



UNIFIED FIRE SERVICE AREA AGENDA

May 21, 2019 8:30 a.m.

(or immediately following the UFA Board meeting, if after 8:30 a.m.)

NOTICE IS HEREBY GIVEN THAT THE UNIFIED FIRE SERVICE AREA BOARD OF TRUSTEES SHALL ASSEMBLE FOR A MEETING AT UFA EOC LOCATED AT 3380 SOUTH 900 WEST, SALT LAKE CITY, UT 84119

1. Call to Order – Chair Silvestrini
2. Public Comment
Please limit comments to three minutes each
3. Approval of Minutes – Chair Silvestrini
 - a. April 16, 2019
4. Consider Resolution 05-2019A Approving the Interlocal Agreement between Eagle Mountain Redevelopment Agency/Pole Canyon CRA and Unified Fire Service Area
– District Administrator Pili
5. Consider the Date of June 18, 2019 for a Public Hearing to Receive and Consider Comments on: - CFO Hill
 - a. Proposed Amendments to the 2019 Fiscal Year Budget
 - b. Adopt an Ad Valorem Tax Rate on the Taxable Property in the Service Area
6. Discuss Effect of H.B. 229 (2017) – Utah Code Section 17B-1-505 and 17B-1-505.5
- Legal Counsel Anderson
7. Possible Closed Session

The Unified Fire Service Area may temporarily recess the meeting to convene in a closed session to discuss the character, professional competence, or physical or mental health of an individual, pending or reasonable imminent litigation, and the purchase, exchange, or lease of real property, as provided by Utah Code Annotated §52-4-205 or for attorney-client matters that are privileged pursuant to Utah Code § 78B-1-137, and for other lawful purposes that satisfy the pertinent requirements of the Utah Open and Public Meetings Act.

(If only discussing topic (A), character, etc., then you may move to not record that portion of the closed session per Utah Code § 52-4-206 (6).)

Re-Opening the Meeting

8. Adjournment – Chair Silvestrini

**The next Board meeting will be held on June 18, 2019 at 8:30 a.m. at
UFA EOC located at 3380 South 900 West, Salt Lake City, UT 84119**

THE PUBLIC IS INVITED TO PARTICIPATE IN ALL UFSA MEETINGS.

In accordance with the Americans with Disabilities Act, UFSA will make reasonable accommodation for participation in the meetings. Please call the clerk at least three working days prior to the meeting at 801-743-7213. Motions relating to any of the foregoing, including final action, may be taken at the meeting. This meeting may be held telephonically/electronically to allow a member of the UFSA Board to participate. This agenda is subject to change with a minimum 24-hour notice.

CERTIFICATE OF POSTING

The undersigned, does hereby certify that the above agenda notice was posted on this 20th day of May 2019 on the UFSA bulletin boards, the UFSA website <http://unifiedfireservicearea.com> , posted on the Utah State Public Notice website <http://www.utah.gov/pmn/index.html> and was emailed to at least one newspaper of general circulation with the jurisdiction of the public body.

Cynthia Young, UFSA Board Clerk

UNIFIED FIRE SERVICE AREA
Meeting Minutes
9:37 a.m.

Board Members Present

Mayor Kristie Overson
Mayor Jeff Silvestrini
Councilmember Sheldon Stewart
Mayor Tom Westmoreland

Mayor Robert Hale
Surveyor Reid Demman
Councilmember Richard Snelgrove
Councilmember Gary Bowen

Board Members Absent

Councilmember Kathleen Bailey
Councilmember Eric Ferguson
Councilmember Allan Perry

Councilmember Nicole Martin
Mayor Kelly Bush

Staff

Tony Hill, UFA CFO
Chief Dan Petersen
Brian Roberts, UFA CLO

Cyndee Young, UFSA Clerk
Ifo Pili, UFSA District Administrator
Rachel Anderson, UFSA Legal Counsel

Guests

Assistant Chief Mike Watson
Fire Marshall Brad Larson
Division Chief Zach Robinson
Division Chief Jay Torgersen
Captain Darren Park

Captain Eric Holmes
Nile Easton, UFA Director of Communications
Keith Zuspan – Brighton Community Council
Talsan Schulzke, UFA Strategic Data Manager

.....
Chair Jeff Silvestrini Presided
.....

Called to Order

Chair Silvestrini called the meeting to order at 9:37 a.m. Quorum present.

Public Comment

None.

Approval of Minutes

Mayor Overson moved to approve the minutes from the March 19, 2019 UFSA Board Meeting as submitted.

Mayor Hale seconded the motion.

All voted in favor.

Consider and Approve Resolution No. 04-2019A Adopting UFSA Board Members, Management, and Meetings Policy – Legal Counsel Anderson

Rachel Anderson reminded the Board that she has been working through the policies for clean up and simplifying, and explained the purpose of the Board Members, Management, and Meetings Policy.

Councilmember Stewart moved to approve Resolution No. 04-2019A adopting UFSA Board Members, Management, and Meetings Policy as presented.

Mayor Hale seconded the motion.

All voted in favor.

Consider and Approve Resolution No. 04-2019B Adopting UFSA Tax and Disclosure Compliance Policy – Legal Counsel Anderson

Rachel Anderson explained that a similar policy to this was adopted by the UFSA Board previously around the time of the issuance of the last bond. This is a new and updated form provided by UFSA's new bond counsel, Gillmore Bell.

CFO Hill has reviewed and accepted the document, as it places certain responsibilities on him as the Chief Financial Officer.

Mayor Overson moved to adopt Resolution 04-2019B to adopt the UFSA Tax and Disclosure Compliance Policy.

Councilmember Stewart seconded the motion.

All voted in favor.

Quarterly Financial Report – CFO Hill

CFO Hill presented the quarterly financial report, explaining that there is not a lot of activity on it.

Hill also explained that the UFSA is in the process of working on the Sandy City contract, and calculating the payout for services from January to June.

Councilmember Stewart moved to approve the quarterly financial report, including the list of District expenditures for the last quarter, as presented.

Mayor Westmoreland seconded the motion.

All voted in favor.

Request Use of Office Space at Station 108 for Brighton Town – Chief Petersen

Chief Petersen explained that a member of the Brighton Community Council—a potential member of the new and to-be-elected Brighton Town Council, asked about the possibility of renting space in Station 108 for the use for Town offices. Councilmember Bowen asked if the request was for free use of the space, and Chief Petersen explained that the intention was for the town to pay fair market value for the lease.

Chief Petersen wanted to know if the Board would be interested in pursuing the idea before committing staff to look into lease rates and following up with crews to ensure they are not using the space.

The general consensus of the Board was that they are happy to oblige the request, and felt that anything it can do to encourage a good relationship will be encouraged.

Selection of Engineering Consultants Firm for Seismic Evaluation – AC Watson/Division Chief Robinson

Assistant Chief Watson stated that April 12, 2019 was the kick off meeting with KPFF Engineers—the firm presenting the winning proposal to perform seismic evaluations on several fire stations. KPFF Engineers have done work on multiple Idaho and SLC fire stations.

AC Watson continued to explain that the RFP requested evaluations of 15 stations: 11 full seismic evaluations and 4 cursory evaluations for those stations scheduled for eventual rebuild. Station 112 is totally excluded from review as it is scheduled for rebuild. AC Watson mentioned that thanks to Surveyor Demman and his staff, upon reviewing the lot borders, UFSA might not need to purchase additional property for Station 112.

Evaluations will be completed by July 1, 2019. Upon request by one of the Board Members, a list of the stations on the seismic evaluation list will be emailed to all Board Members.

Review What UFA’s FY19/20 Member Fee Increase Means to UFSA – CFO Hill

CFO Hill presented a long-range plan which is to help in making decisions on the UFA budget.

He explained that this was a good year in terms of property tax growth, so UFSA is in a better spot than originally thought. Anticipating a 4% increase to the UFA member fee would add \$139,000 to the budget, which is not a major impact to the expenditure line. In June we will know what the exact number is.

He continued to explain that UFSA is in a good spot right now, however, there is a lot ahead as well. He recommended scheduling a study session for the UFSA Board in order to review all items in more detail. He explained that other upcoming considerations including potentially increasing Eagle Mountain Station to a 4-person team, preparing for a general obligation bond election, bridging the gap on Station 112 when building begins until the general obligation bond is issued (18 months), adjustments to the Sandy City contract, Rose Canyon Station and operating costs and how to fund those costs, reviewing impact fees and the best way to use those fees, planning future property tax increases, etc.

Closed Session

None

Motion to Adjourn

Councilmember Stewart moved to adjourn the April 16, 2019 UFSA Board Meeting.

Mayor Overson seconded the motion.

All voted in favor.

April 17, 2019

Pole Canyon CRA Information

We have compiled information for the Unified Fire Service Area regarding the impact of a national food processing company locating in Eagle Mountain City. The site that the company is exploring is in the Pole Canyon area of the City, which while largely undeveloped at this point, is identified as a large residential, commercial, and industrial hub for Eagle Mountain City. It is anticipated that the project will bring:

- \$280,000,000 capital investment
- 500,000 square foot food processing facility on 80 acres
 - Option on an additional 40 acres for future expansion
- 1,400 total jobs with a 5-year ramp up
 - 1,237 hourly positions
 - 83 management support positions
 - 80 management positions
- \$58,345,410 in annual payroll by Year 5

Wage Information

- Overall average wage projected at \$41,675 (\$3,743 average monthly wage)
 - Eagle Mountain average monthly wage - \$2,715
 - Project offers wages that are 28% higher
 - Utah County average wage - \$40,567
 - Management Support average wage - \$52,650
 - Management average wage - \$81,625

CRA TIF Ask

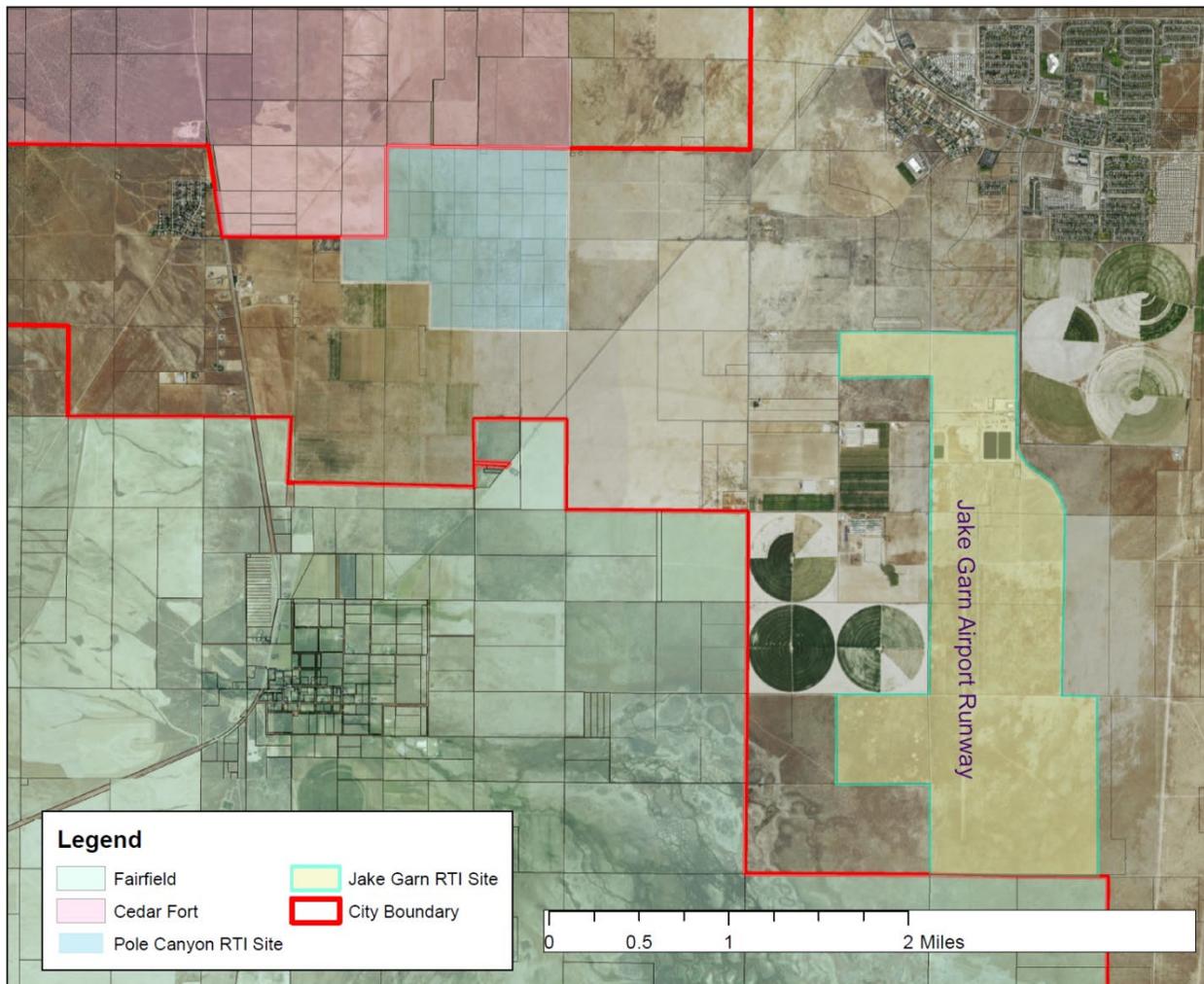
- 60% over 20-year period
 - UFSA portion
 - \$3,553,625 for RDA Project Area Plan & Budget
 - \$2,343,350 NPV
 - \$2,369,084 for UFSA
 - \$1,562,233 NPV
 - Participation capped at amounts shown in budget





Project Location

The company would locate in the Pole Canyon RTI site, as indicated on the below map, on the western end of Eagle Mountain City. The master development area encompasses roughly 3,000 total acres with a mix of retail, commercial, and industrial uses, with a total of 643 industrial acres. Pole Canyon is approved for approximately 9,600 residential units. The Project would be the first major tenant in the area and necessitates a large initial infrastructure investment which in turn will open this region for further development.



RESOLUTION OF THE UNIFIED FIRE SERVICE AREA BOARD APPROVING AN INTERLOCAL COOPERATION AGREEMENT BETWEEN UFSA AND THE EAGLE MOUNTAIN REDEVELOPMENT AGENCY.

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 the Community Reinvestment Agency Act, Title 17C, Utah Code Annotated 1953, as amended (the "CRA 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, Unified Fire Service Area (the "UFSA") and the Eagle Mountain Redevelopment Agency (the "Agency") are "public agencies" for purposes of the Act; and

WHEREAS, after careful analysis and consideration of relevant information, the UFSA desires to enter into an Interlocal Agreement with the Agency whereby the UFSA would remit to the Agency a portion of the property tax increment generated within the Pole Canyon Community Reinvestment Project Area, (the "Project Area") which would otherwise flow to the UFSA, for the purpose of encouraging development activities through the payment for certain public infrastructure and other uses that directly benefit the Project Area; and

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

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE LEGISLATIVE BODY of the UFSA as follows:

1. The Interlocal Cooperation Agreement between the UFSA and the Agency, substantially in the form attached hereto as Exhibit A (the "Agreement"), is approved in final form and shall be executed for and on behalf of the UFSA by the District Administrator or the Board Chair.
2. Pursuant to Section 11-13-202.5 of the Interlocal Act, the Agreement has been submitted to legal counsel of the UFSA for review and approval 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 UFSA Clerk, the keeper of records of the Fire District.
4. As provided in Utah Code Ann. § 17C-5-205(3), the Agreement shall be effective on the day on which the Agency publishes notice of the Agreement pursuant to Utah Code Ann. § 11-13-219 of the Interlocal Act.

5. This Resolution shall take effect upon adoption.

APPROVED AND ADOPTED by the legislative body of Unified Fire Service Area this 21st day of May, 2019.

Jeff Silvestrini, UFSA Board Chair

Attest:

Cyndee Young, District Clerk

EXHIBIT A
INTERLOCAL COOPERATION AGREEMENT

4842-8295-4888, v. 1

INTERLOCAL COOPERATION AGREEMENT

THIS INTERLOCAL COOPERATION AGREEMENT is made and entered into this ____ day of _____, 2019, by and between the **EAGLE MOUNTAIN REDEVELOPMENT AGENCY**, a community reinvestment agency and political subdivision of the State of Utah (the “Agency”), and **UNIFIED FIRE SERVICE AREA**, a political subdivision of the State of Utah (the “Fire District”) in contemplation of the following facts and circumstances:

A. **WHEREAS**, the Agency was created and organized pursuant to the provisions of the Utah Neighborhood Development Act, Utah Code Annotated (“UCA”) §17A-2-1201 *et seq.* (2000), and continues to operate under the provisions of its extant successor statute, the Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Title 17C of the UCA (the “Act”), and is authorized and empowered under the Act to undertake, among other things, various community reinvest activities pursuant to the Act, including, among other things, assisting Eagle Mountain City (the “City”) in development activities that are likely to advance the policies, goals and objectives of the City’s general plan, contributing to capital improvements which substantially benefit the City, creating economic benefits to the City, and improving the public health, safety and welfare of its citizens; and

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

C. **WHEREAS**, the Agency has created or will create the Pole Canyon Community Reinvestment Project Area (the “Project Area”), through the adoption of the Pole Canyon 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 vacant and underutilized land, which is anticipated to be developed, with encouragement and planning by the Agency, as a food manufacturing facility. 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/or the Agency may enter into one or more 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, “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 \$13,110 per year in property taxes for the various taxing entities, including the City, Utah County (the “County”), Alpine School District (the “School District”), and other taxing entities; 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, and other taxing entities are projected to total approximately \$1,828,212 per year; and

G. **WHEREAS**, the Agency has requested the City, the County, the School District, and other taxing entities 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 real and personal property tax (i.e., Tax Increment,) which will be generated by the Project Area; and

H. **WHEREAS**, it is in the best interest of the citizens of the Fire District for the Fire District to remit such payments to the Agency to permit the Agency to leverage private development of the Project Area; and

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

J. **WHEREAS**, the Agency has created the Pole Canyon Community Reinvestment Project Area Budget (the “Project Area Budget”), a copy of which is attached as Exhibit “C”, which Project Area Budget outlines the anticipated generation, payment and use of Tax Increment within the Project Area;

K. **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 Fire District has determined that significant additional 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 Fire District has determined that it is in the best interests of its citizens to pay specified portions of its portion of Tax Increment to the Agency in order for the Agency to offset costs and expenses which will be incurred by Agency or participants in Project Area development, including, without limitation, the construction and installation of Buildings, infrastructure improvements, personal property and other development related costs needed to serve the Project Area, to the extent permitted by the Act, the Project Area Plan, and the Project Area Budget, each as adopted and 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 2018, 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 2018 Utah County assessment rolls for all property located within the Project Area (which is currently estimated to be \$1,200,000, but is subject to final adjustment and verification by the County and Agency).

4. **Agreement(s) with Developer(s).** The Agency is authorized to enter into one or more participation agreements with one or more participants which may provide for the payment of certain amounts of Tax Increment (to the extent such Tax Increment is actually paid to and received by the Agency from year to year) to the participant(s) conditional upon the participant (s)’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 participant(s) that the respective participant or its approved successors in title as owners of all current and subsequent parcels within the Project Area, as outlined in Exhibit “A” (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, and such other performance measures as the Agency may deem appropriate.

5. **Payment Trigger.** The first year (“Year One”) of payment of Tax Increment from the Fire District to the Agency shall be determined by the Agency but shall be no later than 2023. Each subsequent year, beginning with the first year after Year One, shall be defined in sequence as Year Two through Year Twenty. The Agency may trigger the collection of Tax Increment by timely delivering a letter or other written request to the Utah County Auditor’s office.

6. **Total Payment to Agency.** The County is authorized and instructed to remit to the Agency, beginning with property tax receipts in Year One and continuing through Year Twenty, 60% of the Fire District's annual Tax Increment generated from the Project Area.

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 collecting agency for the Fire 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 Fire 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 collected by the County on behalf of the Fire District from the Project Area.

8. **No Independent Duty.** The Fire District shall be responsible to remit to the Agency only Tax Increment received by the County. The Fire District shall have no independent duty to pay any amount to the Agency other than the Tax Increment received by the Fire District 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 Fire District:
Unified Fire Service Area
Attn: District Board
3380 S. 900 W.
Salt Lake City, UT 84119
Phone: (801) 743-7200

If to Agency:
Eagle Mountain Redevelopment Agency
Attn: Agency Board
1650 E. Stagecoach Run
Eagle Mountain, UT 84005
Phone: (801) 789-6600

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 Tax Increment, declares that the Agency cannot pay the Tax Increment to developers, or takes any other action which has the effect of

eliminating or reducing the payments of Tax Increment received by the Agency, the Agency's obligation to pay the Tax Increment to developers shall be reduced or eliminated accordingly, the Agency, and the County shall take such steps as are reasonably required to not permit the payment and/or receipt of the Tax Increment 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 Year Twenty Tax Increment payment.
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 govern such disbursement, then such funds 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 Cooperation Act in connection with this Agreement, the Parties agree as follows:
 - a. This Agreement has been, on or prior to the date hereof, 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 Cooperation Act;
 - b. This Agreement has been, on or prior to the date hereof, 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 Cooperation 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 Cooperation Act;
 - d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act, pursuant to Section 11-13-207 of the Cooperation 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, the Agency shall, on behalf of both parties, cause to be published notice regarding this Agreement pursuant to Section 11-13-219 of the Cooperation 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.

Fire District: UNIFIED FIRE SERVICE AREA

Attest:

By: _____
Its: Board Chair

Clerk

Approved as to form:

Attorney for Fire District

Agency: EAGLE MOUNTAIN REDEVELOPMENT AGENCY

Attest:

By: _____
Its: Chair

Secretary

Approved as to form:

Attorney for Agency

EXHIBIT "A"
to
INTERLOCAL AGREEMENT

Legal Description of Project

PROJECT MOCKINGBIRD 80-ACRE PARCEL LEGAL DESCRIPTION

BEGINNING AT A POINT S00°23'57"W 47.00 FEET FROM THE NORTHWEST CORNER OF SECTION 16, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE S89°22'57"E 1843.00 FEET; THENCE S00°23'57"W 1890.95 FEET; THENCE N89°22'57"W 1843.00 FEET; THENCE N00°23'57"E 1890.95 FEET TO THE POINT OF BEGINNING.

CONTAINS 3,484,995.55 SQ.FT. OR 80.00 ACRES

**EXHIBIT “B”
To
INTERLOCAL AGREEMENT**

Project Area Plan

PROJECT AREA PLAN

POLE CANYON COMMUNITY REINVESTMENT AREA (CRA)

EAGLE MOUNTAIN REDEVELOPMENT AGENCY, UTAH



APRIL 2019


**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



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Definitions

As used in this Community Reinvestment Project Area Plan, the term:

"Act" shall mean and include the Limited Purpose Local Government Entities – Community Reinvestment Agency Act in Title 17C, Chapters 1 through 5, 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.

"Agency" shall mean the Eagle Mountain Redevelopment Agency, which is a separate body corporate and politic created by the City pursuant to the Act.

"Base taxable value" shall mean the agreed value specified in a resolution or interlocal agreement under Subsection 17C-1-102(8) from which tax increment will be collected.

"Base year" shall mean the agreed upon year for which the base taxable value is established and shall be incorporated into the interlocal agreements with participating taxing entities.

"Base taxable year" shall mean the Base Year during which the Project Area Budget is approved pursuant to Subsection 17C-1-102(9)(d).

"City" or "Community" shall mean the City of Eagle Mountain.

"Legislative body" shall mean the City Council of Eagle Mountain which is the legislative body of the City.

"Plan Hearing" shall mean the public hearing on the draft Project Area Plan required under Subsection 17C-1-102 (41) and 17C-5-104(3)(e).

"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 & Exhibit B**).

"Net Present Value (NPV)" shall mean the discounted value of a cash flow. The NPV illustrates the total value of a stream of revenue over several years in today's dollars.

"Project Area Budget" shall mean (as further described under 17-C-5-303 of the Act) 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;
- ☞ 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.

“Project Area Plan” or “Plan” shall mean the written plan (outlined by 17C-5-105 of the Act) that, after its effective date, guides and controls the community reinvestment activities within the Project Area. Project Area Plan refers to this document and all the attachments to this document, which attachments are incorporated by this reference. It is anticipated that the POLE CANYON PLAN will be subject to an interlocal agreement process with the taxing entities within the Project Area.

“Taxes” includes all levies on an ad valorem basis upon land, local and centrally assessed real property, personal property, or any other property, tangible or intangible.

“Taxing Entity” shall mean any public entity that levies a tax on any property within the Project Area.

“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 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.

“Tax Increment Period” shall mean the period in which the taxing entities from the Project Area consent that a portion of their tax increment from the Project Area be used to fund the objectives outlined in the Project Area Plan.

“Tax Year” shall mean the 12-month period between sequential tax roll equalizations (November 1st - October 31st) of the following year, e.g., the November 1, 2018 - October 31, 2019 tax year.

Introduction

The Eagle Mountain Redevelopment Agency (the “Agency”), following thorough consideration of the needs and desires of Eagle Mountain City (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 Pole Canyon Community Reinvestment Project Area (the “Project Area”). This Plan is the result of a comprehensive evaluation of the types of appropriate land-uses and economic development for the land encompassed by the Project Area which lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. The Plan is intended to define the method and means of the Project Area from its current state to a higher and better use.

The City has determined it is in the best interest of its citizens 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 development, scope, financing mechanism, and value to the residents of the City and other taxing entities within the Project Area.

The Project Area is being undertaken as a community reinvestment project area pursuant to certain provisions of Chapters 1 and 5 of the Utah Limited Purpose Local Governmental Entities – Community Reinvestment Agency Act (the “Act”, Utah Code Annotated (“UCA”) Title 17C). The requirements of the Act, including notice and hearing obligations, have always been observed throughout the establishment of the Project Area. The realization of the Plan is subject to interlocal agreements between the taxing entities individually and the Agency.

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

Pursuant to the provisions of §17C-5-103 of the Act, the governing body of the Agency adopted a resolution authorizing the preparation of a draft Community Reinvestment Project Area Plan on **March 5, 2019**.

Utah Code
§17C-5-104

Recitals of Prerequisites for Adopting a Community Reinvestment Project Area Plan

In order to adopt a community reinvestment project area plan, the Agency shall;

- ☞ Pursuant to the provisions of §17C-5-104(1)(a) and (b) of the Act, the City has a planning commission and general plan as required by law;
- ☞ Pursuant to the provisions of §17C-5-104 of the Act, the Agency has conducted or will conduct 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-5-104 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.

UTAH CODE
§17C-5-105(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 respectively as **Exhibit A** and **Exhibit B** and incorporated herein. The Project Area lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. All the land in the Project Area is currently vacant. The Project Area is comprised of approximately 80 acres of property.

As delineated in the office of the Utah County Recorder, the Project Area encompasses a 120-acre portion of the parcels detailed in **Table 1**.

TABLE 1: PARCEL LIST

Parcel Id	Parcel Owner
59:048:0089	Oquirrh Wood Ranch LLC
59:048:0077	BATN Family Investments

UTAH CODE
§17C-5-105(1)

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

General Land Uses

The property within the Project Area is currently classified as vacant agriculture/greenbelt property. Most of the property surrounding the Project Area is also vacant agriculture/greenbelt.

Table 1 summarizes the approximate acreage of existing land uses by land use type.

TABLE 2: LAND USES

Type	Acres	% of Area
Vacant Agriculture/Greenbelt	80	100%
Total	80	100%

This Project Area 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 Project Area Plan shall be undertaken in accordance with the requirements of the City's Code and all other applicable laws including all goals and objectives in the City's General Plan.

Layout of Principal Streets

There are currently no paved streets within the Project Area, 4000 N., an unpaved road runs along the northern periphery of the Project Area.

Population Densities

There are no residences within the Project Area, therefore the estimated population density is 0.0 residents per acre.

Building Densities

Building densities will increase as development occurs. The intent of this plan is to promote greater economic utilization of the land area.

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

Community reinvestment activities within the Project Area will mostly consist of development and economic enhancement of an underutilized area of the City. The types of land uses will include a food manufacturing facility.

Land Use – It is anticipated that future development within the Project Area will create space for a food manufacturing facility, and any other ancillary development that may take place during future phases of the development.

Layout of Principal Streets – It is anticipated that the community reinvestment of the Project Area will include the construction of some additional streets in the area. It is anticipated that access roads will also be constructed within the Project Area.

Population Densities – The Project Area does not include any residential components. The population density will not be affected by the Project Area. The daytime population of the City will increase as the Project Area is anticipated to create approximately 1,400 new jobs.

UTAH CODE
§17C-5-105(c)

Standards Guiding the Community Reinvestment

In order to provide maximum flexibility in the development and economic promotion of the Project Area, and to encourage and obtain the highest quality in development and design, specific development controls for the uses identified above are not set forth herein. Each development proposal in the Project Area will be subject to appropriate elements of the City's proposed General Plan; the Zoning Ordinance of the City, including adopted Design Guidelines pertaining to the area; institutional controls, deed restrictions if the property is acquired and resold by the Agency, 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 a 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.

UTAH CODE
§17C-5-105(d)

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 the development within the Project Area.

UTAH CODE
§17C-5-105(E)

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

The proposed Community Reinvestment Project Area Plan and the development contemplated are consistent with the City's proposed General Plan and land use regulations.

UTAH CODE
§17C-5-105(G)

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

The Project Area is being created in order to assist with the construction of a food manufacturing facility and any ancillary buildings.

UTAH CODE
§17C-5-105(H)

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

The City and Agency will select or approve such development as solicited or presented to the Agency and City that meets the development objectives set forth in this plan. The City and Agency retain the right to approve or reject any such development plan(s) that in their judgment do not meet the development intent for the Project Area. The City and Agency may choose to solicit development through an RFP or RFQ process, through targeted solicitation to specific industries, from inquiries to the City, EDC Utah, and/or from other such references.

The City and Agency will ensure that all development conforms to this plan and is approved by the City. All potential developers may need to provide a detailed development plan including sufficient financial information to provide the City and Agency with confidence in the sustainability of the development and the developer. Such a review may include a series of studies and reviews including reviews of the Developers financial statements, third-party verification of benefit of the development to the City, appraisal reports, etc.

Any participation between the Agency and developers and property owners shall be by an approved agreement.

UTAH CODE
§17C-5-105(I)

Reason for Selection of the Project Area

The Project Area is currently classified as vacant agriculture/greenbelt and is collecting relatively no tax revenue for the taxing entities. The creation of the Project Area will create a significant economic benefit

to all taxing entities as this underutilized area will be developed to a higher and greater use. The development will also serve as an anchor tenant of the future Pole Canyon Industrial Park.

UTAH CODE
§17C-5-105(J)

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

Physical Conditions

The Project Area consists of approximately 80 acres of relatively flat, privately owned land as shown on the Project Area map.

Social Conditions

The Project Area experiences a lack of connectivity and vitality. There are no residential units and no parks, libraries, or other social gathering places in the Project Area. This is in line with the contemplated uses of the area surrounding the Project Area, as the area surrounding the Project Area is currently under the vacant agriculture/greenbelt classification.

Economic Conditions

The Project Area is currently under vacant agriculture/greenbelt classification. The Agency wants to encourage development within the Project Area that will directly benefit the existing economic base of the City, Utah County and other taxing entities.

UTAH CODE
§17C-5-105(K)

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

Tax increment arising from the development within the Project Area shall be used for public infrastructure improvements, Agency requested improvements and upgrades, both off-site and on-site improvements, land and job-oriented 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 during the tax increment period which the Agency deems to be appropriate under the circumstances. A cost benefit analysis will assist the Agency in making decisions about offering assistance to future development within the Project Area.

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

- ☐ Foster and accelerate economic development;
- ☐ Stimulate job development;
- ☐ Make needed infrastructure improvements to roads, street lighting, water, storm water, sewer, and parks and open space;
- ☐ Assist with property acquisition and/or land assembly; and
- ☐ Provide attractive development for high-quality 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 tax increment period for each taxing entity.



UTAH CODE
§17C-5-105(2)

Anticipated Public Benefit to be Derived from the Community Development

UTAH CODE
§17C-5-105(2)(ii)(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, job growth, and affordable housing opportunities in the community. The increased revenues will come from the property values associated with new construction in the area, as well as increased land values as the property within the Project Area will no longer be classified as vacant agriculture/greenbelt. Property values include land, buildings and personal property (machines, equipment, etc.).

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. Additionally, business growth will generate corporate income taxes.

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

UTAH CODE
§17C-5-105(2)(ii)(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.

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 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 proximity of the workplace (assuming the services are available). The City also envisions this area as a future industrial park, this development will act as an anchor and likely attract new businesses to the area.

UTAH CODE
§17C-5-105(2)(B)

Efforts to Maximize Private Investment

The agency has formed a partnership with the developers to realize the vision of this project area. It is anticipated that the development will require over \$250,000,000 of private capital. Creating a CRA will act as a catalyst for the development.

UTAH CODE
§17C-5-105(2)(C)

“But For” Analysis

The anticipated development includes numerous costs, including land purchase, infrastructure and over \$200 million of personal property. “But-for” the creation of the CRA and public participation, the costs associated with the development would be too high, and the Project Area would remain in its underutilized state.

UTAH CODE
§17C-5-105(2)

Cost/Benefit Analysis

Based on the land use assumptions and tax increment participation levels, the following tables outline the benefits anticipated in the Project Area. As shown below, the proposed community reinvestment will create a net benefit to the City and the other taxing entities that participate in the Project Area.

TABLE 3: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Total	NPV at 4%
Utah County	60%	20 Years	\$1,416,805	\$934,277
Alpine School District	60%	20 Years	13,612,553	8,976,460
Eagle Mountain City	60%	20 Years	1,788,426	1,179,333
Central Utah Water Conservancy District	60%	20 Years	774,210	510,534
Unified Fire Service Area – Salt Lake County	60%	20 Years	3,553,625	2,343,350
Total Sources of Tax Increment Funds			\$21,145,620	\$13,943,954

TABLE 4: PROJECT AREA REVENUES

Entity	Property Tax	Sales Tax	Franchise Tax	Total Tax Increment Revenues
Utah County	\$2,361,342	\$459,220	-	\$2,820,562
Alpine School District	22,687,589	-	-	22,687,589
Eagle Mountain City	2,980,710	444,731	3,892,941	7,318,382
Central Utah Water Conservancy District	1,290,351	-	-	1,290,351
Unified Fire District – Salt Lake County	5,922,709	-	-	5,922,709
Total Revenue	\$35,242,700	\$903,951	\$3,892,941	\$40,039,592

TABLE 5: PROJECT AREA EXPENDITURES

Entity	Property Tax	General Government	Public Safety	Public Works	Total Expenditures
Utah County	\$1,416,805	\$141,535	-	-	\$1,558,340
Alpine School District	13,612,553	8,107,145	-	-	21,719,698
Eagle Mountain City	1,788,426	730,016	1,172,766	477,903	4,169,111
Central Utah Water Conservancy District	774,210	82,816	-	-	857,026
Unified Fire District – Salt Lake County	3,553,625	244,911	-	-	3,798,536
Total Revenue	\$21,145,620	\$9,306,423	\$1,172,766	\$477,903	\$32,102,712

The total net benefit to the taxing entities of participating in the Project Area is \$7,936,880, with the City's net benefit being \$3,149,271.



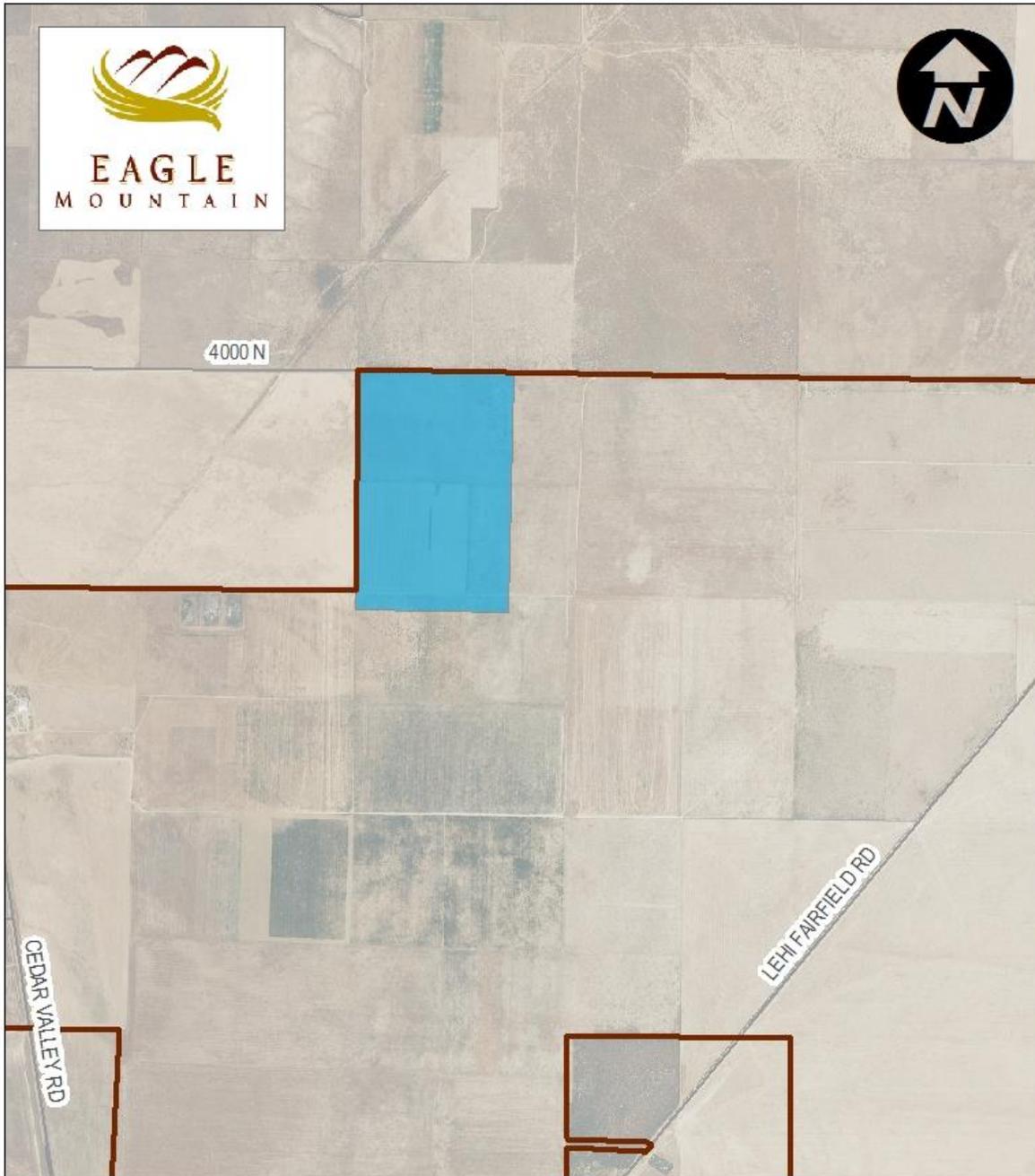
EXHIBIT A: Legal Description of Pole Canyon CRA

PROJECT MOCKINGBIRD 80-ACRE PARCEL LEGAL DESCRIPTION

BEGINNING AT A POINT S00°23'57"W 47.00 FEET FROM THE NORTHWEST CORNER OF SECTION 16, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE S89°22'57"E 1843.00 FEET; THENCE S00°23'57"W 1890.95 FEET; THENCE N89°22'57"W 1843.00 FEET; THENCE N00°23'57"E 1890.95 FEET TO THE POINT OF BEGINNING.

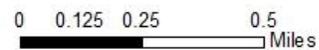
CONTAINS 3,484,995.55 SQ.FT. OR 80.00 ACRES

EXHIBIT B: Project Area Map
 MAP OF PROPOSED PROJECT AREA BOUNDARIES



POLE CANYON CRA

-  EAGLE MOUNTAIN
-  POLE CANYON CRA



LEWIS  YOUNG
 ROBERTSON & BURNINGHAM, INC.

EXHIBIT "C"
To
INTERLOCAL AGREEMENT

Project Area Budget

PROJECT AREA BUDGET

POLE CANYON COMMUNITY REINVESTMENT AREA (CRA)

EAGLE MOUNTAIN REDEVELOPMENT AGENCY, UTAH



APRIL 2019


LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.

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Section 1: Introduction

The Eagle Mountain Redevelopment Agency (the “Agency”), following thorough consideration of the needs and desires of the City of Eagle Mountain (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 Pole Canyon Community Reinvestment Project Area (the “Project Area”). The Plan is the result of a comprehensive evaluation of the types of appropriate land-uses and economic development opportunities for the land encompassed by the Project Area which lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park.

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 has determined it is in the best interest of its citizens to assist in the development of the Project Area. This **Project Area Budget** document (the “Budget”) is predicated upon certain elements, objectives and conditions outlined in the Plan and 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 creation of the Project Area is being undertaken as a community reinvestment project pursuant to certain provisions of Chapters 1 and 5 of the Utah Community Reinvestment Agency Act (the “Act”, Utah Code Annotated (“UCA”) Title 17C). The requirements of the Act, including notice and hearing obligations, have always been observed throughout the establishment of the Project Area.

Section 2: Description of Community Development Project Area

The Project Area lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. The property is currently vacant land and is generating very little tax revenue for the City and other taxing entities. The property encompasses approximately 120 acres of land.

A map of the Project Area is attached hereto in **EXHIBIT A**.

Section 3: General Overview of Project Area Budget

The purpose of the Project Area Budget is to provide the financial framework necessary to implement the Project Area Plan vision and objectives. The Project Area Plan has identified that tax increment financing is essential in order to meet the objectives of the CRA Project Area. 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 the Project Area Budget.

Base Year Value

The Agency has determined that the base year property tax value for the Project Area will be the total taxable value for the 2018 tax year which is estimated to be \$1,200,000. Using the tax rates established within the Project Area the property taxes levied equate to \$13,110 annually. Accordingly, this amount will continue to flow through to each taxing entity proportional to the amount of their respective tax rates being levied.

Payment Trigger

The Project Area will have a twenty-year (20) duration from the date of the first tax increment received by the Agency. 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, e.g., if requested prior to March 1, 2020, Year 1 of increment will be 2021. The first year of tax increment shall be determined by the Agency.

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 new development will begin in the Project Area in 2019. The contemplated development will generate significant additional property tax revenue as well as incremental 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 1st) following construction completion and Tax Increment will 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 2021 or as late as 2022. It is currently estimated that during the 20-year life of the Project Area Budget, property Tax Increment could be generated within the Project Area in the approximate amount of \$35.24 million or at a net present value (NPV)¹ of \$23.24 million. This amount is over and above the \$262,200 of base taxes that the property would generate over 20 years at the \$13,110 annual amount it currently generates as shown in Table 4.1 below.

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

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 \$1,200,000. Based upon the tax rates in the area, the collective taxing entities are receiving \$13,110 in property tax annually from this Project Area. This equates to approximately \$262,200 over the 20-year life of the Project Area.

TABLE 4.1: TOTAL BASE YEAR TO TAXING ENTITIES (OVER 20 YEARS)

Entity	Total	NPV at 4%
Utah County	\$17,568	\$11,938
Alpine School District	168,792	114,697
Eagle Mountain City	22,176	15,069
Central Utah Water Conservancy District	9,600	6,523
Unified Fire Service Area – Salt Lake County	44,064	29,942
Total Revenue	\$262,200	\$178,169

Property Tax Increment Shared with RDA

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. All taxing entities will contribute 60% of their respective tax increment for 20 years. Table 4.2 shows the amount of Tax Increment shared with the Agency assuming the participation levels discussed above.

TABLE 4.2: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Total	NPV at 4%
Utah County	60%	20 Years	\$1,416,805	\$934,277
Alpine School District	60%	20 Years	13,612,553	8,976,460
Eagle Mountain City	60%	20 Years	1,788,426	1,179,333
Central Utah Water Conservancy District	60%	20 Years	774,210	510,534
Unified Fire Service Area – Salt Lake County	60%	20 Years	3,553,625	2,343,350
Total Sources of Tax Increment Funds			\$21,145,620	\$13,943,954

Uses of Tax Increment

The anticipated development includes numerous costs, including land purchase, infrastructure and over \$200 million of personal property. “But-for” the creation of the CRA and public participation, the costs associated with the development would be too high, and the Project Area would remain in its underutilized state.

The majority of the remaining Tax Increment collected by the Agency will be used to overcome the obstacles outlined above (88%). Including: offsetting certain on-site public infrastructure costs, Agency requested improvements and upgrades, desirable Project Area improvements, and other redevelopment activities as approved by the Agency. 10% will go towards affordable housing, as required by the Act. The remaining 2% will be used by the Agency to administer the Project Area.

TABLE 4.3: USES OF TAX INCREMENT

Uses	Total	NPV at 4%
Redevelopment Activities	\$18,608,146	\$12,270,680
CRA Housing Requirement	2,114,562	1,394,395
Project Area Administration	422,912	278,879
Total Uses of Tax Increment Funds	\$21,145,620	\$13,943,954

A multi-year projection of tax increment is including in **EXHIBIT B**.

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

As described above, the collective taxing entities are currently receiving approximately \$13,110 in property taxes annually from this Project Area. At the end of 20 years an additional \$2,011,033 in property taxes annually is anticipated, totaling approximately \$2,024,143 in property taxes annually for the area. “But for” the assistance provided by the RDA through tax increment revenues, this 15,340 percent increase in property taxes generated for the taxing entities would not be possible.

TABLE 4.4: 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	\$878	\$134,744	\$135,622
Alpine School District	8,440	1,294,608	1,303,048
Eagle Mountain City	1,109	170,086	171,195
Central Utah Water Conservancy District	480	73,631	74,111
Unified Fire Service Area – Salt Lake County	2,203	337,964	340,167
Total Revenue	\$13,110	\$2,011,033	\$2,024,143

Section 5: Cost/Benefit Analysis

Additional Revenues

Other Tax Revenues

The development within the Project Area will also generate sales taxes and municipal energy taxes. Table 5.1 shows the total revenues generated by the Project Area.

TABLE 5.1 TOTAL REVENUES

Entity	Property Tax	Sales Tax	Franchise Tax	Total Increment Revenues
Utah County	\$2,361,342	\$459,220	-	\$2,820,562
Alpine School District	22,687,589	-	-	22,687,589
Eagle Mountain City	2,980,710	444,731	3,892,941	7,318,382
Central Utah Water Conservancy District	1,290,351	-	-	1,290,351
Unified Fire Service Area – Salt Lake County	5,922,709	-	-	5,922,709
Total Revenue	\$35,242,700	\$903,951	\$3,892,941	\$40,039,592

Additional Costs

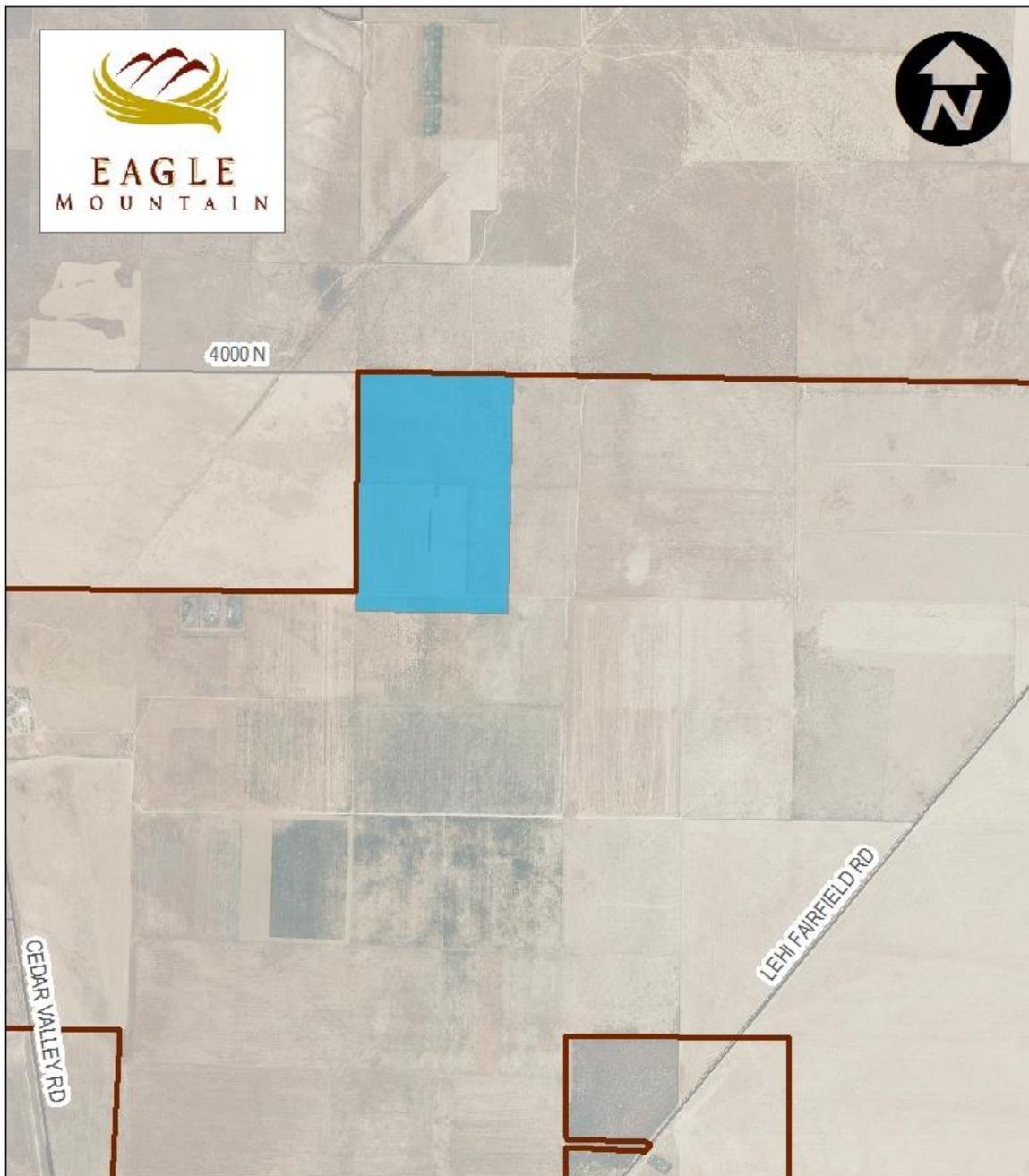
The development anticipated within the Project Area will also likely result in additional general government, public works, and public safety costs. These costs, along with the estimated budget to implement the Project Area Plan, are identified below.

TABLE 5.2 TOTAL EXPENDITURES

Entity	CRA Budget	General Government	Public Works	Public Safety	Total Incremental Expenditures
Utah County	\$1,416,805	\$141,535	-	-	\$1,558,340
Alpine School District	13,612,553	8,107,145	-	-	21,719,698
Eagle Mountain City	1,788,426	730,016	1,172,766	477,903	4,169,111
Central Utah Water Conservancy District	774,210	82,816	-	-	857,026
Unified Fire Service Area – Salt Lake County	3,553,625	244,911	-	-	3,798,536
Total Expenditures	\$21,145,620	\$9,306,423	\$1,172,766	\$477,903	\$32,102,712

The total net benefit to the taxing entities of participating in the Project Area is \$7,936,880, with the City's net benefit being \$3,149,271.

Exhibit A: Project Area Map



POLE CANYON CRA

-  EAGLE MOUNTAIN
-  POLE CANYON CRA



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Exhibit B: Multi-Year Budget

Eagle Mountain Redevelopment Agency

Pole Canyon Community Reinvestment Area
Increment and Budget Analysis

ASSUMPTIONS:	
Discount Rate	4.0%
Inflation Rate	0.0%

INCREMENTAL TAX ANALYSIS:	Payment Year	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS	NPV	
	Tax Year	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040			
	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			
Cumulative Taxable Value																								
Real Property Value (Building & Land)		\$38,573,008	\$38,573,008	\$38,573,008	\$38,573,008	\$38,573,008	\$49,027,408	\$49,027,408	\$49,027,408	\$49,027,408	\$49,027,408	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008		
Personal Property Value		-	\$108,396,100	\$105,024,050	\$100,289,850	\$109,390,380	\$104,220,832	\$97,516,710	\$89,371,070	\$81,028,410	\$73,331,472	\$96,913,231	\$83,614,143	\$81,207,528	\$78,698,714	\$76,439,135	\$122,380,269	\$117,523,638	\$112,220,807	\$107,323,393	\$102,633,055			
Total Assessed Value:		\$38,573,008	\$146,969,108	\$143,597,058	\$138,862,858	\$147,963,388	\$153,248,240	\$146,544,118	\$138,398,478	\$130,055,819	\$122,358,881	\$161,622,239	\$148,323,151	\$145,916,536	\$143,407,723	\$141,148,144	\$187,089,278	\$182,232,646	\$176,929,816	\$172,032,401	\$167,342,063			
Development Performance Contingency Buffer (10%)		\$3,857,301	\$14,696,911	\$14,359,706	\$13,886,286	\$14,796,339	\$15,324,824	\$14,654,412	\$13,839,848	\$13,005,582	\$12,235,888	\$16,162,224	\$14,832,315	\$14,591,654	\$14,340,772	\$14,114,814	\$18,708,928	\$18,223,265	\$17,692,982	\$17,203,240	\$16,734,206			
Value of Current Property		\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000		
Less Base Year Value		\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)		
TOTAL INCREMENTAL VALUE:		\$42,430,309	\$161,666,019	\$157,956,764	\$152,749,144	\$162,759,727	\$168,573,064	\$161,198,530	\$152,238,326	\$143,061,401	\$134,594,769	\$177,784,463	\$163,155,467	\$160,508,190	\$157,748,495	\$155,262,958	\$205,798,205	\$200,455,911	\$194,622,797	\$189,235,641	\$184,076,269			
TAX RATE & INCREMENT ANALYSIS:	2018 Rates																							
Utah County	0.000732	31,059	118,340	115,624	111,812	119,140	123,395	117,997	111,438	104,721	98,523	130,138	119,430	117,492	115,472	113,652	150,644	146,734	142,464	138,520	134,744	2,361,342	1,557,128	
Alpine School District	0.007033	298,412	1,136,997	1,110,910	1,074,285	1,144,689	1,185,574	1,133,709	1,070,692	1,006,151	946,605	1,250,358	1,147,472	1,128,854	1,109,445	1,091,964	1,447,379	1,409,806	1,368,782	1,330,894	1,294,608	22,687,589	14,960,767	
Eagle Mountain City	0.000924	39,206	149,379	145,952	141,140	150,390	155,762	148,947	140,668	132,189	124,366	164,273	150,756	148,310	145,760	143,463	190,158	185,221	179,831	174,854	170,086	2,980,710	1,965,555	
Central Utah Water Conservancy District	0.000400	16,972	64,666	63,183	61,100	65,104	67,429	64,479	60,895	57,225	53,838	71,114	65,262	64,203	63,099	62,105	82,319	80,182	77,849	75,694	73,631	1,290,351	850,890	
Unified Fire Service Area - Salt Lake County	0.001836	77,902	296,819	290,009	280,447	298,827	309,500	295,961	279,510	262,661	247,116	326,412	299,553	294,693	289,626	285,063	377,846	368,037	357,327	347,437	337,964	5,922,709	3,905,583	
Totals:	0.010925	463,551	1,766,201	1,725,678	1,668,784	1,778,150	1,841,661	1,761,094	1,663,204	1,562,946	1,470,448	1,942,295	1,782,473	1,753,552	1,723,402	1,696,248	2,248,345	2,189,981	2,126,254	2,067,399	2,011,033	35,242,700	23,239,923	
TOTAL INCREMENTAL REVENUE IN PROJECT AREA:		\$463,551	\$1,766,201	\$1,725,678	\$1,668,784	\$1,778,150	\$1,841,661	\$1,761,094	\$1,663,204	\$1,562,946	\$1,470,448	\$1,942,295	\$1,782,473	\$1,753,552	\$1,723,402	\$1,696,248	\$2,248,345	\$2,189,981	\$2,126,254	\$2,067,399	\$2,011,033	\$35,242,700	\$23,239,923	
PROJECT AREA BUDGET		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041			
Sources of Funds:		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS	NPV
Property Tax Participation Rate for Budget																								
Utah County		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	
Alpine School District		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	
Eagle Mountain City		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	
Central Utah Water Conservancy District		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	
Unified Fire Service Area - Salt Lake County		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	
Property Tax Increment for Budget																								
Utah County		\$18,635	\$71,004	\$69,375	\$67,087	\$71,484	\$74,037	\$70,798	\$66,863	\$62,833	\$59,114	\$78,083	\$71,658	\$70,495	\$69,283	\$68,191	\$90,387	\$88,040	\$85,478	\$83,112	\$80,846	\$1,416,805	\$934,277	
Alpine School District		\$179,047	\$682,198	\$666,546	\$644,571	\$686,813	\$711,345	\$680,226	\$642,415	\$603,690	\$567,963	\$750,215	\$688,483	\$677,312	\$665,667	\$655,179	\$868,427	\$845,884	\$821,269	\$798,537	\$776,765	\$13,612,553	\$8,976,460	
Eagle Mountain City		\$23,523	\$89,628	\$87,571	\$84,684	\$90,234	\$93,457	\$89,368	\$84,401	\$79,313	\$74,619	\$98,564	\$90,453	\$88,986	\$87,456	\$86,078	\$114,095	\$111,133	\$107,899	\$104,912	\$102,052	\$1,788,426	\$1,179,333	
Central Utah Water Conservancy District		\$10,183	\$38,800	\$37,910	\$36,660	\$39,062	\$40,458	\$38,688	\$36,537	\$34,335	\$32,303	\$42,668	\$39,157	\$38,522	\$37,860	\$37,263	\$49,392	\$48,109	\$46,709	\$45,417	\$44,178	\$774,210	\$510,534	
Unified Fire Service Area - Salt Lake County		\$46,741	\$178,091	\$174,005	\$168,268	\$179,296	\$185,700	\$177,576	\$167,706	\$157,596	\$148,270	\$195,847	\$179,732	\$176,816	\$173,776	\$171,038	\$226,707	\$220,822	\$214,396	\$208,462	\$202,778	\$3,553,625	\$2,343,350	
Total Property Tax Increment for Budget:		\$278,131	\$1,059,721	\$1,035,407	\$1,001,271	\$1,066,890	\$1,104,996	\$1,056,656	\$997,922	\$937,767	\$882,269	\$1,165,377	\$1,069,484	\$1,052,131	\$1,034,041	\$1,017,749	\$1,349,007	\$1,313,988	\$1,275,752	\$1,240,440	\$1,206,620	\$21,145,620	\$13,943,954	
Uses of Tax Increment Funds:		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS	NPV	
Redevelopment Activities (Infrastructure, Incentives, etc.)	88.0%	\$244,755	\$932,554	\$911,158	\$881,118	\$938,863	\$972,397	\$929,858	\$878,172	\$825,235	\$776,396	\$1,025,532	\$941,146	\$925,875	\$909,956	\$895,619	\$1,187,126	\$1,156,310	\$1,122,662	\$1,091,587	\$1,061,826	\$18,608,146	\$12,270,680	
CRA Housing Requirement	10.0%	\$27,813	\$105,972	\$103,541	\$100,127	\$106,689	\$110,500	\$105,666	\$99,792	\$93,777	\$88,227	\$116,538	\$106,948	\$105,213	\$103,404	\$101,775	\$134,901	\$131,399	\$127,575	\$124,044	\$120,662	\$2,114,562	\$1,394,395	
RDA Administration	2.0%	\$5,563	\$21,194	\$20,708	\$20,025	\$21,338	\$22,100	\$21,133	\$19,958	\$18,755	\$17,645	\$23,308	\$21,390	\$21,043	\$20,681	\$20,355	\$26,980	\$26,280	\$25,515	\$24,809	\$24,132	\$422,912	\$278,879	
Total Uses		\$278,131	\$1,059,721	\$1,035,407	\$1,001,271	\$1,066,890	\$1,104,996	\$1,056,656	\$997,922	\$937,767	\$882,269	\$1,165,377	\$1,069,484	\$1,052,131	\$1,034,041	\$1,017,749	\$1,349,007	\$1,313,988	\$1,275,752	\$1,240,440	\$1,206,620	\$21,145,620	\$13,943,954	
REMAINING TAX REVENUES FOR TAXING ENTITIES		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS	NPV	
Utah County		\$12,424	\$47,336	\$46,250	\$44,725	\$47,656	\$49,358	\$47,199	\$44,575	\$41,888	\$39,409	\$52,055	\$47,772	\$46,997	\$46,189	\$45,461	\$60,258	\$58,693	\$56,986	\$55,408	\$53,898	\$944,537	\$622,851	
Alpine School District		\$119,365	\$454,799	\$444,364	\$429,714	\$457,876	\$474,230	\$453,484	\$428,277	\$402,460	\$378,642	\$500,143	\$458,989	\$451,542	\$443,778	\$436,786	\$578,952	\$563,923	\$547,513	\$532,358	\$517,843	\$9,075,036	\$5,984,307	
Eagle Mountain City		\$15,682	\$59,752	\$58,381	\$56,456	\$60,156	\$62,305	\$59,579	\$56,267	\$52,875	\$49,746	\$65,709	\$60,302	\$59,324	\$58,304	\$57,385	\$76,063	\$74,089	\$71,933	\$69,941	\$68,035	\$1,192,284	\$786,222	
Central Utah Water Conservancy District		\$6,789	\$25,867	\$25,273	\$24,440	\$26,042	\$26,972	\$25,792	\$24,358	\$22,890	\$21,535	\$28,446	\$26,105	\$25,681	\$25,240	\$24,842	\$32,928	\$32,073	\$31,140	\$30,278	\$29,452	\$516,140	\$340,356	
Unified Fire Service Area - Salt Lake County		\$31,161	\$118,728	\$116,003	\$112,179	\$119,531	\$123,800	\$118,384	\$111,804	\$105,064	\$98,846	\$130,565	\$119,821	\$117,877	\$115,850	\$114,025	\$151,138	\$147,215	\$142,931	\$138,975	\$135,186	\$2,369,084	\$1,562,233	
Total		\$185,420	\$706,481	\$690,271	\$667,514	\$711,260	\$736,664	\$7																



EAGLE MOUNTAIN REDEVELOPMENT AGENCY

POLE CANYON

COMMUNITY REINVESTMENT AREA

MAY 2019



INTRODUCTION:

COMMUNITY REINVESTMENT AGENCIES

- Under Utah Code 17C “Limited Purpose Local Government Entities – Community Reinvestment Agency Act,” Utah’s local governments have the authority to conduct economic development activities within their communities through their Community Reinvestment Agencies.
- Under the act, agencies are allowed to create four types of project areas:

Projects Implemented before May 10, 2016

- Community Development Areas (CDAs)
- Economic Development Areas (EDAs)
- Urban Renewal Areas (URAs)

Projects Implemented after May 10, 2016

- **Community Reinvestment Areas (CRAs)**

INTRODUCTION:

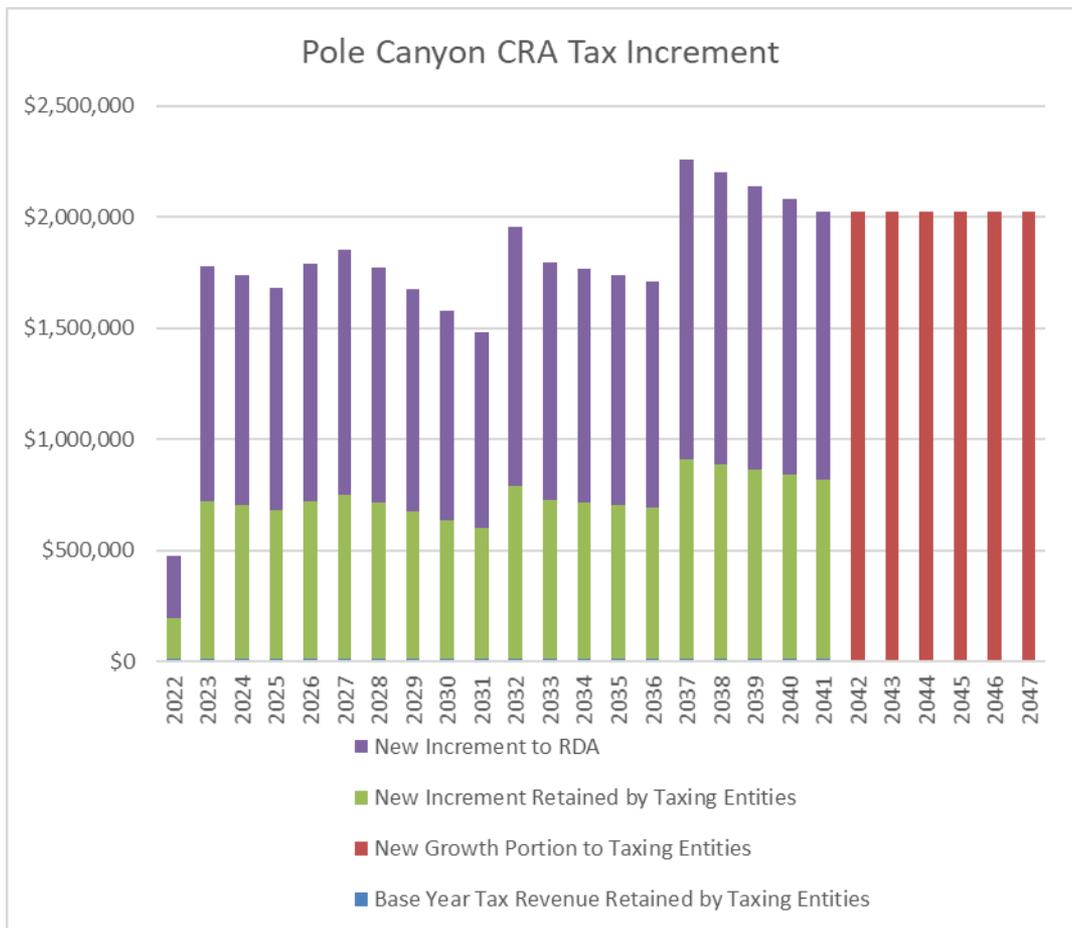
PURPOSE OF CRA TO ENCOURAGE COMMUNITY ENHANCEMENT & ASSISTANCE

- If a CRA is established, tax increment funds become available for a specified period of time to provide assistance for:
 - Existing businesses
 - New development
 - Infrastructure improvements
 - Affordable housing
 - Crime reduction
 - Expanded employment opportunities
 - Other community concerns/priorities

TAX INCREMENT

- **Not the result of a tax increase!**
- The increase in property taxes within the CRA project area that result from increases in the assessed value in that area that exceed the base year assessed value.
- Tax Increment is an increase in property tax revenues within the Property taxes “frozen” the first year of the project (“base year”).
- A portion of property taxes in excess of the base year are redirected to the redevelopment agency for use within a defined geographic area in the community.

TAX INCREMENT GRAPH



INTRODUCTION:

PROCESS OF CREATION – CRAs

- Step 1:
 - Resolution authorizing the preparation of a Project Area Plan along with description of proposed Project Area
(adopted by Agency March 5, 2019)

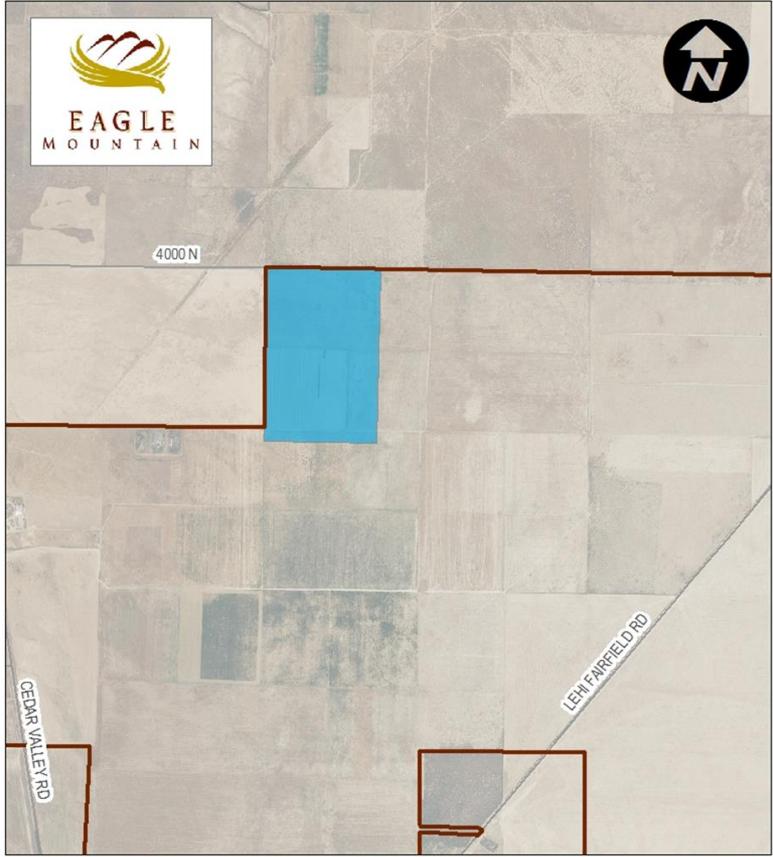
- Step 2:
 - Research of potential development and project needs
 - Drafting of Project Area Plan and Budget

- Step 3:
 - Noticing of Project Area Plan (mailings to property owners and taxing entities, newspaper notice, etc.)
 - Public Hearing regarding Project Area Plan & Budget
 - Adoption of Plan by RDA and City

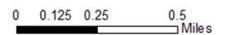
- Step 4:
 - Negotiation and adoption of interlocal agreements with taxing entities (timeframe, base year, percent contribution)

PROJECT AREA PLAN: PROPOSED CRA PROJECT AREA BOUNDARIES

- Total Project Area Acres: 80 acres



POLE CANYON CRA
EAGLE MOUNTAIN
POLE CANYON CRA



LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.

PROJECT AREA PLAN: REASONS FOR CRA PROJECT AREA

- **STIMULATES CAPITAL INVESTMENT & DEVELOPMENT**
 - CRA will facilitate development of vacant and under-utilized property.
- **PROMOTES JOB CREATION**
 - CRA create additional new jobs that will benefit residents throughout the City, County, and State of Utah.
- **EXPANDS TAX BASE**
 - CRA will increase the tax base for all taxing entities.

DEVELOPMENT ASSUMPTIONS & TAX BASE

Development	Square Feet/Units	\$/Square Feet	Total Building Value	Incremental Land Value	Personal Property Value ¹	Assessed Value
Food Manufacturing	500,000	\$56.24	\$28,118,608	\$36,590,400	\$102,633,055	\$184,076,269

1. Development will include investment of over \$290 million of personal property. This figure represents the depreciated value of the investment at the conclusion of the TIF period. Personal property investment will continue throughout the life of the facility.

- Timeframe: First tax increment receipt is assumed to be 2022
- Estimated Base Year Tax Value: **\$1,200,000**
- Incremental Assessed Value in 20 years: **\$184,076,269**
- Total Assessed Value in 20 years: **\$185,276,269**



REQUESTED PARTICIPATION FROM TAXING ENTITIES

ENTITY	PERCENTAGE	LENGTH
Utah County	60%	20 Years
Alpine School District	60%	20 Years
Eagle Mountain City	60%	20 Years
Unified Fire Service Area – Salt Lake County	60%	20 Years
Central Utah Water Conservancy District	60%	20 Years



BASE YEAR TAXES

- **ASSUMPTIONS:**
 - 2018 Base Year Value \$1,200,000
 - \$262,200 Base Year Tax for 20 Years (2022-2041)

ENTITY	ANNUAL PROPERTY TAX	20 YEAR TOTAL
Utah County	\$878	\$17,568
Alpine School District	\$8,440	\$168,792
Eagle Mountain City	\$1,109	\$22,176
Unified Fire Service Area – Salt Lake County	\$2,203	\$44,064
Central Utah Water Conservancy District	\$480	\$9,600
Total Sources of Tax Increment Funds	\$13,110	\$262,200



PASS-THROUGH INCREMENT TO TAXING ENTITIES

- **ASSUMPTIONS:**
 - Incremental assessed value of \$184,076,269
 - 40% of TIF for 20 Years (2022 - 2041)

ENTITY	AVERAGE ANNUAL TIF	20 YEAR TOTAL
Utah County	\$47,227	\$944,537
Alpine School District	\$453,752	\$9,075,036
Eagle Mountain City	\$59,614	\$1,192,284
Unified Fire Service Area – Salt Lake County	\$118,454	\$2,369,084
Central Utah Water Conservancy District	\$25,807	\$516,140
Total Sources of Tax Increment Funds	\$704,854	\$14,097,080



ESTIMATED SOURCES OF TAX INCREMENT

- **ASSUMPTIONS:**

- Incremental assessed value of \$184,076,269
- 60% of TIF for 20 Years (2022 – 2041)

ENTITY	AVERAGE ANNUAL TIF	20 YEAR TOTAL
Utah County	\$70,840	\$1,416,805
Alpine School District	\$680,628	\$13,612,553
Eagle Mountain City	\$89,421	\$1,788,426
Unified Fire Service Area – Salt Lake County	\$177,681	\$3,553,625
Central Utah Water Conservancy District	\$38,711	\$774,210
Total Sources of Tax Increment Funds	\$1,057,281	\$21,145,620



ESTIMATED USES OF TAX INCREMENT

- **ASSUMPTIONS:**
 - Incremental assessed value of \$184,076,269
 - 60% of TIF for 20 Years (2022 – 2041)

USES	AMOUNT	NPV (4.0%)
Project Area Administration and Operations (2%)	\$422,912	\$278,879
CRA Housing Requirement (10%)	\$2,114,562	\$1,394,395
Redevelopment Activities	\$18,608,146	\$12,270,680
Total Uses of Tax Increment Funds	\$21,145,620	\$13,943,954

NEXT STEPS

- RDA Public Hearing to adopt Project Area Plan
- Negotiations with Taxing Entities (basis for Interlocal Agreements)
- Taxing Entities to consider Interlocal Agreements to participate in CRA
- Gather and publish summary of Interlocal Agreements in Newspaper

Effective 3/25/2017

17B-1-505 Withdrawal of municipality from certain districts providing fire protection, paramedic, and emergency services or law enforcement service or municipal services.

- (1) As used in this section, "first responder district" means a local district, other than a municipal services district, that provides:
 - (a) fire protection, paramedic, and emergency services; or
 - (b) law enforcement service.
- (2) This section applies to the withdrawal of a municipality that is entirely within the boundary of a first responder district or municipal services district that was created without the necessity of an election because of Subsection 17B-1-214(3)(d) or (g).
- (3)
 - (a) The process to withdraw a municipality from a first responder district or municipal services district may be initiated by a resolution adopted by the legislative body of the municipality, subject to Subsection (3)(b).
 - (b) The legislative body of a municipality that is within a municipal services district may not adopt a resolution under Subsection (3)(a) to withdraw from the municipal services district unless the municipality has conducted a feasibility study in accordance with Section 17B-2a-1110.
 - (c) Within 10 days after adopting a resolution under Subsection (3)(a), the municipal legislative body shall submit to the board of trustees of the first responder district or municipal services district written notice of the adoption of the resolution, accompanied by a copy of the resolution.
- (4) If a resolution is adopted under Subsection (3)(a) by the legislative body of a municipality within a municipal services district, the municipal legislative body shall hold an election at the next municipal general election that is more than 60 days after adoption of the resolution on the question of whether the municipality should withdraw from the municipal services district.
- (5)
 - (a) A municipality shall be withdrawn from a first responder district if:
 - (i) the legislative body of the municipality adopts a resolution initiating the withdrawal under Subsection (3)(a); and
 - (ii)
 - (A) whether before or after the effective date of this section, the municipality and first responder district agree in writing to the withdrawal; or
 - (B) except as provided in Subsection (5)(b) and subject to Subsection (6), the voters of the municipality approve the withdrawal at an election held for that purpose.
 - (b) An election under Subsection (5)(a)(ii)(B) is not required if, after a feasibility study is conducted under Section 17B-1-505.5 and a public hearing is held under Subsection 17B-1-505.5(14), the municipality and first responder district agree in writing to the withdrawal.
- (6) An election under Subsection (5)(a)(ii)(B) may not be held unless:
 - (a) a feasibility study is conducted under Section 17B-1-505.5; and
 - (b)
 - (i) the feasibility study concludes that the withdrawal is functionally and financially feasible for the municipality and the first responder district; or
 - (ii)
 - (A) the feasibility study concludes that the withdrawal would be functionally and financially feasible for the municipality and the first responder district if conditions specified in the feasibility study are met; and

- (B) the legislative body of the municipality adopts a resolution irrevocably committing the municipality to satisfying the conditions specified in the feasibility study, if the withdrawal is approved by the municipality's voters.
- (7) If a majority of those voting on the question of withdrawal at an election held under Subsection (4) or (5)(a)(ii)(B) vote in favor of withdrawal, the municipality shall be withdrawn from the local district.
- (8)
 - (a) Within 10 days after the canvass of an election at which a withdrawal under this section is submitted to voters, the municipal legislative body shall send written notice to the board of the first responder district or municipal services district from which the municipality is proposed to withdraw.
 - (b) Each notice under Subsection (8)(a) shall:
 - (i) state the results of the withdrawal election; and
 - (ii) if the withdrawal was approved by voters, be accompanied by a copy of an approved final local entity plat, as defined in Section 67-1a-6.5.
- (9) The effective date of a withdrawal under this section is governed by Subsection 17B-1-512(2)
 - (a).

Amended by Chapter 404, 2017 General Session

Effective 3/25/2017

17B-1-505.5 Feasibility study for a municipality's withdrawal from a local district providing fire protection, paramedic, and emergency services or law enforcement service.

- (1) As used in this section:
 - (a) "Feasibility consultant" means a person with expertise in:
 - (i) the processes and economics of local government; and
 - (ii) the economics of providing fire protection, paramedic, and emergency services or law enforcement service.
 - (b) "Feasibility study" means a study to determine the functional and financial feasibility of a municipality's withdrawal from a first responder local district.
 - (c) "First responder district" means a local district, other than a municipal services district, that provides:
 - (i) fire protection, paramedic, and emergency services; or
 - (ii) law enforcement service.
 - (d) "Withdrawing municipality" means a municipality whose legislative body has adopted a resolution under Subsection 17B-1-505(3)(a) to initiate the process of the municipality's withdrawal from a first responder district.
- (2) This section applies and a feasibility study shall be conducted, as provided in this section, if:
 - (a) the legislative body of a municipality has adopted a resolution under Subsection 17B-1-505(3)
 - (a) to initiate the process of the municipality's withdrawal from a first responder district;
 - (b) the municipality and first responder district have not agreed in writing to the withdrawal; and
 - (c) a feasibility study is a condition under Subsection 17B-1-505(6)(a) for an election to be held approving the withdrawal.
- (3)
 - (a) As provided in this Subsection (3), the withdrawing municipality and first responder district shall choose and engage a feasibility consultant to conduct a feasibility study.
 - (b) The withdrawing municipality and first responder district shall jointly choose and engage a feasibility consultant according to applicable municipal or local district procurement procedures.
 - (c)
 - (i) If the withdrawing municipality and first responder district cannot agree on and have not engaged a feasibility consultant under Subsection (3)(b) within 45 days after the legislative body of the withdrawing municipality submits written notice to the first responder district under Subsection 17B-1-505(3)(c), the withdrawing municipality and first responder district shall, as provided in this Subsection (3)(c), choose a feasibility consultant from a list of at least eight feasibility consultants provided by the Utah Association of Certified Public Accountants.
 - (ii) A list of feasibility consultants under Subsection (3)(c)(i) may not include a feasibility consultant that has had a contract to provide services to the withdrawing municipality or first responder district at any time during the two-year period immediately preceding the date the list is provided under Subsection (3)(c)(i).
 - (iii)
 - (A) Beginning with the first responder district, the first responder district and withdrawing municipality shall alternately eliminate one feasibility consultant each from the list of feasibility consultants until one feasibility consultant remains.
 - (B) Within five days after receiving the list of consultants from the Utah Association of Certified Public Accountants, the first responder district shall make the first elimination of

a feasibility consultant from the list and notify the withdrawing municipality in writing of the elimination.

- (C) After the first elimination of a feasibility consultant from the list, the withdrawing municipality and first responder district shall each, within three days after receiving the written notification of the preceding elimination, notify the other in writing of the elimination of a feasibility consultant from the list.
- (d) If a withdrawing municipality and first responder district do not engage a feasibility consultant under Subsection (3)(b), the withdrawing municipality and first responder district shall engage the feasibility consultant that has not been eliminated from the list at the completion of the process described in Subsection (3)(c).
- (4) A feasibility consultant that conducts a feasibility study under this section shall be independent of and unaffiliated with the withdrawing municipality and first responder district.
- (5) In conducting a feasibility study under this section, the feasibility consultant shall consider:
 - (a) population and population density within the withdrawing municipality;
 - (b) current and five-year projections of demographics and economic base in the withdrawing municipality, including household size and income, commercial and industrial development, and public facilities;
 - (c) projected growth in the withdrawing municipality during the next five years;
 - (d) subject to Subsection (6)(a), the present and five-year projections of the cost, including overhead, of providing the same service in the withdrawing municipality as is provided by the first responder district, including:
 - (i) the estimated cost if the first responder district continues to provide service; and
 - (ii) the estimated cost if the withdrawing municipality provides service;
 - (e) subject to Subsection (6)(a), the present and five-year projections of the cost, including overhead, of the first responder district providing service with:
 - (i) the municipality included in the first responder district's service area; and
 - (ii) the withdrawing municipality excluded from the first responder district's service area;
 - (f) a projection of any new taxes per household that may be levied within the withdrawing municipality within five years after the withdrawal;
 - (g) the fiscal impact that the withdrawing municipality's withdrawal has on other municipalities and unincorporated areas served by the first responder district, including any rate increase that may become necessary to maintain required coverage ratios for the first responder district's debt;
 - (h) the physical and other assets that will be required by the withdrawing municipality to provide, without interruption or diminution of service, the same service that is being provided by the first responder district;
 - (i) the physical and other assets that will no longer be required by the first responder district to continue to provide the current level of service to the remainder of the first responder district, excluding the withdrawing municipality, and could be transferred to the withdrawing municipality;
 - (j) subject to Subsection (6)(b), a fair and equitable allocation of the first responder district's assets between the first responder district and the withdrawing municipality, effective upon the withdrawal of the withdrawing municipality from the first responder district;
 - (k) a fair and equitable allocation of the debts, liabilities, and obligations of the first responder district and any local building authority of the first responder district, between the withdrawing municipality and the remaining first responder district, taking into consideration:
 - (i) any requirement to maintain the excludability of interest from the income of the holder of the debt, liability, or obligation for federal income tax purposes; and

- (ii) any first responder district assets that have been purchased with the proceeds of bonds issued by the first responder district that the first responder district will retain and any of those assets that will be transferred to the withdrawing municipality;
 - (l) the number and classification of first responder district employees who will no longer be required to serve the remaining portions of the first responder district after the withdrawing municipality withdraws from the first responder district, including the dollar amount of the wages, salaries, and benefits attributable to the employees and the estimated cost associated with termination of the employees if the withdrawing municipality does not employ the employees;
 - (m) maintaining as a base, for a period of three years after withdrawal, the existing schedule of pay and benefits for first responder district employees who are transferred to the employment of the withdrawing municipality; and
 - (n) any other factor that the feasibility consultant considers relevant to the question of the withdrawing municipality's withdrawal from the first responder district.
- (6)
- (a) For purposes of Subsections (5)(d) and (e):
 - (i) the feasibility consultant shall assume a level and quality of service to be provided in the future to the withdrawing municipality that fairly and reasonably approximates the level and quality of service that the first responder district provides to the withdrawing municipality at the time of the feasibility study;
 - (ii) in determining the present value cost of a service that the first responder district provides, the feasibility consultant shall consider:
 - (A) the cost to the withdrawing municipality of providing the service for the first five years after the withdrawal; and
 - (B) the first responder district's present and five-year projected cost of providing the same service within the withdrawing municipality; and
 - (iii) the feasibility consultant shall consider inflation and anticipated growth in calculating the cost of providing service.
 - (b) The feasibility consultant may not consider an allocation of first responder district assets or a transfer of first responder district employees to the extent that the allocation or transfer would impair the first responder district's ability to continue to provide the current level of service to the remainder of the first responder district without the withdrawing municipality, unless the first responder district consents to the allocation or transfer.
- (7) A feasibility consultant may retain an architect, engineer, or other professional, as the feasibility consultant considers prudent and as provided in the agreement with the withdrawing municipality and first responder district, to assist the feasibility consultant to conduct a feasibility study.
- (8) The withdrawing municipality and first responder district shall require the feasibility consultant to:
- (a) complete the feasibility study within a time established by the withdrawing municipality and first responder district;
 - (b) prepare and submit a written report communicating the results of the feasibility study, including a one-page summary of the results; and
 - (c) attend all public hearings relating to the feasibility study under Subsection (14).
- (9) A written report of the results of a feasibility study under this section shall:
- (a) contain a recommendation concerning whether a withdrawing municipality's withdrawal from a first responder district is functionally and financially feasible for both the first responder district and the withdrawing municipality; and

- (b) include any conditions the feasibility consultant determines need to be satisfied in order to make the withdrawal functionally and financially feasible, including:
 - (i) first responder district assets and liabilities to be allocated to the withdrawing municipality; and
 - (ii)
 - (A) first responder district employees to become employees of the withdrawing municipality; and
 - (B) sick leave, vacation, and other accrued benefits and obligations relating to the first responder district employees that the withdrawing municipality needs to assume.
- (10) The withdrawing municipality and first responder district shall equally share the feasibility consultant's fees and costs, as specified in the agreement between the withdrawing municipality and first responder district and the feasibility consultant.
- (11)
 - (a) Upon completion of the feasibility study and preparation of a written report, the feasibility consultant shall deliver a copy of the report to the withdrawing municipality and first responder district.
 - (b)
 - (i) A withdrawing municipality or first responder district that disagrees with any aspect of a feasibility study report may, within 20 business days after receiving a copy of the report under Subsection (11)(a), submit to the feasibility consultant a written objection detailing the disagreement.
 - (ii)
 - (A) A withdrawing municipality that submits a written objection under Subsection (11)(b)(i) shall simultaneously deliver a copy of the objection to the first responder district.
 - (B) A first responder district that submits a written objection under Subsection (11)(b)(i) shall simultaneously deliver a copy of the objection to the withdrawing municipality.
 - (iii) A withdrawing municipality or first responder district may, within 10 business days after receiving an objection under Subsection (11)(b)(ii), submit to the feasibility consultant a written response to the objection.
 - (iv)
 - (A) A withdrawing municipality that submits a response under Subsection (11)(b)(iii) shall simultaneously deliver a copy of the response to the first responder district.
 - (B) A first responder district that submits a response under Subsection (11)(b)(iii) shall simultaneously deliver a copy of the response to the withdrawing municipality.
 - (v) If an objection is filed under Subsection (11)(b)(i), the feasibility consultant shall, within 20 business days after the expiration of the deadline under Subsection (11)(b)(iii) for submitting a response to an objection:
 - (A) modify the feasibility study report or explain in writing why the feasibility consultant is not modifying the feasibility study report; and
 - (B) deliver the modified feasibility study report or written explanation to the withdrawing municipality and first responder local district.
- (12) Within seven days after the expiration of the deadline under Subsection (11)(b)(i) for submitting an objection or, if an objection is submitted, within seven days after receiving a modified feasibility study report or written explanation under Subsection (11)(b)(v), but at least 30 days before a public hearing under Subsection (14), the withdrawing municipality shall:
 - (a) make a copy of the report available to the public at the primary office of the withdrawing municipality; and

- (b) if the withdrawing municipality has a website, post a copy of the report on the municipality's website.
- (13) A feasibility study report or, if a feasibility study report is modified under Subsection (11), a modified feasibility study report may not be challenged unless the basis of the challenge is that the report results from collusion or fraud.
- (14)
 - (a) Following the expiration of the deadline under Subsection (11)(b)(i) for submitting an objection, or, if an objection is submitted under Subsection (11)(b)(i), following the withdrawing municipality's receipt of the modified feasibility study report or written explanation under Subsection (11)(b)(v), the legislative body of the withdrawing municipality shall, at the legislative body's next regular meeting, schedule at least one public hearing to be held:
 - (i) within the following 60 days; and
 - (ii) for the purpose of allowing:
 - (A) the feasibility consultant to present the results of the feasibility study; and
 - (B) the public to become informed about the feasibility study results, to ask the feasibility consultant questions about the feasibility study, and to express the public's views about the proposed withdrawal.
 - (b) At a public hearing under Subsection (14)(a), the legislative body of the withdrawing municipality shall:
 - (i) provide a copy of the feasibility study for public review; and
 - (ii) allow the public to:
 - (A) ask the feasibility consultant questions about the feasibility study; and
 - (B) express the public's views about the withdrawing municipality's proposed withdrawal from the first responder district.
- (15)
 - (a) The clerk or recorder of the withdrawing municipality shall publish notice of a hearing under Subsection (14):
 - (i) at least once a week for three successive weeks in a newspaper of general circulation within the withdrawing municipality, with the last publication occurring no less than three days before the first public hearing held under Subsection (14); and
 - (ii) on the Utah Public Notice Website created in Section 63F-1-701, for three consecutive weeks immediately before the public hearing.
 - (b) A notice under Subsection (15)(a) shall state:
 - (i) the date, time, and location of the public hearing; and
 - (ii) that a copy of the feasibility study report may be obtained, free of charge, at the office of the withdrawing municipality or on the withdrawing municipality's website.
- (16) Unless the withdrawing municipality and first responder district agree otherwise, conditions that a feasibility study report indicates are necessary to be met for a withdrawal to be functionally and financially feasible for the withdrawing municipality and first responder district are binding on the withdrawing municipality and first responder district if the withdrawal occurs.

Enacted by Chapter 404, 2017 General Session