



7505 South Holden Street
Midvale, UT 84047
(801) 567-7200
www.midvalecity.org

**REDEVELOPMENT AGENCY OF MIDVALE CITY
MEETING AGENDA
October 6, 2020**

PUBLIC NOTICE IS HEREBY GIVEN that the **Redevelopment Agency of Midvale City** will hold an electronic meeting on the **6th day of October 2020** as follows:

Electronic City Council Meeting

This meeting will be an electronic meeting, without a physical location pursuant to Utah Code 52-4-207, as amended by HB 5002, Mayor Robert Hale as Chair of Midvale City Council hereby makes the determination that conducting the meeting with an anchor location presents a substantial risk to the health and safety of those who may be present at the anchor location. This determination is based upon the fact that the City is unable to ensure compliance with the guidelines and public health protocols mandated by the state's current risk phase.

As restrictions take place across the state for limiting public gatherings, the City wants to make sure everyone interested in participating in City Council Meetings can do so. The meeting will be broadcast on the following links:

You Tube:

https://www.youtube.com/channel/UCLDszK2kMUHuc3-bV-BsIQ?view_as=subscriber

Mixlr and City website: <https://www.midvalecity.org/how-do-i/listen-to-public-meetings>

Public Comments are read into the record by City staff during the "Public Comments" and "Public Hearings" portions of the meeting. If you would like to make a public comment, please send an email to Laura Magness at Lmagness@midvale.com.

When commenting, please:

- Limit your comments to 400 words (the equivalent of 3 minutes)
- Include your first and last name
- Include your city of residence (optional)
- Include the name of the Agenda item so City staff know when you want your public comment to be read into the record.

City staff read into the record the equivalent of three minutes. Your input is important to us. So, please keep your comments concise.

6:00 PM OR IMMEDIATELY FOLLOWING THE CITY COUNCIL MEETING

I. GENERAL BUSINESS

A. WELCOME AND ROLL CALL

II. PUBLIC COMMENTS

Any person wishing to comment on any item not otherwise scheduled for public hearing on the Agenda may submit their comment via email to Lmagness@midvale.com prior to the completion of this portion of the meeting. Items brought forward to the attention of the Board will be turned over to staff to provide a response outside of the Meeting.

III. CONSENT AGENDA

- A. Consider Approval of the September 1, 2020 Minutes [**Rori Andreason, HR Director/City Recorder**]

IV. ACTION ITEMS

- A. Consider Resolution No. 2020-11RDA Adopting the Revised Main Street Community Development Area Budget [**Cody Hill, RDA Manager**]
- B. Consider Resolution No. 2020-12RDA Approving and Adopting the Main Street Community Development Tax Increment Interlocal Cooperation Agreement between Midvale City and The Redevelopment Agency of Midvale City [**Cody Hill, RDA Manager**]

V. ADJOURN

In accordance with the Americans with Disabilities Act, Midvale City will make reasonable accommodations for participation in the meeting. Request assistance by contacting the City Recorder at 801-567-7207, providing at least three working day notice of the meeting. TTY 711

A copy of the foregoing agenda was provided to the news media by email and/or fax. The agenda was also posted at the following locations on the date and time as posted above: City Hall Lobby, on the City's website at www.midvalecity.org and the State Public Notice Website at <http://pmn.utah.gov>. Board Members may participate in the meeting via electronic communications. Board Members' participation via electronic communication will be broadcast and amplified so other Board Members and all other persons present in the Council Chambers will be able to hear or see the communication.

PLEASE SILENCE CELL PHONES DURING THE MEETING

DATE POSTED: OCTOBER 1, 2020

**RORI L. ANDREASON, MMC
H.R. DIRECTOR/CITY RECORDER**



REDEVELOPMENT AGENCY MEETING

Minutes

Tuesday September 1, 2020

Council Chambers
7505 South Holden Street
Midvale, Utah 84047

CHAIR: Robert M. Hale - Excused

BOARD MEMBERS: Board Member Heidi Robinson
Board Member Paul Glover
Board Member Bryant Brown
Board Member Dustin Gettel
Board Member Quinn Sperry

STAFF: Kane Loader, City Manager; Matt Dahl, Assistant City Manager; Rori Andreason, HR Director/City Recorder; Lisa Garner, City Attorney; Kyle Maurer, Administrative Services Director; Nate Rockwood Community Development Director; Glen Kennedy, Public Works Director; Laura Magness, Communications Director; Cody Hill; RDA Manager; Chief Randy Thomas, UPD; and Matt Pierce, IT Manager.

Chair Pro-tem Heidi Robinson called the meeting to order at 8:53 p.m.

I. GENERAL BUSINESS

A. Roll Call - Board Members Dustin Gettel, Quinn Sperry, Bryant Brown, Heidi Robinson and Paul Glover were present at roll call.

Chair Pro-Tem Heidi Robinson said "This meeting will be an electronic meeting, without a physical location pursuant to Utah Code 52-4-207, as amended by HB 5002. I, Mayor Robert Hale, as Chair of Midvale City Council, hereby make the determination that conducting the meeting with an anchor location presents a substantial risk to the health and safety of those who may be present at the anchor location. This determination is based upon the fact that the City is unable to ensure compliance with the guidelines and public health protocols mandated by the state's current risk phase."

II. PUBLIC COMMENTS

Chair Pro-Tem Heidi Robinson said "This is the portion of the agenda that allows any person to express ideas, concerns, comments, or issues. If you would like to comment on a Public Hearing item, you will be allotted time during the Public Hearings portion of the meeting.

Email your comments to Laura Magness at Lmagness@midvale.com

When commenting, please:

- Limit your comments to 400 words (which is the equivalent of 3 minutes)
- Include your first and last name
- Include your city of residence (this is optional) and
- Include the name of the Agenda item

City staff will only read into the record the equivalent of three minutes (400 words). So, please be concise with your statements.”

There were no public comments.

III. CONSENT AGENDA

A. CONSIDER APPROVAL OF THE AUGUST 18, 2020 MINUTES

MOTION: Board Member Paul Glover **MOVED** to approve the consent agenda. The motion was **SECONDED** by Board Member Dustin Gettel. Chair Pro-Tem Robinson called for discussion on the motion. There being none she called for a roll call vote. The voting was as follows:

Board Member Bryant Brown Aye
Board Member Dustin Gettel Aye
Board Member Paul Glover Aye
Board Member Quinn Sperry Aye
Board Member Heidi Robinson Aye

The motion passed unanimously.

IV. CLOSED SESSION TO DISCUSS THE PURCHASE, EXCHANGE, OR LEASE OF REAL PROPERTY

MOTION: Board Member Dustin Gettel **MOVED** to go into closed session to discuss the purchase, exchange, or lease of real property. The motion was **SECONDED** by Board Member Bryant Brown. Chair Pro-Tem Robinson called for discussion on the Motion. There being none she called for a roll call vote. The voting was as follows:

Board Member Heidi Robinson Aye
Board Member Dustin Gettel Aye
Board Member Paul Glover Aye
Board Member Quinn Sperry Aye
Board Member Bryant Brown Aye

The motion passed unanimously.

The Board went into closed session at 8:57 p.m.

MOTION: Board Member Paul Glover **MOVED** to reconvene into open session. Board Member Dustin Gettel **SECONDED** the motion. Chair Pro-Tem Robinson called for discussion on the motion. There being none, she called for a vote. The motion passed unanimously.

V. ADJOURN

MOTION: Board Member Paul Glover MOVED to adjourn the meeting. Board Member Quinn Sperry SECONDED the motion. Chair Robinson called for discussion on the motion. There being none, she called for a vote. The motion passed unanimously.

The meeting adjourned at 9:32 p.m.

Rori L. Andreason, MMC
City Recorder

Approved this 6th day October 2020.

PENDING



**REDEVELOPMENT AGENCY OF MIDVALE CITY
SUMMARY REPORT**

MEETING DATE: OCTOBER 6TH, 2020

SUBJECT: Discuss and consider adopting the Revised Main Street Community Development Area Budget.

SUBMITTED BY: Cody Hill, RDA Manager

SUMMARY: Agency staff have developed a revised budget for the Main Street Community Development Area. Each Agency board member has met with Agency staff and gone through a presentation on the Main Street CDA and its revised budget. Although an adopted budget is not required for a Community Development Area (“CDA”), responsible governance, transparency, and effective planning dictate that the Agency develop and adopt an official revised budget.

FISCAL IMPACT: TECHNICALLY NONE. THE BUDGET IS A PLANNING DOCUMENT THAT DICTATES AND GUIDES WHERE THE AGENCY WILL ALLOCATE PROJECTED FUTURE RESOURCES.

STAFF RECOMMENDATION: PASS THE RESOLUTION AND ADOPT THE REVISED MAIN STREET COMMUNITY DEVELOPMENT AREA BUDGET.

RECOMMENDED MOTION: I MOVE THAT THE AGENCY PASS RESOLUTION No. 2020-11RDA AND ADOPT THE REVISED MAIN STREET COMMUNITY DEVELOPMENT AREA BUDGET.

ATTACHMENTS: RESOLUTION No. 2020-11RDA & REVISED MAIN STREET COMMUNITY DEVELOPMENT AREA BUDGET

RESOLUTION NO. 2020-11RDA

A RESOLUTION APPROVING AND ADOPTING THE MAIN STREET COMMUNITY DEVELOPMENT AREA BUDGET

WHEREAS, the Redevelopment Agency of Midvale City (the “Agency”) was created to transact the business and exercise the powers provided for in the Utah Redevelopment Agencies Act;

WHEREAS, the Main Street Community Development Area (“CDA” or “Area”) contains tremendous redevelopment opportunity and potential to be developed into a cultural heart for the City;

WHEREAS, the Agency created and adopted the Main Street Community Development Area Plan on November 15, 2015, and has since supported the creation of the Small Area Plan;

WHEREAS, the original budget was never approved by the taxing entities, and interlocal agreements between the taxing entities and the Agency were never entered into;

WHEREAS, the Agency has recently revised the budget and conducted a study looking at the fiscal, economic, and community impacts redevelopment would have on the Area, City, and other taxing entities.

This Resolution shall become effective immediately upon passage thereof.

NOW THEREFORE BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF MIDVALE CITY, that the Board of Directors does hereby approve and adopt the Main Street Community Development Area Budget, dated August 2020, as the official project area budget for the Main Street CDA.

PASSED AND ADOPTED BY THE REDEVELOPMENT AGENCY OF MIDVALE CITY BOARD OF DIRECTORS, this 6th day of October, 2020.

Robert M. Hale
Chief Administrative Officer

Kane Loader
Executive Director

ATTEST:

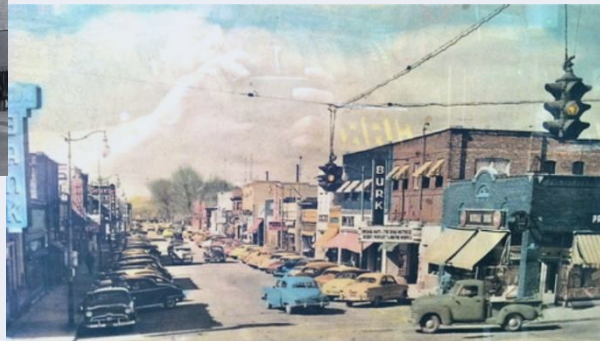
Rori L. Andreason, MMC
Secretary

Voting by the Board of	“Aye”	“Nay”
Directors:		
Bryant Brown	_____	_____
Paul Glover	_____	_____
Quinn Sperry	_____	_____
Paul Hunt	_____	_____
Dustin Gettel	_____	_____

Exhibit A: Main Street Community Development Area Budget

Midvale Redevelopment Agency Main Street Project Area

Revised Budgets
Fiscal Impact
Economic Impact
Community Impact



September 2020



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SECTION I: EXECUTIVE SUMMARY

Midvale City (the “City”) and the Midvale City Redevelopment Agency (the “Agency”) are working on redeveloping the City’s historic Main Street (“Main Street”, “Project Area”, or “Area”). Redeveloping the Area (See **Exhibit A**) will increase the assessed value of the area, provide more space for businesses, benefit the taxing entities financially, create more jobs, increase the stock of affordable and market rate housing, support and enhance the arts, and establish a sense of place that is unique to Midvale City which will develop into a local and regional draw. The additional opportunity to capture new investments in housing, both affordable and market rate will greatly enhance the overall goal of creating a sense of place that is unique and support various forms of enhanced arts and culture to develop both local and regional interest.

INCREASE ASSESSED VALUE

Historic growth patterns illustrate that, without intervention, the City’s Main Street Area is unlikely to redevelop while surrounding areas, like the City and Salt Lake County (the “County”) will continue to grow and flourish. The following table shows the differences in growth rates between the Main Street Area, the City, and the County.

Table 1.1: Main Street Area, City, and County Growth Comparisons

Average Annual Growth Rate	2009 Value	2017 Value	2020 Value	2009-2020	Difference	2017-2020	Difference
Main Street CDA	\$91M	\$75M	\$89M	-0.27%	0.0%	5.6%	0.0%
Midvale City	\$1,447M	\$1,705M	\$2,250M	4.09%	-1605.7%	9.70%	73.6%
Salt Lake County	\$65,785M	\$79,828M	\$102,771M	4.14%	-1623.1%	8.79%	57.3%

Our analysis estimates that with support from the Agency, the Area will increase in taxable value by 192 percent over an eight year buildout period. This increase in taxable value will create additional property tax revenues for the taxing entities, including the County and Canyons School District (the “School District”).

DEVELOPMENT CONTINGENCY

The efforts within the Main Street CDA aimed at increasing density, enabling infill development, and promoting vitality in an area are somewhat different than those common to most redevelopment project areas. Traditionally, a project area is built around one or several significant projects. The budget is based on how much revenue the significant project(s) will generate and what is needed to fill any gap in funding or to make the project(s) feasible. For the Main Street CDA, however, the Agency believes a blended approach will yield the most successful results. In other words, basing a budget on infill development and increased density AND on a specific significant project.

The Agency presents two separate budgets in this document. There is a Primary Budget, which is based off of revenues from increased property tax increment created by infill development and higher density redevelopment. The expenses are incurred to enable and encourage development through initiatives such as supporting parking, infrastructure improvements, tax increment reimbursement agreements, façade improvements, and the arts. The second budget is based on all



of the revenue and expense assumptions from the Primary Budget plus revenues and expenses related to a possible single large development project.

There is a path toward a larger scale development of Class-A office space within the Project Area. This will be referred to as the “**Development Contingency**”. Under this development scenario, a developer completes a single project that significantly increases the incremental property tax value of the Area. A significant development means a single commercial development (not residential) with a taxable value of at least \$60,000,000. If the development of a significant structure comes to fruition, the Agency would require a larger amount of tax increment revenues than the \$15,500,000 cap amount established in the Primary Budget. The Contingency Budget will maintain the same level of participation and remittance as the Primary Budget. The only difference is that the Agency’s cap on collected and retained tax increment funds will be set higher, to \$27,000,000.

INCREASE BUSINESS SPACE

The Agency will actively pursue and promote initiatives that will support increasing the density within the Area. One such initiative is supporting parking garages adjacent to Main Street, between 4th/Depot Street and Center Street. Having parking structures that support parking for Main Street businesses will create opportunities that can increase density. First, existing vacant land currently being used for parking will become unnecessary and can be repurposed for supporting additional commercial and mixed-use developments. Utilizing these privately owned parking lots to find strategic public parking solutions would be nearly impossible. Density creates higher land values and overall project area value for all the taxing entities.

Second, single-story structures along Main Street will be more likely to develop more stories to realize additional value from their properties if they were not required to provide parking on site but still had parking available. Many cities with Main Streets like Midvale’s have experienced redevelopment success by constructing parking structures adjacent to their own Main Streets. Brief case studies are provided in **Exhibit B**.

Another initiative to increase density and add additional business space in the Area involves the Agency actively supporting businesses’ efforts to renovate their buildings and add additional square footage. Through these efforts and other efforts, the Agency anticipates a 25 percent increase in commercial space within the Area.

Under the Development Contingency, the Agency would support the development of Class-A office space by supporting a parking structure adjacent to the office building. Some of the parking stalls in the parking structure would be designated for public parking. This would support businesses along Main Street and increase the vitality of the Area.

BENEFIT TAXING ENTITIES

Supporting the redevelopment of the Main Street Area will provide a net fiscal benefit to the taxing entities, including the School District, County, and City. The following table summarizes the net fiscal benefit to the taxing entities under the two different budgets (Primary and Contingency).



Table 1.2: Net Benefit to SD, County, and City (Primary Budget)

Taxing Entity	Property Tax Revenues from Area TY2019	Average Annual Net Benefit During Participation	Total Net Benefit Over 20 Years	Net Present Value Over 20 Years	Net Benefit in Year 21
Canyons School District	\$412,539	\$261,727	\$4,290,210	\$2,882,891	\$784,068
Salt Lake County	113,611	72,078	883,829	598,284	179,080
Midvale City	65,063	41,278	518,148	350,522	103,402
Total	\$591,214	\$375,084	\$5,692,187	\$3,831,697	\$1,066,550

Table 1.3: Net Benefit to SD, County, and City (Contingency Budget)

Taxing Entity	Property Tax Revenues from Area TY2019	Average Annual Net Benefit During Participation	Total Net Benefit Over 20 Years	Net Present Value Over 20 Years	Net Benefit in Year 21
Canyons School District	\$412,539	\$413,289	\$8,265,771	\$5,708,006	\$1,281,014
Salt Lake County	113,611	98,934	1,978,681	1,376,307	315,936
Midvale City	65,063	57,258	1,145,152	796,084	181,778
Total	\$591,214	\$569,480	\$11,389,605	\$7,880,396	\$1,778,727

CREATE MORE JOBS

The Project Area budgeting model projects an additional 25 percent commercial space created through redevelopment (Primary Budget). This additional commercial space is anticipated to increase the number of jobs directly in the Area by 92 (Primary Budget). Some of these jobs will be in the commercial retail sales and service sectors, including food and beverage sales and services, clothing and other consumer goods sales, and providers of personal services. The additional commercial space is further projected to induce the creation of an additional 203 jobs. These jobs will be created indirectly to support the additional business activities and the additional consumer demands generated by the additional employees.

Under the Contingency Budget, the Agency anticipates an additional 1,092 jobs directly created. These additional jobs will induce the creation of an additional 2,406 jobs. In total, therefore, 3,498 additional jobs will be created.

INCREASE AFFORDABLE HOUSING

The Agency has and will continue to generate significant tax increment revenues earmarked for affordable housing. Unlike most revenues generated within a project area, revenues earmarked for affordable housing may be used anywhere within the City to promote and increase the development of affordable housing. The Agency believes that the Main Street Area would benefit from redevelopment efforts targeted to support affordable housing. Note that the Agency has recently supported multi-family mixed-income housing in the nearby Bingham Junction Project Area. This development has not had a significant impact on the school district as it has generally attracted many millennials and households without children.

The Agency plans to use housing funds from the Main Street CDA and the other two redevelopment areas to directly incentivize the development of mixed-use space along Main Street. Buildings that currently support commercial uses will receive financial support to add an additional story if they dedicate it to a residential use that will serve households making roughly



80, 50, and/or 30 percent of the average median income of the area. Housing funds will also be used to incentivize mixed-use multi-story infill development. The Agency estimates that this initiative will result in an additional 70 affordable housing units.

Under the assumptions of the Contingency Budget, the Agency would earmark 20 percent of the additional tax increment revenue for affordable housing. This will result in an additional \$2.3 million dedicated to affordable housing or an increase of 76 percent in housing funds generated within the Project Area. This could result in more affordable housing units within the Area or fewer housing funds required from the other project areas.

SUPPORT & ENHANCE ARTS

To create a more vibrant, attractive, and welcoming environment along Main Street, the Agency will actively support the development and enhancement of local artists and art. To accomplish this, the Agency plans to repurpose the Midvale Museum site (7697 S Main Street) to serve as an arts center. Artists from the area will be able to work, network, sell, and display their art at the location as well as interact with the public on the creation of their art.

Some arts programs have already been established along Main Street, including the Midvale Main Street Theatre, the Midvale Performing Arts Center, and the Academia de Danza. The arts incubator could support these organizations by providing space to design and create sets.

ESTABLISH SENSE OF PLACE

The Agency's primary motivation for redeveloping the Main Street Area is to support placemaking efforts within the City. This means preserving, enhancing, and celebrating the historic nature of Midvale's Main Street. It means creating an environment that attracts people to gather, recreate, shop, dine, and build lasting memories.

Although Midvale is "In the Middle of Everything", more can be done to distinguish Midvale from its neighboring cities and all other cities in Utah. For the Agency, the highest level of development is achieved when Midvale City residents, those employed within the City, and visitors alike associate Midvale City with certain positive characteristics and features that are prominent, unique, and found throughout the City.

This document outlines several different initiatives and goals related to redeveloping the Main Street Area, including supporting the arts, housing, parking, and commercial development. The Agency will work on each of these development categories with placemaking as the ultimate end goal.

For example, the Agency will cultivate a sense of place for the Main Street Area and City by promoting and supporting façade improvements. The improvements will tie Main Street together with a good balance of unity, variety, and an enhanced streetscape. The consistency throughout the Area will enhance the sense of place. The Agency will also sponsor and support events and improve connectivity to and throughout the Area. See below for an example from the City's Small Area Plan of improvements made to building facades, landscapes, and connectivity.



Midblock walkway, existing conditions, 2018



Midblock walkway, future vision

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SECTION II: INTRODUCTION

Midvale City has a unique and historic Main Street. Because very few cities in Utah still have a historic Main Street corridor, Midvale City is seeking to improve and leverage this asset. One goal, as stated in the Midvale Main Street Small Area Plan, is to redevelop Main Street in such a way as to create a sense of place for the City. The Midvale Redevelopment Agency believes that it can support the City develop a stronger and more defined sense of place through redeveloping the historic Main Street.

Creating a redevelopment area and leveraging tax increment are commonly used and effective tools for redevelopment. The Bingham Junction Redevelopment Area (650 acres) has been a key component in transforming the former slag site for Sharon Steel into a productive and beautified area of the City which hosts the business headquarters for Overstock, CHG, and Savage. The area now holds over 50 businesses and employs over 2,500 people.

The Agency and City believe that, with the support of the local taxing entities, the Main Street Area can be redeveloped to increase the assessed value of the area, provide more spaces for businesses, benefit the taxing entities, create more jobs, increase the stock of affordable housing, support and enhance the arts, and establish a sense of place that is unique to Midvale City.

The City and Agency have already made some significant strides towards redeveloping the Main Street Area. First, in November of 2015, the Agency adopted the Main Street Community Development Project Area (the “Main Street CDA” or “CDA”) Plan. Second, in December of 2018, the City adopted the Midvale Main Street Small Area Plan. Third, in February of 2020, the City Council adopted a form-based code for the area which implements the vision and reflects the goals and objectives of the Main Street Small Area Plan. This fourth element, the revised project area budget and fiscal, economic, and community impact study is intended to provide local taxing entities and stakeholders with answers to vital questions prior to entering into interlocal agreements with the Agency.

The four main components of this document are the:

1. Main Street Community Development Area Revised Budget (the “Budget”),
2. Fiscal Impact Study (tax revenues, net benefits, additional commercial space),
3. Economic Impact Study (additional jobs, economic multipliers), and
4. Community Impact Study (housing, arts, and sense of place).

CATCH THE VISION

The old adage that, “The whole is greater than the sum of its parts” absolutely applies to the Main Street Development. Although the sum of all the individual redevelopment efforts will be considerable, combined, the whole redeveloped Main Street Area will be greater because it will strongly establish a sense of place.



The following two images, pulled from the Small Area Plan, illustrate the impact redevelopment efforts will have on the area.



Although the planting is in poor shape, the Main Street streetscape design helps to identify the midblock crossing between Center Street and 1st Avenue.



Extending the Main Street streetscape improvements northward along the entire length of Main Street will improve the urban environment.

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SECTION III: MAIN STREET COMMUNITY DEVELOPMENT AREA REVISED BUDGET

According to the section of state code that governs redevelopment agencies, a project area budget is not required for a community development area (17C-4-204). Good governance and planning, however, dictate that the Agency prepare and adopt a project area budget that forecasts what level of tax increment revenues the Agency can expect and guide how those revenues are programmed and spent. The following information meets the requirements established in 17C-5-303 for a Community Reinvestment Area's budget. A detailed budget is provided in **Exhibit C**.

(1)(A) BASE TAXABLE VALUE

The Budget uses the Tax Year 2020 value of \$58,774,598.

(1)(B) PROJECTED AMOUNT OF TAX INCREMENT TO BE GENERATED WITHIN THE COMMUNITY REINVESTMENT PROJECT AREA

The Project Area is estimated to generate \$112,995,132 of incremental value over an eight-year buildout period (Primary Budget). Using the Tax Year 2019 tax rates, the incremental value will generate a total of \$25,404,583 in tax increment.

Under the Contingency Budget, the significant project is in place at Year 1, adding \$70,000,000 of incremental property tax value to the Area. The Project Area is estimated to generate an additional \$112,995,132 of incremental value over an eight-year buildout period. Using the Tax Year 2019 tax rates, the incremental value will generate a total of \$44,698,999 in tax increment.

(1)(C) PROJECT AREA FUNDS COLLECTION PERIOD

The collection period is budgeted to be 20 years. The Agency will trigger the project area for collection no later than June 30, 2024.

(1)(D) PROJECTED AMOUNT OF TAX INCREMENT TO BE PAID TO OTHER TAXING ENTITIES

The Agency will request 100 percent participation from all of the local taxing entities for twenty years. This is forecasted to amount to \$24.4M over 20 years or \$44.7M under the Contingency Budget. The Agency will, however, remit annually 40 percent of the increment back to the taxing entities. This is forecasted to amount to \$10.1M over 20 years or \$17.9M under the Contingency Budget.

(1)(F) PERCENTAGE OF TAX INCREMENT THE AGENCY IS AUTHORIZED TO RECEIVE FROM THE PROJECT AREA

The Agency will request 100 percent participation from Salt Lake County, Canyons School District, Midvale City, South Salt Lake Valley Mosquito Abatement District, Jordan Valley Water Conservancy District, Central Utah Water Conservancy District, Unified Fire Service Area, Salt Lake County Library, and Jordan/Canyons School District Debt Service Area and will annually remit back to those taxing entities 40 percent of the property tax increment.

(1)(G) MAXIMUM CUMULATIVE DOLLAR AMOUNT OF TAX INCREMENT THE AGENCY IS AUTHORIZED TO RECEIVE FROM THE PROJECT AREA

The Project Area will sunset after 20 years of receiving tax increment revenues or once the Agency has collected and retained a cap amount of \$15,500,000, or \$27,000,000 under the



Contingency Budget, whichever comes first. Note that the cap amounts (\$15.5M or \$27M) only pertain to tax increment revenues collected **and** retained by the Agency. All revenues remitted back to the taxing entities do not contribute toward the cap amount.

(3) AMOUNT OF PROJECT AREA FUNDS THE AGENCY WILL USE TO IMPLEMENT THE PROJECT AREA PLAN INCLUDING THE ESTIMATED AMOUNT OF PROJECT AREA FUNDS THAT WILL BE USED FOR LAND ACQUISITION, PUBLIC IMPROVEMENTS, INFRASTRUCTURE IMPROVEMENTS, ANY LOANS, GRANTS, OR OTHER INCENTIVES TO PRIVATE OR PUBLIC ENTITIES

The Agency will budget 77 percent of the tax increment revenues it receives toward redevelopment activities. Assuming 20 years of participation, the Agency will collect \$15,242,750 and allocate \$11,736,917 toward redevelopment activities. The following table highlights how the Agency will program the revenues it will put toward redevelopment activities.

Table 3.1: Budgeted Redevelopment Activities (Primary Budget)

Redevelopment Activities (77% of Total Budget)	Percent	Total
Parking structure(s)	45%	\$5,100,000
Relocations, demolition, land acquisitions, infrastructure, Etc.	9%	1,000,000
Capital Projects	13%	1,500,000
Professional Services	1%	150,000
Developer Reimbursements	13%	1,500,000
Public Art	17%	1,945,250
Bingham Junction Repayment	5%	541,667
Total	100%	\$11,736,917

Under the Contingency Budget, the Agency will collect and retain \$26,819,399 and allocate \$20,650,937 toward redevelopment activities. The following table highlights how the Agency will program the revenues it will put toward redevelopment activities.

Table 3.2: Budgeted Redevelopment Activities (Contingency Budget)

Redevelopment Activities (77% of Total Budget)	Percent	Total
Large Office Building Parking	83%	\$8,914,020
Parking structure(s)	25%	5,100,000
Relocations, demolition, land acquisitions, infrastructure, Etc.	5%	1,000,000
Capital Projects	10%	1,500,000
Professional Services	1%	150,000
Developer Reimbursements	7%	1,500,000
Public Art	7%	1,945,250
Bingham Junction Repayment	3%	541,667
Total	100%	\$26,819,399

(4) AGENCY'S COMBINED INCREMENTAL VALUE

The Agency's combined incremental value includes the incremental values from Bingham Junction RDA (assumed to be built out), Jordan Bluffs RDA (enough value to trigger per interlocal agreements), and the Main Street CDA (no incremental value). The value is about \$719,788,488. The following table shows the breakdown of the Agency's incremental value.



Table 3.3: Midvale Redevelopment Agency's Incremental Value

Project Area	Total
Bingham Junction RDA	\$681,571,927
Jordan Bluffs RDA	38,216,561
Main Street CDA	0
Total	\$719,788,488

(5) AMOUNT OF PROJECT AREA FUNDS THAT WILL BE USED TO COVER THE COST OF ADMINISTERING THE COMMUNITY REINVESTMENT PROJECT AREA PLAN

The Agency will designate *three percent* of the tax increment revenues generated within the Area and participated to the Agency toward administrative costs. This amounts to \$457,2828 or \$804,582 (Contingency Budget) over the 20-year life of the project area.

(6) FOR PROPERTY THAT THE AGENCY OWNS AND EXPECTS TO SELL, THE EXPECTED TOTAL COST OF THE PROPERTY TO THE AGENCY AND THE EXPECTED SALE PRICE

The Agency owns seven parcels within the Project Area. The parcels add up to 0.84 acres and have a total market value of \$792,500. Procuring the property likely cost the Agency about three-quarters of its current market value or about \$600,000. The expected sell price for any property the Agency sells will be for the land's market value, or the Agency could possibly sell the land for a reduced price if the incentive could shape the property's development in a way that would be more favorable to the Area and City.

REDEVELOPMENT ACTIVITIES

The budget document requirement found in 17C-5-303(3) calls for the amounts of project area funds that are budgeted to be used for various redevelopment activities, including land acquisition, public improvements, any grants, etc. This subsection will provide information related to the budgeted numbers stated in **Table 3.1**.

PARKING STRUCTURE(S)

Under the Contingency Budget, the Agency will raise an additional \$8,914,020 for redevelopment activities. This figure excludes the three percent designated for administrative costs and 20 percent earmarked for affordable housing. The additional \$8.9M for redevelopment activities will be used to support a parking structure for the Class-A office building with an assessed value greater than \$60M. The following paragraphs highlight expenses included in both the Primary Budget and the Contingency Budget. The other line items and amounts are both identical.

Supporting parking is one of the main objectives based on the budget, with about one-third of the total Primary Budget (\$5,100,000) allocated toward developing parking structures. The Agency believes that developing one or more parking structures adjacent to Main Street will help revitalize the Area. The Agency will follow a model for redeveloping a Main Street that has been proven to be successful by many cities. A few examples are provided in **Exhibit B**. The key component contributing to these successful development efforts was supporting parking via parking structures.



According to the Small Area Plan, “Planning for pedestrian access and parking master planning should be a key part of future investments in the Main Street midblock corridors.” A parking master plan will help the Agency determine how many parking stalls would be required to support the redevelopment of the Area. To support the development of a parking master plan, the Agency recently completed a detailed survey of the Main Street Area, which included a count of all parking spaces. The survey detailed whether the parking spaces were on street, public, or reserved for a business.

RELOCATIONS, DEMOLITION, LAND ACQUISITIONS, INFRASTRUCTURE, ETC.

There are several parcels that the Agency could purchase that would enhance the development potential of land owned by the Agency. The consolidation of the Agency’s land would open opportunities to develop parking structures, sell the property to a developer, or utilize the land for public gathering and/or recreation and create key access easements.

CAPITAL PROJECTS

Roughly thirteen percent of the Redevelopment Activities Budget (\$1,500,000) is estimated to be used to support capital projects. It is not the intent of the Agency to pull funding from the taxing entities to subsidize the City’s general fund by supporting projects that should just be paid for by the City. The Agency will only support capital projects that will enable increased density of development, improve connectivity throughout and to the Area, and support affordable housing projects. One example includes relocating the power poles as outlined in the Small Area Plan.

PROFESSIONAL SERVICES

\$150,000 will be set aside to fund various professional services that the Agency will require. These services may include legal services to help form agreements, market analysis to help determine the best mix of developments in the Area, and engineering studies to support infrastructure improvements (especially those that will help support affordable housing projects).

DEVELOPER REIMBURSEMENTS

Redevelopment agencies have the unique ability to influence the size, scale, look, and feel of developments. Agencies typically do this by offering tax reimbursements to developers for meeting specific standards related to a project’s size, façade, use, etc. Agencies can have a significant impact on developments by incentivizing the types of development that will most benefit the project areas.

The Midvale City Redevelopment Agency will carefully utilize \$1.5M for developer reimbursements. To avoid providing support to developments that will likely occur even without public support, the Agency will scrutinize development plans, pro forma, and perform break-even analysis for all developments looking for support.

The Agency will seek to target those types of developments that will most benefit the Area and the City. The most beneficial types of development will include a balanced mix of commercial (retail sales, service providers, and office), higher density residential, and public spaces. To determine the correct mix of developments, the Agency will perform or commission a market study for the Area and utilize data from a sales tax leakage study it recently performed (8/2020).



The Agency will also seek to support several anchor tenants to take purchase within the Area. Anchor tenants will provide an increased and sustained level of traffic and vitality through the Area.

The Agency will shape the look and feel of new developments and remodels through grants, forgivable loans, and tax reimbursement agreements. In this way the Agency will be able to influence the Area so that it supports the development of a sense of place for the City.

PUBLIC ART

The Agency has budgeted \$1,945,250 to support and enhance public arts within the Project Area. About twenty percent of the \$1.9M will be used to cover startup and operating costs for an arts center. Slowly over time, the operations costs for the arts center will shift from the CDA to the arts center, which the Agency believes can become self-sustaining through renting art spaces, collecting a small percent commission on art sales, fundraisers, and grants.

The remaining \$1.5M will be used to support public art initiatives, including murals, utility box art wraps, other public art initiatives and projects, and maintaining public art installations.

BINGHAM JUNCTION REPAYMENT

Legally, tax increment revenues must be expended to directly benefit the project area from whence they were generated. A project area may, however, lend money to another project area. To help prime the Main Street CDA for redevelopment, the Bingham Junction RDA has loaned it \$541,667. The Main Street CDA must repay this loan to the Bingham Junction RDA so that those revenues can be used to provide a direct benefit to the RDA.



SECTION IV: FISCAL IMPACT STUDY

A key factor that determines whether taxing entities decide to participate tax increment revenues or not is whether the project area will generate a net fiscal benefit. In other words, will the additional tax revenues offset the increase in costs created by the additional redevelopment? Based on our model’s assumptions, the taxing entities will experience a net benefit through participating in the Project Area. The following table illustrates the calculated net benefits to the School District, County, and City based on the Primary Budget.

Table 4.1: Taxing Entities’ Net Benefits (Primary Budget)

Taxing Entity	Annual Net Benefit After Buildout	Total Net Benefit (20 Years)
Canyons School District	\$250,991	\$4,290,210
Salt Lake County	56,348	883,829
Midvale City	32,928	517,994
Total	\$340,276	\$5,692,187

Based on the Contingency Budget:

Table 4.2: Taxing Entities’ Net Benefits (Contingency Budget)

Taxing Entity	Annual Net Benefit After Buildout	Total Net Benefit (20 Years)
Canyons School District	\$463,782	\$8,265,771
Salt Lake County	111,091	1,978,681
Midvale City	64,287	1,145,152
Total	\$639,160	\$11,389,605

CANYONS SCHOOL DISTRICT NET FISCAL BENEFIT

Increases in costs to the School District are driven by increases in the student population. To calculate the net fiscal benefit to Canyon’s School District, the model used the following data and assumptions for increases in costs.

Table 4.3: Canyons SD Data

Statistics	
Estimated 2019-2020 Enrollment	34,451
Total 2019-2020 Budget	\$294,844,429
Expenditure per Student	\$8,558
Weighted Pupil Average	\$3,532
Net Cost per Student	\$5,026



Table 4.4: Development & Canyons SD Assumptions

Assumptions	
Current Number of Detached Single-Family Homes in Area	197
Reduction in Detached Single-Family Homes	2.5%
Reduction in Detached Single-Family Homes	5
Increase in Additional Multi-Family Homes	81
Students per Detached Single-Family Homes	0.50
Students per Multi-Family Housing Unit	0.15*
Net Change in Students	9.7

*Used per 5/27 discussion with SD CFO, Leon Wilcox.

An increase of 9.7 students will increase the annual net cost to the School District by \$48,693 (\$5,026 * 9.7) without adjusting for inflation. After the eight year buildout period, the total annual net increase in costs is estimated to be \$52,241 adjusting two percent annually for inflation. The increase in costs to the School District will be significantly outweighed by the increase in retained (not participated to the Agency) incremental property tax revenues. Based on the assumptions built into the Contingency Budget, the School District’s additional costs would remain the same, because the significant project does not consist of any residential components.

Assuming the School District participates 60 percent of the incremental property tax revenues over 20 years, the **total net benefit after 20 years is estimated to be \$4,290,210 for the Primary Budget and \$8,265,771 for the Contingency Budget.** These figures sum the annual difference between the annual increase in costs (adjusted for inflation) with the annual additional tax increment revenue (retained by the School District). Note that the tax increment revenues are not adjusted for inflation because the certified tax rate process eliminates any gains that would come from inflation.

Detailed annual additional costs and revenues calculations can be seen in **Exhibit D.** The average annual net benefit to the School District during the participation period (20 years) is estimated to be \$214,510. After the participation period ends (Year 21), the net annual benefit to the School District will be \$784,068. Under the Contingency Budget, the average annual net benefit to the School District during the participation period (20 years) is estimated to be \$413,289. After the participation period ends (Year 21), the net annual benefit to the School District will be \$1,281,014.

SALT LAKE COUNTY NET FISCAL BENEFIT

Increases in costs to the County can be measured by increases in the total population. To calculate the net fiscal benefit to Salt Lake County, the model used the following data and assumptions for increases in costs.



Table 4.5: Salt Lake County Data

Salt Lake County Statistics	
FY 2019 Budget General Fund	\$356,325,427
Total Population	1,160,437
Total Housing Units	411,472
Residents per Household	2.82
Budgeted Cost per Resident	\$307

Based on the growth and redevelopment assumptions for the Area, an additional 81 residential units will be developed within the Area, resulting in an additional 228 residents at buildout (eight years). This will add an additional \$52,373 in costs to the County’s general fund. This figure included an annual two percent increase in costs due to inflation.

The County will receive additional revenues as a result of redevelopment from incremental property tax revenues and additional sales tax revenues. At buildout, the County’s total incremental property tax revenue will amount to \$218,420. Participating 60 percent of its incremental property tax revenue (\$131,052) will leave \$87,368 in property tax increment revenue for the County. Under the Contingency Budget, at buildout, the County’s total incremental property tax revenue will amount to \$355,276. Participating 60 percent of its incremental property tax revenue (\$213,166) will leave \$142,110 in property tax increment revenue for the County.

To calculate the additional sales tax revenues to the County, the model used the following assumptions.

Table 4.6: Increase in Taxable Sales Assumptions

Assumptions	
Existing Developed Commercial Square Feet	300,000
Percent Increase in Commercial Square Feet	25%
Increase in Commercial Square Feet	75,000
Annual Sales per Square Foot	\$135
Additional Annual Taxable Sales at Buildout (Inflation Adjusted)	\$11,863,051

The sales tax rate used to calculate County revenues includes the County Option, County Option Transportation, and the Zoo, Arts, and Parks rates which add up to 0.006. The analysis recognizes that not all additional taxable sales generated through redevelopment in the Main Street Area should be counted as incremental taxable sales to the County. A large portion of the additional sales tax revenues would continue to be generated elsewhere within the County, even if redevelopment did not occur within the Main Street Area. The analysis, therefore, only counted 30 percent of the additional taxable sales forecasted within the Area as incremental revenues for the County.

At buildout, the Project Area will generate an additional \$11.8M in taxable sales. 30 percent of \$11.8 million is \$3.5 million. The County rate, 0.006 times \$3.5 million equals \$21,353 of incremental sales tax revenue.



Assuming the County participates 60 percent of the incremental property tax revenues over 20 years, the **total net benefit after 20 years is estimated to be \$883,829 (Primary Budget)**. For **the Contingency Budget, the total net benefit after 20 years is estimated to be \$1,978,681**. These figures sum the annual difference between the annual increase in costs (adjusted for inflation) with the annual additional tax increment revenue (retained by the County). Note that the property tax increment revenues are not adjusted for inflation because the certified tax rate process eliminates any gains that would come from inflation, but the additional sales tax revenues do adjust for inflation.

Detailed annual additional costs and revenues calculations can be seen in **Exhibit E**. The average annual net benefit to the County during the participation period (20 years) is estimated to be \$44,191 (Primary Budget). After the participation period ends (Year 21), the net annual benefit to the County will be \$179,080. For the Contingency Budget, the average annual net benefit to the County during the participation period (20 years) is estimated to be \$98,934. After the participation period ends (Year 21), the net annual benefit to the County will be \$315,936.

MIDVALE CITY NET FISCAL BENEFIT

Increases in costs to the City can also be measured by increases in the total population. To calculate the net fiscal benefit to the City, the model used the following data and assumptions for increases in costs.

Table 4.7: Midvale City Data

Salt Lake County Statistics	
FY 2020 Police, Public Works, and Parks Budget	\$13,136,671
Total Occupied Housing	11,910
Total Population	33,208
Residents per Household	2.79
Additional Cost per Resident	\$396

Based on the growth and redevelopment assumptions for the Area, an additional 81 residential units will be developed within the Area, resulting in an additional 228 residents at buildout (eight years). This will add an additional \$66,707 in costs to City services likely to be impacted. This figure included an annual two percent increase in costs due to inflation.

The City will receive additional revenues as a result of redevelopment from incremental property tax revenues and additional sales tax revenues. At buildout, the City’s total incremental property tax revenue will amount to \$125,086 (Primary Budget). Participating 60 percent of its incremental property tax revenue (\$75,051) will leave \$50,034 in property tax increment revenue for the City. For the Contingency Budget, at buildout, the City’s total incremental property tax revenue will amount to \$203,461. Participating 60 percent of its incremental property tax revenue (\$122,077) will leave \$81,384 in property tax increment revenue for the City.

To calculate the additional sales tax revenues to the City, the model used the assumptions illustrated in **Table 4.5**.



The sales tax rate used to calculate City revenues consists only of half (point of sale portion) of the one percent local sales and use tax (0.005). Because not all additional taxable sales generated through redevelopment in the Main Street Area would not have been spent elsewhere in the City, the analysis only counted 60 percent of the additional taxable sales as incremental for the City.

At buildout, the Project Area will generate an additional \$11.8M in taxable sales. 60 percent of \$11.8 million is \$7.1 million. The City rate, 0.005 times \$7.1 million equals \$35,589 of incremental sales tax revenue.

Franchise taxes (from electricity, gas, and telecommunications) compose a third source of additional revenues to the City. At buildout, they amount to \$14,021. The average annual amount of franchise tax revenue to the City over the 20 year participation period is \$12,605. Because new Class-A office space typically includes solar panels and energy efficient designs, the model assumes no increase in franchise tax revenues from the development of a large office building.

Assuming the City participates 60 percent of the incremental property tax revenues over 20 years, the **total net benefit after 20 years is estimated to be \$518,148 (Primary Budget). Under the Contingency Budget, the total net benefit after 20 years is estimated to be \$1,145,152.** These figures sum the annual difference between the annual increase in costs (adjusted for inflation) with the annual additional tax increment revenue (retained by the City). Note that the property tax increment revenues are not adjusted for inflation because the certified tax rate process eliminates any gains that would come from inflation, but the additional sales tax revenues do adjust for inflation.

Detailed annual additional costs and revenues calculations can be seen in **Exhibit F**. The average annual net benefit to the City during the participation period (20 years) is estimated to be \$25,907 (Primary Budget). After the participation period ends (Year 21), the net annual benefit to the City will be \$103,402. Under the Contingency Budget the average annual net benefit to the City during the participation period (20 years) is estimated to be \$57,258. After the participation period ends (Year 21), the net annual benefit to the City will be \$181,778.

The following Table illustrates the net benefits to the School District, County, and City.

Table 4.8: Net Benefit to SD, County, and City (Primary Budget)

Taxing Entity	Average Annual Net Benefit During Participation	Total Net Benefit Over 20 Years	Net Present Value Over 20 Years	Net Benefit in Year 21
Canyons School District	\$214,510	\$4,290,210	\$2,882,891	\$784,068
Salt Lake County	44,191	883,829	598,284	179,080
Midvale City	25,907	518,148	350,522	103,402
Total	\$284,608	\$5,692,187	\$3,831,697	\$1,066,550



Table 4.9: Net Benefit to SD, County, and City (Contingency Budget)

Taxing Entity	Average Annual Net Benefit During Participation	Total Net Benefit Over 20 Years	Net Present Value Over 20 Years	Net Benefit in Year 21
Canyons School District	\$413,289	\$8,265,771	\$5,708,006	\$1,281,014
Salt Lake County	98,934	1,978,681	1,376,307	315,936
Midvale City	57,258	1,145,152	796,084	181,778
Total	\$569,480	\$11,389,605	\$7,880,396	\$1,778,727

PARTICIPATION VERSUS NON-PARTICIPATION

Another important consideration for whether a taxing entity would want to participate tax increment to support a project area is the impact of participation versus non-participation. Two questions related to this consideration are:

- 1) Will growth and development happen without public support?
- 2) Would this entity be better off by not participating?

To answer the first question, refer to **Table 1.1: Main Street Area, City, and County Growth Comparisons**. Between 2009 and 2020, the area saw a slight decrease in its total assessed value. City and Countywide, however, assessed values increased by an average annual rate of four percent. When the window is narrowed to only look at growth between 2017 to 2020, however, the Main Street CDA grew by an average annual rate of 5.6 percent while the City grew by 9.7 percent and the County grew at an average annual rate of 8.79 percent.

Based on historic growth rates, it is safe to assume that the Main Street CDA is unlikely to redevelop in any significant way without some interventions. If growth does occur, it will likely be slowly over time and at a much slower pace when compared to the City or County’s growth.

To answer the second question, it makes sense to calculate the break-even point for participating. In other words, if the taxing entity did not participate, how much growth would have to occur in order for the entity to receive the same level of property tax increment over 20 years that it is projected to receive when participating?

Based on the growth projections in the Primary Budget, the Project Area, if unassisted by the taxing entities, would have to increase at an average annual rate of 4.5 percent or 6.7 percent under the Contingency Budget.

If, for example, the Main Street CDA never receives public support but grows at an average annual rate of 4.6 percent, then the taxing entities will be better off having not participated. Based on historic growth patterns for the Area, however, an average annual growth rate over 20 years of 4.6 percent or higher is highly unlikely.

Another common method for entities to decide whether to take advantage of an investment opportunity is by calculating the return on investment (the “ROI”). The formula is simple:



(Net Profit / Amount Invested) * 100 = ROI

(Primary Budget)

The ROI after 20 years for the **School District** is $(\$4,290,210 / \$7,851,817) * 100 = 54.64$

The ROI after 20 years for the **County** is $(\$883,829 / \$2,162,354) * 100 = 40.87$

The ROI after 20 years for the **City** is $(\$518,148 / \$1,238,348) * 100 = 41.84$

(Contingency Budget)

The ROI after 20 years for the **School District** is $(\$8,265,771 / \$13,815,159) * 100 = 59.83$

The ROI after 20 years for the **County** is $(\$1,978,681 / \$3,804,631) * 100 = 52.01$

The ROI after 20 years for the **City** is $(\$1,145,152 / \$2,178,855) * 100 = 52.56$

Based on the analysis, not participating will likely mean slow or stagnant growth and a smaller net benefit than would have been realized through participating. Participating will yield a positive net benefit and high level of ROI for the School District, County, and City.



SECTION V: ECONOMIC IMPACT STUDY

In addition to the positive fiscal impacts, redeveloping the Main Street Area will also result in positive economic impacts in the form of additional jobs and increased spending because of the impact of economic multipliers.

JOB CREATION

The CDA’s Primary Budget model assumes two drivers for commercial growth and redevelopment. The first driver is based on anticipated improvements to existing commercial spaces. The model assumes an increase of \$24.8M in assessed value to existing commercial spaces. This incremental value will be created by improving facades, renovating existing space, and improving and increasing the amount of personal property.

The second driver for commercial growth comes from an estimated increase in the amount of commercial space. Additional commercial space will be created by adding levels to existing buildings, building on vacant parcels, and repurposing residential space into commercial space. The model assumes an increase in commercial space of 25 percent or an additional 89,186 square feet of commercial space. Based on a ratio of 1.03 jobs created per 1,000 square feet of commercial space, the additional 89K square feet of commercial space will create an additional 92 jobs. The ratio above came from the Metropolitan Council’s Local Planning Handbook (11/2016).

These 92 jobs that are directly created as a result of redevelopment efforts will be in various different industries. The mix of new jobs will likely correlate with the types of development encouraged and supported by the Agency. The appropriate mix will be determined in part by a market analysis which is yet to come, but some of these jobs will be in the commercial retail sales and service sectors, including food and beverage sales and services, clothing and other consumer goods sales, and providers of personal services. These will be unique jobs that contribute to the vibrant and welcoming feel of an active and inviting Main Street scene.

The newly created 92 jobs will also induce even more jobs to be created. The businesses themselves will need supplies and services to support their businesses functions. A retail food service business, for example, may rely on local retail and wholesale businesses to keep its kitchen stocked. The 92 additional employees are also likely to procure goods and services within the vicinity of their places of employment. This concept is commonly referred to as the employment multiplier.

The employment multiplier’s impact on employment will induce an additional 203 jobs to be created, using a multiplier of 2.2. This ratio came from the Economic Policy Institute’s Updated employment multipliers for the U.S. economy (1/23/2019). In total, **redevelopment of the Area will create an additional 295 jobs**, including directly created and induced jobs.

Table 5.1: Job Creation (Primary Budget)

Jobs Directly Created	Additional Jobs Induced	Total Jobs Created (Direct & Induced)
92	203	295



Under the Contingency Budget, the model assumes additional employees based on a conservative ratio of 300 square feet of office per employee. If the Class-A office building is 300,000 square feet, an additional 1,000 jobs will be created within the Area. This is in addition to the 92 jobs created under the Primary Budget assumptions.

Table 5.2: Job Creation (Contingency Budget)

Jobs Directly Created	Additional Jobs Induced	Total Jobs Created (Direct & Induced)
1,092	2,406	3,498

The additional jobs will benefit the City and County, providing employment opportunities to its residents and possibly bringing new residents into the City and County. The School District will also benefit from the additional jobs, as it receives payroll and corporate income taxes as revenue sources.

ADDITIONAL SPENDING

A focused effort to redevelop the Main Street Area is estimated to increase taxable sales within the Area by \$11.8M at buildout (Year 8). This figure is quite conservative, however, because it only accounts for additional sales generated by new commercial space being developed. The figure does not account for an increase in sales that existing businesses will enjoy as a result of redeveloping the Area.

Just as directly creating 92 jobs will induce additional jobs to be created, increasing the taxable sales in the Area will also induce additional spending to occur. The new business and employees will spend money within the Area, City, and County to support their business' functions or procure their own personal goods and services.

To measure the amount of induced spending generated by redevelopment of the Area, the analysis used a multiplier ratio of 1.25. This means that for every dollar of taxable sales directly generated in the Area, an additional \$1.25 of taxable sales is induced. Thus, at buildout, the \$11.8M of additional taxable sales will generate an additional \$14.8M in taxable sales.

Therefore, the **Area will create an additional \$26.6M in additional taxable sales.**

Because it is difficult to estimate where the induced increase in taxable sales would be generated (within or outside of the City or County) the potential sales tax revenues are not included in the fiscal impact. While this more stringent calculation of net benefits may not consider potential revenues and benefits that taxing entities are likely to enjoy, it does provide a more conservative and thus defensible analysis.

Although an additional 1,000 employees in the Area would likely boost taxable sales within the City and County, the analysis does not include this fiscal and economic benefit. Increased sales assumptions are only based on additional commercial space created. It is also difficult to forecast the level of spending the 1,000 employees would bring to the City.



SECTION VI: COMMUNITY IMPACT STUDY

As illustrated in the previous two sections, Midvale City is forecasted to enjoy a modest net fiscal impact and economic impact. For the City, the primary motivation for pursuing redevelopment along Main Street is not for the fiscal or economic gains. The City's main motivator is the benefits that will be created through supporting housing, the arts, and in developing a sense of place. These are viewed through the lens of community impacts.

HOUSING

Ensuring a sufficient supply of housing at all levels of AMI, in particular, at 80% AMI and below has been an ongoing challenge for Salt Lake County and Midvale City alike. For the County to participate in a project area, a favorable condition includes promoting, "Housing units that are affordable to residents at various income levels, including 80 percent (\$57K), 50 percent (\$36K), and 30 percent (\$21K) Area Median Income for Salt Lake County." Similarly, an unfavorable condition for the County to participate includes, "Project Areas that are predominately housing, including detached single-family dwellings, or including housing units that are predominately market rate." The County, therefore, is more likely to participate if the redevelopment efforts support multifamily residential units that are affordable at a variety of income levels.

The CDA budgeting model assumes an increase in multifamily housing by 81 units. Furthermore, the model assumes a decrease in single-family housing by five units. The Agency's aim for the Area will be to incorporate many of the policies found in the Affordable Housing Plan. These policies include:

- Encourage Mixed-Income Multi-Unit Developments;
- Focus Programs on Households Making 80% AMI or less;
- Support the Development of Walkable Neighborhoods Through Improved Connectivity, Development of Neighborhood Scaled Amenities, Good Urban Design;
- Better Amenities and Recreational Services in the City;
- Modernize Parking Regulations to Support Residential Development;
- Modernize Setback and Open Space Requirements;
- Adopt By-Right Development;
- Include Density Bonuses for Affordable Housing;
- Provide a Financial Incentive to Repair Homes; and
- Create a Program to Acquire and Redevelop Blighted Residential Units in Single Family Neighborhoods.

Note that there are other policies and actionable projects within the Midvale City Housing Plan that will also improve housing affordability within the Area.

In addition to the Housing Plan, the Small Area Plan also encourages the development of affordable housing. One of the strategic focuses for the Area, as identified in the Small Area Plan is to, "Expand housing and employment options in the Main Street neighborhood." The plan sees housing as a key component to the Area's success. There must be a better variety of housing options, improved connectivity throughout the neighborhoods (including walkability), and



improved amenities. A mix of housing will also improve the areas image as having a safe livable feel for residents and visitors.

The Main Street CDA will pursue the policies and programs listed in the Midvale City Housing Plan to assist in achieving the housing goals established in the Small Area Plan. The Agency plans to also use funds earmarked for housing that are generated by the Bingham Junction and Jordan Bluffs Redevelopment Areas.

ARTS

Supporting and enhancing the arts is a key and critical component to the Agency’s strategy for redeveloping the Area and establishing a sense of place.

A major, arts focused, initiative for the Area is the development of the Midvale City Arts Center (the “Arts Center” or “Center”). The Agency plans to repurpose the Midvale City Museum for the Arts Center. The Center will provide a place for artists and especially local artists to create and exhibit art, collaborate, learn and teach skills, and reach out to the community. The focus and direction for the art gallery will be local. The Arts Center will include a community gallery, where works by Midvale City artists will be displayed. All the programs, initiatives, and events sponsored by the Arts Center will foster an organic gathering space where City residents will come to create, admire, and be inspired.

Supporting artist spaces in Midvale will yield a number of benefits to the community. Some benefits from artist space development often seen by a community include beautification of space, animation of vacant property, diversification of low income communities, youth development, slight increases in job opportunities, and increases in nearby property values. Most of these benefits blend positive economic and social outcomes. Animation of vacant property, for example, will increase tax revenues to the City (economic) and reduce the presence of blight and improve the community (social). The Agency intends to track and measure benefits to the area resulting from development and specifically the development of artist spaces.

Further details on the development of the Midvale City Arts Center are available in Arts Incubator Proposal. This can be found on the Agency’s website, <https://www.midvalecity.org/departments/community-development/redevelopment-agency>.

The Agency will also look for and seize opportunities to promote and preserve public art within the Area. There are several utility boxes along Center Street that could be wrapped with an artistic covering. The Agency has undertaken this exact project within the Bingham Junction Project Area. The artistically wrapped utility boxes greatly improved the aesthetics within the Area.

The Agency will also seek out spaces and opportunities to commission murals within the Area. The Small Area Plan notes how art can be used to improve pedestrian connections between blocks and midblock. It states, “This connection can be improved in several ways. Increasing visibility will help pedestrians locate the connection. It can be made more pedestrian friendly with new amenities such as upgraded landscaping and benches in the west side parcel. Upgrading the connection is an opportunity for installing public art such as murals, a colorful



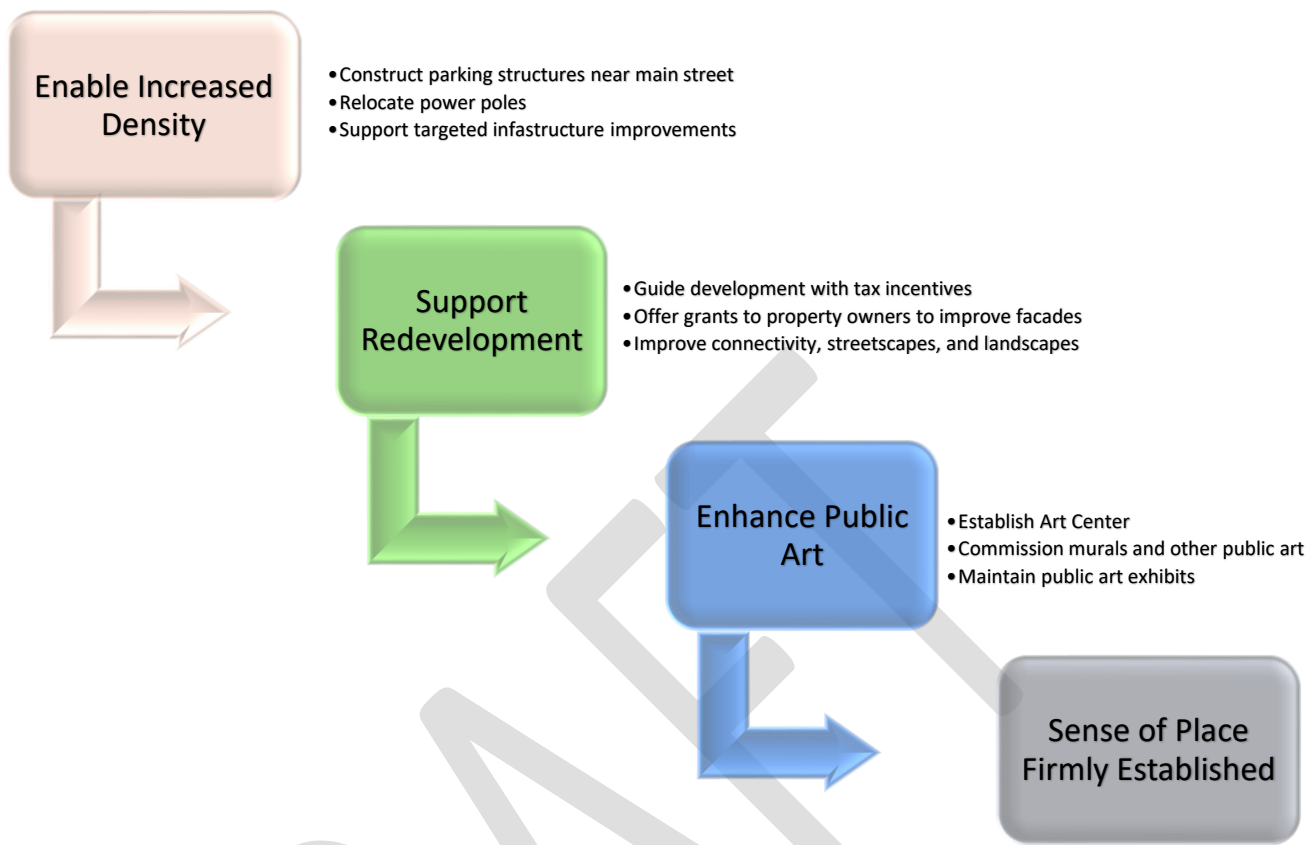
crosswalk paint job, and public sculpture. These public art opportunities are an excellent way to involve local artists and arts organizations.”

Nearly thirteen percent or \$1.9M of the Project Area’s budget will be dedicated to public art. This illustrates that supporting the arts will not be undertaken as a token gesture in the Area but is a major focus with significant funding behind it.

SENSE OF PLACE

The City’s historic Main Street Area provides a unique opportunity wherein the Agency can help the City to establish a sense of place. Although Midvale is “In the Middle of Everything”, it could do more to stand out and be distinct from the cities that surround it. The Agency will craft the redevelopment in the Area so that it develops a distinct sense of place. When people are in the Area, they will know they are in Midvale and not in West Jordan, Sandy, Cottonwood Heights, or Murray. The Area will signal to residents, business owners, and visitors alike characteristics that are unique to Midvale.

Successfully developing a sense of place will be the Agency’s crowning achievement in the Area. It means that efforts to redevelop commercial and residential properties were successful, the support for the arts shaped the Area and inspired the people, and that a rare historic Main Street corridor was revitalized. The following graphic shows how the Agency’s redevelopment efforts progress to the final and desired end, firmly establishing a sense of place.



Developing a sense of place does not involve many isolated and unique initiatives, but it shapes how initiatives under each other categories are pursued. Take, for example, the bullet point under “Enhance Public Art”, commission murals and other public art. The Agency will strive for consistency in the public art it commissions, the public art’s styles and mediums. A cohesive array of public art throughout the Area will tie it together and make connections to the City. In this way achieving a sense of place shapes how policies and initiatives are pursued.

Agency staff are convinced that the Main Street Area provides the perfect opportunity wherein development can be shaped and influenced to help further establish and solidify a sense of place. Through smart planning, careful selection of development partners and projects to support, precise and clear agreements with developers and property owners, a strong support of the arts, and support from local taxing entities, the Agency will successfully redevelop the Main Street Area. As previously stated, the pinnacle of successful development means effectively establishing a sense of place that is unique to Midvale City.

EXHIBIT A: PROJECT AREA MAPS

Project Area Boundaries





City & Agency Owned Parcels Within Project Area

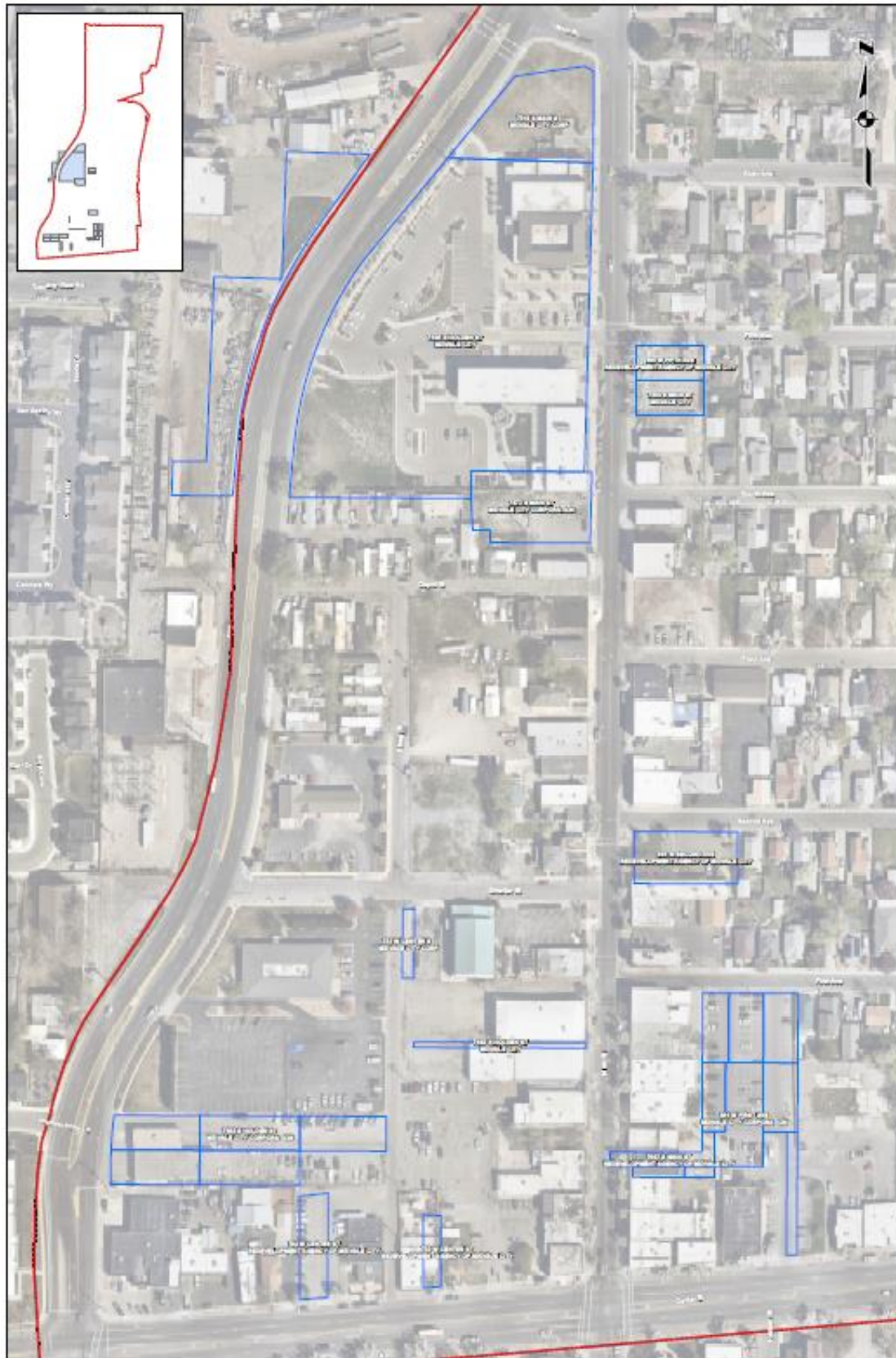




EXHIBIT B: MAIN STREET REDEVELOPMENT CASE STUDIES

The following case studies highlight cities that have been extremely successful in developing their downtown or Main Streets into cultural centers for their communities. The developments were each crafted in ways that persevere the cities' old town or Main Street America feel but in modern ways. Although there are no great examples of this type of development within Salt Lake County, Agency staff believe that Midvale's Main Street offers the perfect place to redevelop the Main Street in a way that is modern, preserves and celebrates its history, and acts as a cultural center for the community.

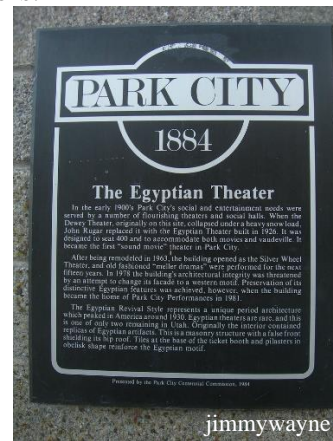
Park City, Utah

Park City was founded in 1869 as a mining town. When demand for silver surged between the late 1800s and early 1900s, miners flocked to Park City to profit from its rich silver mines. By the late 1950's, however, the decline in the price of silver decimated Park City's population and vitality. The city's transition toward a tourism-based economy began in 1963 when its first ski resort opened. Every year about 600,000 visitors come to Park City to lodge, dine, participate in the Sundance Film Festival, ski, and enjoy other recreational activities.

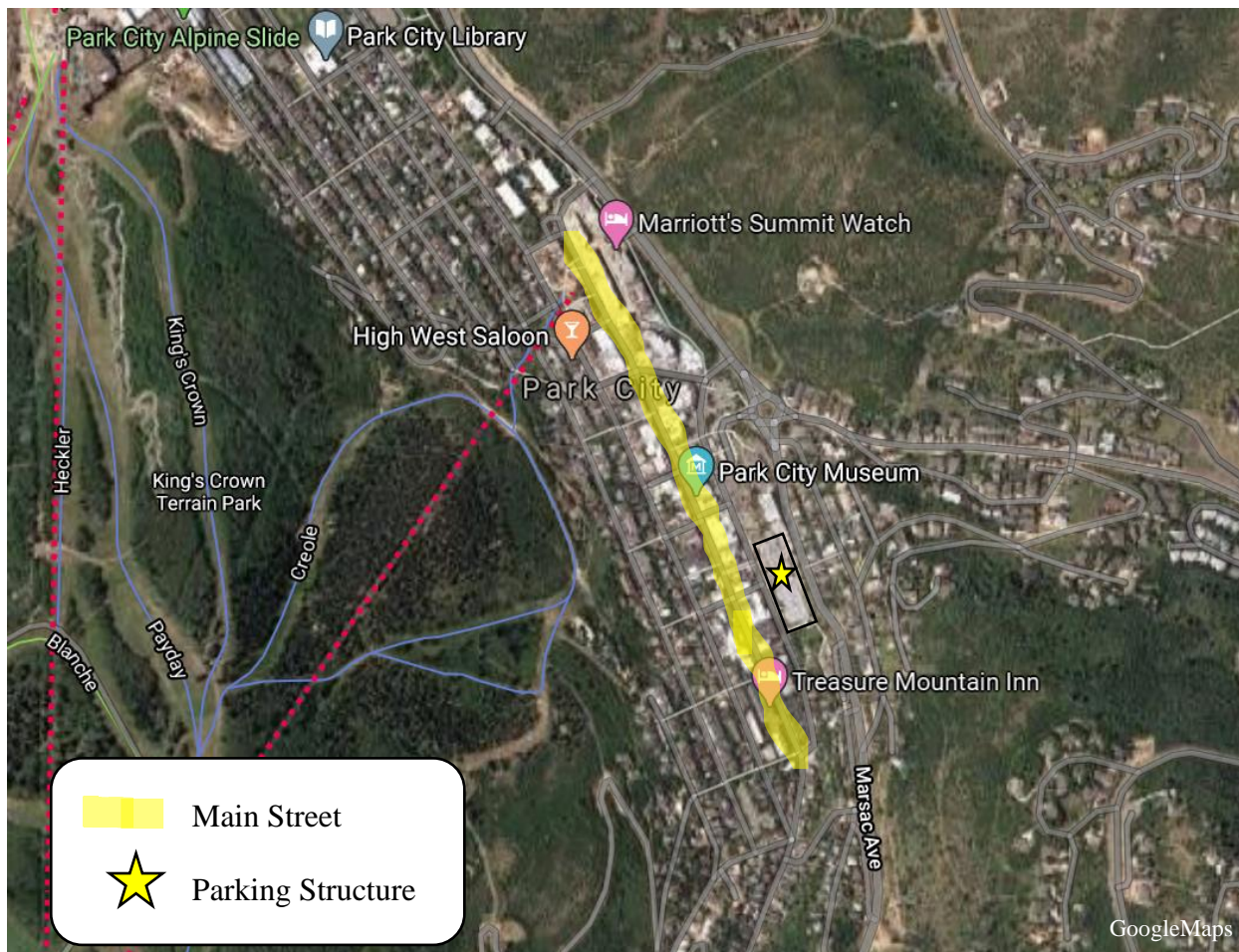
Park City's Main Street is an attractive and vibrant area of the city. The buildings' facades are individually unique yet cohesive and form a whole, with a mixture of Victorian and Old Western style buildings. The area is also deeply steeped in the arts with many private art studios and even one of the few preserved Banksy works in the United States.



Park City's Main Street also has strong ties to its history as a mining town. This is evident in the preserved and displayed mining artifacts, statuary, and historical markers.



Parking is a key element to Park City’s Main Street’s success, and the city has put significant resources into making parking accessible, convenient, and sustainable. The city’s website provides detailed information on parking permits, parking maps, the parking management plan, and a mobile app. The following map, pulled from the city’s website, shows where parking is available within the Old Town Park City.



The China Bridge Parking Structure, indicated by a yellow star, enables development at a higher level of density along Main Street. Many visitors wishing to dine and shop at the establishments on Main Street find parking at the China Bridge Parking Structure convenient and reasonably priced.

Provo, Utah

The Provo area was originally settled by the Timpanogos people. They were able to establish a significant population due to the Provo River providing food, water, and the area’s fertile ground. In 1849, 30 families were directed by Brigham Young to establish a fort to secure the area, Fort Utah. The railroad reached the area in 1872 and a large textile factory was established.

Today, Provo is the third largest city in Utah. The city hosts the state’s fifth largest college/university and an economy driven by various businesses and organizations. The city’s Center Street provides an anchor for Provo. It hosts the headquarters for a major business enterprise (Nu Skin), a significant religious building (Provo City Center Temple), The Covey Center for the Arts, the Utah Valley Convention Center, public service buildings (Provo City office building, public parks, the courthouse, the DMV, housing authority, and the county offices), hotels, small retail and service businesses, and food and beverage outlets.



Provo’s Center Street is enhanced with art from the various entities and institutions listed above. Most of the buildings along the Downtown Historic District were built between 1880 and 1930. The predominating architectural styles are Classical Revival and Gothic Revival.



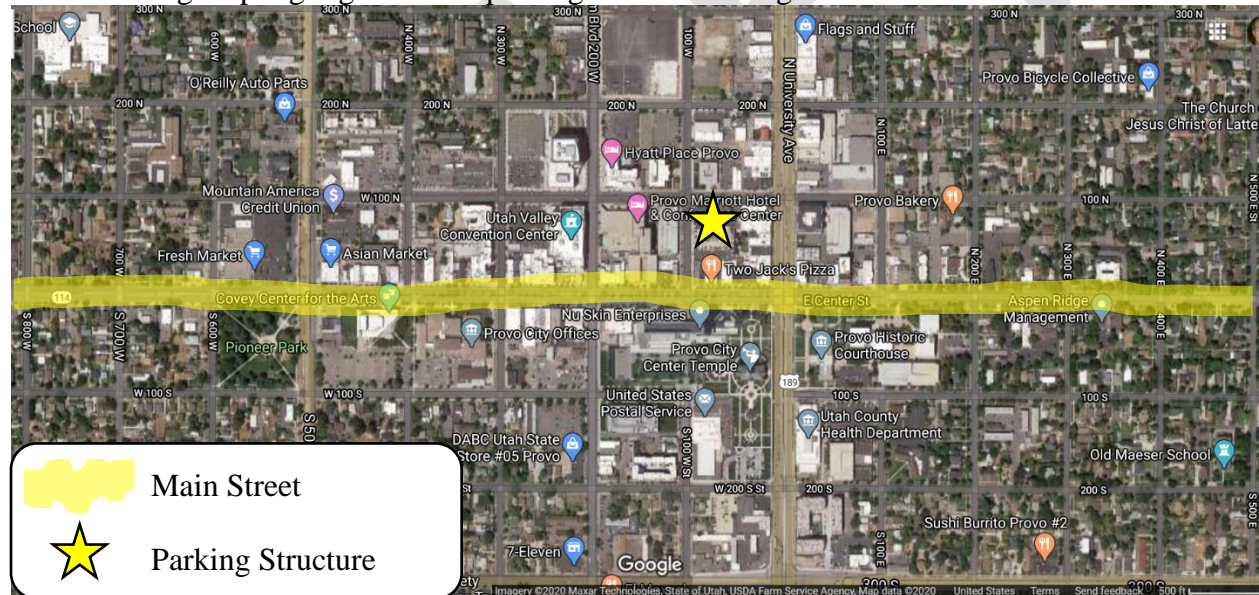


Provo has cultivated and guided development along Center Street through parking and traffic control. Traffic along Center Street is divided by a median with grass, trees, and angled parking.



On-street parking is available on opposite ends of the street and along the median. The speed limit through the heart of Center Street (between 500 West and 200 East) is 15 miles per hour. The angled parking, designated crosswalks (signs, painted lanes, and brick pavers), and bulb outs with planters further encourage slow motor vehicle speeds.

The following map highlights where parking is located along the Downtown Historic District.



Ample parking is available near the corner of 100 North and 100 West in the Provo Town Square – Public Parking Garage.

Casper, Wyoming

In 1859, the United States Army founded Fort Caspar near the North Platte River. Soon after the construction of the fort, a bridge across the river was built along with a trading post. Casper (a misspelling of Caspar) was founded in 1888 to the east of Fort Caspar, which was no longer in use. The town was founded to support shipping and commerce at the intersection of the railroad tracks from the Fremont, Elkhorn & Missouri Valley Railroad. During its first 20 years, most of Casper's wealth came from cattle ranching and sheep. The town's center was established in the fall of 1888, the corner of Center and Second streets.¹

In early 2013, to revitalize the city's historic downtown, the Downtown Development Authority Board developed the concept for the David Street Station. The initiative was intended to bring economic stimulus, businesses, and jobs to the city via downtown growth by providing a place for the community to gather. VisitCasper.com describes the David Street Station as, "The biggest symbol of Casper's present and future. (It is a) hub of activity in downtown Casper. Completed in 2018, David Street Station is a versatile outdoor space complete with a stage for concerts and performances, green area and a splash pad in the summer months. In the winter, the splash pad converts to an ice rink that is open through the winter. It hosts hundreds of community events throughout the year like movie nights, ice skating with Santa, festivals and live music."



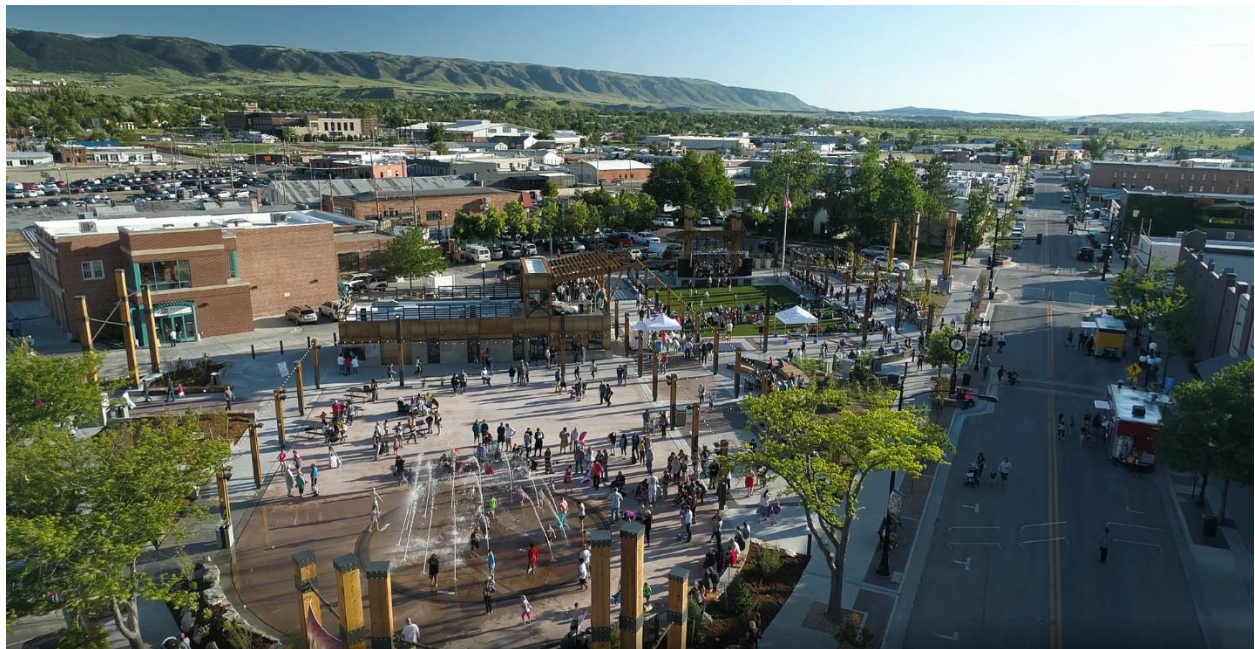
Statuary along 2nd Street reflects Casper's history. It and the well-maintained planters also highlight the city's ties to the natural world. The banner hanging from the streetlight advertises city events.

Street view of the David Street Station in 2011 (prior to project commencement)

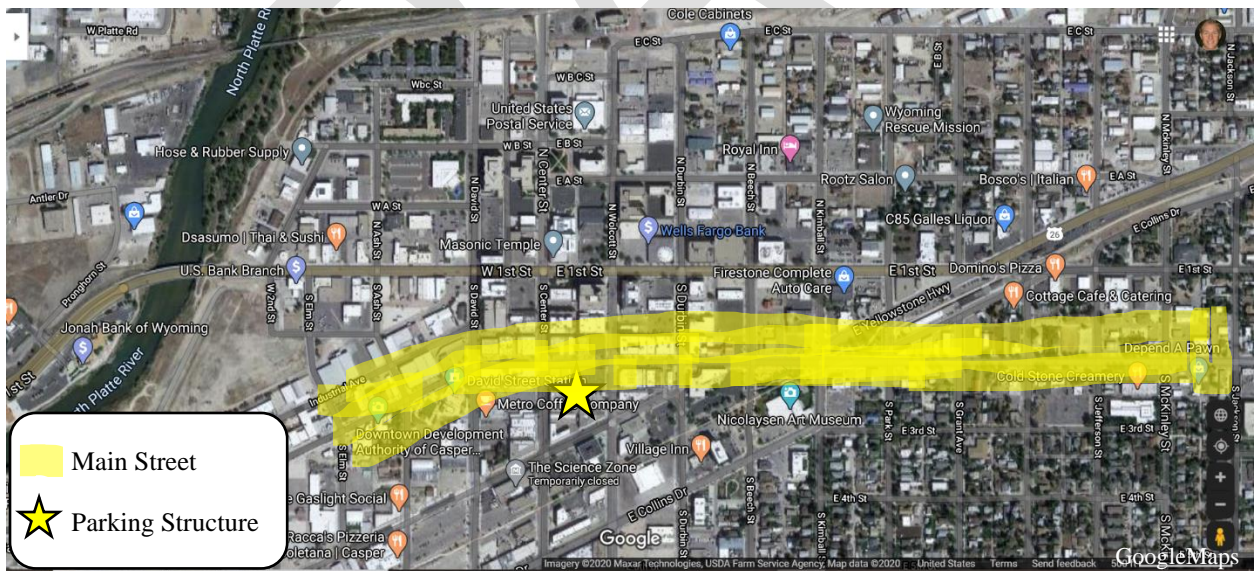


¹ (Hunt, 2014)

Aerial view of the David Street Station in 2019



The design of 2nd Street, between David Street and Durbin Street, promotes slower speed for vehicle traffic while also providing on street parking and an interesting look and feel for the area. The street curves once to the north and then to the south on each block throughout the length of these three blocks. See the image below.

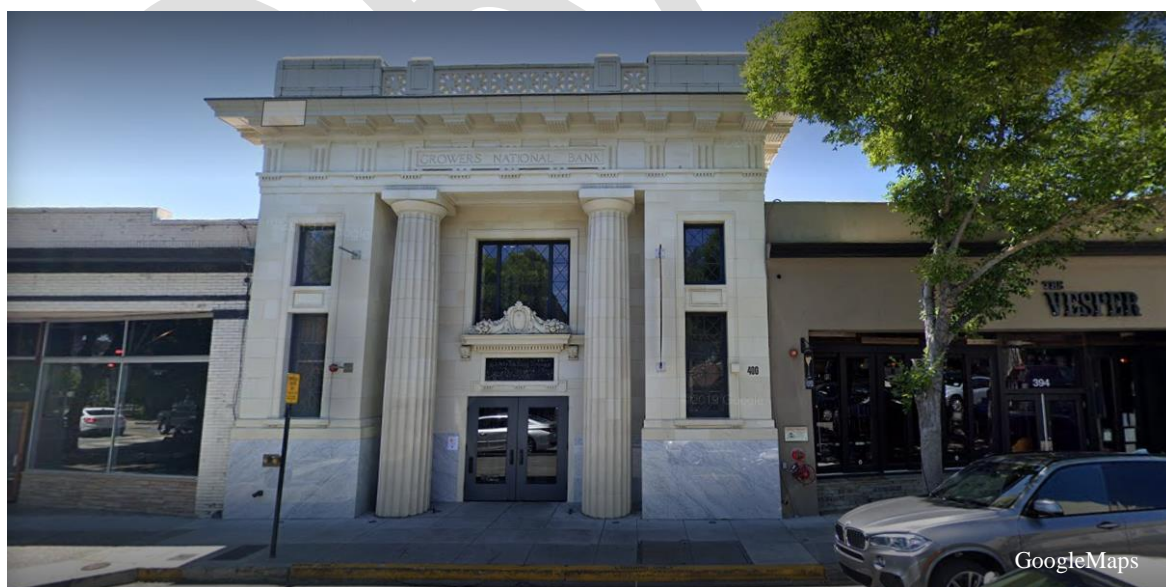


Note also the Downtown Parking Garage located between Center Street and Wolcott Street. The parking garage offers a total of 449 spaces. The parking garage supports the businesses along 2nd Street by providing parking for monthly and hourly users.

Campbell, CA

Campbell, California is located just outside of San Jose. It was founded in 1887 and due to its close proximity to a rail line, became a central location for processing and shipping fruit produced in the area. The town grew steadily over the following 50 years, as housing developments replaced fruit orchards. Today, the city's economy is community based, relying very little on tourism.

Campbell, CA and its Main Street (Campbell Avenue) are both comparable to Midvale City and its Main Street. Twenty years ago, Campbell Avenue appeared very similar to how Midvale's Main Street appears today. The mixture of residential units around both Campbell Ave and Main Street consists of older and small houses and new town homes. Both streets are also close to tracks lines. It is also noteworthy that Campbell is just a few miles from the residential and commercial district, Santa Row. The development concept for Jordan Bluffs is being patterned after Santa Row.



Campbell guided its downtown's redevelopment in a way that preserves and even showcases its history. One of the oldest standing buildings in Campbell is the Grower's National Bank



Building, pictured above. Although the building has changed hands and uses several times, it is currently in a very good state and continues to highlight the city's history as a center for collecting, preparing, and shipping produce. Other historic structures found in the historic downtown district include the water tower, the Ainsley House, and the Campbell Museum.



The city has supported the development of its historic downtown to be a vibrant entertainment and shopping district, hosting over 100 restaurants, retail outlets, and service providers. Various entities and organizations sponsor events throughout the year within the downtown district. One way in which the city supported this level of development was through investing in parking garages.

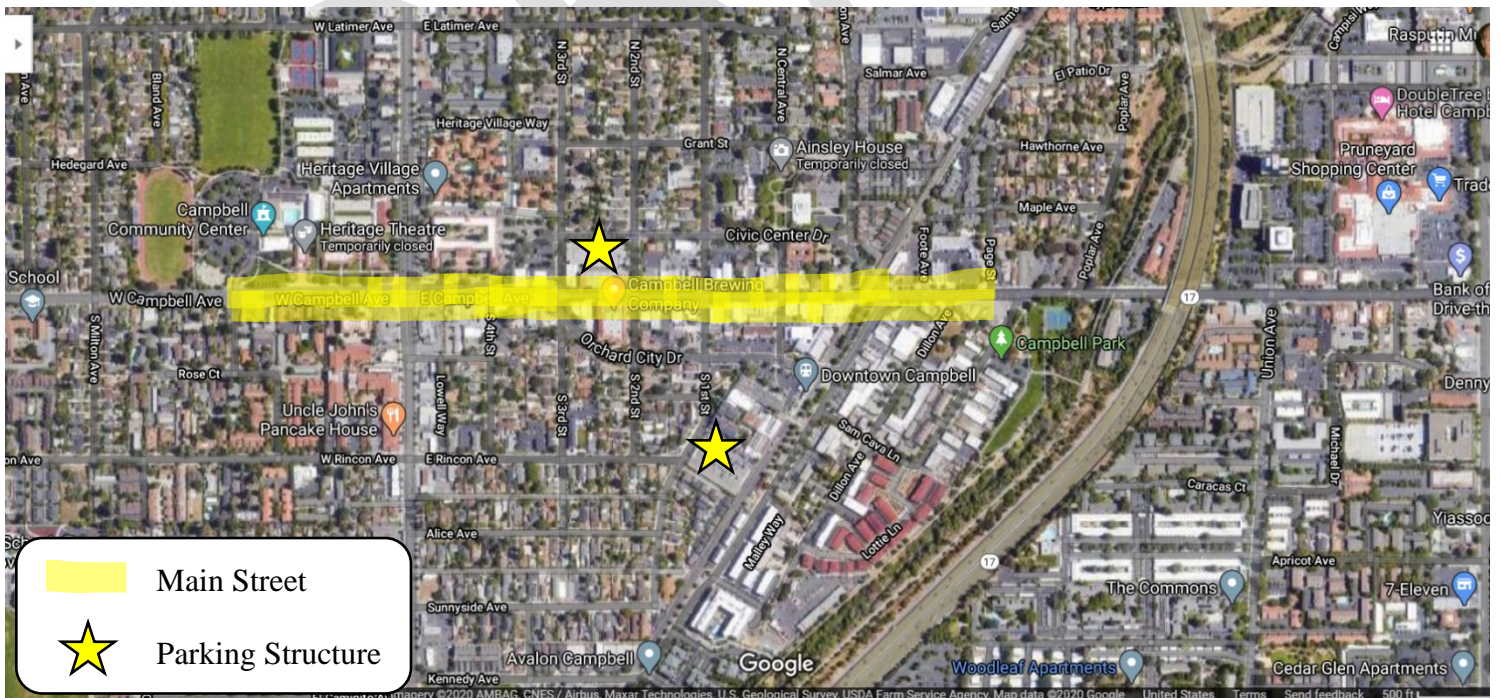




EXHIBIT C: PROJECT AREA CONTINGENCY BUDGET



Midvale RDA Budget Model																						Total		Yr NPV	
Main Street CDA Budget Model																									
Contingency Budget																									
Project Area Value																									
Base Year TY 2020	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					
Incremental Value	\$ -	\$ 84,924,392	\$ 99,048,783	\$ 113,173,175	\$ 127,297,566	\$ 141,421,958	\$ 155,546,349	\$ 169,670,741	\$ 183,795,132	\$ 183,795,132	\$ 183,795,132	\$ 183,795,132	\$ 183,795,132	\$ 183,795,132	\$ 183,795,132	\$ 183,795,132	\$ 183,795,132	\$ 183,795,132	\$ 183,795,132	\$ 183,795,132	\$ 183,795,132				
Base Year Value	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598	\$ 58,774,598				
Total Value	\$ 58,774,598	\$ 143,698,990	\$ 157,823,381	\$ 171,947,773	\$ 186,072,164	\$ 200,196,556	\$ 214,320,947	\$ 228,445,339	\$ 242,569,730	\$ 242,569,730	\$ 242,569,730	\$ 242,569,730	\$ 242,569,730	\$ 242,569,730	\$ 242,569,730	\$ 242,569,730	\$ 242,569,730	\$ 242,569,730	\$ 242,569,730	\$ 242,569,730	\$ 242,569,730				
Property Tax Rates																									
Total Tax Rate		0.013626	0.013626	0.013626	0.013626	0.013626	0.013626	0.013626	0.013626	0.013626	0.013626	0.013626	0.013626	0.013626	0.013626	0.013626	0.013626	0.013626	0.013626	0.013626	0.013626				
Taxing Entity Revenues (Retained by Taxing Entities)																						40%			
Salt Lake County	\$ 65,664	\$ 76,585	\$ 87,505	\$ 98,426	\$ 109,347	\$ 120,268	\$ 131,189	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 2,536,420	\$ 1,579,834		
Canyons School District	238,434	278,089	317,745	357,401	397,056	436,712	476,368	516,023	516,023	516,023	516,023	516,023	516,023	516,023	516,023	516,023	516,023	516,023	516,023	516,023	516,023	9,210,106	5,736,605		
Midvale City	37,605	43,859	50,113	56,367	62,622	68,876	75,130	81,384	81,384	81,384	81,384	81,384	81,384	81,384	81,384	81,384	81,384	81,384	81,384	81,384	81,384	1,452,570	904,747		
South Salt Lake Valley Mosquito Abatement District	476	555	634	713	792	871	950	1,029	1,029	1,029	1,029	1,029	1,029	1,029	1,029	1,029	1,029	1,029	1,029	1,029	1,029	18,370	11,442		
Jordan Valley Water Conservancy District	13,010	15,174	17,338	19,502	21,666	23,830	25,994	28,157	28,157	28,157	28,157	28,157	28,157	28,157	28,157	28,157	28,157	28,157	28,157	28,157	28,157	502,560	313,025		
Central Utah Water Conservancy District	13,588	15,848	18,108	20,368	22,628	24,887	27,147	29,407	29,407	29,407	29,407	29,407	29,407	29,407	29,407	29,407	29,407	29,407	29,407	29,407	29,407	524,867	326,919		
Unified Fire Service Area	59,311	69,176	79,040	88,905	98,769	108,634	118,498	128,363	128,363	128,363	128,363	128,363	128,363	128,363	128,363	128,363	128,363	128,363	128,363	128,363	128,363	2,291,045	1,427,000		
Salt Lake County Library	18,208	21,236	24,264	27,293	30,321	33,349	36,377	39,406	39,406	39,406	39,406	39,406	39,406	39,406	39,406	39,406	39,406	39,406	39,406	39,406	39,406	703,322	438,071		
Jordan/Canyons School District Debt Service Area	16,577	19,334	22,091	24,848	27,606	30,363	33,120	35,877	35,877	35,877	35,877	35,877	35,877	35,877	35,877	35,877	35,877	35,877	35,877	35,877	35,877	640,338	398,841		
Total Revenues to Taxing Entities	\$ 462,872	\$ 539,855	\$ 616,839	\$ 693,823	\$ 770,806	\$ 847,790	\$ 924,773	\$ 1,001,757	\$ 1,001,757	\$ 1,001,757	\$ 1,001,757	\$ 1,001,757	\$ 1,001,757	\$ 1,001,757	\$ 1,001,757	\$ 1,001,757	\$ 1,001,757	\$ 1,001,757	\$ 1,001,757	\$ 1,001,757	\$ 1,001,757	\$ 17,879,599	\$ 11,136,483		
Participated Property Tax Revenue (Participated to Agency)																						60%			
Total Participated Property Tax Revenue	\$ 694,308	\$ 809,783	\$ 925,259	\$ 1,040,734	\$ 1,156,209	\$ 1,271,685	\$ 1,387,160	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 26,819,399	\$ 16,704,725		
Agency Budget																									
Administrative Costs	3%	\$ 20,829	\$ 24,293	\$ 27,758	\$ 31,222	\$ 34,686	\$ 38,151	\$ 41,615	\$ 45,079	\$ 45,079	\$ 45,079	\$ 45,079	\$ 45,079	\$ 45,079	\$ 45,079	\$ 45,079	\$ 45,079	\$ 45,079	\$ 45,079	\$ 45,079	\$ 45,079	\$ 804,582	\$ 501,142		
Affordable Housing	20%	138,862	161,957	185,052	208,147	231,242	254,337	277,432	300,527	300,527	300,527	300,527	300,527	300,527	300,527	300,527	300,527	300,527	300,527	300,527	300,527	5,363,880	3,340,945		
Redevelopment Activities	77%	534,617	623,533	712,449	801,365	890,281	979,197	1,068,113	1,157,029	1,157,029	1,157,029	1,157,029	1,157,029	1,157,029	1,157,029	1,157,029	1,157,029	1,157,029	1,157,029	1,157,029	1,157,029	20,650,937	12,862,638		
Large Office Building Parking	83%	445,701	445,701	445,701	445,701	445,701	445,701	445,701	445,701	445,701	445,701	445,701	445,701	445,701	445,701	445,701	445,701	445,701	445,701	445,701	445,701	8,914,020	5,797,650		
Parking Structures	25%	132,030	153,989	175,948	197,907	219,866	241,825	263,784	285,742	285,742	285,742	285,742	285,742	285,742	285,742	285,742	285,742	285,742	285,742	285,742	285,742	5,100,000	3,176,585		
Relocations, demolition, land acquisitions, Infrastructure, Etc.	5%	25,888	30,194	34,500	38,805	43,111	47,417	51,722	56,028	56,028	56,028	56,028	56,028	56,028	56,028	56,028	56,028	56,028	56,028	56,028	56,028	1,000,000	622,860		
Capital Projects	10%	51,777	60,388	68,999	77,611	86,222	94,833	103,445	112,056	112,056	112,056	112,056	112,056	112,056	112,056	112,056	112,056	112,056	112,056	112,056	112,056	2,000,000	1,245,720		
Professional Services	1%	3,883	4,529	5,175	5,821	6,467	7,112	7,758	8,404	8,404	8,404	8,404	8,404	8,404	8,404	8,404	8,404	8,404	8,404	8,404	8,404	150,000	93,429		
Developer Reimbursements	7%	38,832	45,291	51,749	58,208	64,666	71,125	77,583	84,042	84,042	84,042	84,042	84,042	84,042	84,042	84,042	84,042	84,042	84,042	84,042	84,042	1,500,000	934,290		
Public Art	7%	37,415	43,638	49,861	56,083	62,306	68,529	74,752	80,974	80,974	80,974	80,974	80,974	80,974	80,974	80,974	80,974	80,974	80,974	80,974	80,974	1,445,250	900,188		
Bingham Junction Repayment	3%	14,023	16,355	18,687	21,020	23,352	25,684	28,016	30,348	30,348	30,348	30,348	30,348	30,348	30,348	30,348	30,348	30,348	30,348	30,348	30,348	541,667	337,383		
Total CDA Expenses		\$ 694,308	\$ 809,783	\$ 925,259	\$ 1,040,734	\$ 1,156,209	\$ 1,271,685	\$ 1,387,160	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 1,502,635	\$ 26,819,399	\$ 16,704,725		

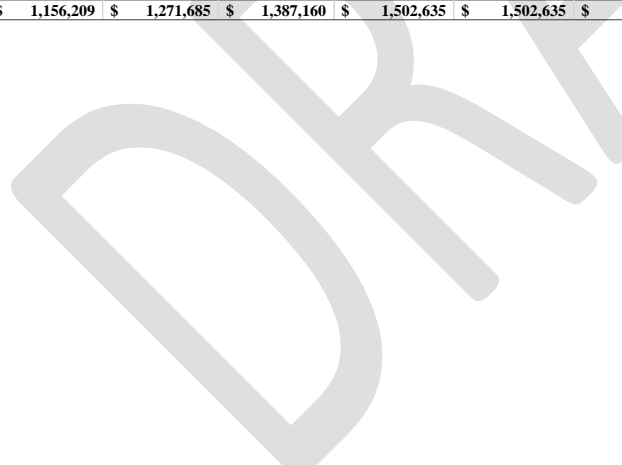




EXHIBIT D: SCHOOL DISTRICT NET BENEFIT CALCULATION



Midvale Redevelopment Agency																						
Main Street CDA Budget Model																						
Canyons School District Impact																						
Canyons SD Stats																						
Net Cost per Student	\$	5,026																				
Main Street CDA Impact on SD																						
Net Change in Students		9.6875																				
SD Fiscal Impact - Additional Costs (Both Budgets)																						
	TY2020	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	
Years to Buildout	8	1	1	1	1	1	1	1	1	-	-	-	-	-	-	-	-	-	-	-	-	
Annual New Growth (Adjusted for Inflation)		6,087	6,208	6,333	6,459	6,588	6,720	6,855	6,992	7,131	7,274	7,420	7,568	7,719	7,874	8,031	8,192	8,356	8,523	8,693	8,867	
Net Annual New Growth	6,087	6,087	12,295	18,627	25,087	31,675	38,395	45,250	52,241	53,286	54,352	55,439	56,548	57,679	58,832	60,009	61,209	62,433	63,682	64,955	66,255	
Additional Revenues (Primary Budget)																						
Total Property Tax Increment		99,139	198,278	297,417	396,556	495,696	594,835	693,974	793,113	793,113	793,113	793,113	793,113	793,113	793,113	793,113	793,113	793,113	793,113	793,113	793,113	
Participated Portion		59,483	118,967	178,450	237,934	297,417	356,901	416,384	475,868	475,868	475,868	475,868	475,868	475,868	475,868	475,868	475,868	475,868	475,868	475,868	475,868	
Retained by School District		39,656	79,311	118,967	158,623	198,278	237,934	277,589	317,245	317,245	317,245	317,245	317,245	317,245	317,245	317,245	317,245	317,245	317,245	317,245	317,245	
Annual Net Fiscal Impact (Primary Budget)	\$	33,569	67,016	100,339	133,536	166,603	199,539	232,340	265,004	263,959	262,893	261,806	260,697	259,567	258,413	257,236	256,036	254,812	253,563	252,290	250,991	
Cumulative Net Impact (Primary Budget)	\$	33,569	100,585	200,925	334,461	501,064	700,603	932,942	1,197,946	1,461,905	1,724,799	1,986,605	2,247,302	2,506,869	2,765,282	3,022,518	3,278,554	3,533,366	3,786,930	4,039,219	4,290,210	
NPV Over 20 Years (Primary Budget)	\$	2,882,891																				
Cumulative Net Impact over 20 Years (Primary Budget)	\$	4,290,210																				
																					ROI:	54.64
Additional Revenues (Contingency Budget)																						
Total Property Tax Increment		596,084	695,223	794,363	893,502	992,641	1,091,780	1,190,919	1,290,058	1,290,058	1,290,058	1,290,058	1,290,058	1,290,058	1,290,058	1,290,058	1,290,058	1,290,058	1,290,058	1,290,058	1,290,058	
Participated Portion		357,651	417,134	476,618	536,101	595,584	655,068	714,551	774,035	774,035	774,035	774,035	774,035	774,035	774,035	774,035	774,035	774,035	774,035	774,035	774,035	
Retained by School District		238,434	278,089	317,745	357,401	397,056	436,712	476,368	516,023	516,023	516,023	516,023	516,023	516,023	516,023	516,023	516,023	516,023	516,023	516,023	516,023	
Annual Net Fiscal Impact (Contingency Budget)	\$	232,347	265,794	299,118	332,314	365,381	398,317	431,118	463,782	462,737	461,671	460,584	459,476	458,345	457,191	456,014	454,814	453,590	452,341	451,068	449,769	
Cumulative Net Impact (Contingency Budget)	\$	232,347	498,141	797,259	1,129,573	1,494,954	1,893,271	2,324,389	2,788,171	3,250,908	3,712,579	4,173,164	4,632,639	5,090,984	5,548,175	6,004,189	6,459,004	6,912,594	7,364,935	7,816,003	8,265,771	
NPV Over 20 Years (Contingency Budget)	\$	5,708,006																				
Cumulative Net Impact over 20 Years (Contingency Budget)	\$	8,265,771																				
																					ROI:	59.83



EXHIBIT E: COUNTY NET BENEFIT CALCULATION



Midvale Redevelopment Agency																					
Main Street CDA Budget Model																					
Salt Lake County Impact																					
Salt Lake County, Utah																					
Total Housing	411,472																				
Total Population	1,160,437																				
Residents per Household	2.82																				
County Fiscal Impact - Additional Costs (Per Capita)																					
	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	
Cost to GF per Resident	\$ 307	\$ 313	\$ 319	\$ 326	\$ 332	\$ 339	\$ 346	\$ 353	\$ 360	\$ 367	\$ 374	\$ 382	\$ 389	\$ 397	\$ 405	\$ 413	\$ 422	\$ 430	\$ 439	\$ 447	
Total	\$ 307	\$ 313	\$ 319	\$ 326	\$ 332	\$ 339	\$ 346	\$ 353	\$ 360	\$ 367	\$ 374	\$ 382	\$ 389	\$ 397	\$ 405	\$ 413	\$ 422	\$ 430	\$ 439	\$ 447	
County Fiscal Impact - Additional Revenues (Per Capita)																					
	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 Additional Population	29	57	86	114	143	171	200	228	228	228	228	228	228	228	228	228	228	228	228	228	
Additional Cost to GF	\$ 5,699	\$ 11,626	\$ 17,788	\$ 24,192	\$ 30,845	\$ 37,754	\$ 44,928	\$ 52,373	\$ 53,420	\$ 54,489	\$ 55,578	\$ 56,690	\$ 57,824	\$ 58,980	\$ 60,160	\$ 61,363	\$ 62,590	\$ 63,842	\$ 65,119	\$ 66,421	
Total (Both Budgets)	\$ 5,699	\$ 11,626	\$ 17,788	\$ 24,192	\$ 30,845	\$ 37,754	\$ 44,928	\$ 52,373	\$ 53,420	\$ 54,489	\$ 55,578	\$ 56,690	\$ 57,824	\$ 58,980	\$ 60,160	\$ 61,363	\$ 62,590	\$ 63,842	\$ 65,119	\$ 66,421	
Additional Revenues (Primary Budget)																					
Property Tax Increment	\$ 10,921	\$ 21,842	\$ 32,763	\$ 43,684	\$ 54,605	\$ 65,526	\$ 76,447	\$ 87,368	\$ 87,368	\$ 87,368	\$ 87,368	\$ 87,368	\$ 87,368	\$ 87,368	\$ 87,368	\$ 87,368	\$ 87,368	\$ 87,368	\$ 87,368	\$ 87,368	
Additional Sales Tax Revenues	2,324	4,740	7,253	9,864	12,576	15,393	18,318	21,353	21,781	22,216	22,660	23,114	23,576	24,048	24,528	25,019	25,519	26,030	26,550	27,081	
Annual Additional Revenues	\$ 13,245	\$ 26,582	\$ 40,016	\$ 53,548	\$ 67,181	\$ 80,919	\$ 94,765	\$ 108,721	\$ 109,148	\$ 109,584	\$ 110,028	\$ 110,482	\$ 110,944	\$ 111,415	\$ 111,896	\$ 112,387	\$ 112,887	\$ 113,398	\$ 113,918	\$ 114,449	
Cumulative Additional Revenues	\$ 13,245	\$ 39,827	\$ 79,843	\$ 133,390	\$ 200,571	\$ 281,490	\$ 376,255	\$ 484,976	\$ 594,125	\$ 703,709	\$ 813,737	\$ 924,219	\$ 1,035,163	\$ 1,146,578	\$ 1,258,474	\$ 1,370,861	\$ 1,483,748	\$ 1,597,146	\$ 1,711,064	\$ 1,825,513	
Annual Net Fiscal Impact	\$ 7,545	\$ 14,956	\$ 22,227	\$ 29,355	\$ 36,336	\$ 43,165	\$ 49,837	\$ 56,348	\$ 55,728	\$ 55,095	\$ 54,450	\$ 53,791	\$ 53,120	\$ 52,435	\$ 51,736	\$ 51,024	\$ 50,297	\$ 49,555	\$ 48,799	\$ 48,028	
Cumulative Net Impact	\$ 7,545	\$ 22,501	\$ 44,729	\$ 74,084	\$ 110,420	\$ 153,585	\$ 203,422	\$ 259,770	\$ 315,498	\$ 370,594	\$ 425,044	\$ 478,835	\$ 531,955	\$ 584,390	\$ 636,126	\$ 687,150	\$ 737,447	\$ 787,002	\$ 835,802	\$ 883,829	
NPV of Revenues Over 20 Years	\$1,218,154																			ROI:	40.87
NPV of Net Benefit Over 20 Years	\$598,284																				
Additional Revenues (Contingency Budget)																					
Property Tax Increment	\$ 65,664	\$ 76,585	\$ 87,505	\$ 98,426	\$ 109,347	\$ 120,268	\$ 131,189	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	\$ 142,110	
Additional Sales Tax Revenues	2,324	4,740	7,253	9,864	12,576	15,393	18,318	21,353	21,781	22,216	22,660	23,114	23,576	24,048	24,528	25,019	25,519	26,030	26,550	27,081	
Annual Additional Revenues	\$ 67,987	\$ 81,325	\$ 94,758	\$ 108,290	\$ 121,924	\$ 135,662	\$ 149,507	\$ 163,464	\$ 163,891	\$ 164,327	\$ 164,771	\$ 165,224	\$ 165,686	\$ 166,158	\$ 166,639	\$ 167,129	\$ 167,630	\$ 168,140	\$ 168,661	\$ 169,192	
Cumulative Additional Revenues	\$ 67,987	\$ 149,312	\$ 244,070	\$ 352,360	\$ 474,284	\$ 609,946	\$ 759,453	\$ 922,917	\$ 1,086,808	\$ 1,251,134	\$ 1,415,905	\$ 1,581,129	\$ 1,746,816	\$ 1,912,974	\$ 2,079,613	\$ 2,246,742	\$ 2,414,372	\$ 2,582,512	\$ 2,751,173	\$ 2,920,365	
Annual Net Fiscal Impact	\$ 62,288	\$ 69,698	\$ 76,970	\$ 84,098	\$ 91,079	\$ 97,907	\$ 104,580	\$ 111,091	\$ 110,471	\$ 109,838	\$ 109,192	\$ 108,534	\$ 107,863	\$ 107,178	\$ 106,479	\$ 105,766	\$ 105,039	\$ 104,298	\$ 103,542	\$ 102,770	
Cumulative Net Impact	\$ 62,288	\$ 131,986	\$ 208,956	\$ 293,054	\$ 384,133	\$ 482,040	\$ 586,620	\$ 697,711	\$ 808,181	\$ 918,019	\$ 1,027,212	\$ 1,135,746	\$ 1,243,608	\$ 1,350,786	\$ 1,457,265	\$ 1,563,031	\$ 1,668,071	\$ 1,772,369	\$ 1,875,910	\$ 1,978,681	
NPV of Revenues Over 20 Years	\$1,996,177																			ROI:	\$ 52.01
NPV of Net Benefit Over 20 Years	\$1,376,307																				



EXHIBIT F: CITY NET BENEFIT CALCULATION



**Midvale Redevelopment Agency
Main Street CDA Budget Model
Midvale City Impact**

Midvale, Utah	
Total Housing	12,669
Total Occupied Housing	11,910
Total Population	33,208
Residents per Household	2.79

City Fiscal Impact - Additional Costs - Per Capita	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
Cost to Police per Resident	\$ 257	\$ 262	\$ 267	\$ 272	\$ 278	\$ 283	\$ 289	\$ 295	\$ 301	\$ 307	\$ 313	\$ 319	\$ 325	\$ 332	\$ 338	\$ 345	\$ 352	\$ 359	\$ 366	\$ 374
Cost to Public Works per Resident	96	98	100	102	104	106	108	111	113	115	117	120	122	125	127	130	132	135	137	140
Cost to Community Dev per Resident	43	44	45	45	46	47	48	49	50	51	52	53	54	55	56	58	59	60	61	62
Total	\$ 396	\$ 403	\$ 412	\$ 420	\$ 428	\$ 437	\$ 445	\$ 454	\$ 463	\$ 473	\$ 482	\$ 492	\$ 502	\$ 512	\$ 522	\$ 532	\$ 543	\$ 554	\$ 565	\$ 576

	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 Additional Population	28	56	85	113	141	169	198	226	226	226	226	226	226	226	226	226	226	226	226	226
Additional Cost to Police	\$ 4,707	\$ 9,603	\$ 14,693	\$ 19,982	\$ 25,478	\$ 31,185	\$ 37,110	\$ 43,259	\$ 44,125	\$ 45,007	\$ 45,907	\$ 46,825	\$ 47,762	\$ 48,717	\$ 49,691	\$ 50,685	\$ 51,699	\$ 52,733	\$ 53,788	\$ 54,863
Additional Cost to Public Works	1,766	3,603	5,513	7,497	9,559	11,700	13,923	16,230	16,555	16,886	17,224	17,568	17,920	18,278	18,643	19,016	19,397	19,785	20,180	20,584
Additional Cost to Community Dev	785	1,602	2,451	3,334	4,251	5,203	6,192	7,218	7,362	7,509	7,659	7,813	7,969	8,128	8,291	8,457	8,626	8,798	8,974	9,154
Total (Both Budgets)	\$ 7,259	\$ 14,809	\$ 22,657	\$ 30,814	\$ 39,287	\$ 48,088	\$ 57,224	\$ 66,707	\$ 68,041	\$ 69,402	\$ 70,790	\$ 72,206	\$ 73,650	\$ 75,123	\$ 76,626	\$ 78,158	\$ 79,721	\$ 81,316	\$ 82,942	\$ 84,601

Additional Revenues (Primary Budget)	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
Property Tax Increment	\$ 6,254	\$ 12,509	\$ 18,763	\$ 25,017	\$ 31,271	\$ 37,526	\$ 43,780	\$ 50,034	\$ 50,034	\$ 50,034	\$ 50,034	\$ 50,034	\$ 50,034	\$ 50,034	\$ 50,034	\$ 50,034	\$ 50,034	\$ 50,034	\$ 50,034	\$ 50,034
Additional Sales Tax Revenues	3,873	7,901	12,088	16,439	20,960	25,655	30,530	35,589	36,301	37,027	37,767	38,523	39,293	40,079	40,881	41,698	42,532	43,383	44,251	45,136
Additional Franchise Tax Revenues	1,526	3,113	4,762	6,476	8,258	10,107	12,028	14,021	14,301	14,587	14,879	15,176	15,480	15,790	16,105	16,428	16,756	17,091	17,433	17,782
Annual Additional Revenues	\$ 11,653	\$ 23,522	\$ 35,613	\$ 47,933	\$ 60,489	\$ 73,288	\$ 86,337	\$ 99,644	\$ 100,636	\$ 101,648	\$ 102,681	\$ 103,734	\$ 104,808	\$ 105,903	\$ 107,020	\$ 108,160	\$ 109,323	\$ 110,508	\$ 111,718	\$ 112,952
Cumulative Additional Revenues	\$ 11,653	\$ 35,174	\$ 70,787	\$ 118,720	\$ 179,210	\$ 252,498	\$ 338,835	\$ 438,479	\$ 539,116	\$ 640,764	\$ 743,445	\$ 847,178	\$ 951,986	\$ 1,057,889	\$ 1,164,909	\$ 1,273,070	\$ 1,382,392	\$ 1,492,901	\$ 1,604,619	\$ 1,717,570
Annual Net Fiscal Impact	\$ 4,394	\$ 8,713	\$ 12,956	\$ 17,119	\$ 21,202	\$ 25,201	\$ 29,113	\$ 32,937	\$ 32,595	\$ 32,246	\$ 31,890	\$ 31,527	\$ 31,157	\$ 30,780	\$ 30,395	\$ 30,002	\$ 29,601	\$ 29,193	\$ 28,776	\$ 28,351
Cumulative Net Impact	\$ 4,394	\$ 13,107	\$ 26,063	\$ 43,182	\$ 64,384	\$ 89,584	\$ 118,698	\$ 151,634	\$ 184,229	\$ 216,475	\$ 248,366	\$ 279,893	\$ 311,051	\$ 341,831	\$ 372,225	\$ 402,227	\$ 431,829	\$ 461,021	\$ 489,797	\$ 518,148

NPV of Revenues Over 20 Years	\$1,140,050																				ROI:	41.84	
NPV of Net Benefit Over 20 Years	\$350,522																						

Additional Revenues (Contingency Budget)	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
Property Tax Increment	\$ 37,605	\$ 43,859	\$ 50,113	\$ 56,367	\$ 62,622	\$ 68,876	\$ 75,130	\$ 81,384	\$ 81,384	\$ 81,384	\$ 81,384	\$ 81,384	\$ 81,384	\$ 81,384	\$ 81,384	\$ 81,384	\$ 81,384	\$ 81,384	\$ 81,384	\$ 81,384
Additional Sales Tax Revenues	3,873	7,901	12,088	16,439	20,960	25,655	30,530	35,589	36,301	37,027	37,767	38,523	39,293	40,079	40,881	41,698	42,532	43,383	44,251	45,136
Additional Franchise Tax Revenues	1,526	3,113	4,762	6,476	8,258	10,107	12,028	14,021	14,301	14,587	14,879	15,176	15,480	15,790	16,105	16,428	16,756	17,091	17,433	17,782
Annual Additional Revenues	\$ 43,003	\$ 54,872	\$ 66,963	\$ 79,283	\$ 91,839	\$ 104,639	\$ 117,688	\$ 130,994	\$ 131,987	\$ 132,999	\$ 134,031	\$ 135,084	\$ 136,158	\$ 137,253	\$ 138,371	\$ 139,510	\$ 140,673	\$ 141,859	\$ 143,068	\$ 144,302
Cumulative Additional Revenues	\$ 43,003	\$ 97,875	\$ 164,838	\$ 244,121	\$ 335,961	\$ 440,599	\$ 558,287	\$ 689,281	\$ 821,268	\$ 954,267	\$ 1,088,297	\$ 1,223,381	\$ 1,359,539	\$ 1,496,792	\$ 1,635,163	\$ 1,774,673	\$ 1,915,346	\$ 2,057,205	\$ 2,200,273	\$ 2,344,575
Annual Net Fiscal Impact	\$ 35,744	\$ 40,063	\$ 44,306	\$ 48,470	\$ 52,552	\$ 56,551	\$ 60,463	\$ 64,287	\$ 63,945	\$ 63,596	\$ 63,241	\$ 62,878	\$ 62,508	\$ 62,130	\$ 61,745	\$ 61,352	\$ 60,952	\$ 60,543	\$ 60,126	\$ 59,701
Cumulative Net Impact	\$ 35,744	\$ 75,807	\$ 120,113	\$ 168,583	\$ 221,135	\$ 277,686	\$ 338,149	\$ 402,436	\$ 466,382	\$ 529,978	\$ 593,219	\$ 656,096	\$ 718,604	\$ 780,734	\$ 842,479	\$ 903,831	\$ 964,783	\$ 1,025,325	\$ 1,085,452	\$ 1,145,152

NPV of Revenues Over 20 Years	\$1,585,613																				ROI:	52.56	
NPV of Net Benefit Over 20 Years	\$796,084																						



**REDEVELOPMENT AGENCY OF MIDVALE CITY
SUMMARY REPORT**

MEETING DATE: OCTOBER 6TH, 2020

SUBJECT: Discuss and consider entering into the Main Street Community Development Tax Increment Interlocal Cooperation Agreement (“ILA”) whereby the City pledges incremental property tax increment generated from within the Main Street Community Development Project Area (the “Main Street CDA”).

SUBMITTED BY: Cody Hill, RDA Manager

SUMMARY: Now that the Agency has adopted an official plan and budget for the Main Street CDA, Agency staff believe that the requisite planning is in place and the time is right for the Agency to begin pursuing ILAs with the local taxing entities. These ILAs will secure future funding to create development opportunities designed to redevelop the historic Main Street area into a cultural center for Midvale City. Per the ILA, the City will participate 60 percent of property tax increment for 20 years or until a cap of \$15.5M or \$27M (under the contingency budget) is reached, whichever comes first. The Main Street CDA must be triggered to collect property tax increment no later than March 1, 2024.

FISCAL IMPACT: BASED ON THE MAIN STREET CDA BUDGET, IF THE AGENCY AND CITY ENTER INTO THIS ILA, THE CITY WILL PARTICIPATE \$1.2M IN TAX INCREMENT REVENUE TO THE AGENCY OVER 20 YEARS OR \$2.1M OVER 20 YEARS UNDER THE CONTINGENCY BUDGET.

STAFF RECOMMENDATION: PASS THE RESOLUTION AND ENTER INTO THE MAIN STREET COMMUNITY DEVELOPMENT TAX INCREMENT INTERLOCAL COOPERATION AGREEMENT WITH THE CITY.

RECOMMENDED MOTION: I MOVE THAT THE AGENCY PASS RESOLUTION No. 2020-12RDA AND ENTER INTO THE MAIN STREET COMMUNITY DEVELOPMENT TAX INCREMENT INTERLOCAL COOPERATION AGREEMENT WITH THE CITY.

ATTACHMENTS: RESOLUTION No. 2020-12RDA & MAIN STREET COMMUNITY DEVELOPMENT TAX INCREMENT INTERLOCAL COOPERATION AGREEMENT.

RESOLUTION NO. 2020-12RDA

A RESOLUTION APPROVING AND ADOPTING THE MAIN STREET COMMUNITY DEVELOPMENT TAX INCREMENT INTERLOCAL COOPERATION AGREEMENT BETWEEN MIDVALE CITY AND THE REDEVELOPMENT AGENCY OF MIDVALE CITY

WHEREAS, the Redevelopment Agency of Midvale City (the “Agency”) was created to transact the business and exercise the powers provided for in the Utah Redevelopment Agencies Act; and

WHEREAS, the Agency wishes to consider this Resolution, in which the Agency would approve, adopt, and enter into the Interlocal Cooperation Agreement (the “Agreement”) with the City (**Exhibit A**) pursuant to Utah Code Annotated (“UCA”) § 17C-4-201; and

WHEREAS, on November 15, 2015, Midvale City (the “City”) adopted the Main Street Community Development Area’s Project Area Plan (**Exhibit B**) through Ordinance No. 2015-O-14 pursuant to UCA § 17C-4-105, and fulfilled all public hearing and noticing requirements associated with adopting a community development area plan outlined in UCA § 17C-4-401 and 17C-4-107; and

WHEREAS, the Redevelopment Agency of Midvale City (“Agency”) revised and adopted a Main Street Community Development Area Budget (**Exhibit C**) through Resolution No. 2020-12RDA pursuant to UCA § 17C-4-204 and which Budget illustrates that the City will receive a net fiscal benefit and enjoy significant economic and social impacts, and

WHEREAS, the Agency is seeking public support from the local taxing entities, including Midvale City (the “City”) by securing funding through pledged property tax increment through an interlocal cooperation agreement (**Exhibit A**); and

WHEREAS, the meeting in which this Resolution was adopted and in which the Agency’s related Resolution was adopted were both conducted in open and public meetings pursuant to UCA § 17C-4-202; and

WHEREAS, the City and Agency have supported the creation of the Small Area Plan and the form-based code and, with the support from the Main Street CDA, will aid in the redevelopment of the historic Main Street Area (the “Area”).

This Resolution shall become effective once notice is published in a newspaper of general circulation in accordance with UCA § 17C-4-202(3) and may be contested for 30 days after the effective date pursuant to UCA § 17C-4-202(4).

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF MIDVALE CITY AS FOLLOWS:

1. The City Council of Midvale City hereby agrees to and enters into the Main Street Community Development Tax Increment Interlocal Cooperation Agreement (**Exhibit A**) with the Redevelopment Agency of Midvale City.
2. Pursuant to UCA § 17C-4-201, the Interlocal Cooperation Agreement specifies that:
 - 2.1. The Agency will be provided with tax increment, and tax increment will be calculated using the Tax Year 2019 value of the Area. The TY2019 value of the Area is estimated to be \$58,774,598, though this figure may be amended if the Salt Lake County Assessor's Office finds to TY2019 value to differ from the estimated value of \$58,774,598.
 - 2.2. The collection period of project area funds is no more than 20 years or until a cap amount is reached, whichever comes first. The Agency will trigger the Project Area for collection no later than March 1, 2024.
 - 2.3. The Agency is permitted to collect 100% of the property tax increment from the City. The Agency will then remit 40% of the property tax increment back to the City.
 - 2.4. There are two possible maximum cumulative dollar amounts ("cap amount[s]" or "cap[s]") of tax increment from the City that the agency will be paid. The first cap amount is for the Primary Budget and limits the Agency to collect and retain \$15,500,000. The second cap is for the Contingency Budget, which is automatically triggered once a single, nonresidential project is completed with an assessed taxable value of \$60,000,000 or higher. The cap under the Contingency Budget would increase to \$27,000,000 collected and retained property tax increment.
 - 2.5. The Agreement does not contemplate any participation involving incremental sales tax revenues.
3. The Agency will be responsible for all noticing and filing requirements, including publishing notice in the newspaper (UCA § 17C-4-202[3]) and filing a copy of the Agreement with each required party and entity pursuant to UCA § 17C-4-203(1).
4. Pursuant to UCA § 17C-4-201(7)(a), the City and Agency may amend the Agreement from time to time.

**PASSED AND ADOPTED BY THE REDEVELOPMENT AGENCY OF MIDVALE CITY
BOARD OF DIRECTORS ON THIS 6th DAY OF OCTOBER, 2020 BY THE
FOLLOWING VOTE:**

Robert M. Hale
Chief Administrative Officer

Kane Loader
Executive Director

ATTEST:

Rori L. Andreason, MMC
Secretary

Voting by the Board of	“Aye”	“Nay”
Directors:		
Bryant Brown	_____	_____
Paul Glover	_____	_____
Quinn Sperry	_____	_____
Paul Hunt	_____	_____
Dustin Gettel	_____	_____

**Exhibit A: Main Street Community Development Tax Increment Interlocal Agreement
Between the Agency and City**

Exhibit B: Main Street CDA Project Area Plan

Exhibit C: Main Street CDA Revised Project Area Budget

**MAIN STREET COMMUNITY DEVELOPMENT TAX INCREMENT
INTERLOCAL COOPERATION AGREEMENT**

THIS MAIN STREET COMMUNITY DEVELOPMENT TAX INCREMENT INTERLOCAL COOPERATION AGREEMENT is made and entered into this 6th day of October, 2020, by and between the **REDEVELOPMENT AGENCY OF MIDVALE CITY** (the “**AGENCY**”), a community reinvestment agency and political subdivision of the State of Utah, and **MIDVALE CITY** (the “**City**”), a political subdivision of the State of Utah (the “**City**”) 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 of the Utah Code Annotated (the “UCA”) 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 reinvestment activities pursuant to the Act, including, among other things, assisting 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 created the Main Street Community Development Project Area (the “Project Area”) described in Exhibit A, attached hereto and incorporated herein by this reference, on November 15, 2015 through the adoption of the Main Street Community Development Project Area Plan (the “Project Area Plan”), attached as Exhibit B, through Ordinance No. 2015-O-14 pursuant to UCA § 17C-4-105, and fulfilled all public hearing and noticing requirements associated with adopting a community development area plan outlined in UCA § 17C-4-401 and 17C-4-107; and

D. **WHEREAS**, the Project Area contains the City’s historic Main Street corridor, which faces several impediments to redevelopment, including overhead powerlines, an untenable parking situation, and infrastructure limitations. The Area would benefit greatly from redevelopment efforts focused to overcome these impediments to development, which will provide certain 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**, the City desires to redevelop the historic Main Street in a way that celebrates its history, promotes and enhances the arts, and cultivates a sense of place for the City; and

F. **WHEREAS**, the Project Area has generated a total of \$800,863 in Tax Year 2019 in property taxes for the various taxing entities, including the City, Salt Lake County (the “County”), Canyons School District (the “School District”), South Salt Lake Valley Mosquito Abatement District, Jordan Valley Water Conservancy District, Central Utah Water Conservancy District, Unified Fire Service Area, Salt Lake County Library, and Jordan/Canyons School District Debt Service Area; and

G. **WHEREAS**, upon full development as contemplated in the Project Area Budget, property tax increment produced by the Project Area for the City, the County, the School District, and other special districts are projected to total approximately \$1,539,672 per year under the Primary Budget and \$2,504,392 under the Contingency Budget; and

H. **WHEREAS**, the Agency will request the City, the County, the School District, and the other taxing entities participate in the promotion of development in the Project Area by agreeing to remit to

the Agency for a specified period of time specified portions of the increased property tax (i.e., Tax Increment,) which will be generated by the Project Area; and

I. **WHEREAS**, it is in the best interest of the residents of the City for the City to remit such payments to the Agency to permit the Agency to leverage private development of the Project Area; and

J. **WHEREAS**, the Agency has adopted a revised Project Area Budget through Resolution No. 2020-11RDA pursuant to UCA § 17C-4-204 and created an accompanying impact analysis 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 Draft Project Area Budget attached as Exhibit C; and

K. **WHEREAS**, the parties desire to set forth in writing their agreements regarding the nature and timing of such assistance and that the meeting in which the Resolutions are to be considered that adopt this Agreement are conducted in open and public meetings pursuant to UCA § 17C-4-202; and;

NOW, THEREFORE, the parties agree as follows:

1. **Additional Tax Revenue.** The City has determined that Tax Increment will likely be generated by the redevelopment 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 enable development activity by removing barriers to development.

2. **Offset Development Costs and Expenses.** The City has determined that it is in the best interests of its residents 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 or developers in Project Area development, including, without limitation, the construction of parking structures, the relocation of overhead powerlines, the upgrading of infrastructure to facilitate higher density, and improvements 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, Base Year Value, and Increment Calculation.** Pursuant to UCA § 17C-4-201, this Agreement specifies that the base year, for purposes of calculation of the Base Taxable Value (as that term is defined in the Act), shall be Tax Year 2019, 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 2019 Salt Lake County assessment rolls for all property located within the Project Area (which is currently estimated to be \$58,774,598, but is subject to final adjustment and verification by the County and Agency). The amount of tax increment shall be calculated by subtracting the Base Year Value from the current year's value and multiplying that by the tax rate.

4. **Agreement(s) with Developer(s).** The Agency is authorized to enter into one or more participation or development agreements with one or more participants or developers 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 shall pay any and all taxes and assessments which shall be assessed against their respective parcels 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 City to the Agency shall be determined by the Agency, but the Agency will trigger the Project Area for collection no later than by March 1, 2024. 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 Salt Lake County Auditor’s office and providing notice of intent to trigger collection of tax increment to the taxing entities.

6. **Total Payment to Agency.** Pursuant to UCA § 17C-4-201, this Agreement specifies that the City shall authorize the County to remit to the Agency, beginning with property tax receipts in Year One, and continuing through Year Twenty, 100% of the annual Property Tax Increment generated from within the Project Area, including the real (*i.e.*, building, land, and fixtures), personal, and centrally assessed property within the Project Area. The Agency will remit 40% of the property tax increment back to the City. The Agency will collect and retain 60% of the property tax increment for twenty years or until the Agency has collected and retained a total of \$15,500,000 from the Project Area (Primary Budget) or \$27,000,000 (Contingency Budget), whichever comes first.

7. **Contingency Budget.** The Agency will proceed with all initiatives, plans, and projects outlined in the Primary Budget. Transitioning from the Primary Budget to the Contingency Budget occurs automatically once a single nonresidential project is developed with an incremental tax value of over \$60,000,000. The main difference between the Primary Budget and the Contingency Budget is the total cap on tax increment revenues collected and retained. The Primary Budget caps revenues collected and retained at \$15,500,000 while the Contingency Budget caps revenues at \$27,000,000.

8. **Property Tax Increase.** This Agreement provides for the payment of the increase in real, personal property, and centrally assessed property taxes collected from the Project Area by the County acting as the tax collection agency for the City. Without limiting the foregoing, this Agreement includes Tax Increment resulting from an increase in the tax rate of the City, which is hereby expressly approved as being included in Tax Increment as required by Section 17C-1-407 of the Act. It is expressly understood that the Property Taxes which are the subject of this Agreement are only those Property Taxes collected by the County from the Project Area.

9. **No Independent Duty.** The parties recognize that the County will remit the Tax Increment directly to the Agency. The City does not have an independent duty to pay any amount to the Agency directly, nor is it responsible or liable for any failure of the County to remit Tax Increment to the Agency correctly.

10. **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.

11. **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.

12. **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 City:
Midvale City
Attn: City Manager
7505 Holden Street
Midvale, Utah 84047
Phone: (801) 567-7200

If to Agency:
Redevelopment Agency of Midvale City
Attn: Executive Director
7505 Holden Street
Midvale, Utah 84047
Phone: (801) 567-7200

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 72 hours after mailing. Notice by any other method shall be deemed served or delivered upon actual receipt at the address. 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.

13. **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 (except as provided in this agreement), 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.

14. **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.

15. **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.

16. **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.

17. **Amendments.** Pursuant to UCA § 17C-4-201(7)(a), the City and Agency may amend the Agreement from time to time, but 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.

18. **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.

19. **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.

20. **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 Salt Lake County, Utah, and the parties hereto agree to submit to the jurisdiction of such court.

21. **Declaration of Invalidity.** In the event that a court of competent jurisdiction declares that the County or the City 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 City shall take such steps as are reasonably required to not permit the payment and/or receipt of the Tax Increment to be declared invalid.

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

23. **Duration.** This Agreement shall terminate after the final payment of Tax Increment to the Agency for Year Twenty or after the Agency has collected and retained the cap amount of total property tax increment. As a result of the foregoing and the maximum Payment Trigger date in Section 5, this Agreement must terminate prior to March 1, 2044.

24. **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.

25. **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.

26. **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 shall be authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Cooperation Act;
- b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5(3) of the 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 Agreement stating the reasons for such termination. Any such amended 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, 17C-4-202(3), and 17C-4-203(1) of Utah Code.
 - 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.
27. **Effective Date.** This Agreement shall become effective once notice is published in a newspaper of general circulation in accordance with UCA § 17C-4-202(3) and may be contested for 30 days after the effective date pursuant to UCA § 17C-4-202(4).

Signature Page to Follow

IN WITNESS WHEREOF, the parties have executed this Main Street Community Development Tax Increment Interlocal Cooperation Agreement on the day specified above.

City: MIDVALE CITY

Attest:

By: _____

Its: Mayor

Recorder

Approved as to form:

Attorney for City

Agency: MIDVALE CITY REDEVELOPMENT AGENCY

Attest:

By: _____

Its: Chair

Secretary

Approved as to form:

Attorney for Agency

EXHIBIT A

Map of Project Area



EXHIBIT B

Project Area Plan

EXHIBIT C

Project Area Budget