

RESOLUTION NO. R-03 -2018

**A RESOLUTION OF THE REDEVELOPMENT AGENCY
OF EAGLE MOUNTAIN CITY, UTAH, ADOPTING AN OFFICIAL
PROJECT AREA PLAN FOR THE SWEETWATER INDUSTRIAL PARK
COMMUNITY REINVESTMENT PROJECT AREA #1**

PREAMBLE

WHEREAS, the Eagle Mountain Redevelopment Agency (the "Agency") was created to transact the business and exercise the powers provided for in the current Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Title 17C of the Utah Code Ann. 1953, as amended (the "Act"); and

WHEREAS, the City of Eagle Mountain (the "City") has a planning commission and has adopted a general plan pursuant to applicable law; and

WHEREAS, the Agency, by Resolution, has authorized the preparation of a draft project area plan as provided in Section 17C-5-103 of the Act; and

WHEREAS, pursuant to Section 17C-5-104 of the Act, the Agency has (a) prepared a draft Sweetwater Industrial Park Community Reinvestment Project Area #1 Plan (the "Project Area Plan" or "Plan") and (b) made the draft Project Area Plan available to the public at the Agency's offices during normal business hours; and

WHEREAS, the Agency provided notice of the public hearing in strict compliance with Sections 17C-1-805, 806, and 808; and

WHEREAS, the Agency has held a public hearing on the draft Project Area Plan and at that Plan hearing (a) allowed public comment on the draft Project Area Plan and whether the draft Project Area Plan should be revised, approved or rejected, and (b) received all written and heard all oral objections to the draft Project Area Plan; and

WHEREAS, after holding the public hearing, and at the same meeting, the Agency considered the oral and written objections to the draft Project Area Plan, and whether to revise, approve or reject the draft Project Area Plan;

WHEREAS, less than one year has passed since the date of the public hearing.

NOW, THEREFORE, BE IT RESOLVED by the Agency:

Section 1. Adoption of Project Area Plan. It has become necessary and desirable to adopt the draft Project Area Plan as the official Project Area Plan for the Project Area. The draft Project Area Plan,

in the form attached hereto as **Exhibit C**, and together with any changes to the draft Project Area Plan as may be indicated in the minutes of this meeting (if any), is hereby designated and adopted as the official Project Area Plan for the Project Area. The Agency shall submit the Project Area Plan, together with a copy of this Resolution, to the City Council of the City requesting that the Project Area Plan be adopted by ordinance of the legislative body of City in accordance with the provisions of the Act. All comments and objections to the draft Project Area Plan (if any) have been considered and are, unless otherwise provided in the minutes of this meeting (if at all), passed upon.

Section 2. Legal Description of the Project Area Boundaries. The legal description of the boundaries of the Project Area covered by the Project Area Plan is attached hereto and incorporated herein as **Exhibit A**. A map of the Project Area is attached and incorporated herein as **Exhibit B**.

Section 3. Agency's Purposes and Intent. The Agency's purposes and intent with respect to the Project Area are to accomplish the following:

- A. Encourage and accomplish appropriate private development and community reinvestment activities within the Project Area.
- B. Provide for redevelopment infrastructure improvements within or to serve the Project Area.
- C. Provide for the strengthening of the tax base and economic health of the community.

Section 4. Project Area Plan Incorporated by Reference. The Project Area Plan, together with supporting documents, in the form attached as **Exhibit C**, and together with any changes to the draft Project Area Plan as may be indicated in the minutes of this meeting (if any), is hereby incorporated herein by reference, and made a part of this Resolution. Copies of the Project Area Plan shall be filed and maintained in the office of the Agency and the City Recorder for public inspection.

Section 5. Agency Board Findings. The Agency Board hereby determines and finds as follows:

The Project Area Plan:

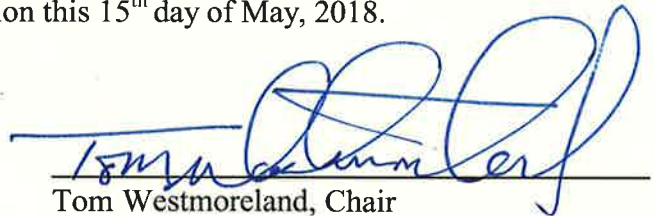
- A. Serves a public purpose by, among other things, encouraging and accomplishing appropriate community reinvestment activities within the Project Area;
- B. Produces a public benefit in the form of, among other things, increased development activity within the boundaries of the Agency, including in particular within the Project Area, that is desirable and will enhance the tax base of all taxing entities within the Project Area, as demonstrated by the analysis provided in the Project Area Plan;
- C. Is economically sound and feasible; in that the revenue needed for the implementation of the Project Area Plan will come from incremental property taxes generated by new private development within the Project Area, all as further shown and supported by the analysis contained in the Project Area Plan;

- D. Conforms to the City's general plan in that, among other things, the Project Area Plan provides that all development in the Project Area is to be in accordance with the City's zoning ordinances and requirements, and the development activities contemplated by the Project Area Plan are in harmony with the City's general plan; and
- E. Promotes the public peace, health, safety and welfare of the City.

Section 6. Financing. Subject to any limitations required by currently existing law (unless a limitation is subsequently eliminated), this Resolution hereby specifically incorporates all of the provisions of the Act that authorize or permit the Agency to receive funding for the Project Area and that authorize the various uses of such funding by the Agency, and to the extent greater (or more beneficial to the Agency) authorization for receipt of funding by the Agency or use thereof by the Agency is provided by any amendment of the Act or by any successor provision, law or act, those are also specifically incorporated herein. It is the intent of this Resolution that the Agency shall have the broadest authorization and permission for receipt of and use of sales tax, tax increment and other funding as is authorized by law, whether by existing or amended provisions of law. This Resolution also incorporates the specific provisions relating to funding of community development project areas permitted by Chapter 5 of the Act.

Section 7. Effective Date. This Resolution shall take effect immediately upon adoption, and pursuant to the provisions of the Act, the Project Area Plan shall become effective upon adoption by Ordinance of the legislative body of the City.

IN WITNESS WHEREOF, the Governing Board of the Eagle Mountain Redevelopment Agency has approved, passed and adopted this Resolution this 15th day of May, 2018.


Tom Westmoreland, Chair

ATTEST:


Aaron Sanborn, Executive Director



CERTIFICATION

The above resolution was adopted by the Redevelopment Agency of Eagle Mountain City on the 15th day of May, 2018.

Those voting aye:

- Donna Burnham
- Melissa Clark
- Colby Curtis
- Stephanie Gricius
- Benjamin Reaves
- Tom Westmoreland

Those voting nay:

- Donna Burnham
- Melissa Clark
- Colby Curtis
- Stephanie Gricius
- Benjamin Reaves
- Tom Westmoreland



Aaron Sanborn, Executive Director

EXHIBIT A – LEGAL DESCRIPTION OF THE PROJECT AREA

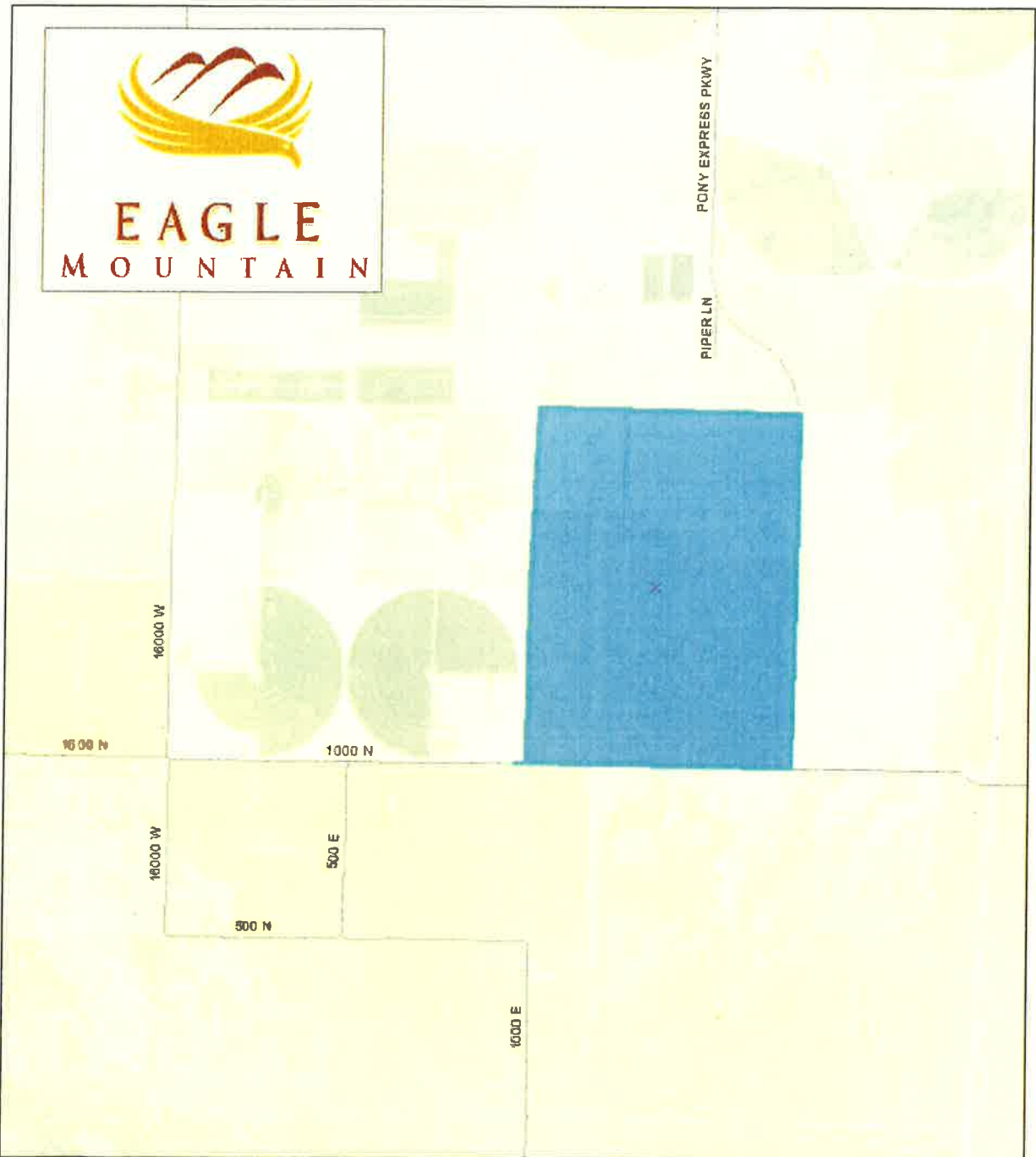
Serial number: 59:057:0003

Legal Description: NW 1/4 AND W 1/2 OF NE 1/4, SEC. 25, T6S, R2W, SLB&M. ALSO DESCRIBED AS:; COM FR W 1/4 COR. SEC. 25, T6S, R2W, SLB&M.; N 0 DEG 20' 51" E 2676.06 FT; S 88 DEG 58' 33" E 2671.21 FT; S 88 DEG 58' 30" E 1335.59 FT; S 0 DEG 54' 3" W 2663.6 FT; N 89 DEG 9' 8" W 3980.95 FT TO BEG. AREA 244.782 AC.

Serial number: 59:057:0004

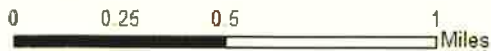
Legal Description: SW 1/4 AND W 1/2 OF SE 1/4, SEC. 25, T6S, R2W, SLB&M. ALSO DESCRIBED AS:; COM FR W 1/4 COR. SEC. 25, T6S, R2W, SLB&M.; S 89 DEG 9' 8" E 3980.95 FT; S 0 DEG 55' 59" W 2657.55 FT; N 89 DEG 24' 13" W 1367.89 FT; N 89 DEG 21' 28" W 2582.02 FT; N 0 DEG 15' 59" E 2672.94 FT TO BEG. AREA 242.655 AC.

EXHIBIT B – MAP OF THE PROJECT AREA



SWEET WATER INDUSTRIAL PARK CRA #1

 Sweet Water Industrial Park Boundary




LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.



EXHIBIT C: PROJECT AREA PLAN

DRAFT PROJECT AREA PLAN

SWEET WATER INDUSTRIAL PARK COMMUNITY REINVESTMENT AREA (CRA) #1

EAGLE MOUNTAIN REDEVELOPMENT AGENCY, UTAH



APRIL 2018



LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.

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Definitions

As used in this Community Reinvestment Project Area Plan, the term:

"**Act**" shall mean and include the Limited Purpose Local Government Entities – Community Reinvestment Agency Act in Title 17C, Chapters 1 through 5, Utah Code Annotated 1953, as amended, or such other amendments as shall from time to time be enacted or any successor or replacement law or act.

"**Agency**" shall mean the Eagle Mountain Redevelopment Agency, which is a separate body corporate and politic created by the City pursuant to the Act.

"**Base taxable value**" shall mean the agreed value specified in a resolution or interlocal agreement under Subsection 17C-1-102(8) from which tax increment will be collected.

"**Base year**" shall mean the agreed upon year for which the base taxable value is established and shall be incorporated into the interlocal agreements with participating taxing entities.

"**Base taxable year**" shall mean the Base Year during which the Project Area Budget is approved pursuant to Subsection 17C-1-102(9)(d).

"**City**" or "**Community**" shall mean the City of Eagle Mountain.

"**Legislative body**" shall mean the City Council of Eagle Mountain which is the legislative body of the City.

"**Plan Hearing**" shall mean the public hearing on the draft Project Area Plan required under Subsection 17C-1-102 (41) and 17C-5-104(3)(e).

"**Project Area**" shall mean the geographic area described in the Project Area Plan or draft Project Area Plan where the community development set forth in this Project Area Plan or draft Project Area Plan takes place or is proposed to take place (**Exhibit A & Exhibit B**).

"**Net Present Value (NPV)**" shall mean the discounted value of a cash flow. The NPV illustrates the total value of a stream of revenue over a number of years in today's dollars.

"**Project Area Budget**" shall mean (as further described under 17-C-5-303 of the Act) the multi-year projection of annual or cumulative revenues, other expenses and other fiscal matters pertaining to the Project Area that includes:

- ☞ the base taxable value of property in the Project Area;
- ☞ the projected tax increment expected to be generated within the Project Area;
- ☞ the amount of tax increment expected to be shared with other taxing entities;
- ☞ the amount of tax increment expected to be used to implement the Project Area plan;
- ☞ if the area from which tax increment is to be collected is less than the entire Project Area;



Introduction

The Eagle Mountain Redevelopment Agency (the "Agency"), following thorough consideration of the needs and desires of Eagle Mountain City (the "City") and its residents, as well as the City's capacity for new development, has carefully crafted this draft Project Area Plan (the "Plan") for the Sweet Water Industrial Park Community Reinvestment Project Area #1 (the "Project Area"). This Plan is the end result of a comprehensive evaluation of the types of appropriate land-uses and economic development for the land encompassed by the Project Area which lies within the southwest portion of the City, generally to the west of Lake Mountain Road, east of 1600 W, and to the north of 1000 North. The Plan is intended to define the method and means of the Project Area from its current state to a higher and better use.

The City has determined it is in the best interest of its citizens to assist in the development of the Project Area. It is the purpose of this Plan to clearly set forth the aims and objectives of development, scope, financing mechanism, and value to the residents of the City and other taxing entities within the Project Area.

The Project Area is being undertaken as a community reinvestment project area pursuant to certain provisions of Chapters 1 and 5 of the Utah Limited Purpose Local Governmental Entities – Community Reinvestment Agency Act (the "Act", Utah Code Annotated ("UCA") Title 17C). The requirements of the Act, including notice and hearing obligations, have been observed at all times throughout the establishment of the Project Area. The realization of the Plan is subject to interlocal agreements between the taxing entities individually and the Agency.

Resolution Authorizing the Preparation of a Draft Community Reinvestment Project Area Plan

Pursuant to the provisions of §17C-5-103 of the Act, the governing body of the Agency adopted a resolution authorizing the preparation of a draft Community Reinvestment Project Area Plan on April 3, 2018.

Recitals of Prerequisites for Adopting a Community Reinvestment Project Area Plan

In order to adopt a community reinvestment project area plan, the Agency shall;

- ☞ Pursuant to the provisions of §17C-5-104(1)(a) and (b) of the Act, the City has a planning commission and general plan as required by law;
- ☞ Pursuant to the provisions of §17C-5-104 of the Act, the Agency has conducted or will conduct one or more public hearings for the purpose of informing the public about the Project Area, and allowing public input into the Agency's deliberations and considerations regarding the Project Area; and
 - Pursuant to the provisions of §17C-5-104 of the Act, the Agency has allowed opportunity for input on the draft Project Area Plan and has made a draft Project Area Plan available to the public at the Agency's offices during normal business hours, provided notice of the plan hearing, sent copies of the draft Project Area Plan to all required entities prior to the hearing, and provided opportunities for affected entities to provide feedback.

Utah Code
§17C-5-104

Population Densities

There are no residences within the Project Area, therefore the estimated population density is 0.0 residents per acre.

Building Densities

Building densities will increase as development occurs. The intent of this plan is to promote greater economic utilization of the land area.

Impact of Community Development on Land Use, Layout of Principal Streets, and Population Densities

Community reinvestment activities within the Project Area will mostly consist of development and economic enhancement of an underutilized area of the City. The types of land uses will include: a data center and office building.

Land Use – It is anticipated that future development within the Project Area will create space for a data center, associated office building and other supplementary development that may take place during future phases of the development.

Layout of Principal Streets – It is anticipated that the community reinvestment of the Project Area will not alter the layout of principal streets in the area. It is anticipated that access roads will be constructed within the Project Area.

Population Densities – The Project Area does not include any residential components. The population density will not be affected by the Project Area. The daytime population of the City will slightly increase as the Project Area is anticipated to create approximately 50 new jobs.

UTAH CODE
§17C-5-105(c)

Standards Guiding the Community Reinvestment

In order to provide maximum flexibility in the development and economic promotion of the Project Area, and to encourage and obtain the highest quality in development and design, specific development controls for the uses identified above are not set forth herein. Each development proposal in the Project Area will be subject to appropriate elements of the City's proposed General Plan; the Zoning Ordinance of the City, including adopted Design Guidelines pertaining to the area; institutional controls, deed restrictions if the property is acquired and resold by the Agency, other applicable building codes and ordinances of the City; and, as required by ordinance or agreement, review and recommendation of the Planning Commission and approval by the Agency.

Each development proposal by an owner, tenant, participant or a developer shall be accompanied by site plans, development data and other appropriate material that clearly describes the extent of proposed development, including land coverage, setbacks, height and massing of buildings, off-street parking and loading, use of public transportation, and any other data determined to be necessary or requested by the Agency or the City.

UTAH CODE
§17C-5-105(d)

How the Purposes of this Title Will Be Attained By Community Development

Description of Physical, Social and Economic Conditions Existing in the Project Area

UTAH CODE
§17C-5-105(J)

Physical Conditions

The Project Area consists of approximately 487 acres of relatively flat, privately owned land as shown on the Project Area map.

Social Conditions

The Project Area experiences a lack of connectivity and vitality. There are no residential units and no parks, libraries, or other social gathering places in the Project Area. This is in line with the contemplated uses of the area surrounding the Project Area, as the area surrounding the Project Area is currently under the greenbelt classification.

Economic Conditions

The Project Area is currently under greenbelt classification. The Agency wants to encourage development within the Project Area that will directly benefit the existing economic base of the City, Utah County and other taxing entities.

UTAH CODE
§17C-5-105(K)

Description of any Tax Incentives Offered Private Entities for Facilities Located in the Project Area

Tax increment arising from the development within the Project Area shall be used for public infrastructure improvements, Agency requested improvements and upgrades, both off-site and on-site improvements, land and job-oriented incentives, desirable Project Area improvements, and other items as approved by the Agency. Subject to provisions of the Act, the Agency may agree to pay for eligible costs and other items from taxes during the tax increment period which the Agency deems to be appropriate under the circumstances. A cost benefit analysis will assist the Agency in making decisions about offering assistance.

In general, tax incentives may be offered to achieve the community reinvestment goals and objectives of this plan, specifically to:

- ☞ Foster and accelerate economic development;
- ☞ Stimulate job development;
- ☞ Make needed infrastructure improvements to roads, street lighting, water, storm water, sewer, and parks and open space;
- ☞ Assist with property acquisition and/or land assembly; and
- ☞ Provide attractive development for high-quality tenants.

The Project Area Budget will include specific participation percentages and timeframes for each taxing entity. Furthermore, a resolution and interlocal agreement will formally establish the participation percentage and tax increment period for each taxing entity.

UTAH CODE
§17C-5-105(2)

Cost/Benefit Analysis

Based on the land use assumptions and tax increment participation levels, the following tables outline the benefits anticipated in the Project Area. As shown below, the proposed community reinvestment will create a net benefit to the City and the other taxing entities that participate in the Project Area. The cost/benefit analysis only includes the tax increment projections on the first two phases of the development. The Agency may be allowed to receive 20 years of tax increment on each building that is constructed during the initial 20 year tax increment financing period. Each addition 20 year period will be negotiated and outlined in an amended interlocal agreement, as necessary.

TABLE 3: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Total	NPV at 4%
Utah County	100% Personal Property 80% Real Property	20 Years	\$9,301,260	\$7,293,590
Alpine School District	100% Personal Property 80% Real Property	20 Years	85,573,980	67,102,904
Eagle Mountain City	100% Personal Property 80% Real Property	20 Years	12,071,340	9,465,751
Central Utah Water Conservancy District	100% Personal Property 80% Real Property	20 Years	4,776,000	3,745,104
Unified Fire District – Salt Lake County	100% Personal Property 80% Real Property	20 Years	21,599,460	16,937,234
Total Sources of Tax Increment Funds			\$133,322,040	\$104,544,582

TABLE 4: PROJECT AREA REVENUES

Entity	Property Tax	Franchise Tax	Total Tax Increment Revenues
Utah County	\$10,469,760	-	\$10,469,760
Alpine School District	96,324,480	-	96,324,480
Eagle Mountain City	13,587,840	359,982	13,947,822
Central Utah Water Conservancy District	5,376,000	-	5,376,000
Unified Fire District – Salt Lake County	24,312,960	-	24,312,960
Total Revenue	\$150,071,040	\$359,982	\$150,431,022

TABLE 5: PROJECT AREA EXPENDITURES

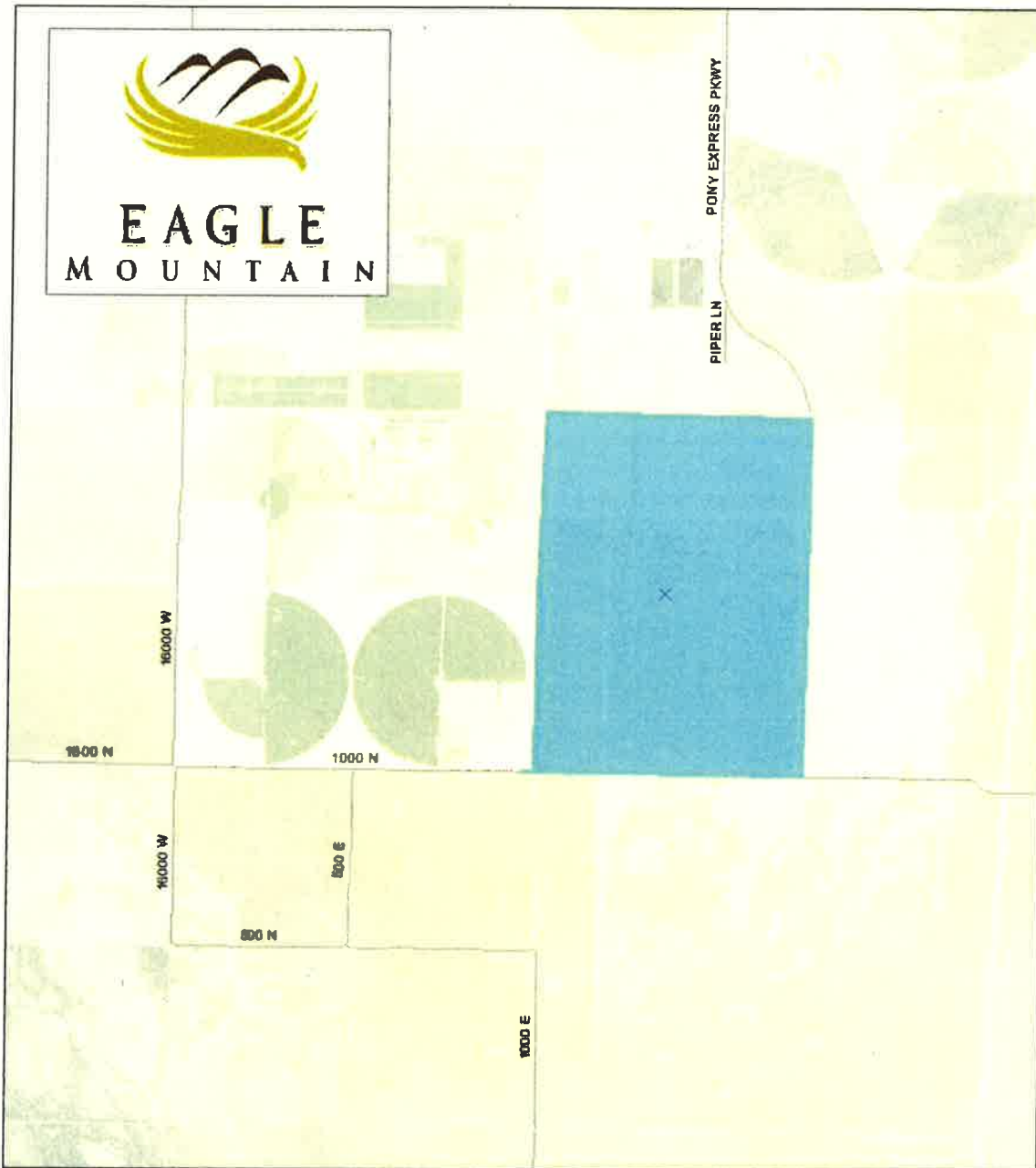
Entity	Property Tax	General Government	Public Safety	Public Works	Total Expenditures
Utah County	\$9,301,260	\$208,815	-	-	\$9,510,075
Alpine School District	85,573,980	931,374	-	-	86,505,354
Eagle Mountain City	12,071,340	423,378	351,458	671,337	13,517,513
Central Utah Water Conservancy District	4,776,000	140,497	-	-	4,916,497
Unified Fire District – Salt Lake County	21,599,460	522,278	-	-	22,121,738
Total Revenue	\$133,322,040	\$2,226,343	\$351,458	\$671,337	\$136,571,178

The total net benefit to the taxing entities of participating in the Project Area is \$13,859,844, with the City's net benefit being \$430,308¹.

¹ The net benefit does not include the \$13.32 million housing portion of tax increment that will be reinvested into the City. Including this increases the City's net benefit to \$13,752,512.

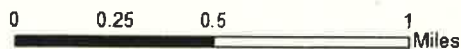
EXHIBIT B: Project Area Map

MAP OF PROPOSED PROJECT AREA BOUNDARIES



SWEET WATER INDUSTRIAL PARK CRA #1

 Sweet Water Industrial Park Boundary



LEWIS  YOUNG
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