

WEST VALLEY CITY FAIRBOURNE CRA

10/9/2018

Salt Lake County

The Project

- Community Reinvestment Project Area
- 34.41 acres
- 20 Year Term
- 25% Pass Through to SLCo and all other Entities
- 2.5% Administrative Fee
- 10% Mandatory Housing

History

- Granger Shopping Center built in 1990
- Anchored by Staples and Toys R Us
- Other Tenants:
 - Zions Bank
 - US Bank
 - Armed Forces Recruiting Center
 - Betos
 - Optometrist office

History

- Staples has closed 350 stores in past 5 years
- Toys R Us
 - Closed 2 of 3 SL County stores in last 12 months
 - Filed for Chapter 11 on September 19, 2017
- Desire to create a “downtown” for WVC
- Uncertain future of retail viability and new development opportunities
- Redevelopment in Purest Form and Original Intent
 - Replacement of dilapidated improvements with new development

History

- Final phases in decade long project
- Acquisition of hundreds of properties
 - This area required acquisition and demolition of several properties and leases.
 - Toys R Us
 - Staples
 - Betos
 - Zions
 - US Bank
 - Office

History

- WVC is “ALL IN” on this project area:
 - \$35 Million Bond for RDA (property acquisition & refi)
- WVC is “ALL IN” in overall City Center Development
 - \$45 Million Bond for Police Headquarters
 - \$33 Million Bond for Embassy Suites Hotel

New Development

- The Fairbourne Project plan is to have this area become the Central Business District, or “downtown” for West Valley City. At its completion, it will consist of:
 - 325,000 +/- sq ft Class A Office
 - Structured Parking Garage (publicly owned)
 - WVC Police Headquarters (publicly owned)
 - Financial Institution
 - Additional Future Development

New Development

- New Development plans are based on extensive Market Studies which identified market “gaps” as:
 - Class A Office
 - Hotel
 - Multi-Family Residential
 - Limited Ancillary Retail

New Investment

- The Fairbourne CRA development will total over \$152 million of new PRIVATE investment.
- Public Investment would be approximately \$28 million.
 - Salt Lake County's investment would be \$6,084,998.
 - This includes Library.

Property Taxes and Pass Through

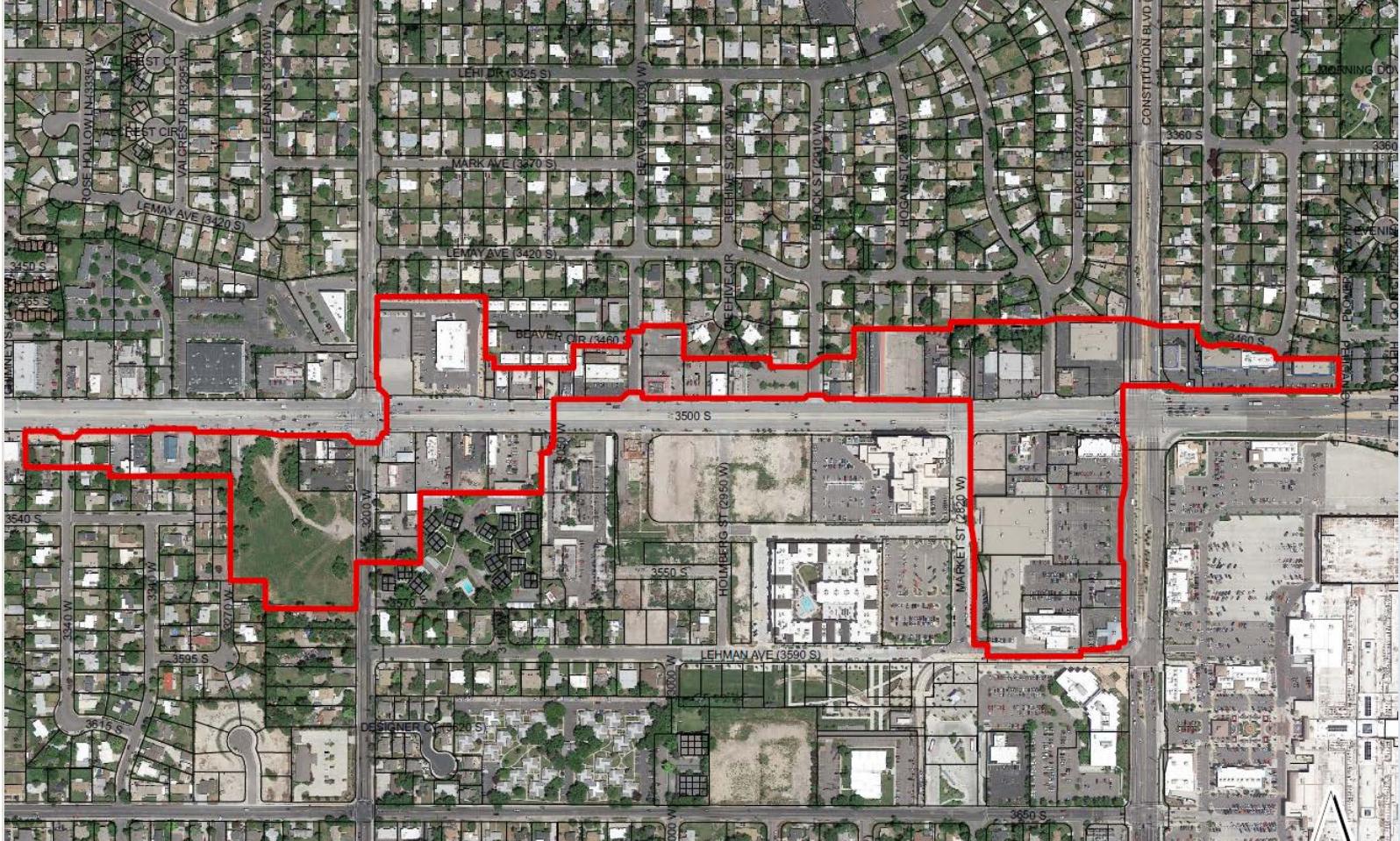
□ 2017 Taxable Value:	\$30,918,981
□ 2040 Taxable Value:	\$149,851,107
□ SLCo 2017 Tax Revenue (Base):	\$101,352
□ Total SLCo Pass Thru @ 25%:	\$2,028,333
□ AVG per year pass thru:	\$101,417
□ SLCo 2040 Tax Revenue:	\$491,212
□ Total Investment:	\$27,789,023
□ GSD:	\$12,030,772
□ WVC:	\$7,857,778
□ SLCo:	\$6,084,998

Uses for Tax Increment

- Structured Parking
 - Multiple parking structures on the project
- Infrastructure
 - Utility upgrades
 - Roadway Improvements
- Bonded Indebtedness
- Developer Incentive

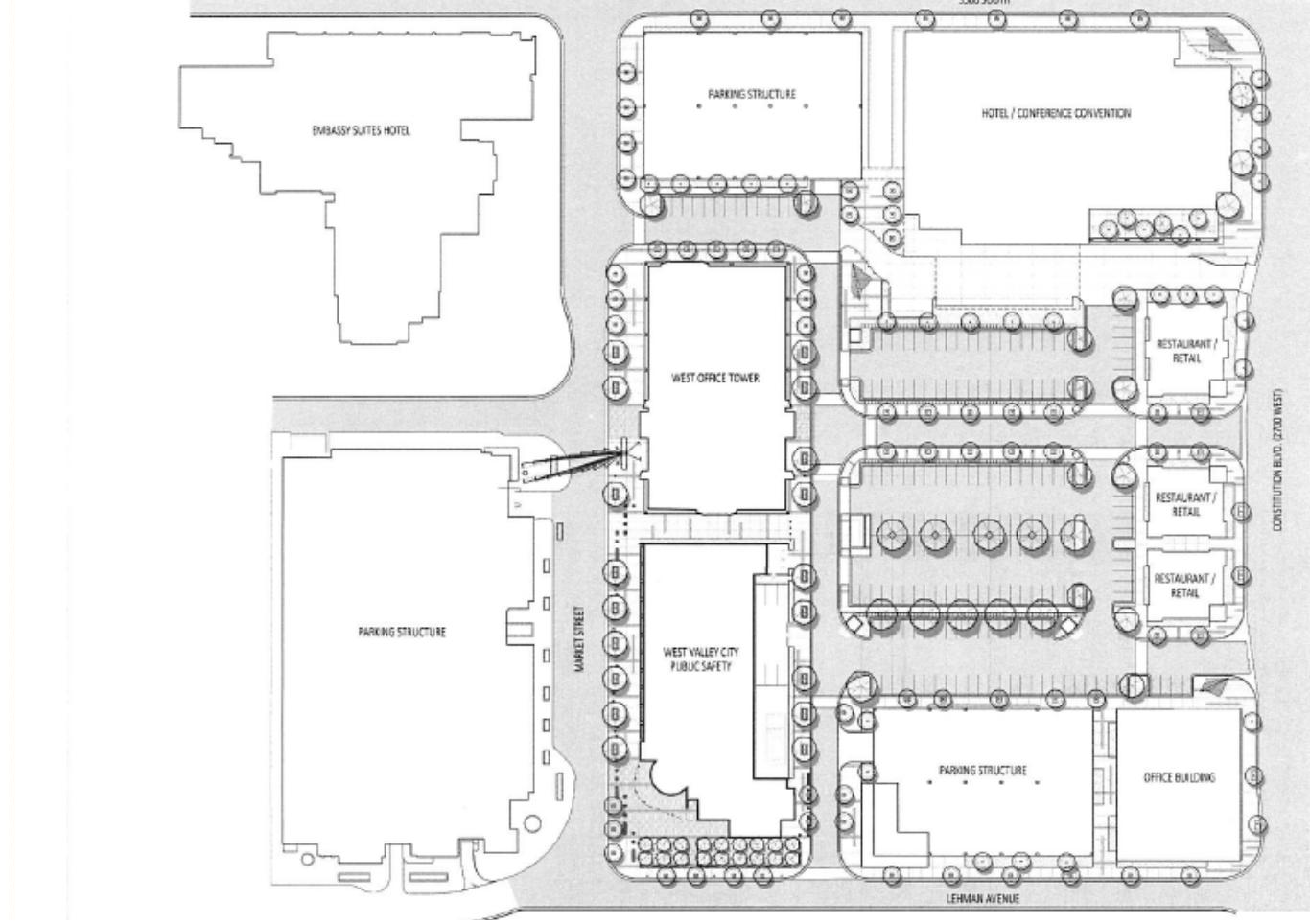
But For...

- WVC RDA owns the old Toys R Us and Staples properties, so some redevelopment is inevitable. However, BUT FOR the assistance of Tax Increment from ALL taxing entities, the planned development will not occur. A lesser development will result in a lower taxable value AND in fewer other redevelopment opportunities for adjacent properties.



Proposed Project Area

Fairbourne CRA



Site Plan



Fairbourne Station



Office Tower



Parking Structure and Office Tower



Police Headquarters



Granger Medical