

**INTERLOCAL COOPERATION AGREEMENT
for the Fairbourne Community Reinvestment Project Area**

between

REDEVELOPMENT AGENCY OF WEST VALLEY CITY

and

SALT LAKE COUNTY

THIS INTERLOCAL COOPERATION AGREEMENT (“Agreement”) is entered into by and between the **REDEVELOPMENT AGENCY OF WEST VALLEY CITY**, a Utah community development and renewal agency or redevelopment agency (“Agency”), and **SALT LAKE COUNTY**, a body corporate and politic of the State of Utah (“County”). The Agency and the County may collectively be referred to hereinafter as the “Parties” or individually as a “Party.”

RECITALS:

A. The County is a county existing pursuant to Article XI, Section 1 of the Utah Constitution. The Agency is a community reinvestment agency (formerly known as, among other things, a redevelopment agency) created and existing under the Limited Purpose Local Government Entities – Community Reinvestment Agency Act, Utah Code Ann. §§ 17C-1-101 *et seq.*, (the “Act”) or under previous law. The Agency is authorized under the Act to conduct urban renewal, economic development, community development, and community reinvestment activities within West Valley City, Utah.

B. The governing body of the Agency adopted a resolution on December 13, 2016 authorizing the Agency to commence the process under the Act to create the Fairbourne Community Reinvestment Project Area (the “Project Area”). The Agency and the City Council will adopt or have adopted the Project Area Plan and Project Area Budget attached hereto as **EXHIBIT A** and **EXHIBIT B**, pursuant to which the Agency plans to encourage and promote economic development in the Project Area and in the surrounding community.

C. The Act authorizes funding of community reinvestment project areas and plans—such as the Project Area and the Project Area Plan—with property tax increment pursuant to interlocal cooperation agreements with various taxing entities that levy property taxes in a project area. Specifically, Section 17C-5-202 of the Act provides that “an agency shall negotiate and enter into an interlocal agreement with a taxing entity in accordance with Section 17C-5-204 to receive all or a portion of the taxing entity’s tax increment . . . in accordance with the interlocal agreement.” Section 17C-5-204 of the Act provides that an agency may use the taxing entity’s tax increment “[f]or the purpose of implementing a community reinvestment project area plan.”

D. The County, as a taxing entity, now desires to consent to the Agency receiving certain tax increment attributable to the County's Tax Levies (defined below) in accordance with the terms of this Agreement in order to provide funds to the Agency to carry out the Project Area Plan.

E. The Agency and the County are "public agencies" as defined by the Utah Interlocal Cooperation Act, Utah Code Ann. §§ 11-13-101 *et seq.* (the "Interlocal Act"), and, as such, are authorized by the Interlocal Act to enter into this Agreement to act jointly and cooperatively in a manner that will enable them to make the most efficient use of their resources and powers. Additionally, Section 11-13-215 of the Interlocal Act also authorizes a taxing entity to share its tax and other revenues with other public agencies.

A G R E E M E N T:

NOW, THEREFORE, in consideration of the mutual representations, covenants, and agreements contained herein, the sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1 - INCORPORATION AND DEFINITIONS

1.1. Incorporation and Definitions. The foregoing recitals and all exhibits attached hereto are hereby made a part of this Agreement. Unless otherwise defined in this Section or in this Agreement, terms shall have the meaning set forth in the Act. For the purposes of this Agreement, the following definitions apply:

- (a) Act: As defined in the Recitals to this Agreement.
- (b) Affordable Housing Set-Aside: As defined in Section 2.2 of this Agreement.
- (c) Agency: Redevelopment Agency of West Valley City
- (d) Agency Administrative Costs: As defined in Section 3.2 of this Agreement.
- (e) Agency Board: The governing body of the Agency.
- (f) Agency's Share: As defined in Subsection 2.2(b) of this Agreement.
- (g) Annual Rebate: As defined in Subsection 2.2(b) of this Agreement.
- (h) Base Tax Year: The 2017 tax year, as defined in Section 2.1 of this Agreement.
- (i) Base Taxable Value: As defined in Section 17C-1-102(8) of the Act.

- (j) City: West Valley City.
- (k) County: Salt Lake County, a body corporate and politic of the State of Utah.
- (l) County Administrative Fee: As defined in Section 2.2 of this Agreement.
- (m) County's Contribution: As defined in Subsection 2.2(a) of this Agreement.
- (n) County Tax Increment: The Tax Increment attributable to the County's Tax Levies.
- (o) County's Tax Levies: The County's countywide and library tax levies.
- (p) Countywide Cap: As defined in Section 2.3 of this Agreement.
- (q) Effective Date: As defined in Section 7.1 of this Agreement.
- (r) Event of Default: As defined in Section 6.1 of this Agreement.
- (s) Governmental Authority: Any and all courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies, or authorities of any type of governmental unit (federal, state, or local) whether now or hereafter in existence.
- (t) Library Cap: As defined in Section 2.3 of this Agreement.
- (u) Legal Requirements: Any and all (i) present and future judicial decisions, statutes (including environmental laws), laws, rulings, rules, regulations, orders, writs, injunctions, decrees, permits, certificates or ordinances of any Governmental Authority in any way applicable to the Agency or Project Area and (ii) contracts of any nature that relate in any way to the Project Area and to which Agency may be bound.
- (v) Material Adverse Change: Any event, circumstance, fact, condition, development, or occurrence, directly caused by action or inaction by the Agency or the City, that has had a material and adverse effect on: (i) the completion of any material portion of the redevelopment to be conducted in the Project Area; (ii) the anticipated taxable value of the Project Area as identified in the Project Area Budget; or (iii) the validity, enforceability, or binding effect of this Agreement.
- (w) Project Area: The geographic area described in the Project Area Plan where the community development set forth in the Project Area Plan is intended to take place.
- (x) Project Area Plan: The project area plan to be approved by the Agency Board in accordance with Sections 17C-5-104 and 17C-5-108 of the Act and adopted by the legislative body of the City in accordance with Section 17C-5-109 of the Act,

attached hereto as **EXHIBIT A**.

(y) Project Area Budget: The project area budget to be adopted by the Agency Board in accordance with Section 17C-5-302 of the Act, attached hereto as **EXHIBIT B**.

(z) Property: All locally-assessed and centrally-assessed real and personal property.

(aa) Taxing Entities: Those public agencies identified in the Project Area Budget that levy a tax on Property within the Project Area and are expected to contribute their Tax Increment to the Agency through an Interlocal Cooperation Agreement with the Agency.

(bb) Tax Increment: The difference between the amount of property tax revenues generated each tax year by the Taxing Entities from Property within the Project Area using the current year assessed value of the Property and the amount of property tax revenues that would be generated each tax year by the Taxing Entities from that same Property using the Base Taxable Value of the Property.

(cc) Tax Increment Collection Period: The twenty (20) year period commencing with the Trigger Year.

(dd) Trigger Year: Any tax year between and including the 2018 tax year and the 2020 tax year, as determined by the Agency and evidenced by a written notice from the Agency to the County and to the Salt Lake County Auditor on or before November 1st of the year prior or, if no written notice is given, then the Trigger Year shall be 2020.

ARTICLE 2 -- PAYMENT OF TAX INCREMENT

2.1. Base Year and Base Taxable Value. The Parties agree that for purposes of calculating the amount of County Tax Increment from the Project Area to be paid by the Salt Lake County Treasurer to the Agency pursuant to this Agreement, the base tax year shall be the 2017 tax year (the "Base Tax Year") and the base taxable value shall be the assessed taxable value of all Property within the Project Area for the Base Tax Year, which, after review of Salt Lake County and Utah State Tax Commission records, the Parties believe is Thirty Million, Nine Hundred Eighteen Thousand, Nine Hundred and Eighty-One Dollars and No Cents (\$30,918,981.00) (the "Base Taxable Value").

2.2. Payment of Tax Increment; Affordable Housing Set-Aside; and County Administrative Fee.

(a) Payment of County Tax Increment. Subject to Sections 2.3, 2.4, 2.5 and 2.6, the County hereby agrees and consents that, for each tax year during the Tax Increment Collection Period, the Salt Lake County Treasurer shall pay 100% of County Tax Increment to the Agency (the "County's Contribution") and shall pay the remainder of County Tax Increment, if any, to the County. The Salt Lake County Treasurer shall

continue to pay any and all tax revenues attributable to the County's Tax Levies on the Base Taxable Value of the Project Area to the County. However, the Parties agree that if, during the Tax Increment Collection Period, the Agency or City seeks additional funds from the County in relation to the Project Area—whether tax increment, transportation funds, or otherwise—the County may, in its sole discretion, require the Agency to renegotiate and amend the terms of this Agreement as a condition to providing the additional requested funding.

(b) Annual Rebate. Notwithstanding Subsection 2.2(a), the Parties hereby agree that for each tax year during the Tax Increment Collection Period, the Agency shall transfer an amount equal to 25% of any County Tax Increment it receives from the Salt Lake County Treasurer under this Agreement—that is, an amount equal to 25% of the County's Contribution—to the County (the "Annual Rebate"). The Agency's transfer of the Annual Rebate to the County each year shall occur no later than three months following the Agency's receipt of County Tax Increment from the Salt Lake County Treasurer. The amount equal to the County's Contribution less the Annual Rebate is hereinafter referred to as the "Agency's Share." Thus, for the purposes of this Agreement, the Agency's Share is generally equal to 75% of County Tax Increment (unless, for example, the Agency's Share is reduced under Subsection 2.6(a)(1) below or a reduction to the County's Contribution is triggered under Subsections 2.2(c) or (d) below). However, the Parties agree that if the Annual Rebate in this Subsection 2.2(b) is ever held to be invalid or unenforceable by a court of competent jurisdiction or as a result of legislative or administrative action, or if the County ever provides a written notice to the Agency calling for the elimination of the Annual Rebate in this Subsection 2.2(b) from the Agreement for any other reason, then the Parties agree that, in lieu of the Annual Rebate under this Subsection 2.2(b) and starting with the next tax year for which County Tax Increment has not already been paid to the Agency, the County's Contribution under Subsection 2.2(a) will be reduced by 25%—in addition to any reduction to the County's Contribution triggered under Subsections 2.2(c)—and that the Salt Lake County Treasurer shall pay the remainder of County Tax Increment directly to the County. Furthermore, if a reduction to the County's Contribution is triggered under this Subsection 2.2(b), the Agency agrees that it will not seek repayment of and will waive any claim to any portion of the Annual Rebate that has already been paid to the County.

(c) County Administrative Fee. Notwithstanding Subsection 2.2(a) and in addition to Subsections 2.2(b), the Parties hereby agree that for each tax year during the Tax Increment Collection Period, the Agency shall transfer an amount equal to 2.5% of any County Tax Increment it receives from the Salt Lake County Treasurer under this Agreement to the County for use by the County to cover costs associated with evaluating its participation in the Project Area and ongoing administration of this Agreement (the "County Administrative Fee"). The Agency's transfer of the County Administrative Fee to the County each year shall occur no later than three months following the Agency's receipt of County Tax Increment from the Salt Lake County Treasurer. However, the Parties agree that if the County Administrative Fee in this Subsection 2.2(c) is ever held to be invalid or unenforceable by a court of competent jurisdiction or as a result of legislative or administrative action or if the County ever provides a written notice to the

Agency calling for the elimination of the County Administrative Fee in this Subsection 2.2(c) from the Agreement for any reason, then the Parties agree that, in lieu of the County Administrative Fee under this Subsection 2.2(c) and starting with the next tax year for which County Tax Increment has not already been paid to the Agency, the County’s Contribution under Subsection 2.2(a) will be reduced by 2.5% in addition to any reduction to the County’s Contribution triggered under Subsections 2.2(b)—and that the Salt Lake County Treasurer shall pay the remainder of County Tax Increment to the County. Furthermore, if a reduction to the County’s Contribution is triggered under this Subsection 2.2(c), the Agency agrees that it will not seek repayment of and will waive any claim to any portion of the County Administrative Fee that has already been paid to the County.

(d) Affordable Housing Set-Aside. Notwithstanding the foregoing, the Parties hereby agree that for each tax year during the Tax Increment Collection Period, the Agency shall retain an amount equal to 10% of any Tax Increment it receives and retains from the Salt Lake County Treasurer—that is, an amount equal to 10% of the Tax Increment generated by all Taxing Entities and paid to the Agency and which the Agency is not required to transfer to a Taxing Entity through a rebate provision, an administrative fees provision, or any similar provisions (the “Affordable Housing Set-Aside”)— for use as provided in Section 17C-1-412(1)(a). Agency agrees to spend at least 90% of its Affordable Housing Set-Aside within 5 years of receipt for projects that satisfy Section 17C-1-412(1)(a).

2.3. Tax Increment Cap. The total amount of County Tax Increment paid to the Agency from the Project Area during the Tax Increment Collection Period after deducting any Annual Rebates made to the County under Subsection 2.2(b) may not exceed the following limits:

(a)	Countywide Tax Levy:	\$6,531,751.00 (“ <u>Countywide Cap</u> ”)
(b)	<u>Library Tax Levy</u> :	\$1,581,580.00 (“ <u>Library Cap</u> ”)
	<u>TOTAL</u>	\$8,113,331.00

The Countywide Cap and Library Cap will be proportionally reduced by the amount of any direct expenditures made by the County in the Project Area at the request of the Agency during the Tax Increment Collection Period (or any extension thereof), including, but not limited to, expenditures related to the design, development, construction, or maintenance of infrastructure or amenities.

2.4. Tax Rate Increases. Unless the County specifically consents in writing through an amendment to this Agreement or in a separate agreement, the Parties agree that the Agency will not be entitled to any portion of County Tax Increment resulting from an increase in the tax rate of the County’s Tax Levies that occurs after the Base Tax Year that is attributable to a tax rate increase enacted pursuant to the requirements of Utah Code Ann. § 59-2-919 (i.e., a Truth-in-Taxation tax rate increase) or the issuance of bonds.

2.5. Conditions Precedent to Contribution of Tax Increment. The Parties agree that

this Agreement will terminate and the County will have no obligation to contribute County Tax Increment to the Agency under Section 2.2, unless the following conditions have been satisfied within one hundred eighty (180) days following the Effective Date of this Agreement:

(a) Document Transmission and Recordation. The Agency has transmitted and recorded all necessary documents in accordance with Section 17C-5-111 of the Act.

(b) Project Area and Plan. The Agency has approved and adopted the Project Area Plan and Plan Budget in substantially the form attached hereto as **EXHIBIT A** and **EXHIBIT B**, respectively.

Interlocal Agreement – City. Pursuant to Sections 17C-5-204 and 17C-5-205, the Agency has entered into an interlocal cooperation agreement with the City wherein the City has agreed to contribute 75% of its Tax Increment to the Agency for the duration of the Tax Increment Collection Period.

(c) Interlocal Agreement – Other Taxing Entities. Pursuant to Sections 17C-5-204 and 17C-5-205, the Agency has entered into an interlocal cooperation agreement with each taxing entity identified in the Project Area Budget wherein each taxing entity has agreed to contribute their Tax Increment in the amount, at the level, and for the duration specified in the Project Area Budget. Notwithstanding the foregoing, the Agency is not required to enter into an interlocal cooperation agreement with the Salt Lake Valley Law Enforcement Service Area (SLVLESA)—or an interlocal cooperation agreement with SLVLESA may be for a shorter duration than the Tax Increment Collection Period—if and to the extent that: (1) SLVLESA no longer levies a property tax within the Project Area, and (2) the City (i) commits via an interlocal cooperation agreement with the Agency to levy additional property tax within the Project Area in lieu of any property tax formerly levied by SLVLESA in the Project Area and (ii) commits to contribute the tax increment resulting from such additional property tax to the Agency in order to carry out the Project Area Plan and fulfill the Project Area Budget.

(d) No Default. No Event of Default has occurred under this Agreement beyond any applicable cure period, and no event, circumstance or condition has occurred or exists which, with the passage of time or the giving of notice, would constitute an Event of Default under this Agreement.

2.6. Performance Benchmark.

(a) Unless the total taxable value within the Project Area listed under Subsection 2.6(b) meets or exceeds 80% of value shown in the Project Area Budget prior to September 30th of the seventh (7th) tax year of the Tax Increment Collection Period, then, starting with the eighth (8th) tax year of the Tax Increment Collection Period, the Parties shall negotiate in good faith to amend this Agreement to extend the time for the Project Area to meet or exceed 80% of the value shown in the Project Area Budget. If, after good faith negotiations, the Parties determine that the Project Area cannot meet or exceed 80% of the value shown in the Project Area Budget, the Parties agree that:

(1) the Agency’s Share of County Tax Increment under Subsection 2.2(b) will be reduced to 50% of County Tax Increment for the remainder of the Tax Increment Collection Period, either by increasing the Annual Rebate under Section 2.2(b) to 50% or, in the event the Annual Rebate has been eliminated, by reducing the County’s Contribution under Subsection 2.2(a) to 50%;

(2) the total amount of County Tax Increment that may be paid to the Agency during the Tax Increment Collection Period after deducting any Annual Rebates made to the County under Subsection 2.2(b)—that is, the Countywide Cap and Library Cap—will be reduced to the following amounts:

(i)	Countywide Tax Levy:	\$3,265,876.00
(ii)	<u>Library Tax Levy:</u>	<u>\$ 790,790.00</u>
	TOTAL	\$4,056,666.00

(b) Performance benchmarks:

(1) The assessed taxable value of Property within the Project Area, as determined by the Salt Lake County Assessor’s Office and the Utah State Tax Commission, has exceeded One Hundred Nineteen Million, Eight Hundred Eighty Thousand and Eight Hundred Eighty-Five Dollars and Sixty Cents (\$119,880,885.60) on the lien date of any of the first seven (7) tax years of the Tax Increment Collection Period. This benchmark assessed taxable value is equal to eighty percent (80%) of the total assessed value projected by the Agency for the seventh year of the Tax Increment Collection Period in its Project Area Budget ($\$149,851,107 \times 0.80 = \$119,880,885.60$).

(2) The Agency has completed at least \$9.6 million of infrastructure improvements as identified in the Project Area Plan. The \$9.6 million figure is equal to approximately eighty percent (80%) of the \$12,030,772 of infrastructure improvements identified in Appendix G, Section 3 of the Project Area Plan ($\$12,030,772 \times 0.80 = \$9,624,617.60$).

Prior to September 30th of the seventh (7th) tax year of the Tax Increment Collection Period, the Agency has complied with the Affordable Housing Set-Aside requirements outlined in Subsection 2.2(d).

ARTICLE 3 -- ALLOWABLE USES OF COUNTY TAX INCREMENT

3.1. Allowable Project-Related Costs. The Agency shall use County Tax Increment paid to the Agency under this Agreement to pay for:

(a) Publicly Owned Infrastructure and Improvements. The cost of the installation of Publicly Owned Infrastructure and Improvements within the Project Area that are consistent with the Project Area Plan.

3.2. Allowable Agency Administrative Costs. The Agency may use up to 2.5% of County Tax Increment paid to the Agency under this Agreement to reimburse itself for

administrative costs.

ARTICLE 4 - REPRESENTATIONS

4.1. **Representations.** To induce the County to execute and perform this Agreement, the Agency hereby represents to the County as follows:

(a) **Local Community Contribution.** The Agency and the City have entered into or will enter into an interlocal cooperation agreement wherein the City has agreed to contribute 75% of its Tax Increment to the Agency for the duration of the Tax Increment Collection Period.

(b) **Sufficiency of Tax Increment.** To the best of the Agency's current knowledge, the amount of Tax Increment that the Agency expects to receive from all taxing entities that levy a tax in the Project Area, as indicated in the Project Area Budget attached hereto as **EXHIBIT B**, is sufficient to carry out and accomplish the objectives of the Project Area Plan.

(c) **Legal Requirements.** To the best of the Agency's current knowledge after investigation and due inquiry, the Agency is not in violation of any Legal Requirements and no violation of any Legal Requirements exists with respect to the establishment of the Project Area.

(d) **No Violation of Other Agreements.** The consummation of the transactions contemplated by this Agreement and the performance of this Agreement will not result in any breach of, or constitute a default under, any agreement or other instrument to which the Agency is a party or by which it may be bound or affected.

(e) **Information.** To the best of the Agency's current knowledge, the information furnished to the County by the Agency in connection with the CRA Participation Request, attached hereto as **EXHIBIT C**, is true and accurate.

4.2. **Effect of Disbursement of County Tax Increment to Agency.** The Agency agrees that its receipt of County Tax Increment under this Agreement each year during the Tax Increment Collection Period, constitutes an affirmation that the representations of this Article remain true and correct as of the date thereof, unless the County is notified to the contrary prior to the Agency's receipt of County Tax Increment.

ARTICLE 5 -- COVENANTS AND AGREEMENTS

5.1. **Agency Disclosure Report.** For each tax year during the Tax Increment Collection Period, the Agency shall prepare and submit an annual disclosure report to the County Council and the County Mayor no later than May 1st of the following year. The disclosure report shall include the information and documentation called for in Countywide Policy No. 1155, attached hereto as **EXHIBIT D**. The Agency shall also submit any information requested by the County relating to the Project Area through a web-based reporting system established by the County.

5.2. Construction of Project. The Agency shall cause the development in the Project Area to be prosecuted with due diligence and continuity and shall complete the development in the Project Area in accordance with the Project Area Plan, the Project Area Budget, and the terms of this Agreement.

5.3. Costs and Expenses. The Agency shall pay all costs and expenses required in connection with its obligations under this Agreement.

5.4. Recordkeeping. The Agency shall maintain records adequate to identify the use of County Tax Increment for the purposes specified in this Agreement. The Agency shall make its books and records available to the County and its representatives at reasonable times.

5.5. Right to Verify and Audit. The County reserves the right to verify the information furnished to the County by the Agency in connection with the CRA Participation Request and to audit the Agency's use of the County's Tax Increment within the Project Area, including County Tax Increment, received by the Agency under this Agreement. If the County requests an audit of the Agency's use of the County's Tax Increment within the Project Area, the Agency agrees to cooperate fully with the County and its representatives in the performance of the audit.

5.6. Noncompliance. The Agency agrees that the County may withhold its Tax Increment or require repayment of County Tax Increment from the Agency for noncompliance with this Agreement, for failure to comply with directives regarding the use of Tax Increment, or for misuse of Tax Increment.

5.7. No Officer or Employee Interest. The Agency represents and agrees that no officer or employee of the Agency or the County has or shall have any pecuniary interest, direct or indirect, in this Agreement or the proceeds resulting from the performance of this Agreement.

5.8. Ethical Standards. The Agency represents that it has not: (a) provided an illegal gift in connection with this Agreement to any County officer or employee, or former County officer or employee, or to any relative or business entity of a County officer or employee, or relative or business entity of a former County officer or employee; (b) retained any person to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees of bona fide commercial agencies established for the purpose of securing such agreements; (c) breached any of the ethical standards in connection with this Agreement set forth in State statute or Salt Lake County Code of Ordinances § 2.07; or (d) knowingly influenced, and hereby promises that it will not knowingly influence, in connection with this Agreement, any County officer or employee or former County officer or employee to breach any of the ethical standards set forth in State statute or Salt Lake County ordinances.

5.9. No Sales Tax Contribution. This Agreement does not include a contribution of sales and use tax, and the Agency shall not seek a contribution of sales and use tax from the County with respect to the Project Area.

5.10. Affordable Housing Set-Aside. The Agency shall spend at least 90% of its

Affordable Housing Set-Aside, within 5 years of receipt, for projects that satisfy Section 17C-1-412(1)(a). The covenant contained in this Section 5.11 is intended to survive expiration or termination of this Agreement.

ARTICLE 6 -- DEFAULTS AND REMEDIES

6.1. Agency Event of Default. The occurrence of any one or more of the following shall constitute an “Event of Default” as such term is used herein:

(a) Any representation or statement made by (or on behalf of) the Agency in this Agreement or in connection with the Agency’s CRA Participation Request proves untrue in any material respect.

(b) Failure of the Agency to comply with any of the terms, conditions, covenants, or provisions of this Agreement that is not fully cured by the Agency on or before the expiration of a thirty (30) day period commencing upon the County’s written notice to the Agency of the occurrence thereof.

(c) The Agency makes changes to the Project Area Plan or the Project Area Budget without prior written consent from the County.

(d) The Agency’s use of County Tax Increment or Tax Increment differs materially from the uses identified and contemplated by the Project Area Plan and Project Area Budget.

(e) The Agency’s actions or activities within the Project Area materially deviate from those authorized by the Act.

(f) A Material Adverse Change has occurred that is not fully cured by the Agency on or before the expiration of a thirty (30) day period commencing upon the County’s written notice to the Agency of the occurrence thereof.

(g) The failure of any developer or contractor that has entered into a Participation Agreement with the Agency to complete a material portion of the redevelopment within the Project Area, whether such failure is due to bankruptcy, insolvency, economic conditions or otherwise, and the failure of the Agency to cause the such redevelopment to be completed by a new substitute developer or contractor within three-years of the completion date contemplated by the Project Area Plan and Project Area Budget for such redevelopment.

6.2. County’s Remedies in the Event of Default. Upon the occurrence of any Event of Default, the County may, in its sole discretion, and in addition to all remedies conferred upon the County by law or equity and other provisions of this Agreement, pursue any one or more of the following remedies concurrently or successively, it being the intent hereof that none of such remedies shall be to the exclusion of any other:

(a) Direct the Salt Lake County Auditor and/or Salt Lake County Treasurer to withhold further disbursement of County Tax Increment to the Agency; and/or

- (b) Direct the Salt Lake County Auditor and/or Salt Lake County Treasurer to reduce the amount of any disbursement of County Tax Increment to the Agency; and/or
- (c) Terminate this Agreement.

ARTICLE 7 – GENERAL PROVISIONS

7.1. **Effective Date.** This Agreement will become effective immediately upon the completion of the following: (i) the approval of the Agreement by the governing bodies of the County and the Agency, including the adoption of any necessary resolutions or ordinances by the County and the Agency authorizing the execution of this Agreement by the appropriate person or persons for the County and the Agency, respectively, (ii) the execution of this Agreement by a duly authorized official of each of the Parties, (iii) the submission of this Agreement to an attorney for each Party that is authorized to represent said Party for review as to proper form and compliance with applicable law, pursuant to Section 11-13-202.5 of the Interlocal Cooperation Act, and the approval of each respective attorney, (iv) the filing of a copy of this Agreement with the keeper of records of each Party, and (v) the publication of a summary of this Agreement pursuant to Section 17C-5-205 of the Act (the “Effective Date”).

7.2. **Termination.** This Agreement will terminate on the earlier of the following: (i) 180 days after the Effective Date of this Agreement, if the conditions listed in Section 2.5 have not been satisfied prior to that date; (ii) the Agency Share has reached the amount set forth in Section 2.3 above; (iii) the date that the Tax Increment Collection Period expires; or (iv) the date the County terminates this Agreement due to an Event of Default under Section 6.1.

7.3. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Interlocal Act in connection with this Agreement, the Parties agree as follows:

- (a) This Agreement shall be authorized by a resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Interlocal Act.
- (b) This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney in behalf of each Party pursuant to and in accordance with Section 11-13-202.5 of the Interlocal 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 Interlocal Act.
- (d) The term of this Agreement, including any extensions, shall not exceed fifty (50) years pursuant to Section 11-13-216 of the Interlocal Act.
- (e) Except as otherwise specifically provided herein, each Party shall be responsible for its own costs of any action done pursuant to this Agreement, and for any financing of such costs.

(f) No separate legal entity is created by the terms of this Agreement and no facility or improvement will be jointly acquired, jointly owned, or jointly operated by the Parties under this Agreement.

(g) To the extent this Agreement requires administration other than as set forth herein, it shall be administered by the chief administrative officer of each Party pursuant to Section 11-13-207 of the Interlocal Act.

7.4. Publication of Notice. Immediately after execution of this Agreement by the Parties, the Agency shall cause to be published a notice regarding this Agreement and the Parties' resolutions authorizing this Agreement, as provided and allowed pursuant to Section 11-13-219 of the Interlocal Act and in accordance with Section 17C-5-205 of the Act. The County agrees that the Agency shall cause such publication of notice to be made on the County's behalf and at the Agency's expense, in a joint publication.

7.5. Notices.

(a) Form of Notice. All notices, communications, requests, and waivers required or permitted under this Agreement ("Notices") must be in writing and must be signed by a person duly authorized to provide such notice.

(b) Method of Notice. All Notices shall be given (i) by delivery in person, (ii) by a nationally recognized next day courier service; or (iii) by first class, registered or certified mail, postage prepaid. Notices may also be given by electronic mail, provided that any such communication is concurrently given by one of the methods set forth in the preceding sentence. All Notices shall be addressed in each case as follows (or to such other address as either party may specify in writing from time to time):

To Agency: Redevelopment Agency of West Valley City
Attn: Nicole Cottle
3600 S. Constitution Blvd.
West Valley City, Utah 84119

With a copy to: West Valley City Attorney's Office
3600 S. Constitution Blvd.
West Valley City, Utah 84119

To County: Salt Lake County
Office of Regional Development
2001 South State Street, S2-100
PO Box 144575
Salt Lake City, Utah 84114-4575
Attn: Mr. Stuart Clason

With a copy to: Office of the District Attorney
Civil Division
35 East 500 South

Salt Lake City, Utah 84111
Attn: Ms. Dianne Orcutt

(c) Receipt of Notice. All Notices sent pursuant to this Section will be deemed to have been duly given: (i) if delivered in person, on the date of delivery, (ii) if transmitted by national overnight courier (with confirmation of delivery), on the next federal banking day immediately following the day sent, or (iii) if sent by registered or certified mail, then on the earlier of the third federal banking day following the day sent or when actually received.

7.6. Governmental Immunity, Liability, and Indemnification.

(a) Governmental Immunity. Both Parties are governmental entities under the Governmental Immunity Act of Utah, §§ 63G-7-101 *et seq.* (the “Immunity Act”). Neither Party waives any defenses or limits of liability available under the Immunity Act and other applicable law. Both Parties maintain all privileges, immunities, and other rights granted by the Immunity Act and all other applicable law.

(b) Liability and Indemnification. The County and the Agency agree to be liable for their own negligent acts or omissions, or those of their authorized employees, officers, and agents while engaged in the performance of the obligations under this Agreement, and neither the County nor the Agency will have any liability whatsoever to the other Party or any third party for any negligent act or omission of the other Party, its employees, officers, or agents. However, the Agency shall indemnify, defend, and hold harmless the County, its officers, employees and agents (the “Indemnified Parties”) from and against any and all actual or threatened claims, losses, damages, injuries, debts, and liabilities of, to, or by third parties, including demands for repayment or penalties, however allegedly caused, resulting directly or indirectly from, or arising out of: (i) the Agency’s breach of this Agreement; (ii) any acts or omissions of or by the Agency, its agents, representatives, officers, employees, or subcontractors in connection with the performance of this Agreement; (iii) or the Agency’s use of County Tax Increment. The Agency agrees that its duty to defend and indemnify the Indemnified Parties under this Agreement includes all attorney’s fees, litigation and court costs, expert witness fees, and any sums expended by or assessed against the County for the defense of any claim or to satisfy any settlement, arbitration award, debt, penalty, or verdict paid or incurred on behalf of the County. The Parties agree that the requirements of this Paragraph will survive the expiration or sooner termination of this Agreement.

7.7. Modification and Amendment. This Agreement may be amended, enlarged, modified or altered only by an instrument in writing signed by the Parties. If the modification or amendment is material, the modification or amendment will become effective immediately upon the completion of the following: (i) the approval of the amendment by the governing bodies of the County and the Agency, including the adoption of any necessary resolutions or ordinances by the County and the Agency authorizing the execution of the amendment by the appropriate person or persons for the County and the Agency, respectively, (ii) the execution of the amendment by a duly authorized official of each of the Parties, (iii) the submission of the

amendment to an attorney for each Party that is authorized to represent said Party for review as to proper form and compliance with applicable law, pursuant to Section 11-13-202.5 of the Interlocal Act, and the approval of each respective attorney, (iv) the filing of a copy of the amendment with the keeper of records of each Party, and (v) the publication of a summary of the amendment pursuant to Section 17C-5-205 of the Act.

7.8. Further Documents and Acts. Each of the Parties hereto agrees to cooperate in good faith with the other 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 intent and transactions contemplated under this Agreement.

7.9. Entire Agreement. This Agreement and the exhibits attached hereto constitute the entire agreement between the Parties pertaining to the subject matter hereof, and all prior agreements, representations, negotiations and understandings of the Parties hereto, oral or written, express or implied, are hereby superseded by this Agreement. This Agreement may not be enlarged, modified or altered, except in writing, signed by the Parties as explained in Section 7.7 above.

7.10. No Waiver. The failure of either Party at any time to require performance of any provision or to resort to any remedy provided under this Agreement will in no way affect the right of that Party to require performance or to resort to a remedy at any time thereafter. Additionally, the waiver of any breach of this Agreement by either Party will not constitute a waiver as to any future breach, and 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.

7.11. No Obligations to Third Parties. The Parties agree that the Agency's obligations under this Agreement are solely to the County and that the County's obligations under this Agreement are solely to the Agency. The Parties do not intend to confer any rights to third parties unless otherwise expressly provided for under this Agreement.

7.12. Agency. No officer, employee, or agent of one Party is intended to be an officer, employee, or agent of the other Party. None of the benefits provided by one Party to its employees including, but not limited to, workers' compensation insurance, health insurance and unemployment insurance, are available to the officers, employees, or agents of the other Party. The Agency and the County will each be solely and entirely responsible for its acts and for the acts of its officers, employees, or agents during the performance of this Agreement.

7.13. Assignment. No Party may assign its rights, duties or obligations under this Agreement without obtaining prior written consent from the other Party.

7.14. Governing Law and Venue. The laws of the State of Utah govern all matters arising out of this Agreement. Venue for any and all legal actions arising hereunder will lie in the District Court in and for the County of Salt Lake, State of Utah.

7.15. Severability. If any provision of this Agreement and any related document shall be held invalid or unenforceable by any court of competent jurisdiction or as a result of future

legislative action, and if the rights or obligations of any Party hereto under this Agreement will not be materially and adversely affected thereby, the Parties agree that:

- (a) such holding or action will be strictly construed;
- (b) such provision will be fully severable;
- (c) this Agreement will be construed and enforced as if such provision had never comprised a part hereof;
- (d) the remaining provisions of this Agreement and related documents will remain in full force and effect and will not be affected by the invalid or unenforceable provision or by its severance from this Agreement; and
- (e) in lieu of such illegal, invalid, or unenforceable provision, the Parties hereto will use commercially reasonable efforts to negotiate in good faith a substitute, legal, valid, and enforceable provision that most nearly effects the Parties' intent in entering into this Agreement.

7.16. Survival of Certain Provisions. All provisions of this Agreement which expressly or impliedly contemplate performance after expiration or termination hereunder shall survive such expiration or termination.

7.17. Counterparts. This Agreement may be executed in counterparts and all so executed will constitute one agreement binding on all the Parties, it being understood that all parties need not sign the same counterpart. Further, executed copies of this Agreement delivered by facsimile or email will be deemed an original signed copy of this Agreement.

Each Party hereby signs this Interlocal Cooperation Agreement on the date written by each Party on the signature pages attached hereto.

[The balance of this page was left blank intentionally – Signature pages follow]

INTERLOCAL AGREEMENT -- SIGNATURE PAGE FOR COUNTY

SALT LAKE COUNTY:

By _____
Mayor Ben McAdams or Designee

Dated: _____, 2018

Approved as to Form and Legality:

SALT LAKE COUNTY DISTRICT ATTORNEY

By _____
Deputy District Attorney

[Signatures continue on next page.]

INTERLOCAL AGREEMENT -- SIGNATURE PAGE FOR AGENCY

REDEVELOPMENT AGENCY OF WEST VALLEY CITY:

By _____

Name: _____

Title: _____

Dated: _____, 2018

Approved as to Form and Legality:

ATTORNEY FOR AGENCY

By _____

Name: _____

Attorney for Agency

Dated: _____, 2018

LIST OF EXHIBITS

- | | |
|-----------|---|
| EXHIBIT A | Project Area Plan |
| EXHIBIT B | Project Area Budget |
| EXHIBIT C | Redevelopment Agency of West Valley City City's CRA Participation Request |
| EXHIBIT D | Countywide Policy No. 1155 |

Exhibit A

I. Boundaries of the Project Area

A legal description and map of the Project Area are attached as Exhibits A and B.

II. Existing Land Uses, Principal Streets, and Population and Building Densities

The Project Area is located along and in certain areas adjacent to 3500 South between I-215 and 3600 West. Existing land uses vary, but include a significant amount of aging retail stock, restaurant uses, and similar uses. The area also includes certain public buildings, including the West Valley City Justice Court and Public Safety Buildings.

3500 South is a state highway (SR-171) and is a significant arterial connection between the east and west sides of the Salt Lake Valley. The Project Area also includes portions of 2700 West (Constitution Boulevard) and 3200 West, both of which are significant north-south arterials within the City. The intersection of 3500 South and 2700 West and points nearby represent the downtown area of the City and have been a substantial focus for City and Agency development and redevelopment efforts for several years.

The Project Area is primarily occupied by commercial uses and vacant ground, although single family and multifamily residential development exists in the areas adjacent to the Project Area. Single family residential uses predominate in the areas immediately north of the Project Area, while single family and multifamily residential uses exist south of the Project Area. The majority of the Project Area is composed of parcels with buildings, although some vacant ground does exist, particularly in the southern portion of the Project Area. Many of the buildings within the Project Area are either vacant or underutilized and deferred maintenance is a significant concern within the Project Area.

The development of the Project Area is likely to increase the intensity and quality of commercial development within the Project Area. Development is unlikely to change the predominantly commercial use of the Project Area, but may transition certain areas from retail use or vacancy to other commercial uses. Development is unlikely to result in a need or demand to realign the principal streets within the Project Area, although certain changes to rights-of-way may occur.

III. Standards to Guide Project Area Development

Project Area development will be encouraged to conform to the City's General Plan. The standards articulated by the General Plan will be discussed in Section V below.

The predominant zoning in the Project Area is CC (City Center) and C-2 (Commercial). Development within the CC Zone will be required to meet the standards of the City Center Zone, which encourage the creation of a recognizable downtown area within the City and require excellence in design and material choices. The CC Zone requires that land uses be consistent with the City's desire to promote a clear, cohesive downtown area. The C-2 Zone permits a somewhat broader range of commercial uses, but is nevertheless consistent with the City's desire to promote the creation and support of a downtown center in the City.

Project Area development will emphasize the development of sustainable job creation and economic opportunity within the City. An essential Agency goal in and around the Project Area is to ensure that a variety of economic opportunities are available to the residents of the City and to others who would work in or relocate to the City. The Agency will seek development that supports this end by bringing diverse commercial uses and other related uses that offer an array of employment, services, and amenities to the community at large.

The Agency will promote excellence in design and aesthetic quality in the development of the Project Area. In addition to supporting the creation and expansion of the City's downtown center, aesthetic quality enhances the image of the City generally and the Project Area specifically. Development reflecting the highest aesthetic values will promote the image of the City and the Project Area as a hub for economic activity and development.

The Agency will seek to attract development and land uses within the Project Area that is both complementary to existing uses in the surrounding areas and offers opportunities that do not currently exist within the Project Area. To the extent Utah Code Section 9-8-404 and 17C-5-106 are applicable, the Agency shall comply with those provisions.

IV. Project Area Development and the Purposes of Title 17C

The development of the Project Area will further the purposes of Title 17C in several ways. First, much of the existing development within the Project Area is aging and requires additional support to ensure that the City's downtown area remains a vibrant center of community and economic activity. Vacant land in a downtown area and excessive long-term vacancy poses a substantial challenge for the creation and maintenance of economic activity. By developing the Project Area, this area will remain a substantial asset to the City and the Project Area. The central purpose of Title 17C is to support such efforts to maintain and expand existing areas of opportunity.

Second, the Project Area is focused on an intersection of major streets, community amenities, and substantial development opportunities. Title 17C seeks to promote efforts to leverage existing resources and development patterns to proactively address redevelopment challenges. By choosing a targeted area with access to substantial transportation resources, the Agency is furthering the goal of ensuring that project areas have the best opportunity to succeed and thrive as an asset to the surrounding community.

Third, the Project Area is located near areas where public participation in redevelopment efforts has yielded substantial benefits. Title 17C seeks to maximize private investment and to use public resources where they offer the most substantial rate of return. In areas immediately adjacent to and near the Project Area, public investment has resulted in a much larger private investment of resources, which has led to extremely successful projects. Based on previous experience near the Project Area, the objective of maximizing private investment and encouraging the largest possible rate of return is met here.

Finally, the visibility of the Project Area within the context of the City specifically and the Wasatch Front generally encourages the largest possible impact of development. The Project

Area is in the most highly visible and central area of the City and is within minutes of critical regional resources, including Salt Lake International Airport, I-215, the Maverik Center, an intermodal UTA transportation hub, large public parks, and governmental facilities. The success of the Project Area will not only offer benefits in the immediate Project Area, but will have a positive effect on surrounding communities, promoting the economic health, vitality, and sustainability of the community and the Salt Lake Valley.

V. Project Area Development and the West Valley City General Plan

The City's General Plan and Fairbourne Station Vision calls for commercial and office uses in the Project Area, which is consistent with the anticipated redevelopment of the Project Area. The creation of the Project Area and implementation of this Project Area Plan is likely to significantly increase the feasibility of such uses coming to and remaining in the Project Area.

In addition, the City's General Plan establishes five guiding principles for land use within the City:

- 1) Preservation and enhancement of single family neighborhoods
- 2) Encouragement of industrial and commercial development
- 3) Encouraging retail and commercial development in areas with existing commercial zoning
- 4) Promotion of transit-oriented development
- 5) Encouragement of high value housing on large lots

Development within the Project Area will be in harmony with all five guiding principles.

First, the Project Area's vitality will directly enhance the value and sustainability of residential neighborhoods adjacent to the Project Area. Although there are no single family neighborhoods within the Project Area, the neighborhoods adjacent to the Project Area will be supported by the presence of desirable amenities in the immediate vicinity and the reduction of suboptimal development that might threaten property values.

Second, this Project Area Plan directly encourages the commercial development envisioned within the General Plan and the Fairbourne Station Vision. The Project Area is defined by the General Plan as an "opportunity corridor" that is particularly well suited to commercial development and that is especially valuable to the City in the context of this development.

Third, the Project Area is composed entirely of property that is currently zoned for appropriate retail and commercial development. Additional rezoning, while possible, is not necessary to facilitate retail and commercial development. The Project Area would not attempt to transition an area from noncommercial use to commercial use, but would retain the commercial use of an existing area. Supporting the Project Area and promoting commercial development through the implementation of this Project Area Plan will further the goal of ensuring that necessary commercial development occurs in areas that are currently zoned for that use.

Fourth, the Project Area is located very near a UTA intermodal transit hub that offers express bus, local bus, and light rail service to the City and surrounding communities. Transit oriented development requires the encouragement of additional density in areas that are adjacent to transit opportunities. The Project Area offers a unique opportunity for transit oriented development because it is located near both substantial transit opportunities and the I-215/3500 South interchange, making the Project Area an optimal site for vital commercial and office development.

Finally, while the Project Area does not directly concern large lot residential development, the encouragement of additional commercial development and office uses will offer substantial economic opportunities to the citizens of the City, which will promote employment opportunities that are consistent with additional high value residential development.

VI. Development Objectives of the Project Area Plan

The development objectives of the Project Area Plan are summarized in Sections III, IV, and V above. As the Fairbourne Station Vision explains, 3500 South between 2700 West and 3200 West is envisioned as a primary commercial corridor of the City offering attractive architecture, pedestrian access, and access to the remainder of Fairbourne Station. The City envisions a greater density and intensity of uses in the immediate area of the 3500 South/Constitution Boulevard.

Ideal development will include ground-level retail or vendor space, opportunities for pedestrian interaction, or enhanced landscaping to create an inviting environment. Development within the Project Area should also support the high intensity residential uses immediately south of the Project Area, offering both employment and commercial opportunities to residents and adjacent communities.

A major consideration will be the establishment of commercial and office uses with a substantial expected life and the ability to contribute to a thriving downtown area for the City.

VII. Participant Selection

Participants will be selected based on their willingness and ability to implement the goals set forth in this Project Area Plan. Specifically, the ideal participant would have experience in substantial commercial development and a reputation for architectural excellence. Development should conform to the City's General Plan and Fairbourne Station vision and implement the principles set forth in those documents. Additionally, the ideal participant would offer substantial private investment that maximizes the effect of any public participation.

VIII. Reasons for Selection of the Project Area

The Project Area was identified as a viable candidate for redevelopment for several reasons:

- 1) The Project Area has substantial aging, underutilized, and/or vacant commercial and office usage that is unlikely to make an optimal contribution to the community without redevelopment.
- 2) Redevelopment efforts in the immediate vicinity of the Project Area have been highly successful and have effected a major turnaround in those areas.
- 3) Redevelopment of the Project Area will offer a support to the adjacent development and neighborhoods, including areas with substantial public and private commitments and existing single family neighborhoods.
- 4) The Project Area is envisioned by the General Plan and the Fairbourne Station Vision as a critical point of access, gateway, and central downtown core of the City. Supporting the Project Area offers a major support to the core planning and development objectives of the City.
- 5) The Project Area is immediately adjacent to substantial transportation resources, including the UTA intermodal transit hub, I-215, and major arterial streets within the City.
- 6) The Project Area offers an existing area that is planned for commercial and office use with appropriate zoning and land use regulations to support dynamic development in the Project Area.

IX. Physical, Social, and Economic Conditions in the Project Area

The physical configuration of the Project Area is described in Sections I and II above. The Project Area is centered around 3500 South, which is a major arterial and avenue for east-west traffic through the City. The majority of the Project Area has some level of development in place, but substantial existing developments are vacant, underutilized, or not adequately maintained. The Project Area is adjacent to a large hotel, multifamily residential, single family residential, and retail development at the Valley Fair Mall.

The Project Area is at the core of the City's downtown area and is a major gathering point for economic and recreational opportunities for residents of the City and surrounding communities. Existing development in the Project Area does not offer optimal opportunities for interaction with surrounding development and smooth pedestrian access through the Project Area. The Project Area is located near the City's Promenade Park at the core of the Fairbourne Station development. The Project Area is within one half mile of community resources such as the UTA intermodal hub, Granger High School, and various churches and community gathering places.

The Project Area represents a substantial component of the City's downtown area and is intended to be a focal point of economic activity and development within the City. Due to various challenges and impediments to development, many properties within the Project Area are underutilized and do not offer their optimal contribution to the economy of the City. In the properties adjacent to the Project Area, redevelopment efforts and private investment have created a substantial amount of economic activity, including the development of lodging facilities, multifamily residential development, and expansion of existing retail uses.

X. Financial Assistance Offered to Participants

Financial assistance to participants will be targeted to maximize private investment and remove impediments to development within the Project Area. Where feasible, assistance will be offered on a post-performance basis and will seek to encourage development consistent with the General Plan and the Fairbourne Station Vision. Financial assistance within the Project Area will likely be based on tax increment received, which requires progress toward development goals before any assistance is received. Further information concerning the expected return on public investment is contained within the remainder of this Project Area Plan, the Project Area Budget, and the benefit analysis contained in Section XII below.

XI. Project Area Classification

The Project Area will be subject to interlocal agreements between the Agency and the taxing entities. The power of eminent domain and the TEC are not part of this Project Area Plan.

XII. Benefit Analysis

This benefit analysis is prepared and submitted pursuant to Utah Code Section 17C-5-105. For the reasons set forth below, the Project Area Plan is a public benefit based on the anticipated return on public investment, the positive impact on the tax base, and the unique needs of redevelopment within the Project Area.

A. Reasonableness of Costs of Proposed Development

As set forth above, there are numerous impediments to development within the Project Area. The proposed budget sets forth the anticipated public investment when compared to the total increase in taxable value that is expected over the life of the Project Area. The Project Area has suffered from substantial deferred maintenance, underutilization and vacancy rates, and other factors that have enhanced the need for public participation to produce redevelopment.

The net present value of the public participation in the Project Area over the 20 year life of the Project Area is approximately 14.5 million dollars. The projected increase in taxable value between the base year and year 5 of the Project Area is approximately 55 million dollars, with the difference growing to 122 million dollars in year 9. These projections indicate that the return on the public investment is high and the cost reasonable.

B. Efforts to Maximize Private Investment

The proposed budget for the Project Area projects that at peak value, each dollar of public investment will yield approximately six dollars of private investment in the Project Area. The Agency will diligently seek to maximize the private investment obtained from development partners within the Project Area and will only partner with developers who intend to invest substantial resources to develop property in accordance with the Project Area Plan.

The Agency has engaged in substantial discussions with private developers and believes that if the Project Area Plan is adopted, the private investment in the Project Area will be much larger than the public investment. Further, it is anticipated that the redevelopment of the Project Area

will increase private investment in neighboring properties as those properties seek to take advantage of the renewed activity and vitality within the Project Area.

C. Rationale for Project Area Funds

There are several reasons why the Agency believes that public participation and the creation of a community reinvestment area are necessary. First, the Project Area has not realized the development of neighboring parcels with solely private resources. The Project Area has not developed in the manner anticipated in the Fairbourne Station Vision or in the manner set forth in this Project Area Plan without public participation. This is true despite substantial developments nearby, including the revitalization of the Valley Fair Mall, the Embassy Suites Hotel, and the ICO multifamily housing development, all of which have occurred over the last several years. If private investment alone would produce the development anticipated in this Project Area Plan, it certainly would have come to fruition at this point.

Second, properties in the immediate vicinity of the Project Area have generated substantial private investment when the Agency has partnered with developers to realize a shared vision. Public investment has produced tested, proven results on nearby property, demonstrating that the Agency's plan to produce redevelopment in the Project Area is likely to succeed.

Third, numerous public projects are underway or have been recently completed in the immediate vicinity of the Project Area. A new public safety headquarters, the existing City Hall, substantial public transportation, and the Promenade Park are all within a short distance of the Project Area, meaning that the City and the Agency have a substantial public commitment already present near the Project Area. Public investment in the Project Area will not only generate a substantial return on investment within the Project Area, but will protect existing and future public investments in the area and ensure that these projects are successful and continue to be a major asset to the City.

Finally, the Project Area is a unique opportunity for the City to support and establish a growing, recognizable city center. This is a core objective of the City's General Plan and a key component of the City's broader economic development and community preservation efforts. The investment of public funds in the Project Area will generate a substantial and sustainable contribution to the community at large and will preserve and improve an important central gathering place for the City's residents and for commercial activity.

D. Estimate of Length of Time and Funds to be Spent by the Agency

The estimated amount of public investment and the length of the Project Area are set forth in the attached budget.

E. Anticipated Beneficial Influences on Tax Base

The details of the projected increase in the tax base within the Project Area are set forth within the Project Area budget. However, the expected increase in valuation within the Project Area is anticipated to exceed \$100 million dollars.

F. Associated Business and Economic Activity the Project Area Will Stimulate

As set forth above, the Project Area is located in a central area of the City adjacent to substantial transportation resources. In addition to the substantial benefits realized within the Project Area, enhanced development within the Project Area will offer support to retail, hospitality, and restaurant uses immediately adjacent to the Project Area. Further, by supporting a central commercial center in the City, other areas of the City will benefit from enhanced name recognition and additional related businesses within the City.

The Fairbourne Station Vision sets forth a vision of an integrated downtown area that includes the Project Area. The success of the Project Area will be a key component of the success of the Fairbourne Station Vision, which will lead to increasing redevelopment in the region and to the realization of the vision set forth by the City Council in the City Center area. The Agency's redevelopment objectives will generate additional employment opportunities in the Project Area, which will substantially increase the foot traffic and activity within the Project Area and adjacent developments included in the Fairbourne Station Vision. By increasing the number of jobs and daytime population of the Project Area, the dynamic city center envisioned by the Fairbourne Station Vision is much more likely to come to pass.

G. Adoption is Necessary and Appropriate to Undertake the Development

Based on the considerations set forth above, the projections set forth in the Project Area Budget, and the critical need to promote the economic and social health of the Project Area, the Project Area Plan is a public benefit and it is necessary and appropriate that this Project Area Plan be adopted.

EXHIBIT A

LEGAL DESCRIPTION OF PROJECT AREA

EXHIBIT B

MAP OF PROJECT AREA

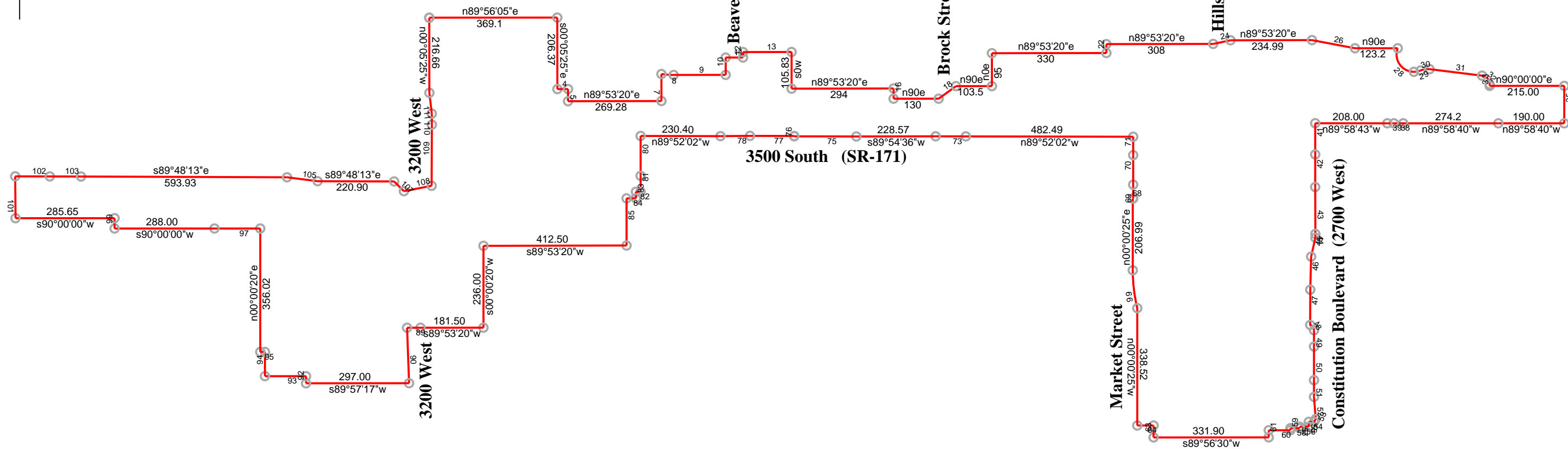
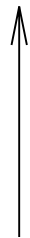
WEST VALLEY CITY – FAIRBOURNE COMMUNITY REINVESTMENT AREA
BOUNDARY DESCRIPTION

A tract of land located in the South Half of the Southwest Quarter, and the Southwest Quarter of the Southeast Quarter of Section 28, the Northeast Quarter of the Northeast Quarter of the Northeast Quarter of Section 32, and in the North Half of the Northwest Quarter of Section 33, Township 1 South, Range 1 West, Salt Lake Base and Meridian, being more particularly described as follows:

Commencing at a Brass Cap Monument marking the West Quarter Corner of Section 28, Township 1 South, Range 1 West, Salt Lake Base and Meridian, and running thence South $00^{\circ}05'25''$ East $00^{\circ}05'25''$ East 2,248.75 feet along the west line of said Section 28 and the centerline of 3200 West Street; thence North $89^{\circ}54'35''$ East 33.00 feet to a point on the east right-of-way line of 3200 West Street and the northwest corner of the CVS West Valley Plaza Subdivision Amended, according to the official plat thereof as recorded in Book 2017P at Page 43 in the office of the Salt Lake County Recorder, said point being the POINT OF BEGINNING; thence North $89^{\circ}56'05''$ East 369.10 feet to the northeast corner of said subdivision, and the northwest corner of Westbrook Estates, according to the official plat thereof as recorded in Book AA at Page 17 in the office of the Salt Lake County Recorder; thence along the boundaries of said Westbrook Estates the following eight (8) courses: 1) South $00^{\circ}05'25''$ East 206.37 feet, 2) North $89^{\circ}53'20''$ East 30.72 feet; 3) South $00^{\circ}05'25''$ East 35.00 feet, 4) North $89^{\circ}53'20''$ East 269.28 feet, 5) North $00^{\circ}05'25''$ West 77.91 feet, 6) along a 240.00 foot radius curve to the left 35.33 feet, with a central angle of $09^{\circ}25'56''$ (chord bears South $85^{\circ}24'14''$ East 35.31 feet), 7) North $89^{\circ}53'20''$ East 150.00 feet, and 8) North 50.00 feet along the west line of Beaver Street (3030 West); thence East 50.00 feet to the east line of said Beaver Street, thence North 15.83 feet along said east line to the northwest corner of Salt Lake County tax parcel 15-28-356-006, record of survey S2014-08-0413 as filed in the office of the Salt Lake County Surveyor; thence North $89^{\circ}53'20''$ East 140.00 feet to the northeast corner of said parcel and a west line of Hillsdale Subdivision, according to the official plat thereof as recorded in Book "N" at Page 4 in the office of the Salt Lake County Recorder; thence along the boundaries of said subdivision the following three (3) courses: 1) South 105.83 feet, 2) North $89^{\circ}53'20''$ East 294.00 feet, and 3) South 29.65 feet to the southwest corner of Lot 201 of said subdivision; thence East 130.00 feet to the southeast corner of said Lot 201; thence North $54^{\circ}01'13''$ East 61.79 feet to the southwest corner of Lot 196 of said subdivision; thence East 103.50 feet to the southeast corner of Lot 196 and a point on an east boundary of said Hillsdale Subdivision; thence along the boundaries of said subdivision the following four (4) courses: 1) North 95.00 feet, 2) North $89^{\circ}53'20''$ East 330.00 feet; 3) North 25.60 feet, and 4) North $89^{\circ}53'20''$ East 308.00 feet to the southeast corner of Lot 185 of said subdivision; thence North $78^{\circ}06'50''$ East 50.95 feet to the southwest corner of Lot 1 of said subdivision; thence North $89^{\circ}53'20''$ East 234.99 feet along the south boundary of said subdivision to the west line of Constitution Boulevard (2700 West); thence South $79^{\circ}19'20''$ East 126.12 feet to the east line of Constitution Boulevard (2700 West) and a point on the north line of Lot 39 of Granger Gardens Subdivision, according to the official plat thereof as recorded in Book "N" at Page 4 in the office of the Salt Lake County Recorder; thence East 123.20 feet to the northeast corner of said Lot 39, said point being on the westerly line of 2660 West Street; thence along a non-tangent curve to the left and along said right-of-way line, having a radius of 50.00 feet (radius point bears South $68^{\circ}48'50''$ East) for an arc distance of 97.03 feet to the southeast corner of said Lot 39; thence continuing along the arc of a 50.00 radius curve to the left 20.09 feet to a point of reverse curvature; thence along a 50.00 foot radius curve to the right 26.18 feet along said right-of-way line (radius point bears South $23^{\circ}00'00''$

East) to a point of tangency on the southerly right-of-way of 3460 South Street; thence South 83°00'00" East 152.44 feet to a point of curvature; thence easterly and southerly along the arc of a 25.00 foot radius curve to the right (radius point bears South 7°00'00" West) for an arc distance of 36.49 feet to a point of tangency on the west right-of-way of 2610 West Street; thence along a 425.00 foot radius curve to the left and along said west right-of-way line 4.59 feet (radius point bears South 89°22'50 East) to a point of tangency; thence East 215.00 feet along the south line of Lot 2 of said Granger Gardens Subdivision to the southeast corner of said Lot 2; thence South 108.00 feet along the east line of Lot 1 of said Granger Gardens Subdivision to the north right-of-way of 3500 South Street; thence North 89°58'40" West 190.00 feet to the southwest corner of Salt Lake County tax parcel 15-28-454-033; thence North 89°58'40" West 274.20 feet to the southwest corner of Salt Lake County tax parcel 15-28-452-039; thence North 89°58'40" West 27.00 feet to the southwest corner of Salt Lake County tax parcel 15-28-452-018; thence North 89°58'40" West 18.83 feet along the southerly line Salt Lake County tax parcel 15-28-452-034; thence North 89°58'43" West 208.00 feet; thence South 90.00 feet, more or less to the north line of Section 33, Township 1 South, Range 1 West, Salt Lake Base and Meridian; thence South 94.00 feet, more or less to the west line of Constitution Boulevard (2700 West) and a northeast corner of Salt Lake County tax parcel 15-33-129-048 and as shown on record of survey S2015-03-0117 as filed in the office of the Salt Lake County Surveyor; thence South 00°13'37" East 135.04 feet along said west line to the southeast corner of said parcel; thence along said west line of Constitution Boulevard (2700 West) as shown on record of survey S2016-06-0509 as filed in the office of the Salt Lake County Surveyor, the following ten (10) courses: 1) South 00°00'55" East 11.32 feet, 2) thence South 12°43'07" West 55.67 feet, 3) South 01°30'40" West 95.47 feet, 4) thence South 00°04'45" West 101.79 feet to the beginning of a 16.00 foot radius non-tangent curve to the right, 5) southeasterly along the arc of said curve 20.05 feet through a delta of 71°48'10" (note: chord for said curve bears South 35°55'14" East 15.76 feet), 6) South 00°01'10" East 47.03 feet, 7) South 00°01'07" East 97.00 feet, 8) South 00°01'10" East 48.26 feet, 9) South 04°18'26" East 64.03 feet, and 10) South 27°35'35" West 9.28 feet; thence along the northerly boundary of land acquired for the Utah Transit Authority's West Valley Light Rail Project the following seven (7) courses: 1) South 89°51'53" West 15.95 feet, 2) South 00°08'06" East 14.02 feet, 3) South 89°51'48" West 25.94 feet, 4) South 00°08'12" East 4.03 feet, 5) West 26.88 feet, 6) South 00°00'01" West 6.00 feet, and 7) North 89°59'59" West 62.42 feet; thence South 00°00'41" West 20.56 feet to the southeast corner of property conveyed to West Valley City via Special Warranty Deed recorded as Entry No. 8007017 in the office of the Salt Lake County Recorder; thence South 89°56'30" West 331.90 feet along said West Valley City parcel to the east line of Market Street; thence North 00°00'20" East 34.59 along said east line to the southeast corner of Parcel A of the Fairbourne Station Phase 1 Subdivision, according to the official plat thereof, as recorded in Book 2012P at Page 22 in the office of the Salt Lake County Recorder; said West Valley City parcel; thence South 89°53'29" West 47.00 feet to the southwest corner of said Parcel A; thence North 00°00'25" West 338.52 feet along the east line of Market Street to the northernmost point of Parcel A; thence along the east line of Market Street the following four (4) courses: 1) along a 466.66 radius non-tangent curve to the right 110.40 feet, with a central angle of 13°33'19" (chord bears North 06°46'14" West 110.15 feet) to a point of tangency, 2) North 00°00'25" East 206.99 feet, 3) North 89°53'26" East 1.25 feet, and 4) North 00°06'34" West 39.98 feet; thence North 00°00'25" East 85.15 feet to the north line of the aforementioned Section 33; thence North 00°00'25" East 53.00 feet, more or less to the north line 3500 South Street (SR-171); thence along the north line per record of survey S2009-01-0055 as filed in the office of the Salt Lake County Surveyor the following ten (10) courses: 1) North 89°52'02" West 482.49 feet to a point at the intersection of said north line and the east line of Brock Street, 2) North 89°54'46" West 87.000

feet to a point at the intersection of said north line of 3500 South Street and the west line of Brock Street, 5) South $89^{\circ}54'36''$ West 228.57 feet, 6) North $89^{\circ}52'02''$ West 179.12 feet, 7) North $00^{\circ}14'38''$ East 0.96 feet, 8) North $89^{\circ}52'02''$ West 127.50 feet to the intersection of said north line and the east line of Beaver Street, 9) South $89^{\circ}29'09''$ West 85.01 feet to the intersection of north line of 3500 South Street and the west line of Beaver Street, and 10) North $89^{\circ}52'02''$ West 230.40 feet; thence South 115.00 feet to a point on the south line of 3500 South, said point also being the northeast corner of Salt Lake County tax parcel 15-33-103-022, owned by F & S Investments; thence along the boundaries of said parcel the following four (4) courses: 1) South 46.04 feet, 2) South $89^{\circ}53'20''$ West 13.50 feet, 3) South 19.00 feet, and 4) South $89^{\circ}53'20''$ West 27.00 feet to the east boundary of Salt Lake County tax parcel 15-33-101-014, owned by F & S Investments; thence South 136.00 feet along the east boundary of said parcel to the northeast corner of Coventry Manor, a Utah Condominium Project, according to the official plat thereof as recorded in Book 79-12 at Page 359 in the office of the Salt Lake County Recorder; thence along the boundaries of said condominium plat the following three (3) courses: 1) South $89^{\circ}53'20''$ West 412.50 feet, 2) South $00^{\circ}00'20''$ West 236.00 feet, and 3) South $89^{\circ}53'20''$ West 181.50 feet to the west line of the aforementioned Section 33 and the centerline of 3200 West; thence South $89^{\circ}57'17''$ West 38.55 feet to the west line of 3200 West Street, at a point on the easterly boundary of the AFFCU West Valley 3500 South Subdivision, according to the official plat thereof as recorded in Book 2018P at Page 190 in the office of the Salt Lake County Recorder; thence along the boundaries of said subdivision the following seven (7) courses: 1) South $01^{\circ}59'57''$ East 160.10 feet, 2) South $89^{\circ}57'17''$ West 297.00 feet, 3) North $00^{\circ}00'20''$ East 20.53 feet, 4) North $89^{\circ}59'50''$ West 118.36 feet, 5) North $00^{\circ}00'10''$ East 70.00 feet, 6) North $89^{\circ}59'50''$ West 13.64 feet, and 7) North $00^{\circ}00'20''$ East 356.02 feet to the northeast corner of Salt Lake County tax parcel 15-32-227-017; thence West 131.90 feet to the northwest corner of Salt Lake County tax parcel 15-32-227-016, said point also being the northeast corner of Granger Heights No. 3, according to the official plat thereof as recorded in Book U at Page 82 in the office of the Salt Lake County Recorder; thence West 288.00 feet to the northwest corner of said subdivision and a point on the east line of Granger Heights Subdivision No. 1, according to the official plat thereof as recorded in Book T at Page 37 in the office of the Salt Lake County Recorder; thence North 29.80 feet along said east line to the northeast corner of Lot 16 of said Granger Heights Subdivision No. 1; thence West 285.65 feet to the northwest corner of Lot 3 of said subdivision; thence North $00^{\circ}25'20''$ West 120.72 feet along the westerly boundary of said subdivision to the south line of 3500 South Street (SR-171); thence along the south line of said 3500 South Street per the aforementioned record of survey S2009-01-0055 as filed in the office of the Salt Lake County Surveyor the following seven (7) courses: 1) South $89^{\circ}48'13''$ East 99.76 feet, 2) South $89^{\circ}48'13''$ East 90.00 feet, 3) South $89^{\circ}48'13''$ East 593.93 feet, 4) South $82^{\circ}40'43''$ East 88.68 feet, 5) South $89^{\circ}48'13''$ East 220.90 feet, 6) South $44^{\circ}46'32''$ East 39.58 feet to the west line of 3200 West Street, and 7) North $78^{\circ}56'02''$ East to the east line of 3200 West Street; thence North $00^{\circ}12'11''$ East 176.15 feet to a southwest corner of the aforementioned CVS West Valley Plaza Subdivision Amended at a point on the east line of 3200 West Street; thence along the westerly boundary of said subdivision and along said east line the following three (3) courses: 1) North $00^{\circ}05'25''$ West 31.96 feet, 2) North $06^{\circ}44'42''$ West 60.40 feet, and 3) North $00^{\circ}05'25''$ West 216.66 feet to the POINT OF BEGINNING.



WVC - Fairbourne Community Reinvestment Area		8/14/2018
Scale: 1 inch= 300 feet	File:	
Tract 1: 39.0368 Acres, Closure: n29.0318w 0.08 ft. (1/157420), Perimeter=13357 ft.		

Tract Data and Deed Calls

Tract 01: 39.0368 Acres, Closure: n29.0318w 0.08 ft. (1/157420), Perimeter=13357 ft.

1: e2786.98 n-431.87 (moved)
2: n89.5605e 369.1
3: s00.0525e 206.37
4: n89.5320e 30.72
5: s00.0525e 35
6: n89.5320e 269.28
7: n00.0525w 77.91
8: curve left radius 240.00 arc 35.33 delta 09.2526 chord s85.2414e 35.31
9: n89.5320e 150
10: n0e 50.00
11: n90e 50
12: n0e 15.83
13: n89.5320e 140
14: s0w 105.83
15: n89.5320e 294
16: s0w 29.65
17: n90e 130
18: n54.0113e 61.79
19: n90e 103.5
20: n0e 95
21: n89.5320e 330
22: n0e 25.6
23: n89.5320e 308
24: n78.0650e 50.95
25: n89.5320e 234.99
26: s79.1920e 126.12
27: n90e 123.2
28: curve left radius 50 arc 97.03 radial s68.4850e
29: curve left radius 50.00 arc 20.09
30: curve right radius 50.00 arc 26.18
31: s83.0000e 152.44
32: curve right radius 25.00 arc 36.49 radial s07.0000w
33: curve left radius 425.00 arc 4.59 radial s89.2250e
34: n90.0000e 215.00
35: s00.0000e 108.00
36: n89.5840w 190.00
37: n89.5840w 274.2
38: n89.5840w 27
39: n89.5840w 18.83
40: n89.5843w 208.00
41: s00.0000e 90.00
42: s00.0000e 94.00
43: s00.1337e 135.04
44: s00.0055e 11.32
45: s12.4307w 55.67
46: s01.3040w 95.47
47: s00.0445w 101.79
48: curve right radius 16.00 arc 20.05 delta 71.4810 chord s35.5514e 18.76
49: s00.0110e 47.03
50: s00.0107e 97.00
51: s00.0110e 48.26
52: s04.1826e 64.03
53: s27.3535w 9.28
54: s89.5153w 15.95
55: s00.0806e 14.02
56: s89.5148w 25.94
57: s00.0812e 4.03
58: s90w 26.88
59: s00.0001w 6.00

Tract Data and Deed Calls

60: n89.5959w 62.42
61: s00.0041w 20.56
62: s89.5630w 331.90
63: n00.0020e 34.59
64: s89.5329w 47.00
65: n00.0025w 338.52
66: curve right radius 466.66 arc 110.40 delta 13.3319 chord n06.4614w 110.15
67: n00.0025e 206.99
68: n89.5326e 1.25
69: n00.0634w 39.98
70: n00.0025e 85.15
71: n00.0025e 53.00
72: n89.5202w 482.49
73: n89.5446w 87.00
74: s89.5436w 228.57
75: n89.5202w 179.12
76: n00.1438e 0.96
77: n89.5202w 127.50
78: s89.2909w 85.01
79: n89.5202w 230.40
80: s00.0000e 115.00
81: s00.0000e 46.04
82: s89.5320w 13.50
83: s00.0000e 19.00
84: s89.5320w 27.00
85: s00.0000e 136.00
86: s89.5320w 412.50
87: s00.0020w 236.00
88: s89.5320w 181.50
89: s89.5717w 38.55
90: s01.5957e 160.10
91: s89.5717w 297.00
92: n.0020e 20.53
93: n89.5950w 118.36
94: n00.0010e 70.00
95: n89.5950w 13.64
96: n00.0020e 356.02
97: s90.0000w 131.90
98: s90.0000w 288.00
99: n00.0000e 29.80
100: s90.0000w 285.65
101: n00.2520w 120.72
102: s89.4813e 99.76
103: s89.4813e 90.00
104: s89.4813e 593.93
105: s82.4043e 88.68
106: s89.4813e 220.90
107: s44.4632e 39.58
108: n78.5602e 81.59
109: n00.1211e 176.15
110: n00.0525w 31.96
111: n06.4442w 60.40
112: n00.0525w 216.66

Exhibit B

Exhibit C

Tax Increment Financed Project Area Participation Request

Applicant City: West Valley City

Applicant Agency: Redevelopment Agency of West Valley City

Applicant Agency Contact: Mark Nord, RDA/Economic Development Director, 3600 S. Constitution Avenue, West Valley City, 84119 Utah, (801) 963-3372

Request: The Redevelopment Agency of West Valley City is requesting Salt Lake County's participation in the Fairbourne Community Reinvestment Area. Details of this request can be found in the Project Area Plan and Budget.

X

Mark Nord, West Valley City RDA/Economic Development Director

Exhibit D

**SALT LAKE COUNTY COUNTYWIDE POLICY:
COUNTY PARTICIPATION IN TAX INCREMENT FINANCED PROJECT AREAS
(2018)**

Purpose –

The purpose of this policy is to establish procedures and guidelines for Salt Lake County’s (the “County”) participation in tax increment financed project areas established under Utah Code Title 17C, by redevelopment agencies within Salt Lake County (hereinafter “Project Areas”).

Salt Lake County is the most populous county in the State of Utah. As such, decisions made by the County have a significant impact on the continued prosperity of the State. The County’s responsible use of scarce public resources—specifically the use of Project Area funds—should be focused on encouraging economic development, fostering healthy communities, and supporting environmentally and economically sustainable regional development to ensure a thriving metropolitan economy. The County supports collaborative community-led efforts to effectively manage commercial and residential development and redevelopment to meet the robust growth anticipated in our valley. The County’s participation in supporting Project Areas shall be based in part on the proposal’s linkage to various long-term sustainable growth strategies and plans, which shall include application of the Wasatch Choice for 2050* principles and toolbox, regional plans developed in collaboration with and adopted by local stakeholders, and Salt Lake County ordinances. Additionally, Salt Lake County’s participation in Project Areas will be guided by directives such as the Foothill Canyons Overlay Zone (FCOZ) or Blueprint Jordan River, which have been formally endorsed and/or adopted by Salt Lake County via resolution, policy, or ordinance.

The County’s participation in a Project Area will include a negotiation process that will define the terms of the County’s involvement. Guidelines to assist this process have been created to educate requesting agencies, guide the negotiation process, and allow the public to be informed. In certain cases, an application (“Project Area Participation Request”) may have unique characteristics that do not fully conform to the guidelines, yet have significant community impact. In this case, the County reserves the right to participate at or above the stated participation rates outlined in the policy. Conversely, there may be a project that meets the guidelines, but the County does not believe serves a significant community benefit. In this case, the County reserves the right not to participate. Project Area proposals that contain a majority of Favorable Project Area Considerations listed below and provide significant community benefit will receive the most favorable terms.

This policy shall be administered in accordance with the requirements and limitations of federal, state, and local law, including Utah Code, Title 17C, Chapter 4. Meeting policy guideline criteria does not guarantee the award of County tax increment. Per Title 17C of the Utah Code, for most Project Areas, the County’s consent shall be expressed in the form of an interlocal agreement, under Title 11, Chapter 13, Interlocal Cooperation Act, between the County and the redevelopment agency. Further, the County will entertain proposals by any participating taxing entity to administer the payment, reporting, and other processes that they are required to perform as part of an approved Project Area. The County’s agreement to participate or not participate in one Project Area is not intended to set precedent for the County’s participation in another Project Area.

* <http://envisionutah.org/wasatch-choice-2050>

SALT LAKE COUNTY COUNTYWIDE POLICY: COUNTY PARTICIPATION IN TAX INCREMENT FINANCED PROJECT AREAS (2018)

Reference –

Utah Code, Title 17C, Chapter 4

1.0 Policy

- 1.1 It is the policy of Salt Lake County to provide a standardized procedure to process, review, and make recommendations on all Project Area Participation Requests.
- 1.2 As Project Areas and tax increment financing are complex, the County may take up to 90 days following receipt of all requested documents to respond to Project Area Participation Requests. For this reason, the agency is encouraged to contact the County early in the process.

2.0 Project Area Considerations

2.1 Primary Favorable Project Area Considerations

Tax increment financed projects (hereinafter “Projects”) within Project Areas meeting the following criteria will be viewed favorably by the County:

- 2.1.1 Projects that would not happen in a reasonable timeframe, or at the proposed amenity level, “but for” the creation of the Project Area and the use of tax increment financing.
- 2.1.2 Projects that are transit-oriented development (TOD) projects.
- 2.1.3 Projects that will create “new incremental jobs” that are “high paying jobs” within Salt Lake County, as such terms are defined in Section 63N-2-103 of the Utah Code.
- 2.1.4 Projects that include a significant amount of capital investment or capital density within a small geographic footprint—for instance, from taxable personal property or equipment (such as robotic machinery, electronic equipment, computing devices, etc.)—without substantially increasing the cost of services provided by the County or other taxing entities.
- 2.1.5 Projects that are located in a strategic growth area as defined in the Wasatch Choice for 2050 plan, regional plans developed in collaboration with and adopted by local stakeholders, and Salt Lake County ordinances.
- 2.1.6 Projects that will complement regionally significant community planning efforts, such as, but not limited to, Foothill Canyons Overlay Zone (FCOZ), Blueprint Jordan River, etc.

**SALT LAKE COUNTY COUNTYWIDE POLICY:
COUNTY PARTICIPATION IN TAX INCREMENT FINANCED PROJECT AREAS
(2018)**

- 2.1.7 Project Areas for which the County’s tax increment participation period is limited to 20 years or less.
- 2.1.8 Project Areas for which the County’s tax increment participation rate is limited to 75% or less.
 - 2.1.8.1 Notwithstanding Subsection 2.1.8, above, for projects that meet the criteria outlined in Subsection 2.1.4 and are at least \$100 million in both total capital investment and taxable value, the tax increment participation rate limit under Section 2.1.8 may exclude up to all available tax increment generated from personal property.
- 2.1.9 Project Areas for which the County’s cumulative tax increment contribution to the agency is capped at a specified dollar amount.
- 2.1.10 Projects for which the County’s tax increment dollars will be used primarily to pay for or reimburse the cost of “public infrastructure and improvements,” as defined by Utah Code § 17C-1-102(41), environmental remediation, and/or site preparation.
- 2.1.11 Project Areas for which the local jurisdiction¹ is participating in the proposed project at a rate of at least \$1 for every \$1 contributed by the County from all sources, inclusive of any County Library contributions, either upfront or over the life of the proposed County contribution. The local jurisdiction can demonstrate that it is contributing other resources in addition to Project Area funds proceeds and infrastructure, the value of which is equal to or greater than the prescribed ratio of participation.
- 2.1.12 Project Areas that are confined to a reasonably sized geographic footprint for the project’s intended and defined purpose, and do not include excess land for yet-to-be defined future projects or project expansion.

2.2 Additional Favorable Project Area Considerations

Project Areas and Projects meeting the following additional criteria may be viewed favorably by the County:

- 2.2.1 Project Areas for which the proposed tax increment collection period is triggered on a specified date or upon achieving a specified dollar amount of capital investment within the Project Area.

¹ “Local jurisdiction” includes a City’s Project Area participation plus any contribution from all other taxing entities (i.e., mosquito abatement district, water district, fire service area, law enforcement area, etc.) except for school district participation which is not included in the \$1:\$1 ratio calculation.

**SALT LAKE COUNTY COUNTYWIDE POLICY:
COUNTY PARTICIPATION IN TAX INCREMENT FINANCED PROJECT AREAS
(2018)**

- 2.2.2 Project Areas for which the proposed agency administrative fee is capped at a certain percentage of tax increment or specified dollar amount, a portion of which is provided to Salt Lake County on an annual basis to cover programmatic expenses including, but not limited to, tax increment analysis, legal overhead, and project reporting costs.
- 2.2.3 Project Areas that will provide an affordable housing set-aside to the Olene Walker Housing Loan Fund, to a housing authority that operates within Salt Lake County, or a city-led affordable housing project that works toward the creation of low-income housing units or a project collaboratively agreed upon by the County and the City.
- 2.2.4 Project Areas for which the County Library participation is equal to the school district participation.
- 2.2.5 Project Areas for which the County's tax increment participation amount or rate is conditioned upon achieving certain project benchmarks.
- 2.2.6 Project Areas that will generate additional revenue to the County and its local taxing partners through the creation of higher property assessment values.
- 2.2.7 Project Areas where the environmental impact of power-consuming, water-consuming, or other resource-consuming personal property will be mitigated, to the maximum extent possible, by a renewable energy project, owned in full or part by a renewable energy company with headquarters in Salt Lake County, water conservation project, or other resource conservation project, whichever is applicable, with a portion of such project located within Salt Lake County.
- 2.2.8 Project Areas where best available water control technology is used.

2.3 Unfavorable Project Area Considerations

Project Areas and Projects meeting any of the following criteria may be viewed unfavorably by the County:

- 2.3.1 Projects that are predominately market-rate housing.
- 2.3.2 Projects that are predominately retail, unless there is a material justification to do so, which shall be evaluated on a case-by-case basis.
- 2.3.3 Projects that are predominately standalone single-family dwellings.
- 2.3.4 Projects that would merely cause a relocation of jobs or retail sales from one area in the County to another area in the County.

**SALT LAKE COUNTY COUNTYWIDE POLICY:
COUNTY PARTICIPATION IN TAX INCREMENT FINANCED PROJECT AREAS
(2018)**

- 2.3.5 Projects that would involve development on sensitive land designated as open space, foothill, canyon, or other County-designated priority areas.
- 2.3.6 Projects that would not comply with the Blueprint Jordan River Criteria.
- 2.3.7 Projects that request a contribution of the County's sales tax revenues.

3.0 Project Area Participation Request Timeline; Submission and Evaluation Process

Absent extenuating circumstances, County staff will attempt to respond to all completed Project Area Participation Requests within 90 days of receipt. The County and the agency submitting the Project Area Participation Request shall adhere to the following procedures:

- 3.1 Step One. The agency shall provide written notice to the County's Municipal Economic Development Director indicating its intent to create a Project Area, containing a short description of the proposed Project Area, and requesting the level of County participation. Following receipt of this written notice, the Municipal Economic Development Director shall direct the agency to submit a Project Area Participation Request and may arrange a meeting with agency representatives to discuss the proposed Project Area.
- 3.2 Step Two. The agency shall submit a completed Project Area Participation Request. The Project Area Participation Request shall be submitted through the County's Public Project Area Database, or as otherwise directed by the Municipal Economic Development Director. A completed Project Area Participation Request includes, but is not limited to, all of the following materials:
 - Project Area Participation Request Application
 - Project Area Boundary Map; (GIS boundary map with supporting files)
 - Detailed Narrative Project Area Summary
 - Final or Draft Project Area Plan
 - Final or Draft Project Area Budget (setting forth the tax increment, administrative costs, project term, pass-through scenarios, sales tax, and other revenues)
 - All Proposed or Adopted Agency and Community Resolutions and Ordinances related to the Project Area
 - All Proposed or Executed Participation Agreements with other Taxing Entities (if available)
- 3.3 Step Three. Following receipt of a completed Project Area Participation Request (including all of the materials listed in Section 3.2 above), the County Mayor shall conduct a due diligence review, negotiate the terms of an interlocal agreement with the agency (if applicable), and submit a written recommendation to the County Council

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indicating whether the County should participate in the proposed Project Area and to what extent.

- 3.4 Step Four. Following receipt of a written recommendation from the County Mayor, the County Council shall review the Mayor's recommendation and shall request a briefing at a Committee of the Whole Meeting, at which time the County Council may provide additional guidance. If any incentives are being offered to private enterprise, or if any participation agreements have been entered into or will be entered into with private enterprise, this must be disclosed or known publicly at, or prior to, the briefing during the Committee of the Whole Meeting.
- 3.5 Step Five. After the Committee of the Whole Meeting, the Mayor, or the Director of the County's Department of Regional Transportation, Housing and Economic Development, acting as the Mayor's designee for such matters, shall, consistent with the Mayor's recommendation and any guidance provided by the County Council, negotiate any additional or modified terms of an interlocal agreement with the agency, and work with the District Attorney's Office to draft a final interlocal agreement consistent with the negotiated terms. The Director of the County's Department of Regional Transportation, Housing and Economic Development shall then review and approve the interlocal agreement and submit it to the County Council for final approval.
- 3.6 Step Six. Upon receipt of the interlocal agreement, the County Council shall schedule a public hearing. At the public hearing, the County Council shall take public comment. Following the public hearing, the County Council shall either approve and adopt or deny and reject the proposed interlocal agreement in an open and public meeting. If at the public meeting the County Council votes to approve and adopt the interlocal agreement, the County Council shall adopt a resolution authorizing the County Mayor to execute the interlocal agreement in substantially the form submitted.
- 3.7 Step Seven. Following adoption of a resolution authorizing the County Mayor to execute the interlocal agreement, the County Mayor (or authorized designee) shall execute the same.

4.0 Interlocal Agreements

- 4.1 The County shall enter into an interlocal agreement with the requesting agency for each approved Project Area. Absent extenuating circumstances, the interlocal agreement shall be in the form prescribed by the County.
- 4.2 The interlocal agreement shall not be amended unless authorized and approved by the County Council in an open and public meeting following a public hearing.

5.0 Annual Disclosure Reports

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- 5.1.1 Each agency that receives tax increment from the County for a Project Area shall, for the duration of the Project Area funds collection period: (a) submit a disclosure report to the County Council and County Mayor no later than May 1st of each year for the previous calendar year; and (b) submit information (such as the annual report pursuant to Section 17C-1-603 of the Utah Code) to and otherwise participate in the County's Public Project Area Database (i.e., a database established by the County for the collection and display of Project Area information).
- 5.1.2 All annual disclosure reports submitted under this section shall be posted on a conspicuous place on the County's public website or posted to the County's Public Project Area Database, as determined by County staff.
- 5.1.3 The annual disclosure report shall include the following:
 - 5.1.3.1 The name, street and mailing address, phone number, business license number (if applicable), and chief officer of each entity receiving County tax increment.
 - 5.1.3.2 A status report and updated GIS map documenting the status of the economic development objectives completed in the approved Project Area plan and a summary of any material changes to said objectives.
 - 5.1.3.3 The applicable expenses and eligible project uses of the County's tax increment.
 - 5.1.3.4 Matching public and private contributions toward the project.
 - 5.1.3.5 Annual itemized reporting of completed and planned development expenditures and related agreements, to be published on the County's Public Project Area Database.
 - 5.1.3.6 Completed and planned affordable housing and other residential projects (if applicable).
 - 5.1.3.7 Any new company relocations and/or expansions.
 - 5.1.3.8 A statement reflecting the actual amount of County tax increment disbursed over the prior year as compared to the amount of tax increment projected for that year in the original project budget.
- 5.2 Any entity that fails to comply with the annual disclosure report obligations of this section may be subject to forfeiture of future County tax increment.

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6.0 Project Access

- 6.1 The County shall have access at all reasonable times to the development agency project records of any entity receiving the County's tax increment, whether directly or indirectly, to monitor the project and verify compliance with the Project Agreements.
- 6.2 Any agency that fails to provide the County access to the project site at a reasonable time may be subject to forfeiture of future County increment.

7.0 Administrative Fees:

A negotiated portion of the County's tax increment may be used for administrative fees of the agency. However, all agencies requesting tax increment from the County shall provide a negotiated percentage of administrative fees to Salt Lake County on an annual basis to help cover programmatic expenses, including, but not limited to, tax increment analysis, legal overhead, and project reporting costs.

APPROVED AND PASSED THIS ____ DAY OF _____, 2018.

SALT LAKE COUNTY COUNCIL

Aimee Winder-Newton, Chair

ATTEST:

Sherrie Swensen, County Clerk

APPROVED AS TO FORM

/s/ Kelly W. Wright 09/11/2018
Deputy District Attorney Date