

AMERICAN FORK REDEVELOPMENT AGENCY
JUNE 28, 2022
SPECIAL SESSION AGENDA

Notice is hereby given that the American Fork City Redevelopment Agency will meet in a special session on **Tuesday, June 28, 2022**, at City Hall, located at 31 N. Church Street, commencing at **6:45 p.m.** The agenda shall be as follows:

SPECIAL SESSION

1. Roll Call.
2. Presentation and acceptance of the 2022 Redevelopment Agency Annual Report.
3. Review and action on the approval of the June 14, 2022, minutes.
4. Adjournment

Dated this 23rd day of June 2022.



Terilyn Lurker
Secretary



REQUEST FOR BOARD ACTION
AMERICAN FORK REDEVELOPMENT AGENCY
JUNE 28, 2022

Department Administration

Approval Anna Montoya

AGENDA ITEM

Presentation and acceptance of the 2022 Redevelopment Agency Annual Report.

SUMMARY RECOMMENDATION

Staff would recommend approval of annual report.

BACKGROUND

Each year the American Fork Redevelopment Agency Board is required by Utah Law to compile a detailed analysis of the year's Redevelopment Agency Project Areas, accomplishments, finances, projects created/completed, and jobs created, as well as summarizing other economic impacts relevant to the City and other taxing entities that levy property taxes within the project areas. As of the current year, these reports are required to be submitted on or before June 30.

The only active project area currently is the Egg Farm EDA. Projects nearing completion are 860 East Reconstruction. Projects in progress are 1100 South Widening, which is under design. The Patriot Station has also been included, although tax increment will not be triggered until next year.

SUGGESTED MOTION

I move to accept the 2022 Redevelopment Agency Annual Report.

SUPPORTING DOCUMENTS

RDA Annual Report 2022.pdf

REDEVELOPMENT AGENCY (RDA) ANNUAL REPORT



2022



REDEVELOPMENT AGENCY

The American Fork City Redevelopment Agency (“Agency”) is pleased to present this RDA Annual Report. Agency staff have prepared this report, which fulfills the requirements outlined in Utah Code 17C-1-603. The report provides information relating to the Agency’s three project areas, including the East Main Redevelopment Project Area, North Valley Redevelopment Project Area, and Egg Farm Economic Development Area. In addition, the Agency recently approved the Patriot Station Community Reinvestment Area, which will be triggered to start in 2024.

Beginning in 2022, the annual RDA report will be disseminated only to the Governor’s Office of Economic Opportunity and will be due on or before June 30th of each calendar year. Although the last several years have been full of economic uncertainty, the Agency has been successful in its efforts to support development and growth within American Fork City.



Staff

Agency Chair

Brad Frost, Mayor

Executive Director

David Bunker, City
Administrator

Board of Directors

Kevin Barnes
Staci Carroll
Ryan Hunter
Rob Shelton
Clark Taylor

Redevelopment Agency Director

Patrick O’Brien

Finance Director

Anna Montoya

EAST MAIN RDA PROJECT AREA

History

The East Main RDA Project Area was created in December 1992 and is governed by the “Redevelopment Plan for the East Main Street Redevelopment Area” dated December 8, 1992. This document defines the duration and use of property tax generated within the Project Area as well as conditions and obligations by the Agency and each participating tax entity. As the East Main RDA Project Area was created prior to 1993, a taxing entity committee was not established for this Project Area.

The purpose of the East Main RDA Project Area is the incentivizing of commercial and industrial development of several blocks along Main Street in American Fork where conditions of blight were determined to be present. This includes the elimination of flood hazard potential and other physical constraints, as well as other factors that act as a deterrent to proper development. Also intended is the construction of various infrastructure improvements, including streets, utilities, drainage systems, and landscaping. These improvements are intended to be done in such a way as to serve the needs of the future occupants of the Project Area, as well as the general public. It is also intended that the creation of the Project Area will eliminate the potential for fragmented development and instead foster the timely and coordinated efforts for the commercial and industrial development of the area.

The Project Area lies entirely within American Fork City and includes approximately 26.27 acres of property located along Main Street, consisting of portions of blocks 12, 13, 16, and 17 of Plat A of the American Fork City Survey of Blocks and adjacent public streets, which lie next to the traditional central business area of the City. The Project Area contains a mixture of land use types, including industrial, retail service and commercial. However, a significant area of the Project Area was vacant at inception. 98.4 percent of the 26.27 acres are now developed.



EAST MAIN RDA PROJECT AREA

Financial Report

Change in Margin Value

Base Year: 1992

Base Taxable Value: \$5,621,532

Expiration Year: 2018 (Extended to 2025)

2021 Assessed Value: \$21,494,960

2022 Estimated Assessed Value: \$21,719,025

Percent Change in Marginal Value:

Marginal Change (2016-2022): 30.0%

Annual Marginal Change (2021-2022): 11.7%

Tax Increment Revenue Historical Receipts of Project Area Funds Per Tax Year:

2017: \$83,445

2018: \$40,825

2019: \$41,712

2020: \$40,103

2021: \$40,709

Description of Development

Developed Acreage: 25.84

Undeveloped Acreage: .43

Purpose: Commercial and Industrial Development

Project Area Budget

The project area will generate 100% of additional
Tax Increment Revenues through 2025.

Collection period: 1994-2025

Number of tax years remaining: 4

Authorized funds to be received by Agency for
2022: \$49,162

Agency's project area funds for 2023: \$49,162

Authorized Administrative Costs per 17C-1-409:

Percentage: 5%

Dollar Amount: \$2,458

Notable Development and Future Projects



Development in the Project Area has consisted of the construction of several commercial and industrial establishments, including several fast-food restaurants and retail stores. Recent improvements also include the rebuilding of 300 East and Main Street throughout the Project Area.

The Main Street/State Street intersection at 300 East was relocated to improve traffic flow through the project area. A signal light was also constructed at 300 East Main. A Swig Drive Thru was

The East Main RDA Project Area was created with the intent of incentivizing commercial and industrial development in American Fork City. The project area does not contain any residential units and 0 percent of the area is made up of residential development. Various infrastructure improvements have been completed in the Project Area to date, including improvement of roadways and intersections, culinary water supply, sewer system, landscaping, utilities, and facilities for the disposal of excess groundwater.



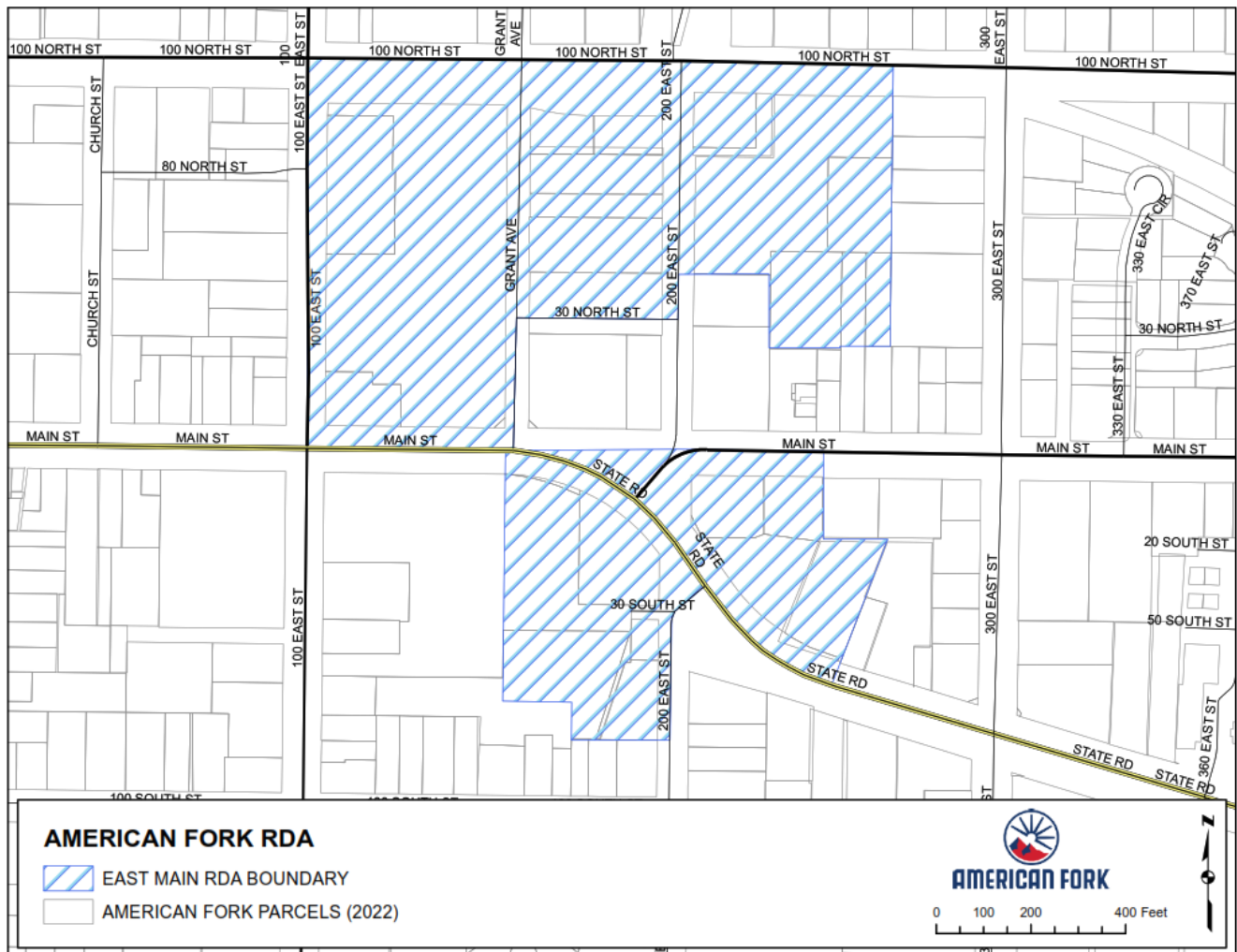
EAST MAIN RDA PROJECT AREA

constructed in the existing Fresh Market parking lot, which was recently changed to Macey's Grocery. Gourmandise restaurant recently opened in the project area, replacing a former Burger King.

Project Area Funds by Taxing Entity

Taxing Entity	2021 Increment Revenue	2022-2025 Increment Revenue
Utah County	\$13,731	\$54,925
American Fork City	27,157	108,626
North Utah County Water Conservancy District	241	966
Central Utah Water Conservancy District	6,037	24,146
Total	\$47,166	\$188,663

Project Area Map



NORTH VALLEY RDA PROJECT AREA

History

The North Valley RDA Project Area was created in September 1987 and is governed by the “Redevelopment Plan for the North Valley Redevelopment Area” dated September 22, 1987. This document defines the duration and use of property tax generated within the Project Area as well as conditions and obligations by the Agency and each participating tax entity. As the North Valley RDA Project Area was created prior to 1993, a taxing entity committee was not established for this Project Area.

The purpose of the North Valley RDA Project Area is the incentivizing of commercial and industrial development along I-15 in American Fork. This includes the elimination of those factors that contribute to a condition of blight, reduction of the flooding and high ground water condition, and construction of various infrastructure improvements, including streets, utilities, drainage systems, and landscaping. As in the other Project Areas, these improvements are intended to be done in such a way as to serve the needs of the future occupants of the Project Area, as well as the general public. It is also intended that the creation of the Project Area will eliminate the potential for fragmented development and instead foster the timely and coordinated efforts for the commercial and industrial development of the area.

The Project Area lies entirely within American Fork City and includes approximately 99 acres of property located along the east side of I-15 from approximately 620 South to 1100 South. The Project Area is zoned for both commercial and industrial use.



NORTH VALLEY RDA PROJECT AREA

Financial Report

Change in Margin Value

Base Year: 1986

Base Taxable Value: \$6,282,698

Expiration Year: 2019 (Extended to 2026)

2021 Assessed Value: \$111,901,453

2022 Estimated Assessed Value: \$131,241,225

Percent Change in Marginal Value:

Marginal Change (2018-2022): 18.3%

Annual Marginal Change (2021-2022): 7.4%

Tax Increment Revenue Historical Receipts of Project Area Funds Per Tax Year:

2017: \$559,059

2018: \$599,705

2019: \$320,739

2020: \$299,846

2021: \$303,818

Description of Development

Developed Acreage: 85.76

Undeveloped Acreage: 13.47

Purpose: Commercial and Industrial Development

Project Area Budget

The project area will generate 75% of additional
Tax Increment Revenues through 2026.

Collection period: 1995-2026

Number of tax years remaining: 5

Authorized funds to be received by Agency for
2022: \$334,423

Agency's project area funds for 2023: \$334,423

Authorized Administrative Costs per 17C-1-409:

Percentage: 5%

Dollar Amount: \$16,721

Notable Development and Future Projects

The North Valley RDA Project Area was created with the intent of incentivizing commercial and industrial development in American Fork City. The project area does not contain any residential units and 0 percent of the area is made up of residential development. Development projects have included various infrastructure improvements and the construction of several commercial and industrial establishments, including several fast-food restaurants and retail stores.



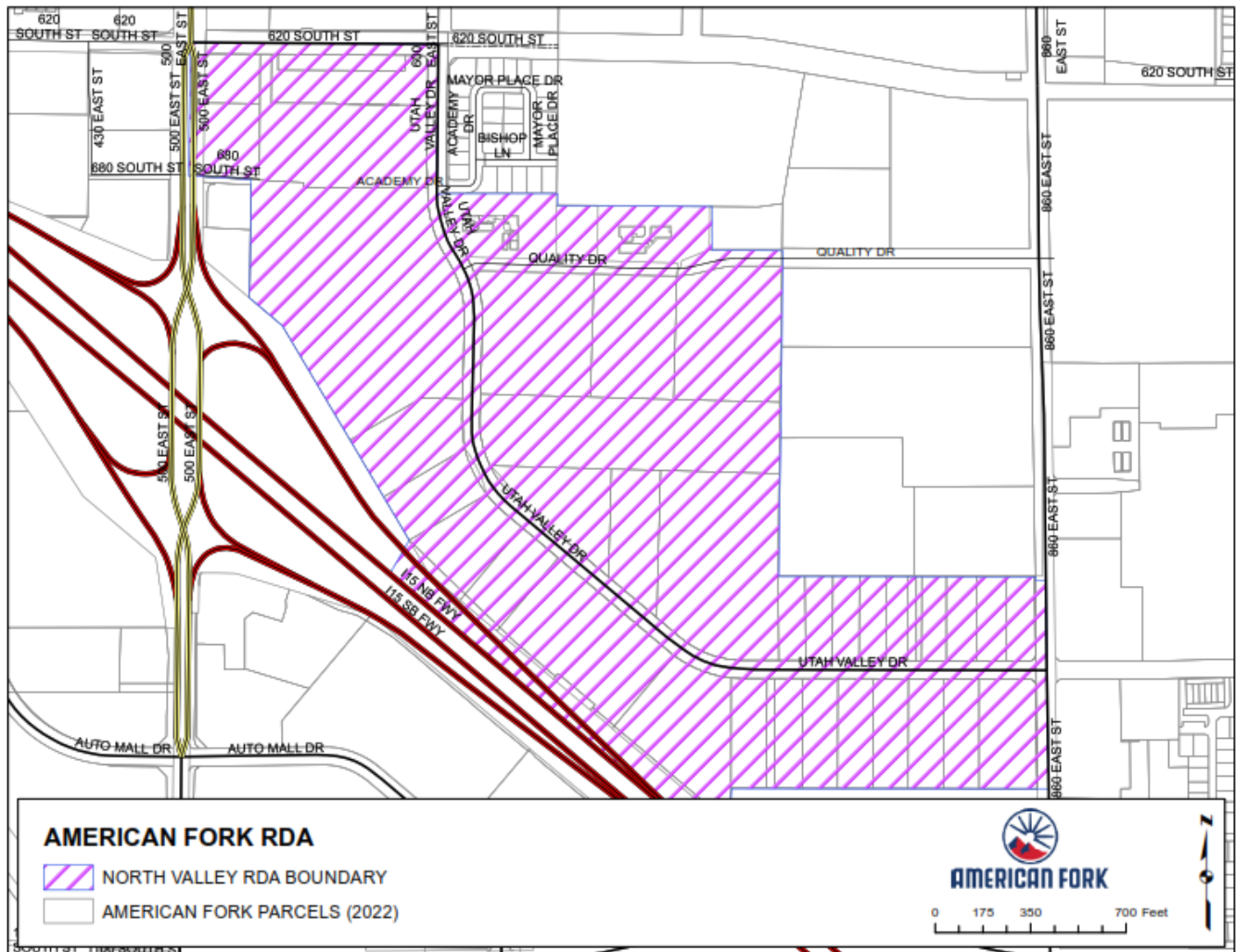
Growth within the Project Area has also had a positive impact on development in the surrounding areas. Development in recent years in the areas adjacent to the Project Area include DOMO, Built Bars, Thermoworks (industrial), Harrington Hollow Subdivision (residential), and Sporkland (commercial office space). In addition, recent construction just north of the Project Area is the Easton Park apartment and townhome development which includes 335 units and a 7-acre park.

NORTH VALLEY RDA PROJECT AREA

Project Area Funds by Taxing Entity

Taxing Entity	2021 Increment Revenue	2022-2026 Increment Revenue
Utah County	\$88,450	\$442,248
American Fork City	174,929	699,716
North Utah County Water Conservancy District	1,555	6,222
Central Utah Water Conservancy District	38,885	155,538
Total	\$303,818	\$1,215,274

Project Area Map



EGG FARM EDA PROJECT AREA

History

The Egg Farm EDA Project Area was created on October 17, 2000 and is governed by the “Egg Farm Economic Development Plan” dated September 8, 2000 as well as the “Official Amended Project Area Budget” dated October 24, 2013. These documents define the duration and use of property tax generated within the Project Area as well as conditions and obligations by the Agency and each participating tax entity.

The purpose of the Egg Farm EDA Project Area is the incentivizing of commercial development in American Fork City, including the attraction of major employers and developers willing to invest private capital into new businesses which will provide additional jobs and broaden the tax base of the community. This commercial development in the Project Area is to be facilitated through the following actions:



- Remove impediments to land disposition and development through assembly of land into reasonably sized and shaped parcels necessary for economic development served by improved public utilities, infrastructure improvements, and new public or private facilities.
- Promote and market the Project Area for economic development complimentary to existing businesses and industries or enhance the economic base of the City through diversification.
- Provide utilities, streets, curbs, sidewalks, parking areas, landscape areas, and other infrastructure improvements as appropriate and as necessary.
- Provide improved public streets and road access to and within the Project Area to facilitate better traffic and pedestrian circulation, reduce traffic hazards, and to promote air quality.
- Ensure compatible relationships among land uses and quality standards for development, such that the area functions as a unified and viable center of economic activity for the City.

The Project Area was originally intended to draw property tax increment beginning with the taxes collected in 2004 and remitted to the Agency in 2005 and continue for 24 years with the final tax increment being collected in 2027 and remitted to the Agency in 2028. However, the Project Area Budget was amended in 2013 and currently includes a provision outlining that the Project Area will receive tax increment for 24 years or until the total tax increment received by the Agency after tax year 2012 reaches a cap of \$9,262,291, whichever occurs first. Since tax year 2012, a total of \$7,391,276 in tax increment has been remitted to the Agency, leaving \$1,871,015 to be paid to the Agency before the cap is reached. It is currently projected that the cap will be reached with increment paid to the Agency in fiscal year 2024 (for taxes collected in tax year 2023 at a participation rate of 75%) and that the Project Area will expire at that time.

EGG FARM EDA PROJECT AREA

Financial Report

Change in Margin Value

Base Year: 1999

Base Taxable Value: \$705,802

Expiration Year: 2028

2021 Assessed Value: \$140,354,654

2022 Estimated Assessed Value: \$155,501,419

Percent Change in Marginal Value:

Marginal Change (2018-2022): 17.7%

Annual Marginal Change (2021-2022): 5.7%

Tax Increment Revenue Historical Receipts of Project Area Funds Per Tax Year:

2017: \$902,050

2018: \$966,585

2019: \$948,506

2020: \$988,764

2021: \$981,648

Description of Development

Developed Acreage: 79.18

Undeveloped Acreage: 12.13

Purpose: Commercial Development

Project Area Budget

The project area will generate 75% of additional
Tax Increment Revenues through 2028.

Collection period: 2005-2028

Number of tax years remaining: 7

Authorized funds to be received by Agency for
2022: \$1,014,450

Agency's project area funds for 2023: \$877,994

Authorized Administrative Costs per 17C-1-409:

Percentage: 5%

Dollar Amount: \$50,722

Notable Development and Future Projects

The Egg Farm EDA Project Area was created with the intent of incentivizing commercial development in American Fork City. The project area does not contain any residential units and 0 percent of the area is made up of residential development. The financing of infrastructure improvements has spurred the development of the North Pointe Business Park, which has housed some of the first high-tech businesses in northern Utah County. This development has served as a magnet for other high-tech companies in the valley. Several office warehouse buildings have been constructed, including spaces equivalent to 200,000 and 100,000 square feet. Other planned improvements in the Project Area, and their associated costs, to the extent that sufficient tax increment funds are available are outlined as follows:

CAPITAL IMPROVEMENTS WITHIN THE PROJECT AREA		
Priority	Project	Cost
1	Property Purchase	\$393,000
2	Reconstruction of 860 East	500,000
3	Widening of 630 East	250,000
4	Widening of 1300 East	360,000
5	Widening of 1100 South	1,643,987
6	Widening of 1500 South	2,986,066
7	Culinary water line 16" pipe	192,664
8	Pressurized irrigation 12" pipe	142,768
9	Storm drain pipe	589,671

Taxing Entity	2004-2020 Increment Revenue	2021 Increment Revenue	2022-2026 Increment Revenue
Utah County	\$810,669	\$89,340	\$167,398
Alpine School District	7,895,389	691,681	1,296,12
American Fork City	2,442,230	176,691	331,068
North Utah County Water Conservancy District	24,249	1,571	2,944
Central Utah Water Conservancy District	399,857	39,276	73,592
Total	\$11,572,394	\$998,559	\$1,871,015

[illegible]

PATRIOT STATION CRA PROJECT AREA

History

The Patriot Station CRA Project Area was created on January 14, 2020 and is governed by the “Amended Patriot Station Community Reinvestment Area Plan” as well as the “Amended Project Area Budget” both dated March 31, 2022. These documents define the duration and use of property tax generated within the Project Area as well as conditions and obligations by the Agency and each participating tax entity.

The Project Area is being undertaken as a Community Reinvestment Project Area pursuant to certain provisions of Chapters 1 and 5 of the Utah Limited Purpose Local Governmental Entities -- Community Reinvestment Agency Act (the "Act", Utah Code Annotated ("UCA") Title 17C). Pursuant to the



provisions of §17C-5-103 of the Act, the governing body of the Agency adopted a resolution authorizing the preparation of a draft Community Reinvestment Project Area Plan on May 10, 2016 and the Agency's board again adopted a revised resolution on October 22, 2019 altering the borders of the original resolution and further adopting a revised resolution on June 21, 2022.

The area surrounding the American Fork Front Runner Station provides an opportunity to accommodate new office, commercial, and residential opportunities in the American Fork. New developments will create new high paying jobs and increase the tax base to the City, County, and State of Utah.

Furthermore, this specific area was selected due to its proximity to the FrontRunner Station. The City and Agency desire to transform the area into a true transit-oriented development. Doing this would bring extensive benefits to the Agency, City, and Region. Dense, walkable, mixed-use development near transit attracts people and adds to vibrant, connected communities. Convenient access to the FrontRunner will foster development and encourage citizens to use affordable public transportation.

Additional benefits to the area and region may include, but are not limited to:

- Increased ridership and associated revenue gains for transit systems
- A larger supply of higher density affordable housing
- Economic returns to surrounding landowners and businesses
- Congestion relief and associated environmental benefits
- Improved safety for pedestrians and cyclists through non-motorized infrastructure
- Incorporation of public and private sector engagement and investment

The beneficial influences upon the tax base of the City and the other taxing entities will include increased property tax revenues, job growth, and housing opportunities. The increased revenues will come from the

PATRIOT STATION CRA PROJECT AREA

property values associated with new construction in the area, as well as increased land values that may occur, over time, in the area generally. Once the residential component is completed, the project area will include about 1,800 newly built residential housing units. These units are planned to be medium and high-density housing, increasing the affordable housing options within the City.

Financial Report

Change in Margin Value

Base Year: 2019

Base Taxable Value: \$18.9 million

Expiration Year: 20 Year Life from year of first tax increment received.

2021 Assessed Value: Unknown

2022 Estimated Assessed Value: \$92,565,074

Percent Change in Marginal Value:

Marginal Change (2018-2022): N/A

Annual Marginal Change (2021-2022): N/A

Tax Increment Revenue Historical Receipts of Project Area Funds Per Tax Year:

The Agency anticipates a trigger date prior to March 1, 2023, which allows the first tax increment payment year to be in 2024.

Notable Development and Future Projects

The Agency will be offering an affordable housing pilot program in this Project Area for employees of Alpine School District, Utah County Sheriff's Office, and Police Officers in the American Fork Police Department. The Agency pledges to contribute up to \$7.6 million in rent or down payment assistance over the life of the project to help employees who are in low to moderate income ranges.

The majority of tax increment (74.3%) will be used to facilitate the creation of a true TOD, meaning higher density and a "live, work, and play" environment for residents,

Description of Development

Total Acreage: 435 acres

Developed Acreage: unknown

Undeveloped Acreage: unknown

Purpose: Residential, Commercial Development

Project Area Budget

The project area will generate 60% of additional Tax Increment Revenues through 2043.

Anticipated Collection period: 2024-2043

Number of tax years remaining: 20

Authorized funds to be received by Agency for 2022: none

Agency's project area funds for 2023: none

Authorized Administrative Costs per 17C-1-409:

Percentage: 5%

Dollar Amount: none

CONCEPTUAL VIEW TOWARD AMERICAN FORK STATION



© 2011 Blackwell Publishing Ltd *Journal of Internal Medicine* 270: 105–114

Project Area Funds by Taxing Entity
No funds have been received as of this report date.

AMERICAN FORK CITY
REDEVELOPMENT AGENCY AGENDA
JUNE 14, 2022

Members Present:

Bradley J. Frost	Chairman
Kevin Barnes	Board Member
Staci Carroll	Board Member
Ryan Hunter	Board Member
Clark Taylor	Board Member
Rob Shelton	Board Member

Staff Present:

David Bunker	City Administrator
Camden Bird	Assistant City Administrator
Rebecca Andrus	City Engineer
Stephanie Finau	Deputy Recorder
Cherylyn Egner	Legal Counsel
Cameron Paul	Police Chief
Aaron Brems	Fire Chief
Scott Sensanbaugher	Public Works Director
Patrick O'Brien	Development Services Director
Anna Montoya	Finance Director

Also present: Ken Sumsion

The American Fork City Redevelopment Agency held a public hearing in conjunction with a special session on Tuesday, June 14, 2022, in the City Hall, located at 31 N. Church Street, commencing at 7:00 p.m.

PUBLIC HEARING

- Receiving public comment on the fiscal year ending June 30, 2023, Redevelopment Agency Budget.

There were no public comments.

- The Redevelopment Agency of American Fork City, Utah (the "Issuer") and the City Council of American Fork City, Utah jointly called a public hearing to receive input from the public with respect to the issuance of the Tax Increment and Sales Tax Bonds, in one or more series, in the aggregate principal amount not to exceed \$30,000,000 for improvements to the Patriot Station

Project Area, and related improvements.

Ken Sumsion wanted some clarification. He asked if the bond was going to be guaranteed by sales tax or property tax. Chairman Frost replied that it would be a combination and back stopped by sales tax, but with the current tax increment will cover the bond (debt service).

Mr. Sumsion asked if the City anticipated the bonding to have no property tax increase due to the bonding or is this structured to pay for itself through the growth of that area. Chairman Frost acknowledged that Mr. Sumsion was correct.

Mr. Sumsion expressed his concern with the number of things going on with fiber and inflation is going up. He expressed that he wanted the council is to be careful and aware that inflation is affecting budgets of the citizens. He thanked the Mayor Frost for his clarification and thanked the Council for all they do and understand that what they do is not easy and expressed appreciation for their time.

Board Member Shelton mentioned a resident had texted him wanted to know what the city was going to do about 200 South. He mentioned that it was nice that he was able to give the resident an answer.

SPECIAL SESSION

1. Roll Call

2. A resolution of the Redevelopment Agency of American Fork City, Utah authorizing the issuance and sale of the (subordinated) sales tax revenue and tax increment revenue bonds, Series 2022, of said agency in the principal amount of up to \$30,000,000 for the purpose of financing a portion of certain development costs, including in particular, the upgrading of 200 South related to the Patriot Station Project Area, including widening it, adding signals, upgrading utilities, and related matters, all within the project area and paying certain costs associated therewith; and related matters.

Board Member Shelton moved to approve Resolution No. 2022-RA-05R. Board Member Barnes seconded the motion. Voting was as follows:

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Rob Shelton, Council Member
SECONDER:	Kevin Barnes Council Member
AYES:	Shelton, Barnes, Carroll, Hunter, Taylor

3. Adjourn

Board Member Taylor moved to adjourn the meeting. Board Member Shelton seconded the motion. All were in favor.

The meeting adjourned at 7:11 pm