

# 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

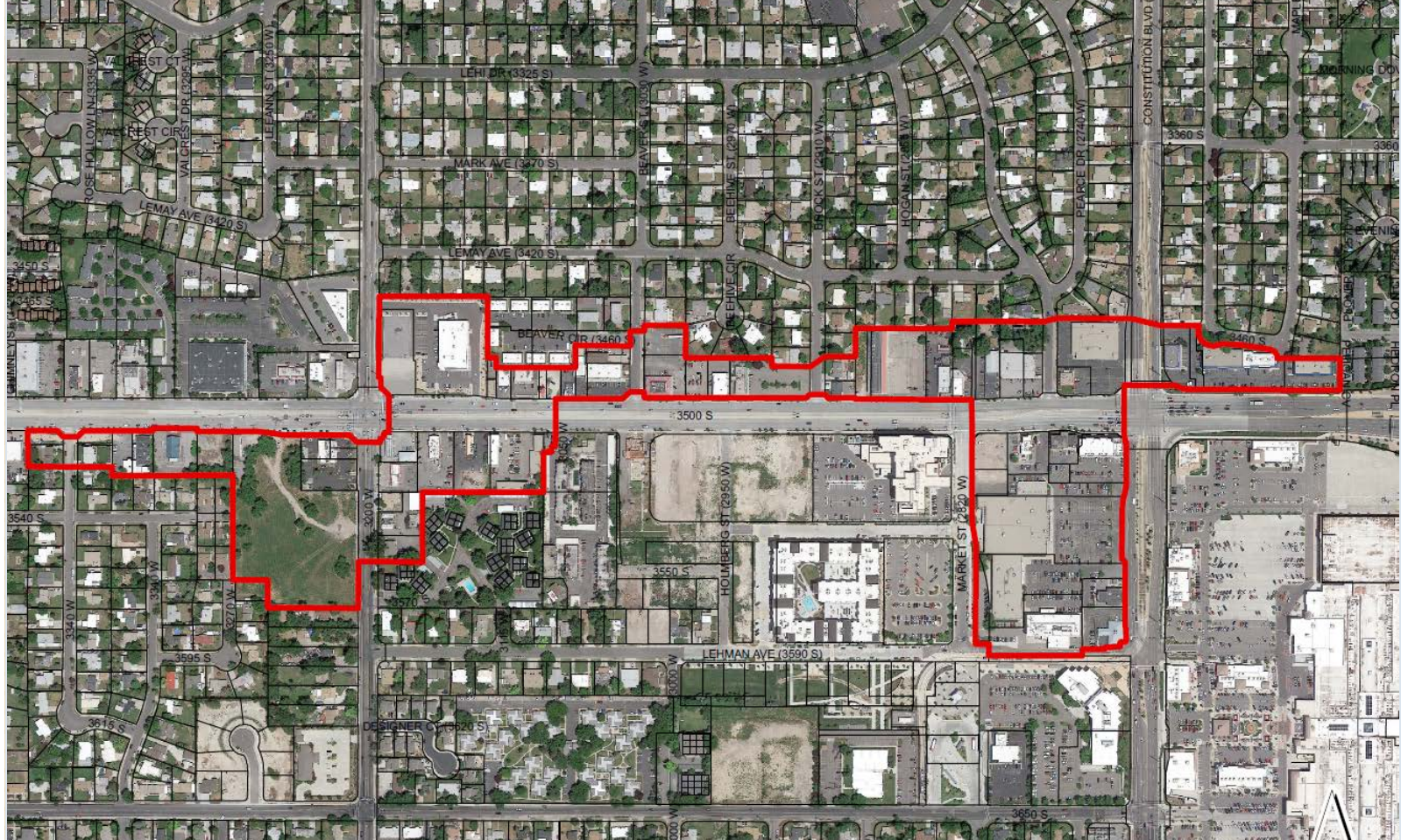
□ 2017 Taxable Value:	\$30,918,981
□ 2040 Taxable Value:	\$149,851,107
□ SLCo 2017 Tax Revenue (Base):	\$101,352
□ Total SLCo Pass Thru @ 25%:	\$2,028,333
□ AVG per year pass thru:	\$101,417
□ SLCo 2040 Tax Revenue:	\$491,212
□ Total Investment:	\$27,789,023
□ GSD:	\$12,030,772
□ WVC:	\$7,857,778
□ SLCo: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

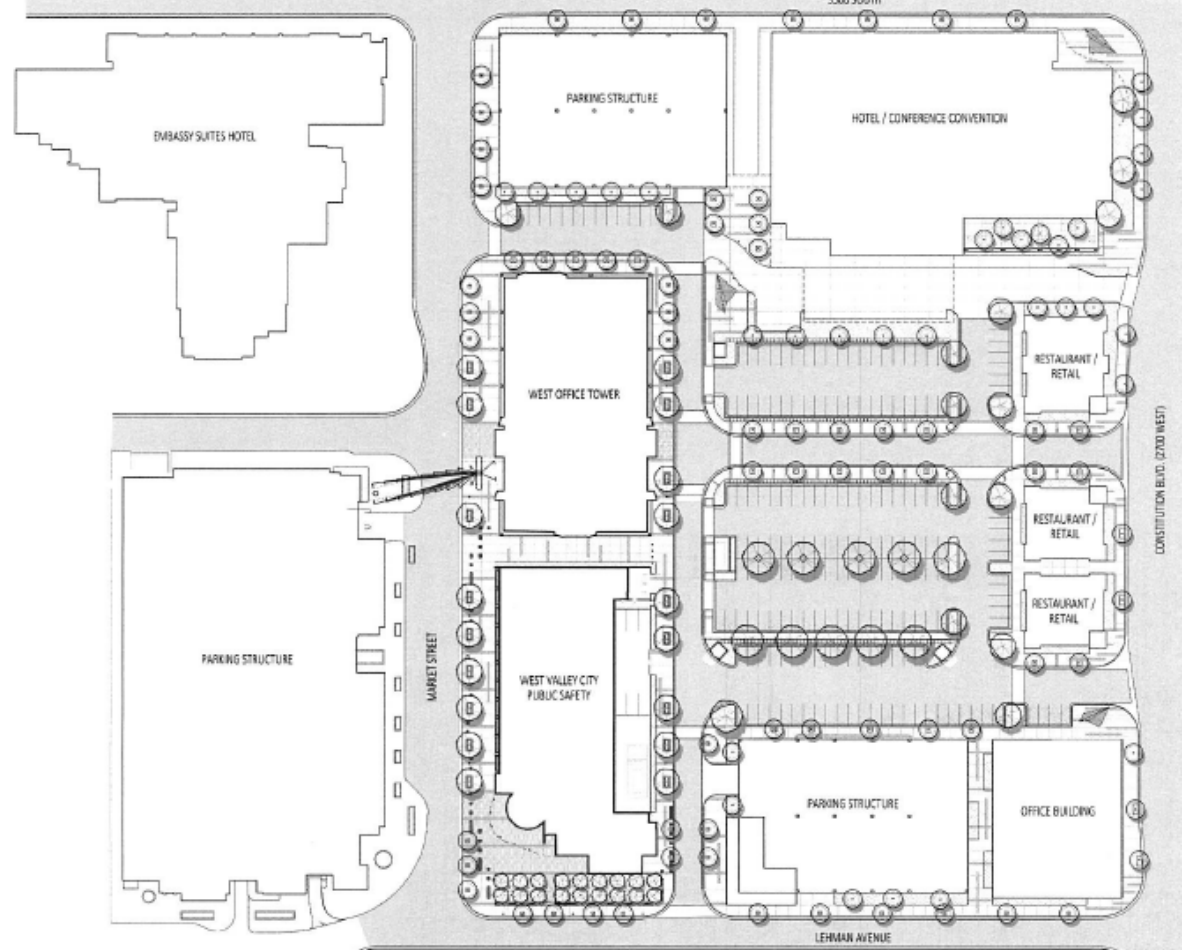
- WVC RDA owns the old Toys R Us and Staples properties, so some redevelopment is inevitable. However, BUT FOR the assistance of Tax Increment from ALL taxing entities, the planned development will not occur. A lesser development will result in a lower taxable value AND in fewer other redevelopment opportunities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



## Proposed Project Area

Fairbourne CRA





WEST VALLEY CITY  
MIXED USE PROJECT  
WEST VALLEY CITY, UTAH

OVERALL  
SITE PLAN

## Site Plan



## Fairbourne Station





## Office Tower





## Parking Structure and Office Tower



## Police Headquarters





## Granger Medical