard sign is located on. They do not feel it is necessary to take on side of the interstate and say signs should never be changed over.

Mr. Earl said it might be easiest to separate this into two proposals. The first proposal is the one before the Planning Commission tonight. Staff can bring back the illumination regulations to a different meeting as the second proposal.

Chair Moulton asked for input on banning on east side of the freeway.

Ms. Buxton said she is conflicted. She likes the LED and thinks that this is the future of billboards, but there is a nuisance factor to some degree especially when in proximity of residents. She does not want to permanently say no, because the technology may improve in the future. Ms. Jeffreys noted that if the technology changes, can the ordinance be changed.

Ms. Buxton noted the City asked the sign companies for input and should not totally ignore their ideas. She asked Mr. Johnson why the standards of eight-second hold time. Mr. Johnson said the time is in reference to recommendations by Federal Highways Association who has the ultimate control over advertisement on federally funded highways. In 2007 a memo was issued to all states to let them know what effective control was and they started with the eight second hold time. Ms. Buxton asked if it was based on the speed of the road. Mr. Johnson said no, but the study is based on 55-75 mph freeways.

Ms. Larsen said as she has driven around the valley looking at electronic billboards, she notices that in Orem there are a lot of residential areas abutting the east side of the interstate. Other areas have the freeway adjacent to more industrial areas. She expressed concern about having electronic billboards on both sides, when the east side of I-15 is more residential. She agreed that electronic billboards are the wave of the future. If the City allows the type of sign like on 1200 South along the entire east side of I-15 and allow companies to relocate those on the west side to the east and then replace the ones on the east, that will make double billboards and if they are all electronic even in the residential zones; she opposes this.

Chair Moulton said he agreed with Ms. Larsen. He said it would be very smart for the City to consider many of the items in the proposal from the sign companies, especially in relation to light levels and help with enforcing of the rule. He thinks for now the City should not allow any new billboards on the east side.

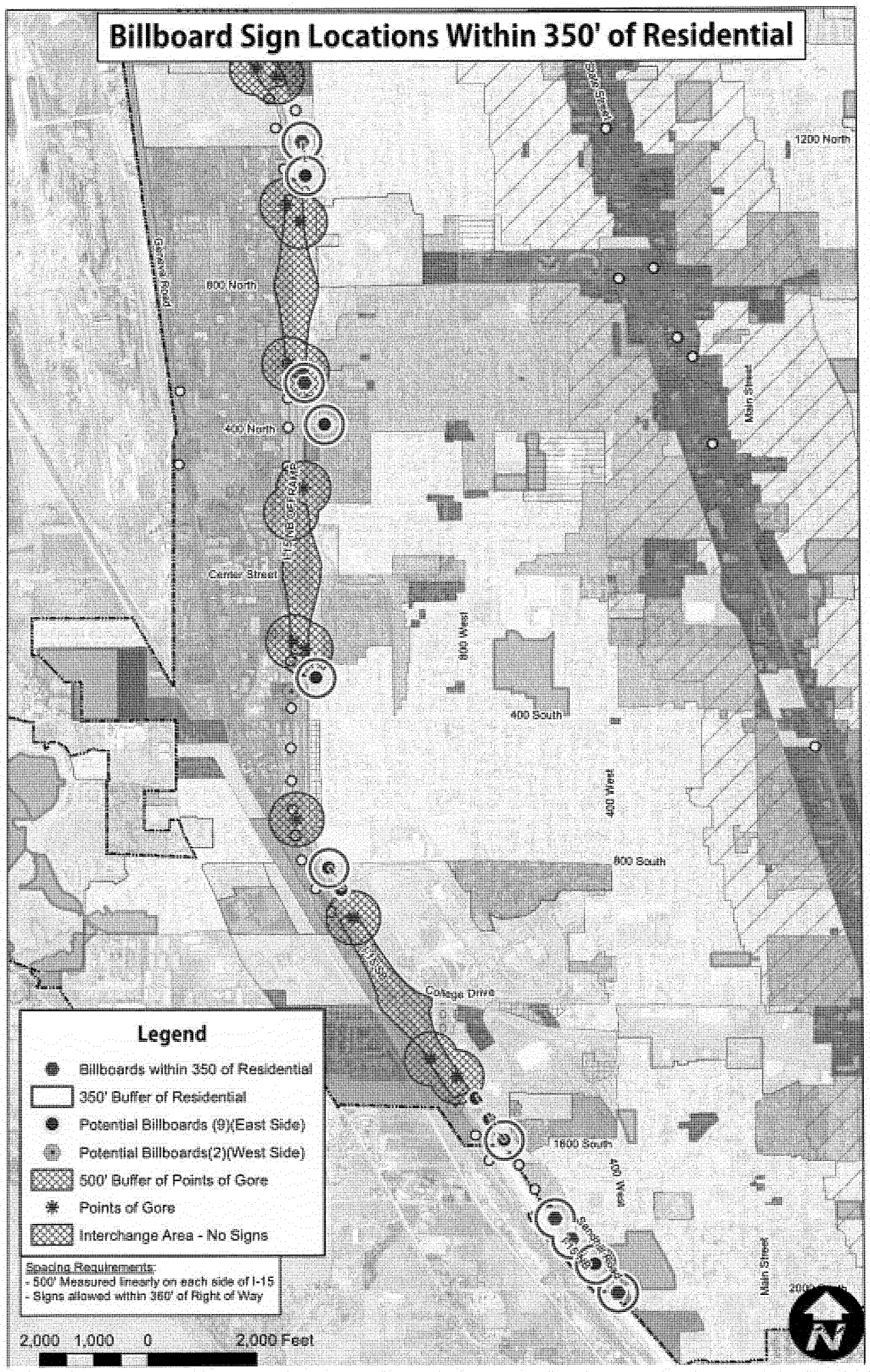
Chair Moulton asked if the Planning Commission can direct Staff to bring these points back in a separate ordinance. Mr. Earl said yes.

Mr. Iglesias said that in his business he uses the billboards a lot, but as a resident of Orem he supports less billboards on the east side. There are a lot of residents on the east side and all the feedback has been negative. He supported eliminating all new billboards for now.

Chair Moulton called for a motion on this item.

Planning Commission Action: Chair Moulton said he is satisfied that the Planning Commission has found this request complies with all applicable City codes. He then moved to recommend the City Council enact Section 22-14-29, and amend Section 14-3-3 and Section 14-3-4 pertaining to outdoor Advertising requirements of the Orem City Code. Ms. Jeffreys seconded the motion. Those voting aye: Becky Buxton, Carlos Iglesias, Karen Jeffreys, Lynnette Larsen, and David Moulton. The motion passed unanimously

Billboard Sign Locations Within 350' of Residential



Project Timeline

Text Amendments – Billboard Regulations

Section 22-14-29, Section 14-3-3 and Section 14-3-4

1. DRC application date: 7/14/2014 and 9/8/2014
2. Obtained Development Review Committee clearance on: 7/14/2014 and 9/11/2014
3. Newspaper notice for PC sent to City Recorder: 7/16/2014 and 9/10/2014
4. Executive Staff review on: 7/16/2014 and 9/17/2014
5. Notice to billboard companies sent on: 9/11/2014
6. Planning Commission recommended approval on: 10/1/2014
7. Newspaper notice for CC sent to City Recorder on: 10/16/2014
8. City Council approved/denied request on: 11/11/2014

CITY OF OREM **CITY COUNCIL MEETING** NOVEMBER 11, 2014	
REQUEST:	**6:20 P.M. PUBLIC HEARING** **ORDINANCE - Annexing property located generally at 1250 East Cascade Drive, and by ordinance, designating the annexed property Rural Density Residential on the General Plan land use map, and amending Article 22-5-3(A) and the zoning map of the City by zoning the property OS5**
APPLICANT:	City of Orem
FISCAL IMPACT:	None

NOTICES:
-Posted in 2 public places
-Posted on City webpage
-Faxed to newspaper
-Emailed to newspaper
-Posted on utah.gov/pmn

SITE INFORMATION:
- Proposed General Plan
  Rural Density Residential
- Proposed Zone
  OS5
- Acreage
  16.477
- Neighborhood
  None
- Neighborhood Chair
  None

PREPARED BY:
Clinton Spencer

REQUEST: The applicant requests the City Council, by ordinance, annex approximately 16.477 acres of property located generally at 1250 East Cascade Drive and designate the property Rural Density Residential on the General Plan land use map and amend Article 22-5-3(A) and the zoning map of the City by zoning the property OS5.

BACKGROUND: The property to be annexed was brought to the City Council's attention by a resident that claimed that deer hunters were shooting too close to residential homes. The City Council discussed this issue and decided to move ahead with an annexation in order to provide a safer environment for the residents in the area as hunting is not allowed in City limits.

The property is adjacent to the Central Utah Water Conservation Districts' (CUWCD) water treatment facility. Timpanogos Park is similarly located in the northern foothills of the City which has OS5 zoning and a General Plan designation of Rural Density Residential. The applicant requests the OS5 zone be applied to the property with the General Plan land use designation of Rural Density Residential.

The City Council accepted the petition of annexation on August 26, 2014. This then set into motion a timeline of protest and public comment periods with October 27, 2014, as the last day to file a protest. No protests have been received. Utah County was also required to certify the petition and provide evidence to the City of this certification. This took place on September 30, 2014.

All requirements for annexation have now been met and the request for annexation is ready for final decision by the City Council.

DRAFT

ORDINANCE NO. _____

AN ORDINANCE OF THE OREM CITY COUNCIL ANNEXING PROPERTY LOCATED GENERALLY AT 1250 EAST CASCADE DRIVE, AMENDING CHAPTER 2 AND THE LAND USE MAP OF THE OREM GENERAL PLAN BY DESIGNATING THE PROPERTY AS RURAL DENSITY RESIDENTIAL, AND AMENDING SECTION 22 5-3(A) OF THE OREM CITY CODE AND THE ZONING MAP BY ZONING THE PROPERTY OS5

WHEREAS on August 14, 2014, Karl Hirst, in behalf of the City of Orem, filed a petition with the City of Orem requesting annexation of approximately 16.477 acres located generally at 1250 East Cascade Drive, which is shown and more particularly described in the Trail Head Annexation Plat which is attached hereto as Exhibit "A" and by reference is made a part hereof (hereinafter referred to as the "Trail Head Annexation Plat"); and

WHEREAS the applicant requests the Rural Density Residential Land Use designation be applied to the annexed property in the Orem General Plan and that the OS5 zone be applied to the property; and

WHEREAS the City of Orem has the ability to provide all relevant municipal services to the Trail Head Annexation Plat property; and

WHEREAS on August 26, 2014, the City Council accepted the petition for annexation; and

WHEREAS on September 30, 2014, the City Recorder, after consulting with the Utah County Clerk, Utah County Recorder, and Utah County Surveyor, certified to the Orem City Council that the application complies with all applicable City ordinances and Utah State Codes; and

WHEREAS within ten days of certification, a public notice regarding the application for annexation was published for three consecutive weeks in a public newspaper of general circulation in the City; and

WHEREAS the thirty day protest period, as mandated by Utah Code expired on October 27, 2014; and

WHEREAS the City Council held a public hearing to consider the request for annexation on November 11, 2014; and

WHEREAS the City of Orem and the Utah County Boundary Commission received no protests to the annexation petition: and

WHEREAS the applicant desires to proceed with the request to annex the Trail Head Annexation Plat property into the City of Orem; and

WHEREAS the applicant's request complies with all applicable City ordinances and Utah State Code; and

DRAFT

WHEREAS the City Council has determined that the General Plan designation of Rural Density Residential Land Use and the OS5 zone are the most appropriate for the Trail Head Annexation property; and

WHEREAS the matter having been submitted and the City Council having fully considered the request as it relates to the health, safety, and general welfare of the City; the orderly development of land in the City; the effect upon the surrounding neighborhood; and the compliance of the request with all applicable City ordinances and the Orem General Plan.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNICL OF THE CITY OF OREM, UTAH, as follows:

1. The City Council hereby annexes the property known as the Trail Head Annexation Plat located generally at 1250 East Cascade Drive, the location and description of which is contained in the Trail Head Annexation Plat, which is attached hereto as Exhibit "A" and by reference is made a part hereof.

2. The City Council hereby amends Exhibit 1 of Chapter 2 of the Orem General Plan by designating the property in the Trail Head Annexation Plat as "Rural Density Residential" which is attached hereto as Exhibit "B" and by reference is made a part hereof.

3. The City Council hereby amends Section 22-5-3(A) and the zoning map of the City of Orem, Utah, by zoning property in the Trail Head Annexation Plat to OS5.

4. This ordinance shall take effect immediately upon passage and publication in a newspaper of general circulation in the City of Orem.

5. All other resolutions, ordinances, and policies in conflict herewith, either in whole or in part, are hereby repealed.

PASSED, APPROVED, AND ORDERED PUBLISHED this **11th** day of **November** 2014.

DRAFT

Richard F. Brunst, Mayor

ATTEST:

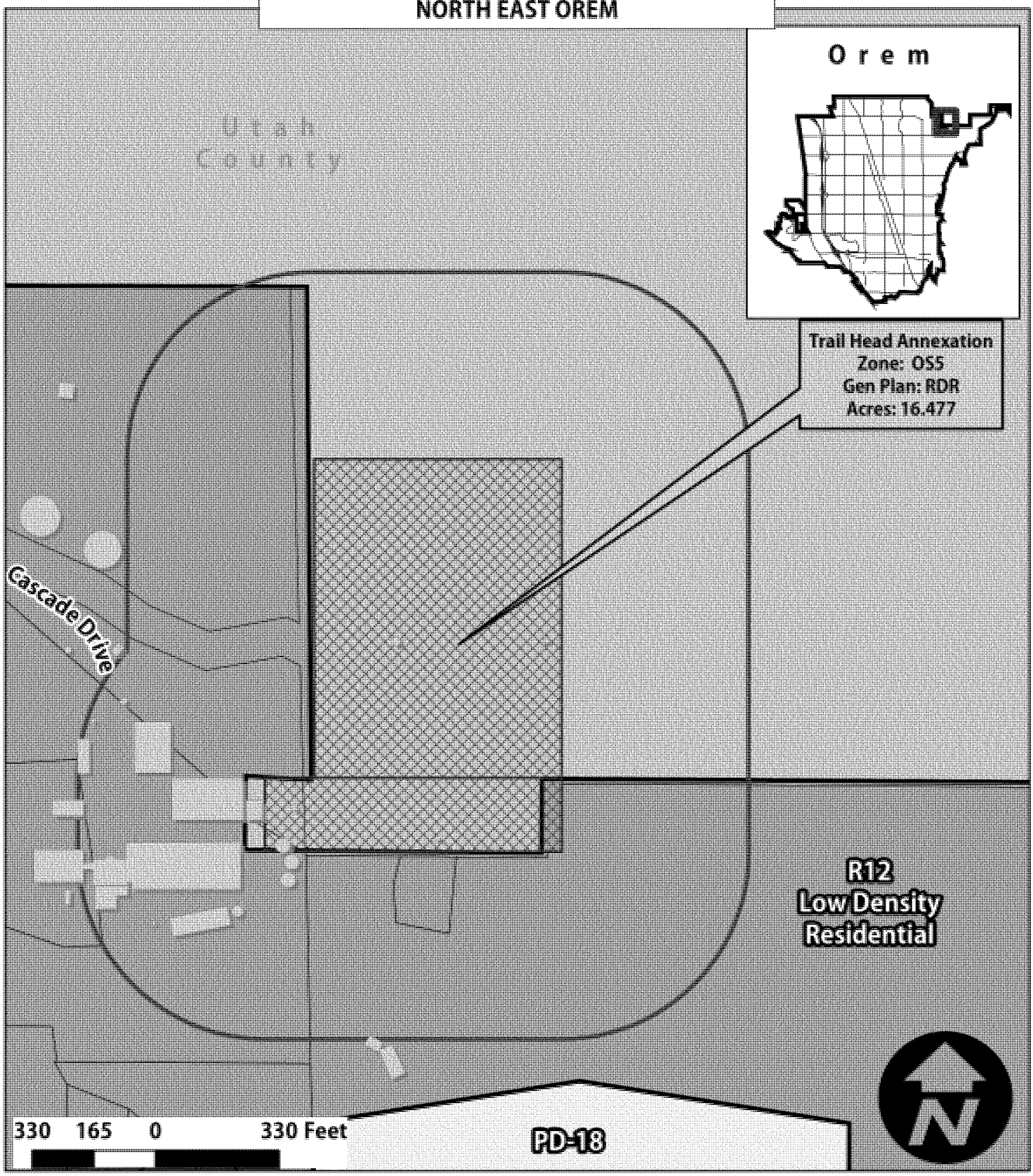
Donna R. Weaver, City Recorder

COUNCIL MEMBERS VOTING "AYE"

COUNCIL MEMBERS VOTING "NAY"

Trail Head Annexation

NORTH EAST OREM



- **Trail Head Annexation:**
  OS5 Zone; RDR Gen Plan; 16.477 Acres.

NIA CONTACT:
Neighborhood Contact Person

Legend

- Buildings
- Trail Head Annexation
- Notification Boundary
- Parcels

PETITION FOR ANNEXATION

WE THE UNDERSIGNED owners of certain real property lying contiguous to the present municipal limits of the City of Orem, Utah, hereby submit this PETITION FOR ANNEXATION and respectfully represent the following:

1. This petition is made pursuant to the requirements of Section 10-2-403, Utah Code Annotated (UCA).
2. The property subject to this petition is an unincorporated area contiguous to the boundaries of the City of Orem and the annexation there of will not leave or create an unincorporated island or peninsula.
3. The signatures affixed hereto are those of the owners of private real property that:
   a. Is located within the area proposed for annexation;
   b. Covers a majority of the private land area within the area proposed for annexation;
   c. Covers 100% of the private land area within the are proposed for annexation if the area is within:
      i. An agricultural protection area
      ii. A migratory bird production area
   d. Is equal in value to at least one third (⅓) of the value of all private real property within the area proposed for annexation; and
   e. Lies contiguous to the present boundary of the City of Orem's corporate limits, is described in Exhibit "A," and which is incorporated herein by this reference, and is at: 1250 East Cascade Drive Orem, Utah (near the Bonneville Shoreline Trailhead).
4. The manner in which it was established that at least one third (⅓) of the value of all the private property sought to be annexed is owned by the signers of this petition is shown in the attached Exhibit "B," and is incorporated herein by this reference.
5. The **total** acres and **total** assessed value of **all** the lands sought to be annexed are _16.477_ acres and $___0_____ assessed value. Values of lands owned by the signers of this petition are as follows:

OWNER OF RECORD	PARCEL SIZE (Acres)	ASSESSED VALUE	UTAH COUNTY TAX ID NUMBER
City of Orem	5.590	0	17:004:0024
City of Orem	.204	0	17:004:0025
City of Orem	.933	0	17:004:0026
Central Utah Water Conservancy District	1.529	0	17:004:0021
Central Utah Water Conservancy District	.186	0	17:004:0022
Metro Water District of Salt Lake and Sandy	6.151	0	17:004:0027
Metro Water District of Salt Lake and Sandy	1.884	0	17:004:0023

6. The petitioners have caused an accurate plat or map of the above-described property to be prepared by a licensed surveyor, which plat or map is filed herewith.
7. This PETITION FOR ANNEXATION does not propose annexation of all or a part of an area proposed for annexation in a previously filed petition that has not been denied, rejected, or granted.
8. This PETITION FOR ANNEXATION does not propose annexation of all or part of an area proposed to be incorporated in a request for a feasibility study under Section 110-2-103 UCA or a petition under Section 10-2-125 UCA if:
   a. The request or petition was filed before the filing of this PETITION FOR ANNEXATION.
   b. The request, a petition under Section 10-2-109 UCA based on that request, or a petition under Section 10-2-125 UCA is still pending on the date this PETITION FOR ANNEXATION was filed.
9. The names and mailing addresses of all the owners of the parcels of land located within the City of Orem within 300 feet of the area proposed for annexation are:

OWNERS OF RECORD	MAILING ADDRESS
Division of State Lands and Forestry	355 W. North Temple #320 SLC, Ut. 84180
Cascade Seddie LLC	P.O. Box 651235 SLC, Ut. 84165
Central Utah Water Conservancy District	335 W 1300 So. Orem, Ut. 84058
Metro Water District of Salt Lake and Sandy	3430 E. Danish Rd. Cottonwood Heights, Ut. 84093
City of Orem	56 N State Street Orem, Ut. 84057

Continued on reverse side.

RECEIVED
AUG 14 2014 9:05 a.m.
CITY RECORDER'S OFFICE

WHEREFORE, the petitioners hereby request that this petition be considered by the Orem City Council at its next regular meeting, or as soon thereafter as possible, that a resolution be adopted as required by law accepting this PETITION FOR ANNEXATION for further consideration, and that the governing body take such steps as required by law to complete the annexation herein petitioned.

Dated this 11th day of August, 2014.

The petitioner(s) hereby sign(s) this PETITION FOR ANNEXATION and designate no more than five of the signers as "Sponsor," one of whom has been designated "Contact Sponsor/Petitioner," and has provided the mailing address and phone number of each sponsor.

	PETITIONER(S)	ADDRESS	PHONE
CONTACT SPONSOR/PETITIONER PRINT NAME: SIGNATURE	JAMES P. DAVIDSON James P. Davidson	City of Orem 56 No. State Street Orem, Utah 84057	801.229.7152
SPONSOR/PETITIONER PRINT NAME: SIGNATURE			
SPONSOR/PETITIONER PRINT NAME: SIGNATURE			
SPONSOR/PETITIONER PRINT NAME: SIGNATURE			
SPONSOR/PETITIONER PRINT NAME: SIGNATURE			
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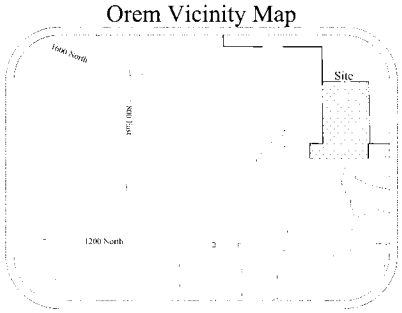
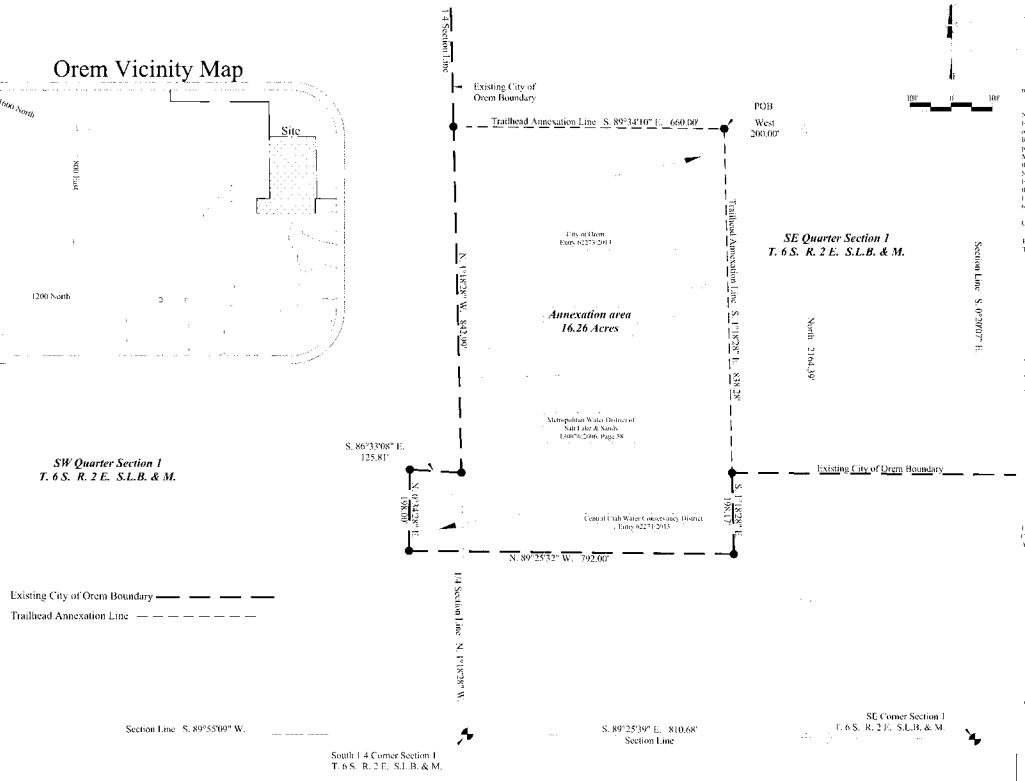
PETITIONER PRINT NAME: SIGNATURE			
PETITIONER PRINT NAME: SIGNATURE			

TRAIL HEAD ANNEXATION

Orem Vicinity Map





SURVEYOR'S CERTIFICATE

I, David Carl Lee, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR, AND THAT I HOLD CERTIFICATE NO. 166626-2201 AS PRESCRIBED UNDER THE LAWS OF THE STATE OF UTAH. I FURTHER CERTIFY BY AUTHORITY OF THE CITY OF OREM, I HAVE MADE A CORRECT SURVEY OF THE TRACT OF LAND SHOWN ON THIS ANNEXATION PLAT AND DESCRIBED BELOW, USING FIELD TIES AND OTHER INFORMATION, AND THAT THIS PLAT IS TRUE AND CORRECT.

BOUNDARY DESCRIPTION

An area of real property located in the SE Quarter of Section 1, T. 6 S. R. 2 E. S.L.B. & M., more particularly described as follows:

Commencing at a point which is S. 89°25'39" E. 810.68 feet along the Section Line and North 2164.39 feet and West 200.00 feet from the South 1/4 Corner of Section 1, T. 6 S., R. 2 E., S.L.B. & M. to the point of beginning, (which point is the NE Corner of a parcel of land owned by the City of Orem described in a Quit Claim Deed known as Entry 62271/2013 on Record in the Utah County Recorder's Office); thence along the Easterly Boundary of said parcel of land and along the Easterly Boundary Line of a parcel of land owned by the Metropolitan Water District of Salt Lake and Sandy S. 1°18'28" E. 838.28 feet more or less to the existing Boundary Line of the City of Orem; thence along said Boundary Line for the next 3 calls, N. 1°18'28" E. 198.17 feet; thence N. 89°25'32" W. 792.00 feet; thence N. 86°34'28" E. 198.00 feet; thence S. 86°33'08" E. 125.81 feet to the 1/4 Section Line at old Section 1; thence N. 1°18'28" W. 842.00 feet along said 1/4 Section Line to the Northerly Boundary Line extended of said parcel of land owned by the City of Orem; thence S. 89°34'10" E. 660.00 feet along said Boundary Line to the point of beginning.

Containing 16.26 Acres.

Basis of Bearing: S. 89°25'39" E. from the South 1/4 Corner to the SE Corner of Section 1 T. 6 S. R. 2 E. S.L.B. & M. (NAD 83)

ACCEPTANCE by the CITY OF OREM LEGISLATIVE BODY

THIS IS TO CERTIFY THAT ON _____, THE OREM CITY COUNCIL ACTED ON AN ORDINANCE ANNEXING THE LANDS DESCRIBED ABOVE, AND DESIGNATED THIS PLAT, AND THAT THE OREM CITY COUNCIL APPROVED THIS PLAT. THE OREM CITY COUNCIL HAS EXAMINED AND HEREBY APPROVES AND ACCEPTS THE ANNEXATION OF THE TRACT AS SHOWN ON A PART OF SAID CITY, AND THAT SAID TRACT OF LAND IS TO BE KNOWN HEREAFTER AS THE TRAILHEAD ANNEXATION.

Mayor, Richard J. Brunelle

Attest:
City Recorder, Donna Rowley
(See Seal Below)

ACCEPTANCE by the UTAH COUNTY SURVEYOR

THIS PLAT HAS BEEN REVIEWED BY THE COUNTY SURVEYOR AND IS HEREBY CERTIFIED AS AT LEAST 100 FEET ACCURATE PURSUANT TO UTAH CODE ANNOTATED 17-23-20 AS AMENDED.

Date:

Utah County Surveyor, Gary Ricciff
(See Seal Below)

OREM

ANNEXATION PLAT
TRAIL HEAD ANNEXATION

SCALE 1:1 100 FEET

OREM CITY, UTAH COUNTY, UTAH

Registered Land Surveyor Seal	Utah County Surveyor Seal	Orem City Recorder Seal

CITY OF OREM **CITY COUNCIL MEETING** NOVEMBER 11, 2014	
REQUEST:	**6:30 P.M. PUBLIC HEARING** **ORDINANCE - Amending the Current Fiscal Year 2014-2015 Budget**
APPLICANT:	City Manager
FISCAL IMPACT:	$3,844,604.37

NOTICES:
-Posted in 2 public places
-Posted on City webpage
-Posted on State Noticing Website
-Faxed to newspapers
-E-mailed to newspapers
-Neighborhood Chair

SITE INFORMATION:
General Plan Designation:
N/A
Current Zone:
N/A
Acreage:
N/A
Neighborhood:
N/A
Neighborhood Chair:
N/A

PREPARED BY:
Richard Manning
Admin. Services Dir.

REQUEST:
The City Manager requests the City Council hold a public hearing to discuss amending the current Fiscal Year 2014-2015 Budget and, by ordinance, amend Fiscal Year 2014-2015 Budget

BACKGROUND:
The Fiscal Year 2014-2015 City of Orem budget has many adjustments that occur throughout the fiscal year. These adjustments include grants received from Federal, State, and other governmental or private entities/organizations; funding of a major water pipeline improvement project; purchase of a new server through a capital lease; the receipt and subsequent disbursement of funds to liquidate debt related to the sale of Midtown Village; the receipt of additional funds and their subsequent disbursement related to the sale of a piece of property in the Northgate SID; and various other smaller technical corrections or minor budget adjustments that need to be made.

DRAFT

ORDINANCE NO. _____

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, AMENDING THE FISCAL YEAR 2014-2015 BUDGET.

WHEREAS On June 10, 2014, the City Council adopted a final budget following State law; and

WHEREAS the City Council held a public hearing on November 11, 2014, to receive input from the public regarding proposed amendments to the Fiscal Year 2014-2015 budget; and

WHEREAS the budget has been revised as deemed appropriate to accommodate unexpected revenues and expenses.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, as follows:

1. The Council hereby amends the Fiscal Year 2014-2015 Budget as shown in Exhibit "A" which is attached hereto and incorporated herein by reference.
2. The City Manager is directed to implement these budget amendments in accordance with State laws and appropriate City procedures.
3. This ordinance shall take effect immediately upon publication.

PASSED AND APPROVED this **11th** day of **November** 2014.

_____
Richard F. Brunst, Jr., Mayor

ATTEST:

_____
Donna R. Weaver, City Recorder

COUNCIL MEMBERS VOTING "AYE"	COUNCIL MEMBERS VOTING "NAY"
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

BUDGET AMENDMENTS
FISCAL YEAR 2014-2015

REVENUES

Account Number	Note	Description	Previous Budget	Current Budget
		GENERAL FUND		
10-3312-004	1	EMPG Grant - Info & Warning System	$ -	$ 2,000.00
10-3316-003	1	Library - Various Grants - Waste Management	-	5,000.00
10-3316-004	1	Library - Utah Arts Council - Local Arts Agency Grant	-	2,500.00
10-3316-006	1	Library - Book Festival Partner Grant - UHC	-	4,500.00
10-3316-009	1	Library - LSTA Grant	-	10,968.00
10-3318-005-001	1	JAG Grants - SAFG/STFG - FY 2015	200,000.00	300,000.00
10-3318-018	1	JAG Block Grant	-	8,704.00
10-3318-024	1	Internet Crimes Against Children Grant - ICAC	-	20,000.00
10-3424-005	1	MCTF - Restitution Revenues	-	6,840.62
10-3424-009	1	MCTF - Evidence Revenues	-	72,254.75
10-3690		Miscellaneous Revenues	20,000.00	20,999.00
10-3690-003-001	1	Police Department Donations - Bacon Run Event	-	300.00
10-3960	3	Capital Lease Revenues - Server	-	64,113.00
Total			$ 220,000.00	$ 518,179.37
Net Fund Increase				$ 298,179.37
		DEBT SERVICE FUND		
30-3690-002	4	Misc. Revenues - Midtown Village SID	$ 275,275.00	$ 3,001,275.00
30-3997-001	5	App. Surp - Northgate SID Bond Call	191,200.00	341,200.00
Total			$ 466,475.00	$ 3,342,475.00
Net Fund Increase				$ 2,876,000.00
		WATER FUND		
51-3690-004	2	Misc Revenues - Metro Water - Alta Springs	$ -	$ 300,000.00
51-3997-010	2	App. Surp - CIP Improvements - Alta Springs	-	300,000.00
Total			$ -	$ 600,000.00
Net Fund Increase				$ 600,000.00
		TIMPANOGOS STORYTELLING FESTIVAL FUND		
72-3316-014		Grant - Prof. Outreach Programs in Schools (POPS)	$ -	$ 64,925.00
72-3995-001		Cont. From - Fund 73 - Orem Foundation	10,000.00	12,750.00
Total			$ 10,000.00	$ 77,675.00
Net Fund Increase				$ 67,675.00
		OREM FOUNDATION TRUST FUND		
73-3997-002		App. Surp - Timpanogos Storytelling Festival	$ -	$ 2,750.00
Total			$ -	$ 2,750.00
Net Fund Increase				$ 2,750.00
Total City Funds			$ 696,475.00	$ 4,541,079.37
Net City Funds Increase				$ 3,844,604.37

BUDGET AMENDMENTS
FISCAL YEAR 2014-2015

EXPENDITURES

Account Number	Note	Description	Previous Budget	Current Budget
		GENERAL FUND		
Information Technology				
10-4190-743-005	3	Server Lease	$ -	$ 64,113.00
Patrol Services				
10-6520-450	1	Supplies - Bacon Run Shirts	12,000.00	12,300.00
Investigation Services				
10-6530-230-008	1	Employee Development - ICAC Grant	-	6,000.00
10-6530-250-008	1	Equipment - ICAC Grant	-	14,000.00
10-6530-250-009	1	Equipment - JAG Block Grant	-	8,704.00
Major Crimes Task Force				
10-6531-140	1	Overtime	7,246.00	24,784.88
10-6531-140-001	1	Overtime - JAG Grant	46,854.00	96,854.00
10-6531-230	1	Employee Development	18,000.00	52,840.62
10-6531-280	1	Telephone & Communications	60,000.00	60,113.54
10-6531-290	1	Maintenance & Repairs	-	2,602.33
10-6531-600-001	1	C.I. Funds - JAG Grant	60,000.00	110,000.00
10-6531-743	1	Equipment	5,598.57	29,598.57
Emergency Management				
10-7045-480-001		Special Dept. Supplies - CERT Program	6,106.50	7,105.50
10-7045-480-006	1	Special Dept. Supplies - EMPG Project Grant	-	2,000.00
Library Administration				
10-8510-250-007	1	Equipment - Waste Management donation - Library Patio	-	5,000.00
10-8510-310-003	1	Prof. & Technical Services - UAC - Local Arts Grant	-	2,500.00
10-8510-600-002	1	Misc. - Book Festival Partner Grant - UHC	-	4,500.00
Access Services				
10-8520-220-009	1	Printing & Advertising - LSTA Grant	-	968.00
10-8520-462-009	1	Adult Collection - LSTA Grant	-	5,000.00
10-8520-464-009	1	Media Collection - LSTA Grant	-	5,000.00
Total			$ 215,805.07	$ 513,984.44
Net Fund Increase				$ 298,179.37
		DEBT SERVICE FUND		
30-4521-600-023	4	Misc. Expenses - Midtown Village SID	$ 155,000.00	$ 2,881,000.00
30-4521-810-027	5	Principal - Northgate SID Bonds	60,000.00	210,000.00
Total			$ 215,000.00	$ 3,091,000.00
Net Fund Increase				$ 2,876,000.00
		WATER FUND		
51-7573-733-228	2	Alta Ditch Pipeline Replacement Project	$ 2,250,023.96	$ 2,850,023.96
Total			$ 2,250,023.96	$ 2,850,023.96
Net Fund Increase				$ 600,000.00
		TIMPANOGOS STORYTELLING FESTIVAL FUND		
72-8598-600-014		Misc. Expenses - POPS Grant	$ -	$ 64,925.00
72-8598-612-002		Timp Storytelling Festival Expenses	26,250.00	29,000.00
Total			$ 26,250.00	$ 93,925.00
Net Fund Increase				$ 67,675.00
		OREM FOUNDATION TRUST FUND		
73-8591-920-001		Cont. To - Fund 72 - Timpanogos Storytelling Festival	$ 10,000.00	$ 12,750.00
Total			$ 10,000.00	$ 12,750.00
Net Fund Increase				$ 2,750.00
Total City Funds			$ 2,717,079.03	$ 6,561,683.40
Net City Funds Increase				$ 3,844,604.37

BUDGET AMENDMENTS
FISCAL YEAR 2014-2015

NOTES

These notes are attached to the budget amendments summary to describe the more unusual or extraordinary amendments to the Fiscal Year 2014-2015 City of Orem Budget that have been necessitated to this point in the fiscal year. Many of the amendments listed in the summary are immaterial and/or are technical corrections that any organization of this size would expect to encounter during an operating year and therefore, no specific note has been given for these items. Please contact Brandon Nelson, Accounting Division Manager, at 801-229-7010, if you have any questions or concerns.

1) The City receives grant or donation funds during the year to aid many different operations such as the Police Department (Major Crimes Task Force Grants) and Library Services (Utah Arts Council). The funds are received from Federal, State, and other governmental (or private) entities. These entries represent the adjustments necessary to adjust the appropriate budgets.

2) The Water Fund received funds from the Metropolitan Water District of Orem (MWDO) for use on the Alta Ditch Pipeline Project. Thus, this amendment adds funds to this project by the amount received from MWDO.

3) The Information Technology division had a need to replace one of the City's servers. They entered into a capital lease for this purchase.

4) Midtown Village was sold and the City received funds from the sale which it is using to liquidate the outstanding special improvement district (SID) bonds related to the project. The entry represents the adjustment necessary to properly account for the receipt and disbursement of these funds.

5) Near the beginning of the current fiscal year, special assessment funds were received by the City from the sale of property located within the Northgate Village SID project. These "excess" funds are to be used to "call" outstanding bond debt. This amendment recognizes the receipt of these "excess" funds and authorizes their use to make this additional bond principal payment.

CITY OF OREM **CITY COUNCIL MEETING** NOVEMBER 11, 2014	
REQUEST:	**ORDINANCE – Creating the CARE Tax Advisory Commission**
APPLICANT:	City of Orem
FISCAL IMPACT:	None

NOTICES:
-Posted in 2 public places
-Posted on City webpage
-Posted on the State noticing website
-Faxed to newspapers
-E-mailed to newspapers
-Neighborhood Chair

SITE INFORMATION:
General Plan Designation:
N/A
Current Zone:
N/A
Acreage:
N/A
Neighborhood:
N/A
Neighborhood Chair:
N/A

PREPARED BY:
Stephen Downs

REQUEST: The City Manager request that the City Council, by ordinance, create the CARE Tax Advisory Commission.

BACKGROUND: On August 2, 2013, the City Council passed a resolution was passed which stated:

"The City Council expresses its intent to create a citizens' CARE Tax Advisory Commission to make recommendations to the City Council regarding how CARE funding should be allocated. The CARE Tax Advisory Commission will actively seek input from recreational organizations, cultural arts organizations and citizens, and will consider priorities outlined in the Strategic Plans of the Recreation Advisory Commission and the Orem Arts Council, before making its recommendations to the City Council."

The creation of the CARE Tax Advisory Commission fulfills the intent of the City Council to involve additional citizens in the CARE allocation process.

DRAFT

ORDINANCE NO. _____

AN ORDINANCE BY THE OREM CITY COUNCIL ENACTING SECTION 2-16-1 THROUGH SECTION 2-16-9 OF THE OREM CITY CODE AUTHORIZING THE ESTABLISHMENT OF A CARE TAX ADVISORY COMMISSION

WHEREAS the City of Orem collects the CARE tax; and

WHEREAS, it is the desire of the City Council to increase citizen involvement in making the allocation of the CARE Tax; and

WHEREAS, the City Council would like to increase citizen involvement through the creation of a CARE Tax Advisory Commission to assist them in their decision process; and

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, as follows:

1. The City Council hereby finds this request:

A. Is reasonably necessary in that it promotes the general welfare of the community; and

B. Is in the interest of the public; and

C Will more fully promote the objectives and purposes of the City in that this ordinance will help address the allocation of the CARE tax in the City of Orem.

2. The City Council hereby enacts Section 2-16-1 through Section 2-16-9 of the Orem City Code to read as follows:

Article 2-16. CARE Tax Advisory Commission

2-16-1. Commission Established.
2-16-2. Duties and Responsibilities.
2-16-3. Membership of Commission.
2-16-4. Appointment.
2-16-5. Term of Office.
2-16-6. Removal and Vacancy.
2-16-7. Staff Assignments.
2-16-8. Compensation.
2-16-9. Recommendations.

2-16-1. Commission Established.

The CARE Tax Advisory Commission of the City of Orem (the "Commission") is hereby established.

2-16-2. Duties and Responsibilities.

The Commission shall act in an advisory capacity to the City Council and shall have the following duties and responsibilities:

A. To review applications for CARE funding.

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B. To consider priorities outlined in the Strategic Plans of the Recreation Advisory Commission and the Orem Arts Council.
C. To consult with and give opinions to the City Council, consistent with CARE policies established by the City Council, regarding how CARE funds should be allocated.
D. Other duties as assigned by the City Council.

2-16-3. Membership of Commission.

The Commission shall consist of seven (7) members. Commission members should have an interest in arts and/or recreation in Orem and shall not be affiliated with an organization applying for a CARE grant. Recreational organizations do not receive CARE grants, but may benefit from CARE grants; therefore, Commission members may be affiliated with a recreational organization benefitting from a CARE grant, provided that the Commission member is not a decision maker in the recreational organization.

2-16-4. Appointment.

A. Commission members shall be appointed by the Mayor, with the advice and consent of the City Council.
B. Commission members shall be residents of the City of Orem.
C. Commission members shall be selected without respect to political affiliation.

2-16-5. Term of Office.

A. The term of office for Commission members shall be two (2) years. The term of office of the initial members shall be staggered so that four (4) are for two (2) years and three (3) are for one year.
B. Commission members may be appointed for multiple terms.
C. Each term shall continue until a successor is chosen and qualified, except in the case of the member's death, resignation, removal or disqualification from holding office.

2-16-6. Removal and Vacancy.

A. Any member of the Commission may be removed from office by the Mayor, with the advice and consent of the City Council.
B. A member's office automatically becomes vacant if the member establishes residence outside of the City, or lives outside of City boundaries for a continuous period of more than sixty (60) days.
C. A member's office automatically becomes vacant if the member misses more than twenty-five percent (25%) of the Commission's scheduled meetings during any twelve month period.
D. Vacancies shall be filled for the unexpired term of any member whose office becomes vacant.
E. Vacancies occurring, other than through the expiration of a regular term, shall be filled by appointment by the Mayor, with the advice and consent of the City Council.

2-16-7. Staff Assignments.

The City Manager shall appoint appropriate staff support for the Commission that will act as liaison to the Commission. The staff support shall prepare applications, compile and distribute information, schedule meetings, make recommendations for improving the CARE program and CARE processes, and perform other functions as needed to assist the Commission in carrying out its responsibilities.

2-16-8. Compensation.

A. Members of the Commission shall serve without monetary compensation.
B. Members of the Commission may be compensated for reasonable expenses incurred for official responsibilities, if approved by the City Manager.

2-16-9. Recommendations.

The Commission may make recommendations to the City Council regarding CARE policies and the operation of the CARE program.

DRAFT

3. If any part of this ordinance shall be declared invalid, such decision shall not affect the validity of the remainder of this ordinance.

4. All ordinances, resolutions or policies in conflict herewith are hereby repealed.

5. This ordinance shall take effect immediately upon passage and publication in a newspaper of general circulation in the City of Orem.

PASSED and APPROVED this **11th** day of **November** 2014.

_____
Richard F. Brunst, Jr., Mayor

ATTEST:

_____
Donna R. Weaver, City Recorder

COUNCIL MEMBERS VOTING "AYE"	COUNCIL MEMBERS VOTING "NAY"
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Article 2-15. CARE Tax Advisory Commission

2-15-1. Commission Established.
2-15-2. Duties and Responsibilities.
2-15-3. Membership of Commission.
2-15-4. Appointment.
2-15-5. Term of Office.
2-15-6. Removal and Vacancy.
~~**2-15-7. Voting.**~~
~~**2-15-8. Meetings.**~~
2-15-9. Staff Assignments.
2-15-10. Compensation.
2-15-11. Recommendations.

2-15-1. Commission Established.

The CARE Tax Advisory Commission of the City of Orem (the "Commission") is hereby established.

2-15-2. Duties and Responsibilities.

The Commission shall act in an advisory capacity to the City Council and shall have the following duties and responsibilities:

~~A.~~ To review applications for CARE funding.

~~B. To meet with applicants for CARE funding.~~

A.

~~C. To actively seek input from recreational organizations, cultural arts organizations and citizens before making recommendations to the City Council regarding CARE funding.~~

~~D.~~B. To consider priorities outlined in the Strategic Plans of the Recreation Advisory Commission and the Orem Arts Council ~~before making recommendations to the City Council regarding CARE funding~~.

C. To ~~make recommendations to~~consult with and give opinions to the City Council, consistent with CARE policies established by the City Council, regarding how CARE funds should be allocated.

~~E.~~D. Other duties as assigned by the City Council.

2-15-3. Membership of Commission.

The Commission shall consist of seven (7) members. Commission members should have an interest in arts and/or recreation in Orem and shall not be affiliated with an organization applying for a CARE grant. Recreational organizations do not receive CARE grants, but may benefit from CARE grants; therefore, Commission members may be affiliated with a recreational organization benefitting from a CARE grant, provided that the Commission member is not a decision maker in the recreational organization.

2-15-4. Appointment.

A. Commission members shall be appointed by the Mayor, with the advice and consent of the City Council.

B. Commission members shall be residents of the City of Orem.

C. Commission members shall be selected without respect to political affiliation.

2-15-5. Term of Office.

A. The term of office for Commission members shall be two (2) years. The term of office of the initial members shall be staggered so that four (4) are for two (2) years and three (3) are for one year.

B. Commission members may be appointed for multiple terms.

C. Each term shall continue until a successor is chosen and qualified, except in the case of the member's death, resignation, removal or disqualification from holding office.

2-15-6. Removal and Vacancy.

A. Any member of the Commission may be removed from office by the Mayor, with the advice and consent of the City Council.

B. A member's office automatically becomes vacant if the member establishes residence outside of the City, or lives outside of City boundaries for a continuous period of more than sixty (60) days.

C. A member's office automatically becomes vacant if the member misses more than twenty-five percent (25%) of the Commission's scheduled meetings during any twelve month period.

D. Vacancies shall be filled for the unexpired term of any member whose office becomes vacant.

E. Vacancies occurring, other than through the expiration of a regular term, shall be filled by appointment by the Mayor, with the advice and consent of the City Council.

~~**2-15-7. Voting.**~~

~~A. Each member of the Commission shall have one (1) vote.~~

~~B. A quorum shall consist of any four (4) members of the Commission. No meeting is official unless a quorum of members is present.~~

~~C. The minimum number of votes required to take any action shall be a majority of those present at the meeting, provided there is a quorum, but shall never be less than four (4).~~

~~**2-15-8. Meetings.**~~

~~A. The Commission shall select one of its members to be Chairperson. The Chairperson shall conduct all meetings and shall serve for one (1) year. Elections for Chairperson shall be held annually at the first January meeting of the year. A Chairperson may serve consecutive terms.~~

~~B. The Commission shall meet periodically, as needed and as directed by the Chairperson.~~

~~C. Commission business and discussion shall be conducted in open, public meetings in accordance with legal requirements and City policies.~~

~~D. The Commission shall keep written minutes for each of its meetings. The minutes shall be reviewed for approval at the following Commission meeting.~~

~~E. The Commission may adopt By-laws, rules or procedures for the transaction of its business.~~

~~2-15-9.~~2-15-7. **Staff Assignments.**

The City Manager shall appoint appropriate staff support for the Commission that will act as liaison to the Commission. The staff support shall prepare applications, compile and distribute information, schedule meetings, make recommendations for improving the CARE program and CARE processes, and perform other functions as needed to assist the Commission in carrying out its responsibilities.

~~2-15-10.~~2-15-8. **Compensation.**

A. Members of the Commission shall serve without monetary compensation.

B. Members of the Commission may be compensated for reasonable expenses incurred for official responsibilities, if approved by the City Manager.

~~2-15-11.~~2-15-9. **Recommendations.**

The Commission may make recommendations to the City Council regarding CARE policies and the operation of the CARE program.

A quorum of the City Council was not present so it was not an official meeting.

NOTES
CITIES OF OREM AND PROVO
SPECIAL JOINT MEETING
56 North State Street, Orem, Utah
October 23, 2014

This meeting was for discussion purposes only. No action was taken.

CONDUCTING	Mayor Richard F. Brunst, Jr
OREM ELECTED OFFICIALS	Mayor Richard F. Brunst, Jr. and Councilmembers Margaret Black, and Mark E. Seastrand
PROVO ELECTED OFFICIALS	Provo Councilmembers Gary Garett, Hal Miller, Kim Santiago, Dave Sewell, and Gary Winterton
OREM STAFF	Jamie Davidson, City Manager; Brenn Bybee, Assistant City Manager; Gary Giles, Police Department Director; Steven Downs, Assistant to the City Manager; and Taraleigh Gray, Deputy City Recorder
PROVO STAFF	Wayne Parker, Chief Administrative Officer
EXCUSED	Orem Councilmember Tom Macdonald
ABSENT	Orem Councilmembers Hans Andersen, David Spencer, and Brent Sumner

Call to Order

Mayor Brunst called the meeting to order at 12:08 p.m.

Mr. Davidson provided a blessing on the meal.

Common Items of Interest

Bus Rapid Transit (BRT)

Mayor Brunst reported having met with Senator Hatch and other congressional delegations in Washington D.C. regarding the BRT. He said past UTA projects had come in under budget and ahead of schedule. No decisions were made, but the meeting went well.

Mrs. Black asked when the funding process would take place.

Mayor Brunst said it could be this year, or it could be next year. The actual budget had not been formally passed. It all boiled down to what Congress would pass in the budget. There were competing projects on the horizon, but the BRT was high on the priority list.

Update on University Place

Mayor Brunst provided an update of the University Mall expansion and redevelopment. He said the Woodbury Corporation planned to make a $100-$500 million investment over the next 5-10 years at the University Mall. There were 500 scheduled apartments, to be erected in phases, that were included in the mixed-use project. Woodbury was changing the Nordstrom space to facilitate a new RC Willey retail center. Woodbury was adding 30,000 square feet of space over what Nordstrom originally had. There was an office building planned, and the construction was to begin by the end of 2014. The office building would be a multistory structure, and it had already been partially leased.

Mayor Brunst reported that Orem was in the middle of creating a Community Development Area (CDA), which was a post-performance tax incentive, for an area of 133 acres encompassing the mall. The five taxing entities would agree to rebate 75 percent of the property tax paid on new construction to Woodbury over a 20-year period. The money, by agreement, would be reinvested in infrastructure. The funds were not to be used by Woodbury at its discretion; the funds were strictly to be used for infrastructure, such as pipe lines, roads, utilities, and parking structures. The CDA would allow Woodbury to build to the $500 million mark, but without the CDA Woodbury would only be able to build to the $100 million mark.

Mayor Brunst said Woodbury currently paid $1.6 million annually. Woodbury had agreed to pay the full amount of property tax, even with the demolition that would be taking place over the course of construction. The reality was that with a 40-year structure line, a CDA would help generate three times the amount of money for the five involved taxing entities. Without a CDA, the taxing entities would only receive a third the amount of potential money.

Mayor Brunst said the City was looking in the long term and focusing attention in that respect. The CDA tool was encouraged by the legislation. There would be no debt, no bonding, and no extra tax for citizens. It was strictly post-performance tax increment financing. If Woodbury did not perform, there would be no property tax rebate.

Mayor Brunst discussed the job loss Orem had seen since 2006. Orem was listed 497th out of 500 for the fastest growing cities in America. That was dependent upon job growth. Orem wanted to keep property tax low for citizens and businesses. That would be possible with a strong retail sector, which they hoped the CDA would help promote.

Mr. Winterton asked if the infrastructure to be gained was tied to the CDA.

Mayor Brunst said the infrastructure funded through the CDA would have to be infrastructure built within the designated 133 acres of the CDA.

Mayor Brunst went on to discuss some of the other tax incentives available to businesses which were contingent upon business performance. He said Orem had a revolving loan fund, which was an economic development growth tool meant for small business. The City had given out loans totaling over $10 million to more than 100 different businesses throughout Orem. The revolving loan fund program was sponsored by the legislature and signed by the Governor.

Mayor Brunst said the current unemployment rate in Utah was second lowest in the nation. Utah was reported to have had the second highest job growth. Mayor Brunst acknowledged the probusiness attitude in the state of Utah.

Mr. Sewell asked Mayor Brunst to elaborate on the job loss Orem had seen.

Mayor Brunst said since 2006 there were approximately 2,000 jobs that had left Orem. Some businesses moved out of Orem because they could not find office space in Orem. The University Place CDA would help address that. He restated that it was important to keep the retail sector strong for the future.

Update on Midtown Village

Mayor Brunst gave background on the Midtown development, saying it was initially a presold condominium development. Most people who put money down to buy condos lost their money. Over $100 million was lost in the project overall. Since that time, the LLC that owned the development had cleared the debts, liens, and lawsuits regarding the project. Orem was working to see if it could be developed and finished. He said there was a current investment group under contract to purchase the development and finish it. That investment group was awaiting financial close.

City Plans to Address High School Fights Happening in Provo and Orem

Provo Councilwoman Kim Santiago made the Council aware of the concern with high school fights. She said the fight nights started out as fights in the afternoon and had been going on for at least three years. Kids would attend and pay $1 for pizza/hotdog and would watch the fight. These organized fights had ballooned into an evening event. Over 100 kids or more had been involved in at least one of those fight gatherings, and some parents were there and aware of what was going on.

Mrs. Santiago said that type of activity was a form of bullying and was unsafe for kids to participate in. There was no referee keeping order at the events, and no doctor present. Kids were coming home with broken hands and concussions, among other injuries. The real concern was that people thought this type of activity was fine. Mrs. Santiago said she was concerned that parents were sponsoring the events, and said she would like to see parents made aware that it was happening. Many parents did not know their children were engaging in this type of activity.

Mrs. Santiago said Provo had an ordinance that defined fighting as a Class B misdemeanor. She wondered if there was a way that the police could enforce it. She said she was not aware of what Orem had as far as laws went for fighting.

Gary Giles said he would look up to see the definition of a fight in the Orem City Code. He said he was unaware of there being an epidemic. He was aware of a fight night that went on in Pleasant Grove, so he suspected it was also happening in other communities.

Mrs. Santiago said she had called Orem about the fight that happened here on September 13, 2014. She was referred to a school resource officer and had not yet been contacted back regarding her inquiry.

Mr. Giles said he would do research with the school resource officers to see if they were aware of any more of this type of activity.

Mrs. Santiago suggested the youth drive the awareness on the issue as well to help kids be informed about the dangers in fighting. She said a video segment could be made available about the harm of brain injuries. An assembly at the schools might be a way to get the word out to make the youth aware and make the parents aware also.

Mrs. Black said she would like to see what Orem had in the way of ordinance.

Mr. Seastrand asked if there was a specific group organizing the fights.

Mrs. Santiago said the football players had some part in the fights, but it encompassed everybody. It was not just athletes who were participating and attending these fights.

Mrs. Black read a quote from American Pediatrics about the detrimental nature of boxing for adolescents. She said those sports were designed to do damage.

State Street Study

Mr. Davidson briefed the councils on the State Street study and master plan process. The City was utilizing IBI, an outside consultant, to address the State Street Study and master plan. Provo would participate in the process and would focus on the transportation piece of the State Street Study. Mr. Davidson said the Orem City Council would be briefed at the October 28, 2014, City Council premeeting with a go-forward plan.

Mr. Miller asked if it was for the entirety of State Street.

Mr. Davidson said it would encompass everything from transportation, land use, economic development, and architectural standards. There was also a community involvement piece to be included as well. Mr. Davidson said Orem had contracted with Mind Mixer, an online social media fact-gathering entity to reach out to the younger population regarding the State Street study effort.

Impact Fees

Hal Miller said Orem had no impact fees, and had not had impact fees. He asked how Orem could do that.

Mayor Brunst said it was a conservative effort and deferred the question to Mr. Davidson.

Mr. Davidson said that, philosophically, Orem was built out, including infrastructure. Councils of the past had not worried about impact fees. Mr. Davidson said he did not share that opinion. Orem City was currently concerned about some specific infrastructure needs, and he went on to discuss the southwest annexation declaration that covered areas in the southwest quadrant of Orem around 2000 South. The City was entertaining the idea of a specific impact fee study because there was no existing infrastructure in that area. He said Orem staff would like to engage the Orem City Council in the future to discuss how to address utility infrastructure needs in addition to public safety and parks and recreation needs as well. There was a supermajority of new features being added to communities to the north and to the south of Orem, which

specifically came from the collection of impact fees. For Orem to remain relevant, it was important to consider creating those same types of amenities for its community; however, that was difficult to do without the necessary means.

Mayor Brunst said he found the fact that Orem had no impact fees very unusual.

User Fees

Mrs. Santiago asked if Orem used any kind of template in determining user fees, and how any changes made to user fees were received by the public.

Mr. Davidson said he had been discussing that over the past two years, comparing the best interest of the Orem versus developer interests. The Council gave staff the charge to do more with less, and Orem had been incrementally adjusting fees and assessing/reassigning stewardship over certain user fees. Mr. Davidson said Orem had also compared its fee schedules to neighboring cities to ensure the user fee values were reasonable expectations, with all things considered. Mr. Davidson said studies were being conducted both within the organization and outside the organization by way of an outside consultant to gather data on the reasonability of Orem's user fees.

Mrs. Santiago asked, in regard to business licensing, if there was pushback with the internal study.

Mr. Davidson said there was a benefit in that Orem resided close to Provo. He observed that Provo was on a path that needed to be taken, but Orem was not quite there yet. He reiterated that outside consultants and internal studies were assessing the appropriate user fees.

Mr. Winterton asked about Orem's property tax.

Mr. Davidson said there were some communities that routinely adjusted property tax to meet the demands of the current markets. He said Orem was finding itself in a position where it could not run a 2014 community on a 1978 property tax rate. He said communities that lived by sales tax revenue would also die by sales tax revenue. Of the recent economic recession, he said there were some lasting impacts and yet-to-be-felt consequences.

Mayor Brunst asked how Provo saw its infrastructure.

Mrs. Santiago said she had spoken with Dave Decker, Provo Public Works Director, about flooding issues due to pressure valves. Emptying and refilling an old water infrastructure had an adverse effect on the valve pressures. The capital improvement project (CIP) had been put on the back burner, but now they needed a dedicated revenue stream for CIP projects.

Mr. Miller said it was human nature to be shortsighted in deferring maintenance and necessary replacements. Consequently there were no savings plans in the present to allow maintenance and replacement efforts to happen. He acknowledged the decades of neglect and said that in some cases department heads had been far-sighted in putting money aside. He used the Provo City Cemetery expansion as an example. The director had put aside money so when the time came for the expansion the money was there to apply to that expansion.

Google Fiber

Mayor Brunst asked what percentage of residents had signed up for Google.

Mr. Parker said Google did not divulge any definitive indication of take-rates. Provo was in the process of arranging a survey to gather its own numbers and statistics.

Set Date and Time for Next Meeting

The next meeting was scheduled for January 8, 2015, at noon in Provo.

The meeting adjourned at 1:25 p.m.

AGENDA
REDEVELOPMENT AGENCY
OF THE CITY OF OREM
November 11, 2014

CALL TO ORDER

APPROVAL OF MINUTES

1. **MINUTES of Redevelopment Agency Meeting of September 23, 2014**

SCHEDULED ITEMS

2. **RESOLUTION – Approving an Interlocal Cooperation Agreement between the Redevelopment Agency of the City of Orem and the Orem Metropolitan Water District**

RECOMMENDATION: The Economic Development Division Manager recommends that the Redevelopment Agency of the City of Orem, by resolution, enter into the Interlocal Cooperation Agreement with the Orem Metropolitan Water District.

BACKGROUND: The Redevelopment Agency of the City of Orem desires to enter into this agreement to receive a portion of property tax increment generated within the University Place Community Development Area back from the Orem Metropolitan Water District. Tax Increment arising from the development of the Project may be used to pay for public infrastructure improvements, Agency requested improvements and upgrades, both off-site and on-site improvements, land incentives, desirable Project Area improvements, and other items as approved by the Agency.

3. **RESOLUTION – Approving an Interlocal Cooperation Agreement between the Redevelopment Agency of the City of Orem and the Central Utah Water Conservancy District**

RECOMMENDATION: The Economic Development Division Manager recommends that the Redevelopment Agency of the City of Orem, by resolution, enter into the Interlocal Cooperation Agreement with the Central Utah Water Conservancy District.

BACKGROUND: The Redevelopment Agency of the City of Orem desires to enter into this agreement to receive a portion of property tax increment generated within the

THE PUBLIC IS INVITED TO PARTICIPATE IN ALL REDEVELOPMENT AGENCY MEETINGS.
If you need a special accommodation to participate in the Redevelopment Agency meeting, please call the City Recorder's Office at least 3 working days prior to the meeting. (Voice 229-7074)

This agenda is also available on the City's Internet webpage at orem.org

University Place Community Development Area back from the Central Utah Water Conservancy District. Tax Increment arising from the development of the Project may be used to pay for public infrastructure improvements, Agency requested improvements and upgrades, both off-site and on-site improvements, land incentives, desirable Project Area improvements, and other items as approved by the Agency

ADJOURN TO CITY COUNCIL MEETING

DRAFT

REDEVELOPMENT AGENCY
of the
CITY OF OREM
September 23, 2014

CONDUCTING	Chair Richard F. Brunst, Jr.
BOARD OF DIRECTORS	Hans Andersen, Margaret Black, Tom Macdonald, Mark Seastrand, David Spencer, and Brent Sumner
APPOINTED STAFF	Jamie Davidson, Brenn Bybee, Richard Manning, Ryan Clark, and Taraleigh Gray
EXCUSED	Board member Mark E. Seastrand

The Redevelopment Agency (RDA) Meeting convened at 7:09 p.m.

APPROVAL OF MINUTES – July 22, 2014

Mr. Andersen **moved** to approve the minutes of the July 22, 2014, Redevelopment Agency Meeting. Mrs. Black **seconded** the motion. Those voting aye: Hans Andersen, Margaret Black, Richard F. Brunst, David Spencer, and Brent Sumner. The motion **passed** unanimously.

SCHEDULED ITEMS

RESOLUTION: Adopt an official Project Area Plan for the University Place Community Development Project Area

Ryan Clark said the University Place Community Development Area (CDA) and its subsequent Draft Project Area Plan would facilitate the redevelopment of the University Mall property located at 575 East University Parkway and redevelopment of surrounding properties. University Place was a master-planned, mixed-use redevelopment project that would add Class A office space, additional retail, a new park, residential units, and additional infrastructure to an already successful regional retail shopping mall.

It was estimated that the following development would be constructed as part of the University Place revitalization project:

- 400,000 SF new retail (less 175,000 SF of existing retail to be demolished)
- 700,000 SF new office
- 1,250,000 SF new multifamily residential
- 70,000 SF new hotel

Tax Increment arising from the development of the Project could be used to pay for public infrastructure improvements, Agency-requested improvements and upgrades, both off-site and

on-site improvements, land incentives, desirable Project Area improvements, and other items as approved by the Agency.

Adoption of the Draft Project Area Plan would assist the City of Orem with business attraction and expansion, new job growth, increased tax revenues, and was anticipated to act as a catalyst to future development and reinvestment in the surrounding area.

Mr. Davidson said staff sought consideration for the proposed University Place CDA.

Ryan Clark led a presentation to the Board regarding the proposed University Place CDA. He explained the tools that could be utilized for economic growth in Orem as follows:

Tax Increment Project Areas

- Under Utah Code 17c "Limited Purpose Local Government Entities – Community Development and Renewal Agencies Act," Utah's local governments had the authority to conduct economic development activities within their communities through their Redevelopment Agencies.
- Under the act, agencies were allowed to create three types of project areas:
    - Community Development Areas (CDAs)
    - Economic Development Areas (EDAs)
    - Urban Renewal Areas (URAs)

Mr. Clark said the CDA was an available tool that the City could utilize to maintain stability in a competitive marketplace. The City needed to compete with other jurisdictions, both inside and outside Utah. Many could argue that the tool was not the correct tool to use and, if that was the case, then the State legislature should remove the tool.

Mr. Clark explained some examples of competition:

- Other peer cities had used RDAs and tax-increment incentives to attract Orem businesses away from Orem, for example:
    - DoTerra – 527 jobs (left Orem and went to Pleasant Grove)
    - Adobe – 650 jobs (left Orem and went to Lehi, grew to 950 jobs)
    - AtTask – 145 jobs (left Orem and went to Lehi)
    - Xactware – 507 jobs (left Orem and went to Lehi)

Mr. Clark said Orem had lost 1,700-plus jobs to developments attracting business away from the City of Orem.

Mr. Clark said Orem needed to grow assessed property values to grow its property tax base. He introduced Tax Increment benefits as follows:

- Keep current dollars – there would be no tax increase to citizens.
- Limit exposure – arrangement would involve post-performance incentive
    - No City/RDA debt issuance would be necessary.
- Keep 25 percent of revenue from new development (estimated at $3.2 million).
- After the 20-year project area term, the City would retain all City-dedicated property tax increment.

DRAFT

Mr. Davidson said under current Utah redevelopment law, once a project area was created and the project base locked in, in the event that property was being demolished, the property tax on the demolished property would stay at the capture rate. The CDA protected the existing base at the present, and would not negatively affect assessed valuation of property. There would be no impact on property taxes to Orem. The CDA protected the City's assessed base at University Mall.

Mr. Clark continued, saying the existing taxable value at University Place was $130 million. The potential taxable value of that area with the creation of a CDA would be $430 million. With that, Orem would also benefit from increased sales tax ($11.3 million), gas and electric franchise fees ($8.2 million), and hotel transient room taxes ($6.76 million).

Mr. Clark showed graphics depicting the potential taxable values with and without the CDA.

Mr. Davidson said the discussion being had was about money that did yet not exist. The CDA would be taking proceeds from new tax increment and investing it in new infrastructure.

Mr. Clark explained that Orem had water and sewer lines running throughout the mall property that required updating. The existing infrastructure was well over 43 years old. The City would need to improve that infrastructure regardless of the University Place project. The cost for the infrastructure requiring update was estimated as follows:

- $5.4 million for road and utility infrastructure
- $3.9 million for East to West road construction.

The CDA was a means to pay for infrastructure and transportation from redevelopment dollars. Updating the infrastructure would also mitigate traffic issues along University Parkway at State Street and 800 East.

Mr. Clark outlined the expense of redevelopment. Orem had a limited amount of "greenfield" (undeveloped raw land). There were 299 undeveloped acres in Orem, and 288 acres of farmland/orchards in Orem. The total acreage in Orem was 11,712 acres, with only 5 percent being greenfield. Orem's neighboring/competing cities had raw land available for development. Orem did not have the luxury of undeveloped "greenfield" areas. For that reason, redevelopment was Orem's best option.

Mr. Clark said the University Place development was important to Orem in that the University Mall area was a major tax contributor to the City, which tax revenue was extremely important for the City to sustain services.

Mr. Davidson said recently the City had had the opportunity to meet with many rating agencies, one of which was excited with the fact the City was choosing to reinvest in the property in question. The rating agency was encouraged that a developer wanted to reinvest in a community. The creation of the CDA would positively impact Orem from a rating perspective.

Mr. Clark discussed Class A office space, a component of the mixed-use at the University Place development project. Orem had a disadvantage in that there was not a lot of Class A office space

available within the city. The University Place development planned to incorporate Class A office space within the development at the existing University Mall, which would give Orem an advantage by being able to provide office space for potential businesses to come to Orem.

Mr. Clark showed graphics that illustrated the proposed University Place development to show the different features that would be foregone, should the Alpine School District only choose to participate at a lesser percentage split.

Mr. Clark said RDAs (and the similar CDAs) add value to a city. He provided the following information to support that:

Growth Assessed Value (Since Inception)	Growth Rate	Average Annual Growth Rate
Orem Business Park 85-1	8,039.3%	17.7%
Timpanogos Research and Tech Park 85-02	832.3%	8.3%
1300 S (East) 85-03A	218.8%	4.4%
1300 S (West) 85-03B	1,537.7%	10.9%
State Street (South) 85-04	167.8%	3.7%
State Street (North) 87-10	113.5%	3.2%
500 North to 1200 N 90-08	209.3%	5.0%

Mr. Macdonald asked if the University Mall had ever incorporated into an RDA. Mr. Clark said it had not.

Mr. Clark said that all of Orem's existing RDAs had increased in taxable value. The RDAs were projected to create over $66 million in total property tax increment. Tax increment had built roads and other utility infrastructure, financed park and recreation improvements, promoted job growth, and spurred retail development.

Mr. Clark showed aerial photos depicting the growth of several RDAs in Orem. He said creating a CDA would allow for faster development and would allow for more high quality development with the assessed valuations. It would also build momentum for attracting new tenants. Furthermore, the CDA would act as a catalyst for further development surrounding the CDA.

Mr. Davidson said that, as currently proposed, the project had an upside of $13 million of new revenue. The idea of post-performance incentive was not unique to Orem.

Mayor Brunst said he was excited about Woodbury investing in Orem. Woodbury and Orem had worked hard over the years to help and support each other. The CDA had tremendous benefit. He said the City should go for the long term and for the benefits that would come from the long term.

Randy Woodbury said he wanted to reiterate the post-performance aspect of the project. If Woodbury did not make the investment, there would be no participation as a rebate. Creating a CDA was a means of leveraging a way to do more.

DRAFT

Mayor Brunst said the five taxing entities would each take part, and the money would be earned by Woodbury's performance.

Mayor Brunst opened the public hearing

Wayne Burr said the Council sometimes made a mistake. The idea that the Board always made the right decisions was not always true. He said he wondered how the Board would find out the will of the people. He said the issue should be put on the ballot to ask the people if they wanted to do it. Government getting involved in business was not a founding principle of the country. He asked that the people be allowed to vote on the issue.

Jim Fawcett said he found out the project was not feasible. Woodbury came to the City to rezone the area to carry out its grand ideas. Mr. Fawcett asked why the City should build a road on private property. The mall could do what it wanted, and if they could not afford it then the City should stand back.

Bob Wright said he had always been in favor of the mall to be developed. He said the City should allow Woodbury to carry out its project without the City getting involved in any investment in the project.

Jacob Seibach said he had concerns about the creation of a CDA. He said he wanted the redevelopment, but government should not be involved. The mall should invest as it had the funds.

Melodee Andersen spoke in opposition of the CDA. She voiced concern for government getting involved in corporate welfare.

Margaret Holmes wondered what would happen if Woodbury was unable to do what it intended. She wondered why Orem was reinvesting in something it did not have a guarantee on.

Sharon Anderson said governments were set up to secure the rights of the people. She did not see how this project was protecting the rights of the citizens of Orem. If it was a viable project it would be successful without Orem's subsidy in the form of tax increment. She wondered how Alpine would make up the millions of dollars it would not get back. She did not think it was right to bestow all the benefits upon one corporation.

Bonnie Pence spoke in opposition of the CDA. She said it wasn't a matter of "if," but rather "when" that the dollar would no longer be the dominating currency. In time, people would not have the ability to buy things they wanted. Because of that, there was no need to put in more retail.

Nathan Guinn spoke of his disappointment that the Board was not representing the people of Orem. If there was a company unable to recognize the highest and best use of the real estate, then someone would come along and buy it up. He thought the City should allow the Mall and free enterprise to take place.

An unnamed citizen said education cost more in the United States than it did on the other side of the Atlantic. He suggested the Alpine School District put money into teachers, not buildings. He spoke in opposition of the CDA.

Becky Coldwell asked that the Board put the CDA decision to a vote of the citizens. She did not think an expeditious process was necessary. She said she felt passionately to let the free enterprise system work and did not think it was the role of government to get involved.

Jim Evans said the majority of citizens liked what Orem had to offer, such as parks and various City resources which were made available to the citizens on a daily basis. He shared a quote and said "growth was never by mere chance; it was by force of working together." He spoke in favor of approving the CDA and said the RDA Board had to determine if it was willing to be bold.

Matt (last name not given) said government worked best when decisions were based on solid principles. He said the creation of a CDA failed on three accounts: risk, fairness, and meddling. Just because it looked appealing did not mean the City should get involved.

Phil Borg said it was disappointing that the City was gambling taxpayer money.

Leslie Louw said she did not care about high-rise buildings in downtown Orem. She spoke in opposition of the CDA and encouraged the Board to support liberty and justice for all.

Lyn Lyman said she wanted the City to consider the cost to build the proposed project. She voiced opposition to the project at University Mall and the CDA.

Kathy Young asked if the Board had gone door to door and asked the citizens what they wanted and if the citizens knew what the proposed plan was.

Dave Howard said he had to pay for infrastructure out-of-pocket for the building of his home. The Board and Chair had no right to choose to invest the taxpayers' money in the proposed way.

Brian Kelly shared a personal story and said it was jobs that kept people in Orem. He spoke in favor of the CDA.

Mayor Brunst closed the public hearing. He allowed time for the Board members to voice their views on the creation of a CDA.

Mr. Spencer said that if costs went up, then that would be Woodbury's problem. He said the State legislature endorsed the program.

Mr. Davidson said a lot of growth was happening in the northern part of Utah County. Much of that investment came from tools (businesses) that had left Orem. There were many businesses that had their genesis in Orem and had since left, namely Adobe. Businesses left because they did not have the opportunity to grow here. Many cities offered incentives for businesses to move to their areas, incentives that Orem did not have the ability to offer. What was unique about the CDA proposal was that it would not be using proceeds to entice one particular tenant.

DRAFT

Infrastructure was the goal. Utility lines, parking structures, parks, and roads would all come with the creation of the CDA at University Place. All of the added infrastructure would remain in the Orem community, regardless of what businesses would occupy the space within the buildings. Mr. Davidson applauded the developer for wanting to invest in Orem. Mr. Davidson said that it was a mistake to choose not to take advantage of the tools and resources available. The CDA tools should be considered as part of any economic development endeavor.

Mr. Macdonald said he agreed that there were several projects in the past that the city got involved in, which had not come to fruition. However, he said a CDA was not a tax increase. Orem and the other taxing entities would continue to get 100 percent of what they were getting at the capture rate and would share the increase. Woodbury would take the risk. He said it was unfortunate that people did not understand the win-win philosophy of the CDA economic tool. Orem would not have to front the necessary infrastructure. Mr. Macdonald addressed the fear that if it was good for some it must be bad for them. That was not the case. Tax revenues for the city would increase, and Orem would share part of the increase over the 20 years. As a Board member and landlord, he was in favor of the CDA. He did not want to put up a sign that said Orem was closed for business. The City would not get another chance like this in the near future, so he encouraged the Board to keep Woodbury and the University Mall in Orem, and to keep it vibrant.

Mr. Andersen said earlier in the meeting the Council had voted to allow property owners to develop their property as they wished. Another group was at the meeting who wanted to develop 854 apartments. He wondered what the difference was between them. He wondered how the City justified the little business to the big businesses. He thought the mall was asking for a 75 percent discount on property taxes. He did not understand how the City could have the little landlord pay 100 percent of property tax when the big landlord was getting a 75 percent discount. Mr. Andersen said the Board was talking about giving one business $63 million. He asked if that was fair. The creation of a CDA would not change the shopping habits of the people of Orem. Private enterprise should be allowed to be free enterprise. He said the highest and best use was allowing the free market to work. Mr. Andersen said the citizens could refer this action, just like they had the truth in taxation effort two years ago.

Mrs. Black said it was important to get the facts given by the presentation. She voiced concern about the robo-call funded by Mr. Andersen that was sent through Orem. She encouraged citizens to get the information to fellow citizens and get them aware of all of the facts. The amount of $9.6 million was different from the $63 million mentioned in the robo-call. She stressed the need for citizens to be aware of the facts and what was real. Mrs. Black said the money would come solely from future taxes. No increment tax would be generated if there was no growth. This was a great investment in the future of Orem. The value of the City was estimated to grow six fold in that period of time. No matter how much value was created, Orem would not lose anything because any tax increment distributed to Woodbury was dependent on Woodbury's performance. All the entities would continue to collect current values. Mrs. Black said Woodbury would only be able to use the tax increment funds for public infrastructure improvements. The road which would be erected would relieve traffic, the park would be a new feature in the city, and aging utilities would be replaced—all because Woodbury would be

investing $500 million of its own money into the project. Cities used the RDA tool to incentivize and attract business. Revitalized areas in other cities were the result of the same tool. Mrs. Black said she supported the CDA and believed the effort would serve as a catalyst for other developments in Orem.

Mr. Spencer said his main concern in Orem was the future. He was concerned about the utilities, all of which were aging. Utilities would have to go up. If the City was looking at the future, and Woodbury was willing to put in $500 million dollars for a property tax rebate on the additional value they bring into the property, to him it was a win-win. He wondered what the Board was guaranteeing with the moving forward.

Mr. Clark said the City would not be guaranteeing anything; it would be up to Woodbury to perform. The base capture rate would not change. The cost to the City was nothing. The cost to the citizens was nothing. There would be no bonding.

Mayor Brunst said they were there as elected officials to make the best choice for Orem. The reality was that the CDA tool was post-performance tax increment financing. Woodbury was taking the risk, not the City. There would be no bonding, and the City would not be going into any debt. The citizens would not be taxed more. More jobs would be created through using the CDA tool. Through judicial and wise use of business incentives, Utah's local economy had grown. Mayor Brunst said he believed there were many benefits in using the incentives that the legislature had put into place.

Mayor Brunst **moved**, by resolution, to adopt an official Project Area Plan for the University Place Community Development Project Area. Mrs. Black **seconded** the motion. Those voting aye: Margaret Black, Richard F. Brunst, Tom Macdonald David Spencer, and Brent Sumner. Those voting nay: Hans Andersen. The motion **passed**, 5-1.

RESOLUTION - Approve an Interlocal Cooperation Agreement between the Redevelopment Agency of the City of Orem and the City of Orem

Mr. Clark said the Redevelopment Agency of the City of Orem desired to enter into this agreement to receive a portion of property tax increment generated within the University Place Community Development Area back from the City of Orem. Tax Increment arising from the development of the Project may be used to pay for public infrastructure improvements, Agency requested improvements and upgrades, both off-site and on-site improvements, land incentives, desirable Project Area improvements, and other items as approved by the Agency.

Mr. Clark summarized by stating the resolution authorized the mechanics of the 75/25 split.

Mrs. Black **moved**, by resolution, to approve an Interlocal Cooperation Agreement between the Redevelopment Agency of the City of Orem and the City of Orem. Mr. Macdonald **seconded** the motion. Those voting aye: Margaret Black, Richard F. Brunst, Tom Macdonald, David Spencer, and Brent Sumner. Those voting Nay: Hans Andersen.

DRAFT

At Mr. Spencer's request, Greg Stevens, City Attorney, clarified that the resolution would authorize the 75/25 split. At a later point, an agreement would determine specifically what the developer could do with the tax increment.

ADJOURNMENT

Mr. Macdonald **moved** to adjourn the meeting of the Redevelopment Agency of the City of Orem and to reconvene the Orem City Council meeting. Mr. Spencer **seconded** the motion. Those voting aye: Mr. Andersen, Mrs. Black, Mr. Brunst, Mr. Spencer, and Mr. Sumner. The motion **passed** unanimously.

The meeting adjourned at 9:24 p.m.

CITY OF OREM **REDEVELOPMENT AGENCY MEETING** NOVEMBER 11, 2014	
REQUEST:	**RESOLUTION – Approving an Interlocal Cooperation Agreement between the Redevelopment Agency of the City of Orem and the Orem Metropolitan Water District**
APPLICANT:	City of Orem Economic Development Division
FISCAL IMPACT:	$9,607,695 of future tax increment funds (estimate from the model)

NOTICES:
-Posted in 2 public places
-Posted on City webpage
-Posted on State website
-Faxed to newspapers
-E-mailed to newspapers
-Neighborhood Chair

PREPARED BY:
Ryan L. Clark
EDD Manager

RECOMMENDATION:
The Economic Development Division Manager recommends that the Redevelopment Agency of the City of Orem, by resolution, enter into the Interlocal Cooperation Agreement with the Orem Metropolitan Water District.

BACKGROUND:
The Redevelopment Agency of the City of Orem desires to enter into this agreement to receive a portion of property tax increment generated within the University Place Community Development Area back from the Orem Metropolitan Water District. Tax Increment arising from the development of the Project may be used to pay for public infrastructure improvements, Agency requested improvements and upgrades, both off-site and on-site improvements, land incentives, desirable Project Area improvements, and other items as approved by the Agency.

DRAFT

RESOLUTION NO. _____

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF OREM, UTAH APPROVING AN INTERLOCAL COOPERATION AGREEMENT BETWEEEN THE AGENCY AND THE OREM METROPOLITAN WATER DISTRICT

WHEREAS, pursuant to the provisions of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the "Interlocal Act"), and the provisions of Title 17C of the Utah Code as amended, known as the Limited Purpose Government Entities – Community Development and Renewal Agencies Act (the "CDRA Act"), public agencies, including political subdivisions of the State of Utah as therein defined, are authorized to enter into mutually advantageous agreements for joint and cooperative actions, including the sharing of tax and other revenues; and

WHEREAS, the Redevelopment Agency of the City of Orem, Utah (the "Agency") and the Orem Metropolitan Water District (the "District") are "public agencies" for purposes of the Interlocal Act; and

WHEREAS, after careful analysis and consideration of relevant information, the Agency desires to enter into an Interlocal Cooperation Agreement with the District whereby the District would remit to the Agency a portion of the property tax increment generated within the University Place Community Development Project Area, (the "Project Area") which would otherwise flow to the District, for the purpose of encouraging development activities through the payment for certain public infrastructure, land assembly, and other uses that directly benefit the Project Area as permitted under the CDRA Act; and

WHEREAS, Section 11-13-202.5 of the Interlocal Act requires that certain Interlocal Cooperation Agreements be approved by resolution of the legislative body of a public agency.

THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF OREM, UTAH AS FOLLOWS:

1. The Interlocal Cooperation Agreement between the Agency and the District, substantially in the form attached hereto as Exhibit A (the "Agreement"), is approved and shall be executed for and on behalf of the Agency by the Chair and countersigned by its Secretary.

2. Pursuant to Section 11-13-202.5 of the Interlocal Act, the Agreement has been submitted to legal counsel of the Agency for review and approved as to form and legality.

3. Pursuant to Section 11-13-209 of the Interlocal Act, a duly executed original counterpart of the Agreement shall be filed immediately with the Secretary, the keeper of records of the Agency.

DRAFT

4. The Agency is hereby directed to publish or cause to be published a notice of the Agreement in accordance with Section 11-13-219 of the Interlocal Act and make a copy of the Agreement available for public inspection and copying at the Agency's offices during regular business hours for a period of at least 30 days following publication of the notice.

5. The Agreement shall be effective immediately upon execution.

6. This Resolution shall take effect upon adoption.

PASSED AND APPROVED this **11th** day of **November** 2014.

_____
Richard F. Brunst, Jr., Agency Chair

ATTEST:

_____
Donna R. Weaver, Secretary

BOARD MEMBERS VOTING "AYE"	BOARD MEMBERS VOTING "NAY"

EXHIBIT A – INTERLOCAL AGREEMENT

INTERLOCAL COOPERATION AGREEMENT

THIS INTERLOCAL COOPERATION AGREEMENT is made and entered into this _____ day of _____, 2014, by and between **THE REDEVELOPMENT AGENCY OF THE CITY OF OREM, UTAH** a community development and renewal agency and political subdivision of the State of Utah (the "Agency"), and the **OREM METROPOLITAN WATER DISTRICT**, a political subdivision of the State of Utah (the "District") (collectively the "Parties" or in the singular "Party") in contemplation of the following facts and circumstances:

A. **WHEREAS,** the Agency was created and organized pursuant to an ordinance dated August 14, 1984 (O-84-0031) and continues to operate under the provisions of the Limited Purpose Government Entities - Community Development and Renewal Agencies Act, Title 17C of the Utah Code (the **"Act"**), and is authorized and empowered under the Act to undertake, among other things, various community development activities pursuant to the Act, including, among other things, assisting the City of Orem, Utah (the "City") in development activities; and

B. **WHEREAS,** this Agreement is made pursuant to the provisions of the Act and the Interlocal Cooperation Act (Utah Code Title 11, Chapter 13) (the "Interlocal Act"); and

C. **WHEREAS,** the Agency has created the University Place Community Development Project Area (the "Project Area"), through the adoption of the University Place Community Development Project Area Plan (the "Project Area Plan"), located within the City, which Project Area is described in Exhibit "A" attached hereto and incorporated herein by this reference; and

D. **WHEREAS,** the Project Area contains the University Mall, which is anticipated to be revitalized, with encouragement and planning by the Agency, into residential, retail, hotel, and office uses. The Agency has not entered into any participation or development agreements with developers but anticipates that prior to development of the Project Area, the City and the Agency may enter into one or more Development/Participation Agreements with one or more developer(s) which will provide certain terms and conditions upon which the Project Area will be developed using, in part, increased property taxes, referred to as "Tax Increment" (as that term is defined in the Act), generated from the Project Area; and

E. **WHEREAS,** historically, the Project Area has generated a total of $1,590,821 per year in property taxes for the various taxing entities, including the City, Utah County (the "County"), Alpine School District (the "School District"), the Central Utah Water Conservancy District (the "CUWCD"), and the District; and

F. **WHEREAS,** upon full development as contemplated in the Project Area Plan, property taxes produced by the Project Area for the City, the County, the School District, the CUWCD, and the District are projected to total approximately $6,510,910 per year; and

G. **WHEREAS,** the Agency has requested the City, the County, the School District, the CUWCD, and the District to participate in the promotion of development in the Project Area by agreeing to remit to the Agency for a specified period of time specified portions of the increased property tax which will be generated by the Project Area; and

H. **WHEREAS,** the District and the Agency have determined that it is in the best interests of the District to provide certain financial assistance through the use of Tax Increment in connection with the development of the Project to carry out the Project Area Plan; and

I. **WHEREAS** Utah Code §17C-4-201(1) authorizes the District to consent to the payment to the Agency of a portion of the District's share of Tax Increment generated from the Project Area for the purposes set forth therein; and

J. **WHEREAS**, Utah Code § 11-13-215 further authorizes the District to share its tax and other revenues with the Agency; and

K. **WHEREAS,** the Agency has retained Lewis Young Robertson & Burningham, Inc., an independent financial consulting firm with substantial experience regarding community development and tax increment projects across the State of Utah, to prepare the Project Area Plan and to provide a report regarding the need and justification for the remittance of tax increment revenues within the Project Area. A copy of the report is included in the Project Area Plan attached as Exhibit "B"; and

L. **WHEREAS**, the Project Area Plan has been adopted by the Agency through resolution passed on September 23, 2014 and made effective through Ordinance No. O-2014-0034 passed by the City; and

M. **WHEREAS,** the Agency has also prepared a draft of the University Place Community Development Project Area Budget (the "Project Area Budget"), a copy of which is attached as Exhibit "C", which Project Area Budget, generally speaking, outlines the anticipated generation, payment and use of Tax Increment within the Project Area;

N. **WHEREAS,** the Parties desire to set forth in writing their agreements regarding the nature and timing of such assistance;

NOW, THEREFORE, the parties agree as follows:

1. **Additional Tax Revenue.** The District has determined that significant additional property tax revenue (*i.e.*, Tax Increment) will likely be generated by the development of the Project Area as described in further detail in the Project Area Plan and Project Area Budget. Each of the parties acknowledge, however, that the development activity required for the generation of the Tax Increment is not likely to occur within the foreseeable future or to the degree possible or desired without Tax Increment participation in order to induce and encourage such development activity.

2. **Offset of Development Costs and Expenses.** The District has determined that it is in the best interests of the District to pay specified portions of the Tax Increment to the Agency in order for the Agency to offset costs and expenses which will be incurred by the Agency in the construction and installation of infrastructure improvements and other development related costs needed to serve the Project Area, to the extent permitted by the Act, as amended from time to time.

3. **Base Year and Base Year Value.** The base year, for purposes of calculation of the Base Taxable Value (as that term is defined in the Act), shall be 2013, meaning the Base Taxable Value shall, to the extent and in the manner defined by the Act, be equal to the equalized taxable value shown on the 2013 Utah County assessment rolls for all property located within the Project Area (which is currently estimated to be $129,187,998, but is subject to final adjustment and verification by the County and Agency).

4. **Agreement with Developers.** The Agency is authorized to enter into one or more agreements with developers which may provide for the payment of certain amounts of Tax Increment to the developer based upon the developer's meeting of certain performance measures as outlined in said agreement. Such agreement shall be consistent with the terms and conditions of this Agreement, shall require as a condition of the payment to the developer that the developer, or its approved successors in title as owners of the property, shall pay any and all taxes and assessments which shall be assessed against the property in accordance with levies made by applicable municipal entities in accordance with the laws of the State of Utah applicable to such levies.

5. **Payment Trigger.** The first year ("Year One") of payment of Tax Increment from the District to the Agency shall be determined by the Agency, but shall be no later than 2018. Each subsequent year, beginning with the first year after Year One, shall be defined in sequence as Year Two through Year Twenty.

6. **Total Payment to Agency.** The District shall remit to the Agency, beginning with property tax receipts in Year One, and continuing through Year Twenty, 75% of the annual Tax Increment generated from the Project Area. The County is authorized and instructed to pay all of the Tax Increment to the Agency annually, and the Agency will then distribute to the District the District's 25% portion of the Tax Increment, and the Agency will retain the 75% balance.

7. **Property Tax Increase.** This Agreement provides for the payment of the increase in real and personal property taxes collected from the Project Area by the County acting as the tax collection agency for the District. Real and personal property taxes which are the subject of this Agreement shall not include taxes collected from the Project Area by the County, acting in its capacity as the tax collection agency for the District, which are to be paid to or utilized by abatement districts, special service or improvement districts or other entities for which the County acts as the tax collection agency, nor shall it include any component of real property taxes retained by the County as payment for costs incurred in the collection of real property taxes for itself or other applicable agencies. It is expressly understood that the real property taxes which are the subject of this Agreement are only those real and personal property taxes actually collected by the County from the Project Area.

8. **No Independent Duty.** The District shall be responsible to remit to the Agency only Tax Increment actually received by the County. The District shall have no independent duty to pay any amount to the Agency other than the Tax Increment described in paragraph 6 of this Agreement on an annual basis from and including Year One through and including Year Twenty.

9. **Authority to Bind.** Each individual executing this Agreement represents and warrants that such person is authorized to do so, and, that upon executing this Agreement, this Agreement shall be binding and enforceable in accordance with its terms upon the Party for whom such person is acting.

10. **Further Documents and Acts.** Each of the Parties hereto agrees to cooperate in good faith with the others, and to execute and deliver such further documents and perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement.

11. **Notices.** Any notice, request, demand, consent, approval or other communication required or permitted hereunder or by law shall be validly given or made only if in writing and delivered to an officer or duly authorized representative of the other Party in person or by Federal Express, private commercial delivery or courier service for next business day delivery, or by United States mail, duly certified or registered (return receipt requested), postage prepaid, and addressed to the Party for whom intended, as follows:

If to District:
Orem Metropolitan Water District
Attn: Board of Trustees
1450 W. 550 N.
Orem, UT 84057
Facsimile:

If to Agency:
Redevelopment Agency of Orem City
Attn: Agency Board
56 N. State Street
Orem, UT 84057
Facsimile: (801) 229-7031

Any Party may from time to time, by written notice to the others as provided above, designate a different address which shall be substituted for that specified above. Notice sent by mail shall be deemed served or delivered seventy-two (72) hours after mailing. Notice by any other method shall be deemed served or

delivered upon actual receipt at the address or facsimile number listed above. Delivery of courtesy copies noted above shall be as a courtesy only and failure of any Party to give or receive a courtesy copy shall not be deemed to be a failure to provide notice otherwise properly delivered to a Party to this Agreement.

12. **Entire Agreement.** This Agreement is the final expression of and contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior understandings with respect thereto. This Agreement may not be modified, changed, supplemented or terminated, nor may any obligations hereunder be waived, except by written instrument signed by the Party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein. This Agreement and its exhibits constitute the entire agreement between the parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understandings of the parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

13. **No Third Party Benefit.** The Parties do not intend to confer any benefit hereunder on any person, firm or corporation other than the Parties hereto. There are no intended third party beneficiaries to this Agreement.

14. **Construction.** Headings at the beginning of each paragraph and subparagraph are solely for the convenience of the parties and are not a part of the Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. Unless otherwise indicated, all references to paragraphs and subparagraphs are to this Agreement. In the event the date on which any of the parties is required to take any action under the terms of this Agreement is not a business day, the action shall be taken on the next succeeding business day.

15. **Partial Invalidity.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law.

16. **Amendments.** No addition to or modification of any provision contained in this Agreement shall be effective unless fully set forth in writing executed by each of the parties hereto.

17. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

18. **Waivers.** No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

19. **Governing Law.** This Agreement and the exhibits attached hereto shall be governed by and construed under the laws of the State of Utah. In the event of any dispute hereunder, it is agreed that the sole and exclusive venue shall be in a court of competent jurisdiction in Utah County, Utah, and the Parties hereto agree to submit to the jurisdiction of such court.

20. **Declaration of Invalidity**. In the event that a court of competent jurisdiction declares that the County cannot pay and/or that the Agency cannot receive payments of the Project Area Property Tax, declares that the Agency cannot pay the Project Area Property Tax to developers, or takes any other action which has the effect of eliminating or reducing the payments of Project Area Property Tax received by the Agency, then the Agency's obligation to pay the Project Property Tax Payments to developers shall be reduced or eliminated accordingly, and the Agency and the District shall take such steps as are reasonably required to not permit the payment and/or receipt of the Property Tax to be declared invalid.

21. **No Separate Legal Entity.** No separate legal entity is created by this Agreement.

22. **Duration.** This Agreement shall terminate after the final payment of Tax Increment to the Agency for Year Twenty.

23. **Assignment.** No Party may assign its rights, duties or obligations under this Agreement without the prior written consent first being obtained from all Parties. Notwithstanding the foregoing, such consent shall not be unreasonably withheld or delayed so long as the assignee thereof shall be reasonably expected to be able to perform the duties and obligations being assigned.

24. **Termination.** Upon any termination of this Agreement resulting from the uncured default of any Party, the order of any court of competent jurisdiction, or termination as a result of any legislative action requiring such termination, any funds held by the Agency, and for which the Agency shall not be required to disburse to developers in accordance with the agreements which govern such disbursement, shall be returned to the Party originally remitting same to the Agency and upon such return, and this Agreement shall be deemed terminated and of no further force or effect.

25. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Interlocal Act in connection with this Agreement, the Parties agree as follows:

a. This Agreement shall be authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Interlocal Act;

b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5(3) of the Interlocal Act;

c. A duly executed original counterpart of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Section 11-13-209 of the Interlocal Act;

d. The CEO of the Agency is hereby designated the administrator for all purposes of the Interlocal Act, pursuant to Section 11-13-207 of the Interlocal Act; and

e. Should a Party to this Agreement desire to terminate this Agreement, in part or in whole, each Party to the Agreement must adopt, by resolution, an amended Interlocal Cooperation Agreement stating the reasons for such termination. Any such amended Interlocal Cooperation Agreement must be in harmony with any development/participation agreement(s) entered into by the Agency as described in this Agreement.

f. Immediately after execution of this Agreement by both Parties, each of the Parties shall cause to be published notice regarding this Agreement pursuant to Section 11-13-219 of the Interlocal Act.

g. This Agreement makes no provision for the parties acquiring, holding and disposing of real and personal property used in the joint undertaking as such action is not contemplated as part of this Agreement nor part of the undertaking. Any such provision would be outside the parameters of the current undertaking. However, to the extent that this Agreement may be construed as providing for the acquisition, holding or disposing of real and/or personal property, all such property shall be owned by the Agency upon termination of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day specified above.

District: OREM METROPOLITAN WATER DISTRICT

Attest:

By: _____
Its: Board Chairman

_____
District Secretary

Approved as to form:

_____
Attorney for the District

Agency: REDEVELOPMENT AGENCY OF THE CITY OF OREM

Attest:

By: _____
Richard F. Brunst, Jr.
Its: Chair

_____
Secretary

Approved as to form:

_____
Attorney for Agency

EXHIBIT "A
to
INTERLOCAL AGREEMENT

Legal Description of Project

An area of real property located in the NE Quarter of Section 26 and the SE Quarter of Section 23, T. 6 S. R 2 E. S.L.B. & M., more particularly described as follows:

Commencing at a point which is S. 89°18'03" E. 142.38 feet along the Section Line and from the North 1/4 Corner of Section 26, T. 6 S., R. 2 E., S.L.B. & M. to the point of beginning, (which point is +/- on the Westerly Right of Way Line of State Street); thence along said Westerly Right of Way Line S. 18°29'52" E, 582.92 feet to the Northerly Right of Way Line +/- of University Parkway; thence along said Northerly Right of Way Line for the next eight calls, N. 88°20'55" E. 489.31 feet; thence S 89°21'02" E. 315.94 feet; thence along a Curve to the Right, the Radius is 766.62 feet, the Arc Length is 177.24 feet, the Chord Bearing is S. 86°40'38" E. the Chord Length is 176.85 feet; thence along a Compound Curve to the Right, the Radius is 10889.46 feet, the Arc Length is 265.96 feet, the Chord Bearing is S. 81°07'54" E. the Chord Length is 265.95 feet; thence S. 78°55'57" E. 202.90 feet; thence along a Curve to the Left, the Radius is 3599.59 feet, the Arc Length is 484.04 feet, the Chord Bearing is S. 81°28'08" E. the Chord Length is 483.68 feet; thence S. 89°37'22" E. 339.25 feet; thence along a curve to the Left, the Radius is 33.72 feet, the Arc Length is 51.39 feet, the Chord Bearing is N. 43°36'28" E. the Chord Length is 46.56 feet; thence along the Westerly side of 800 East Street for the next five calls, N. 0°02'59" E. 981.25 feet; thence West 15.02 feet; thence N. 3°35'49" W. 339.03 feet; thence East 35.20 feet; thence N. 0°23'52" W. 1938.15 feet; thence along the Southerly Right of Way Line +/- of 800 South for the next three calls, N. 88°49'10" W. 602.03 feet; thence S. 30°13'24" W. 25.21 feet; thence West 696.26 feet; thence South 133.07 feet; thence West 176.56 feet; thence South 326.41 feet; thence East 95.74 feet; thence South 219.18 feet; thence West 14.74 feet; thence South 81.45 feet; thence West 56.34 feet; thence S. 1°34'18" W. 277.32 feet; thence West 38.62 feet; thence South 97.40 feet; thence S. 83°14'59" E. 119.41 feet; thence South 90.25 feet; thence S. 85°48'17" E. 26.30 feet; thence S. 0°45'03" W. 685.85 feet; thence N. 89°17'31" W. 773.46 feet; thence N. 0°27'31" W. 7.77 feet; thence N. 88°59'39" W. 33.40 feet; thence N. 0°44'23" W. 53.42 feet; thence N. 89°22'23" W. 111.23 feet; thence S. 0°58'02" W. 203.19 feet; thence N. 88°44'39" W. 344.36 feet to the Easterly Right of Way Line +/- of State Street; thence S. 18°25'51" E. 554.20 feet along said Right of Way Line to the point of beginning.

Containing 133.6 Acres more or less.

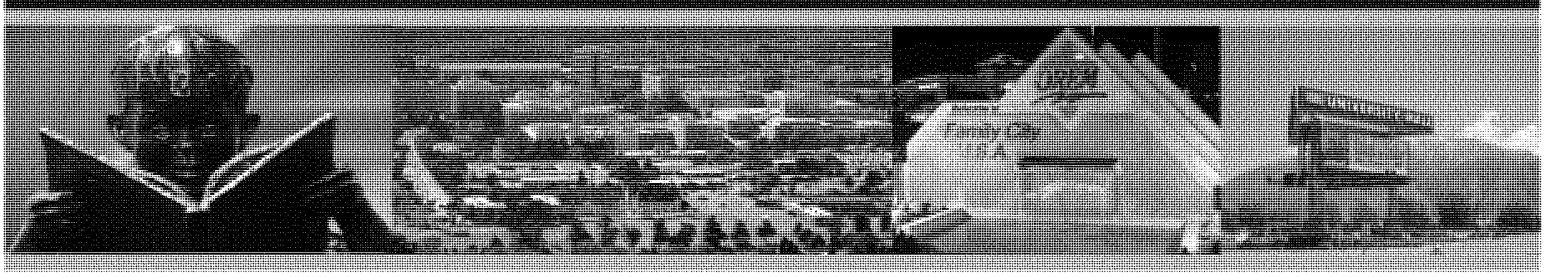
EXHIBIT "B"
To
INTERLOCAL AGREEMENT

Project Area Plan

FINAL PROJECT AREA PLAN

UNIVERSITY PLACE
COMMUNITY DEVELOPMENT AREA (CDA)

OREM REDEVELOPMENT AGENCY, UTAH



ADOPTED SEPTEMBER 23, 2014

LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.
GATEWAY PLAZA BUILDING - 41 N. RIO GRANDE, STE 101 - SALT LAKE CITY, UT 84101
(P) 801-596-0700 - (TF) 800-581-1100 - (F) 801-596-2800 - WWW.LEWISYOUNG.COM

Table of Contents

TABLE OF CONTENTS 2

INTRODUCTION 3

DEFINITIONS 4

DESCRIPTION OF THE BOUNDARIES OF THE PROPOSED PROJECT AREA 5

GENERAL STATEMENT OF LAND USES, LAYOUT OF PRINCIPAL STREETS, POPULATION DENSITIES, BUILDING INTENSITIES AND HOW THEY WILL BE AFFECTED BY THE COMMUNITY DEVELOPMENT 5

IMPACT OF COMMUNITY DEVELOPMENT ON LAND USE, LAYOUT OF PRINCIPAL STREETS, POPULATION DENSITIES AND BUILDING INTENSITIES 6

STANDARDS GUIDING THE COMMUNITY DEVELOPMENT 7

HOW THE PURPOSES OF THIS TITLE WILL BE ATTAINED BY COMMUNITY DEVELOPMENT 8

CONFORMANCE OF THE PROPOSED DEVELOPMENT TO THE COMMUNITY'S GENERAL PLAN 8

DESCRIBE ANY SPECIFIC PROJECT OR PROJECTS THAT ARE THE OBJECT OF THE PROPOSED COMMUNITY DEVELOPMENT 10

METHOD OF SELECTION OF PRIVATE DEVELOPERS TO UNDERTAKE THE COMMUNITY DEVELOPMENT AND IDENTIFICATION OF DEVELOPERS CURRENTLY INVOLVED IN THE PROCESS 10

REASON FOR SELECTION OF THE PROJECT AREA 11

DESCRIPTION OF PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS EXISTING IN THE PROJECT AREA 11

DESCRIPTION OF ANY TAX INCENTIVES OFFERED PRIVATE ENTITIES FOR FACILITIES LOCATED IN THE PROJECT AREA 12

ANTICIPATED PUBLIC BENEFIT TO BE DERIVED FROM THE COMMUNITY DEVELOPMENT 13

OTHER INFORMATION THAT THE AGENCY DETERMINES TO BE NECESSARY OR ADVISABLE 14

EXHIBIT A 15

EXHIBIT B 16

EXHIBIT C 17

Introduction

The Redevelopment Agency of the City of Orem, Utah (the "Agency"), following thorough consideration of the needs and desires of The City of Orem (the "City") and its residents, as well as the City's capacity for new development, has carefully crafted this draft Project Area Plan (the "Plan") for the University Place Community Development Project Area (the "Project Area"). This Plan is the end result of a comprehensive evaluation of the types of appropriate land-uses and economic development for the land encompassed by the Project Area which is located on the northeast corner of State Street and University Parkway. The Plan is envisioned to define the method and means of development for the Project Area from its current state to a higher and better use. The City and Agency have determined that it is in the best interest of its residents to assist in the development of the Project Area. It is the purpose of this Plan to clearly set forth the aims and objectives of this development, its scope, its mechanism, and its value to the residents of the City and other taxing districts.

The Project is being undertaken as a community development project pursuant to certain provisions of Chapters 1 and 4 of the Utah Community Development and Renewal Agencies Act (the "Act", Utah Code Annotated ("UCA") Title 17C). The requirements of the Act, including notice and hearing obligations, have been scrupulously observed at all times throughout the establishment of the Project Area.

UTAH CODE §17C-4-101

Resolution Authorizing the Preparation of a Draft Community Development Project Area Plan

Pursuant to the provisions of §17C-4-101 of the Community Development and Renewal Agencies Act ("Act"), the governing body of the Agency adopted a resolution authorizing the preparation of a draft community development project area plan on **July 22, 2014**.

Utah Code §17C-4-102

Recitals of Prerequisites for Adopting a Community Development Project Area Plan

In order to adopt a community development project area plan, the agency shall;

- Pursuant to the provisions of §17C-4-102(2)(a) and (b) of the Act, the City has a planning commission and general plan as required by law; and
- Pursuant to the provisions of §17C-4-102 of the Act, the Agency has conducted one or more public hearings for the purpose of informing the public about the Project Area, and allowing public input into the Agency's deliberations and considerations regarding the Project Area; and.
- Pursuant to the provisions of §17C-4-102 of the Act, the Agency has allowed opportunity for input on the draft Project Area plan and has made a draft Project Area plan available to the public at the Agency's offices during normal business hours, provided notice of the plan hearing, sent copies of the draft Project Area Plan to all required entities prior to the hearing, and provided opportunities for affected entities to provide feedback. The Agency will hold a public hearing on the draft plan on **September 23, 2014**.

Definitions

As used in this Community Development Project Area Plan:

The term "**Act**" shall mean and include the Limited Purpose Local Government Entities – Community Development and Renewal Agencies Act in Title 17C, Chapters 1 through 4, Utah Code Annotated 1953, as amended, or such other amendments as shall from time to time be enacted or any successor or replacement law or act.

The term **"Agency"** shall mean the Redevelopment Agency of the City of Orem, which is a separate body corporate and politic created by the City pursuant to the Act.

The term "**Base Taxable Value**" shall mean the agreed value specified in a resolution or interlocal agreement under Subsection 17C-4-201(2) from which tax increment will be collected.

The terms **"City" or "Community"** shall mean The City of Orem.

The term **"Legislative Body"** shall mean the City Council of Orem which is the legislative body for the City.

The term **"Plan Hearing"** shall mean the public hearing on the draft Project Area Plan required under Subsection 17C-4-102.

The term **"Project Area"** shall mean the geographic area described in the Project Area Plan or draft Project Area Plan where the community development set forth in this Project Area Plan or draft Project Area Plan takes place or is proposed to take place (Exhibit A & B).

The term **"Project Area Budget"** shall mean the multi-year projection of annual or cumulative revenues, other expenses and other fiscal matters pertaining to the Project Area that includes:

- the base taxable value of property in the Project Area;
- the projected Tax Increment expected to be generated within the Project Area;
- the amount of Tax Increment expected to be shared with other Taxing Entities;
- the amount of Tax Increment expected to be used to implement the Project Area plan;
- the Tax Increment expected to be used to cover the cost of administering the Project Area plan;
- if the area from which Tax Increment is to be collected is less than the entire Project Area:
  - the tax identification number of the parcels from which Tax Increment will be collected; or
  - a legal description of the portion of the Project Area from which Tax Increment will be collected; and
- for property that the Agency owns and expects to sell, the expected total cost of the property to the Agency and the expected selling price.

The term **"Project Area Plan"** shall mean the written plan that, after its effective date, guides and controls the community development activities within the Project Area. Project Area Plan refers to this document and all of the attachments to this document, which attachments are incorporated by this reference.

The term **"Taxes"** includes all levies on an ad valorem basis upon land, real property, personal property, or any other property, tangible or intangible.

The term **"Taxing Entity"** shall mean any public entity that levies a tax on any property within the Project Area.

The term **"Tax Increment"** shall mean the difference between the amount of property tax revenues generated each tax year by all Taxing Entities from the Project Area designated in the Project Area Budget as the area from which Tax Increment is to be collected, using the current assessed value of the property and the amount of property tax revenues that would be generated from the same area using the Base Taxable Value of the property.

UTAH CODE §17C-4-103(1)

Description of the Boundaries of the Proposed Project Area

A legal description of the Project Area along with a detailed map of the Project Area is attached as, respectively, **Exhibit "A"** and **Exhibit "B"** and incorporated herein. The Project Area is located on the northeast corner of State Street and University Parkway. Most of the Project Area will be a master planned development surrounding the University Mall with intention to revitalize the area. The planned development includes residential, office, retail, and civic uses. The Project Area is comprised of 133.6 acres total, including approximately 85 affected parcels, equaling 129.6 acres of property (4.0 acres are rights of way and other variances in acreage associated with County records of individual parcels).

As delineated in the office of the Utah County Recorder, the Project Area encompasses all of the parcels detailed in **Exhibit "C."**

UTAH CODE §17C-4-103(2)

General Statement of Land Uses, Layout of Principal Streets, Population Densities, Building Intensities and How They Will be Affected by the Community Development

General Land Uses

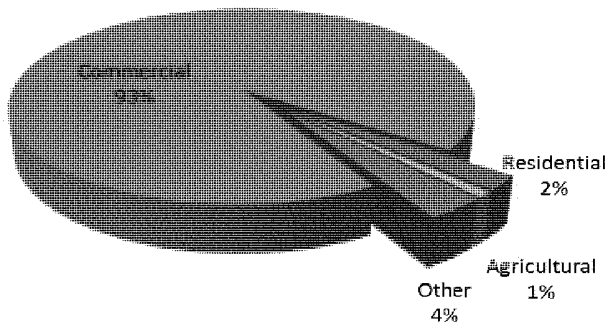
A significant amount of property within the Project Area consists of land associated with the University Mall which is aging and in need of revitalization. Additional land has also been included in the Project Area which could be redeveloped into a higher and better use in connection with the University Place revitalization plans. Table 1 and Figure 1 summarize the approximate acreage of existing land uses by land use type.

TABLE 1: EXISTING LAND USES

Type	Acres	% of Area
Commercial	120.55	93%
Residential	3.19	2%
Agricultural	1.14	1%
Other*	4.70	4%
Total	**129.58**	**100%**

*Other includes land currently owned by The City of Orem and other government entities.

FIGURE 1: EXISTING LAND USES



Current zoning in the Project Area is primarily P-D and C-2, with a few parcels of R-8 included. These zones allow for general commercial and residential uses. The P-D zoning recently approved for the mall site allows the contemplated uses which include office and hotel buildings, retail, and residential uses. This Plan is consistent with the General Plan of the City and promotes economic activity by virtue of the land uses contemplated. Any zoning change, amendment or conditional use permit necessary to the successful development contemplated by this Plan shall be undertaken in accordance with the requirements of the City's Code and all other applicable laws including the goals and objectives in the City's General Plan.

Layout of Principal Streets

The principal streets are State Street (going northwest to southeast), 800 East (going north to south), and University Parkway (going east to west). The Project Area map, provided in **Exhibit "A",** shows the principal streets in the area.

Population Densities

Currently, there is limited residential development within the Project Area which mostly consists of older homes on third-acre lots which have already been purchased and assembled by commercial entities for redevelopment into other uses. There is a significant day time population from the retail outlets in the mall.

Building Intensities

Buildings in the area are generally commercial and retail structures. The largest parcels are owned by the Woodbury Corporation in connection with the existing University Mall. Costco also leases a large parcel. No change is anticipated to the Costco building, but it was included in the Project Area because minor changes to the lot lines and outlying parking areas may be made in connection with the University Place redevelopment.

UTAH CODE §17C-4-103(2)

Impact of Community Development on Land Use, Layout of Principal Streets, Population Densities and Building Intensities

Community development activities within the Project Area will mostly consist of revitalization of the University Mall and development of new office and residential areas. The types of land uses will include: commercial/retail, office, hotel, and residential. In order to redevelop the Project Area the Agency along with property owners, developers, and/or businesses will need to construct infrastructure improvements that enhance transportation and create better utilization of land.

General Land Uses

A majority of the land in the Project Area is owned by Woodbury Corporation and is planned to develop as a multi-use project around the existing University Mall. It is estimated that the following development will be constructed as part of the University Place revitalization project:

- 400,000 SF new retail (Less 175,000 SF of existing retail to be demolished)
- 700,000 SF new office
- 1,250,000 SF new multifamily residential, and
- 70,000 SF new hotel.

It is believed that this development will spark investment and renovation in the surrounding business community.

Layout of Principal Streets

The Agency anticipates that the development will require new roadways within the development to facilitate local and business traffic, but the roads will likely be owned and maintained by the Woodbury Corporation.

Population Densities

The Project Area will include additional residential development, thus the population density is anticipated to increase. Approximately 1200 units are planned within the Project Area, although zoning will allow for up to about 1500. Most of the housing (approximately 92 percent) is planned to be one- and two-bedroom units for working professionals and empty-nesters. The remaining eight percent is planned to be three-bedroom units. This daytime population will likely increase and diversify as office, retail, lodging and open space are expanded.

Building Densities

Building densities will increase as some of the planned development will be multi-story structures. Also, the intent of this plan is to promote higher occupancy levels within current buildings and greater economic utilization of the land area.

UTAH CODE §17C-4-103(3)

Standards Guiding the Community Development

In order to provide maximum flexibility in the development and redevelopment of the Project Area, and to encourage and obtain the highest quality in development and design, specific development controls for the uses indentified above are not set forth herein. Development proposals in the Project Area will be subject to appropriate elements of the City's General Plan; the Land Use Ordinances of the City, including adopted Design Guidelines pertaining to the area; institutional controls, deed restrictions if the property is acquired and resold by the RDA, other applicable building codes and ordinances of the City; and, as required by ordinance or agreement, review and recommendation of the Planning Commission and approval by the Agency.

Each development proposal by an owner, tenant, participant or developer shall be accompanied by site plans, development data and other appropriate material that clearly describes the extent of proposed development, including land coverage, setbacks, height and massing of buildings, off-street parking and loading, use of public transportation, and any other data determined to be necessary or requested by the Agency or the City.

The general standards that will guide community development within the Project Area, adopted from the City's proposed General Plan are as follows:

Business attraction and expansion.
Orem City staff and community leaders should focus their marketing and recruitment efforts on a few "high yield" targets that will make a significant difference to the local economy.

Recruit, retain and expand employers.
Orem encourages existing firms to grow and expand their business operations, and focus business attraction efforts on established firms within the region that may need larger facilities or a new location within the region.

Spur revitalization.
It is anticipated that development within the Project Area will be the catalyst to future development and re-investment in the surrounding area.

UTAH CODE §17C-4-103(4)

How the Purposes of this Title Will Be Attained By Community Development

It is the intent of the Agency, with the assistance and participation of private developers and property owners, to facilitate new quality development and improve existing private and public structures and spaces. This enhancement to the overall living environment and the restoration of economic vitality to the Project Area will benefit the community, the City, the County and the State.

The purposes of the Act will be attained as a result of the proposed Project Area by accomplishing the following items:

Provision for Commercial, Industrial, Public, Residential or Any Combination of These Uses
The Project Area Plan allows for commercial, retail, office, and residential uses. Increased employment in the Project Area will create new jobs that will benefit residents throughout the City and the County.

Provision of Private or Public Infrastructure
The proposed Project Area will provide infrastructure to support significant development in the area, to include street, culinary water, sanitary sewer, and storm water infrastructure, and property acquisition. Furthermore, the parking decks will provide for the necessary parking while accommodating a higher density development which will benefit the local taxing entities. Community parks and open space are also planned within the development.

UTAH CODE §17C-4-103(5)

Conformance of the Proposed development to the Community's General Plan

This Plan and the development contemplated thereby conform to the City's General Plan and City Code in the following respects:

Zoning Ordinances

Any development contemplated within the Project Area shall conform to the City's land use ordinances, including "Chapter 22: Zoning" of the City of Orem Code and applicable requirements associated with the PD-34 zone. Additionally, any development must be in harmony with the City's General Plan, including "Chapter 2 : Land Use." The current designation for the Project Area on the General Plan's Future Land Use Map is Community Commercial. Moreover, the Project Area Plan, and all proposed development conforms thereto.

Building Codes

The Project will conform to all building codes that are currently imposed by the City including "Chapter 7: Building, Construction and Safety Codes and Regulations" of the City Code.

Planning Commission

The Planning Commission will review any future development proposals contemplated in the Project Area and make such recommendation thereon to the City Council as may be needed to facilitate development in the Project Area.

UTAH CODE §17C-4-103(6)

Describe any Specific Project or Projects that are the object of the Proposed Community Development

The primary objectives of the community development include: 1) provide public infrastructure and parking deck capacity needed to redevelop and revitalize the University Mall area and 2) create jobs.

UTAH CODE §17C-4-103(7)

Method of Selection of Private Developers to undertake the Community Development and Identification of Developers Currently Involved in the Process

Qualified Owners

This Project Area plan provides reasonable opportunities for owners of property in the Project Area to participate in the development and/or redevelopment of property in the Project Area through tax increment if they enter into a participation agreement with the Agency. The following general guidelines, which are all subject to final review, modification, and approval by the Agency, will apply in the Project Area:

- Owners may retain, maintain, and if necessary rehabilitate, all or portions of their properties;
- Owners may acquire adjacent or other properties in the Project Area;
- Owners may sell all or portions of their improvements to the Agency, but may also retain the land, and develop their properties;
- Owners may sell all or portions of their properties to the Agency and purchase other properties in the Project Area;
- Tenants may have opportunities to become owners of property in the Project Area, subject to the opportunities provided by owners of property in the Project Area; and
- Other methods as may be approved by the Agency.

Developers Currently Involved

Most of the Project Area is owned by the Woodbury Corporation or its subsidiary, University Mall Shopping Center L.C. (575 East University Parkway, Orem, Utah 84097). Woodtusk, L.L.C., is a Woodbury partnership corporation and is also involved with the development (2733 E Parleys Way, Suite 300, Salt Lake City, Utah 84109).

Other Parties

If no owner or tenant in the Project Area, as described above, who possesses the skill, experience and financial resources necessary to become a developer in the Project Area, is willing to become a developer, the Agency may identify other persons who may be interested in developing all or part of the Project Area. Potential developers will be identified by one or more of the following processes: public solicitation, requests for proposal (RFP) and requests for qualifications (RFQ), private negotiation, or some other method of identification approved by the Agency. All developers which are selected to develop within the Project Area will be subject to an Agreement for the Disposition of Land (ADL), Development Agreement, Participation Agreement, or any combination of these performance agreements and obligations.

Persons Expressing an Interest to Become a Developer

The Agency has not entered, nor does it intend to enter into any owner participation agreement or agreements with developers to develop all or part of the Project Area until after the Agency and the City have approved this Project Area plan.

UTAH CODE §17C-4-103(8)

Reason for Selection of the Project Area

Currently, the University Mall is aging and is in need of revitalization. Financial assistance is needed to incentivize the installation of infrastructure and the use of parking decks in order to achieve a higher and better use for the property. Higher density parking structures will allow for additional office, business, and residential density in the area. Furthermore, it is anticipated that the development of this area will encourage re-investment and revitalization in the surrounding businesses along State Street and University Parkway.

UTAH CODE §17C-4-103(9)

Description of Physical, Social and Economic Conditions Existing in the Project Area

Physical Conditions

The Project Area consists of approximately 129.6 parcel acres (133.6 total acres) of relatively flat, publicly and privately owned land as shown on the Project Area map. The majority of the property is in need of revitalization.

Social Conditions

The Project Area suffers from decreasing social connectivity and vitality. There are very few residential units. There are currently no parks, libraries, or other social gathering places in the Project Area.

Economic Conditions

The area has suffered from a lack of reinvestment related to: 1) physical deterioration of existing structures; 2) lack of cohesiveness; 3) the need for additional and adequate infrastructure in the area; and 4) lack of economic density and land utilization.

UTAH CODE
§17C-4-103(10)

Description of any Tax Incentives Offered Private Entities for Facilities Located in the Project Area

Tax Increment arising from the development of the Project may be used for public infrastructure improvements, Agency requested improvements and upgrades, both off-site and on-site improvements, land incentives, desirable Project Area improvements, and other items as approved by the Agency. Subject to provisions of the Act, the Agency may agree to pay for eligible costs and other items from taxes for any period of time the Agency may deem to be appropriate under the circumstances.

In general, tax incentives may be offered to achieve the community development goals and objectives of this plan, specifically to:

- Foster and accelerate economic development;
- Stimulate job development;
- Promote the use of transit and the walkability of the area;
- Make needed infrastructure improvements to roads, street lighting, water, storm water, sewer, and parks and open space;
- Promote an urban environment where residents can live, work, and play;
- Assist with property acquisition and/or land assembly; and
- Provide attractive development for high-quality commercial/light industrial tenants.

The Project Area Budget will include specific participation percentages and timeframes for each taxing entity. Furthermore, a resolution and Interlocal Agreement will formally establish the participation percentage and timeframe for each taxing entity. With this understanding, the following represents an estimate of the total sources and uses of tax increment based on initial development assumptions.

TABLE 3: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Amount
Utah County	75%	20 Years	$6,465,039
Alpine School District	75%	20 Years	$44,669,875
City of Orem	75%	20 Years	$9,607,695
Orem Metropolitan Water District	75%	20 Years	$200,267
Central Utah Water Conservancy District	75%	20 Years	$2,290,236
Total Sources of Tax Increment Funds			**$63,233,113**

TABLE 4: USES OF TAX INCREMENT

Uses	Amount
CDA Administration @ 5%	$3,161,656
RDA Development Incentive Fund @ 5%	$3,161,656
Project Area Infrastructure and Improvements @ 90%	$56,909,801
Total Uses of Tax Increment Funds	**$63,233,113**

UTAH CODE §17C-4-103(11)

Anticipated Public Benefit to be Derived from the Community Development

UTAH CODE §17C-4-103(11)(a)

The Beneficial Influences Upon the Tax Base of the Community

The beneficial influences upon the tax base of the City and the other Taxing Entities will include increased property tax revenues and job growth. The increased revenues will come from the property values associated with new construction in the area, as well as increased land values that may occur, over time, in the area generally. Property values include land, buildings and personal property (machines, equipment, etc.).

It is estimated that the development of the area will result in approximately 2,500 to 4,600 new jobs. These jobs will likely result in an average annual wage of approximately $54,383.[1] Job growth in the Project Area will result in increased wages, increasing local purchases and benefiting existing businesses in the area. Job growth will also result in increased income taxes paid. Business growth will generate corporate income taxes.

There will also be a beneficial impact on the community through increased construction activity in the area. Positive impacts will be felt through construction wages paid, as well as construction supplies purchased locally.

UTAH CODE §17C-4-103(11)(b)

The Associated Business and Economic Activity Likely to be Stimulated

Other business and economic activity likely to be stimulated includes increased spending by new and existing residents within the City and employees in the Project Area and in surrounding areas. This includes both direct and indirect purchases that are stimulated by the spending of the additional employees in the area.

Businesses will likely make purchases that may eventually result in increased employment opportunities in areas such as the following: office equipment, furniture and furnishings, office supplies, computer equipment, communication, security, transportation and delivery services, maintenance, repair and janitorial services, packaging supplies, and office and printing services.

Employees may make some purchases in the local area, such as convenience shopping for personal services (haircuts, banking, dry cleaning, etc.). The employees will not make all of their convenience or personal services purchases near their workplace and each employee's purchasing patterns will be different. However, it is reasonable to assume that a percentage of these annual purchases will occur within close proximity of the workplace (assuming the services are available).

[1] Based on Utah Department of Workforce Services, Occupational Employment and Wage Estimates,Provo-Orem Metro, May 2013

UTAH CODE §17C-4-103(12)

Other Information that the Agency Determines to be Necessary or Advisable

Cost/Benefit Analysis

Based on the land use assumptions, current economic and market demand factors, Tax Increment participation levels, as well as public infrastructure, land assemblage and incentive needs, the following table outlines the benefits (revenues) and costs (expenditures) anticipated within the Project Area. These estimates are calculated by apportioning the taxing entity's variable costs per assessed value served and then using this ratio to estimate the additional costs which would be associated with the new assessed value produced as a result of development in the project area. This does not factor in the benefit of other multipliers such as job creation, disposable income for retail consumption, etc. As shown below, the proposed Project Area will create a net benefit for The City of Orem.

TABLE 5: COST/BENEFIT ANALYSIS

REVENUES	Total	NPV @ 4%
Property Tax	$12,810,260	$7,625,260
Sales Tax	$11,369,619	$6,799,451
Energy Sales & Use Tax (Natural Gas and Electric)	$8,237,640	$4,649,463
Transient Room Tax	$676,649	$385,814
TOTAL REVENUES	$33,094,167	$19,459,988

EXPENDITURES	Total	NPV @ 4%
Estimated CDA Budget	$9,608,695	$5,498,985
General Government	$6,266,304	$3,660,108
Public Safety	$6,944,675	$4,056,340
Highways & Public Improvements	$2,439,930	$1,425,147
Parks, Recreation & Arts	$2,921,010	$1,706,143
Economic Development and Redevelopment	$433,269	$263,192
TOTAL EXPENDITURES	$28,612,882	$16,609,917

TOTAL REVENUE *minus* TOTAL EXPENDITURES	$4,481,285	$2,850,071

EXHIBIT A

Legal Description of Project Area: University Place CDA

An area of real property located in the NE Quarter of Section 26 and the SE Quarter of Section 23, T. 6 S. R 2 E. S.L.B. & M., more particularly described as follows:

Commencing at a point which is S. 89°18'03" E. 142.38 feet along the Section Line and from the North 1/4 Corner of Section 26, T. 6 S., R. 2 E., S.L.B. & M. to the point of beginning, (which point is +/- on the Westerly Right of Way Line of State Street); thence along said Westerly Right of Way Line S. 18°29'52" E, 582.92 feet to the Northerly Right of Way Line +/- of University Parkway; thence along said Northerly Right of Way Line for the next eight calls, N. 88°20'55" E. 489.31 feet; thence S 89°21'02" E. 315.94 feet; thence along a Curve to the Right, the Radius is 766.62 feet, the Arc Length is 177.24 feet, the Chord Bearing is S. 86°40'38" E. the Chord Length is 176.85 feet; thence along a Compound Curve to the Right, the Radius is 10889.46 feet, the Arc Length is 265.96 feet, the Chord Bearing is S. 81°07'54" E. the Chord Length is 265.95 feet; thence S. 78°55'57" E. 202.90 feet; thence along a Curve to the Left, the Radius is 3599.59 feet, the Arc Length is 484.04 feet, the Chord Bearing is S. 81°28'08" E. the Chord Length is 483.68 feet; thence S. 89°37'22" E. 339.25 feet; thence along a curve to the Left, the Radius is 33.72 feet, the Arc Length is 51.39 feet, the Chord Bearing is N. 43°36'28" E. the Chord Length is 46.56 feet; thence along the Westerly side of 800 East Street for the next five calls, N. 0°02'59" E. 981.25 feet; thence West 15.02 feet; thence N. 3°35'49" W. 339.03 feet; thence East 35.20 feet; thence N. 0°23'52" W. 1938.15 feet; thence along the Southerly Right of Way Line +/- of 800 South for the next three calls, N. 88°49'10" W. 602.03 feet; thence S. 30°13'24" W. 25.21 feet; thence West 696.26 feet; thence South 133.07 feet; thence West 176.56 feet; thence South 326.41 feet; thence East 95.74 feet; thence South 219.18 feet; thence West 14.74 feet; thence South 81.45 feet; thence West 56.34 feet; thence S. 1°34'18" W. 277.32 feet; thence West 38.62 feet; thence South 97.40 feet; thence S. 83°14'59" E. 119.41 feet; thence South 90.25 feet; thence S. 85°48'17" E. 26.30 feet; thence S. 0°45'03" W. 685.85 feet; thence N. 89°17'31" W. 773.46 feet; thence N. 0°27'31" W. 7.77 feet; thence N. 88°59'39" W. 33.40 feet; thence N. 0°44'23" W. 53.42 feet; thence N. 89°22'23" W. 111.23 feet; thence S. 0°58'02" W. 203.19 feet; thence N. 88°44'39" W. 344.36 feet to the Easterly Right of Way Line +/- of State Street; thence S. 18°25'51" E. 554.20 feet along said Right of Way Line to the point of beginning.

Containing 133.6 Acres more or less.

EXHIBIT B

Project Area Map

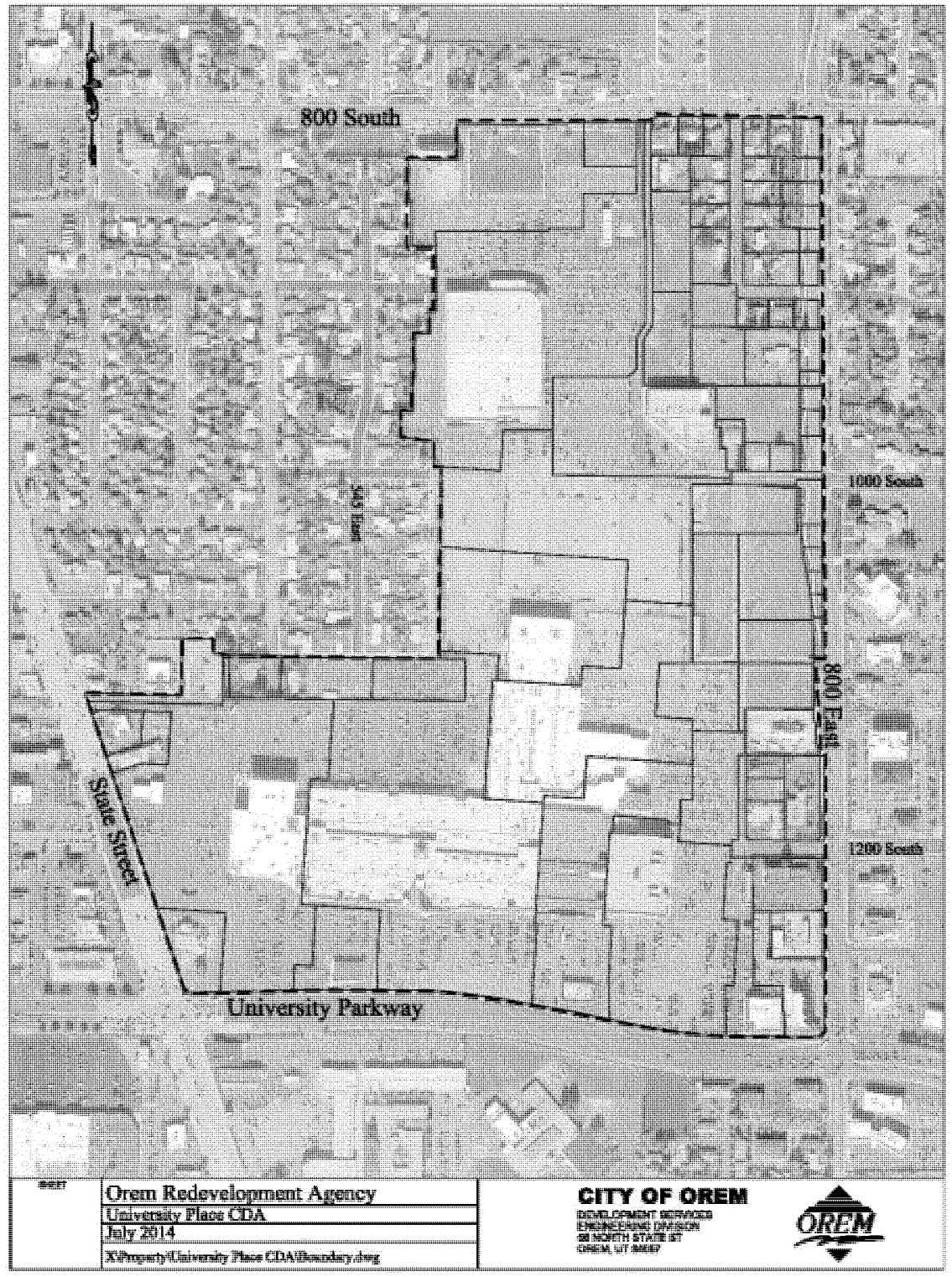


EXHIBIT C

Parcel List

Parcel Number	Owner	Acres
180560007	University Mall Shopping Center	0.195
180560008	University Mall Shopping Center	0.220
180560009	University Mall Shopping Center	0.030
180560016	City of Orem	0.300
180560017	Mercer, Amron L	0.290
180560018	Housing Authority of Utah County	0.300
180560019	Catania SFH LLC	0.310
180560020	University Mall Shopping Center	0.283
180560022	Catania SFH LLC	0.270
180560023	Catania SFH LLC	0.260
180560026	City of Orem	0.270
180560028	Gulati, Chaithawee	0.270
180560029	Woodbury Corporation	0.260
180560033	City of Orem	0.210
180560037	City of Orem	0.280
180560038	Catania SFH LLC	0.290
180560055	Larry and Lynn Campground Management	0.300
180560099	Avans, Gulavadee	0.648
180560102	Gaks Enterprises LLC	0.415
180560103	Catania SFH LLC	0.270
180560104	City of Orem	0.197
180560106	City of Orem	0.274
180560109	University Mall Shopping Center	1.263
180560110	City of Orem	0.148
180560111	City of Orem	0.168
180560112	City of Orem	0.230
180560113	University Mall Shopping Center	0.262
180560115	University Mall Shopping Center	0.571
180560117	City of Orem	0.146
180560118	City of Orem	0.270
180560119	University Mall Shopping Center	0.399
180560121	University Mall Shopping Center	0.527
180560123	City of Orem	0.096
180560132	City of Orem	0.002
180560133	University Mall Shopping Center	0.306
180560134	University Mall Shopping Center	0.926
180560135	University Mall Shopping Center	0.931
180570033	First Security Bank of Utah	0.600
180570117	KC Propco LLC	0.450
180570127	Cordner, Raymond G & Colleen F	0.063
180570129	Washburn Management LC	0.517
180570132	City of Orem	0.099
180570133	City of Orem	0.013
180570134	City of Orem	0.143
180570135	City of Orem	0.077
180570136	City of Orem	0.300
180570137	City of Orem	0.096
180570138	Glazier Properties LLC	0.882

Parcel Number	Owner	Acres
180570141	Cordner, Colleen F	1.136
180570142	University Mall Shopping Center	1.143
180570147	Orem City Corporation	0.017
180570502	Utah Department of Transportation	0.006
190180502	Utah Department of Transportation	0.003
190190017	Zions First National Bank	0.030
190190019	Zions First National Bank	0.030
352540001	Bank of American Fork	1.427
352540002	Maverik Country Stores Inc	0.722
352540003	Circle K Properties Inc	0.008
360860015	KC Propco LLC	0.260
360860016	KC Propco LLC	0.260
360860019	City of Orem	0.114
450610001	University Mall Shopping Center	0.210
551760001	Zions First National Bank	1.110
570310001	Utah Transit Authority	0.956
570430001	University Mall Shopping Center	5.494
570430002	University Mall Shopping Center	0.983
570430003	University Mall Shopping Center	12.745
570430004	University Mall Shopping Center	1.238
570430005	University Mall Shopping Center	1.697
570430006	University Mall Shopping Center	16.639
570430007	University Mall Shopping Center	6.140
570430008	University Mall Shopping Center	7.140
570430009	UNMN LLC	1.700
570430013	University Mall Shopping Center	6.331
570430014	University Mall Shopping Center	7.580
570430015	University Mall Shopping Center	5.285
570430016	University Mall Shopping Center	1.209
570430017	University Mall Shopping Center	13.170
570430018	University Mall Shopping Center	1.157
570430019	University Mall Shopping Center	0.707
570680010	University Mall Village	1.731
570680011	University Mall Village	7.035
570680012	University Mall Village	1.758
570680020	University Mall Village	1.477
570680021	University Mall Village	1.805
570680022	University Mall Village	0.947
570680023	University Mall Village	1.067
570680024	University Mall Village	1.498
Total		**129.591**

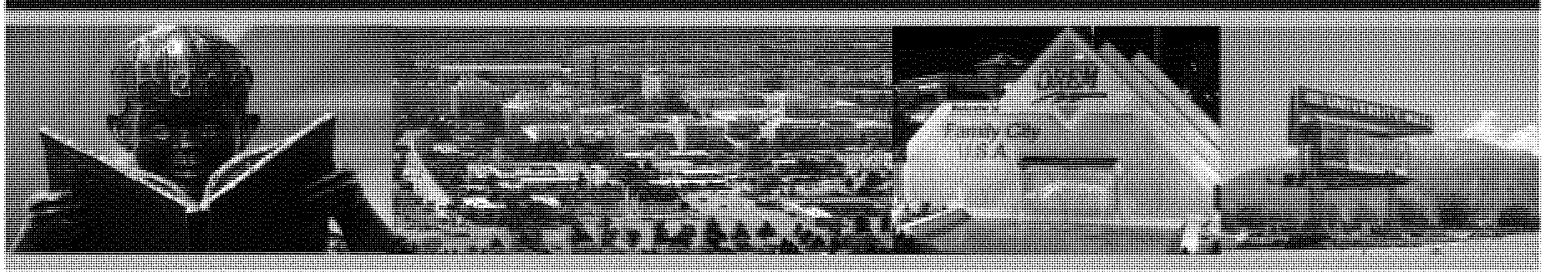
EXHIBIT "C"
To
INTERLOCAL AGREEMENT

Project Area Budget

DRAFT PROJECT AREA BUDGET

UNIVERSITY PLACE
COMMUNITY DEVELOPMENT AREA (CDA)

OREM REDEVELOPMENT AGENCY, UTAH



AUGUST 2014

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Table of Contents

SECTION 1: INTRODUCTION 3

SECTION 2: DESCRIPTION OF COMMUNITY DEVELOPMENT PROJECT AREA 3

SECTION 3: GENERAL OVERVIEW OF PROJECT AREA BUDGET 4

SECTION 4: PROPERTY TAX INCREMENT 5

SECTION 5: COST/BENEFIT ANALYSIS 8

APPENDIX A: PARCEL LIST 10

APPENDIX B: MAP AND LEGAL DESCRIPTION 12

APPENDIX C: MULTI-YEAR BUDGET AND DEVELOPMENT ASSUMPTIONS 14

Section 1: Introduction

The Redevelopment Agency of the City of Orem, Utah (the "Agency"), following thorough consideration of the needs and desires of The City of Orem (the "City") and its residents, as well as understanding the City's capacity for new development, has carefully crafted the Project Area Plan (the "Plan") for the University Place Community Development Project Area (the "Project Area"). The Plan and Project Area Budget (the "Budget") are the end result of a comprehensive evaluation of the types of appropriate land-uses and economic development opportunities for the property within the Project Area which is located on the northeast corner of State Street and University Parkway.

This is predicated upon certain elements, objectives and conditions outlined in the Plan and is intended to be used as a financing tool to assist the Agency in meeting Plan objectives discussed herein and more specifically referenced and identified in the Plan. The Budget outlines the proposed sources and uses of funds needed to make the Plan successful.

The Project is being undertaken as a community development project pursuant to certain provisions of Chapters 1 and 4 of the Utah Community Development and Renewal Agencies Act (the "Act", Utah Code Annotated ("UCA") Title 17C). The requirements of the Act, including notice and hearing obligations, have been observed at all times throughout the establishment of the Project Area.

Terms defined in the Plan will have the same definition applied where said terms are used in this Budget.

Section 2: Description of Community Development Project Area

The Project Area is located on the northeast corner of State Street and University Parkway. Most of the Project Area will be a master planned development surrounding the University Mall with intention to revitalize the area. The planned development includes residential, office, retail, and civic uses. The Project Area is comprised of 133.6 acres total, including approximately 85 affected parcels, equaling 129.6 acres of property (4.0 acres are rights of way and other variances in acreage associated with County records of individual parcels).

TABLE 2.1: DESCRIPTION OF PROJECT AREA

Existing Land Uses	% of Area
Commercial	93%
Residential	2%
Agricultural	1%
Other	4%

The Project Area encompasses all of the parcels detailed in APPENDIX A.

A map and legal description of the Project Area are attached hereto in APPENDIX B.

Section 3: General Overview of project area budget

The purpose of this Budget is to provide the financial framework necessary to implement the Plan. The following information will detail the sources and uses of tax increment and other necessary details needed for public officials, interested parties, and the public in general to understand the mechanics of this Budget.

Base Year Value

The Agency has determined that the base year property tax value for the Budget will be the total taxable value (including real and personal property) for the 2013 tax year which is currently estimated to be $129,187,998. Using the 2013 tax rates established within the Project Area the property taxes levied equate to $1,590,821 annually. Accordingly, this amount will continue to flow thru to each taxing entity proportional to the amount of the tax rate being levied.

Payment Trigger

This Budget will have a twenty (20) year duration from the date of the first tax increment receipt. The collection of tax increment will be triggered at the discretion of the Agency prior to March 1 of the tax year in which they intend to begin the collection of increment. The following year in which this increment will be remitted to the Agency will be Year 1. In no case will the Agency trigger increment collection after March 1, 2018.

Projected Tax Increment Revenue – Total Generation

Development within the Project Area will commence upon favorable market conditions which will include both horizontal and vertical infrastructure and development. The Agency anticipates that development will begin in the Project Area in 2014. The contemplated development will generate significant additional property and sales and use tax above what is currently generated within the Project Area.

Property Tax Increment will begin to be generated in the tax year (ending Dec 31st) following construction completion and Tax Increment will actually be paid to the Agency in March or April after collection. It is projected that property Tax Increment generation within the Project Area could begin as early as tax year 2015 or as late as 2018. It is currently estimated that during the 20-year life of the Budget, property Tax Increment could be generated within the Project Area in the approximate amount of $84.3 million or $50.2 million in terms of net present value (NPV).[1] This amount is over and above the $31.8 million of base taxes that the property would generate over 20 years at the $1,590,821 annual amount it currently generates.

[1] Net Present Value of future cash flows assumes a 4% discount rate. The same 4% discount rate is used in all remaining NPV calculations. This total is prior to accounting for the flow-through of tax increment to the respective taxing entities.

Section 4: Property Tax Increment

Property Tax Increment Shared with RDA

While property Tax Increment generated within the Project Area is expected to be approximately $84.3 million over 20 years, only a portion of this increment will be shared with the Agency. It is anticipated that all taxing entities that receive property tax generated within the Project Area, as detailed above, will share at least a portion of that increment generation with the Agency. It is anticipated that all taxing entities will contribute 75% of their respective tax increment for 20 years during the project life. The City, County and the State will ***not*** contribute any portion of their incremental sales tax to implement the Project Area Plan. Table 4.1 shows the amount of tax increment shared with the Agency assuming the participation levels discussed above.

The tax increment will be calculated using the current year's tax rate adopted by each taxing entity, as adjusted by the County in accordance with applicable state law.

TABLE 4.1: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Total	NPV at 4%
Utah County	75%	20 Years	$6,465,039	$3,848,291
Alpine School District	75%	20 Years	$44,669,875	$26,589,578
City of Orem	75%	20 Years	$9,607,695	$5,718,945
Orem Metropolitan Water District	75%	20 Years	$200,267	$119,208
Central Utah Water Conservancy District	75%	20 Years	$2,290,236	$1,363,255
Total Sources of Tax Increment Funds			**$63,233,113**	**$37,639,277**

Uses of Tax Increment

The majority of the tax increment collected by the Agency will be used to offset certain public infrastructure costs necessary to accommodate development in the Project Area. Approximately 5% will be used to offset the administration costs of the Agency, with the remaining funds to be used for development incentives, infrastructure and improvements. Public infrastructure costs will include improvements to transportation, parking, culinary water, sanitary sewer, storm drain systems, and park/open space areas.

TABLE 4.2: USES OF TAX INCREMENT

Uses	Total	NPV at 4%
CDA Administration @ 5%	$3,161,656	$1,881,964
RDA Development Incentive Fund @ 5%	$3,161,656	$1,881,964
Project Area Infrastructure and Improvements @ 90%	$56,909,801	$33,875,349
Total Uses of Tax Increment Funds	**$63,233,113**	**$37,639,277**

Projected Tax Increment Remaining with Taxing Entities

It is anticipated that all taxing entities will receive 25% of their respective property tax increment generated within the Project Area during the duration of the Budget and all tax increment thereafter. The City, County and the State will retain their entire portion of incremental sales tax. The table below describes the forecasted property tax benefit that each taxing entity will retain during the duration of the Project Area Budget. This is in addition to the base taxes currently being generated within the Project Area.

TABLE 4.3: RETAINED PROPERTY TAX INCREMENT

Entity	Total	NPV at 4%
Utah County	$2,155,013	$1,282,764
Alpine School District	$14,889,958	$8,863,193
City of Orem	$3,202,565	$1,906,315
Orem Metropolitan Water District	$66,756	$39,736
Central Utah Water Conservancy District	$763,412	$454,418
Total Revenue	**$21,077,704**	**$12,546,426**

A multi-year projection of tax increment along with development assumptions is including in APPENDIX C.

Base Year Property Tax Revenue

The taxing entities are currently receiving - and will continue to receive - property tax revenue from the current assessed value of the property within the Project Area ("Base Taxes"). The current assessed value is estimated to be $129,187,998. Based upon the 2013 tax rates in the area, the collective taxing entities are receiving $1,590,821 in property tax annually from this Project Area. This equates to approximately $31.8 million over the 20 year life of the Project Area. In addition to the Base Taxes received by the taxing entities, an additional $21.1 million of property tax increment is expected to be retained by the taxing entities over 20 years, totaling approximately $52.9 million of property tax revenue.

TABLE 4.4: TOTAL BASE YEAR AND PROPERTY TAX INCREMENT TO TAXING ENTITIES (OVER 20 YEARS)

Entity	Total Base Year Property Tax	Total Retained Tax Increment	Total Base and Retained Taxes
Utah County	$3,252,954	$2,155,013	$5,407,967
Alpine School District	$22,476,128	$14,889,958	$37,366,086
City of Orem	$4,834,215	$3,202,565	$8,036,780
Orem Metropolitan Water District	$100,767	$66,756	$167,522
Central Utah Water Conservancy District	$1,152,357	$763,412	$1,915,769
Total Revenue	**$31,816,420**	**$21,077,704**	**$52,894,124**

Total Annual Property Tax Revenue for Taxing Entities at Conclusion of Project

As described above, the collective taxing entities are currently receiving approximately $1,590,821 in property taxes annually from this Project Area. At the end of the life of the project area, the taxing entities will receive all of their respective tax increment thereafter. At the end of 20 years an additional $4,920,089 in property taxes annually is anticipated, totaling approximately $6,510,910 in property taxes annually for the area. But for the assistance provided by the RDA through tax increment revenues, this increase of approximately 309 percent in property taxes generated for the taxing entities would not be possible.

TABLE 4.5: TOTAL BASE YEAR AND END OF PROJECT LIFE ANNUAL PROPERTY TAXES

Entity	Annual Base Year Property Taxes	Annual Property Tax Increment at Conclusion of Project	Total Annual Property Taxes
Utah County	$162,648	$503,037	$665,684
Alpine School District	$1,123,806	$3,475,707	$4,599,513
City of Orem	$241,711	$747,563	$989,273
Orem Metropolitan Water District	$5,038	$15,583	$20,621
Central Utah Water Conservancy District	$57,618	$178,200	$235,818
Total Revenue	**$1,590,821**	**$4,920,089**	**$6,510,910**

Section 5: Cost/Benefit Analysis

Additional Revenues

Sales tax
Incremental sales and use tax will flow more quickly to the Agency considering sales tax is generated as soon as an entity begins transacting business. In addition, the sales and use tax is paid either monthly or quarterly to the City, County, and State. It is estimated that incremental sales tax would begin flowing to the City, County, and State as early as 2015 and as late as 2018. The estimated new incremental sales tax generated within the project[2] for the 20-year life of this Master Budget for the City, County and State is approximately $28.7 million. The sales tax benefit to the City over the life of the project is approximately $11.1 million or $7.2 million NPV.

Other Tax Revenues
The development within the Project Area will also generate energy sales and use taxes for natural gas and electric.

Table 5.1 shows the total revenues generated by the project. This total includes the anticipated property tax increment shared with the Agency by the taxing entities, the City's portion of incremental property tax, and the City's portion of sales tax, and energy sales and use tax.

TABLE 5.1: TOTAL REVENUES

		Incremental Revenues (above Base)			
Entity	Property Tax	Sales Tax	Franchise Taxes	Transient Room Taxes	Total
Utah County	$8,620,052	$3,979,367	$0	$2,875,756	$15,475,175
Alpine School District	$59,559,834	$0	$0	$0	$59,559,834
City of Orem	$12,810,260	$11,369,619	$8,237,640	$676,649	$33,094,167
Orem Metropolitan Water District	$267,023	$0	$0	$0	$267,023
Central Utah WCD	$3,053,648	$0	$0	$0	$3,053,648
State of Utah	$0	$13,359,302	$0	$0	$13,359,302
Total Revenue	**$84,310,817**	**$28,708,288**	**$8,237,640**	**$3,552,405**	**$124,809,149**

Additional Costs
The development anticipated within the Project Area will also likely result in additional costs to general government operations. These costs, along with the estimated budget to implement the Project Area Plan are identified below. These estimates are calculated by apportioning the taxing entity's variable costs per assessed value served and then using this ratio to estimate the additional costs which would be associated with the new assessed value produced as a result of development in the project area.

[2] Includes only the estimated new sales to the City, County, and State, Respectively.

TABLE 5.2: TOTAL EXPENDITURES

Entity	Incremental Expenditures (above Base)			
	CDA Budget	General Government Operations	Total	Net Incremental Benefit
Utah County	$6,465,039	$1,205,564	$7,670,603	$7,804,572
Alpine School District	$44,669,875	$1,706,223	$46,376,099	$13,183,735
City of Orem	$9,607,695	$19,005,187	$28,612,882	$4,481,285
Orem Metropolitan Water District	$200,267	$35,487	$235,755	$31,268
Central Utah WCD	$2,290,236	$44,243	$2,334,480	$719,169
State of Utah	$0	$0	$0	$13,359,302
Total Revenue	**$63,233,113**	**$21,996,705**	**$85,229,818**	**$39,579,331**

The total net benefit to the taxing entities of implementing the project area is approximately $39.6 million.

Appendix A: Parcel List

Parcel Number	Owner	Acres
180560007	University Mall Shopping Center	0.195
180560008	University Mall Shopping Center	0.220
180560009	University Mall Shopping Center	0.030
180560016	City of Orem	0.300
180560017	Mercer, Amron L	0.290
180560018	Housing Authority of Utah County	0.300
180560019	Catania SFH LLC	0.310
180560020	University Mall Shopping Center	0.283
180560022	Catania SFH LLC	0.270
180560023	Catania SFH LLC	0.260
180560026	City of Orem	0.270
180560028	Gulati, Chaithawee	0.270
180560029	Woodbury Corporation	0.260
180560033	City of Orem	0.210
180560037	City of Orem	0.280
180560038	Catania SFH LLC	0.290
180560055	Larry and Lynn Campground Management	0.300
180560099	Avans, Gulavadee	0.648
180560102	Gaks Enterprises LLC	0.415
180560103	Catania SFH LLC	0.270
180560104	City of Orem	0.197
180560106	City of Orem	0.274
180560109	University Mall Shopping Center	1.263
180560110	City of Orem	0.148
180560111	City of Orem	0.168
180560112	City of Orem	0.230
180560113	University Mall Shopping Center	0.262
180560115	University Mall Shopping Center	0.571
180560117	City of Orem	0.146
180560118	City of Orem	0.270
180560119	University Mall Shopping Center	0.399
180560121	University Mall Shopping Center	0.527
180560123	City of Orem	0.096
180560132	City of Orem	0.002
180560133	University Mall Shopping Center	0.306
180560134	University Mall Shopping Center	0.926
180560135	University Mall Shopping Center	0.931
180570033	First Security Bank of Utah	0.600
180570117	KC Propco LLC	0.450
180570127	Cordner, Raymond G & Colleen F	0.063
180570129	Washburn Management LC	0.517
180570132	City of Orem	0.099
180570133	City of Orem	0.013
180570134	City of Orem	0.143
180570135	City of Orem	0.077
180570136	City of Orem	0.300
180570137	City of Orem	0.096
180570138	Glazier Properties LLC	0.882
180570141	Cordner, Colleen F	1.136

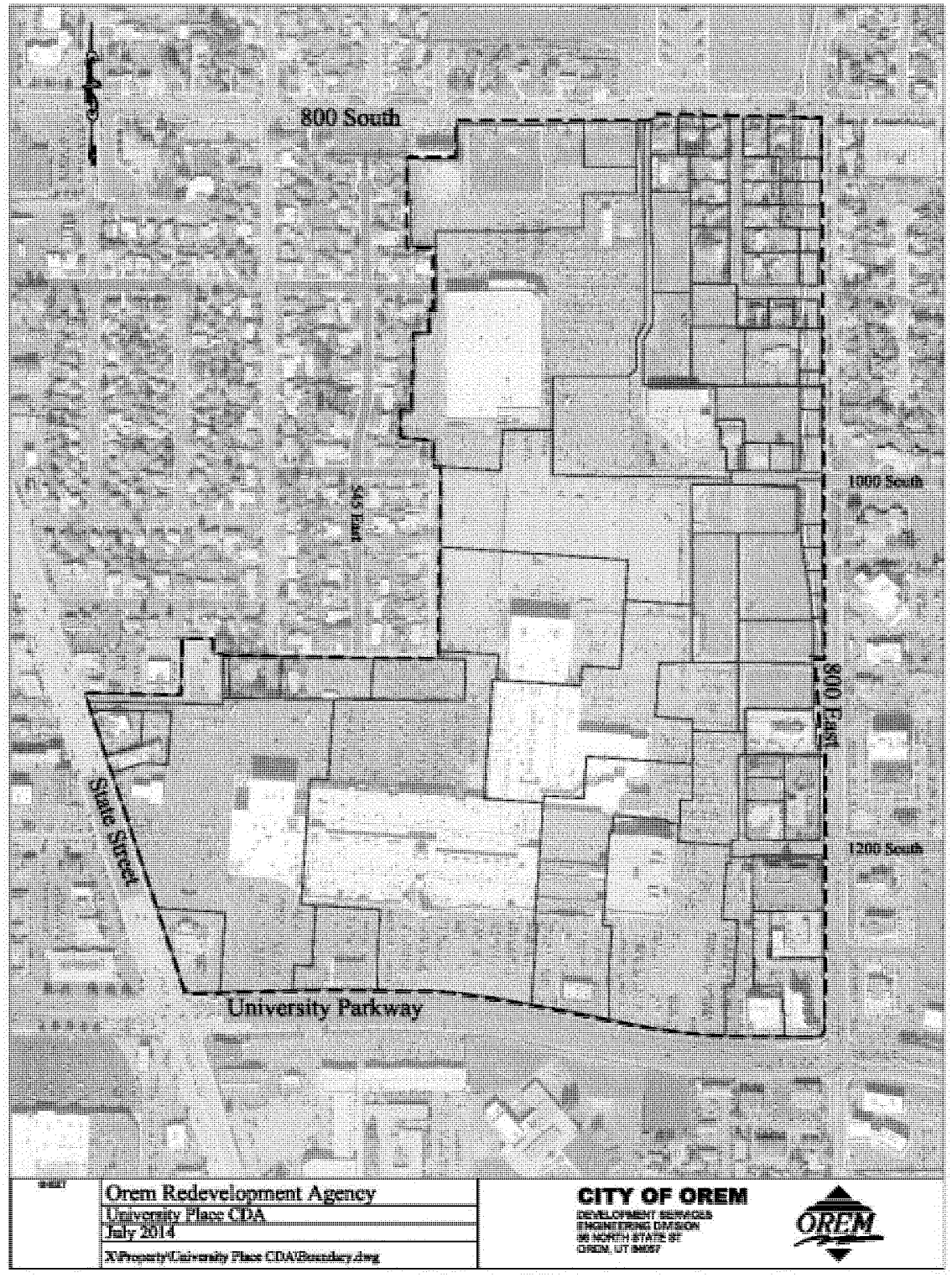
Parcel Number	Owner	Acres
180570142	University Mall Shopping Center	1.143
180570147	Orem City Corporation	0.017
180570502	Utah Department of Transportation	0.006
190180502	Utah Department of Transportation	0.003
190190017	Zions First National Bank	0.030
190190019	Zions First National Bank	0.030
352540001	Bank of American Fork	1.427
352540002	Maverik Country Stores Inc	0.722
352540003	Circle K Properties Inc	0.008
360860015	KC Propco LLC	0.260
360860016	KC Propco LLC	0.260
360860019	City of Orem	0.114
450610001	University Mall Shopping Center	0.210
551760001	Zions First National Bank	1.110
570310001	Utah Transit Authority	0.956
570430001	University Mall Shopping Center	5.494
570430002	University Mall Shopping Center	0.983
570430003	University Mall Shopping Center	12.745
570430004	University Mall Shopping Center	1.238
570430005	University Mall Shopping Center	1.697
570430006	University Mall Shopping Center	16.639
570430007	University Mall Shopping Center	6.140
570430008	University Mall Shopping Center	7.140
570430009	UNMN LLC	1.700
570430013	University Mall Shopping Center	6.331
570430014	University Mall Shopping Center	7.580
570430015	University Mall Shopping Center	5.285
570430016	University Mall Shopping Center	1.209
570430017	University Mall Shopping Center	13.170
570430018	University Mall Shopping Center	1.157
570430019	University Mall Shopping Center	0.707
570680010	University Mall Village	1.731
570680011	University Mall Village	7.035
570680012	University Mall Village	1.758
570680020	University Mall Village	1.477
570680021	University Mall Village	1.805
570680022	University Mall Village	0.947
570680023	University Mall Village	1.067
570680024	University Mall Village	1.498
Total		**129.591**

Appendix B: Map and Legal Description

An area of real property located in the NE Quarter of Section 26 and the SE Quarter of Section 23, T. 6 S. R 2 E. S.L.B. & M., more particularly described as follows:

Commencing at a point which is S. 89°18'03" E. 142.38 feet along the Section Line and from the North 1/4 Corner of Section 26, T. 6 S., R. 2 E., S.L.B. & M. to the point of beginning, (which point is +/- on the Westerly Right of Way Line of State Street); thence along said Westerly Right of Way Line S. 18°29'52" E, 582.92 feet to the Northerly Right of Way Line +/- of University Parkway; thence along said Northerly Right of Way Line for the next eight calls, N. 88°20'55" E. 489.31 feet; thence S 89°21'02" E. 315.94 feet; thence along a Curve to the Right, the Radius is 766.62 feet, the Arc Length is 177.24 feet, the Chord Bearing is S. 86°40'38" E. the Chord Length is 176.85 feet; thence along a Compound Curve to the Right, the Radius is 10889.46 feet, the Arc Length is 265.96 feet, the Chord Bearing is S. 81°07'54" E. the Chord Length is 265.95 feet; thence S. 78°55'57" E. 202.90 feet; thence along a Curve to the Left, the Radius is 3599.59 feet, the Arc Length is 484.04 feet, the Chord Bearing is S. 81°28'08" E. the Chord Length is 483.68 feet; thence S. 89°37'22" E. 339.25 feet; thence along a curve to the Left, the Radius is 33.72 feet, the Arc Length is 51.39 feet, the Chord Bearing is N. 43°36'28" E. the Chord Length is 46.56 feet; thence along the Westerly side of 800 East Street for the next five calls, N. 0°02'59" E. 981.25 feet; thence West 15.02 feet; thence N. 3°35'49" W. 339.03 feet; thence East 35.20 feet; thence N. 0°23'52" W. 1938.15 feet; thence along the Southerly Right of Way Line +/- of 800 South for the next three calls, N. 88°49'10" W. 602.03 feet; thence S. 30°13'24" W. 25.21 feet; thence West 696.26 feet; thence South 133.07 feet; thence West 176.56 feet; thence South 326.41 feet; thence East 95.74 feet; thence South 219.18 feet; thence West 14.74 feet; thence South 81.45 feet; thence West 56.34 feet; thence S. 1°34'18" W. 277.32 feet; thence West 38.62 feet; thence South 97.40 feet; thence S. 83°14'59" E. 119.41 feet; thence South 90.25 feet; thence S. 85°48'17" E. 26.30 feet; thence S. 0°45'03" W. 685.85 feet; thence N. 89°17'31" W. 773.46 feet; thence N. 0°27'31" W. 7.77 feet; thence N. 88°59'39" W. 33.40 feet; thence N. 0°44'23" W. 53.42 feet; thence N. 89°22'23" W. 111.23 feet; thence S. 0°58'02" W. 203.19 feet; thence N. 88°44'39" W. 344.36 feet to the Easterly Right of Way Line +/- of State Street; thence S. 18°25'51" E. 554.20 feet along said Right of Way Line to the point of beginning.

Containing 133.6 Acres more or less.


800 South
1000 South
1200 South
State Street
University Parkway
Orem Redevelopment Agency
University Place CDA
July 2014
CITY OF OREM
OREM

Appendix C: Multi-Year Budget and Development Assumptions

Orem Redevelopment Agency

University Place CDA
20 Year Project Area Budget

Table A 3. Multi-Year Tax Increment Budget (Project Area Forecast)

INCREMENTAL PROPERTY TAX ANALYSIS:	Payment Year / Tax Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Cumulative Taxable Value	Year	Year	Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
1A Existing Mall and Project Area Base Value			-	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998
CDA Triggered? (0=No, 1=Yes)		0	0	1	1	1	1	1	1	1	1
1B North Mall (Bldgs H, L, &J)		-	-	-	-	-	-	-	-	-	-
1C Mervyns Bldg											
3 B ROW Expansion		5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500
4 A Anchor		-	-	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000
4 B Parking Structure (1 level Underground)		-	-	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000
5 A-B Grocery and Restaurant Pad		-	891,250	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750
5 D Demolish/Relocate Existing Reta		-	-	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)
5 A&D Retail		-	401,063	401,063	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875
9 B-C Band Shell-Civic-Central Park		-	-	-	-	-	-	-	-	-	-
3 E Demolish Existing Reta		-	-	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)
11&12 A Office		-	-	-	41,400,000	41,400,000	41,400,000	41,400,000	62,100,000	62,100,000	62,100,000
11&12 Office Ground Floor Retail		-	-	-	3,312,000	3,312,000	3,312,000	3,312,000	6,624,000	6,624,000	6,624,000
13 A Hotel		-	-	-	-	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400
13 B Parking Structure		-	-	-	-	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000
13 C & 14 A&B Retail		-	4,456,250	5,436,625	5,436,625	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561
15 A Tennis & Pool Club		-	-	-	-	-	-	-	-	-	-
15 B Parking Deck (3 Lvl, Shared with 11A)		-	-	-	-	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000
15 C Liner Flats (3 Story, 95 Units)		-	-	-	-	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000
15 D Clubhouse		-	-	-	-	-	-	-	-	-	-
16 A Apartments (148)		-	-	-	-	-	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000
16 B Neighborhood Office-Retail		-	-	-	-	-	695,750	695,750	695,750	695,750	695,750
16 C Parking Deck (Shared w/ 12A Office & Hotel)		-	-	-	-	-	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000
16 D Park		-	-	-	-	-	-	-	-	-	-
16 E Office		-	-	-	-	-	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000
17 B Cinema Expansion		-	-	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200
23 OTHER/ROADS ETC		-	-	-	-	-	-	-	-	-	-
CDA Triggered? (0=No, 1=Yes)		0	0	1	1	1	1	1	1	1	1
10 A Townhouses		-		-	-	-	-	-	5,841,000	5,841,000	5,841,000
18 A&S Multifamily Residential		-	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842
18 C&D Multifamily Residential		-	-	-	-	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851
18 E Demolition (Loss of Commercial Land to Residential Land)		-	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)
19 A&S Multifamily Residential		-	-	-	-	-	4,125,000	8,250,000	8,250,000	8,250,000	8,250,000
19 C Future Non-Zoned Residential		-	-	-	-	-	-	26,871,570	26,871,570	26,871,570	26,871,570
20 A Costco		-	-	-	-	-	-	-	-	-	-
21 A Retail Pad		-	-	-	-	-	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200
22 A Senior Housing		-	-	-	-	-	-	10,296,000	10,296,000	10,296,000	10,296,000
CDA Triggered? (0=No, 1=Yes)		0	0	1	1	1	1	1	1	1	1
2 A-D Macy's and Addl Retail Pads		855,600	855,600	2,245,950	2,245,950	2,245,950	2,245,950	2,245,950	2,958,950	2,958,950	2,958,950
6 A New Retail Pad		-	-	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500
6 C Parking Deck		-	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000
6 D & 7 B Office Building		-	22,149,000	22,149,000	22,149,000	22,149,000	22,149,000	22,149,000	22,149,000	22,149,000	63,549,000
6 D & 7 B Office Ground Floor Retail		-	5,382,000	5,382,000	5,382,000	5,382,000	5,382,000	5,382,000	5,382,000	5,382,000	8,694,000
7 C Parking Deck (4 Story)		-	-	-	-	-	-	-	-	-	10,356,000
7 D-E Retail-Restaurant		-	-	-	-	-	-	-	-	-	6,417,000
7 E Demolish Big O Tires and Texas Road House		-	-	-	-	-	-	-	-	-	(2,637,985)
8 A Parking Deck		-	-	-	-	-	-	-	20,664,000	20,664,000	20,664,000
8 B Retail		-	-	-	-	-	-	-	1,283,400	1,283,400	1,283,400
Total Assessed Value		6,203,100	58,915,971	228,836,529	274,484,342	320,303,529	376,087,479	417,380,049	469,893,449	469,893,449	528,740,464
LESS BASE YEAR VALUE (2013)		-	-	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)
LESS UNTRIGGERED YEARS		(6,203,100)	(58,915,971)	-	-	-	-	-	-	-	-
TOTAL INCREMENTAL VALUE:		-	-	99,648,531	145,296,344	191,115,531	246,899,481	288,192,051	340,705,451	340,705,451	399,552,466
TAX RATE & INCREMENT ANALYSIS:	2013 RATES										
Utah County	0.001259	-	-	125,458	182,928	240,614	310,849	362,834	428,948	428,948	503,037
Alpine School District	0.008699	-	-	866,843	1,263,933	1,662,514	2,147,778	2,506,983	2,963,797	2,963,797	3,475,707
Orem City	0.001871	-	-	186,442	271,849	357,577	461,949	539,207	637,460	637,460	747,563
Orem Metropolitan Water District	0.000039	-	-	3,886	5,667	7,454	9,629	11,239	13,288	13,288	15,583
Central Utah Water Conservancy District	0.000446	-	-	44,443	64,802	85,238	110,117	128,534	151,955	151,955	178,200
Totals	0.012314	-	-	1,227,072	1,789,179	2,353,397	3,040,320	3,548,797	4,195,447	4,195,447	4,920,089
TOTAL INCREMENTAL REVENUE WITH A CDA		-	-	1,227,072	1,789,179	2,353,397	3,040,320	3,548,797	4,195,447	4,195,447	4,920,089
TOTAL REVENUE FROM BASE YEAR VALUE		-	-	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821

INCREMENTAL PROPERTY TAX ANALYSIS:	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	TOTALS	NPV
Cumulative Taxable Value	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20		
1A Existing Mall and Project Area Base Value	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998		
CDA Triggered? (0=No, 1=Yes)	1	1	1	1	1	1	1	1	1	1	1	1		
1B North Mall (Bldgs H, L, &J)	-	-	-	-	-	-	-	-	-	-	-	-		
1C Mervyns Bldg														
3 B ROW Expansion	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500		
4 A Anchor	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000		
4 B Parking Structure (1 level Underground)	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000		
5 A-B Grocery and Restaurant Pad	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750		
5 D Demolish/Relocate Existing Reta	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)		
5 A&D Retail	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875		
9 B-C Band Shell-Civic-Central Park	-	-	-	-	-	-	-	-	-	-	-	-		
3 E Demolish Existing Reta	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)		
11&12 A Office	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000		
11&12 Office Ground Floor Retail	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000		
13 A Hotel	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400		
13 B Parking Structure	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000		
13 C & 14 A&B Retail	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561		
15 A Tennis & Pool Club	-	-	-	-	-	-	-	-	-	-	-	-		
15 B Parking Deck (3 Lvl, Shared with 11A)	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000		
15 C Liner Flats (3 Story, 95 Units)	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000		
15 D Clubhouse	-	-	-	-	-	-	-	-	-	-	-	-		
16 A Apartments (148)	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000		
16 B Neighborhood Office-Retail	695,750	695,750	695,750	695,750	695,750	695,750	695,750	695,750	695,750	695,750	695,750	695,750		
16 C Parking Deck (Shared w/ 12A Office & Hotel)	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000		
16 D Park	-	-	-	-	-	-	-	-	-	-	-	-		
16 E Office	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000		
17 B Cinema Expansion	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200		
23 OTHER/ROADS ETC	-	-	-	-	-	-	-	-	-	-	-	-		
CDA Triggered? (0=No, 1=Yes)	1	1	1	1	1	1	1	1	1	1	1	1		
10 A Townhouses	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000		
18 A&S Multifamily Residential	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842		
18 C&D Multifamily Residential	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851		
18 E Demolition (Loss of Commercial Land to Residential Land)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)		
19 A&S Multifamily Residential	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000		
19 C Future Non-Zoned Residential	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570		
20 A Costco	-	-	-	-	-	-	-	-	-	-	-	-		
21 A Retail Pad	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200		
22 A Senior Housing	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000		
CDA Triggered? (0=No, 1=Yes)	1	1	1	1	1	1	1	1	1	1	1	1		
2 A-D Macy's and Addl Retail Pads	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950		
6 A New Retail Pad	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500		
6 C Parking Deck	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000		
6 D & 7 B Office Building	63,549,000	63,549,000	63,549,000	63,549,000	63,549,000	63,549,000	63,549,000	63,549,000	63,549,000	63,549,000	63,549,000	63,549,000		
6 D & 7 B Office Ground Floor Retail	8,694,000	8,694,000	8,694,000	8,694,000	8,694,000	8,694,000	8,694,000	8,694,000	8,694,000	8,694,000	8,694,000	8,694,000		
7 C Parking Deck (4 Story)	10,356,000	10,356,000	10,356,000	10,356,000	10,356,000	10,356,000	10,356,000	10,356,000	10,356,000	10,356,000	10,356,000	10,356,000		
7 D-E Retail-Restaurant	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000		
7 E Demolish Big O Tires and Texas Road House	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)		
8 A Parking Deck	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000		
8 B Retail	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400		
Total Assessed Value	528,740,464	528,740,464	528,740,464	528,740,464	528,740,464	528,740,464	528,740,464	528,740,464	528,740,464	528,740,464	528,740,464	528,740,464		
LESS BASE YEAR VALUE (2013)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)		
LESS UNTRIGGERED YEARS	-	-	-	-	-	-	-	-	-	-	-	-		
TOTAL INCREMENTAL VALUE:	399,552,466	399,552,466	399,552,466	399,552,466	399,552,466	399,552,466	399,552,466	399,552,466	399,552,466	399,552,466	399,552,466	399,552,466		
TAX RATE & INCREMENT ANALYSIS:													TOTALS	NPV
Utah County	503,037	503,037	503,037	503,037	503,037	503,037	503,037	503,037	503,037	503,037	503,037	503,037	8,620,352	5,131,054
Alpine School District	3,475,707	3,475,707	3,475,707	3,475,707	3,475,707	3,475,707	3,475,707	3,475,707	3,475,707	3,475,707	3,475,707	3,475,707	59,559,834	35,452,771
Orem City	747,563	747,563	747,563	747,563	747,563	747,563	747,563	747,563	747,563	747,563	747,563	747,563	12,810,260	7,625,260
Orem Metropolitan Water District	15,583	15,583	15,583	15,583	15,583	15,583	15,583	15,583	15,583	15,583	15,583	15,583	267,023	158,944
Central Utah Water Conservancy District	178,200	178,200	178,200	178,200	178,200	178,200	178,200	178,200	178,200	178,200	178,200	178,200	3,053,648	1,817,673
Totals	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	84,310,817	50,185,702
TOTAL INCREMENTAL REVENUE WITH A CDA	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	84,310,817	50,185,702
TOTAL REVENUE FROM BASE YEAR VALUE	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	31,816,420	20,769,247

CDA PROJECT AREA BUDGET

CDA PROJECT AREA BUDGET		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Sources of Funds:											
Property Tax Participation Rate for Budget											
Utah County		75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Alpine School District		75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Orem City		75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Orem Metropolitan Water District		75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Central Utah Water Conservancy District		75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Property Tax Increment for Budget											
Utah County		-	-	94,093	137,196	180,461	233,135	272,125	321,711	321,711	377,277
Alpine School District		-	-	650,132	947,950	1,246,886	1,610,834	1,880,237	2,222,848	2,222,848	2,606,780
Orem City		-	-	139,832	203,887	268,183	346,462	404,405	478,095	478,095	560,672
Orem Metropolitan Water District		-	-	2,915	4,250	5,590	7,222	8,430	9,966	9,966	11,687
Central Utah Water Conservancy District		-	-	33,332	48,602	63,928	82,588	96,400	113,966	113,966	133,650
Total Property Tax Increment for Budget		-	-	920,304	1,341,884	1,765,047	2,280,240	2,661,598	3,146,585	3,146,585	3,690,067
Total Sources		-	-	920,304	1,341,884	1,765,047	2,280,240	2,661,598	3,146,585	3,146,585	3,690,067
Uses of Tax Increment Funds:		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
RDA Development Incentive Fund	5.0%	-	-	46,015	67,094	88,252	114,012	133,080	157,329	157,329	184,503
CDA Administration @ 5%	5.0%	-	-	46,015	67,094	88,252	114,012	133,080	157,329	157,329	184,503
Public Infrastructure (Roads, Utilities, etc)	90.0%	-	-	828,274	1,207,696	1,588,543	2,052,216	2,395,438	2,831,927	2,831,927	3,321,060
Other Projects	0.0%	-	-	-	-	-	-	-	-	-	-
Total Uses	100%	-	-	920,304	1,341,884	1,765,047	2,280,240	2,661,598	3,146,585	3,146,585	3,690,067
REMAINING PROPERTY TAX INCREMENTAL REVENUES FOR TAXING EN		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Utah County		-	-	31,364	45,732	60,154	77,712	90,708	107,237	107,237	125,759
Alpine School District		-	-	216,711	315,983	415,629	536,945	626,746	740,949	740,949	868,927
Orem City		-	-	46,611	67,962	89,394	115,487	134,802	159,365	159,365	186,891
Orem Metropolitan Water District		-	-	972	1,417	1,863	2,407	2,810	3,322	3,322	3,896
Central Utah Water Conservancy District		-	-	11,111	16,201	21,309	27,529	32,133	37,989	37,989	44,550
Total		-	-	306,788	447,295	588,349	760,080	897,199	1,048,862	1,048,862	1,230,022

CDA PROJECT AREA BUDGET	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	TOTALS	NPV
Sources of Funds:														
Property Tax Participation Rate for Budget														
Utah County	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%		
Alpine School District	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%		
Orem City	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%		
Orem Metropolitan Water District	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%		
Central Utah Water Conservancy District	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%		
Property Tax Increment for Budget													TOTALS	NPV
Utah County	377,277	377,277	377,277	377,277	377,277	377,277	377,277	377,277	377,277	377,277	377,277	377,277	6,465,039	3,848,291
Alpine School District	2,606,780	2,606,780	2,606,780	2,606,780	2,606,780	2,606,780	2,606,780	2,606,780	2,606,780	2,606,780	2,606,780	2,606,780	44,669,875	26,589,578
Orem City	560,672	560,672	560,672	560,672	560,672	560,672	560,672	560,672	560,672	560,672	560,672	560,672	9,607,695	5,718,945
Orem Metropolitan Water District	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687	200,267	119,208
Central Utah Water Conservancy District	133,650	133,650	133,650	133,650	133,650	133,650	133,650	133,650	133,650	133,650	133,650	133,650	2,290,236	1,363,255
Total Property Tax Increment for Budget	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	63,233,113	37,639,277
Total Sources	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	63,233,113	37,639,277
Uses of Tax Increment Funds:	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	TOTALS	NPV
RDA Development Incentive Fund	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	3,161,656	1,881,964
CDA Administration @ 5%	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	3,161,656	1,881,964
Public Infrastructure (Roads, Utilities, etc)	3,321,060	3,321,060	3,321,060	3,321,060	3,321,060	3,321,060	3,321,060	3,321,060	3,321,060	3,321,060	3,321,060	3,321,060	56,909,801	33,875,349
Other Projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Uses	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	63,233,112	37,639,277
REMAINING PROPERTY TAX INCREMENTAL REVENUES FOR TAXING EN	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	TOTALS	NPV
Utah County	125,759	125,759	125,759	125,759	125,759	125,759	125,759	125,759	125,759	125,759	125,759	125,759	2,155,013	1,282,764
Alpine School District	868,927	868,927	868,927	868,927	868,927	868,927	868,927	868,927	868,927	868,927	868,927	868,927	14,889,958	8,863,193
Orem City	186,891	186,891	186,891	186,891	186,891	186,891	186,891	186,891	186,891	186,891	186,891	186,891	3,202,565	1,906,315
Orem Metropolitan Water District	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	66,756	39,736
Central Utah Water Conservancy District	44,550	44,550	44,550	44,550	44,550	44,550	44,550	44,550	44,550	44,550	44,550	44,550	763,412	454,418
Total	1,230,022	1,230,022	1,230,022	1,230,022	1,230,022	1,230,022	1,230,022	1,230,022	1,230,022	1,230,022	1,230,022	1,230,022	21,077,704	12,546,426

Assumptions	
Discount Rate	4.0%
Inflation Rate	3.0%
Sales Tax Rate	0.5%

Orem Redevelopment Agency

University Place CDA

Table A.4.1: Development Absorption Schedule and Assumptions

SF Conversion 43560

Land Value Assumptions	Acreage	Per SF Land Value	Base Land Value	Total Finished Land Value	Unit	Property Tax Exemption
Block 1-22 Phases						
1A Exisiting Mall and Project Area Base Value	129.59	22.89	129,187,998	129,187,998	per square foot	0%
1B North Mall (Bldgs H, L, &J)			-	-	per square foot	0%
1C Mervyns Bldg			-	-	per square foot	0%
2 A-D Macy's and Add'l Retail Pads			-	-	per square foot	0%
3 B RCW Expansion			-	-	per square foot	0%
4 A Anchor			-	-	per square foot	0%
4 B Parking Structure (1 level underground)			-	-	per square foot	0%
5 A-B Grocery and Restaurant Pad			-	-	per square foot	0%
5 D Demolish/Relocate Existing Retail			-	-	per square foot	0%
6 A New Retail Pad			-	-	per square foot	0%
6 C Parking Deck			-	-	per square foot	0%
6 D & 7 B Office Building			-	-	per square foot	0%
6 D & 7 B Office Ground Floor Retail			-	-	per square foot	0%
7 C Parking Deck (4 Story)			-	-	per square foot	0%
7 D-E Retail/Restaurant			-	-	per square foot	0%
7 E Demolish Big O Tires and Texas Road House			-	-	per square foot	0%
8 A Parking Deck			-	-	per square foot	0%
8 B Retail			-	-	per square foot	0%
9 A&D Retail			-	-	per square foot	0%
9 B-C Band Shell/Civic/Central Park			-	-	per square foot	100%
9 E Demolish Existing Retail			-	-	per square foot	0%
10 A Townhouses			-	-	per square foot	45%
11&12 A Office			-	-	per square foot	0%
11&12 Office Ground Floor Retail			-	-	per square foot	0%
13 A Hotel			-	-	per square foot	0%
13 B Parking Structure			-	-	per square foot	0%
13 C & 14 A&B Retail			-	-	per square foot	0%
15 A Tennis & Pool Club			-	-	per square foot	100%
15 B Parking Deck (3 Lvl, Shared with 11A)			-	-	per square foot	0%
15 C Liner Flats (3 Story, 95 Units)			-	-	per square foot	45%
15 D Clubhouse			-	-	per square foot	100%
16 A Apartments (148)			-	-	per square foot	45%
16 B Neighborhood Office/Retail			-	-	per square foot	0%
16 C Parking Deck (Shared w/ 12A Office & Hotel)			-	-	per square foot	0%
16 D Park			-	-	per square foot	100%
16 E Office			-	-	per square foot	0%
17 B Cinema Expansion			-	-	per square foot	0%
18 A&B Multifamily Residential	21.13	14.00	-	12,885,971	per square foot	45%
18 C&D Multifamily Residential			-	-	per square foot	45%
18 E Demolition (Loss of Commercial Land to Residental Land)	(21.13)	11.52	-	(10,604,533)	per square foot	0%
19 A&B Multifamily Residential			-	-	per square foot	45%
19 C Future Non-Zoned Residential			-	-	per square foot	45%
20 A Costco			-	-	per square foot	0%
21 A Retail Pad			-	-	per square foot	0%
22 A Senior Housing			-	-	per square foot	45%
23 OTHER/ROADS/ETC.				-		0%
TOTAL	**129.59**		**129,187,998**	**131,469,436**		

Orem Redevelopment Agency

University Place CDA

Building Value Assumptions	Units or Building SF	Woodbury Value Per Unit or Per SF to Build	Total Finished Value
Block 1-22 Phases			
1A Exisiting Mall and Project Area Base Value			-
1B North Mall (Bldgs H, L, &J)			-
1C Mervyns Bldg			-
2 A-D Macy's and Add'l Retail Pads	16,600	155.00	2,573,000
3 B RCW Expansion	30,000	155.00	4,650,000
4 A Anchor	140,000	184.00	25,760,000
4 B Parking Structure (1 level underground)	748	12,000.00	8,976,000
5 A-B Grocery and Restaurant Pad	35,000	155.00	5,425,000
5 D Demolish/Relocate Existing Retail	(15,354)	103.25	(1,585,300)
6 A New Retail Pad	6,000	155.00	930,000
6 C Parking Deck	467	12,000.00	5,604,000
6 D & 7 B Office Building	307,000	180.00	55,260,000
6 D & 7 B Office Ground Floor Retail	42,000	180.00	7,560,000
7 C Parking Deck (4 Story)	863	12,000.00	10,356,000
7 D-E Retail/Restaurant	36,000	155.00	5,580,000
7 E Demolish Big O Tires and Texas Road House	(18,595)	123.36	(2,293,900)
8 A Parking Deck	1,722	12,000.00	20,664,000
8 B Retail	7,200	155.00	1,116,000
9 A&D Retail	7,500	155.00	1,162,500
9 B-C Band Shell/Civic/Central Park	170,500	75.81	12,925,653
9 E Demolish Existing Retail	(140,226)	39.15	(5,489,800)
10 A Townhouses	90,000	118.00	10,620,000
11&12 A Office	300,000	180.00	54,000,000
11&12 Office Ground Floor Retail	32,000	180.00	5,760,000
13 A Hotel	72,000	158.00	11,376,000
13 B Parking Structure	455	12,000.00	5,460,000
13 C & 14 A&B Retail	39,588	155.00	6,136,140
15 A Tennis & Pool Club	102,000	60.00	6,120,000
15 B Parking Deck (3 Lvl, Shared with 11A)	420	12,000.00	5,040,000
15 C Liner Flats (3 Story, 95 Units)	50,000	118.00	5,900,000
15 D Clubhouse	30,000	155.00	4,650,000
16 A Apartments (148)	148,000	160.00	23,680,000
16 B Neighborhood Office/Retail	5,000	121.00	605,000
16 C Parking Deck (Shared w/ 12A Office & Hotel)	1,294	12,000.00	15,528,000
16 D Park	30,000	25.18	755,367
16 E Office	100,000	180.00	18,000,000
17 B Cinema Expansion	7,000	184.00	1,288,000
18 A&B Multifamily Residential	193,492	163.00	31,539,196
18 C&D Multifamily Residential	232,224	136.00	31,582,464
18 E Demolition (Loss of Commercial Land to Residental Land)			-
19 A&B Multifamily Residential	100,000	150.00	15,000,000
19 C Future Non-Zoned Residential	325,716	150.00	48,857,400
20 A Costco			-
21 A Retail Pad	9,600	155.00	1,488,000
22 A Senior Housing	124,800	150.00	18,720,000
23 OTHER/ROADS/ETC.			
TOTAL			**481,278,720**

Additional Assumptions			
Annual Inflation	3%	Personal Property Rate	
Discount Rate	4%	Office	22.0%
Personal Property Rate	15.0%	Industrial	15.0%
Sales Tax Rate	0.50%	Average	18.5%

Summary Type	SF
Retail	413,488
Lost Retail	(174,175)
Net Retail	239,313
Hotel	72,000
Residential	1,396,232
Office	707,000
Civic/Other	200,500
Total	**2,615,045**
Parking Stalls	5,969
Res Common Space	132,000

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Orem Mall CDA Anaysis (8-19-2014).xlsx

Orem Redevelopment Agency

University Place CDA

Year of Construction

Absorption Schedule (SF)	Year	Year	Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
1A Exisiting Mall and Project Area Base Value												
1B North Mall (Bldgs H, L, &J)												
1C Mervyns Bldg												
2 A-D Macy's and Add'l Retail Pads	4,800		7,800					4,000				
3 B RCW Expansion	30,000											
4 A Anchor			140,000									
4 B Parking Structure (1 level underground)			748									
5 A-B Grocery and Restaurant Pad		5,000	30,000									
5 D Demolish/Relocate Existing Retail			(15,354)									
6 A New Retail Pad			6,000									
6 C Parking Deck		467										
6 D & 7 B Office Building		107,000								200,000		
6 D & 7 B Office Ground Floor Retail		26,000								16,000		
7 C Parking Deck (4 Story)										863		
7 D-E Retail/Restaurant										36,000		
7 E Demolish Big O Tires and Texas Road House										(18,595)		
8 A Parking Deck								1,722				
8 B Retail								7,200				
9 A&D Retail		2,250		5,250								
9 B-C Band Shell/Civic/Central Park		119,500		51,000								
9 E Demolish Existing Retail			(140,226)									
10 A Townhouses								90,000				
11&12 A Office				200,000				100,000				
11&12 Office Ground Floor Retail				16,000				16,000				
13 A Hotel					72,000							
13 B Parking Structure					455							
13 C & 14 A&B Retail		25,000	5,500		9,088							
15 A Tennis & Pool Club					102,000							
15 B Parking Deck (3 Lvl, Shared with 11A)					420							
15 C Liner Flats (3 Story, 95 Units)					50,000							
15 D Clubhouse					30,000							
16 A Apartments (148)						148,000						
16 B Neighborhood Office/Retail						5,000						
16 C Parking Deck (Shared w/ 12A Office & Hotel)						1,294						
16 D Park						30,000						
16 E Office						100,000						
17 B Cinema Expansion			7,000									
18 A&B Multifamily Residential		193,492										
18 C&D Multifamily Residential					232,244							
18 E Demolition (Loss of Commercial Land to Residental Land)												
19 A&B Multifamily Residential						50,000	50,000					
19 C Future Non-Zoned Residential							325,716					
20 A Costco												
21 A Retail Pad						9,600						
22 A Senior Housing							124,800					

Orem Redevelopment Agency

University Place CDA

Table A.11: Infrastructure Cost Estimates

Infrastructure Cost Estimates			
Category	Phase	Description	Est. Cost
Demolition	Phase 5	Demolition/Existing Retail to be Relocated	$48,365
Demolition	Phase 7	Demo Big O Tires, Jared's, and Texas Road House	$55,785
Demolition	Phase 9	Demolish Existing Retail	$580,102
Demolition	Phase 18	Demolish Existing Residential	$95,880
Parking Structure	Phase 4	700 Stall Parking Deck	$8,976,000
Parking Structure	Phase 6C	467 Stall Parking Deck	$5,604,000
Parking Structure	Phase 7C	863 Stall Parking Deck (4 Story)	$10,356,000
Parking Structure	Phase 8A	1722 Stall Parking Deck	$20,664,000
Parking Structure	Phase 13B	455 Stall Parking Deck	$5,460,000
Parking Structure	Phase 15B	420 Stall Parking Deck (3 Story)	$5,040,000
Parking Structure	Phase 16C	1294 Stall Parking Deck (Shared with Office and Hotel)	$15,528,000
Infrastructure	Phases 3-7, 13, 14	Road and Utility Infrastructure	$5,435,568
Infrastructure	Phases 7, 8, 9, 13, 14	Main Street Construction	$3,910,567
Recreation Amenities	Phases 7, 9, 18	Parks	$6,999,909
Total			**$88,754,176**

CITY OF OREM **REDEVELOPMENT AGENCY MEETING** NOVEMBER 11, 2014	
REQUEST:	**RESOLUTION – Approving an Interlocal Cooperation Agreement between the Redevelopment Agency of the City of Orem and the Central Utah Water Conservancy District**
APPLICANT:	City of Orem Economic Development Division
FISCAL IMPACT:	$9,607,695 of future tax increment funds (estimate from the model)

NOTICES:
-Posted in 2 public places
-Posted on City webpage
-Posted on State website
-Faxed to newspapers
-E-mailed to newspapers
-Neighborhood Chair

PREPARED BY:
Ryan L. Clark
EDD Manager

RECOMMENDATION:
The Economic Development Division Manager recommends that the Redevelopment Agency of the City of Orem, by resolution, enter into the Interlocal Cooperation Agreement with the Central Utah Water Conservancy District.

BACKGROUND:
The Redevelopment Agency of the City of Orem desires to enter into this agreement to receive a portion of property tax increment generated within the University Place Community Development Area back from the Central Utah Water Conservancy District. Tax Increment arising from the development of the Project may be used to pay for public infrastructure improvements, Agency requested improvements and upgrades, both off-site and on-site improvements, land incentives, desirable Project Area improvements, and other items as approved by the Agency.

DRAFT

RESOLUTION NO. _____

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF OREM, UTAH APPROVING AN INTERLOCAL COOPERATION AGREEMENT BETWEEEN THE AGENCY AND THE CENTRAL UTAH WATER CONSERVANCY DISTRICT

WHEREAS, pursuant to the provisions of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the "Interlocal Act"), and the provisions of Title 17C of the Utah Code as amended, known as the Limited Purpose Government Entities – Community Development and Renewal Agencies Act (the "CDRA Act"), public agencies, including political subdivisions of the State of Utah as therein defined, are authorized to enter into mutually advantageous agreements for joint and cooperative actions, including the sharing of tax and other revenues; and

WHEREAS, the Redevelopment Agency of the City of Orem, Utah (the "Agency") and the Central Utah Water Conservancy District (the "District") are "public agencies" for purposes of the Interlocal Act; and

WHEREAS, after careful analysis and consideration of relevant information, the Agency desires to enter into an Interlocal Cooperation Agreement with the District whereby the District would remit to the Agency a portion of the property tax increment generated within the University Place Community Development Project Area, (the "Project Area") which would otherwise flow to the District, for the purpose of encouraging development activities through the payment for certain public infrastructure, land assembly, and other uses that directly benefit the Project Area as permitted under the CDRA Act; and

WHEREAS, Section 11-13-202.5 of the Interlocal Act requires that certain Interlocal Cooperation Agreements be approved by resolution of the legislative body of a public agency.

THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF OREM, UTAH AS FOLLOWS:

1. The Interlocal Cooperation Agreement between the Agency and the District, substantially in the form attached hereto as Exhibit A (the "Agreement"), is approved and shall be executed for and on behalf of the Agency by the Chair and countersigned by its Secretary.

2. Pursuant to Section 11-13-202.5 of the Interlocal Act, the Agreement has been submitted to legal counsel of the Agency for review and approved as to form and legality.

DRAFT

3. Pursuant to Section 11-13-209 of the Interlocal Act, a duly executed original counterpart of the Agreement shall be filed immediately with the Secretary, the keeper of records of the Agency.

4. The Agency is hereby directed to publish or cause to be published a notice of the Agreement in accordance with Section 11-13-219 of the Interlocal Act and make a copy of the Agreement available for public inspection and copying at the Agency's offices during regular business hours for a period of at least 30 days following publication of the notice.

5. The Agreement shall be effective immediately upon execution.

6. This Resolution shall take effect upon adoption.

PASSED AND APPROVED this **11th** day of **November** 2014.

_____
Richard F. Brunst, Jr., Agency Chair

ATTEST:

_____
Donna R. Weaver, Secretary

BOARD MEMBERS VOTING "AYE"	BOARD MEMBERS VOTING "NAY"

EXHIBIT A – INTERLOCAL AGREEMENT

INTERLOCAL COOPERATION AGREEMENT

THIS INTERLOCAL COOPERATION AGREEMENT is made and entered into this _____ day of _____, 2014, by and between **THE REDEVELOPMENT AGENCY OF THE CITY OF OREM, UTAH** a community development and renewal agency and political subdivision of the State of Utah (the "Agency"), and the **CENTRAL UTAH WATER CONSERVANCY DISTRICT**, a political subdivision of the State of Utah (the "District") (collectively the "Parties" or in the singular "Party") in contemplation of the following facts and circumstances:

A. **WHEREAS,** the Agency was created and organized pursuant to an ordinance dated August 14, 1984 (O-84-0031) and continues to operate under the provisions of the Limited Purpose Government Entities - Community Development and Renewal Agencies Act, Title 17C of the Utah Code (the **"Act"**), and is authorized and empowered under the Act to undertake, among other things, various community development activities pursuant to the Act, including, among other things, assisting the City of Orem, Utah (the "City") in development activities; and

B. **WHEREAS,** this Agreement is made pursuant to the provisions of the Act and the Interlocal Cooperation Act (Utah Code Title 11, Chapter 13) (the "Interlocal Act"); and

C. **WHEREAS,** the Agency has created the University Place Community Development Project Area (the "Project Area"), through the adoption of the University Place Community Development Project Area Plan (the "Project Area Plan"), located within the City, which Project Area is described in Exhibit "A" attached hereto and incorporated herein by this reference; and

D. **WHEREAS,** the Project Area contains the University Mall, which is anticipated to be revitalized, with encouragement and planning by the Agency, into residential, retail, hotel, and office uses. The Agency has not entered into any participation or development agreements with developers but anticipates that prior to development of the Project Area, the City and the Agency may enter into one or more Development/Participation Agreements with one or more developer(s) which will provide certain terms and conditions upon which the Project Area will be developed using, in part, increased property taxes, referred to as "Tax Increment" (as that term is defined in the Act), generated from the Project Area; and

E. **WHEREAS,** historically, the Project Area has generated a total of $1,590,821 per year in property taxes for the various taxing entities, including the City, Utah County (the "County"), Alpine School District (the "School District"), the District, and the Orem Metropolitan Water District (the "Orem Water District"); and

F. **WHEREAS,** upon full development as contemplated in the Project Area Plan, property taxes produced by the Project Area for the City, the County, the School District, the District, and the Orem Water District are projected to total approximately $6,510,910 per year; and

G. **WHEREAS,** the Agency has requested the City, the County, the School District, the District, and the Orem Water District to participate in the promotion of development in the Project Area by agreeing to remit to the Agency for a specified period of time specified portions of the increased property tax which will be generated by the Project Area; and

H. **WHEREAS,** the District and the Agency have determined that it is in the best interests of the District to provide certain financial assistance through the use of Tax Increment in connection with the development of the Project to carry out the Project Area Plan; and

I. **WHEREAS** Utah Code §17C-4-201(1) authorizes the District to consent to the payment to the Agency of a portion of the District's share of Tax Increment generated from the Project Area for the purposes set forth therein; and

J. **WHEREAS**, Utah Code § 11-13-215 further authorizes the District to share its tax and other revenues with the Agency; and

K. **WHEREAS,** the Agency has retained Lewis Young Robertson & Burningham, Inc., an independent financial consulting firm with substantial experience regarding community development and tax increment projects across the State of Utah, to prepare the Project Area Plan and to provide a report regarding the need and justification for the remittance of tax increment revenues within the Project Area. A copy of the report is included in the Project Area Plan attached as Exhibit "B"; and

L. **WHEREAS**, the Project Area Plan has been adopted by the Agency through resolution passed on September 23, 2014 and made effective through Ordinance No. O-2014-0034 passed by the City; and

M. **WHEREAS,** the Agency has also prepared a draft of the University Place Community Development Project Area Budget (the "Project Area Budget"), a copy of which is attached as Exhibit "C", which Project Area Budget, generally speaking, outlines the anticipated generation, payment and use of Tax Increment within the Project Area;

N. **WHEREAS,** the parties desire to set forth in writing their agreements regarding the nature and timing of such assistance;

NOW, THEREFORE, the parties agree as follows:

1. **Additional Tax Revenue.** The District has determined that significant additional property tax revenue (*i.e.*, Tax Increment) will likely be generated by the development of the Project Area as described in further detail in the Project Area Plan and Project Area Budget. Each of the parties acknowledge, however, that the development activity required for the generation of the Tax Increment is not likely to occur within the foreseeable future or to the degree possible or desired without Tax Increment participation in order to induce and encourage such development activity.

2. **Offset of Development Costs and Expenses.** The District has determined that it is in the best interests of the District to pay specified portions of the Tax Increment to the Agency in order for the Agency to offset costs and expenses which will be incurred by the Agency in the construction and installation of infrastructure improvements and other development related costs needed to serve the Project Area, to the extent permitted by the Act, as amended from time to time.

3. **Base Year and Base Year Value.** The base year, for purposes of calculation of the Base Taxable Value (as that term is defined in the Act), shall be 2013, meaning the Base Taxable Value shall, to the extent and in the manner defined by the Act, be equal to the equalized taxable value shown on the 2013 Utah County assessment rolls for all property located within the Project Area (which is currently estimated to be $129,187,998, but is subject to final adjustment and verification by the County and Agency).

4. **Agreement with Developers.** The Agency is authorized to enter into one or more agreements with developers which may provide for the payment of certain amounts of Tax Increment to the Developer based upon the Developer's meeting of certain performance measures as outlined in said agreement. Such agreement shall be consistent with the terms and conditions of this Agreement, shall require as a condition of the payment to the Developer that the Developer, or its approved successors in title as owners of the Property, shall pay any and all taxes and assessments which shall be assessed against the Property in accordance with levies made by applicable municipal entities in accordance with the laws of the State of Utah applicable to such levies.

5. **Payment Trigger.** The first year ("Year One") of payment of Tax Increment from the District to the Agency shall be determined by the Agency, but shall be no later than 2018. Each subsequent year, beginning with the first year after Year One, shall be defined in sequence as Year Two through Year Twenty.

6. **Total Payment to Agency.** The District shall remit to the Agency, beginning with property tax receipts in Year One, and continuing through Year Twenty, 75% of the annual Tax Increment generated from the Project Area. The County is authorized and instructed to pay all of the Tax Increment to the Agency annually, and the Agency will then distribute to the District the District's 25% portion of the Tax Increment, and the Agency will retain the 75% balance.

7. **Property Tax Increase.** This Agreement provides for the payment of the increase in real and personal property taxes collected from the Project Area by the County acting as the tax collection agency for the District. Real and personal property taxes which are the subject of this Agreement shall not include taxes collected from the Project Area by the County, acting in its capacity as the tax collection agency for the District, which are to be paid to or utilized by abatement districts, special service or improvement districts or other entities for which the County acts as the tax collection agency, nor shall it include any component of real property taxes retained by the County as payment for costs incurred in the collection of real property taxes for itself or other applicable agencies. It is expressly understood that the real property taxes which are the subject of this Agreement are only those real and personal property taxes actually collected by the County from the Project Area.

8. **No Independent Duty.** The District shall be responsible to remit to the Agency only Tax Increment actually received by the County. The District shall have no independent duty to pay any amount to the Agency other than the Tax Increment described in paragraph 6 of this Agreement on an annual basis from and including Year One through and including Year Twenty.

9. **Authority to Bind.** Each individual executing this Agreement represents and warrants that such person is authorized to do so, and, that upon executing this Agreement, this Agreement shall be binding and enforceable in accordance with its terms upon the Party for whom such person is acting.

10. **Further Documents and Acts.** Each of the parties hereto agrees to cooperate in good faith with the others, and to execute and deliver such further documents and perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement.

11. **Notices.** Any notice, request, demand, consent, approval or other communication required or permitted hereunder or by law shall be validly given or made only if in writing and delivered to an officer or duly authorized representative of the other Party in person or by Federal Express, private commercial delivery or courier service for next business day delivery, or by United States mail, duly certified or registered (return receipt requested), postage prepaid, and addressed to the Party for whom intended, as follows:

If to District:
Central Utah Water Conservancy District
Attn: Board of Trustees
355 W. University Parkway
Orem, UT 84058
Facsimile: (801) 226-7100

If to Agency:
Redevelopment Agency of Orem City
Attn: Agency Board
56 N. State Street
Orem, UT 84057
Facsimile: (801) 229-7031

Any Party may from time to time, by written notice to the others as provided above, designate a different address which shall be substituted for that specified above. Notice sent by mail shall be deemed served or delivered seventy-two (72) hours after mailing. Notice by any other method shall be deemed served or

delivered upon actual receipt at the address or facsimile number listed above. Delivery of courtesy copies noted above shall be as a courtesy only and failure of any Party to give or receive a courtesy copy shall not be deemed to be a failure to provide notice otherwise properly delivered to a Party to this Agreement.

12. **Entire Agreement.** This Agreement is the final expression of and contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior understandings with respect thereto. This Agreement may not be modified, changed, supplemented or terminated, nor may any obligations hereunder be waived, except by written instrument signed by the Party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein. This Agreement and its exhibits constitute the entire agreement between the parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understandings of the parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

13. **No Third Party Benefit.** The parties do not intend to confer any benefit hereunder on any person, firm or corporation other than the parties hereto. There are no intended third party beneficiaries to this Agreement.

14. **Construction.** Headings at the beginning of each paragraph and subparagraph are solely for the convenience of the parties and are not a part of the Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. Unless otherwise indicated, all references to paragraphs and subparagraphs are to this Agreement. In the event the date on which any of the parties is required to take any action under the terms of this Agreement is not a business day, the action shall be taken on the next succeeding business day.

15. **Partial Invalidity.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law.

16. **Amendments.** No addition to or modification of any provision contained in this Agreement shall be effective unless fully set forth in writing executed by each of the parties hereto.

17. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

18. **Waivers.** No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

19. **Governing Law.** This Agreement and the exhibits attached hereto shall be governed by and construed under the laws of the State of Utah. In the event of any dispute hereunder, it is agreed that the sole and exclusive venue shall be in a court of competent jurisdiction in Utah County, Utah, and the parties hereto agree to submit to the jurisdiction of such court.

20. **Declaration of Invalidity**. In the event that a court of competent jurisdiction declares that the County cannot pay and/or that the Agency cannot receive payments of the Project Area Property Tax, declares that the Agency cannot pay the Project Area Property Tax to developers, or takes any other action which has the effect of eliminating or reducing the payments of Project Area Property Tax received by the Agency, then the Agency's obligation to pay the Project Property Tax Payments to developers shall be reduced or eliminated accordingly, and the Agency and the District shall take such steps as are reasonably required to not permit the payment and/or receipt of the Property Tax to be declared invalid.

21. **No Separate Legal Entity.** No separate legal entity is created by this Agreement.

22. **Duration.** This Agreement shall terminate after the final payment of Tax Increment to the Agency for Year Twenty.

23. **Assignment.** No Party may assign its rights, duties or obligations under this Agreement without the prior written consent first being obtained from all parties. Notwithstanding the foregoing, such consent shall not be unreasonably withheld or delayed so long as the assignee thereof shall be reasonably expected to be able to perform the duties and obligations being assigned.

24. **Termination.** Upon any termination of this Agreement resulting from the uncured default of any Party, the order of any court of competent jurisdiction, or termination as a result of any legislative action requiring such termination, then any funds held by the Agency, and for which the Agency shall not be required to disburse to developers in accordance with the agreements which govem such disbursement, shall be returned to the Party originally remitting same to the Agency and upon such return this Agreement shall be deemed terminated and of no further force or effect.

25. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Interlocal Act in connection with this Agreement, the Parties agree as follows:

a. This Agreement shall be authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Interlocal Act;

b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5(3) of the Interlocal Act;

c. A duly executed original counterpart of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Section 11-13-209 of the Interlocal Act;

d. The CEO of the Agency is hereby designated the administrator for all purposes of the Interlocal Act, pursuant to Section 11-13-207 of the Interlocal Act; and

e. Should a Party to this Agreement desire to terminate this Agreement, in part or in whole, each Party to the Agreement must adopt, by resolution, an amended Interlocal Cooperation Agreement stating the reasons for such termination. Any such amended Interlocal Cooperation Agreement must be in harmony with any development/participation agreement(s) entered into by the Agency as described in this Agreement.

f. Immediately after execution of this Agreement by both Parties, each of the Parties shall cause to be published notice regarding this Agreement pursuant to Section 11-13-219 of the Interlocal Act.

g. This Agreement makes no provision for the parties acquiring, holding and disposing of real and personal property used in the joint undertaking as such action is not contemplated as part of this Agreement nor part of the undertaking. Any such provision would be outside the parameters of the current undertaking. However, to the extent that this Agreement may be construed as providing for the acquisition, holding or disposing of real and/or personal property, all such property shall be owned by the Agency upon termination of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day specified above.

District: CENTRAL UTAH WATER CONSERVANCY DISTRICT

Attest:

By: _____
Its: Board Chairman

_____
District Secretary

Approved as to form:

_____
Attorney for the District

Agency: REDEVELOPMENT AGENCY OF THE CITY OF OREM

Attest:

By: _____
Richard F. Brunst, Jr.
Its: Chair

_____
Secretary

Approved as to form:

_____
Attorney for Agency

EXHIBIT "A
to
INTERLOCAL AGREEMENT

Legal Description of Project

An area of real property located in the NE Quarter of Section 26 and the SE Quarter of Section 23, T. 6 S. R 2 E. S.L.B. & M., more particularly described as follows:

Commencing at a point which is S. 89°18'03" E. 142.38 feet along the Section Line and from the North 1/4 Corner of Section 26, T. 6 S., R. 2 E., S.L.B. & M. to the point of beginning, (which point is +/- on the Westerly Right of Way Line of State Street); thence along said Westerly Right of Way Line S. 18°29'52" E, 582.92 feet to the Northerly Right of Way Line +/- of University Parkway; thence along said Northerly Right of Way Line for the next eight calls, N. 88°20'55" E. 489.31 feet; thence S 89°21'02" E. 315.94 feet; thence along a Curve to the Right, the Radius is 766.62 feet, the Arc Length is 177.24 feet, the Chord Bearing is S. 86°40'38" E. the Chord Length is 176.85 feet; thence along a Compound Curve to the Right, the Radius is 10889.46 feet, the Arc Length is 265.96 feet, the Chord Bearing is S. 81°07'54" E. the Chord Length is 265.95 feet; thence S. 78°55'57" E. 202.90 feet; thence along a Curve to the Left, the Radius is 3599.59 feet, the Arc Length is 484.04 feet, the Chord Bearing is S. 81°28'08" E. the Chord Length is 483.68 feet; thence S. 89°37'22" E. 339.25 feet; thence along a curve to the Left, the Radius is 33.72 feet, the Arc Length is 51.39 feet, the Chord Bearing is N. 43°36'28" E. the Chord Length is 46.56 feet; thence along the Westerly side of 800 East Street for the next five calls, N. 0°02'59" E. 981.25 feet; thence West 15.02 feet; thence N. 3°35'49" W. 339.03 feet; thence East 35.20 feet; thence N. 0°23'52" W. 1938.15 feet; thence along the Southerly Right of Way Line +/- of 800 South for the next three calls, N. 88°49'10" W. 602.03 feet; thence S. 30°13'24" W. 25.21 feet; thence West 696.26 feet; thence South 133.07 feet; thence West 176.56 feet; thence South 326.41 feet; thence East 95.74 feet; thence South 219.18 feet; thence West 14.74 feet; thence South 81.45 feet; thence West 56.34 feet; thence S. 1°34'18" W. 277.32 feet; thence West 38.62 feet; thence South 97.40 feet; thence S. 83°14'59" E. 119.41 feet; thence South 90.25 feet; thence S. 85°48'17" E. 26.30 feet; thence S. 0°45'03" W. 685.85 feet; thence N. 89°17'31" W. 773.46 feet; thence N. 0°27'31" W. 7.77 feet; thence N. 88°59'39" W. 33.40 feet; thence N. 0°44'23" W. 53.42 feet; thence N. 89°22'23" W. 111.23 feet; thence S. 0°58'02" W. 203.19 feet; thence N. 88°44'39" W. 344.36 feet to the Easterly Right of Way Line +/- of State Street; thence S. 18°25'51" E. 554.20 feet along said Right of Way Line to the point of beginning.

Containing 133.6 Acres more or less.

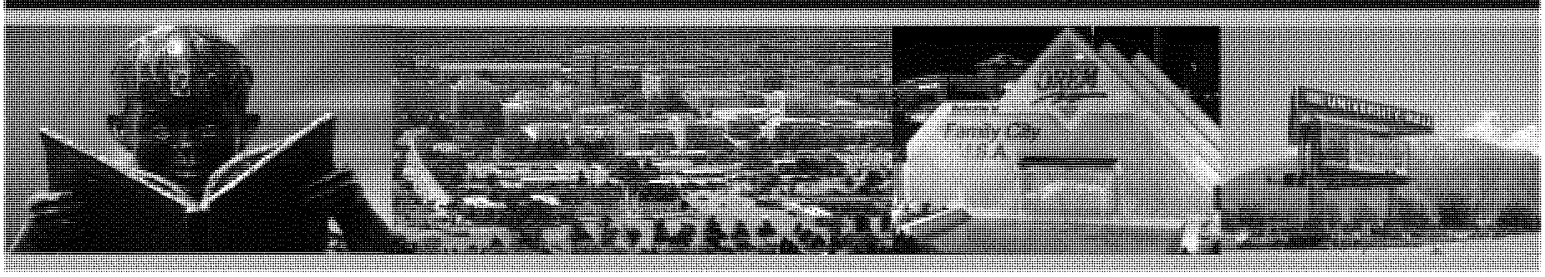
EXHIBIT "B"
To
INTERLOCAL AGREEMENT

Project Area Plan

FINAL PROJECT AREA PLAN

UNIVERSITY PLACE
COMMUNITY DEVELOPMENT AREA (CDA)

OREM REDEVELOPMENT AGENCY, UTAH



ADOPTED SEPTEMBER 23, 2014

LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.
GATEWAY PLAZA BUILDING - 41 N. RIO GRANDE, STE 101 - SALT LAKE CITY, UT 84101
(P) 801-596-0700 - (TF) 800-581-1100 - (F) 801-596-2800 - WWW.LEWISYOUNG.COM

Table of Contents

TABLE OF CONTENTS 2

INTRODUCTION 3

DEFINITIONS 4

DESCRIPTION OF THE BOUNDARIES OF THE PROPOSED PROJECT AREA 5

GENERAL STATEMENT OF LAND USES, LAYOUT OF PRINCIPAL STREETS, POPULATION DENSITIES, BUILDING INTENSITIES AND HOW THEY WILL BE AFFECTED BY THE COMMUNITY DEVELOPMENT 5

IMPACT OF COMMUNITY DEVELOPMENT ON LAND USE, LAYOUT OF PRINCIPAL STREETS, POPULATION DENSITIES AND BUILDING INTENSITIES 6

STANDARDS GUIDING THE COMMUNITY DEVELOPMENT 7

HOW THE PURPOSES OF THIS TITLE WILL BE ATTAINED BY COMMUNITY DEVELOPMENT 8

CONFORMANCE OF THE PROPOSED DEVELOPMENT TO THE COMMUNITY'S GENERAL PLAN 8

DESCRIBE ANY SPECIFIC PROJECT OR PROJECTS THAT ARE THE OBJECT OF THE PROPOSED COMMUNITY DEVELOPMENT 10

METHOD OF SELECTION OF PRIVATE DEVELOPERS TO UNDERTAKE THE COMMUNITY DEVELOPMENT AND IDENTIFICATION OF DEVELOPERS CURRENTLY INVOLVED IN THE PROCESS 10

REASON FOR SELECTION OF THE PROJECT AREA 11

DESCRIPTION OF PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS EXISTING IN THE PROJECT AREA 11

DESCRIPTION OF ANY TAX INCENTIVES OFFERED PRIVATE ENTITIES FOR FACILITIES LOCATED IN THE PROJECT AREA 12

ANTICIPATED PUBLIC BENEFIT TO BE DERIVED FROM THE COMMUNITY DEVELOPMENT 13

OTHER INFORMATION THAT THE AGENCY DETERMINES TO BE NECESSARY OR ADVISABLE 14

EXHIBIT A 15

EXHIBIT B 16

EXHIBIT C 17

Introduction

The Redevelopment Agency of the City of Orem, Utah (the "Agency"), following thorough consideration of the needs and desires of The City of Orem (the "City") and its residents, as well as the City's capacity for new development, has carefully crafted this draft Project Area Plan (the "Plan") for the University Place Community Development Project Area (the "Project Area"). This Plan is the end result of a comprehensive evaluation of the types of appropriate land-uses and economic development for the land encompassed by the Project Area which is located on the northeast corner of State Street and University Parkway. The Plan is envisioned to define the method and means of development for the Project Area from its current state to a higher and better use. The City and Agency have determined that it is in the best interest of its residents to assist in the development of the Project Area. It is the purpose of this Plan to clearly set forth the aims and objectives of this development, its scope, its mechanism, and its value to the residents of the City and other taxing districts.

The Project is being undertaken as a community development project pursuant to certain provisions of Chapters 1 and 4 of the Utah Community Development and Renewal Agencies Act (the "Act", Utah Code Annotated ("UCA") Title 17C). The requirements of the Act, including notice and hearing obligations, have been scrupulously observed at all times throughout the establishment of the Project Area.

UTAH CODE §17C-4-101

Resolution Authorizing the Preparation of a Draft Community Development Project Area Plan

Pursuant to the provisions of §17C-4-101 of the Community Development and Renewal Agencies Act ("Act"), the governing body of the Agency adopted a resolution authorizing the preparation of a draft community development project area plan on **July 22, 2014**.

Utah Code §17C-4-102

Recitals of Prerequisites for Adopting a Community Development Project Area Plan

In order to adopt a community development project area plan, the agency shall;

- Pursuant to the provisions of §17C-4-102(2)(a) and (b) of the Act, the City has a planning commission and general plan as required by law; and
- Pursuant to the provisions of §17C-4-102 of the Act, the Agency has conducted one or more public hearings for the purpose of informing the public about the Project Area, and allowing public input into the Agency's deliberations and considerations regarding the Project Area; and.
- Pursuant to the provisions of §17C-4-102 of the Act, the Agency has allowed opportunity for input on the draft Project Area plan and has made a draft Project Area plan available to the public at the Agency's offices during normal business hours, provided notice of the plan hearing, sent copies of the draft Project Area Plan to all required entities prior to the hearing, and provided opportunities for affected entities to provide feedback. The Agency will hold a public hearing on the draft plan on **September 23, 2014**.

Definitions

As used in this Community Development Project Area Plan:

The term "**Act**" shall mean and include the Limited Purpose Local Government Entities – Community Development and Renewal Agencies Act in Title 17C, Chapters 1 through 4, Utah Code Annotated 1953, as amended, or such other amendments as shall from time to time be enacted or any successor or replacement law or act.

The term **"Agency"** shall mean the Redevelopment Agency of the City of Orem, which is a separate body corporate and politic created by the City pursuant to the Act.

The term "**Base Taxable Value**" shall mean the agreed value specified in a resolution or interlocal agreement under Subsection 17C-4-201(2) from which tax increment will be collected.

The terms **"City" or "Community"** shall mean The City of Orem.

The term **"Legislative Body"** shall mean the City Council of Orem which is the legislative body for the City.

The term **"Plan Hearing"** shall mean the public hearing on the draft Project Area Plan required under Subsection 17C-4-102.

The term **"Project Area"** shall mean the geographic area described in the Project Area Plan or draft Project Area Plan where the community development set forth in this Project Area Plan or draft Project Area Plan takes place or is proposed to take place (Exhibit A & B).

The term **"Project Area Budget"** shall mean the multi-year projection of annual or cumulative revenues, other expenses and other fiscal matters pertaining to the Project Area that includes:

- the base taxable value of property in the Project Area;
- the projected Tax Increment expected to be generated within the Project Area;
- the amount of Tax Increment expected to be shared with other Taxing Entities;
- the amount of Tax Increment expected to be used to implement the Project Area plan;
- the Tax Increment expected to be used to cover the cost of administering the Project Area plan;
- if the area from which Tax Increment is to be collected is less than the entire Project Area:
  - the tax identification number of the parcels from which Tax Increment will be collected; or
  - a legal description of the portion of the Project Area from which Tax Increment will be collected; and
- for property that the Agency owns and expects to sell, the expected total cost of the property to the Agency and the expected selling price.

The term **"Project Area Plan"** shall mean the written plan that, after its effective date, guides and controls the community development activities within the Project Area. Project Area Plan refers to this document and all of the attachments to this document, which attachments are incorporated by this reference.

The term **"Taxes"** includes all levies on an ad valorem basis upon land, real property, personal property, or any other property, tangible or intangible.

The term **"Taxing Entity"** shall mean any public entity that levies a tax on any property within the Project Area.

The term **"Tax Increment"** shall mean the difference between the amount of property tax revenues generated each tax year by all Taxing Entities from the Project Area designated in the Project Area Budget as the area from which Tax Increment is to be collected, using the current assessed value of the property and the amount of property tax revenues that would be generated from the same area using the Base Taxable Value of the property.

UTAH CODE §17C-4-103(1)

Description of the Boundaries of the Proposed Project Area

A legal description of the Project Area along with a detailed map of the Project Area is attached as, respectively, **Exhibit "A"** and **Exhibit "B"** and incorporated herein. The Project Area is located on the northeast corner of State Street and University Parkway. Most of the Project Area will be a master planned development surrounding the University Mall with intention to revitalize the area. The planned development includes residential, office, retail, and civic uses. The Project Area is comprised of 133.6 acres total, including approximately 85 affected parcels, equaling 129.6 acres of property (4.0 acres are rights of way and other variances in acreage associated with County records of individual parcels).

As delineated in the office of the Utah County Recorder, the Project Area encompasses all of the parcels detailed in **Exhibit "C."**

UTAH CODE §17C-4-103(2)

General Statement of Land Uses, Layout of Principal Streets, Population Densities, Building Intensities and How They Will be Affected by the Community Development

General Land Uses

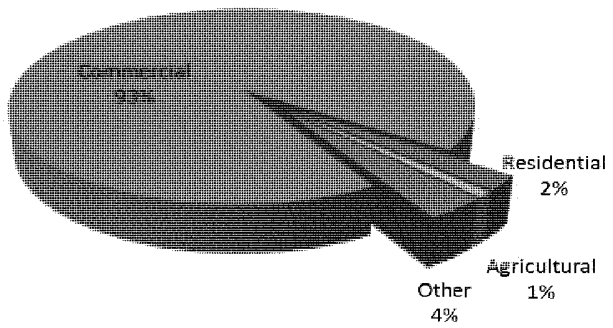
A significant amount of property within the Project Area consists of land associated with the University Mall which is aging and in need of revitalization. Additional land has also been included in the Project Area which could be redeveloped into a higher and better use in connection with the University Place revitalization plans. Table 1 and Figure 1 summarize the approximate acreage of existing land uses by land use type.

TABLE 1: EXISTING LAND USES

Type	Acres	% of Area
Commercial	120.55	93%
Residential	3.19	2%
Agricultural	1.14	1%
Other*	4.70	4%
Total	**129.58**	**100%**

*Other includes land currently owned by The City of Orem and other government entities.

FIGURE 1: EXISTING LAND USES



Current zoning in the Project Area is primarily P-D and C-2, with a few parcels of R-8 included. These zones allow for general commercial and residential uses. The P-D zoning recently approved for the mall site allows the contemplated uses which include office and hotel buildings, retail, and residential uses. This Plan is consistent with the General Plan of the City and promotes economic activity by virtue of the land uses contemplated. Any zoning change, amendment or conditional use permit necessary to the successful development contemplated by this Plan shall be undertaken in accordance with the requirements of the City's Code and all other applicable laws including the goals and objectives in the City's General Plan.

Layout of Principal Streets

The principal streets are State Street (going northwest to southeast), 800 East (going north to south), and University Parkway (going east to west). The Project Area map, provided in **Exhibit "A",** shows the principal streets in the area.

Population Densities

Currently, there is limited residential development within the Project Area which mostly consists of older homes on third-acre lots which have already been purchased and assembled by commercial entities for redevelopment into other uses. There is a significant day time population from the retail outlets in the mall.

Building Intensities

Buildings in the area are generally commercial and retail structures. The largest parcels are owned by the Woodbury Corporation in connection with the existing University Mall. Costco also leases a large parcel. No change is anticipated to the Costco building, but it was included in the Project Area because minor changes to the lot lines and outlying parking areas may be made in connection with the University Place redevelopment.

UTAH CODE §17C-4-103(2)

Impact of Community Development on Land Use, Layout of Principal Streets, Population Densities and Building Intensities

Community development activities within the Project Area will mostly consist of revitalization of the University Mall and development of new office and residential areas. The types of land uses will include: commercial/retail, office, hotel, and residential. In order to redevelop the Project Area the Agency along with property owners, developers, and/or businesses will need to construct infrastructure improvements that enhance transportation and create better utilization of land.

General Land Uses

A majority of the land in the Project Area is owned by Woodbury Corporation and is planned to develop as a multi-use project around the existing University Mall. It is estimated that the following development will be constructed as part of the University Place revitalization project:

- 400,000 SF new retail (Less 175,000 SF of existing retail to be demolished)
- 700,000 SF new office
- 1,250,000 SF new multifamily residential, and
- 70,000 SF new hotel.

It is believed that this development will spark investment and renovation in the surrounding business community.

Layout of Principal Streets

The Agency anticipates that the development will require new roadways within the development to facilitate local and business traffic, but the roads will likely be owned and maintained by the Woodbury Corporation.

Population Densities

The Project Area will include additional residential development, thus the population density is anticipated to increase. Approximately 1200 units are planned within the Project Area, although zoning will allow for up to about 1500. Most of the housing (approximately 92 percent) is planned to be one- and two-bedroom units for working professionals and empty-nesters. The remaining eight percent is planned to be three-bedroom units. This daytime population will likely increase and diversify as office, retail, lodging and open space are expanded.

Building Densities

Building densities will increase as some of the planned development will be multi-story structures. Also, the intent of this plan is to promote higher occupancy levels within current buildings and greater economic utilization of the land area.

UTAH CODE §17C-4-103(3)

Standards Guiding the Community Development

In order to provide maximum flexibility in the development and redevelopment of the Project Area, and to encourage and obtain the highest quality in development and design, specific development controls for the uses indentified above are not set forth herein. Development proposals in the Project Area will be subject to appropriate elements of the City's General Plan; the Land Use Ordinances of the City, including adopted Design Guidelines pertaining to the area; institutional controls, deed restrictions if the property is acquired and resold by the RDA, other applicable building codes and ordinances of the City; and, as required by ordinance or agreement, review and recommendation of the Planning Commission and approval by the Agency.

Each development proposal by an owner, tenant, participant or developer shall be accompanied by site plans, development data and other appropriate material that clearly describes the extent of proposed development, including land coverage, setbacks, height and massing of buildings, off-street parking and loading, use of public transportation, and any other data determined to be necessary or requested by the Agency or the City.

The general standards that will guide community development within the Project Area, adopted from the City's proposed General Plan are as follows:

Business attraction and expansion.
Orem City staff and community leaders should focus their marketing and recruitment efforts on a few "high yield" targets that will make a significant difference to the local economy.

Recruit, retain and expand employers.
Orem encourages existing firms to grow and expand their business operations, and focus business attraction efforts on established firms within the region that may need larger facilities or a new location within the region.

Spur revitalization.
It is anticipated that development within the Project Area will be the catalyst to future development and re-investment in the surrounding area.

UTAH CODE §17C-4-103(4)

How the Purposes of this Title Will Be Attained By Community Development

It is the intent of the Agency, with the assistance and participation of private developers and property owners, to facilitate new quality development and improve existing private and public structures and spaces. This enhancement to the overall living environment and the restoration of economic vitality to the Project Area will benefit the community, the City, the County and the State.

The purposes of the Act will be attained as a result of the proposed Project Area by accomplishing the following items:

Provision for Commercial, Industrial, Public, Residential or Any Combination of These Uses
The Project Area Plan allows for commercial, retail, office, and residential uses. Increased employment in the Project Area will create new jobs that will benefit residents throughout the City and the County.

Provision of Private or Public Infrastructure
The proposed Project Area will provide infrastructure to support significant development in the area, to include street, culinary water, sanitary sewer, and storm water infrastructure, and property acquisition. Furthermore, the parking decks will provide for the necessary parking while accommodating a higher density development which will benefit the local taxing entities. Community parks and open space are also planned within the development.

UTAH CODE §17C-4-103(5)

Conformance of the Proposed development to the Community's General Plan

This Plan and the development contemplated thereby conform to the City's General Plan and City Code in the following respects:

Zoning Ordinances

Any development contemplated within the Project Area shall conform to the City's land use ordinances, including "Chapter 22: Zoning" of the City of Orem Code and applicable requirements associated with the PD-34 zone. Additionally, any development must be in harmony with the City's General Plan, including "Chapter 2 : Land Use." The current designation for the Project Area on the General Plan's Future Land Use Map is Community Commercial. Moreover, the Project Area Plan, and all proposed development conforms thereto.

Building Codes

The Project will conform to all building codes that are currently imposed by the City including "Chapter 7: Building, Construction and Safety Codes and Regulations" of the City Code.

Planning Commission

The Planning Commission will review any future development proposals contemplated in the Project Area and make such recommendation thereon to the City Council as may be needed to facilitate development in the Project Area.

UTAH CODE §17C-4-103(6)

Describe any Specific Project or Projects that are the object of the Proposed Community Development

The primary objectives of the community development include: 1) provide public infrastructure and parking deck capacity needed to redevelop and revitalize the University Mall area and 2) create jobs.

UTAH CODE §17C-4-103(7)

Method of Selection of Private Developers to undertake the Community Development and Identification of Developers Currently Involved in the Process

Qualified Owners

This Project Area plan provides reasonable opportunities for owners of property in the Project Area to participate in the development and/or redevelopment of property in the Project Area through tax increment if they enter into a participation agreement with the Agency. The following general guidelines, which are all subject to final review, modification, and approval by the Agency, will apply in the Project Area:

- Owners may retain, maintain, and if necessary rehabilitate, all or portions of their properties;
- Owners may acquire adjacent or other properties in the Project Area;
- Owners may sell all or portions of their improvements to the Agency, but may also retain the land, and develop their properties;
- Owners may sell all or portions of their properties to the Agency and purchase other properties in the Project Area;
- Tenants may have opportunities to become owners of property in the Project Area, subject to the opportunities provided by owners of property in the Project Area; and
- Other methods as may be approved by the Agency.

Developers Currently Involved

Most of the Project Area is owned by the Woodbury Corporation or its subsidiary, University Mall Shopping Center L.C. (575 East University Parkway, Orem, Utah 84097). Woodtusk, L.L.C., is a Woodbury partnership corporation and is also involved with the development (2733 E Parleys Way, Suite 300, Salt Lake City, Utah 84109).

Other Parties

If no owner or tenant in the Project Area, as described above, who possesses the skill, experience and financial resources necessary to become a developer in the Project Area, is willing to become a developer, the Agency may identify other persons who may be interested in developing all or part of the Project Area. Potential developers will be identified by one or more of the following processes: public solicitation, requests for proposal (RFP) and requests for qualifications (RFQ), private negotiation, or some other method of identification approved by the Agency. All developers which are selected to develop within the Project Area will be subject to an Agreement for the Disposition of Land (ADL), Development Agreement, Participation Agreement, or any combination of these performance agreements and obligations.

Persons Expressing an Interest to Become a Developer

The Agency has not entered, nor does it intend to enter into any owner participation agreement or agreements with developers to develop all or part of the Project Area until after the Agency and the City have approved this Project Area plan.

UTAH CODE §17C-4-103(8)

Reason for Selection of the Project Area

Currently, the University Mall is aging and is in need of revitalization. Financial assistance is needed to incentivize the installation of infrastructure and the use of parking decks in order to achieve a higher and better use for the property. Higher density parking structures will allow for additional office, business, and residential density in the area. Furthermore, it is anticipated that the development of this area will encourage re-investment and revitalization in the surrounding businesses along State Street and University Parkway.

UTAH CODE §17C-4-103(9)

Description of Physical, Social and Economic Conditions Existing in the Project Area

Physical Conditions

The Project Area consists of approximately 129.6 parcel acres (133.6 total acres) of relatively flat, publicly and privately owned land as shown on the Project Area map. The majority of the property is in need of revitalization.

Social Conditions

The Project Area suffers from decreasing social connectivity and vitality. There are very few residential units. There are currently no parks, libraries, or other social gathering places in the Project Area.

Economic Conditions

The area has suffered from a lack of reinvestment related to: 1) physical deterioration of existing structures; 2) lack of cohesiveness; 3) the need for additional and adequate infrastructure in the area; and 4) lack of economic density and land utilization.

UTAH CODE
§17C-4-103(10)

Description of any Tax Incentives Offered Private Entities for Facilities Located in the Project Area

Tax Increment arising from the development of the Project may be used for public infrastructure improvements, Agency requested improvements and upgrades, both off-site and on-site improvements, land incentives, desirable Project Area improvements, and other items as approved by the Agency. Subject to provisions of the Act, the Agency may agree to pay for eligible costs and other items from taxes for any period of time the Agency may deem to be appropriate under the circumstances.

In general, tax incentives may be offered to achieve the community development goals and objectives of this plan, specifically to:

- Foster and accelerate economic development;
- Stimulate job development;
- Promote the use of transit and the walkability of the area;
- Make needed infrastructure improvements to roads, street lighting, water, storm water, sewer, and parks and open space;
- Promote an urban environment where residents can live, work, and play;
- Assist with property acquisition and/or land assembly; and
- Provide attractive development for high-quality commercial/light industrial tenants.

The Project Area Budget will include specific participation percentages and timeframes for each taxing entity. Furthermore, a resolution and Interlocal Agreement will formally establish the participation percentage and timeframe for each taxing entity. With this understanding, the following represents an estimate of the total sources and uses of tax increment based on initial development assumptions.

TABLE 3: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Amount
Utah County	75%	20 Years	$6,465,039
Alpine School District	75%	20 Years	$44,669,875
City of Orem	75%	20 Years	$9,607,695
Orem Metropolitan Water District	75%	20 Years	$200,267
Central Utah Water Conservancy District	75%	20 Years	$2,290,236
Total Sources of Tax Increment Funds			**$63,233,113**

TABLE 4: USES OF TAX INCREMENT

Uses	Amount
CDA Administration @ 5%	$3,161,656
RDA Development Incentive Fund @ 5%	$3,161,656
Project Area Infrastructure and Improvements @ 90%	$56,909,801
Total Uses of Tax Increment Funds	**$63,233,113**

UTAH CODE §17C-4-103(11)

Anticipated Public Benefit to be Derived from the Community Development

UTAH CODE §17C-4-103(11)(a)

The Beneficial Influences Upon the Tax Base of the Community

The beneficial influences upon the tax base of the City and the other Taxing Entities will include increased property tax revenues and job growth. The increased revenues will come from the property values associated with new construction in the area, as well as increased land values that may occur, over time, in the area generally. Property values include land, buildings and personal property (machines, equipment, etc.).

It is estimated that the development of the area will result in approximately 2,500 to 4,600 new jobs. These jobs will likely result in an average annual wage of approximately $54,383.[1] Job growth in the Project Area will result in increased wages, increasing local purchases and benefiting existing businesses in the area. Job growth will also result in increased income taxes paid. Business growth will generate corporate income taxes.

There will also be a beneficial impact on the community through increased construction activity in the area. Positive impacts will be felt through construction wages paid, as well as construction supplies purchased locally.

UTAH CODE §17C-4-103(11)(b)

The Associated Business and Economic Activity Likely to be Stimulated

Other business and economic activity likely to be stimulated includes increased spending by new and existing residents within the City and employees in the Project Area and in surrounding areas. This includes both direct and indirect purchases that are stimulated by the spending of the additional employees in the area.

Businesses will likely make purchases that may eventually result in increased employment opportunities in areas such as the following: office equipment, furniture and furnishings, office supplies, computer equipment, communication, security, transportation and delivery services, maintenance, repair and janitorial services, packaging supplies, and office and printing services.

Employees may make some purchases in the local area, such as convenience shopping for personal services (haircuts, banking, dry cleaning, etc.). The employees will not make all of their convenience or personal services purchases near their workplace and each employee's purchasing patterns will be different. However, it is reasonable to assume that a percentage of these annual purchases will occur within close proximity of the workplace (assuming the services are available).

[1] Based on Utah Department of Workforce Services, Occupational Employment and Wage Estimates,Provo-Orem Metro, May 2013

UTAH CODE §17C-4-103(12)

Other Information that the Agency Determines to be Necessary or Advisable

Cost/Benefit Analysis

Based on the land use assumptions, current economic and market demand factors, Tax Increment participation levels, as well as public infrastructure, land assemblage and incentive needs, the following table outlines the benefits (revenues) and costs (expenditures) anticipated within the Project Area. These estimates are calculated by apportioning the taxing entity's variable costs per assessed value served and then using this ratio to estimate the additional costs which would be associated with the new assessed value produced as a result of development in the project area. This does not factor in the benefit of other multipliers such as job creation, disposable income for retail consumption, etc. As shown below, the proposed Project Area will create a net benefit for The City of Orem.

TABLE 5: COST/BENEFIT ANALYSIS

REVENUES	Total	NPV @ 4%
Property Tax	$12,810,260	$7,625,260
Sales Tax	$11,369,619	$6,799,451
Energy Sales & Use Tax (Natural Gas and Electric)	$8,237,640	$4,649,463
Transient Room Tax	$676,649	$385,814
TOTAL REVENUES	$33,094,167	$19,459,988

EXPENDITURES	Total	NPV @ 4%
Estimated CDA Budget	$9,608,695	$5,498,985
General Government	$6,266,304	$3,660,108
Public Safety	$6,944,675	$4,056,340
Highways & Public Improvements	$2,439,930	$1,425,147
Parks, Recreation & Arts	$2,921,010	$1,706,143
Economic Development and Redevelopment	$433,269	$263,192
TOTAL EXPENDITURES	$28,612,882	$16,609,917

TOTAL REVENUE *minus* TOTAL EXPENDITURES	$4,481,285	$2,850,071

EXHIBIT A

Legal Description of Project Area: University Place CDA

An area of real property located in the NE Quarter of Section 26 and the SE Quarter of Section 23, T. 6 S. R 2 E. S.L.B. & M., more particularly described as follows:

Commencing at a point which is S. 89°18'03" E. 142.38 feet along the Section Line and from the North 1/4 Corner of Section 26, T. 6 S., R. 2 E., S.L.B. & M. to the point of beginning, (which point is +/- on the Westerly Right of Way Line of State Street); thence along said Westerly Right of Way Line S. 18°29'52" E, 582.92 feet to the Northerly Right of Way Line +/- of University Parkway; thence along said Northerly Right of Way Line for the next eight calls, N. 88°20'55" E. 489.31 feet; thence S 89°21'02" E. 315.94 feet; thence along a Curve to the Right, the Radius is 766.62 feet, the Arc Length is 177.24 feet, the Chord Bearing is S. 86°40'38" E. the Chord Length is 176.85 feet; thence along a Compound Curve to the Right, the Radius is 10889.46 feet, the Arc Length is 265.96 feet, the Chord Bearing is S. 81°07'54" E. the Chord Length is 265.95 feet; thence S. 78°55'57" E. 202.90 feet; thence along a Curve to the Left, the Radius is 3599.59 feet, the Arc Length is 484.04 feet, the Chord Bearing is S. 81°28'08" E. the Chord Length is 483.68 feet; thence S. 89°37'22" E. 339.25 feet; thence along a curve to the Left, the Radius is 33.72 feet, the Arc Length is 51.39 feet, the Chord Bearing is N. 43°36'28" E. the Chord Length is 46.56 feet; thence along the Westerly side of 800 East Street for the next five calls, N. 0°02'59" E. 981.25 feet; thence West 15.02 feet; thence N. 3°35'49" W. 339.03 feet; thence East 35.20 feet; thence N. 0°23'52" W. 1938.15 feet; thence along the Southerly Right of Way Line +/- of 800 South for the next three calls, N. 88°49'10" W. 602.03 feet; thence S. 30°13'24" W. 25.21 feet; thence West 696.26 feet; thence South 133.07 feet; thence West 176.56 feet; thence South 326.41 feet; thence East 95.74 feet; thence South 219.18 feet; thence West 14.74 feet; thence South 81.45 feet; thence West 56.34 feet; thence S. 1°34'18" W. 277.32 feet; thence West 38.62 feet; thence South 97.40 feet; thence S. 83°14'59" E. 119.41 feet; thence South 90.25 feet; thence S. 85°48'17" E. 26.30 feet; thence S. 0°45'03" W. 685.85 feet; thence N. 89°17'31" W. 773.46 feet; thence N. 0°27'31" W. 7.77 feet; thence N. 88°59'39" W. 33.40 feet; thence N. 0°44'23" W. 53.42 feet; thence N. 89°22'23" W. 111.23 feet; thence S. 0°58'02" W. 203.19 feet; thence N. 88°44'39" W. 344.36 feet to the Easterly Right of Way Line +/- of State Street; thence S. 18°25'51" E. 554.20 feet along said Right of Way Line to the point of beginning.

Containing 133.6 Acres more or less.

EXHIBIT B

Project Area Map

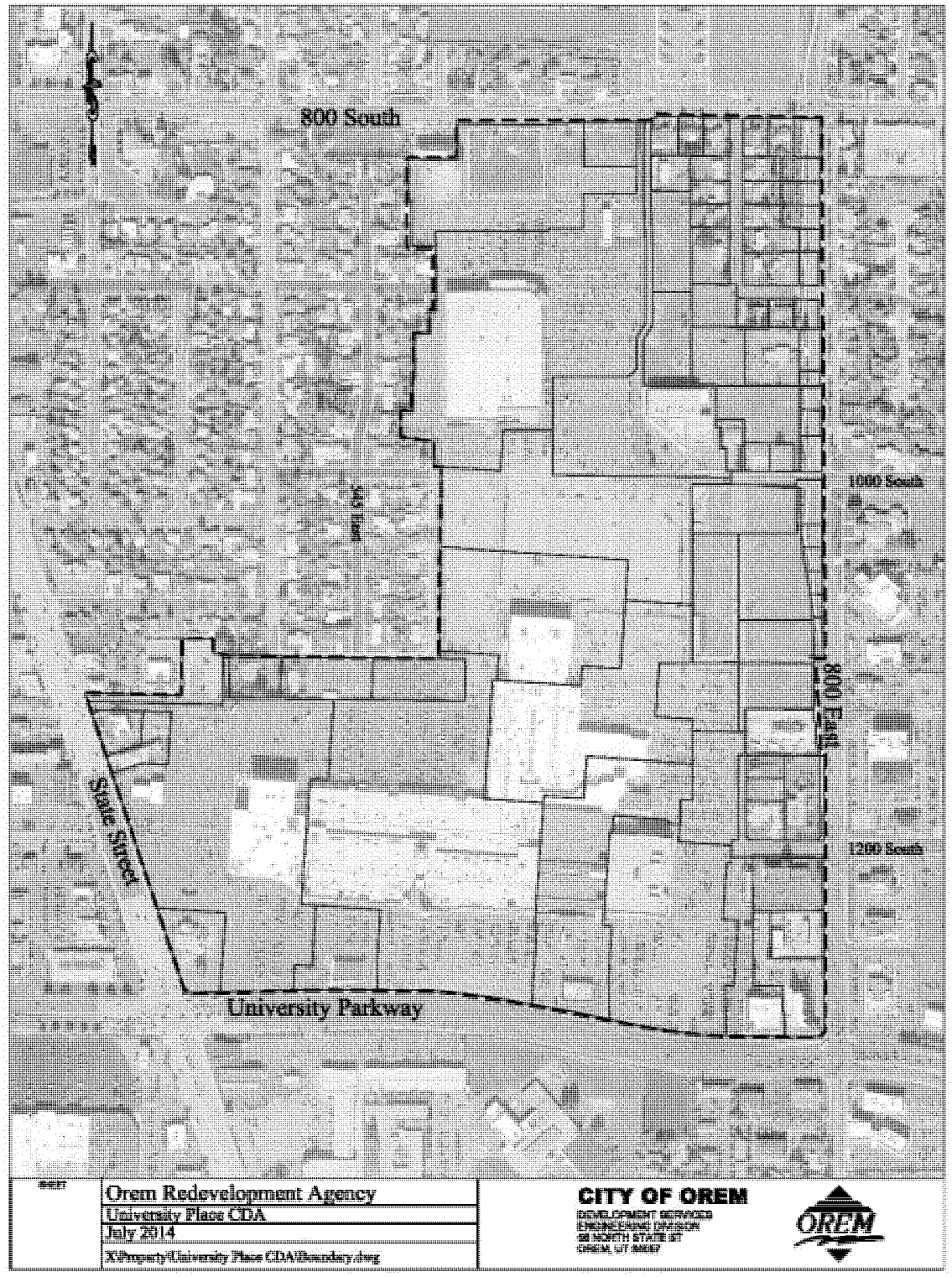


EXHIBIT C

Parcel List

Parcel Number	Owner	Acres
180560007	University Mall Shopping Center	0.195
180560008	University Mall Shopping Center	0.220
180560009	University Mall Shopping Center	0.030
180560016	City of Orem	0.300
180560017	Mercer, Amron L	0.290
180560018	Housing Authority of Utah County	0.300
180560019	Catania SFH LLC	0.310
180560020	University Mall Shopping Center	0.283
180560022	Catania SFH LLC	0.270
180560023	Catania SFH LLC	0.260
180560026	City of Orem	0.270
180560028	Gulati, Chaithawee	0.270
180560029	Woodbury Corporation	0.260
180560033	City of Orem	0.210
180560037	City of Orem	0.280
180560038	Catania SFH LLC	0.290
180560055	Larry and Lynn Campground Management	0.300
180560099	Avans, Gulavadee	0.648
180560102	Gaks Enterprises LLC	0.415
180560103	Catania SFH LLC	0.270
180560104	City of Orem	0.197
180560106	City of Orem	0.274
180560109	University Mall Shopping Center	1.263
180560110	City of Orem	0.148
180560111	City of Orem	0.168
180560112	City of Orem	0.230
180560113	University Mall Shopping Center	0.262
180560115	University Mall Shopping Center	0.571
180560117	City of Orem	0.146
180560118	City of Orem	0.270
180560119	University Mall Shopping Center	0.399
180560121	University Mall Shopping Center	0.527
180560123	City of Orem	0.096
180560132	City of Orem	0.002
180560133	University Mall Shopping Center	0.306
180560134	University Mall Shopping Center	0.926
180560135	University Mall Shopping Center	0.931
180570033	First Security Bank of Utah	0.600
180570117	KC Propco LLC	0.450
180570127	Cordner, Raymond G & Colleen F	0.063
180570129	Washburn Management LC	0.517
180570132	City of Orem	0.099
180570133	City of Orem	0.013
180570134	City of Orem	0.143
180570135	City of Orem	0.077
180570136	City of Orem	0.300
180570137	City of Orem	0.096
180570138	Glazier Properties LLC	0.882

Parcel Number	Owner	Acres
180570141	Cordner, Colleen F	1.136
180570142	University Mall Shopping Center	1.143
180570147	Orem City Corporation	0.017
180570502	Utah Department of Transportation	0.006
190180502	Utah Department of Transportation	0.003
190190017	Zions First National Bank	0.030
190190019	Zions First National Bank	0.030
352540001	Bank of American Fork	1.427
352540002	Maverik Country Stores Inc	0.722
352540003	Circle K Properties Inc	0.008
360860015	KC Propco LLC	0.260
360860016	KC Propco LLC	0.260
360860019	City of Orem	0.114
450610001	University Mall Shopping Center	0.210
551760001	Zions First National Bank	1.110
570310001	Utah Transit Authority	0.956
570430001	University Mall Shopping Center	5.494
570430002	University Mall Shopping Center	0.983
570430003	University Mall Shopping Center	12.745
570430004	University Mall Shopping Center	1.238
570430005	University Mall Shopping Center	1.697
570430006	University Mall Shopping Center	16.639
570430007	University Mall Shopping Center	6.140
570430008	University Mall Shopping Center	7.140
570430009	UNMN LLC	1.700
570430013	University Mall Shopping Center	6.331
570430014	University Mall Shopping Center	7.580
570430015	University Mall Shopping Center	5.285
570430016	University Mall Shopping Center	1.209
570430017	University Mall Shopping Center	13.170
570430018	University Mall Shopping Center	1.157
570430019	University Mall Shopping Center	0.707
570680010	University Mall Village	1.731
570680011	University Mall Village	7.035
570680012	University Mall Village	1.758
570680020	University Mall Village	1.477
570680021	University Mall Village	1.805
570680022	University Mall Village	0.947
570680023	University Mall Village	1.067
570680024	University Mall Village	1.498
Total		**129.591**

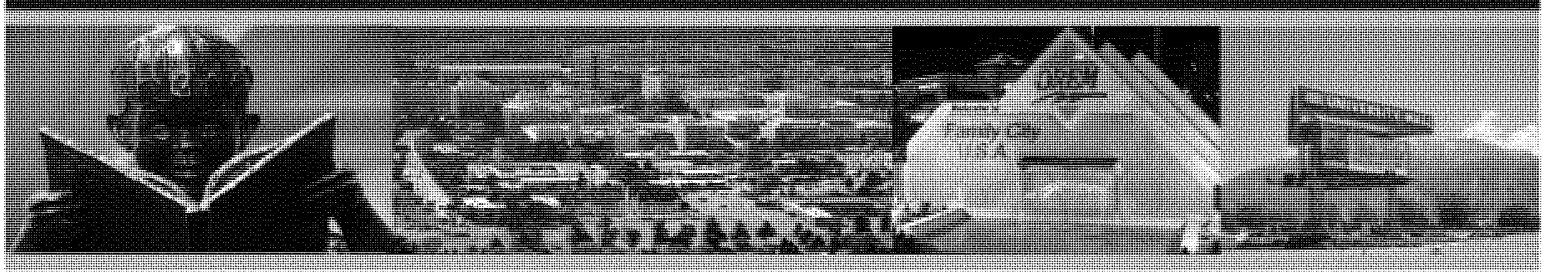
EXHIBIT "C"
To
INTERLOCAL AGREEMENT

Project Area Budget

DRAFT PROJECT AREA BUDGET

UNIVERSITY PLACE
COMMUNITY DEVELOPMENT AREA (CDA)

OREM REDEVELOPMENT AGENCY, UTAH



AUGUST 2014

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Table of Contents

SECTION 1: INTRODUCTION 3

SECTION 2: DESCRIPTION OF COMMUNITY DEVELOPMENT PROJECT AREA 3

SECTION 3: GENERAL OVERVIEW OF PROJECT AREA BUDGET 4

SECTION 4: PROPERTY TAX INCREMENT 5

SECTION 5: COST/BENEFIT ANALYSIS 8

APPENDIX A: PARCEL LIST 10

APPENDIX B: MAP AND LEGAL DESCRIPTION 12

APPENDIX C: MULTI-YEAR BUDGET AND DEVELOPMENT ASSUMPTIONS 14

Section 1: Introduction

The Redevelopment Agency of the City of Orem, Utah (the "Agency"), following thorough consideration of the needs and desires of The City of Orem (the "City") and its residents, as well as understanding the City's capacity for new development, has carefully crafted the Project Area Plan (the "Plan") for the University Place Community Development Project Area (the "Project Area"). The Plan and Project Area Budget (the "Budget") are the end result of a comprehensive evaluation of the types of appropriate land-uses and economic development opportunities for the property within the Project Area which is located on the northeast corner of State Street and University Parkway.

This is predicated upon certain elements, objectives and conditions outlined in the Plan and is intended to be used as a financing tool to assist the Agency in meeting Plan objectives discussed herein and more specifically referenced and identified in the Plan. The Budget outlines the proposed sources and uses of funds needed to make the Plan successful.

The Project is being undertaken as a community development project pursuant to certain provisions of Chapters 1 and 4 of the Utah Community Development and Renewal Agencies Act (the "Act", Utah Code Annotated ("UCA") Title 17C). The requirements of the Act, including notice and hearing obligations, have been observed at all times throughout the establishment of the Project Area.

Terms defined in the Plan will have the same definition applied where said terms are used in this Budget.

Section 2: Description of Community Development Project Area

The Project Area is located on the northeast corner of State Street and University Parkway. Most of the Project Area will be a master planned development surrounding the University Mall with intention to revitalize the area. The planned development includes residential, office, retail, and civic uses. The Project Area is comprised of 133.6 acres total, including approximately 85 affected parcels, equaling 129.6 acres of property (4.0 acres are rights of way and other variances in acreage associated with County records of individual parcels).

TABLE 2.1: DESCRIPTION OF PROJECT AREA

Existing Land Uses	% of Area
Commercial	93%
Residential	2%
Agricultural	1%
Other	4%

The Project Area encompasses all of the parcels detailed in APPENDIX A.

A map and legal description of the Project Area are attached hereto in APPENDIX B.

Section 3: General Overview of project area budget

The purpose of this Budget is to provide the financial framework necessary to implement the Plan. The following information will detail the sources and uses of tax increment and other necessary details needed for public officials, interested parties, and the public in general to understand the mechanics of this Budget.

Base Year Value

The Agency has determined that the base year property tax value for the Budget will be the total taxable value (including real and personal property) for the 2013 tax year which is currently estimated to be $129,187,998. Using the 2013 tax rates established within the Project Area the property taxes levied equate to $1,590,821 annually. Accordingly, this amount will continue to flow thru to each taxing entity proportional to the amount of the tax rate being levied.

Payment Trigger

This Budget will have a twenty (20) year duration from the date of the first tax increment receipt. The collection of tax increment will be triggered at the discretion of the Agency prior to March 1 of the tax year in which they intend to begin the collection of increment. The following year in which this increment will be remitted to the Agency will be Year 1. In no case will the Agency trigger increment collection after March 1, 2018.

Projected Tax Increment Revenue – Total Generation

Development within the Project Area will commence upon favorable market conditions which will include both horizontal and vertical infrastructure and development. The Agency anticipates that development will begin in the Project Area in 2014. The contemplated development will generate significant additional property and sales and use tax above what is currently generated within the Project Area.

Property Tax Increment will begin to be generated in the tax year (ending Dec 31st) following construction completion and Tax Increment will actually be paid to the Agency in March or April after collection. It is projected that property Tax Increment generation within the Project Area could begin as early as tax year 2015 or as late as 2018. It is currently estimated that during the 20-year life of the Budget, property Tax Increment could be generated within the Project Area in the approximate amount of $84.3 million or $50.2 million in terms of net present value (NPV).[1] This amount is over and above the $31.8 million of base taxes that the property would generate over 20 years at the $1,590,821 annual amount it currently generates.

[1] Net Present Value of future cash flows assumes a 4% discount rate. The same 4% discount rate is used in all remaining NPV calculations. This total is prior to accounting for the flow-through of tax increment to the respective taxing entities.

Section 4: Property Tax Increment

Property Tax Increment Shared with RDA

While property Tax Increment generated within the Project Area is expected to be approximately $84.3 million over 20 years, only a portion of this increment will be shared with the Agency. It is anticipated that all taxing entities that receive property tax generated within the Project Area, as detailed above, will share at least a portion of that increment generation with the Agency. It is anticipated that all taxing entities will contribute 75% of their respective tax increment for 20 years during the project life. The City, County and the State will ***not*** contribute any portion of their incremental sales tax to implement the Project Area Plan. Table 4.1 shows the amount of tax increment shared with the Agency assuming the participation levels discussed above.

The tax increment will be calculated using the current year's tax rate adopted by each taxing entity, as adjusted by the County in accordance with applicable state law.

TABLE 4.1: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Total	NPV at 4%
Utah County	75%	20 Years	$6,465,039	$3,848,291
Alpine School District	75%	20 Years	$44,669,875	$26,589,578
City of Orem	75%	20 Years	$9,607,695	$5,718,945
Orem Metropolitan Water District	75%	20 Years	$200,267	$119,208
Central Utah Water Conservancy District	75%	20 Years	$2,290,236	$1,363,255
Total Sources of Tax Increment Funds			**$63,233,113**	**$37,639,277**

Uses of Tax Increment

The majority of the tax increment collected by the Agency will be used to offset certain public infrastructure costs necessary to accommodate development in the Project Area. Approximately 5% will be used to offset the administration costs of the Agency, with the remaining funds to be used for development incentives, infrastructure and improvements. Public infrastructure costs will include improvements to transportation, parking, culinary water, sanitary sewer, storm drain systems, and park/open space areas.

TABLE 4.2: USES OF TAX INCREMENT

Uses	Total	NPV at 4%
CDA Administration @ 5%	$3,161,656	$1,881,964
RDA Development Incentive Fund @ 5%	$3,161,656	$1,881,964
Project Area Infrastructure and Improvements @ 90%	$56,909,801	$33,875,349
Total Uses of Tax Increment Funds	**$63,233,113**	**$37,639,277**

Projected Tax Increment Remaining with Taxing Entities

It is anticipated that all taxing entities will receive 25% of their respective property tax increment generated within the Project Area during the duration of the Budget and all tax increment thereafter. The City, County and the State will retain their entire portion of incremental sales tax. The table below describes the forecasted property tax benefit that each taxing entity will retain during the duration of the Project Area Budget. This is in addition to the base taxes currently being generated within the Project Area.

TABLE 4.3: RETAINED PROPERTY TAX INCREMENT

Entity	Total	NPV at 4%
Utah County	$2,155,013	$1,282,764
Alpine School District	$14,889,958	$8,863,193
City of Orem	$3,202,565	$1,906,315
Orem Metropolitan Water District	$66,756	$39,736
Central Utah Water Conservancy District	$763,412	$454,418
Total Revenue	**$21,077,704**	**$12,546,426**

A multi-year projection of tax increment along with development assumptions is including in APPENDIX C.

Base Year Property Tax Revenue

The taxing entities are currently receiving - and will continue to receive - property tax revenue from the current assessed value of the property within the Project Area ("Base Taxes"). The current assessed value is estimated to be $129,187,998. Based upon the 2013 tax rates in the area, the collective taxing entities are receiving $1,590,821 in property tax annually from this Project Area. This equates to approximately $31.8 million over the 20 year life of the Project Area. In addition to the Base Taxes received by the taxing entities, an additional $21.1 million of property tax increment is expected to be retained by the taxing entities over 20 years, totaling approximately $52.9 million of property tax revenue.

TABLE 4.4: TOTAL BASE YEAR AND PROPERTY TAX INCREMENT TO TAXING ENTITIES (OVER 20 YEARS)

Entity	Total Base Year Property Tax	Total Retained Tax Increment	Total Base and Retained Taxes
Utah County	$3,252,954	$2,155,013	$5,407,967
Alpine School District	$22,476,128	$14,889,958	$37,366,086
City of Orem	$4,834,215	$3,202,565	$8,036,780
Orem Metropolitan Water District	$100,767	$66,756	$167,522
Central Utah Water Conservancy District	$1,152,357	$763,412	$1,915,769
Total Revenue	**$31,816,420**	**$21,077,704**	**$52,894,124**

Total Annual Property Tax Revenue for Taxing Entities at Conclusion of Project

As described above, the collective taxing entities are currently receiving approximately $1,590,821 in property taxes annually from this Project Area. At the end of the life of the project area, the taxing entities will receive all of their respective tax increment thereafter. At the end of 20 years an additional $4,920,089 in property taxes annually is anticipated, totaling approximately $6,510,910 in property taxes annually for the area. But for the assistance provided by the RDA through tax increment revenues, this increase of approximately 309 percent in property taxes generated for the taxing entities would not be possible.

TABLE 4.5: TOTAL BASE YEAR AND END OF PROJECT LIFE ANNUAL PROPERTY TAXES

Entity	Annual Base Year Property Taxes	Annual Property Tax Increment at Conclusion of Project	Total Annual Property Taxes
Utah County	$162,648	$503,037	$665,684
Alpine School District	$1,123,806	$3,475,707	$4,599,513
City of Orem	$241,711	$747,563	$989,273
Orem Metropolitan Water District	$5,038	$15,583	$20,621
Central Utah Water Conservancy District	$57,618	$178,200	$235,818
Total Revenue	**$1,590,821**	**$4,920,089**	**$6,510,910**

Section 5: Cost/Benefit Analysis

Additional Revenues

Sales tax
Incremental sales and use tax will flow more quickly to the Agency considering sales tax is generated as soon as an entity begins transacting business. In addition, the sales and use tax is paid either monthly or quarterly to the City, County, and State. It is estimated that incremental sales tax would begin flowing to the City, County, and State as early as 2015 and as late as 2018. The estimated new incremental sales tax generated within the project[2] for the 20-year life of this Master Budget for the City, County and State is approximately $28.7 million. The sales tax benefit to the City over the life of the project is approximately $11.1 million or $7.2 million NPV.

Other Tax Revenues
The development within the Project Area will also generate energy sales and use taxes for natural gas and electric.

Table 5.1 shows the total revenues generated by the project. This total includes the anticipated property tax increment shared with the Agency by the taxing entities, the City's portion of incremental property tax, and the City's portion of sales tax, and energy sales and use tax.

TABLE 5.1: TOTAL REVENUES

		Incremental Revenues (above Base)			
Entity	Property Tax	Sales Tax	Franchise Taxes	Transient Room Taxes	Total
Utah County	$8,620,052	$3,979,367	$0	$2,875,756	$15,475,175
Alpine School District	$59,559,834	$0	$0	$0	$59,559,834
City of Orem	$12,810,260	$11,369,619	$8,237,640	$676,649	$33,094,167
Orem Metropolitan Water District	$267,023	$0	$0	$0	$267,023
Central Utah WCD	$3,053,648	$0	$0	$0	$3,053,648
State of Utah	$0	$13,359,302	$0	$0	$13,359,302
Total Revenue	**$84,310,817**	**$28,708,288**	**$8,237,640**	**$3,552,405**	**$124,809,149**

Additional Costs
The development anticipated within the Project Area will also likely result in additional costs to general government operations. These costs, along with the estimated budget to implement the Project Area Plan are identified below. These estimates are calculated by apportioning the taxing entity's variable costs per assessed value served and then using this ratio to estimate the additional costs which would be associated with the new assessed value produced as a result of development in the project area.

[2] Includes only the estimated new sales to the City, County, and State, Respectively.

TABLE 5.2: TOTAL EXPENDITURES

Entity	Incremental Expenditures (above Base)			
	CDA Budget	General Government Operations	Total	Net Incremental Benefit
Utah County	$6,465,039	$1,205,564	$7,670,603	$7,804,572
Alpine School District	$44,669,875	$1,706,223	$46,376,099	$13,183,735
City of Orem	$9,607,695	$19,005,187	$28,612,882	$4,481,285
Orem Metropolitan Water District	$200,267	$35,487	$235,755	$31,268
Central Utah WCD	$2,290,236	$44,243	$2,334,480	$719,169
State of Utah	$0	$0	$0	$13,359,302
Total Revenue	**$63,233,113**	**$21,996,705**	**$85,229,818**	**$39,579,331**

The total net benefit to the taxing entities of implementing the project area is approximately $39.6 million.

Appendix A: Parcel List

Parcel Number	Owner	Acres
180560007	University Mall Shopping Center	0.195
180560008	University Mall Shopping Center	0.220
180560009	University Mall Shopping Center	0.030
180560016	City of Orem	0.300
180560017	Mercer, Amron L	0.290
180560018	Housing Authority of Utah County	0.300
180560019	Catania SFH LLC	0.310
180560020	University Mall Shopping Center	0.283
180560022	Catania SFH LLC	0.270
180560023	Catania SFH LLC	0.260
180560026	City of Orem	0.270
180560028	Gulati, Chaithawee	0.270
180560029	Woodbury Corporation	0.260
180560033	City of Orem	0.210
180560037	City of Orem	0.280
180560038	Catania SFH LLC	0.290
180560055	Larry and Lynn Campground Management	0.300
180560099	Avans, Gulavadee	0.648
180560102	Gaks Enterprises LLC	0.415
180560103	Catania SFH LLC	0.270
180560104	City of Orem	0.197
180560106	City of Orem	0.274
180560109	University Mall Shopping Center	1.263
180560110	City of Orem	0.148
180560111	City of Orem	0.168
180560112	City of Orem	0.230
180560113	University Mall Shopping Center	0.262
180560115	University Mall Shopping Center	0.571
180560117	City of Orem	0.146
180560118	City of Orem	0.270
180560119	University Mall Shopping Center	0.399
180560121	University Mall Shopping Center	0.527
180560123	City of Orem	0.096
180560132	City of Orem	0.002
180560133	University Mall Shopping Center	0.306
180560134	University Mall Shopping Center	0.926
180560135	University Mall Shopping Center	0.931
180570033	First Security Bank of Utah	0.600
180570117	KC Propco LLC	0.450
180570127	Cordner, Raymond G & Colleen F	0.063
180570129	Washburn Management LC	0.517
180570132	City of Orem	0.099
180570133	City of Orem	0.013
180570134	City of Orem	0.143
180570135	City of Orem	0.077
180570136	City of Orem	0.300
180570137	City of Orem	0.096
180570138	Glazier Properties LLC	0.882
180570141	Cordner, Colleen F	1.136

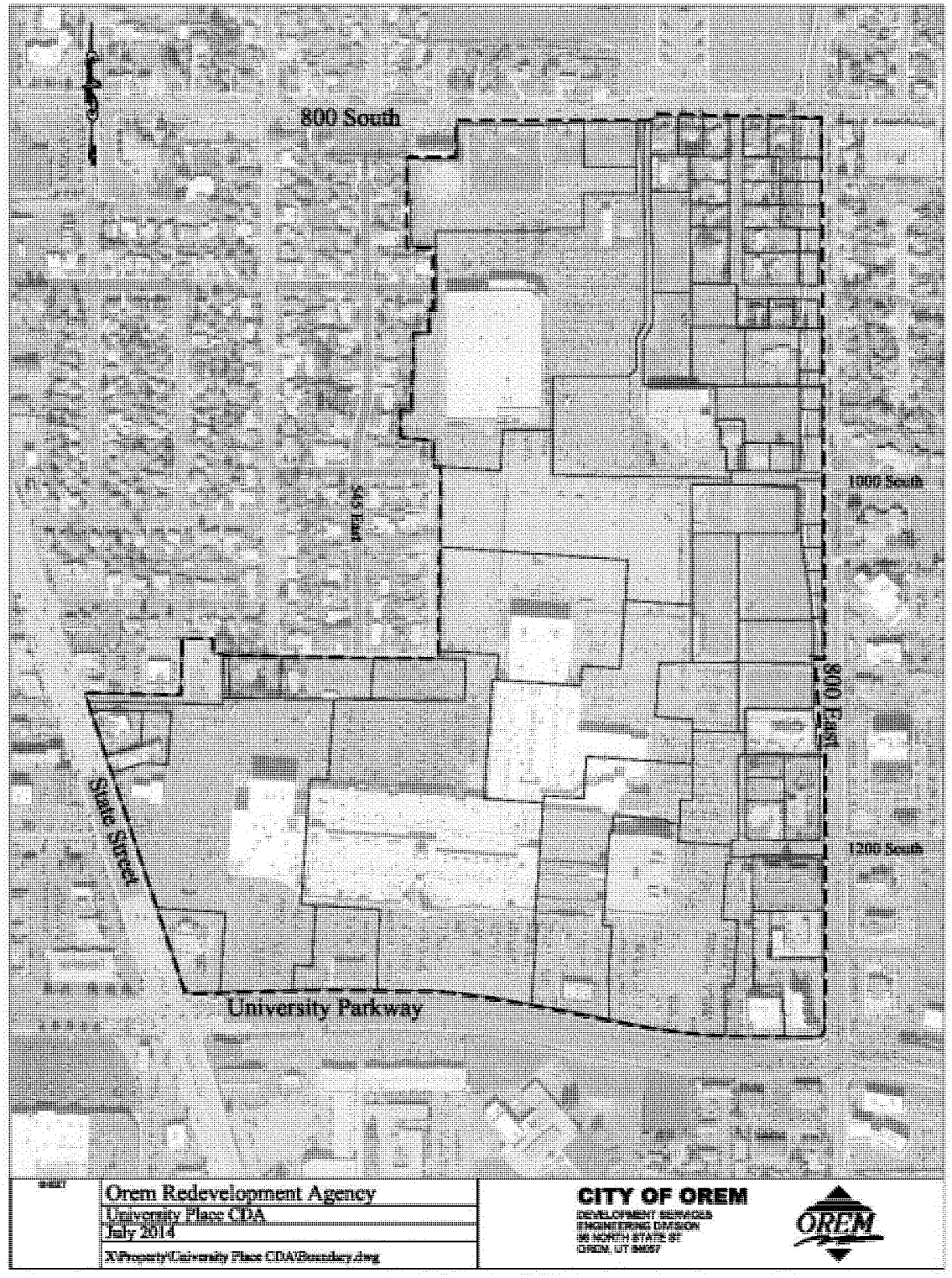
Parcel Number	Owner	Acres
180570142	University Mall Shopping Center	1.143
180570147	Orem City Corporation	0.017
180570502	Utah Department of Transportation	0.006
190180502	Utah Department of Transportation	0.003
190190017	Zions First National Bank	0.030
190190019	Zions First National Bank	0.030
352540001	Bank of American Fork	1.427
352540002	Maverik Country Stores Inc	0.722
352540003	Circle K Properties Inc	0.008
360860015	KC Propco LLC	0.260
360860016	KC Propco LLC	0.260
360860019	City of Orem	0.114
450610001	University Mall Shopping Center	0.210
551760001	Zions First National Bank	1.110
570310001	Utah Transit Authority	0.956
570430001	University Mall Shopping Center	5.494
570430002	University Mall Shopping Center	0.983
570430003	University Mall Shopping Center	12.745
570430004	University Mall Shopping Center	1.238
570430005	University Mall Shopping Center	1.697
570430006	University Mall Shopping Center	16.639
570430007	University Mall Shopping Center	6.140
570430008	University Mall Shopping Center	7.140
570430009	UNMN LLC	1.700
570430013	University Mall Shopping Center	6.331
570430014	University Mall Shopping Center	7.580
570430015	University Mall Shopping Center	5.285
570430016	University Mall Shopping Center	1.209
570430017	University Mall Shopping Center	13.170
570430018	University Mall Shopping Center	1.157
570430019	University Mall Shopping Center	0.707
570680010	University Mall Village	1.731
570680011	University Mall Village	7.035
570680012	University Mall Village	1.758
570680020	University Mall Village	1.477
570680021	University Mall Village	1.805
570680022	University Mall Village	0.947
570680023	University Mall Village	1.067
570680024	University Mall Village	1.498
Total		**129.591**

Appendix B: Map and Legal Description

An area of real property located in the NE Quarter of Section 26 and the SE Quarter of Section 23, T. 6 S. R 2 E. S.L.B. & M., more particularly described as follows:

Commencing at a point which is S. 89°18'03" E. 142.38 feet along the Section Line and from the North 1/4 Corner of Section 26, T. 6 S., R. 2 E., S.L.B. & M. to the point of beginning, (which point is +/- on the Westerly Right of Way Line of State Street); thence along said Westerly Right of Way Line S. 18°29'52" E, 582.92 feet to the Northerly Right of Way Line +/- of University Parkway; thence along said Northerly Right of Way Line for the next eight calls, N. 88°20'55" E. 489.31 feet; thence S 89°21'02" E. 315.94 feet; thence along a Curve to the Right, the Radius is 766.62 feet, the Arc Length is 177.24 feet, the Chord Bearing is S. 86°40'38" E. the Chord Length is 176.85 feet; thence along a Compound Curve to the Right, the Radius is 10889.46 feet, the Arc Length is 265.96 feet, the Chord Bearing is S. 81°07'54" E. the Chord Length is 265.95 feet; thence S. 78°55'57" E. 202.90 feet; thence along a Curve to the Left, the Radius is 3599.59 feet, the Arc Length is 484.04 feet, the Chord Bearing is S. 81°28'08" E. the Chord Length is 483.68 feet; thence S. 89°37'22" E. 339.25 feet; thence along a curve to the Left, the Radius is 33.72 feet, the Arc Length is 51.39 feet, the Chord Bearing is N. 43°36'28" E. the Chord Length is 46.56 feet; thence along the Westerly side of 800 East Street for the next five calls, N. 0°02'59" E. 981.25 feet; thence West 15.02 feet; thence N. 3°35'49" W. 339.03 feet; thence East 35.20 feet; thence N. 0°23'52" W. 1938.15 feet; thence along the Southerly Right of Way Line +/- of 800 South for the next three calls, N. 88°49'10" W. 602.03 feet; thence S. 30°13'24" W. 25.21 feet; thence West 696.26 feet; thence South 133.07 feet; thence West 176.56 feet; thence South 326.41 feet; thence East 95.74 feet; thence South 219.18 feet; thence West 14.74 feet; thence South 81.45 feet; thence West 56.34 feet; thence S. 1°34'18" W. 277.32 feet; thence West 38.62 feet; thence South 97.40 feet; thence S. 83°14'59" E. 119.41 feet; thence South 90.25 feet; thence S. 85°48'17" E. 26.30 feet; thence S. 0°45'03" W. 685.85 feet; thence N. 89°17'31" W. 773.46 feet; thence N. 0°27'31" W. 7.77 feet; thence N. 88°59'39" W. 33.40 feet; thence N. 0°44'23" W. 53.42 feet; thence N. 89°22'23" W. 111.23 feet; thence S. 0°58'02" W. 203.19 feet; thence N. 88°44'39" W. 344.36 feet to the Easterly Right of Way Line +/- of State Street; thence S. 18°25'51" E. 554.20 feet along said Right of Way Line to the point of beginning.

Containing 133.6 Acres more or less.


800 South
1000 South
1200 South
State Street
University Parkway
Orem Redevelopment Agency
University Place CDA
July 2014
CITY OF OREM
OREM

Appendix C: Multi-Year Budget and Development Assumptions

Orem Redevelopment Agency

University Place CDA
20 Year Project Area Budget
Table A.3 Multi-Year Tax Increment Budget (Project Area Forecast)

INCREMENTAL PROPERTY TAX ANALYSIS: (Payment Year / Tax Year)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Cumulative Taxable Value (Year)	Year	Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
1A Existing Mall and Project Area Base Value		-	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998	129,187,998
CDA Triggered? (0=No, 1=Yes)	0	0	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
1B North Mall (Bldgs H, L, &J)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1C Mervyns Bldg																						
3 B ROW Expansion	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500	5,347,500
4 A Anchor	-	-	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000	29,624,000
4 B Parking Structure (1 level underground)	-	-	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000	8,976,000
5 A-B Grocery and Restaurant Pad	-	891,250	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750	6,238,750
5 D Demolish/Relocate Existing Retail	-	-	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)	(1,823,095)
5 A&D Retail	-	401,063	401,063	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875	1,336,875
9 B-C Band Shell-Civic-Central Park	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 E Demolish Existing Retail	-	-	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)	(6,313,270)
11&12 A Office	-	-	-	41,400,000	41,400,000	41,400,000	41,400,000	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000	62,100,000
11&12 Office Ground Floor Retail	-	-	-	3,312,000	3,312,000	3,312,000	3,312,000	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000	6,624,000
13 A Hotel	-	-	-	-	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400	13,082,400
13 B Parking Structure	-	-	-	-	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000	5,460,000
13 C & 14 A&B Retail	-	4,456,250	5,436,625	5,436,625	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561	7,056,561
15 A Tennis & Pool Club	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15 B Parking Deck (3 Lvl, Shared with 11A)	-	-	-	-	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000
15 C Liner Flats (3 Story, 95 Units)	-	-	-	-	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000	3,245,000
15 D Clubhouse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16 A Apartments (148)	-	-	-	-	-	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000	13,024,000
16 B Neighborhood Office-Retail	-	-	-	-	-	695,750	695,750	695,750	695,750	695,750	695,750	695,750	695,750	695,750	695,750	695,750	695,750	695,750	695,750	695,750	695,750	695,750
16 C Parking Deck (Shared w/ 12A Office & Hotel)	-	-	-	-	-	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000	15,528,000
16 D Park	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16 E Office	-	-	-	-	-	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000	20,700,000
17 B Cinema Expansion	-	-	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200	1,481,200
23 OTHER/ROADS ETC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CDA Triggered? (0=No, 1=Yes)	0	0	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
10 A Townhouses	-	-	-	-	-	-	-	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000	5,841,000
18 A&S Multifamily Residential	-	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842	24,433,842
18 C&D Multifamily Residential	-	-	-	-	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851	17,371,851
18 E Demolition (Loss of Commercial Land to Residential Land)	-	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)	(10,604,533)
19 A&S Multifamily Residential	-	-	-	-	-	4,125,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000
19 C Future Non-Zoned Residential	-	-	-	-	-	-	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570	26,871,570
20 A Costco	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21 A Retail Pad	-	-	-	-	-	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200	1,711,200
22 A Senior Housing	-	-	-	-	-	-	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000
CDA Triggered? (0=No, 1=Yes)	0	0	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
2 A-D Macy's and Add'l Retail Pads	855,600	855,600	2,245,950	2,245,950	2,245,950	2,245,950	2,245,950	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950	2,958,950
6 A New Retail Pad	-	-	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500	1,069,500
6 C Parking Deck	-	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000	5,604,000
6 D & 7 B Office Building	-	22,149,000	22,149,000	22,149,000	22,149,000	22,149,000	22,149,000	22,149,000	22,149,000	63,549,000	63,549,000	63,549,000	63,549,000	63,549,000	63,549,000	63,549,000	63,549,000	63,549,000	63,549,000	63,549,000	63,549,000	63,549,000
6 D & 7 B Office Ground Floor Retail	-	5,382,000	5,382,000	5,382,000	5,382,000	5,382,000	5,382,000	5,382,000	5,382,000	8,694,000	8,694,000	8,694,000	8,694,000	8,694,000	8,694,000	8,694,000	8,694,000	8,694,000	8,694,000	8,694,000	8,694,000	8,694,000
7 C Parking Deck (4 Story)	-	-	-	-	-	-	-	-	-	10,356,000	10,356,000	10,356,000	10,356,000	10,356,000	10,356,000	10,356,000	10,356,000	10,356,000	10,356,000	10,356,000	10,356,000	10,356,000
7 D-E Retail-Restaurant	-	-	-	-	-	-	-	-	-	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000
7 E Demolish Big O Tires and Texas Road House	-	-	-	-	-	-	-	-	-	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)	(2,637,985)
9 A Parking Deck	-	-	-	-	-	-	-	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000	20,664,000
9 B Retail	-	-	-	-	-	-	-	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400	1,283,400
Total Assessed Value	6,203,100	58,915,971	228,836,529	274,484,342	320,303,529	376,087,479	417,380,049	469,893,449	469,893,449	528,740,464	528,740,464	528,740,464	528,740,464	528,740,464	528,740,464	528,740,464	528,740,464	528,740,464	528,740,464	528,740,464	528,740,464	528,740,464
LESS BASE YEAR VALUE (2013)	-	-	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)	(129,187,998)
LESS UNTRIGGERED YEARS	(6,203,100)	(58,915,971)																				
TOTAL INCREMENTAL VALUE:	-	-	99,648,531	145,296,344	191,115,531	246,899,481	288,192,051	340,705,451	340,705,451	399,552,466	399,552,466	399,552,466	399,552,466	399,552,466	399,552,466	399,552,466	399,552,466	399,552,466	399,552,466	399,552,466	399,552,466	399,552,466

TAX RATE & INCREMENT ANALYSIS:	2013 RATES	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	TOTALS	NPV
Utah County	0.001259	-	-	125,458	182,928	240,614	310,849	362,834	428,948	428,948	503,037	503,037	503,037	503,037	503,037	503,037	503,037	503,037	503,037	503,037	503,037	503,037	503,037	8,620,352	5,131,054
Alpine School District	0.008699	-	-	866,843	1,263,933	1,662,514	2,147,776	2,506,983	2,963,797	2,963,797	3,475,707	3,475,707	3,475,707	3,475,707	3,475,707	3,475,707	3,475,707	3,475,707	3,475,707	3,475,707	3,475,707	3,475,707	3,475,707	59,559,834	35,452,771
Orem City	0.001871	-	-	186,442	271,849	357,577	461,949	539,207	637,460	637,460	747,563	747,563	747,563	747,563	747,563	747,563	747,563	747,563	747,563	747,563	747,563	747,563	747,563	12,810,260	7,625,260
Orem Metropolitan Water District	0.000039	-	-	3,886	5,667	7,454	9,629	11,239	13,288	13,288	15,583	15,583	15,583	15,583	15,583	15,583	15,583	15,583	15,583	15,583	15,583	15,583	15,583	267,023	158,944
Central Utah Water Conservancy District	0.000446	-	-	44,443	64,802	85,238	110,117	128,534	151,955	151,955	178,200	178,200	178,200	178,200	178,200	178,200	178,200	178,200	178,200	178,200	178,200	178,200	178,200	3,053,648	1,817,673
Totals	0.012314	-	-	1,227,072	1,789,179	2,353,397	3,040,320	3,548,797	4,195,447	4,195,447	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	84,310,817	50,185,702
TOTAL INCREMENTAL REVENUE WITH A CDA		-	-	1,227,072	1,789,179	2,353,397	3,040,320	3,548,797	4,195,447	4,195,447	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	4,920,089	84,310,817	50,185,702
TOTAL REVENUE FROM BASE YEAR VALUE		-	-	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	1,590,821	31,816,420	20,769,247

CDA PROJECT AREA BUDGET		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	TOTALS	NPV
Sources of Funds:																									
Property Tax Participation Rate for Budget																									
Utah County		75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%		
Alpine School District		75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%		
Orem City		75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%		
Orem Metropolitan Water District		75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%		
Central Utah Water Conservancy District		75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%		
Property Tax Increment for Budget																								TOTALS	NPV
Utah County		-	-	94,093	137,196	180,461	233,136	272,125	321,711	321,711	377,277	377,277	377,277	377,277	377,277	377,277	377,277	377,277	377,277	377,277	377,277	377,277	377,277	6,465,039	3,848,291
Alpine School District		-	-	650,132	947,950	1,246,886	1,610,834	1,880,237	2,222,848	2,222,848	2,606,780	2,606,780	2,606,780	2,606,780	2,606,780	2,606,780	2,606,780	2,606,780	2,606,780	2,606,780	2,606,780	2,606,780	2,606,780	44,669,875	26,589,578
Orem City		-	-	139,832	203,887	268,183	346,462	404,405	478,095	478,095	560,672	560,672	560,672	560,672	560,672	560,672	560,672	560,672	560,672	560,672	560,672	560,672	560,672	9,607,695	5,718,945
Orem Metropolitan Water District		-	-	2,915	4,250	5,590	7,222	8,430	9,966	9,966	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687	200,267	119,208
Central Utah Water Conservancy District		-	-	33,332	48,602	63,928	82,588	96,400	113,966	113,966	133,650	133,650	133,650	133,650	133,650	133,650	133,650	133,650	133,650	133,650	133,650	133,650	133,650	2,290,236	1,363,255
Total Property Tax Increment for Budget		-	-	920,304	1,341,884	1,765,047	2,280,240	2,661,598	3,146,585	3,146,585	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	63,233,113	37,639,277
Total Sources		-	-	920,304	1,341,884	1,765,047	2,280,240	2,661,598	3,146,585	3,146,585	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	63,233,113	37,639,277
Uses of Tax Increment Funds:		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	TOTALS	NPV
RDA Development Incentive Fund	5.0%	-	-	46,015	67,094	88,252	114,012	133,080	157,329	157,329	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	3,161,656	1,881,964
CDA Administration @ 5%	5.0%	-	-	46,015	67,094	88,252	114,012	133,080	157,329	157,329	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	184,503	3,161,656	1,881,964
Public Infrastructure (Roads, Utilities, etc)	90.0%	-	-	828,274	1,207,696	1,588,543	2,052,216	2,395,438	2,831,927	2,831,927	3,321,060	3,321,060	3,321,060	3,321,060	3,321,060	3,321,060	3,321,060	3,321,060	3,321,060	3,321,060	3,321,060	3,321,060	3,321,060	56,909,801	33,875,349
Other Projects	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Uses	100%	-	-	920,304	1,341,884	1,765,047	2,280,240	2,661,598	3,146,585	3,146,585	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	3,690,067	63,233,112	37,639,277
REMAINING PROPERTY TAX INCREMENTAL REVENUES FOR TAXING EN		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	TOTALS	NPV
Utah County		-	-	31,364	45,732	60,154	77,712	90,708	107,237	107,237	125,759	125,759	125,759	125,759	125,759	125,759	125,759	125,759	125,759	125,759	125,759	125,759	125,759	2,155,013	1,282,764
Alpine School District		-	-	216,711	315,983	415,629	536,945	626,746	740,949	740,949	868,927	868,927	868,927	868,927	868,927	868,927	868,927	868,927	868,927	868,927	868,927	868,927	868,927	14,889,958	8,863,193
Orem City		-	-	46,611	67,962	89,394	115,487	134,802	159,365	159,365	186,891	186,891	186,891	186,891	186,891	186,891	186,891	186,891	186,891	186,891	186,891	186,891	186,891	3,202,565	1,906,315
Orem Metropolitan Water District		-	-	972	1,417	1,863	2,407	2,810	3,322	3,322	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	66,756	39,736
Central Utah Water Conservancy District		-	-	11,111	16,201	21,309	27,529	32,133	37,989	37,989	44,550	44,550	44,550	44,550	44,550	44,550	44,550	44,550	44,550	44,550	44,550	44,550	44,550	763,412	454,418
Total		-	-	306,768	447,295	588,349	760,080	887,199	1,048,862	1,048,862	1,230,022	1,230,022	1,230,022	1,230,022	1,230,022	1,230,022	1,230,022	1,230,022	1,230,022	1,230,022	1,230,022	1,230,022	1,230,022	21,077,704	12,546,426

Assumptions	
Discount Rate	4.0%
Inflation Rate	3.0%
Sales Tax Rate	0.5%

Orem Redevelopment Agency

University Place CDA

Table A.4.1: Development Absorption Schedule and Assumptions

SF Conversion 43560

Land Value Assumptions	Acreage	Per SF Land Value	Base Land Value	Total Finished Land Value	Unit	Property Tax Exemption
Block 1-22 Phases						
1A Exisiting Mall and Project Area Base Value	129.59	22.89	129,187,998	129,187,998	per square foot	0%
1B North Mall (Bldgs H, L, &J)			-	-	per square foot	0%
1C Mervyns Bldg			-	-	per square foot	0%
2 A-D Macy's and Add'l Retail Pads			-	-	per square foot	0%
3 B RCW Expansion			-	-	per square foot	0%
4 A Anchor			-	-	per square foot	0%
4 B Parking Structure (1 level underground)			-	-	per square foot	0%
5 A-B Grocery and Restaurant Pad			-	-	per square foot	0%
5 D Demolish/Relocate Existing Retail			-	-	per square foot	0%
6 A New Retail Pad			-	-	per square foot	0%
6 C Parking Deck			-	-	per square foot	0%
6 D & 7 B Office Building			-	-	per square foot	0%
6 D & 7 B Office Ground Floor Retail			-	-	per square foot	0%
7 C Parking Deck (4 Story)			-	-	per square foot	0%
7 D-E Retail/Restaurant			-	-	per square foot	0%
7 E Demolish Big O Tires and Texas Road House			-	-	per square foot	0%
8 A Parking Deck			-	-	per square foot	0%
8 B Retail			-	-	per square foot	0%
9 A&D Retail			-	-	per square foot	0%
9 B-C Band Shell/Civic/Central Park			-	-	per square foot	100%
9 E Demolish Existing Retail			-	-	per square foot	0%
10 A Townhouses			-	-	per square foot	45%
11&12 A Office			-	-	per square foot	0%
11&12 Office Ground Floor Retail			-	-	per square foot	0%
13 A Hotel			-	-	per square foot	0%
13 B Parking Structure			-	-	per square foot	0%
13 C & 14 A&B Retail			-	-	per square foot	0%
15 A Tennis & Pool Club			-	-	per square foot	100%
15 B Parking Deck (3 Lvl, Shared with 11A)			-	-	per square foot	0%
15 C Liner Flats (3 Story, 95 Units)			-	-	per square foot	45%
15 D Clubhouse			-	-	per square foot	100%
16 A Apartments (148)			-	-	per square foot	45%
16 B Neighborhood Office/Retail			-	-	per square foot	0%
16 C Parking Deck (Shared w/ 12A Office & Hotel)			-	-	per square foot	0%
16 D Park			-	-	per square foot	100%
16 E Office			-	-	per square foot	0%
17 B Cinema Expansion			-	-	per square foot	0%
18 A&B Multifamily Residential	21.13	14.00	-	12,885,971	per square foot	45%
18 C&D Multifamily Residential			-	-	per square foot	45%
18 E Demolition (Loss of Commercial Land to Residental Land)	(21.13)	11.52	-	(10,604,533)	per square foot	0%
19 A&B Multifamily Residential			-	-	per square foot	45%
19 C Future Non-Zoned Residential			-	-	per square foot	45%
20 A Costco			-	-	per square foot	0%
21 A Retail Pad			-	-	per square foot	0%
22 A Senior Housing			-	-	per square foot	45%
23 OTHER/ROADS/ETC.				-		0%
TOTAL	**129.59**		**129,187,998**	**131,469,436**		

Orem Redevelopment Agency

University Place CDA

Building Value Assumptions	Units or Building SF	Woodbury Value Per Unit or Per SF to Build	Total Finished Value
Block 1-22 Phases			
1A Exisiting Mall and Project Area Base Value			-
1B North Mall (Bldgs H, L, &J)			-
1C Mervyns Bldg			-
2 A-D Macy's and Add'l Retail Pads	16,600	155.00	2,573,000
3 B RCW Expansion	30,000	155.00	4,650,000
4 A Anchor	140,000	184.00	25,760,000
4 B Parking Structure (1 level underground)	748	12,000.00	8,976,000
5 A-B Grocery and Restaurant Pad	35,000	155.00	5,425,000
5 D Demolish/Relocate Existing Retail	(15,354)	103.25	(1,585,300)
6 A New Retail Pad	6,000	155.00	930,000
6 C Parking Deck	467	12,000.00	5,604,000
6 D & 7 B Office Building	307,000	180.00	55,260,000
6 D & 7 B Office Ground Floor Retail	42,000	180.00	7,560,000
7 C Parking Deck (4 Story)	863	12,000.00	10,356,000
7 D-E Retail/Restaurant	36,000	155.00	5,580,000
7 E Demolish Big O Tires and Texas Road House	(18,595)	123.36	(2,293,900)
8 A Parking Deck	1,722	12,000.00	20,664,000
8 B Retail	7,200	155.00	1,116,000
9 A&D Retail	7,500	155.00	1,162,500
9 B-C Band Shell/Civic/Central Park	170,500	75.81	12,925,653
9 E Demolish Existing Retail	(140,226)	39.15	(5,489,800)
10 A Townhouses	90,000	118.00	10,620,000
11&12 A Office	300,000	180.00	54,000,000
11&12 Office Ground Floor Retail	32,000	180.00	5,760,000
13 A Hotel	72,000	158.00	11,376,000
13 B Parking Structure	455	12,000.00	5,460,000
13 C & 14 A&B Retail	39,588	155.00	6,136,140
15 A Tennis & Pool Club	102,000	60.00	6,120,000
15 B Parking Deck (3 Lvl, Shared with 11A)	420	12,000.00	5,040,000
15 C Liner Flats (3 Story, 95 Units)	50,000	118.00	5,900,000
15 D Clubhouse	30,000	155.00	4,650,000
16 A Apartments (148)	148,000	160.00	23,680,000
16 B Neighborhood Office/Retail	5,000	121.00	605,000
16 C Parking Deck (Shared w/ 12A Office & Hotel)	1,294	12,000.00	15,528,000
16 D Park	30,000	25.18	755,367
16 E Office	100,000	180.00	18,000,000
17 B Cinema Expansion	7,000	184.00	1,288,000
18 A&B Multifamily Residential	193,492	163.00	31,539,196
18 C&D Multifamily Residential	232,224	136.00	31,582,464
18 E Demolition (Loss of Commercial Land to Residental Land)			-
19 A&B Multifamily Residential	100,000	150.00	15,000,000
19 C Future Non-Zoned Residential	325,716	150.00	48,857,400
20 A Costco			-
21 A Retail Pad	9,600	155.00	1,488,000
22 A Senior Housing	124,800	150.00	18,720,000
23 OTHER/ROADS/ETC.			
TOTAL			**481,278,720**

Additional Assumptions			
Annual Inflation	3%	Personal Property Rate	
Discount Rate	4%	Office	22.0%
Personal Property Rate	15.0%	Industrial	15.0%
Sales Tax Rate	0.50%	Average	18.5%

Summary Type	SF
Retail	413,488
Lost Retail	(174,175)
Net Retail	239,313
Hotel	72,000
Residential	1,396,232
Office	707,000
Civic/Other	200,500
Total	**2,615,045**
Parking Stalls	5,969
Res Common Space	132,000

U:\CLIENT FOLDERS\OREM CITY\2014 UNIVERSITY MALL CDA\MODELS\
Orem Mall CDA Anaysis (8-19-2014).xlsx

Orem Redevelopment Agency

University Place CDA

Year of Construction

Absorption Schedule (SF)	Year	Year	Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
1A Exisiting Mall and Project Area Base Value												
1B North Mall (Bldgs H, L, &J)												
1C Mervyns Bldg												
2 A-D Macy's and Add'l Retail Pads	4,800		7,800					4,000				
3 B RCW Expansion	30,000											
4 A Anchor			140,000									
4 B Parking Structure (1 level underground)			748									
5 A-B Grocery and Restaurant Pad		5,000	30,000									
5 D Demolish/Relocate Existing Retail			(15,354)									
6 A New Retail Pad			6,000									
6 C Parking Deck		467										
6 D & 7 B Office Building		107,000								200,000		
6 D & 7 B Office Ground Floor Retail		26,000								16,000		
7 C Parking Deck (4 Story)										863		
7 D-E Retail/Restaurant										36,000		
7 E Demolish Big O Tires and Texas Road House										(18,595)		
8 A Parking Deck								1,722				
8 B Retail								7,200				
9 A&D Retail		2,250		5,250								
9 B-C Band Shell/Civic/Central Park		119,500		51,000								
9 E Demolish Existing Retail			(140,226)									
10 A Townhouses								90,000				
11&12 A Office				200,000				100,000				
11&12 Office Ground Floor Retail				16,000				16,000				
13 A Hotel					72,000							
13 B Parking Structure					455							
13 C & 14 A&B Retail		25,000	5,500		9,088							
15 A Tennis & Pool Club					102,000							
15 B Parking Deck (3 Lvl, Shared with 11A)					420							
15 C Liner Flats (3 Story, 95 Units)					50,000							
15 D Clubhouse					30,000							
16 A Apartments (148)						148,000						
16 B Neighborhood Office/Retail						5,000						
16 C Parking Deck (Shared w/ 12A Office & Hotel)						1,294						
16 D Park						30,000						
16 E Office						100,000						
17 B Cinema Expansion			7,000									
18 A&B Multifamily Residential		193,492										
18 C&D Multifamily Residential					232,244							
18 E Demolition (Loss of Commercial Land to Residental Land)												
19 A&B Multifamily Residential						50,000	50,000					
19 C Future Non-Zoned Residential							325,716					
20 A Costco												
21 A Retail Pad						9,600						
22 A Senior Housing							124,800					

Orem Redevelopment Agency

University Place CDA

Table A.11: Infrastructure Cost Estimates

Infrastructure Cost Estimates			
Category	Phase	Description	Est. Cost
Demolition	Phase 5	Demolition/Existing Retail to be Relocated	$48,365
Demolition	Phase 7	Demo Big O Tires, Jared's, and Texas Road House	$55,785
Demolition	Phase 9	Demolish Existing Retail	$580,102
Demolition	Phase 18	Demolish Existing Residential	$95,880
Parking Structure	Phase 4	700 Stall Parking Deck	$8,976,000
Parking Structure	Phase 6C	467 Stall Parking Deck	$5,604,000
Parking Structure	Phase 7C	863 Stall Parking Deck (4 Story)	$10,356,000
Parking Structure	Phase 8A	1722 Stall Parking Deck	$20,664,000
Parking Structure	Phase 13B	455 Stall Parking Deck	$5,460,000
Parking Structure	Phase 15B	420 Stall Parking Deck (3 Story)	$5,040,000
Parking Structure	Phase 16C	1294 Stall Parking Deck (Shared with Office and Hotel)	$15,528,000
Infrastructure	Phases 3-7, 13, 14	Road and Utility Infrastructure	$5,435,568
Infrastructure	Phases 7, 8, 9, 13, 14	Main Street Construction	$3,910,567
Recreation Amenities	Phases 7, 9, 18	Parks	$6,999,909
Total			**$88,754,176**

PUBLIC HEARING – Amending Section 14-3-3 and Section 14-3-4, and enacting Section 22-14-29 of the Orem City Code by enacting regulations pertaining to electronic message billboards

Proposed Text

22-14-29. Electronic Message Signs.

Notwithstanding any other provision in the City Code to the contrary, Electronic Message Signs (as defined in Orem City Code Section 14-3-2), shall not be allowed on any billboard located on the east side of I-15 and within 500 feet of I-15. This section shall have control over any other section of City Code including, but not limited to, Section 14-3-3.

14-3-3. Billboard Signs

1. Billboard signs are ~~only permitted in the M2 zone and PD-36 zone within three hundred feet (300') of the I-15 corridor in accordance with applicable state law~~ not permitted in any zone. All ~~other~~ lawfully existing billboards shall be nonconforming uses. ~~No new billboards or outdoor advertising signs shall be permitted outside the M2 zone or PD-36 zone in the areas described above.~~ However, off-premise public information signs and logo signs located in the State owned right-of-way shall be allowed as described in Utah Code Section 72-7-504.

5. (k) Not be enlarged or expanded beyond the size of the original billboard sign. ~~However, the size of a new billboard sign that is allowed adjacent to I-15 pursuant to an exchange under subsection 3 above, may have up to six hundred seventy-five square feet of sign face provided that at least an equal amount of signage has been removed as part of the exchange;~~

6. ~~Billboard signs may be changed manually or electronically in any zone~~

Section 14-3-3. Electronic Message Center (EMC) Signs

5. EMC signs are only allowed as part of a monument sign, pole sign, wall sign or legal billboard. However, notwithstanding anything herein to the contrary, as provided in Section 22-14-29, EMC signs are not allowed on any billboard located on the east side of I-15 and within 500 feet of I-15.

6. Except as otherwise prohibited, EMC signs are permitted in the PO, C1, C2, C3, HS, CM, M1, M2, commercial PD zones and on any billboard.

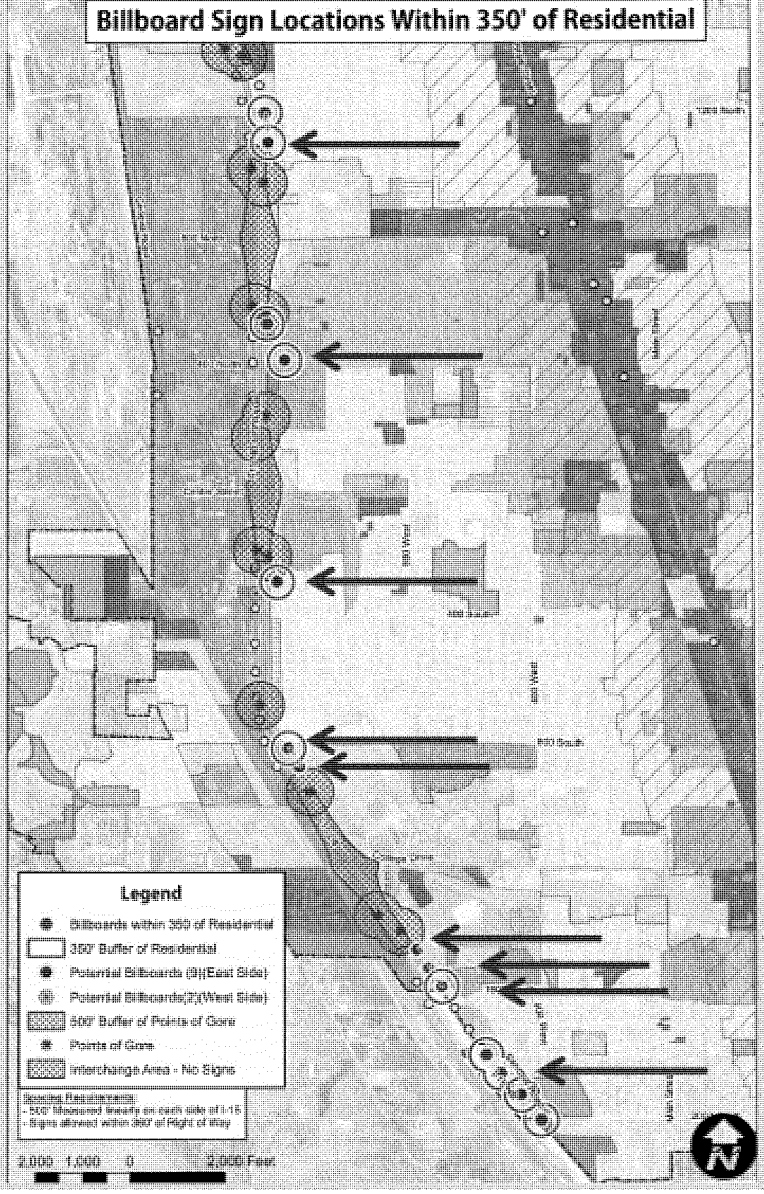
Section 14-3-4. Signs Permitted in Designated Land Use Zones

	R & OS	PO, C1 & BP	C2, C3	M & HS
Billboard **	N	N	N	~~P**~~N

~~**Allowed only in the M2 Zone adjacent to I-15.~~

Legend

- Billboards within 350 of Residential
- 350' Buffer of Residential
- Potential Billboards (9)(East Side)
- Potential Billboards(2)(West Side)
- 500' Buffer of Points of Gore
- Points of Gore
- Interchange Area - No Signs



Advantages:

- Eliminates conflict between the billboards with electronic display and nearby residences

- Does not prohibit electronic display on the west side of I-15

- Prevents new billboards from being located within the City, but does not prohibit the relocation of a billboard as allowed by State Code

Disadvantages:

- None identified

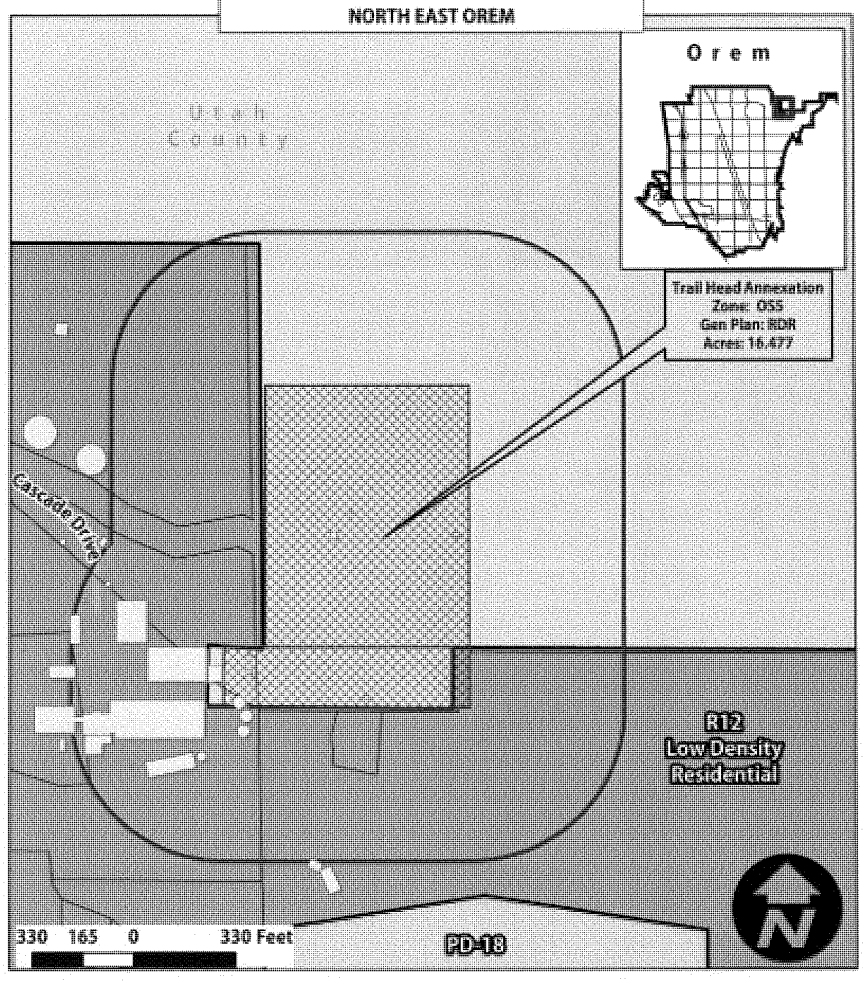
RECOMMENDATION:

The Planning Commission recommended the City Council amend, by ordinance, Section 14-3-3, Section 14-3-4, and Section 22-14-29 of the City Code pertaining to outdoor advertising requirements. Staff concurs with the Planning Commission recommendation.

PUBLIC HEARING – Annexing property located generally at 1250 East Cascade Drive, by ordinance, designating the annexed property Rural Density Residential on the General Plan land use map, and amending Article 22-5-3(A) and the zoning map of the City by zoning the property OS5.

Trail Head Annexation

NORTH EAST OREM

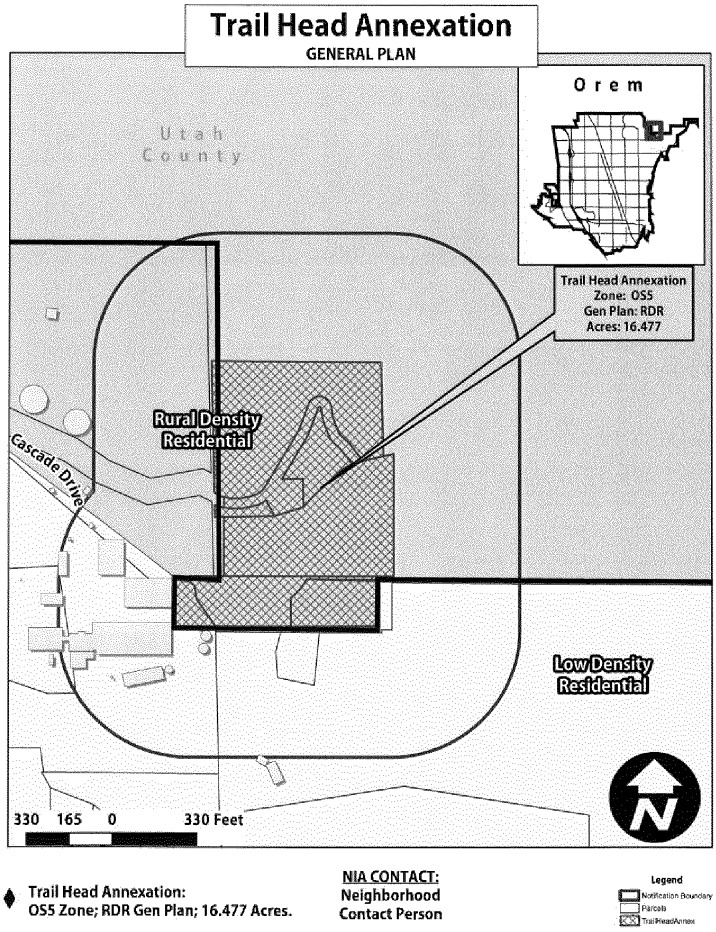


♦ **Trail Head Annexation:**
OS5 Zone; RDR Gen Plan; 16.477 Acres.

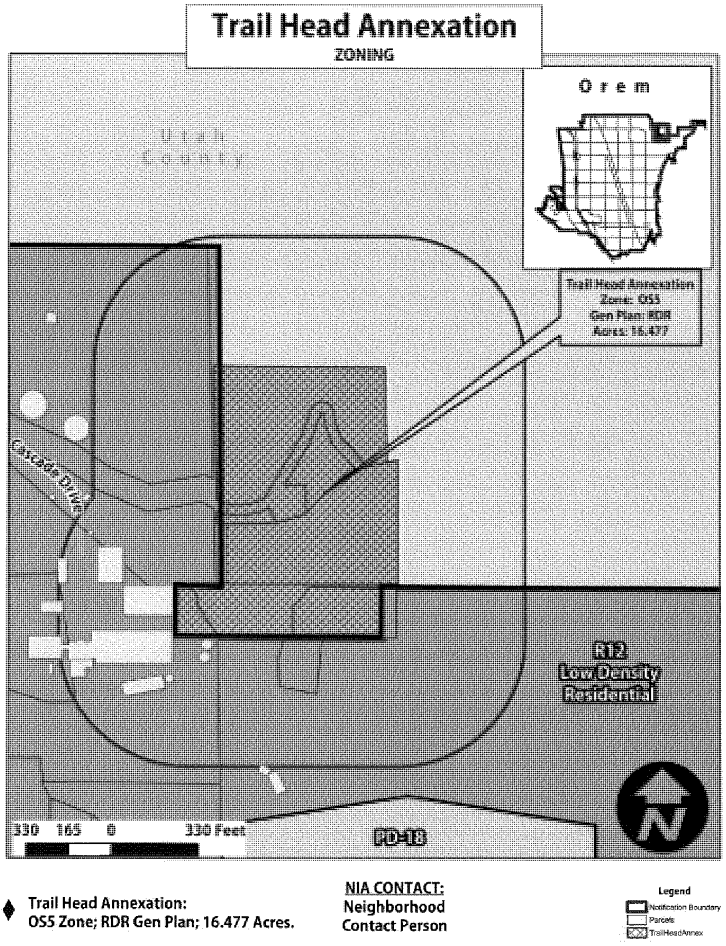
NIA CONTACT:
Neighborhood Contact Person

Legend
- Buildings
- Trail Head Annexation
- Notification Boundary
- Parcels

CUWCD
Orem Bench Trail



Proposed General Plan Designation:
Rural Density Residential



Proposed Zone: **OS5**
(Open Space Zone)

Recommendation:

That the City Council, by ordinance, annex approximately 16.477 acres of property located generally at 1250 East Cascade Drive and designate the property Rural Density Residential on the General Plan land use map and amend Article 22-5-3(A) and the zoning map of the City by zoning the property to the OS5 zone.

Orem Arts Council

Annual Report to the Orem City Council

November 18, 2014

Introduction

Current Council Members		Term
Cassandra	Barney	July 2016
Randy	Bernhard	June 2018
Cindy	Clark	Feb 2017
Cody	Clark	Feb 2017
Kathie	Debenham	Feb 2015
Debora	Escalante (Chair)	Feb 2015
Daniel	Fairbanks	Feb 2014
Cody	Hale	Permanent Seat (HCTO)
Debby	Lauret	Feb 2016
Kate	Monson	Feb 2017
Peggy	Philbrick	July 2016
Adam	Robertson	Permanent Seat (SCERA)
Ray	Smith	Feb 2017
Mark	Seastrand	Councilmember
Charlene	Crozier	Staff

Strategic Plan adopted in 2013

The Mission of the Orem Arts Council is to: (p. 1)

- Advance the vision of the arts in Orem through a strategic plan;
- Advise and recommend strategies to Orem's Mayor and City Council to help that vision become a reality; and,
- Facilitate arts development and events in Orem.

Strategies to achieve our mission and vision (p. 2)

Strategy #1: Refine and strengthen the role of the Orem Arts Council.

Strategy #2: Develop cultural arts facilities as a landmark attraction for the city and region, establishing Orem as a leader in promotion of the arts.

Strategy #3: Expand awareness of and involvement in the arts, and increase support for and sustainability of the arts in Orem.

2014 Activities based on priorities outlined in *A Vision for the Arts in Orem (p. 8)*

a) Establish Orem as a regional center for arts, culture, and storytelling

- Initial discussions regarding Orem Arts and Arts District logo
- Meetings with city planning regarding arts overlay zone
- Arts and Entertainment Participant Survey
    - More than 200 – Art Galleries, Festivals/Fairs/Events, Live theatre, Musical Concerts, Outdoor Concerts
    - More than 150 – Classes in the arts, Community theatre, Dance, Family centered arts events, Social dance
    - More than 100 – Art-creation space, Art-oriented retail, Art in public spaces, Cultural arts for youth, Historical programs, Literary/Storytelling events, Living History exhibits/Museums/art exhibits, Outside art/statues/murals, Specialty (non-chain) restaurants

b) Continue and expand (free public arts events) (S3)

Orem Arts Council Presents

- An Evening of Jazz! With BYU's Synthesis and Caleb Chapman Bands
- Summer Hoedown - Friends & Family Square Dance
- A Night at the Theatre with SCERA, Hale, UVU, and Grassroots Shakespeare
- Orem Stories Project - Art Exhibit, *6:00 pm, Dec. 1, 2014, Orem Public Library*

Summerfest entertainment

- Two days of entertainment during Summerfest
- Sixteen local arts and/or entertainment organizations with 30-60 minute presentations
- Orem Stories Art Making

Summer Concert Series at the Stage at City Center Park.

- Eight Monday evening concerts
- Two Saturday night Samplers featuring five bands

c) Establish a community band and a community orchestra. (S3)

- David Fullmer, UVU Music Department

d) Build community awareness of the arts and enhance promotion of arts events in Orem. (S3)

- Currently done through existing events, and on the Orem Arts Calendar online at http://arts.orem.org/index.php?option=com_jcalpro&Itemid=80

g) Ensure that SCERA and Hale Center Theater Orem remain successful, permanent fixtures in our city artscape. (S3)

- Support for renewal of the CARE tax as private citizens
- Participation in panel review of CARE applicants as invited by Mayor Brunst

h) Create contests and festivals that would stimulate the creation of new art works from our residents. (S3)

- Orem Stories Project

j) Foster cooperation with arts councils of other cities in the area to share the burden and also the opportunity of increasing more visible arts offerings. (S1)

- Serve on Local Arts Agency grant panel for Utah Division of Arts and Museums
- Host the LAA meeting from the Utah Division of Arts and Museums for Utah County

n) Promote broad public understanding of the benefits of the arts in terms of quality of life, economic development, and overall prosperity. (S3)

- Participate as citizens in charettes and public meetings regarding economic development in Orem (University Place and State Street study) to represent the vision for the arts in Orem.

Looking Ahead to 2015

Strategy #1: Refine and strengthen the role of the Orem Arts Council

Organization of sub-committee heads:

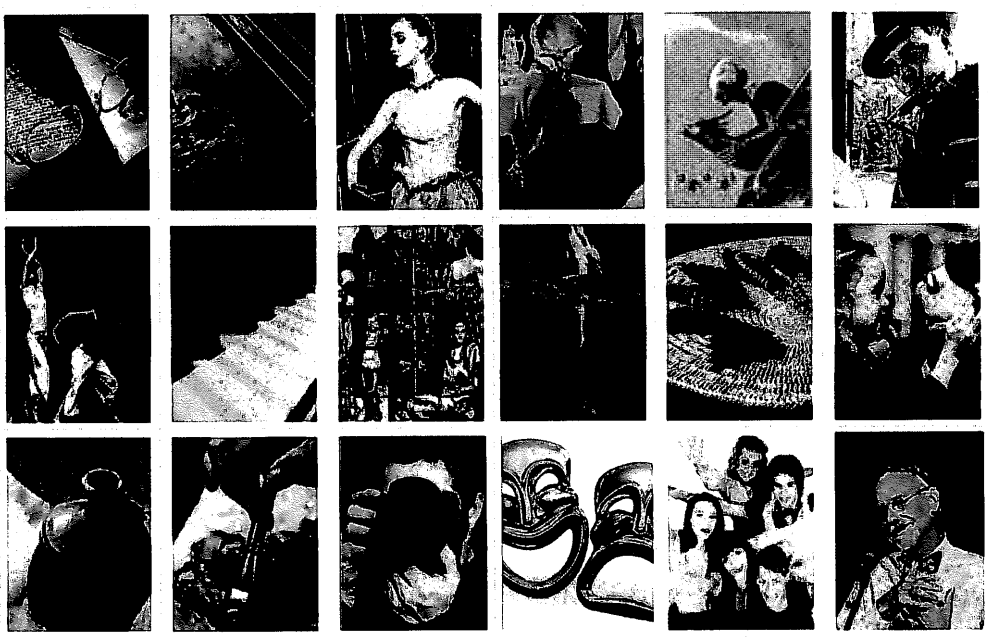
- Arts District Vision & Connection to Orem Development
- Design
- Development and Grants
- Historian/Photographer
- Marketing
- Orem Arts Council Presents
- Professional Arts Series
- Sponsors
- Summerfest
- University Liaison
- Volunteers
- Website/Social Media

Strategy #2: Develop cultural arts facilities as a landmark attraction for the city and region, establishing Orem as a leader in promotion of the arts.

- Participate in the Economic Development conversation
- Identify and pursue funding – Most grants require matching funds.

Strategy #3: Expand awareness of, and involvement in the arts, and increase support for and sustainability of the arts in Orem.

- Continue to support existing Arts Council programming
- Finalize logo design
- Work with city to develop signage to promote arts and entertainment in Orem
- Identify and pursue funding
- Collect additional input from Orem citizens and arts participants
- Incorporate citizen feedback into the vision for the Arts District and continue developing future proposals for such.



Orem Arts Council

Strategic Plan for the Arts in Orem
Adopted October 2012

Vision

Our vision is a city with strong governance, committed to advancing and supporting the arts through collaboration with the public, arts providers, cultural arts organizations, educational institutions, and the business community. We envision the City of Orem as a place where:

- quality arts activities energize, entertain, educate, refine, and inspire us;
- enthusiastic citizens participate in, volunteer for, support and appreciate the arts;
- performers and artisans seek to display their talent to an eager public;
- arts activities are accessible to all and are well-publicized;
- families participate in rich and varied cultural activities;
- Orem's heritage, history, and diversity are preserved and promoted;
- the arts are adequately funded and appropriate facilities are available;
- public/private partnerships in support of the arts are encouraged; and,
- arts education is fostered.

Mission

The mission of the Orem Arts Council is to:

- advance the vision of the arts in Orem through a strategic plan;
- advise and recommend strategies to Orem's Mayor and City Council to help that vision become a reality; and,
- facilitate arts development and events in Orem.

The Arts in Orem

The arts are indispensable to creativity and to the pursuit of truth, virtue, and beauty. They bring a richness of life to our residents and contribute to a sense of community. There is great intrinsic value and power in the aesthetic experience; it is a significant factor in ennobling mankind. We are inspired to do better in every facet of our lives when we are lifted by the arts. The arts boost the economy[1] and enhance our overall quality of life.

The Orem Arts Council urges the City Council to give the arts an even more prominent place in our city through the following strategies, listed below in priority order:

Strategy #1: Refine and strengthen the role of the Orem Arts Council.

Strategy #2: Develop cultural arts facilities as a landmark attraction for the city and region, establishing Orem as a leader in promotion of the arts.

Strategy #3: Expand awareness of and involvement in the arts, and increase support for and sustainability of the arts in Orem.

[1] See "Arts and Economic Prosperity III: the economic impact of nonprofit arts and culture organizations and their audiences" by Americans for the Arts.

Strategy #1: *Refine and strengthen the role of the Orem Arts Council.*

In the six years since it was created, the Orem Arts Council has become more than just an advisory council. The Council has gradually evolved into a presenting council as well, with *Orem Arts Council Presents*, *Arts in the Park*, Summerfest entertainment, and the Stage at City Center Park. These events have had a wonderful response from the community and the Council is on a great trajectory.

As an Arts Council we believe that the City needs to more fully embrace an expansive vision for the arts, and provide the means for the Arts Council to function with maximum effectiveness. To that end, we encourage the City Council to:

a) formally adopt an expanded role for the Orem Arts Council through changes to the City Code;

b) strengthen the Orem Arts Council with the appointment of additional engaged, contributing members with adequate initial training;

c) provide better funding to support the accomplishment of the purposes and initiatives of the Arts Council; and,

d) hire a full-time (or, if necessary as an intermediate step, a part-time) professional level Executive Director for the Arts Council, establishing an arts department or section in the City organization. The growth we need and foresee will require a dedicated Director of the Arts Council that can spend the time needed for networking, grant writing, fundraising, organizing, promoting, etc. This new Executive Director will:

   - provide leadership for the objectives in the Orem Arts Strategic Plan and would be very involved with fundraising and grant writing to realize those objectives;

- create alliances and partnerships to benefit the arts in Orem;
- manage Arts Council events and facilitate the promotional goals we have for the arts;
- organize and direct a newly formed *Orem Friends of the Arts* from which could come a large volunteer force to help with events, promotion, and fundraising;
- continue to develop and expand program initiatives already underway, including the Stage at City Center Park, *Orem Arts Council Presents*, Summerfest entertainment, and *Arts in the Park*; and,
- play a key role in expanding arts events in our city, including pursuing collaboration with the Orem Recreation Advisory Commission for some new major city events.

Strategy #2: *Develop cultural arts facilities which will serve as a landmark attraction for the city and region and establish Orem as a leader in support and promotion of the arts.*

The arts need physical facilities in which artists may perform, practice, entertain, display, and educate. Cultural arts facilities should be a landmark attraction for the City. These facilities may be located in a central arts district, fostering artistic interaction and establishing Orem as a leader in the promotion of cultural arts. Visual art displays should be spread throughout the City where the public can view and appreciate them.

We want to be known as Family City, USA where a robust culture in all of the arts develops young artists, fosters the work of more mature artists, and enriches the whole population as they participate in the arts. We also want Orem to be known as the national center for storytelling.

After considering the concepts presented in the cultural arts facilities feasibility study conducted in 2006, the Orem Arts Council recommends that the City of Orem:

a) establish a district for the arts near 720 South, with SCERA at the hub and with additional facilities to support performance, display, and educational outreach for the arts. Because of its historic value, the SCERA building should be preserved and fully utilized. We see this "720 Arts District" as fully compatible with the other efforts to build up the arts in Orem. It will be a major anchor for arts and arts education in Orem, while other anchors will include The Center for Story and all the Orem Public Library offerings, the Stage at City Center Park, Hale Center Theater Orem, Woodbury Art Museum, Mt. Timpanogos Park, and Ragan Theatre and Noorda Regional Theatre Center for Children and Youth at Utah Valley University. Each venue adds its own unique dimension to the cultural arts offerings that span the length and breadth of our city. We recommend that the City Council:

   - establish a strategic planning committee to work with the Orem Arts Council to develop a Master Plan for an arts district near 720 South; and,
   - determine how development of this district can be accomplished, including whether the project will be a SCERA (private nonprofit) arts district, an Orem City (owned) arts district, or an area zoned for arts and eventually populated by various private businesses and organizations; or a combination of all three approaches. We urge a study of the possibilities and an action plan to begin moving this work along.

b) support the renovation and expansion of SCERA's grand theatre to become a performing arts venue and a home for local and regional performing arts entities;

c) support the renovation/expansion/building of a proper facility for Hale Center Theater Orem;

d) support building the Center for Story;

e) exhibit art in public spaces, including beautifying the City by placement of sculpture; and continue to augment the City's art collection by purchase and juried donation;

f) improve and utilize public spaces, including Orem City parks for arts events, concerts, exhibitions, activities, and community cultural festivals;

g) explore the possibility of developing a home for the Colonial Living History group;

h) support the construction of a fine concert hall in Orem; and,

i) support and coordinate with Utah Valley University in its arts facility development and programming in the arts.

Strategy #3: *Expand awareness of, support for, and involvement in the arts in Orem.*

We recommend the City:

a) provide funding to increase marketing and advertising efforts for Orem arts events, including:

- kiosk information booths at the Recreation Center and other strategic places to publicize and promote arts events;
- advertising banners along city streets and other high traffic areas;
- a digital marquis on State Street on City property;
- arts advertisements regularly included with utility bills sent to Orem homes; and,
- an enhanced and expanded Orem Arts website and online calendar of events.

b) support and participate in county and state associations and the Utah Valley Convention and Visitors Bureau to increase advertising for and support for the arts;

c) develop a branding that promotes Orem as a destination for arts, storytelling, and culture;

d) recognize outstanding achievements in the arts including awards for significant contributions to the arts in Orem by arts educators; outstanding achievements by Orem's students of the arts; and excellence achieved by Orem's professional artists;

e) encourage the renewal of CARE in 2013. Many residents have experienced the tremendous benefits of CARE without even knowing it was CARE that made this possible. CARE has done much good for the community, and yet so much more can yet be accomplished. We realize that we cannot actively "proselyte" for the tax, but we can:

- make sure in all of our events that the public is aware that they are witnessing the benefits realized from the CARE tax;
- take steps to better inform the public of the benefits of CARE for both arts and recreation; and,
- we urge the City to use any lobbying power available to pursue legislation that would make it possible for the Orem Arts Council to receive funding through the CARE tax. At this point, counties in Utah can grant to their local municipal arts councils, but cities cannot; and,

f) establish and support a community band and a community orchestra.

A Vision for the Arts in Orem

With staffing and funding in place the Orem Arts Council would:

a) Establish Orem as a regional center for arts, culture, and storytelling.
b) Continue and expand *Orem Arts Council Presents*, Summerfest entertainment, *Arts in the Park*, and programming for the Stage at City Center Park. Continue to support and expand the Timpanogos Storytelling events in the City.
c) Establish a community band and a community orchestra.
d) Build community awareness of the arts and enhance promotion of arts events in Orem. We would have one or more digital electronic marquees in prominent places in the City.
e) Fully realize the vision suggested in the Cultural Arts Facilities Feasibility Study and develop an arts education program and center, establish a Children's Museum, strengthen the Heritage Museum, and create an arts district that would allow for many synergistic arts opportunities for our citizens. We would also like to see in the future a fine concert hall in Orem, designed and dedicated for that purpose.
f) Ensure that our youth are given educational arts opportunities and a chance to develop a sense of cultural heritage.
g) Ensure that SCERA and Hale Center Theater Orem remain successful, permanent fixtures in our city artscape.
h) Create contests and festivals that would stimulate the creation of new art works from our residents.
i) Place important sculptural pieces around the City.
j) Foster cooperation with arts councils of other cities in the area to share the burden and also the opportunity of increasing more visible arts offerings.
k) Bring in more national talent and exhibits.
l) Establish a home for a living history museum and support other organizations similar to the Colonial Living History group.
m) Increase collaboration with UVU in regard to facilities and cultural arts events in our community.
n) Promote broad public understanding of the benefits of the arts in terms of quality of life, economic development, and overall prosperity.

Item to be considered on November 18, 2014

1. **PD-21 zone (Wolverine Crossing)** – Amending Appendix O and various portions of Section 22-11-33 of the Orem City Code pertaining to development regulations in the PD-21 zone at 1200 South Geneva Road

The following changes are proposed:

- Setback adjacent to 1000 South shall be ten feet – the same distance as 1250 South, no setback is currently specified adjacent to 1000 South;
- Buildings higher than 20 feet shall be setback at least 20 feet from a property line unless otherwise specified;
- Buildings less than 20 feet high have no setback unless otherwise specified;
- Alterative street pavements such as cobblestone, pavers, or brick to be removed as "encouraged" on all private streets and removed where required as shown on the preliminary development plan;
- Parking spaces reduced from 0.65/stalls per occupancy unit to 0.62/stalls per occupancy unit for Area 2, only;
- Density in Area 2 is limited to the definition of "Family" as contained in Article 22-2;
- Cement fiber board siding added as an approved material;
- Fencing along the railroad right-of-way up to twelve feet permitted as portions of a garage or carport structures will act as a fence;
- Maximum height of seven feet for fencing in other areas;
- Two wall signs in Area 2 to be oriented to I-15 or University Parkway as Area 2 has no public street frontage with its interior location;
- Permit one monument sign along 1000 South;
- Cross-street architectural sign (similar to existing Wolverine Crossing) permitted in Area 2;
- Single interior sign in Area 2 (similar to existing Wolverine Crossing) no higher than 27 feet with on premise or non-commercial messages;
- Changes to the approved style of building elevations as outlined in Appendix "O"; and
- Amending the concept plan of Area 2 as shown in Appendix "O."

L. **Building Permits**. No building permit shall be issued for any project for which a site plan is required, until the site plan has been approved by the appropriate authority and a final plat has been approved and recorded by the City.

M. **Completion of Improvements.** All public improvements shown on an approved site plan or amended site plan shall be completed within two (2) years of the date of approval or recording of the site plan or final plat, whichever is later, or at such earlier time as the approving body may designate. If the improvements are not completed within the time specified, the City shall have the option of taking action on the bond to complete the improvements, or of voiding the approval. An applicant may request an extension of up to one (1) year for the completion of improvements from the Planning Commission. An extension of one year may be granted only if the applicant demonstrates good cause for not completing the improvements and demonstrates the present ability to complete the improvements.

N. **Completion and Maintenance of Site.** Every PD-21 development shall conform to the approved site plan or amended site plan No structures or improvements may be added to a PD-21 development that are not included on the approved site plan. All improvements shown on the approved site plan shall be maintained in a neat and attractive manner. Failure to complete or maintain a PD-21 development in accordance with this Chapter and with the approved site plan shall be a violation of the terms of this Chapter. The City may initiate criminal and/or civil legal proceedings against any person, firm or corporation, whether acting as principal, agent, property owners, lessee, tenant, employee or otherwise, for failure to complete or maintain a PD-21 development in accordance with this Chapter and with the approved site plan.

O. **Final Plat.**

1. The form and contents of the final plat shall be as required in Article 17-5 of the Orem City Code. The final plat shall also contain the following information.
   a. A designation of common areas, limited common areas, and private ownership areas.
   b. A designation of any cross easements.
   c. For condominiums, three dimensional drawings of buildings and building elevations. In the case where the PD-21 development is a condominium project, the developer shall submit a written statement by an attorney who is licensed to practice in Utah. This written statement shall be the attorney's opinion that the condominium declaration, the subdivision plat and the other supporting documentation comply in all respects with the Utah Condominium Ownership Act (UCA Sec. 57-8-1, et seq.) as well as all applicable federal, state and local laws and ordinances and that when the condominium declaration and final plat have been recorded in the office of the Utah County Recorder that the proposed project will be a validly existing and lawful condominium project in all respects.
   d. Written approval of adjoining ditch or canal companies authorizing mandatory fencing or piping of ditches or canals.
   e. Plat restrictions, lot restrictions, and other information required by the Planning Commission or Director of Development Services.
2. The Director of Development Services shall approve a final plat within the PD-21 Zone provided he finds:
   a. That all of the improvements and conditions of the approved site plan have been incorporated into the final plat.
   b. That all construction drawings of the PD-21 development have been approved by the City Engineer.
3. The final plat shall be recorded by the City after all signatures are obtained, all approvals are given, and all bonds and fees are posted with the Public Works Department.
4. A final plat must be approved and recorded for each phase of construction.

P. **Development Standards and Requirements**. The following development standards and requirements shall apply to all PD-21developments:

1. **Density** The minimum residential density of the completed project shall be one hundred forty (140) occupancy units per gross acre for Area One and ninety (90) occupancy units per gross acre for Area Two. Area Two shall be limited per dwelling unit to no more than three (3) unrelated individuals or one "Family" as defined in Article 22-2. Appendix O identifies Areas One and Two. An occupancy unit shall be defined as a bedroom having one hundred ten (110) square feet or less of floor space area. A bedroom having more than one hundred ten (110) square feet of floor space shall count as two (2) occupancy units. The maximum number of occupants per bedroom, for bedrooms having one hundred ten (110) square feet or less of floor space area shall be one (1), and maximum number of occupants per bedroom, for bedrooms having more than one hundred ten (110) square feet of floor space area shall be two (2). The term bedroom shall include all areas suitable as a private sleeping area such as a studio, den, etc. Closets and built-in desks shall not be included in the floor space area of the bedroom. . Because the parking requirement for Area Two is lower than the parking requirement for Area One, subsection (6) of the definition of "Family" in Section 22-2-1 shall not apply to residential units in Area Two.
2. **Building Heights**. All residential buildings and mixed residential/commercial use buildings shall have a minimum of four stories. The maximum building heights shall be:
   a. 56 feet for that part of a building that is adjacent to and within one hundred fifty feet (150') of a public street.

b. 62 feet* for that part of a building that is adjacent to but more than one hundred fifty feet (150') from a public street.

c. 62 feet* for that part of a building within fifty feet (50') of areas designated for required or optional commercial use.

d. 72 feet for parking structures.

e. 86 feet or seven (7) stories whichever is less for all other buildings or parts of buildings.

* Except clock towers and special architectural roof features, which are not a part of the standard required building roofing, up to a maximum of eighty-six feet (86').

3. **Building Setbacks.** All buildings adjacent to Geneva Road shall be set back at least forty (40) feet as measured from the back of the curb. All buildings adjacent to 1250 West, 1000 South or University Parkway shall be set back at least ten (10) feet as measured from the back of the sidewalk or property line, whichever results in a greater setback. With respect to all other property lines, buildings with a height greater than twenty feet (20') shall be set back at least twenty feet (20'), but no setback is required from all such other property lines for buildings with a height less than 20 feet. Buildings with commercial uses facing a private street shall be built to the back of sidewalk.

4. **Street Design.** All streets within the PD 21 Zone may be private or public. The development review process will determine whether a proposed street will be private or public. ~~Alternative street pavement, such as cobblestone, concrete pavers, and brick is encouraged on all private streets, bit is not required where shown on the preliminary development plan.~~ Private streets may be designed and built according to the following minimum requirements:

a. Project entrance streets and streets accessing parking structures shall have a minimum pavement width of twenty-eight feet (28').

b. Street with no on-street parking: A forty-five foot (45') right-of-way with twenty-two feet (22') of pavement for travel lanes, and thirteen feet (13') of sidewalk and/or landscaping on both sides.

c. Street with on-street parking on one side: A sixty-four foot (64') right-of-way with twenty-two feet (22') of pavement for travel lanes, thirteen feet (13') of sidewalk and/or landscaping on both sides, and sixteen feet (16') of pavement for angled parking.

d. Street with on-street parking on both sides: A seventy-two foot (72') right-of-way with twenty-two feet (22') of pavement for travel lanes, thirteen feet (13') of sidewalk and/or landscaping on both sides, and sixteen feet (16') of pavement for angled parking on one side, and (8') of pavement for parallel parking on the other side.

5. **Street landscaping.** Landscaped islands may be approved in a private street. They shall be designed, maintained, and located to allow safe traffic flow.

6. **Sidewalks, plazas and outdoor café areas.** All private streets shall have a minimum sidewalk width of four (4') feet on both sides of the street. The village shall include at least one open space plaza and shall allow for outdoor café areas. Outdoor café awnings may not extend closer than four (4') to the street curb.

7. **Streetscape features.** The design of the commercial village area streets shall incorporate the use of streetscape features, such as trees, planters, benches, drinking fountains, decorative garbage cans, and at least one outdoor clock and one water fountain. A minimum of 15% of the sidewalk area of the sidewalks in the commercial village area shall be landscaped with trees, bushes, flowers, ground cover, etc. A minimum of two (2) trees shall be planted in the commercial village sidewalk area every fifty feet (50').

8. **Parking.**

a. Parking for Area One ~~for student housing units~~ shall be provided at the rate of (0.65) parking spaces per occupancy unit. Parking for Area Two shall be provided at the rate of 0.62 parking spaces per occupancy unit.

b. Parking for commercial uses shall be provided at the rate of one (1) parking space per 500 square feet of floor area. Hotels shall have one (1) stall per room. Buildings over 30,000 square feet in size which have 50% or more of the building area used for commercial purposes must provide the required parking stalls, based on the rate listed above, next to the building.

c. Parking stalls located in front of commercial uses shall be reserved exclusively for commercial use during business hours.

d. No additional parking stalls shall be required for buildings used for student resident public assembly, fitness and recreation activities, or religious worship.

e. The above parking requirements shall be met for each phase of construction.

9. **Landscaping.**

a. All land within the PD-21 Zone not covered by buildings, streets, driveways, sidewalks, plazas, courtyards, structures, recreation facilities and parking areas, shall be permanently landscaped with trees, shrubs, lawn, or ground cover and maintained in accordance with good landscaping practice. All landscaping shall have a permanent underground sprinkling system.

b. One (1) deciduous tree, at least two (2) inches in caliper measured at ground level, and one evergreen tree at least five (5) gallons in size is required for every three thousand (3,000) square feet or fraction thereof of landscaped area. Evergreen shrubs, at least five (5) gallons in size, are required at a ratio of one (1) each per dwelling unit. A licensed landscape architect is hereby given the discretion to substitute deciduous trees for evergreen trees based on soil condition and water table depth.

c. The required setback adjacent to dedicated streets shall be landscaped and shall include landscaped berms, trees, and shrubs.

d. The required landscaping adjacent to 1250 West may be reduced to ten (10) feet.

10. **Lighting Plan**. The development site plan shall include a lighting plan, which is designed to discourage crime, enhance the safety of the residents and guests of the project, prevent glare onto adjacent properties; and enhance the appearance and design of the project. Streetlights in the development shall have a decorative style and shall be dark-sky sensitive. No cobra-style light standards are allowed. Light standards shall be placed every 50 feet along all private streets and all pathways in the development. Parking lots and structures shall be well lit.

11. **Building Materials.** All buildings shall be completed on all sides with acceptable finishing materials. The following materials are acceptable: brick, stone, fluted block, colored textured block, glass, stucco, ~~and~~ wood., and cement fiber siding. Other finishing materials may be used if approved by the City Council. However, sheet metal, corrugated metal, PVC and vinyl siding shall be prohibited except for trim, soffits, facia, mansards and similar architectural features. In determining whether or not a particular finishing material is acceptable, the City Council shall consider the following factors:

a. The visibility of the site from public streets and neighboring residential uses.

b. The degree to which the proposed finishing materials are compatible with the appearance of neighboring residential uses.

c. The location of the proposed finishing materials on the building.

d. The degree to which a particular finishing material may be shielded by landscaping or some other feature.

e. The degree to which the proposed finishing materials are durable and have low maintenance characteristics.

12. **Commercial Locations**. Commercial businesses in the development shall be located on the ground floor of buildings in the commercial village area as identified in the preliminary development plan, either in required or optional commercial locations. All floors above the ground floor shall be for residential use with the exception of facilities used for educational, office, and religious purposes.

13. **Residential Entrances.** Ground floor entrances to the residential units in the commercial areas shall be permitted. Such entrances shall be designed with separate architectural features, such as varied facade depth and color, canopies, stairs, etc.

14. **Amenities.** Common social gathering areas and recreation amenities shall be incorporated into the development. Amenities required, as shown on the preliminary development plan, shall include:

a. Five (5) BBQ and common open space areas.

b. Four (4) swimming pools.

c. Two (2) volleyball courts.

d. One (1) student lounge / hall with a minimum size of 8,200 square feet.

e. One (1) fitness center, including facilities for aerobics, weight training and basketball.

f. Meandering pathways linking the common open spaces.

15. **Loading Areas**. Areas for loading and deliveries to the commercial businesses within the village shall be provided.

16. **Outside Storage.** The developer shall provide areas for the covered storage of bicycles and other large recreational items. Such items shall not be permitted to be stored on resident balconies, or within common interior or exterior hallways of the development.

17. **RV Storage.** The storage of Recreational Vehicles (RVs) shall not be permitted within the PD-21 zone.

18. **Solid Waste Receptacles**. Solid waste receptacles which are not located within a building, excluding small, decorative garbage cans, shall be enclosed on three sides with the same materials as used on the main structures within the PD-21 development.

19. **Fencing.** Fencing around buildings within the development is not required. Fences adjacent to a public or private street and within the building setback may have a maximum height of three feet (3') if sight-obscuring, or four feet (4') if non sight-obscuring. A sight-obscuring fence at least six feet (6') high and no more than twelve feet (12') high shall be constructed and maintained between the development and the railroad right-of-way to protect residents from the impacts associated with the adjoining railway operations. A primary or accessory structure may take the place of a fence where the required fence connects with the structure to form a continuous barrier. Except as otherwise provided herein, a fence up to seven feet (7') high may be constructed adjacent to other property boundaries. Fences made of chain link or chain link with slats are not permitted

20. **Utilities.** All buildings shall be served by the public sewer system and public water supply. All utilities shall be placed underground. No water or sewer lines shall be placed under covered parking areas.

21. **Storm Water Runoff Plan.** All PD-21 developments shall have a storm water runoff plan designed to accommodate a 25-year storm.

22. **Soils Report.** A soils report prepared by a soils engineer shall be submitted to identify any special engineering needs of the site. All development shall be slab on grade unless a soils engineer determines that below grade development can be developed without present or future ground water problems and the City Engineer concurs in the analysis. Ground water drains shall be required if any part of a building's habitable floor level is below grade.

Q. **Signage**.

1. Except as otherwise provided below, ~~S~~signage in the PD-21 zone shall comply with the provisions of Chapter 14 of the Orem City Code. The following additions and modifications shall apply to signage in the PD-21 zone: ~~for residential portions of a building shall be limited to flags, governmental, holiday, incidental, interior, name plate, political and real estate and shall comply with the provisions of Chapter 14 of the Orem City Code for such signs.~~

a. Because Area Two does not have frontage on any arterial or collector street, two wall signs may be located on buildings in Area Two. The two wall signs shall conform to the following requirements:

(1) The wall signs shall consist of individual letter son a flat face in conformance with the general style and quality shown on the concept plan

(2) The dimensions of the signs shall not exceed fifteen feet (15') in height and forty feet (40') in width.

(3) The wall signs shall not be electronic message signs although they may be backlit.

(4) The wall signs shall be oriented toward I-15 to the west or University Parkway to the south.

(5) The wall signs must be on-premise signs.

2. Signage for businesses on private and public streets is limited to wall signs, window signs, monument signs, and canopy signs, and the following shall apply:

a. Wall signs and canopy signs shall be placed on the commercial portion of the building only.

b. Wall signs may not exceed fifteen percent (15%) of the commercial portion of the wall to which the sign is attached.

c. Wall signs extending more than six inches (6") from the wall and less than twenty-four inches (24") shall not be within seven feet (7') of the finished grade adjacent to the building at the base of the wall to which the sign is attached. Projecting signs, signs that project more than twenty-four inches (24") from the wall, are prohibited.

d. Canopy signs may only be placed above primary entrances to a business.

e. Window signs shall not exceed fifty percent (50%) of the total transparent area of any window on which they are attached.

f. One (1) monument sign is permitted along Geneva Road, ~~and~~ two (2) monument signs shall be permitted along University Parkway, and one (1) monument sign shall be permitted along 1000 South. ~~and a~~All such signs shall be limited to a maximum height of sixteen (16) feet as measured from the existing grade and one hundred-fifty (150) square feet of sign area. If the existing grade is below the top back of curb, the maximum sign height shall be measured from the curb at a point perpendicular to the sign location. The signs shall be located at least five (5) feet from the back of sidewalk or from the curb when no sidewalk is present and shall be located outside the clear vision triangle. The monument signs shall be limited to identifying the project and the commercial tenants located within the PD-21 zone.

g. Monument signs permitted in subparagraph (f) shall have no exposed poles or covered poles. The width of the sign shall be uniform in size from the top of the sign to the bottom of the sign where it meets the grade.

h. The architecture of signs not attached to a building shall be consistent with the architecture of the existing buildings in the PD-21 zone.

3. A cross-street architectural feature sign no greater than thirty-five (35) feet high may be placed across a private street in both Area 1 and Area 2 and shall only advertise the name of the development and related logo decals. The sign must have a minimum clearance height of 13'6" for fire apparatus access and must be set back at least three hundred eighty-five feet (385') from University Parkway and one hundred seventy-five feet (175') from Geneva Road. A single support pylon may be used. A single support pylon sign may be used.

4. A single interior sign shall be allowed in both Area 1 and Area 2 at a height not to exceed twenty-seven (27) feet. The interior sign may include on-premise advertising and may also display non-commercial messages. The interior sign may have an electronic sign display on up to 50% of the sign square footage. The interior sign shall be set back at least three hundred eighty-five (385) feet from University Parkway and one hundred seventy-five feet (175') from Geneva Road.

R. **Architectural Styling**. The architectural style of the development shall substantially conform to the renderings in the preliminary development plan. The sides of all buildings facing the commercial village area, as identified in the preliminary development plan, shall be constructed to achieve a village atmosphere, by using a variety in color, facade depth and roof line height, with changes occurring in all these areas at least every sixty-six (66') linear feet. All other sides of buildings, except for parking structures, shall be constructed with variety in color, relief and rhythm so as to be compatible in appearance with the buildings in the commercial village area. Balconies and canopies on building sides facing village streets or plazas shall not exceed three (3') feet in depth. Windows or other compatible architectural features facing the street shall be required on all commercial and residential units adjacent to streets.

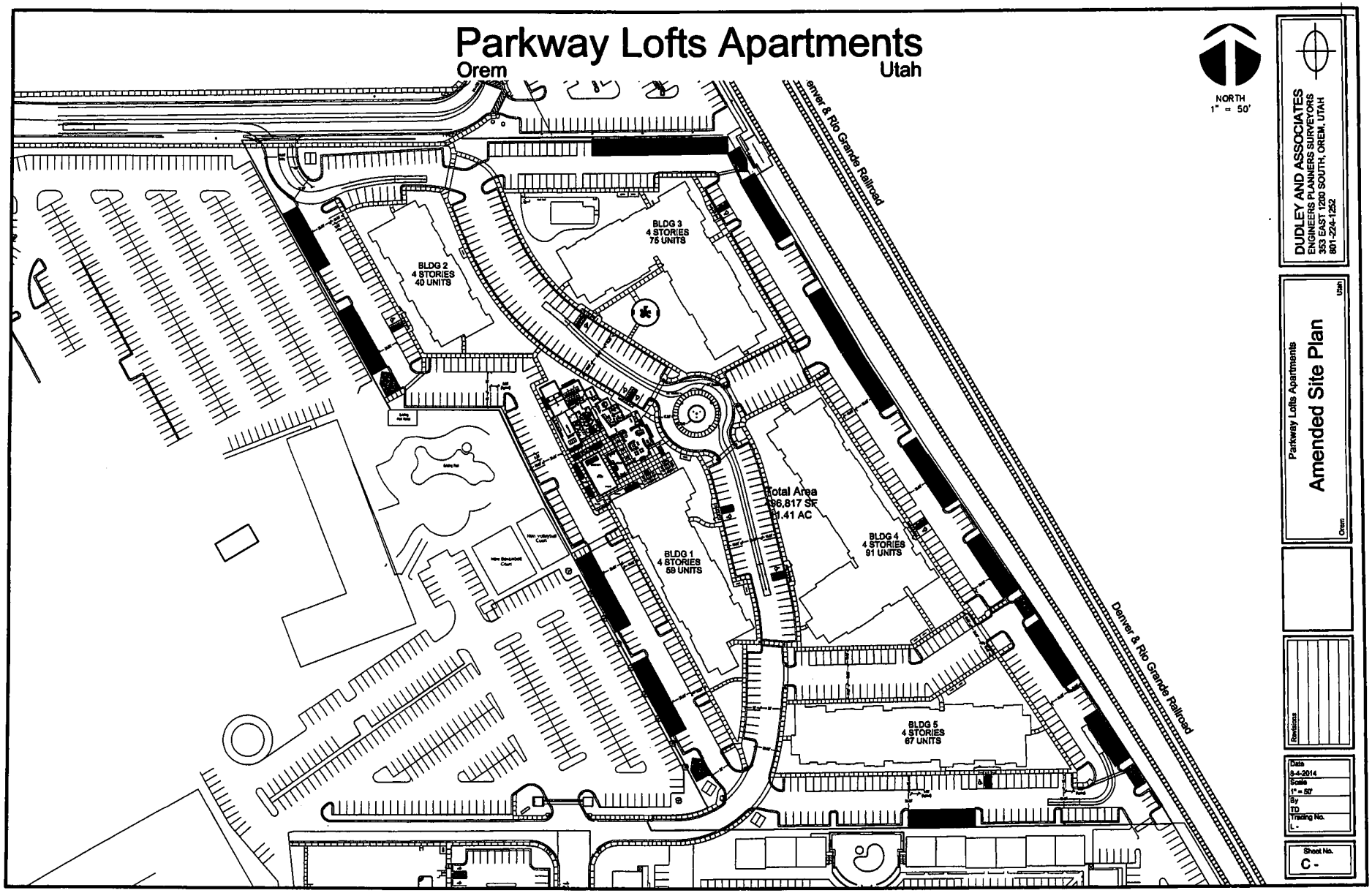
S. **Architectural Review**. The Planning Commission shall perform architectural review of the development at site plan review. The site plan must demonstrate that the development will:

1. Meet the general purpose and spirit of the PD-21 zoning ordinance.

PROPOSED

Parkway Lofts Apartments

Orem Utah



DUDLEY AND ASSOCIATES
ENGINEERS PLANNERS SURVEYORS
353 EAST 1200 SOUTH, OREM, UTAH
801-224-1252

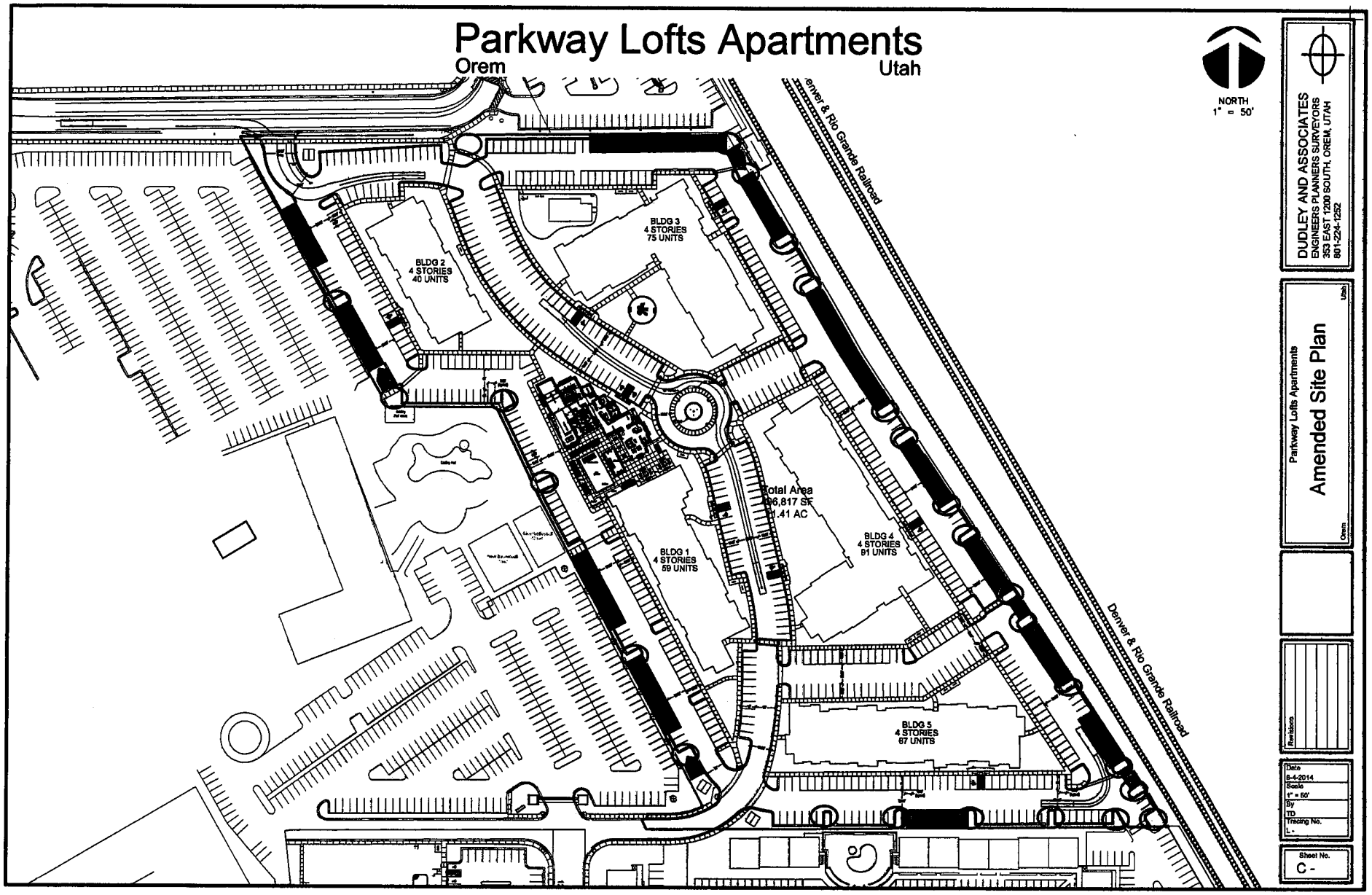
Parkway Lofts Apartments
Amended Site Plan
Orem Utah

Revisions

Date
8-4-2014
Scale
1" = 50'
By
TD
Tracing No.
L -

Sheet No.
C -

PROPOSED


Parkway Lofts Apartments
Orem
Utah
NORTH
1" = 50'
BLDG 2
4 STORIES
40 UNITS
BLDG 3
4 STORIES
75 UNITS
BLDG 1
4 STORIES
59 UNITS
BLDG 4
4 STORIES
91 UNITS
BLDG 5
4 STORIES
67 UNITS
Total Area
96,817 SF
1.41 AC
Denver & Rio Grande Railroad
Denver & Rio Grande Railroad
DUDLEY AND ASSOCIATES
ENGINEERS PLANNERS SURVEYORS
353 EAST 1200 SOUTH, OREM, UTAH
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Parkway Lofts Apartments
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Utah
Orem
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Date
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Scale
1" = 50'
By
TD
Tracing No.
L -
Sheet No.
C -

PROPOSED

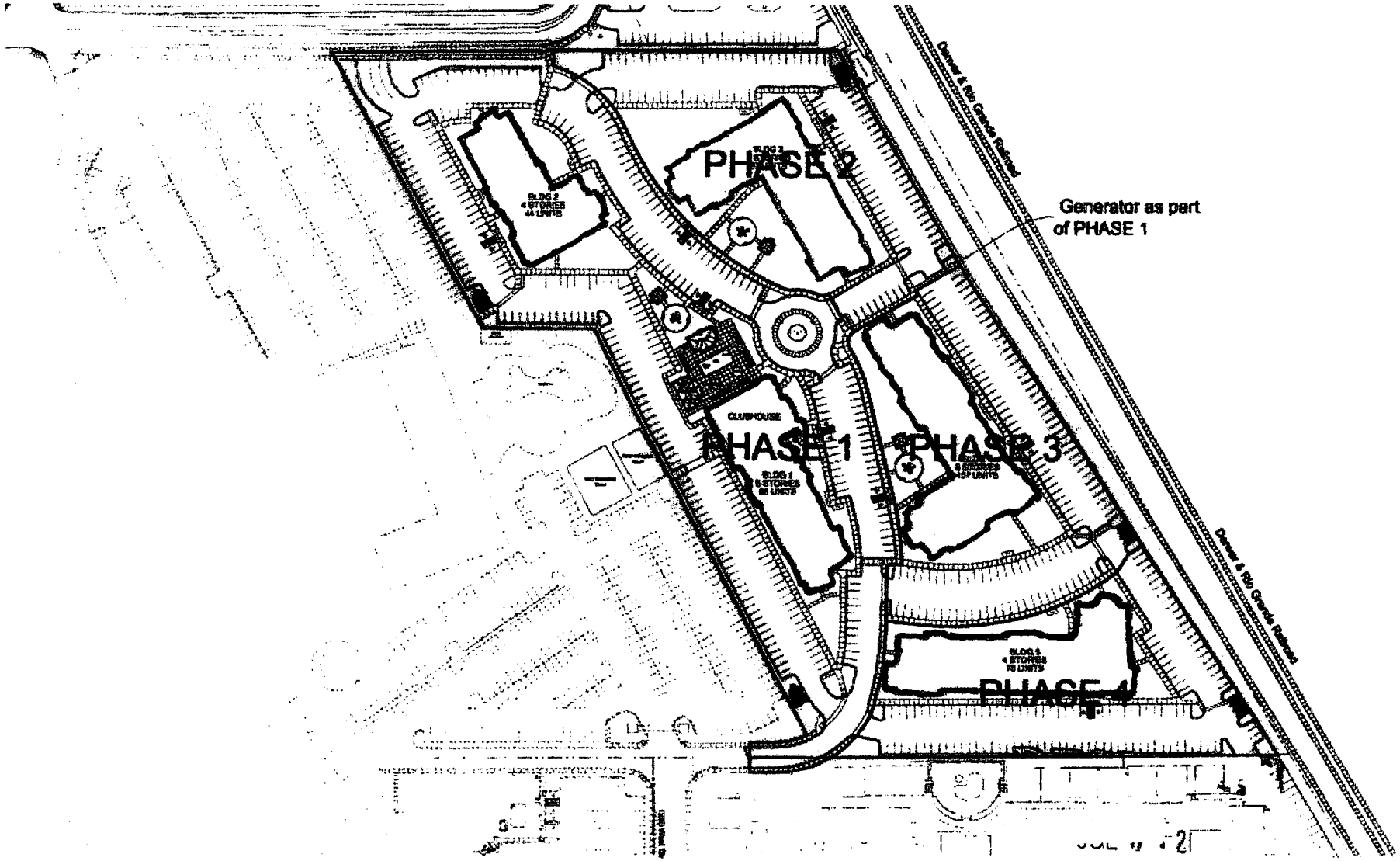
3D PERSPECTIVE
SCALE: N.T.S.

PARKWAY LOFTS APARTMENTS
TYPICAL BUILDING COLOR PERSPECTIVE
25 JULY 2014

CURTIS MINER
ARCHITECTURE
233 SOUTH PLEASANT GROVE BLVD, SUITE 101
PLEASANT GROVE, UTAH 84062
PHONE: (801) 769-3001
FAX: (801) 769-3001
EMAIL: cma@curtisminerarchitecture.com

EXISTING

PD-21 STUDENT HOUSING VILLAGE ZONE



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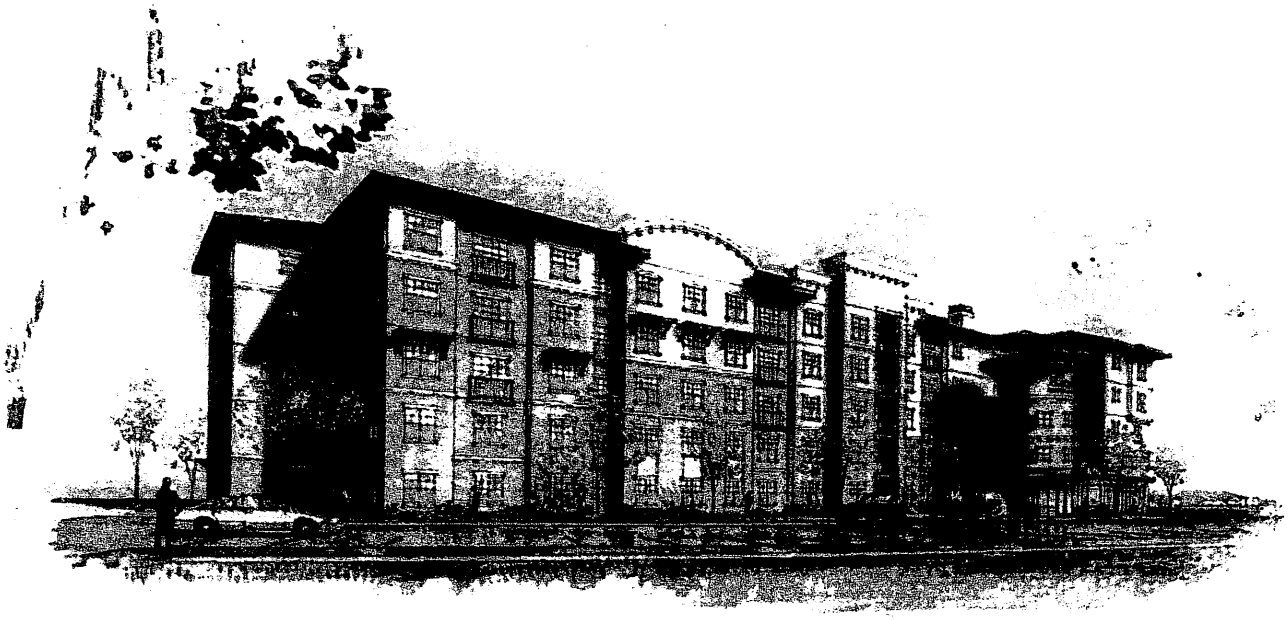
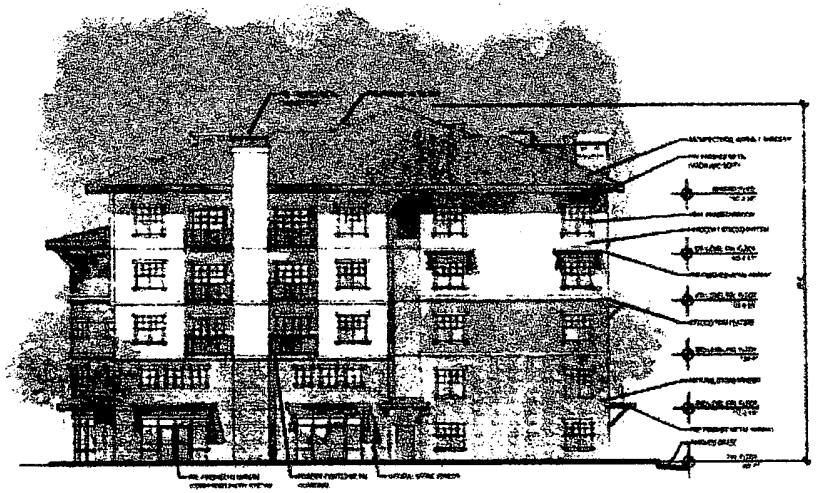


3D PERSPECTIVE
SCALE: NT

FLAGSHIP
LUXURY APARTMENTS

EXISTING

FRONT ELEVATION



SIDE ELEVATION

FLAGSHIP