

UDA RESOLUTION NO. R-13 -2019

**A RESOLUTION OF THE EAGLE MOUNTAIN REDEVELOPMENT AGENCY
APPROVING THE POLE CANYON CRA PARTICIPATION AGREEMENT
BETWEEN THE EAGLE MOUNTAIN REDEVELOPMENT AGENCY
AND EAGLE MOUNTAIN CITY, OQUIRRH WOOD RANCH, LLC,
UTAH COUNTY AND TYSON FRESH MEATS, INC.**

PREAMBLE

WHEREAS, the Eagle Mountain Redevelopment Agency (the "Agency") created the Pole Canyon Community Reinvestment Project Area (the "Project Area") and adopted a Community Reinvestment Project Area Plan for the Project Area for the purposes of facilitating development and job growth within the Project Area; and

WHEREAS, the Agency has been working with Tyson Fresh Meats, Inc. (the "Participant"), to develop a meat packaging facility within the Project Area that will create a significant economic benefit within the Project Area; and

WHEREAS, after careful analysis and consideration of relevant information, the Agency desires to enter into a Participation Agreement with the Participant whereby the Agency agrees to pay to the Participant a portion of the tax increment generated by the development within the Project Area as provided in the Participation Agreement attached hereto as Exhibit A (the "Participation Agreement").

NOW, THEREFORE, BE IT RESOLVED by the governing board of the Eagle Mountain Redevelopment Agency as follows:


1. The Participation Agreement, substantially in the form attached hereto as Exhibit A, is approved and shall be executed for and on behalf of the Agency by the Chair and Secretary of the Agency Board.

2. This Resolution shall take effect upon adoption.

APPROVED AND ADOPTED by the governing body of the Eagle Mountain Redevelopment Agency this 3rd day of September, 2019.


Tom Westmoreland, Chair

ATTEST:


Aaron Sanborn, Executive Director



CERTIFICATION

The above resolution was adopted by the Eagle Mountain Redevelopment Agency on the 3rd day of September, 2019.

Those voting aye:

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

Those voting nay:

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

Those excused:

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



Aaron Sanborn, Executive Director

Exhibit A

CRA Participation Agreement

between

The Redevelopment Agency of the City of Eagle Mountain

and

Eagle Mountain City, Oquirrh Wood Ranch, LLC, Utah County
and Tyson Fresh Meats, Inc.

CRA Participation Agreement

This CRA Participation Agreement (this “Agreement”) is entered into with an effective date of September 24, 2019 (the “**Effective Date**”), by the Redevelopment Agency of the City of Eagle Mountain, a political subdivision of the State of Utah (the “**Agency**”), and Oquirrh Wood Ranch, LLC, a Utah limited liability company (“**Oquirrh Wood**”), Eagle Mountain City, a political subdivision of the State of Utah (“**Eagle Mountain**”), Utah County, a political subdivision of the State of Utah (the “**County**”) and Tyson Fresh Meats, Inc., a Delaware corporation (“**Tyson**”). The Agency, Oquirrh Wood, Eagle Mountain, County and Tyson may be referred to herein collectively as “**Parties**” or individually as a “**Party**”. Oquirrh Wood, Eagle Mountain, County and Tyson may be referred to herein collectively as “**Participants**” or individually as a “**Participant**”.

1. SUBJECT OF AGREEMENT

1.1 Purpose of the Agreement

The purpose of this CRA Participation Agreement (the “**Agreement**”) is (a) to implement the Project Area Plan for the Pole Canyon Community Reinvestment Area (the “**Project Area Plan**”) adopted by the Agency, by providing for the potential development of a meat processing facility, including construction of a building for meat processing (the “**Building**”) as well as certain accessory uses or buildings located on the Project Area (as defined below) and other related or associated uses, buildings or structures such as utility buildings, structures, improvements and appurtenances located on, adjacent or near the Project Area that are reasonably related to the meat processing facility (collectively, the “**Project**”) on approximately 80 acres of land, as more particularly described below, located in the City of Eagle Mountain, Utah (the “**City**”), comprising the Pole Canyon Community Reinvestment Area (the “**Project Area**”), and (b) to specify the terms and conditions pursuant to which the Agency, Oquirrh Wood, Eagle Mountain, County and Tyson will cooperate in bringing about this objective, including the funds the Agency will provide to assist in the development of the Project Area. The fulfillment of this Agreement is vital to and in the best interests of the City and the health, safety, and welfare of its residents, and in accord with public purposes and will provide a benefit to the City and its residents. This Agreement is carried out pursuant to the Limited Purpose Local Government Entities – Community Reinvestment Agency, Title 17C of the Utah Code Annotated, in effect when the Project Area Plan was adopted (the “**Act**”).

1.2 The Project Area Plan

The Agency adopted Resolution No. R-02-2019 on March 5, 2019, which authorized the preparation of a draft community reinvestment project area plan. This Agreement is subject to the provisions of the Project Area Plan, as approved and adopted on May 7, 2019, by the City Council of the City, in Ordinance No. O-14-2019 (the “**Ordinance**”), in accordance with Section 17C-5-104 of the Act. The Project Area Plan and the Ordinance are attached hereto as **Exhibit A** and **Exhibit B**, respectively.

1.3 The Project Area

The Project Area is located within the boundaries of the City. The exact boundaries of the Project Area are specifically and legally described in **Exhibit C** attached hereto. The Project Area is shown on the Project Area Map which is attached hereto as **Exhibit D**.

1.4 The Project Area Budget

Pursuant to the Act, a Project Area Budget has been adopted by the Agency for the Project Area (the “**Project Area Budget**”). A copy of the Project Area Budget is attached hereto as **Exhibit E**.

1.5 Interlocal Agreements

On or before the Effective Date, the Agency has entered into separate interlocal agreements (collectively, the “**Interlocal Agreements**”) with various Taxing Entities (defined below) as follows:

(a) that certain Interlocal Cooperation Agreement between the Agency and the City, a copy of which is attached hereto as **Exhibit F**;

(b) that certain Interlocal Cooperation Agreement between the Agency and Utah County, Utah (the “**County**”), a copy of which is attached hereto as **Exhibit G**;

(c) that certain Interlocal Cooperation Agreement between the Agency and Alpine School District (the “**School District**”), a copy of which is attached hereto as **Exhibit H**;

(d) that certain Interlocal Cooperation Agreement between the Agency and the Unified Fire Service Area (the “**UFSA**”), a copy of which is attached hereto as **Exhibit I**; and

(e) that certain Interlocal Cooperation Agreement between the Agency and the Central Utah Water Conservancy District (the “**Water District**”), a copy of which is attached hereto as **Exhibit J**.

1.6 Parties to the Agreement

(a) Agency

The Agency is a public body, corporate and politic, exercising governmental functions and powers, and organized and existing under the Act. The address of the Agency for purposes of this Agreement is: Redevelopment Agency of the City of Eagle Mountain, 2565 North Pony Express Parkway, Eagle Mountain, Utah 84005, Attention: Aaron Sanborn.

(b) Oquirrh Wood

Oquirrh Wood Ranch, LLC is the developer of the Project Area and adjacent property. The address of the Oquirrh Wood for the purposes of this Agreement is: 14034 South 145 East, Suite 204, Draper, Utah 84020.

(c) Eagle Mountain

Eagle Mountain is a political subdivision of the State of Utah and the Project Area is located within the boundaries of Eagle Mountain. The address of Eagle Mountain for the purposes of this Agreement is: 1650 E. Stagecoach Run, Eagle Mountain City, Utah 84005, Attention: City Recorder.

(d) County

Utah County is a political subdivision of the State of Utah. The address of County for the purposes of this Agreement is: Attn: County Commission, 100 E. Center Street, Provo, UT 84606.

(e) Tyson

Tyson Fresh Meats, Inc., is a Delaware corporation and is purchasing property within the Project Area. The address of Tyson for the purposes of this Agreement is: 2200 W. Don Tyson Parkway, Springdale, AR 72762

1.7 No Additional Approvals. Upon the approval of this Agreement by the Agency, and the expiration of all statutory notice and contest periods, no additional legislative action is required for the Agency to perform its obligations hereunder.

2. ASSIGNMENT

Participants agree for themselves and any successor in interest that during the term of this Agreement the Participants shall not assign or transfer or attempt to assign or transfer all or any part of its obligations under this Agreement without the prior written consent of the Agency, which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, Tyson may assign this Agreement to its parent, subsidiaries or affiliates upon reasonable advance notice but without prior written consent of the Agency.

2.1 Continuing Obligations

Except as otherwise provided herein, and except for a transfer or assignment of this Agreement which has been consented to by the Agency, no assignment or transfer of this Agreement, any part hereof, any right herein, or approval hereof, by the Agency shall be deemed to relieve the Participant from any obligation under this Agreement. Upon the approval by the Agency of an assignment of this Agreement, the assigning Participant will be relieved of all obligations under this Agreement arising from and after the date of such assignment and the Agency shall look solely to the assignee for performance of the obligations under this Agreement from and after the date of such assignment. All of the terms, covenants, and conditions of this

Agreement shall be binding upon and shall inure to the benefit of the Participant and its permitted successors and assigns.

3 FINANCING OF THE DEVELOPMENT OF THE PROJECT AREA

3.1 Nature of Participant's Obligations

(a) Oquirrh Wood

Oquirrh Wood is responsible for construction of public infrastructure improvements associated with the Project, which improvements constitute system improvements. In lieu of impact fee reimbursements, Oquirrh Wood will be reimbursed through this Agreement for a portion of its costs associated with such public improvements, as follows:

1. Construction of a portion of Pole Canyon Boulevard road. The estimated cost for construction of this improvement is \$2,250,000.00.
2. Construction of a portion of Tyson Parkway road. The estimated cost for construction of this improvement is \$900,000.00.
3. Construction of improvements to the City's sewer collection system and water system, including installation of water lines and rehabilitation of an existing one-million gallon water tank.

The total anticipated cost of the improvements to be constructed by Oquirrh Wood and dedicated to Eagle Mountain is \$12,987,000.00. A portion of this amount, equal to approximately \$1,184,962.00, consists of an allocation to the Project of capacity in an existing water system. Notwithstanding the foregoing anticipated costs of these public improvements, the amount of the reimbursement made available to Oquirrh Wood pursuant to this Agreement for such costs shall not exceed the amount of \$12,900,000 less the amount of the Eagle Mountain Contribution (defined below) and the County Contribution (defined below) (the "**Oquirrh Wood Contribution**"). Accordingly, the Oquirrh Wood Contribution will be Four Million Thirty Seven Thousand One Hundred Dollars (\$4,037,100.00), but not subject to any increase in the event the Eagle Mountain Contribution is reduced as set forth below.

(b) Eagle Mountain

Eagle Mountain has agreed to provide the following for the Project:

1. Eagle Mountain shall provide up to 500 acre feet of water rights for the Project through a separate Public Water Supply Agreement (the "**Water Rights**"). The Parties agree that for purposes of this Agreement, the cost of the Water Rights shall be Ten Thousand Ninety Dollars (\$10,090.00) per acre foot or a total cost of Five Million Forty-Five Thousand Dollars (\$5,045,000.00) (the "**Water Cost**"). For purposes of this Agreement, the Parties agree that the full Water Cost shall originally be included in the Eagle Mountain Contribution. If the amount of CWP Water that is utilized by Tyson is reduced in accordance with paragraph 3 of the Public Water Supply Agreement, the Eagle Mountain Contribution will be reduced by the number of

acre feet not utilized by Tyson times Ten Thousand Ninety Dollars (\$10,090.00). For example, if in year eight of the Public Water Supply Agreement, fifty (50) acre feet of the CWP Water reverts back to the City, the Eagle Mountain Contribution shall be reduced by Five Hundred and Four Thousand Five Hundred Dollars (\$504,500.00).

2. Eagle Mountain agrees to defer payment of all the required Wastewater Impact Fees for the Project in the total amount of Two Million Five Hundred and Seventeen Thousand Nine Hundred Dollars (\$2,517,900.00) (the “**Deferred Impact Fees**”).

The total amount of the Water Cost and Deferred Impact Fees is Seven Million Five Hundred and Sixty Thousand Nine Hundred Dollars (\$7,562,900.00) (the “**Eagle Mountain Contribution**”), which will be reimbursed as set forth herein.

(c) County

Utah County agrees to reimburse Oquirrh Wood for the cost to construct a portion of 4000 North road up to a maximum amount of One Million Three Hundred Thousand Dollars (\$1,300,000.00) (the “**County Contribution**”). This reimbursement shall be made by the County to Oquirrh Wood for documented reimbursable costs incurred by Oquirrh Wood and not reimbursable by another entity for the construction of 4000 North road after (i) completion of the construction of the 4000 North road improvements, to standards which will meet both the road standards established by the Town of Cedar Fort (“**Cedar Fort**”) and the standards established by Eagle Mountain, whichever is most stringent; (ii) transfer of ownership of 4000 North to Cedar Fort; (iii) acceptance of ownership of 4000 North, including the road improvements, by Cedar Fort; and (iv) receipt by the County of documentation acceptable to the County establishing the costs incurred for such construction, evidence of payment by Oquirrh of such costs, and lien releases executed by all suppliers of labor and materials for such construction. Presentation of all required documentation shall be made to the County prior to December 31, 2021. The County shall have no obligation to make any payment to Oquirrh Wood for any costs for which documentation, acceptable to the County, has not been submitted prior to December 31, 2021. To the fullest extent permitted by law, Oquirrh Wood shall indemnify and hold harmless the County, its officers, employees, and agents, from and against any and all claims, demands, causes of action, orders, decrees, judgements, losses, risks of loss, damages, expenses, and liabilities arising out of or related to the construction of 4000 North road, or this Agreement. Oquirrh Wood shall also pay any litigation expenses that the County incurs, including attorney’s fees, arising out of or related to the construction of 4000 North road, or this Agreement. The County reserves the right to conduct, control, and direct its own defense for any claims, demands, causes of action, orders, decrees, judgements, losses, damages, expenses, and liabilities arising out of or related to the construction of 4000 North road, or this Agreement. Oquirrh Wood’s obligations under this indemnity and hold harmless provision shall survive the expiration or other termination of this Agreement. Utah County will be reimbursed for the County Contribution as set forth herein.

(d) Tyson

Tyson will use good faith efforts to construct the Building and obtain a temporary certificate of occupancy such that the maximum amount of Tax Increment contemplated by this Agreement is collected and distributed as near to the Trigger Year as is commercially reasonable.

4 TAX INCREMENT

4.1 Tax Increment Reimbursement

The Project Area Plan will be funded in part by Tax Increment pursuant to the provisions of the Act. Under the Act, the Interlocal Agreements and the Project Area Budget, the Agency is entitled to receive (a) sixty percent (60%) of the Net Project Area Funds attributable to the Real Property Tax Increment and (b) sixty percent (60%) of the Net Project Area Funds attributable to the Personal Property Tax Increment generated by and within the Project Area (collectively, the “**Project Area Funds**”) over a period of twenty (20) full calendar years (the “**Increment Period**”) commencing with the Trigger Year (as defined below). In accordance with the Project Area Budget and the Interlocal Agreements, the Agency shall begin to receive the Project Area Funds generated by the Project in the Trigger Year. Project Area Funds are to be paid into a separate account of the Agency used solely for the Tax Increment Reimbursement and other uses permissible hereunder and in accordance with the Act and shall be applied for the purposes described in the Project Area Plan, the Project Area Budget, the Interlocal Agreements and this Agreement.

For purposes of this Agreement, the following terms shall have the following corresponding meaning:

(a) “**Administrative Costs**” means 2% of the Project Area Funds to be paid to the City annually to reimburse the City for the administrative costs associated with the Project Area;

(b) “**Affordable Housing**” has the meaning set forth in the Act;

(c) “**Affordable Housing Funds**” means ten percent (10%) (the “**Maximum Affordable Housing Percentage**”) of the Project Area Funds, provided, however, if a change in law reduces the percentage of Project Area Funds the Agency is required to allocate to Affordable Housing, the Maximum Affordable Housing Percentage shall, from and after the effective date of such change in law, be automatically reduced to the minimum percentage required by such change in the law, provided, further, nothing herein shall require the Agency to pay any Affordable Housing Funds collected by the Agency prior to such change in applicable law to the Participant; and, if the Agency would have received at least \$100,000 per year in Affordable Housing Funds prior to the change in the law, the Agency shall be entitled to receive \$100,000 per year in Affordable Housing Funds notwithstanding such change in the law, which Affordable Housing Funds will be used for Affordable Housing and/or other uses within the City allowed to applicable law;

(d) “**Net Project Area Funds**” means the Project Area Funds less the Affordable Housing Funds, the Administrative Costs and the Expense Reserve (defined below);

(e) “**Personal Property**” or “**personal property**” has the meaning set forth in Section 59-2-102 of the Utah Code Annotated;

(f) “**Personal Property Tax Increment**” means Tax Increment arising from or attributable to tangible or intangible personal property within the Project Area;

(g) “**Property Tax Increment**” shall mean the sum of (i) the Real Property Tax Increment, plus (ii) the Personal Property Tax Increment;

(h) “**Real Property**” or “**real property**” has the meaning set forth in Section 59-2-102 of the Utah Code Annotated;

(i) “**Real Property Tax Increment**” means Tax Increment arising from or attributable to land and real property improvements within the Project Area;

(j) “**Tax Increment**” is a term defined by Utah Code Ann. § 17C-1-102(60) (2019); the term “Tax Increment” in this Agreement has the same meaning as defined by that statute (as amended, replaced, or superseded from time to time); the parties acknowledge that Tax Increment generally refers to the additional Taxes generated by the increase in value of taxable real and personal property resulting from new development and construction;

(k) “**Taxes**” shall mean all levies on an *ad valorem* basis upon land, real property improvements, personal property, or any other property with the Project Area;

(l) “**Taxing Entities**” shall mean each “taxing entity” as defined in the Act; and

(m) “**Trigger Year**” means the year in which the Interlocal Agreements provide that Tax Increment will begin to be collected by the Agency. Subject to the Interlocal Agreements, the Participants agree to cooperate in good faith to ensure that the Trigger Year is implemented at a date such that the maximum amount of Tax Increment contemplated by this Agreement is collected and distributed. For purposes of this Agreement, in the event the date on which Tax Increment is triggered under each Interlocal Agreement differ from each other, the Trigger Year shall be the last trigger year to occur under the Interlocal Agreements.

4.2 Agency Expenses

The Participants acknowledge and agree that the Agency has no other funds or revenue to use to make payment hereunder other than Project Area Funds it receives. Accordingly, the Agency shall have the right to reserve in the account in which the Tax Increment Reimbursement is held, an amount not to exceed twenty-five thousand dollars (\$25,000) at any one time (the

“Expense Reserve”). Participants further acknowledges and agrees that in addition to the Administrative Costs, all third party fees and costs (including reasonable legal fees, financial advisor fees, administrative fees and overhead costs and expenses) that relate only to the administrative costs with regards to the establishment of the Project Area, the Project Area Plan, the infrastructure (roads, water, sewer and electric infrastructure) for the Project Area, development agreements, interlocal agreements, and water agreements related to the Project Area, and this Agreement in an amount not to exceed \$30,000.00 during the term of this Agreement may be paid by the City and the Agency shall reimburse the City for all such expenses from the Property Tax Increment prior to any other payments established herein.

4.3 Net Project Area Funds Payments

The Agency will pay the Net Project Area Funds annually, by April 1 of each year. Each annual payment will relate to the Tax Increment collected by the Agency for the immediately preceding tax year. The Agency agrees to promptly provide, and in all events within ten (10) days of implementing the Trigger Year, written notice of the occurrence of such Trigger Year to all Taxing Entities in accordance with the terms of the Interlocal Agreements. The Agency will pay the Tax Increment Reimbursement annually, by April 1 of each year. Each annual payment will relate to the Tax Increment collected by the Agency for the immediately preceding tax year.

4.4 Tax Increment Priority

The annual distribution of the Net Project Area Funds collected by the Agency for the preceding calendar year shall be first paid to the County, until such time as the County has been reimbursed in full for the County Contribution, and after the County has been reimbursed in full for the County Contribution, the annual distribution shall thereafter be based on the pro-rata amount of the unreimbursed Oquirrh Wood Contribution, and the Eagle Mountain Contribution as of December 31 of the immediately preceding calendar year. For example, if, after the County has been reimbursed for the County Contribution, as of December 31 of a year in which Property Tax Increment was generated, the total unreimbursed amount of the Eagle Mountain Contribution is Five Million Dollars, and the total unreimbursed amount of the Oquirrh Wood Contribution is Four Million Dollars, Eagle Mountain would receive 56% of the Net Project Area Funds, and Oquirrh Wood would receive 44% of the Net Project Area Funds (each a “**Tax Increment Reimbursement**”).

If the Agency fully reimburses the Oquirrh Wood Contribution, Eagle Mountain Contribution and County Contribution prior to the end the Increment Period, any remaining Net Project Area Funds shall be distributed to Tyson on the same annual distribution schedule set forth in Section 4.3.

4.5 Conditions Precedent to Payment of the Tax Increment Reimbursement

In addition to the conditions stated elsewhere in this Agreement, the Agency shall have no obligation to make payment hereunder until the following conditions precedent are satisfied: (a) Tyson has begun construction of the Building; and (b) the Agency has actually received payment of the Project Area Funds.

4.6 Agency's Encumbrance/Preservation of Project Area Funds

The Agency represents and warrants that it has not encumbered or pledged the Net Project Area Funds. The Agency agrees that the Agency shall not, without the prior written consent of the Participants, which may be withheld in the Participants' sole and absolute discretion, either (i) issue any bonds or other indebtedness that are secured by Project Area Funds from the Project Area or otherwise take any action which could restrict or impede the payment of the Tax Increment Reimbursement to Participant, in each case, in whole or in part, or (ii) cause, permit or consent to any modifications or amendments to any of the Interlocal Agreements in a manner that reduces the amount of tax increment to be paid to the Agency, on either an annual or cumulative basis, from the Project Area, until the expiration of all Increment Periods, but in no event later than twenty (20) years after the Trigger Year.

4.7 Payment of Real Property and Ad Valorem Taxes

Participants understand and agree that the sole source of Project Area Funds is the payment of the Taxes within the Project Area. Nothing herein contained, however, shall be deemed to prohibit the Participants from contesting the validity or amount of any tax assessment, encumbrance, or lien, or to limit the remedies available to the Participants in respect thereto.

4.5 Reduction or Elimination of Property Area Funds

If the provisions of Utah law which govern the payment of Project Area Funds to the Agency are changed or amended so as to reduce or eliminate the amount paid to the Agency, the Agency's obligation to pay the Project Area Funds to the Participants hereunder shall be accordingly reduced or eliminated. The Participants specifically reserve and do not waive hereunder any right it may have to challenge any law change that would reduce or eliminate the payment of Project Area Funds to the Agency. The Participants acknowledge, understand and agree that the Agency is under no obligation to challenge a change in law that reduces or eliminates the payment of Project Area Funds to the Agency; provided, the Agency will not oppose the Participants, and, if requested by Participants, Agency will cooperate with Participants, if any of the Participants challenge a change in the law that reduces or eliminates the payment of Project Area Funds to the Agency. The Participants agree that Agency may utilize funds from the Expense Reserve as necessary to pay for such cooperation. If any change in law invalidates the Tax Increment Reimbursement provided in support of the Project, the Participants are hereby released from any and all obligations made by the Participants to the Agency. For purposes of this Section 4.5 and Section 4.6 below, the Agency's agreement to cooperate means the Agency agrees to (i) defend against any legal action seeking specific performance, declaratory relief or injunctive relief, (ii) set court dates at the earliest practicable date(s), (iii) testify on behalf of Participant(s), (iv) to provide information and data necessary to defend against such action, (v) affirmatively support the actions of Participant(s) and (vi) not cause delay in the prosecution/defense of the action, provided such cooperation shall not require any Party to waive any rights against the other Party.

4.6 Declaration of Invalidity

In the event a court of competent jurisdiction after final adjudication (by the highest court to which the matter may be appealed) (i) declares that the Agency cannot receive Project Area Funds or reimburse the Participants from Project Area Funds as provided in this Agreement, (ii) invalidates the Project Area, or (iii) takes any other action which eliminates or reduces the amount Project Area Funds paid to the Agency, the Agency's obligation to pay the Tax Increment Reimbursement to the Participant hereunder shall be accordingly reduced or eliminated. The Participants specifically reserve and do not waive hereunder any right it may have to challenge a ruling, decision or order by any court that would reduce or eliminate the payment of Project Area Funds to the Agency. The Agency hereby assigns to the Participants all rights, standing, and claims of the Agency in connection with the right to receive to the payment of Project Area Funds. The Participants acknowledge, understand and agree that the Agency is under no obligation to challenge a ruling, decision or order by any court that reduces or eliminates the payment of Project Area Funds to the Agency; provided, the Agency will not oppose the Participant(s) and, if requested by Participant(s), will cooperate with Participant(s) if Participant(s) challenge a ruling by any court. The Participant(s) agrees that Agency may utilize funds from the Expense Reserve as necessary to pay for such cooperation. Additionally, if any court invalidates the Project Area Plan or Project Area Budget as a result of a procedural defect, the Agency shall take such actions as are necessary to correct such procedural defect and adopt the Project Area Plan and Project Area Budget. In the event any court invalidates the Tax Increment Reimbursement provided in support of the Project, the Participants are hereby released from any and all obligations made by the Participants to the Agency.

4.7 Central Assessment

In the event of any change in law, or if the type of real property used by Participant results in Taxes not being assessed by a Taxing Entity which has agreed to pay such Taxes to the Agency pursuant to an Interlocal Agreement, the Agency shall use all commercially reasonable efforts to enter into Interlocal Agreements with the governmental agency responsible for assessing such Taxes, to the extent necessary, to cause all Property Tax Increment payable with respect to the real property located in the Project Area to be payable to the Agency and then to the Participants on the terms set forth herein.

5 DEFAULTS, REMEDIES AND TERMINATION

5.1 Default

If either the Agency or the Participants fail to perform or delay performance of any term or provision of this Agreement or any representation or warranty made herein proves to be false or misleading in any material respect when made, such conduct shall constitute default hereunder. The Party in default must commence to cure, correct, or remedy such failure or delay and shall complete such cure, correction, or remedy within the periods provided in Section 5.3 hereof; provided, however, that the payment of annual Tax Increment Reimbursement payments will not, despite anything in this Agreement to the contrary, be subject to any cure or grace period; time is strictly of the essence of the Agency's obligation to annually pay Tax Increment Reimbursement payments to the Participants.

5.2 Notice

If a default under this Agreement occurs, the non-defaulting Party shall give written notice of the default (a “**Default Notice**”) to the Party in default, specifying the nature of the default. Failure or delay in giving a Default Notice shall not constitute a waiver of any default or operate as a waiver of any rights or remedies of the non-defaulting Party; but the non-defaulting Party shall have no right to exercise any remedy hereunder without delivering the Default Notice as provided herein. Delays by either Party in asserting any right or remedy hereunder shall not deprive either Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

5.3 Cure Period

The non-defaulting Party shall have no right to exercise a right or remedy hereunder unless the subject default continues uncured for a period of one hundred eighty (180) days after delivery of the Default Notice with respect thereto or, where the default is of a nature which cannot be cured within such one hundred eighty (180) day period, the defaulting Party fails to commence such cure within one hundred eighty (180) days and to diligently proceed to complete the same.

5.4 Rights and Remedies

Upon the occurrence and during the continuance of an event of default beyond all applicable notice and cure periods hereunder (an “**Event of Default**”) by the Agency, the Participants shall have all rights and remedies against Agency as may be available at law or in equity, including, without limitation, the right to obtain specific performance, to recover damages for any default, or to obtain any other remedy consistent with the purposes of this Agreement. Upon the occurrence and during the continuance of an Event of Default by a Participant, the Agency may terminate this Agreement as it relates to the defaulting Participant only and, if the Agency has actual damages (excluding any consequential, punitive, or special damages) as a result of such Event of Default the Agency may seek to recover such damages in an amount not to exceed the amount of the Tax Increment Reimbursement actually received by Participant. In the event of a partial termination due to a breach by a Participant, if necessary, the remaining Participants shall use good faith efforts to equitably resolve and distribute any remaining obligations under this Agreement among the remaining Participants. Such rights and remedies are cumulative, and the exercise of one or more of such rights or remedies shall not preclude the exercise, at the same or different times, of any other rights or remedies for the Event of Default or any other Event of Default by the defaulting Party.

5.5 Legal Actions

5.5.1 Venue

All legal actions must be instituted in the Fourth Judicial District Court for the State of Utah, unless they involve a case with mandatory federal jurisdiction, in which case they must be instituted in the Federal District Court for the District of Utah.

5.5.2 Services of Process

Service of process on the Agency and Participants shall be at the addresses set forth in Section 1.6 unless otherwise designated in writing by Agency or Participants.

5.5.3 Applicable Law

The laws of the State of Utah shall govern the interpretation and enforcement of this Agreement.

5.5.4 Waiver of Jury Trial.

Each Party hereto hereby irrevocably waives any and all rights it may have to demand that any action, proceeding or counterclaim arising out of or in any way related to this Agreement be tried by jury. This waiver extends to any and all rights to demand a trial by jury arising from any source, including but not limited to the Constitution of the United States, the Constitution of any state, common law or any applicable statute or regulation. Each Party hereby acknowledges that it is knowingly and voluntarily waiving the right to demand trial by jury.

GENERAL PROVISIONS

5.6 Notices, Demands, and Communications Among the Parties

Notices, demands, and communications between the Agency and the Participant shall be sufficiently given if personally delivered or if dispatched by registered or certified mail, postage prepaid, return receipt requested, or an overnight commercial delivery service to the principal offices of the Agency and the Participants, as designated in Section 1.6 hereof. Either Party hereto may change its address specified for notices herein by designating a new address by notice in accordance with this Section. All such notices and other communications shall be effective upon actual receipt by the relevant Party or, if delivered by overnight courier service, upon the first business day after the date deposited with such courier service for overnight (next-day) delivery or, if mailed, upon the third business day after the date deposited into the mail or, if delivered by hand, upon delivery.

5.7 Severability

In the event that any condition, covenant or other provision herein contained is held to be invalid or void by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect any other condition, covenant or provision herein contained unless such severance shall have a material effect on the terms of this Agreement. If such condition, covenant or other provision shall be deemed invalid due to its scope, all other provisions shall be deemed valid to the extent of the scope or breadth permitted by law.

5.8 Nonliability of Officials and Employees

No member, director, officer, agent, employee, or consultant of the Agency shall be personally liable to the Participants, or any successor in interest, in the event of any default or breach by the Agency or for any amount which may become due to the Participant or its successors or on any obligations under the terms of this Agreement. No member, director, officer, agent, employee, or consultant of Participants shall be personally liable to the Agency, or any successor in interest, in the event of any default or breach by the Participants or for any amount which may become due to the Agency or its successors or on any obligations under the terms of this Agreement.

5.9 Enforced Delay; Extension of Time and Performance

In addition to the specific provisions of this Agreement, neither Party shall be deemed to be in default hereunder when it fails to perform or delays performance of any non-monetary obligations under this Agreement to the extent due to war, insurrection, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, acts of God, acts of a public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, newly enacted governmental restrictions unusually severe weather, inability to secure necessary labor, materials or tools, acts or failure to act of the Agency (with respect to Participant only) or any other public or governmental entity. An extension of time to perform shall be granted as a result of any of the foregoing causes, which extension shall be for the period of the forced delay and shall run from the time of the commencement of the cause, if notice is sent by the Party claiming such extension to the other Party within thirty (30) days of actual knowledge of the commencement of the cause. Time of performance under this Agreement may also be extended in writing by the Agency and the Participant by mutual agreement.

5.10 Approvals

Whenever the consent or approval is required of any Party hereunder, such consent or approval shall not be unreasonably withheld, delayed or conditioned except as otherwise specifically provided herein, and shall be in writing.

5.11 Time of the Essence

Time shall be of the essence of this Agreement.

5.12 Interpretation

The Parties hereto agree that they intend by this Agreement to create only the contractual relationship established herein, and that no provision hereof, or act of either Party hereunder, shall ever be construed as creating the relationship of principal and agent, or a partnership, or a joint venture or enterprise among the Parties hereto.

5.13 No Third-Party Beneficiaries

It is understood and agreed that this Agreement shall not create in either Party hereto any independent duties, liabilities, agreements, or rights to or with any third party, nor does this

Agreement contemplate or intend that any of the benefits hereunder should accrue to any third party.

5.14 Effect and Duration of Covenants; Term of Agreement

The covenants contained in this Agreement shall, without regard to technical classification and designation, bind the Participants and Agency and any of their respective successors in interest. The covenants contained in this Agreement shall inure to the benefit of and in favor of the Agency and Participants and to their respective successors and assigns during the term of this Agreement. Except as otherwise provided herein, the term of this Agreement shall run from the Effective Date until the expiration of the Increment Period, provided, the Parties shall continue to have the right to seek to enforce, or commence proceeding to enforce, the obligations of the other Party that arose prior to the termination of this Agreement.

6 ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS

- 6.1** This Agreement may be executed in duplicate originals, each of which shall be deemed an original. This Agreement, including all Exhibits hereto, constitutes the entire understanding and agreement of the Parties with respect to the matters set forth herein. All Exhibits attached hereto are hereby incorporated herein by reference and are made a part hereof as though fully set forth herein. Notwithstanding anything contained herein to the contrary, nothing contained herein shall be construed as an amendment to the Interlocal Agreements.
- 6.2** When executed by both Parties, this Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between or among the Parties with respect to all or any part of the Project Area and the development thereof.
- 6.3** All waivers of the provisions of this Agreement must be in writing. This Agreement and any provisions hereof may be amended only by mutual written agreement by the Participant and the Agency.
- 6.4** Each Party hereto hereby represents and warrants unto the other as of the Effective Date that (i) this Agreement has been duly authorized by such Party and when executed and delivered will constitute the valid, legal and binding agreement and obligation of such Party enforceable against such Party in accordance with the terms hereof, and (ii) each person signing on behalf of such Party has been duly authorized by the governing body or board of such Party to bind such Party to the terms and conditions hereof.
- 6.5** In the event any litigation ensues with respect to the rights, duties and obligations of the Parties under this Agreement, the unsuccessful Party in any such action or proceeding shall pay for all costs, expenses and reasonable attorney's fees incurred by the prevailing party in enforcing the covenants and agreements of this Agreement. The term "prevailing party," as used herein, shall include, without

limitation, a Party who obtains legal counsel and (a) brings action against the other Party by reason of the other Party's breach or default and obtains substantially the relief sought, whether by compromise, settlement or judgment or (b) defends an action against brought by the other Party and the other Party fails to obtain substantially the relief sought, whether by compromise, settlement or judgment.

7 MORTGAGEE PROTECTIONS; ESTOPPEL

- 7.1 The Parties hereto agree that this Agreement shall not prevent or limit Tyson from encumbering the Project or any estate or interest therein, portion thereof, or any improvement thereon, in any manner whatsoever by one or more mortgages, deeds of trust, sale and leaseback, or other form of secured financing ("**Mortgage**") with respect to the construction, development, use or operation of the Project and parts thereof. The Agency acknowledges that the lender(s) providing such Mortgages may require certain interpretations and modifications to this Agreement and the Agency agrees, upon request, from time to time, to meet with the Participant and representatives of such lender(s) to negotiate in good faith any such request for interpretation or modification. The Agency will not unreasonably withhold its consent to any such requested interpretation or modification, provided such interpretation or modification is consistent with the intent and purposes of this Agreement.
- 7.2 Notwithstanding any of the provisions of this Agreement to the contrary, the holder of a Mortgage (a "**Mortgagee**") shall not have any obligation or duty pursuant to the terms set forth in this Agreement to perform the obligations of the Participant or other affirmative covenants of the Participant hereunder, or to guarantee such performance.
- 7.3 The Mortgagee of any Mortgage or deed of trust encumbering the Project, or any part or interest thereof, that has submitted a request in writing to the Agency in the manner specified herein for giving notices shall be entitled to receive written notification from the Agency of any notice of non-compliance by the Participants in the performance of the Participants obligations under this Agreement. If the Agency timely receives a request from a Mortgagee requesting a copy of any notice of non-compliance given to the Participant under the terms of this Agreement, the Agency shall provide a copy of that notice to the Mortgagee within ten (10) days of sending the notice of non-compliance to the Participants. The Mortgagee shall have the right, but not the obligation, to cure the non-compliance for a period of one hundred twenty (120) days after the Mortgagee receives such written notice.
- 7.4 At any time, and from time to time, Participant(s) may deliver written notice to the Agency, and the Agency may deliver written notice to the Participants, requesting that such Party certify in writing that, to the knowledge of the certifying Party (i) this Agreement is in full force and effect and a binding obligation of the Parties, (ii) this Agreement has not been amended, or if amended, the identity of each amendment, (iii) the requesting Party is not then in

breach of this Agreement, or if in breach, a description of each such breach, and (iv) any other factual matters reasonably requested (an “**Estoppel Certificate**”). The Executive Director of the Agency shall be authorized to execute, on behalf of the Agency, any Estoppel Certificate requested by the Participant which complies with this Section within fifteen (15) days of a written request for such Estoppel Certificate. The Agency’s failure to furnish an Estoppel Certificate within fifteen (15) days after request therefor shall be conclusively presumed that: (a) this Agreement is in full force and effect without modification in accordance with the terms set forth in the request; and (b) that there are no breaches or defaults on the part of Participant. The Agency acknowledges that an Estoppel Certificate may be relied upon by transferees or successors in interest to the Participants and by Mortgagees holding an interest in the Property.

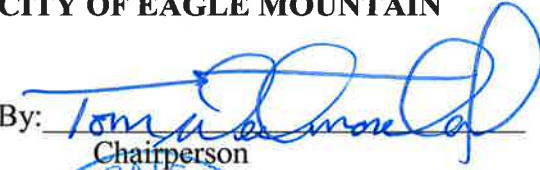
8 CONFIDENTIALITY

- 8.1** The Parties acknowledge and agree that this Agreement shall become a public record under Utah law, and that discussion regarding this Agreement shall take place before the Agency board in open session.
- 8.2** A Participant may designate any trade secrets or confidential business information included in any report or other writing delivered to the Agency pursuant to or in connection with this Agreement by any method intended to clearly set apart the specific material that the Participant claims to be either its trade secrets or confidential business information that, if released, would give an advantage to competitors of the Participant and serve no public purpose (such information, collectively, “**Confidential Business Information**”). Except as otherwise required by law, the Agency shall not allow inspection or provide copies of any such records until the Agency shall have had not less than ten (10) business days excluding the day of receipt to determine whether to contest the right of any party to inspect or receive copies of the records or to inspect such records without redaction of the Confidential Business Information. Any such action to enjoin the release of Confidential Business Information may be brought in the name of the Participant or the Agency. The costs, damages, if any, and attorneys’ fees in any proceeding commenced by the Participant or at its request by the Agency to prevent or enjoin the release of Confidential Business Information in any public records relating to this Agreement or the Project shall be borne by the Participant.

[SIGNATURES ON THE FOLLOWING PAGE]

SIGNATURE PAGE TO THE PARTICIPATION AGREEMENT

**THE REDEVELOPMENT AGENCY OF THE
CITY OF EAGLE MOUNTAIN**

By: 
Chairperson

Attest:

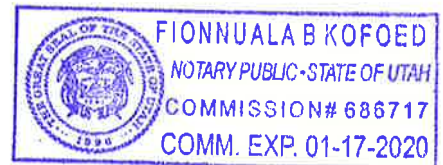
By: 
Executive Director



STATE OF UTAH)
 : ss.
COUNTY OF UTAH)

The foregoing instrument was acknowledged before me on the 26 day of September 2019, by Tom Hestmark, as the Chairperson of the Redevelopment Agency of the City of Eagle Mountain.


Notary Public



OQUIRRH WOOD RANCH, LLC

Signature: _____

Print Name: Nathan Shipp

Title: Manager

STATE OF UTAH)
 : ss.
COUNTY OF UTAH)

The foregoing instrument was acknowledged before me on the 26th day of September 2019, by Nathan Shipp, who represented that he had authority to and did sign the foregoing instrument on behalf of Oquirrh Wood Ranch, LLC.



Diane G Kunz
Notary Public

TYSON FRESH MEATS, INC.

Signature: *Nathan Hobbe*

Print Name: Nathan Hobbe

Title: Senior Vice President

STATE OF ARKANSAS)

) SS

COUNTY OF WASHINGTON)

Before me, a notary public in and for the state of Arkansas, on this 26 day of September, personally appeared Nathan Hobbe, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as the Senior Vice President of Tyson Fresh Meats, Inc., a Delaware corporation.

Dated: 9/26/2019

(seal)



Oscar Villegas

Printed Name of Notary Public:

Oscar Villegas

My Commission Expires:

1/16/2028

Exhibit A
Project Area Plan

PROJECT AREA PLAN

POLE CANYON COMMUNITY REINVESTMENT AREA (CRA)

EAGLE MOUNTAIN REDEVELOPMENT AGENCY, UTAH



APRIL 2019


**LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.**

GATEWAY PLAZA BUILDING • 41 N. RIO GRANDE, STE. 101 • SALT LAKE CITY, UT 84101
(P) 801-596-0700 • (TF) 800-581-1100 • (F) 801-596-2300 • WWW.LEWISYOUNG.COM



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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 several 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;



- the tax identification number of the parcels from which tax increment will be collected; or
 - a legal description of the portion of the Project Area from which tax increment will be collected; and
- ☞ for property that the Agency owns and expects to sell, the expected total cost of the property to the Agency and the expected selling price.

“Project Area Plan” or **“Plan”** shall mean the written plan (outlined by 17C-5-105 of the Act) that, after its effective date, guides and controls the community reinvestment activities within the Project Area. Project Area Plan refers to this document and all the attachments to this document, which attachments are incorporated by this reference. It is anticipated that the POLE CANYON PLAN will be subject to an interlocal agreement process with the taxing entities within the Project Area.

“Taxes” includes all levies on an ad valorem basis upon land, local and centrally assessed real property, personal property, or any other property, tangible or intangible.

“Taxing Entity” shall mean any public entity that levies a tax on any property within the Project Area.

“Tax Increment” shall mean the difference between the amount of property tax revenues generated each tax year by all taxing entities from the Project Area using the current assessed value of the property and the amount of property tax revenues that would be generated from the same area using the base taxable value of the property.

“Tax Increment Period” shall mean the period in which the taxing entities from the Project Area consent that a portion of their tax increment from the Project Area be used to fund the objectives outlined in the Project Area Plan.

“Tax Year” shall mean the 12-month period between sequential tax roll equalizations (November 1st - October 31st) of the following year, e.g., the November 1, 2018 - October 31, 2019 tax year.



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 Pole Canyon Community Reinvestment Project Area (the "Project Area"). This Plan is the 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 western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. 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 always been observed 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 March 5, 2019.

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

Description of the Boundaries of the Proposed Project Area

UTAH CODE
§17C-5-105(1)

A legal description of the Project Area along with a detailed map of the Project Area is attached respectively as **Exhibit A** and **Exhibit B** and incorporated herein. The Project Area lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. All the land in the Project Area is currently vacant. The Project Area is comprised of approximately 80 acres of property.

As delineated in the office of the Utah County Recorder, the Project Area encompasses a 120-acre portion of the parcels detailed in **Table 1**.

TABLE 1: PARCEL LIST

Parcel Id	Parcel Owner
59:048:0089	Oquirrh Wood Ranch LLC
59:048:0077	BATN Family Investments

UTAH CODE
§17C-5-105(1)

General Statement of Land Uses, Layout of Principal Streets, Population Densities, Building Densities and How They Will be Affected by the Project Area

General Land Uses

The property within the Project Area is currently classified as vacant agriculture/greenbelt property. Most of the property surrounding the Project Area is also vacant agriculture/greenbelt.

Table 1 summarizes the approximate acreage of existing land uses by land use type.

TABLE 2: LAND USES

Type	Acres	% of Area
Vacant Agriculture/Greenbelt	80	100%
Total	80	100%

This Project Area Plan is consistent with the General Plan of the City and promotes economic activity by virtue of the land uses contemplated. Any zoning change, amendment or conditional use permit necessary to the successful development contemplated by this Project Area Plan shall be undertaken in accordance with the requirements of the City's Code and all other applicable laws including all goals and objectives in the City's General Plan.

Layout of Principal Streets

There are currently no paved streets within the Project Area, 4000 N., an unpaved road runs along the northern periphery of the Project Area.

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 food manufacturing facility.

Land Use – It is anticipated that future development within the Project Area will create space for a food manufacturing facility, and any other ancillary 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 include the construction of some additional streets in the area. It is anticipated that access roads will also 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 increase as the Project Area is anticipated to create approximately 1,400 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

It is the intent of the Agency, with the assistance and participation of private developers and property owners, to facilitate the development within the Project Area.

UTAH CODE
§17C-5-105(E)

Conformance of the Proposed Development to the Community's General Plan

The proposed Community Reinvestment Project Area Plan and the development contemplated are consistent with the City's proposed General Plan and land use regulations.

UTAH CODE
§17C-5-105(G)

Describe any Specific Project or Projects that are the object of the Proposed Community Reinvestment

The Project Area is being created in order to assist with the construction of a food manufacturing facility and any ancillary buildings.

UTAH CODE
§17C-5-105(H)

Method of Selection of Private Developers to undertake the Community Reinvestment and Identification of Developers Currently Involved in the Process

The City and Agency will select or approve such development as solicited or presented to the Agency and City that meets the development objectives set forth in this plan. The City and Agency retain the right to approve or reject any such development plan(s) that in their judgment do not meet the development intent for the Project Area. The City and Agency may choose to solicit development through an RFP or RFQ process, through targeted solicitation to specific industries, from inquiries to the City, EDC Utah, and/or from other such references.

The City and Agency will ensure that all development conforms to this plan and is approved by the City. All potential developers may need to provide a detailed development plan including sufficient financial information to provide the City and Agency with confidence in the sustainability of the development and the developer. Such a review may include a series of studies and reviews including reviews of the Developers financial statements, third-party verification of benefit of the development to the City, appraisal reports, etc.

Any participation between the Agency and developers and property owners shall be by an approved agreement.

UTAH CODE
§17C-5-105(I)

Reason for Selection of the Project Area

The Project Area is currently classified as vacant agriculture/greenbelt and is collecting relatively no tax revenue for the taxing entities. The creation of the Project Area will create a significant economic benefit



to all taxing entities as this underutilized area will be developed to a higher and greater use. The development will also serve as an anchor tenant of the future Pole Canyon Industrial Park.

UTAH CODE
§17C-5-105(J)

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

Physical Conditions

The Project Area consists of approximately 80 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 vacant agriculture/greenbelt classification.

Economic Conditions

The Project Area is currently under vacant agriculture/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 to future development within the Project Area.

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)

Anticipated Public Benefit to be Derived from the Community Development

 UTAH CODE
§17C-5-105(2)(II)(A)

The Beneficial Influences upon the Tax Base of the Community

The beneficial influences upon the tax base of the City and the other taxing entities will include increased property tax revenues, job growth, and affordable housing opportunities in the community. The increased revenues will come from the property values associated with new construction in the area, as well as increased land values as the property within the Project Area will no longer be classified as vacant agriculture/greenbelt. Property values include land, buildings and personal property (machines, equipment, etc.).

Job growth in the Project Area will result in increased wages, increasing local purchases and benefiting existing businesses in the area. Job growth will also result in increased income taxes paid. Additionally, business growth will generate corporate income taxes.

There will also be a beneficial impact on the community through increased construction activity within the Project Area. Positive impacts will be felt through construction wages paid, as well as construction supplies purchased locally.

 UTAH CODE
§17C-5-105(2)(II)(B)

The Associated Business and Economic Activity Likely to be Stimulated

Other business and economic activity likely to be stimulated includes increased spending by new and existing residents within the City and employees in the Project Area and in surrounding areas. This includes both direct and indirect purchases that are stimulated by the spending of the additional employees in the area.

Employees may make some purchases in the local area, such as convenience shopping for personal services (haircuts, banking, dry cleaning, etc.). The employees will not make all their convenience or personal services purchases near their workplace and each employee's purchasing patterns will be different. However, it is reasonable to assume that a percentage of these annual purchases will occur within proximity of the workplace (assuming the services are available). The City also envisions this area as a future industrial park, this development will act as an anchor and likely attract new businesses to the area.

 UTAH CODE
§17C-5-105(2)(B)

Efforts to Maximize Private Investment

The agency has formed a partnership with the developers to realize the vision of this project area. It is anticipated that the development will require over \$250,000,000 of private capital. Creating a CRA will act as a catalyst for the development.

 UTAH CODE
§17C-5-105(2)(C)

“But For” Analysis

The anticipated development includes numerous costs, including land purchase, infrastructure and over \$200 million of personal property. “But-for” the creation of the CRA and public participation, the costs associated with the development would be too high, and the Project Area would remain in its underutilized state.

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.

TABLE 3: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Total	NPV at 4%
Utah County	60%	20 Years	\$1,416,805	\$934,277
Alpine School District	60%	20 Years	13,612,553	8,976,460
Eagle Mountain City	60%	20 Years	1,788,426	1,179,333
Central Utah Water Conservancy District	60%	20 Years	774,210	510,534
Unified Fire Service Area – Salt Lake County	60%	20 Years	3,553,625	2,343,350
Total Sources of Tax Increment Funds			\$21,145,620	\$13,943,954

TABLE 4: PROJECT AREA REVENUES

Entity	Property Tax	Sales Tax	Franchise Tax	Total Tax Increment Revenues
Utah County	\$2,361,342	\$459,220	-	\$2,820,562
Alpine School District	22,687,589	-	-	22,687,589
Eagle Mountain City	2,980,710	444,731	3,892,941	7,318,382
Central Utah Water Conservancy District	1,290,351	-	-	1,290,351
Unified Fire District – Salt Lake County	5,922,709	-	-	5,922,709
Total Revenue	\$35,242,700	\$903,951	\$3,892,941	\$40,039,592

TABLE 5: PROJECT AREA EXPENDITURES

Entity	Property Tax	General Government	Public Safety	Public Works	Total Expenditures
Utah County	\$1,416,805	\$141,535	-	-	\$1,558,340
Alpine School District	13,612,553	8,107,145	-	-	21,719,698
Eagle Mountain City	1,788,426	730,016	1,172,766	477,903	4,169,111
Central Utah Water Conservancy District	774,210	82,816	-	-	857,026
Unified Fire District – Salt Lake County	3,553,625	244,911	-	-	3,798,536
Total Revenue	\$21,145,620	\$9,306,423	\$1,172,766	\$477,903	\$32,102,712

The total net benefit to the taxing entities of participating in the Project Area is \$7,936,880, with the City's net benefit being \$3,149,271.



EXHIBIT A: Legal Description of Pole Canyon CRA

PROJECT MOCKINGBIRD 80-ACRE PARCEL LEGAL DESCRIPTION

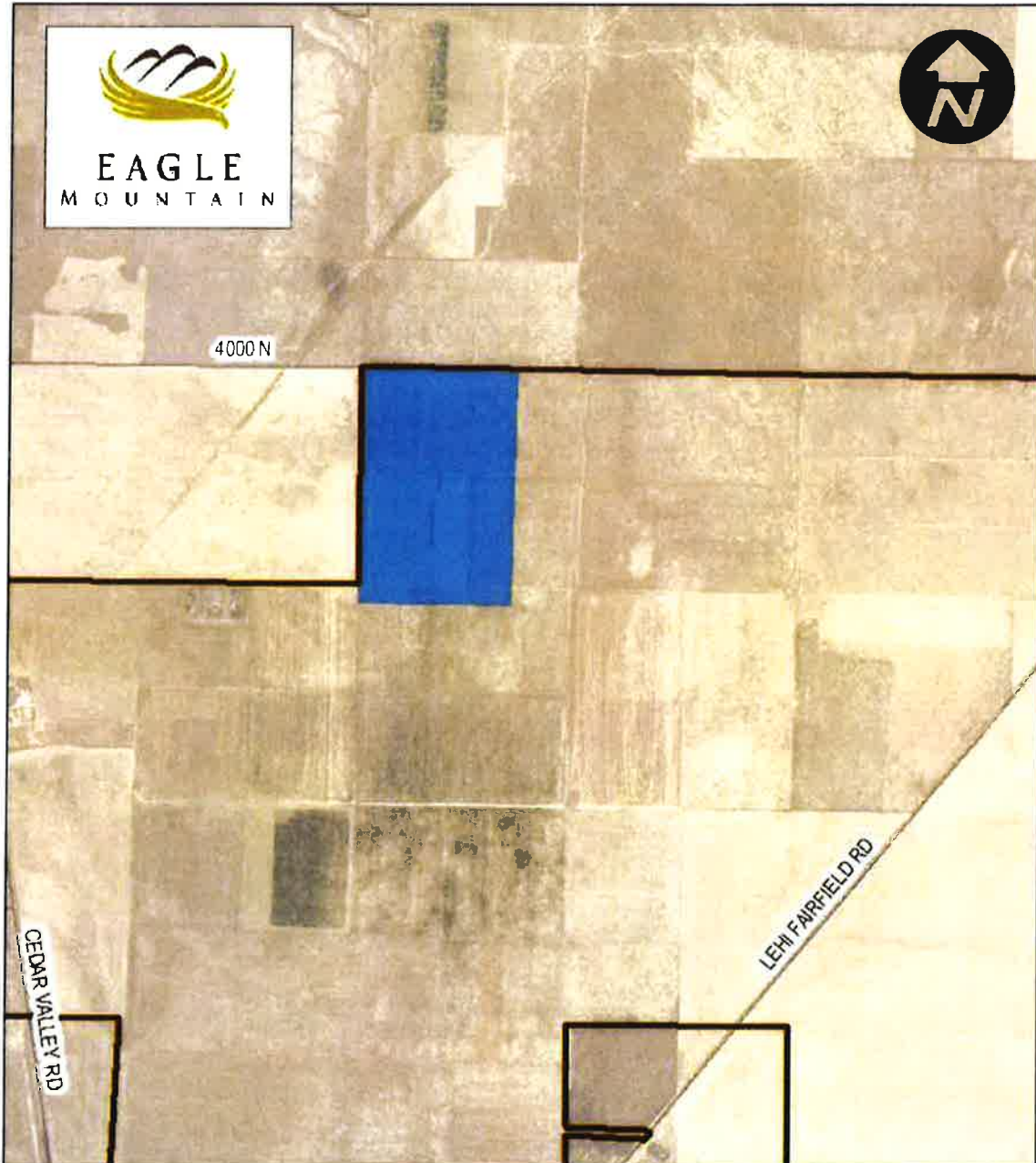
BEGINNING AT A POINT S00°23'57"W 47.00 FEET FROM THE NORTHWEST CORNER OF SECTION 16, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE S89°22'57"E 1843.00 FEET; THENCE S00°23'57"W 1890.95 FEET; THENCE N89°22'57"W 1843.00 FEET; THENCE N00°23'57"E 1890.95 FEET TO THE POINT OF BEGINNING.

CONTAINS 3,484,995.55 SQ.FT. OR 80.00 ACRES





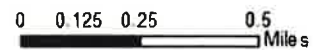
EXHIBIT B: Project Area Map

MAP OF PROPOSED PROJECT AREA BOUNDARIES



POLE CANYON CRA

-  EAGLE MOUNTAIN
-  POLE CANYON CRA



LEWIS YOUNG ROBERTSON & BURNINGHAM, LLC logo

Exhibit B

Eagle Mountain City Ordinance No. 0-14-2019

ORDINANCE NO. O-14-2019

**AN ORDINANCE OF EAGLE MOUNTAIN CITY, UTAH ADOPTING
THE POLE CANYON COMMUNITY REINVESTMENT PROJECT AREA PLAN,
AS APPROVED BY THE EAGLE MOUNTAIN REDEVELOPMENT AGENCY,
AS THE OFFICIAL COMMUNITY REINVESTMENT PROJECT AREA PLAN
FOR THE PROJECT AREA, AND DIRECTING THAT NOTICE OF THE ADOPTION
BE GIVEN AS REQUIRED BY STATUTE**

PREAMBLE

WHEREAS the Board of the Eagle Mountain Redevelopment Agency (the "Agency"), having prepared a Project Area Plan (the "Plan") for the Pole Canyon Community Reinvestment Project Area (the "Project Area"), the legal description attached hereto as Exhibit A, pursuant to Utah Code Annotated ("UCA") § 17C-5-105, and having held the required public hearing on the Plan on March 5, 2019, pursuant to UCA § 17C-5-104, adopted the Plan as the Official Community Reinvestment Plan for the Project Area; and

WHEREAS the Utah Community Reinvestment Agency Act (the "Act") mandates that, before the community reinvestment project area plan approved by an agency under UCA § 17C-5-104 may take effect, it must be adopted by ordinance of the legislative body of the community that created the agency in accordance with UCA § 17C-5-109; and

WHEREAS the Act also requires that notice is to be given by the community legislative body upon its adoption of a community reinvestment project area plan under UCA § 17C-5-110.

NOW, THEREFORE, BE IT ORDAINED by the City Council of Eagle Mountain City, Utah as follows:

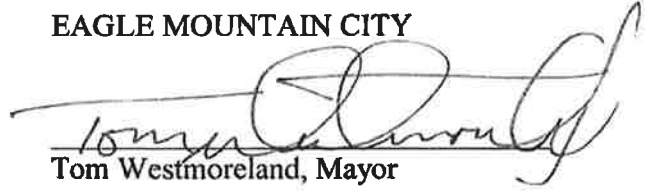
1. Eagle Mountain City hereby adopts and designates the Project Area Plan, as approved by the Agency Board, as the official community reinvestment plan for the Project Area (the "Official Plan").
2. City staff and consultants are hereby authorized and directed to publish or cause to be published the notice required by UCA § 17C-5-110, whereupon the Official Plan shall become effective pursuant to UCA § 17C-5-110(2).
3. Pursuant to UCA § 17C-5-106(5), the Agency may proceed to carry out the Official Plan upon its adoption.
4. This ordinance shall take effect immediately.



ENT 56477:2019 PG 1 of 5
JEFFERY SMITH
UTAH COUNTY RECORDER
2019 Jun 20 4:42 pm FEE 0.00 BY SM
RECORDED FOR EAGLE MOUNTAIN CITY

APPROVED AND ADOPTED this 7th day of May, 2019.

EAGLE MOUNTAIN CITY


Tom Westmoreland, Mayor

ATTEST:


Fionnuala B. Kofoed, MMC
City Recorder



CERTIFICATION

The above Ordinance was adopted by the City Council of Eagle Mountain City, Utah on this 7th day of May, 2019.

Those voting aye:

Those voting nay:

Those excused:

Donna Burnham

Donna Burnham

Donna Burnham

Melissa Clark

Melissa Clark

Melissa Clark

Colby Curtis

Colby Curtis

Colby Curtis

Stephanie Gricius

Stephanie Gricius

Stephanie Gricius

Benjamin Reaves

Benjamin Reaves

Benjamin Reaves



Fionnuala B. Kofoed, MMC
City Recorder

Exhibit A

PROJECT AREA LEGAL DESCRIPTION

ENT 56427:2019 PG 5 of 5

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.

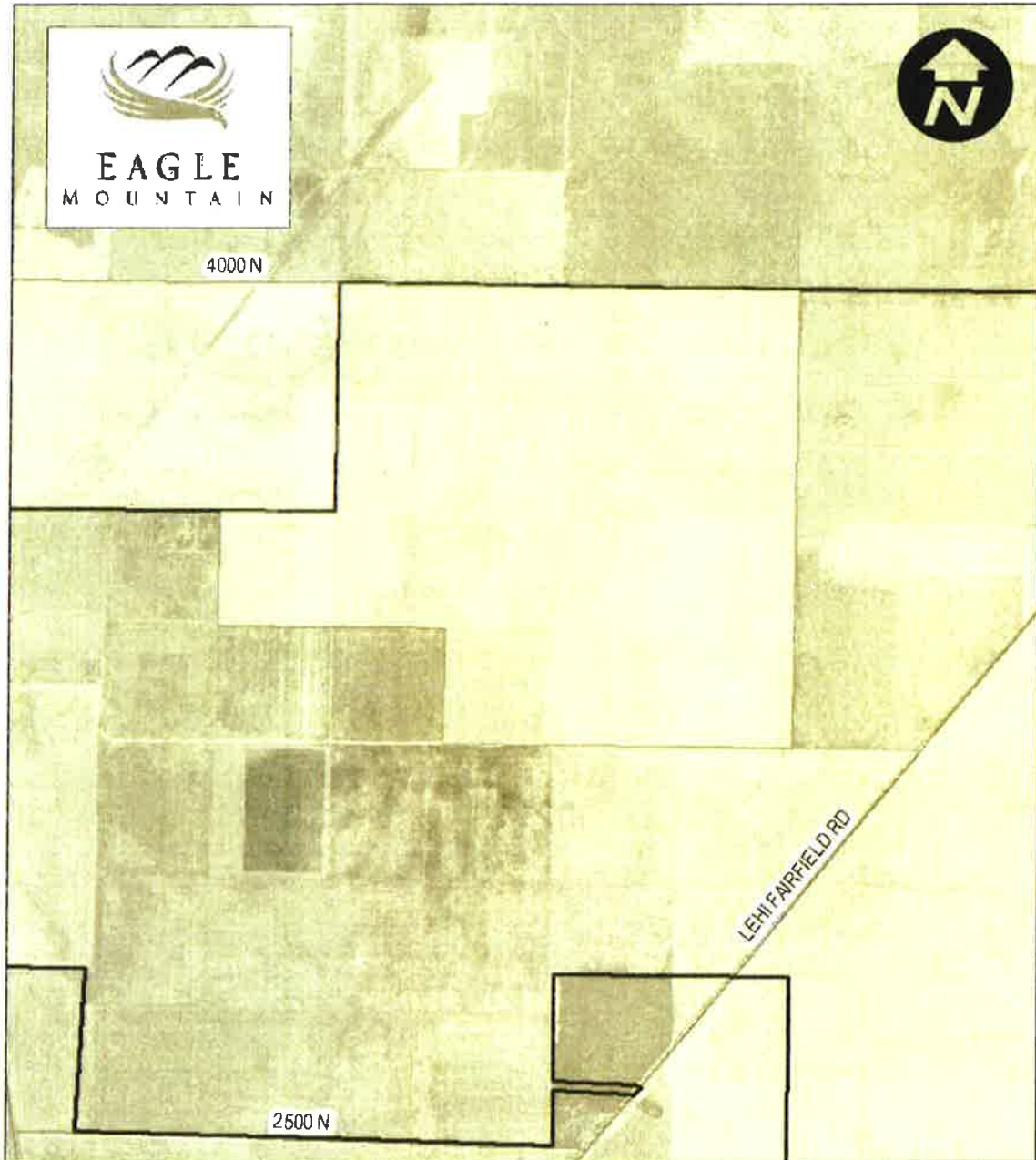
Exhibit C

Legal Description of the Project Area

Exhibit D

Project Area Map

EXHIBIT A
MAP OF POLE CANYON SURVEY AREA BOUNDARIES



POLE CANYON SURVEY AREA

 POLE CANYON SURVEY AREA

 EAGLE MOUNTAIN



LEWIS  YOUNG
ROBERTSON & BURNINGHAM, zc.

Exhibit E
Project Area Budget

PROJECT AREA BUDGET

POLE CANYON COMMUNITY REINVESTMENT AREA (CRA)

EAGLE MOUNTAIN REDEVELOPMENT AGENCY, UTAH



APRIL 2019



LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.

GATEWAY PLAZA BUILDING • 41 N. RIO GRANDE, STE 101 • SALT LAKE CITY, UT 84101
(P) 801-596-0700 • (TF) 800-581-1100 • (F) 801-596-2800 • WWW.LEWISYOUNG.COM



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SECTION 3: GENERAL OVERVIEW OF PROJECT AREA BUDGET	4
SECTION 4: PROPERTY TAX INCREMENT	5
SECTION 5: COST/BENEFIT ANALYSIS	7
EXHIBIT A: PROJECT AREA MAP	7
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Section 1: Introduction

The Eagle Mountain Redevelopment Agency (the "Agency"), following thorough consideration of the needs and desires of the City of Eagle Mountain (the "City") and its residents, as well as understanding the City's capacity for new development, has carefully crafted the Project Area Plan (the "Plan") for the Pole Canyon Community Reinvestment Project Area (the "Project Area"). The Plan is the result of a comprehensive evaluation of the types of appropriate land-uses and economic development opportunities for the land encompassed by the Project Area which lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park.

The Plan is envisioned to define the method and means of development for 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. This **Project Area Budget** document (the "Budget") is predicated upon certain elements, objectives and conditions outlined in the Plan and intended to be used as a financing tool to assist the Agency in meeting Plan objectives discussed herein and more specifically referenced and identified in the Plan.

The creation of the Project Area is being undertaken as a community reinvestment project pursuant to certain provisions of Chapters 1 and 5 of the Utah Community Reinvestment Agency Act (the "Act", Utah Code Annotated ("UCA") Title 17C). The requirements of the Act, including notice and hearing obligations, have always been observed throughout the establishment of the Project Area.

Section 2: Description of Community Development Project Area

The Project Area lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. The property is currently vacant land and is generating very little tax revenue for the City and other taxing entities. The property encompasses approximately 120 acres of land.

A map of the Project Area is attached hereto in EXHIBIT A.

Section 3: General Overview of Project Area Budget

The purpose of the Project Area Budget is to provide the financial framework necessary to implement the Project Area Plan vision and objectives. The Project Area Plan has identified that tax increment financing is essential in order to meet the objectives of the CRA Project Area. The following information will detail the sources and uses of tax increment and other necessary details needed for public officials, interested parties, and the public in general to understand the mechanics of the Project Area Budget.

Base Year Value

The Agency has determined that the base year property tax value for the Project Area will be the total taxable value for the 2018 tax year which is estimated to be \$1,200,000. Using the tax rates established within the Project Area the property taxes levied equate to \$13,110 annually. Accordingly, this amount will continue to flow through to each taxing entity proportional to the amount of their respective tax rates being levied.

Payment Trigger

The Project Area will have a twenty-year (20) duration from the date of the first tax increment received by the Agency. The collection of tax increment will be triggered at the discretion of the Agency prior to March 1 of the tax year in which they intend to begin the collection of increment. The following year in which this increment will be remitted to the Agency will be Year 1, e.g., if requested prior to March 1, 2020, Year 1 of increment will be 2021. The first year of tax increment shall be determined by the Agency.

Projected Tax Increment Revenue – Total Generation

Development within the Project Area will commence upon favorable market conditions which will include both horizontal and vertical infrastructure and development. The Agency anticipates that new development will begin in the Project Area in 2019. The contemplated development will generate significant additional property tax revenue as well as incremental sales and use tax above what is currently generated within the Project Area.

Property Tax Increment will begin to be generated in the tax year (ending Dec 1st) following construction completion and Tax Increment will be paid to the Agency in March or April after collection. It is projected that property Tax Increment generation within the Project Area could begin as early as 2021 or as late as 2022. It is currently estimated that during the 20-year life of the Project Area Budget, property Tax Increment could be generated within the Project Area in the approximate amount of \$35.24 million or at a net present value (NPV)¹ of \$23.24 million. This amount is over and above the \$262,200 of base taxes that the property would generate over 20 years at the \$13,110 annual amount it currently generates as shown in Table 4.1 below.

¹ Net Present Value of future cash flows assumes a 4% discount rate. The same 4% discount rate is used in all remaining NPV calculations. This total is prior to accounting for the flow-through of tax increment to the respective taxing entities.

Section 4: Property Tax Increment

Base Year Property Tax Revenue

The taxing entities are currently receiving - and will continue to receive - property tax revenue from the current assessed value of the property within the Project Area ("Base Taxes"). The current assessed value is estimated to be \$1,200,000. Based upon the tax rates in the area, the collective taxing entities are receiving \$13,110 in property tax annually from this Project Area. This equates to approximately \$262,200 over the 20-year life of the Project Area.

TABLE 4.1: TOTAL BASE YEAR TO TAXING ENTITIES (OVER 20 YEARS)

Entity	Total	NPV at 4%
Utah County	\$17,568	\$11,938
Alpine School District	168,792	114,697
Eagle Mountain City	22,176	15,069
Central Utah Water Conservancy District	9,600	6,523
Unified Fire Service Area – Salt Lake County	44,064	29,942
Total Revenue	\$262,200	\$178,169

Property Tax Increment Shared with RDA

All taxing entities that receive property tax generated within the Project Area, as detailed above, will share at least a portion of that increment generation with the Agency. All taxing entities will contribute 60% of their respective tax increment for 20 years. Table 4.2 shows the amount of Tax Increment shared with the Agency assuming the participation levels discussed above.

TABLE 4.2: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Total	NPV at 4%
Utah County	60%	20 Years	\$1,416,805	\$934,277
Alpine School District	60%	20 Years	13,612,553	8,976,460
Eagle Mountain City	60%	20 Years	1,788,426	1,179,333
Central Utah Water Conservancy District	60%	20 Years	774,210	510,534
Unified Fire Service Area – Salt Lake County	60%	20 Years	3,553,625	2,343,350
Total Sources of Tax Increment Funds			\$21,145,620	\$13,943,954

Uses of Tax Increment

The anticipated development includes numerous costs, including land purchase, infrastructure and over \$200 million of personal property. "But-for" the creation of the CRA and public participation, the costs associated with the development would be too high, and the Project Area would remain in its underutilized state.

The majority of the remaining Tax Increment collected by the Agency will be used to overcome the obstacles outlined above (88%). Including: offsetting certain on-site public infrastructure costs, Agency requested improvements and upgrades, desirable Project Area improvements, and other redevelopment activities as approved by the Agency. 10% will go towards affordable housing, as required by the Act. The remaining 2% will be used by the Agency to administer the Project Area.

TABLE 4.3: USES OF TAX INCREMENT

Uses	Total	NPV at 4%
Redevelopment Activities	\$18,608,146	\$12,270,680
CRA Housing Requirement	2,114,562	1,394,395
Project Area Administration	422,912	278,879
Total Uses of Tax Increment Funds	\$21,145,620	\$13,943,954

A multi-year projection of tax increment is including in **EXHIBIT B**.

Total Annual Property Tax Revenue for Taxing Entities at Conclusion of Project

As described above, the collective taxing entities are currently receiving approximately \$13,110 in property taxes annually from this Project Area. At the end of 20 years an additional \$2,011,033 in property taxes annually is anticipated, totaling approximately \$2,024,143 in property taxes annually for the area. "But for" the assistance provided by the RDA through tax increment revenues, this 15,340 percent increase in property taxes generated for the taxing entities would not be possible.

TABLE 4.4: TOTAL BASE YEAR AND END OF PROJECT LIFE ANNUAL PROPERTY TAXES

Entity	Annual Base Year Property Taxes	Annual Property Tax Increment at Conclusion of Project	Total Annual Property Taxes
Utah County	\$878	\$134,744	\$135,622
Alpine School District	8,440	1,294,608	1,303,048
Eagle Mountain City	1,109	170,086	171,195
Central Utah Water Conservancy District	480	73,631	74,111
Unified Fire Service Area – Salt Lake County	2,203	337,964	340,167
Total Revenue	\$13,110	\$2,011,033	\$2,024,143

Section 5: Cost/Benefit Analysis

Additional Revenues

Other Tax Revenues

The development within the Project Area will also generate sales taxes and municipal energy taxes. Table 5.1 shows the total revenues generated by the Project Area.

TABLE 5.1 TOTAL REVENUES

Entity	Property Tax	Sales Tax	Franchise Tax	Total Incremental Revenues
Utah County	\$2,361,342	\$459,220	-	\$2,820,562
Alpine School District	22,687,589	-	-	22,687,589
Eagle Mountain City	2,980,710	444,731	3,892,941	7,318,382
Central Utah Water Conservancy District	1,290,351	-	-	1,290,351
Unified Fire Service Area – Salt Lake County	5,922,709	-	-	5,922,709
Total Revenue	\$35,242,700	\$903,951	\$3,892,941	\$40,039,592

Additional Costs

The development anticipated within the Project Area will also likely result in additional general government, public works, and public safety costs. These costs, along with the estimated budget to implement the Project Area Plan, are identified below.

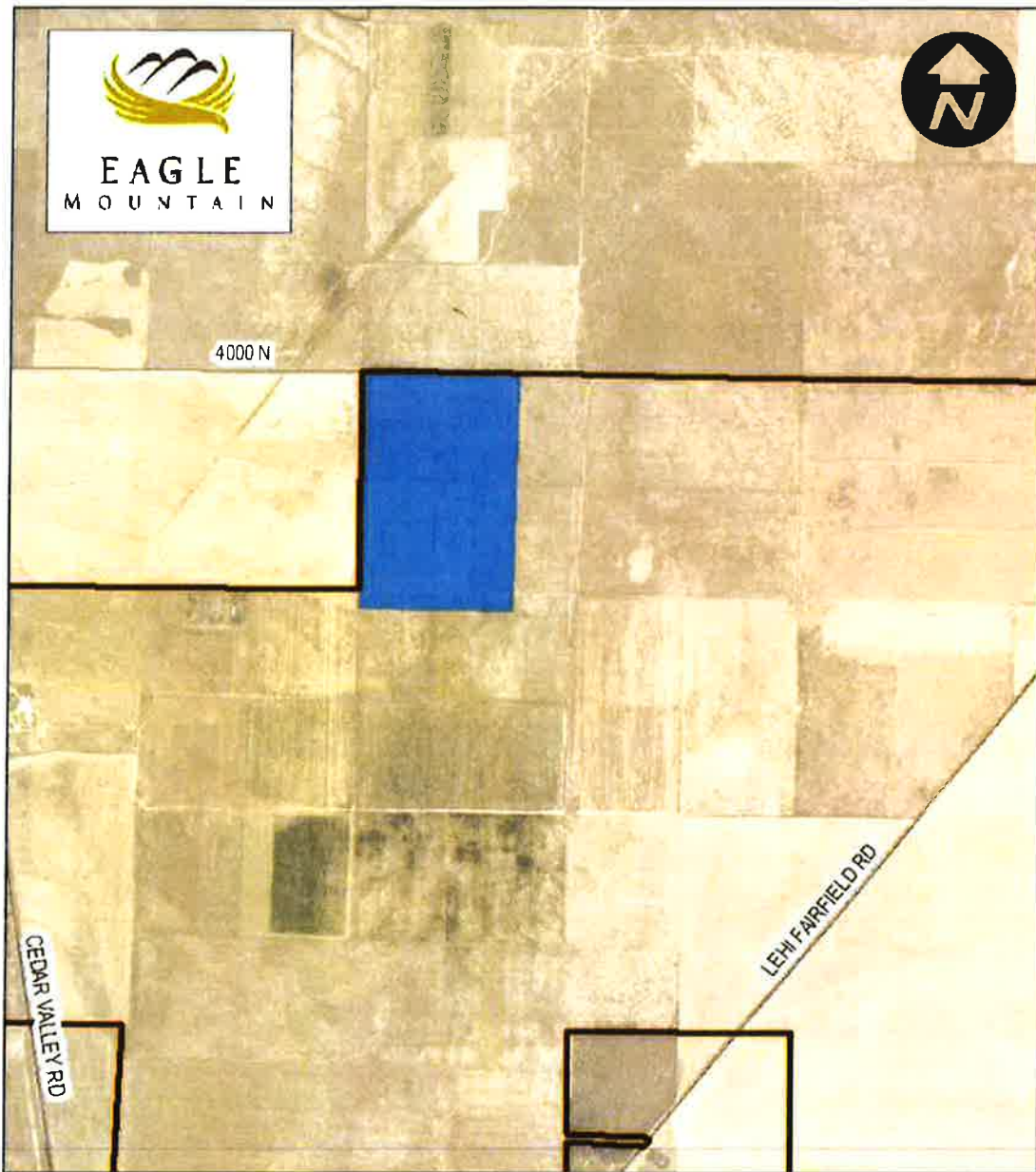
TABLE 5.2 TOTAL EXPENDITURES

Entity	CRA Budget	General Government	Public Works	Public Safety	Total Incremental Expenditures
Utah County	\$1,416,805	\$141,535	-	-	\$1,558,340
Alpine School District	13,612,553	8,107,145	-	-	21,719,698
Eagle Mountain City	1,788,426	730,016	1,172,766	477,903	4,169,111
Central Utah Water Conservancy District	774,210	82,816	-	-	857,026
Unified Fire Service Area – Salt Lake County	3,553,625	244,911	-	-	3,798,536
Total Expenditures	\$21,145,620	\$9,306,423	\$1,172,766	\$477,903	\$32,102,712



The total net benefit to the taxing entities of participating in the Project Area is \$7,936,880, with the City's net benefit being \$3,149,271.

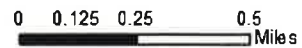


Exhibit A: Project Area Map



POLE CANYON CRA

-  EAGLE MOUNTAIN
-  POLE CANYON CRA



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Exhibit B: Multi-Year Budget

Eagle Mountain Redevelopment Agency

Pole Canyon Community Reinvestment Area
Increment and Budget Analysis

ASSUMPTIONS:	
Discount Rate	4.0%
Inflation Rate	0.0%

INCREMENTAL TAX ANALYSIS:	Payment Year	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS	NPV	
	Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20			
Real Property Value (Building & Land)		\$38,573,008	\$39,573,008	\$38,573,008	\$36,573,008	\$36,573,008	\$49,027,408	\$49,027,408	\$49,027,408	\$49,027,408	\$49,027,408	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008
Personal Property Value		-	\$108,396,100	\$105,024,050	\$100,289,650	\$109,390,380	\$104,220,832	\$97,516,710	\$89,371,070	\$81,028,410	\$73,331,472	\$66,913,231	\$63,614,143	\$61,200,528	\$78,658,714	\$76,439,135	\$122,380,269	\$117,523,638	\$112,220,807	\$107,323,393	\$102,633,055	\$102,633,055	\$102,633,055	\$102,633,055
Total Assessed Value:		\$38,573,008	\$146,969,108	\$143,597,058	\$138,862,658	\$147,963,388	\$153,248,240	\$146,544,116	\$138,398,478	\$130,055,819	\$122,358,891	\$161,622,239	\$148,323,151	\$145,916,336	\$143,407,723	\$141,148,144	\$187,089,278	\$182,232,646	\$176,829,816	\$172,032,401	\$167,342,063	\$167,342,063	\$167,342,063	\$167,342,063
Development Performance Contingency Buffer (10%)		\$3,857,301	\$14,696,911	\$14,359,706	\$13,886,266	\$14,796,338	\$15,324,824	\$14,654,412	\$13,839,848	\$13,005,582	\$12,235,891	\$16,162,224	\$14,832,315	\$14,591,654	\$14,340,772	\$14,114,814	\$18,708,928	\$18,223,665	\$17,692,982	\$17,203,240	\$16,734,206	\$16,734,206	\$16,734,206	\$16,734,206
Value of Current Property		\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000
Less Base Year Value		\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)
TOTAL INCREMENTAL VALUE:		\$42,430,309	\$161,666,019	\$157,956,754	\$152,749,144	\$162,759,727	\$168,573,054	\$161,198,530	\$152,238,526	\$143,061,401	\$134,994,769	\$177,784,483	\$161,155,467	\$160,508,190	\$157,748,495	\$155,262,938	\$205,789,205	\$200,455,911	\$194,822,797	\$188,235,641	\$184,076,286	\$184,076,286	\$184,076,286	\$184,076,286
TAX RATE & INCREMENT ANALYSIS:	2016 Rates																							
Utah County	0.000732	31,059	118,340	115,624	111,812	119,140	123,395	117,997	111,438	104,721	98,920	130,138	119,430	117,492	115,472	113,667	130,644	146,734	142,454	138,520	134,744	2,361,342	1,557,128	
Alpine School District	0.007033	298,412	1,136,997	1,110,910	1,074,285	1,144,689	1,185,574	1,133,709	1,070,692	1,008,151	946,605	1,250,358	1,147,472	1,126,854	1,109,445	1,091,964	1,447,379	1,409,606	1,368,782	1,330,894	1,294,608	22,887,589	14,960,767	
Eagle Mountain City	0.003924	39,206	149,379	145,952	141,140	150,390	155,762	148,947	140,668	132,189	124,366	164,273	157,756	148,310	145,760	143,463	190,158	185,221	179,831	174,854	170,086	2,960,710	1,955,555	
Central Utah Water Conservancy District	0.000400	16,972	64,656	63,163	61,100	65,104	67,429	64,479	60,896	57,225	53,636	71,114	65,262	64,203	63,099	62,105	82,319	80,182	77,849	75,694	73,631	1,280,351	850,890	
Unified Fire Service Area - Salt Lake County	0.001836	77,302	296,819	290,009	280,447	298,827	308,500	295,951	279,510	262,661	247,116	326,412	299,552	294,095	289,526	289,063	377,845	368,037	367,327	347,437	337,964	5,622,709	3,905,583	
Totals:	0.010925	463,551	1,766,201	1,725,676	1,668,784	1,778,150	1,841,661	1,761,094	1,663,204	1,562,946	1,470,448	1,942,256	1,782,473	1,763,562	1,723,402	1,696,246	2,248,345	2,189,961	2,126,254	2,067,399	2,011,033	35,242,700	23,239,923	
TOTAL INCREMENTAL REVENUE IN PROJECT AREA:		\$463,551	\$1,766,201	\$1,725,676	\$1,668,784	\$1,778,150	\$1,841,661	\$1,761,094	\$1,663,204	\$1,562,946	\$1,470,448	\$1,942,256	\$1,782,473	\$1,763,562	\$1,723,402	\$1,696,246	\$2,248,345	\$2,189,961	\$2,126,254	\$2,067,399	\$2,011,033	\$35,242,700	\$23,239,923	
PROJECT AREA BUDGET		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS	NPV	
Sources of Funds:																								
Property Tax Participation Rate for Budget																								
Utah County	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	
Alpine School District	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	
Eagle Mountain City	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	
Central Utah Water Conservancy District	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	
Unified Fire Service Area - Salt Lake County	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	
Property Tax Increment for Budget																								
Utah County		\$18,635	\$71,004	\$69,375	\$67,087	\$71,484	\$74,037	\$70,798	\$66,863	\$62,833	\$59,114	\$78,093	\$71,058	\$70,435	\$69,283	\$68,191	\$90,387	\$88,040	\$85,478	\$83,112	\$80,846	\$1,416,805	\$934,277	
Alpine School District		\$178,047	\$682,196	\$666,546	\$644,671	\$686,813	\$711,345	\$680,226	\$642,415	\$603,690	\$567,903	\$750,215	\$688,483	\$677,312	\$665,867	\$655,179	\$866,427	\$845,884	\$821,269	\$798,537	\$776,765	\$13,612,553	\$8,976,460	
Eagle Mountain City		\$23,523	\$89,628	\$87,571	\$84,684	\$90,234	\$93,457	\$89,368	\$84,401	\$79,313	\$74,819	\$96,964	\$90,453	\$88,986	\$87,456	\$86,078	\$114,095	\$111,133	\$107,669	\$104,912	\$102,052	\$1,788,426	\$1,179,333	
Central Utah Water Conservancy District		\$10,183	\$38,860	\$37,910	\$36,660	\$39,082	\$40,458	\$38,688	\$36,537	\$34,335	\$32,303	\$42,668	\$39,157	\$38,622	\$37,860	\$37,263	\$49,392	\$48,109	\$46,709	\$45,417	\$44,178	\$774,210	\$510,334	
Unified Fire Service Area - Salt Lake County		\$48,741	\$178,091	\$174,005	\$168,269	\$179,295	\$185,700	\$177,376	\$167,706	\$157,596	\$148,720	\$195,847	\$179,732	\$176,816	\$173,778	\$171,038	\$226,707	\$220,822	\$214,396	\$208,462	\$202,778	\$3,553,625	\$2,340,350	
Total Property Tax Increment for Budget:		\$278,131	\$1,059,721	\$1,035,407	\$1,001,271	\$1,066,890	\$1,104,996	\$1,058,656	\$997,922	\$937,767	\$882,269	\$1,165,377	\$1,069,484	\$1,052,131	\$1,034,041	\$1,017,749	\$1,349,007	\$1,313,988	\$1,275,752	\$1,240,440	\$1,206,620	\$21,145,620	\$13,843,954	
Uses of Tax Increment Funds:																								
Redevelopment Activities (Infrastructure, incentives, etc.)	88.0%	\$244,755	\$932,554	\$911,158	\$881,118	\$930,863	\$972,397	\$939,859	\$878,172	\$825,235	\$776,396	\$1,025,532	\$941,148	\$925,875	\$903,956	\$895,619	\$1,197,126	\$1,172,562	\$1,091,587	\$1,051,826	\$1,001,826	\$18,808,148	\$12,270,680	
CRA Housing Requirement	10.0%	\$27,813	\$105,972	\$103,541	\$100,127	\$106,686	\$110,500	\$106,666	\$99,752	\$93,777	\$88,227	\$113,536	\$105,948	\$105,213	\$103,404	\$101,775	\$134,901	\$131,399	\$127,575	\$124,044	\$120,662	\$2,114,562	\$1,394,395	
RDA Administration	2.0%	\$5,563	\$21,194	\$20,708	\$20,025	\$21,338	\$22,100	\$21,133	\$20,956	\$18,755	\$17,645	\$23,306	\$21,330	\$21,043	\$20,881	\$20,355	\$26,960	\$26,280	\$25,515	\$24,808	\$24,132	\$422,912	\$276,876	
Total Uses		\$278,131	\$1,059,721	\$1,035,407	\$1,001,271	\$1,066,890	\$1,104,996	\$1,058,656	\$997,922	\$937,767	\$882,269	\$1,165,377	\$1,069,484	\$1,052,131	\$1,034,041	\$1,017,749	\$1,349,007	\$1,313,988	\$1,275,752	\$1,240,440	\$1,206,620	\$21,145,620	\$13,843,954	
REMAINING TAX REVENUES FOR TAXING ENTITIES		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS	NPV	
Utah County		\$12,424	\$47,336	\$46,250	\$44,725	\$47,656	\$49,358	\$47,199	\$44,575	\$41,888	\$39,409	\$49,055	\$47,772	\$46,997	\$46,189	\$45,451	\$60,258	\$58,693	\$56,989	\$55,408	\$53,898	\$944,537	\$622,851	
Alpine School District		\$119,365	\$454,799	\$444,364	\$429,714	\$457,876	\$474,230	\$453,484	\$428,277	\$402,460	\$378,642	\$500,143	\$458,989	\$451,542	\$443,778	\$436,786	\$578,952	\$563,923	\$547,513	\$532,358	\$517,843	\$9,075,036	\$5,884,307	
Eagle Mountain City		\$15,682	\$59,752	\$58,381	\$56,496	\$60,156	\$62,305	\$59,579	\$56,287	\$52,875	\$49,745	\$65,709	\$60,302	\$59,324	\$58,304	\$57,385	\$76,063	\$74,089	\$71,933	\$69,941	\$68,036			

Exhibit F

Interlocal Agreement with City

INTERLOCAL COOPERATION AGREEMENT

THIS INTERLOCAL COOPERATION AGREEMENT is made and entered into this 7th day of May, 2019, by and between the **REDEVELOPMENT AGENCY OF EAGLE MOUNTAIN CITY**, a community reinvestment agency and political subdivision of the State of Utah (the "Agency"), and **EAGLE MOUNTAIN CITY**, a political subdivision of the State of Utah (the "City") in contemplation of the following facts and circumstances:

A. **WHEREAS**, the Agency was created and organized pursuant to the provisions of the Utah Neighborhood Development Act, Utah Code Annotated ("**UCA**") §17A-2-1201 *et seq.* (2000), and continues to operate under the provisions of its extant successor statute, the Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Title 17C of the UCA (the "**Act**"), and is authorized and empowered under the Act to undertake, among other things, various community reinvest activities pursuant to the Act, including, among other things, assisting the City in development activities that are likely to advance the policies, goals and objectives of the City's general plan, contributing to capital improvements which substantially benefit the City, creating economic benefits to the City, and improving the public health, safety and welfare of its citizens; and

B. **WHEREAS**, this Agreement is made pursuant to the provisions of the Act and the Interlocal Cooperation Act (UCA Title 11, Chapter 13) (the "Cooperation Act"); and

C. **WHEREAS**, the Agency has created or will create the Pole Canyon Community Reinvestment Project Area (the "Project Area"), through the adoption of the Pole Canyon Plan (the "Project Area Plan"), located within the City, which Project Area is described in Exhibit "A" attached hereto and incorporated herein by this reference; and

D. **WHEREAS**, the Project Area contains vacant and underutilized land, which is anticipated to be developed, with encouragement and planning by the Agency, as a food manufacturing facility. The Agency has not entered into any participation or development agreements with developers but anticipates that prior to development of the Project Area, the City and/or the Agency may enter into one or more participation agreements with one or more developer(s) which will provide certain terms and conditions upon which the Project Area will be developed using, in part, "Tax Increment" (as that term is defined in the Act), generated from the Project Area; and

E. **WHEREAS**, historically, the Project Area has generated a total of \$13,110 per year in property taxes for the various taxing entities, including the City, Utah County (the "County"), Alpine School District (the "School District), and other taxing entities; and

F. **WHEREAS**, upon full development as contemplated in the Project Area Plan, property taxes produced by the Project Area for the City, the County, the School District, and other taxing entities are projected to total approximately \$1,828,212 per year; and

G. **WHEREAS**, the Agency has requested the City, the County, the School District, and other taxing entities to participate in the promotion of development in the Project Area by agreeing to remit to the Agency for a specified period of time specified portions of the increased real and personal property tax (i.e., Tax Increment,) which will be generated by the Project Area; and

H. **WHEREAS**, it is in the best interest of the citizens of the City for the City to remit such payments to the Agency to permit the Agency to leverage private development of the Project Area; and

I. **WHEREAS**, the Agency has retained Lewis Young Robertson & Burningham, Inc., an independent financial consulting firm with substantial experience regarding community reinvestment

projects and tax increment funding across the State of Utah, to prepare the Project Area Plan and to provide a report regarding the need and justification for investment of Tax Increment revenues from and within the Project Area. A copy of the report is included in the Project Area Plan attached as Exhibit “B”; and

J. **WHEREAS**, the Agency has created the Pole Canyon Community Reinvestment Project Area Budget (the “Project Area Budget”), a copy of which is attached as Exhibit “C”, which Project Area Budget outlines the anticipated generation, payment and use of Tax Increment within the Project Area;

K. **WHEREAS**, the parties desire to set forth in writing their agreements regarding the nature and timing of such assistance;

NOW, THEREFORE, the parties agree as follows:

1. **Additional Tax Revenue.** The City has determined that significant additional Tax Increment will likely be generated by the development of the Project Area as described in further detail in the Project Area Plan and Project Area Budget. Each of the parties acknowledge, however, that the development activity required for the generation of the Tax Increment is not likely to occur within the foreseeable future or to the degree possible or desired without Tax Increment participation in order to induce and encourage such development activity.
2. **Offset of Development Costs and Expenses.** The City has determined that it is in the best interests of its citizens to pay specified portions of its portion of Tax Increment to the Agency in order for the Agency to offset costs and expenses which will be incurred by Agency or participants in Project Area development, including, without limitation, the construction and installation of Buildings, infrastructure improvements, personal property and other development related costs needed to serve the Project Area, to the extent permitted by the Act, the Project Area Plan, and the Project Area Budget, each as adopted and amended from time to time.
3. **Base Year and Base Year Value.** The base year, for purposes of calculation of the Base Taxable Value (as that term is defined in the Act), shall be 2018, meaning the Base Taxable Value shall, to the extent and in the manner defined by the Act, be equal to the equalized taxable value shown on the 2018 Utah County assessment rolls for all property located within the Project Area (which is currently estimated to be \$1,200,000, but is subject to final adjustment and verification by the County and Agency).
4. **Agreement(s) with Developer(s).** The Agency is authorized to enter into one or more participation agreements with one or more participants which may provide for the payment of certain amounts of Tax Increment (to the extent such Tax Increment is actually paid to and received by the Agency from year to year) to the participant(s) conditional upon the participant (s)’s meeting of certain performance measures as outlined in said agreement. Such agreement shall be consistent with the terms and conditions of this Agreement, shall require as a condition of the payment to the participant(s) that the respective participant or its approved successors in title as owners of all current and subsequent parcels within the Project Area, as outlined in Exhibit “A” (the “Property”), shall pay any and all taxes and assessments which shall be assessed against the Property in accordance with levies made by applicable municipal entities in accordance with the laws of the state of Utah applicable to such levies, and such other performance measures as the Agency may deem appropriate.
5. **Payment Trigger.** The first year (“Year One”) of payment of Tax Increment from the City to the Agency shall be determined by the Agency but shall be no later than 2023. Each subsequent year, beginning with the first year after Year One, shall be defined in sequence as Year Two through Year Twenty. The Agency may trigger the collection of Tax Increment by timely delivering a letter or other written request to the Utah County Auditor’s office.

6. **Total Payment to Agency.** The County is authorized and instructed to remit to the Agency, beginning with property tax receipts in Year One and continuing through Year Twenty, 60% of the City's annual Tax Increment generated from the Project Area.

7. **Property Tax Increase.** This Agreement provides for the payment of the increase in real and personal property taxes collected from the Project Area by the County acting as the tax collecting agency for the City. Real and personal property taxes which are the subject of this Agreement shall not include taxes collected from the Project Area by the County, acting in its capacity as the tax collection agency for the City, which are to be paid to or utilized by abatement districts, special service or improvement districts or other entities for which the County acts as the tax collection agency, nor shall it include any component of real property taxes retained by the County as payment for costs incurred in the collection of real property taxes for itself or other applicable agencies. It is expressly understood that the real property taxes which are the subject of this Agreement are only those real and personal property taxes collected by the County on behalf of the City from the Project Area.

8. **No Independent Duty.** The City shall be responsible to remit to the Agency only Tax Increment received by the County. The City shall have no independent duty to pay any amount to the Agency other than the Tax Increment received by the City on an annual basis from and including Year One through and including Year Twenty.

9. **Authority to Bind.** Each individual executing this Agreement represents and warrants that such person is authorized to do so, and, that upon executing this Agreement, this Agreement shall be binding and enforceable in accordance with its terms upon the party for whom such person is acting.

10. **Further Documents and Acts.** Each of the parties hereto agrees to cooperate in good faith with the others, and 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 transactions contemplated under this Agreement.

11. **Notices.** Any notice, request, demand, consent, approval or other communication required or permitted hereunder or by law shall be validly given or made only if in writing and delivered to an officer or duly authorized representative of the other party in person or by Federal Express, private commercial delivery or courier service for next business day delivery, or by United States mail, duly certified or registered (return receipt requested), postage prepaid, and addressed to the party for whom intended, as follows:

If to City:
Eagle Mountain City
Attn: City Council
1650 E. Stagecoach Run
Eagle Mountain, UT 84005
Phone: (801) 789-6600

If to Agency:
Redevelopment Agency of Eagle Mountain City
Attn: Agency Board
1650 E. Stagecoach Run
Eagle Mountain, UT 84005
Phone: (801) 789-6600

Any party may from time to time, by written notice to the others as provided above, designate a different address which shall be substituted for that specified above. Notice sent by mail shall be deemed served

or delivered seventy-two (72) hours after mailing. Notice by any other method shall be deemed served or delivered upon actual receipt at the address or facsimile number listed above. Delivery of courtesy copies noted above shall be as a courtesy only and failure of any party to give or receive a courtesy copy shall not be deemed to be a failure to provide notice otherwise properly delivered to a party to this Agreement.

12. **Entire Agreement.** This Agreement is the final expression of and contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior understandings with respect thereto. This Agreement may not be modified, changed, supplemented or terminated, nor may any obligations hereunder be waived, except by written instrument signed by the party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein. This Agreement and its exhibits constitute the entire agreement between the parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understandings of the parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

13. **No Third-Party Benefit.** The parties do not intend to confer any benefit hereunder on any person, firm or corporation other than the parties hereto. There are no intended third-party beneficiaries to this Agreement.

14. **Construction.** Headings at the beginning of each paragraph and subparagraph are solely for the convenience of the parties and are not a part of the Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. Unless otherwise indicated, all references to paragraphs and subparagraphs are to this Agreement. In the event the date on which any of the parties is required to take any action under the terms of this Agreement is not a business day, the action shall be taken on the next succeeding business day.

15. **Partial Invalidity.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law.

16. **Amendments.** No addition to or modification of any provision contained in this Agreement shall be effective unless fully set forth in writing executed by each of the parties hereto.

17. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

18. **Waivers.** No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other covenant or provision herein contained. 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.

19. **Governing Law.** This Agreement and the exhibits attached hereto shall be governed by and construed under the laws of the State of Utah. In the event of any dispute hereunder, it is agreed that the sole and exclusive venue shall be in a court of competent jurisdiction in Utah County, Utah, and the parties hereto agree to submit to the jurisdiction of such court.

20. **Declaration of Invalidity.** In the event that a court of competent jurisdiction declares that the County cannot pay and/or that the Agency cannot receive payments of the Tax Increment, declares that the Agency cannot pay the Tax Increment to developers, or takes any other action which has the effect of eliminating or reducing the payments of Tax Increment received by the Agency, the Agency's

obligation to pay the Tax Increment to developers shall be reduced or eliminated accordingly, the Agency, and the County shall take such steps as are reasonably required to not permit the payment and/or receipt of the Tax Increment to be declared invalid.

21. **No Separate Legal Entity.** No separate legal entity is created by this Agreement.
22. **Duration.** This Agreement shall terminate after the Year Twenty Tax Increment payment.
23. **Assignment.** No party may assign its rights, duties or obligations under this Agreement without the prior written consent first being obtained from all parties. Notwithstanding the foregoing, such consent shall not be unreasonably withheld or delayed so long as the assignee thereof shall be reasonably expected to be able to perform the duties and obligations being assigned.
24. **Termination.** Upon any termination of this Agreement resulting from the uncured default of any party, the order of any court of competent jurisdiction or termination as a result of any legislative action requiring such termination, then any funds held by the Agency and for which the Agency shall not be required to disburse to developers in accordance with the agreements which govern such disbursement, then such funds shall be returned to the party originally remitting same to the Agency and upon such return this Agreement shall be deemed terminated and of no further force or effect.
25. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:
 - a. This Agreement has been, on or prior to the date hereof, authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Cooperation Act;
 - b. This Agreement has been, on or prior to the date hereof, reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5(3) of the Cooperation 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 Cooperation Act;
 - d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act, pursuant to Section 11-13-207 of the Cooperation Act; and
 - e. Should a party to this Agreement desire to terminate this Agreement, in part or in whole, each party to the Agreement must adopt, by resolution, an amended Interlocal Cooperation Agreement stating the reasons for such termination. Any such amended Interlocal Cooperation Agreement must be in harmony with any development/participation agreement(s) entered into by the Agency as described in this Agreement.
 - f. Immediately after execution of this Agreement by both Parties, the Agency shall, on behalf of both parties, cause to be published notice regarding this Agreement pursuant to Section 11-13-219 of the Cooperation Act.
 - g. This Agreement makes no provision for the parties acquiring, holding and disposing of real and personal property used in the joint undertaking as such action is not contemplated as part of this Agreement nor part of the undertaking. Any such provision would be outside the parameters of the current undertaking. However, to

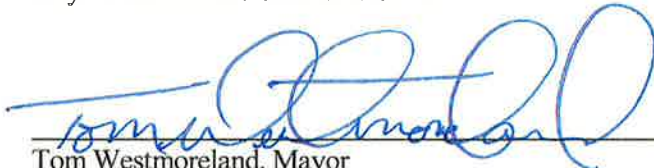
the extent that this Agreement may be construed as providing for the acquisition, holding or disposing of real and/or personal property, all such property shall be owned by the Agency upon termination of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day specified above.

City: EAGLE MOUNTAIN CITY

ATTEST:


Fionnuala B. Kofoed, MMC
City Recorder


Tom Westmoreland, Mayor

APPROVED AS TO FORM:

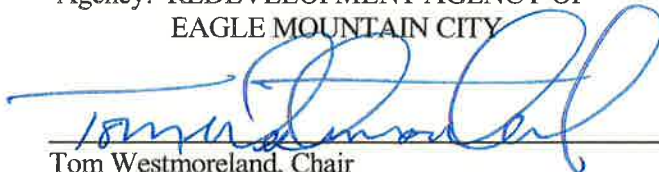
Jeremy Cook, City Attorney



Agency: REDEVELOPMENT AGENCY OF
EAGLE MOUNTAIN CITY

ATTEST:


Aaron Sanborn, Executive Director


Tom Westmoreland, Chair

APPROVED AS TO FORM:


Jeremy Cook, City Attorney



EXHIBIT A
to
INTERLOCAL AGREEMENT

Legal Description of Project

PROJECT MOCKINGBIRD 80-ACRE PARCEL LEGAL DESCRIPTION

BEGINNING AT A POINT S00°23'57"W 47.00 FEET FROM THE NORTHWEST CORNER OF SECTION 16, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE S89°22'57"E 1843.00 FEET; THENCE S00°23'57"W 1890.95 FEET; THENCE N89°22'57"W 1843.00 FEET; THENCE N00°23'57"E 1890.95 FEET TO THE POINT OF BEGINNING.

CONTAINS 3,484,995.55 SQ.FT. OR 80.00 ACRES

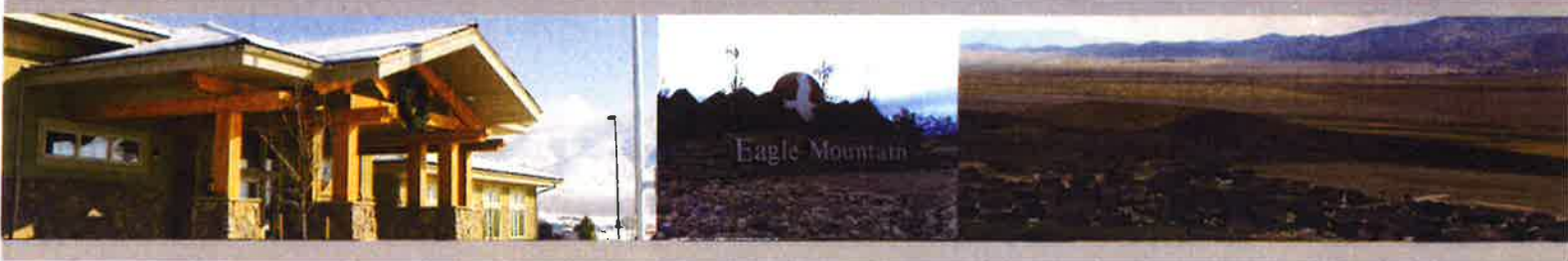
**EXHIBIT B
To
INTERLOCAL AGREEMENT**

Project Area Plan

PROJECT AREA PLAN

POLE CANYON COMMUNITY REINVESTMENT AREA (CRA)

EAGLE MOUNTAIN REDEVELOPMENT AGENCY, UTAH



APRIL 2019



LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.

GATEWAY PLAZA BUILDING - 41 N. RIO GRANDE, STE 101 - SALT LAKE CITY, UT 84101
(P) 801-596-0700 - (TF) 800-581-1100 - (F) 801-596-2800 - www.LewisYoung.com



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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 several 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;



- the tax identification number of the parcels from which tax increment will be collected; or
- a legal description of the portion of the Project Area from which tax increment will be collected; and

☞ for property that the Agency owns and expects to sell, the expected total cost of the property to the Agency and the expected selling price.

“Project Area Plan” or **“Plan”** shall mean the written plan (outlined by 17C-5-105 of the Act) that, after its effective date, guides and controls the community reinvestment activities within the Project Area. Project Area Plan refers to this document and all the attachments to this document, which attachments are incorporated by this reference. It is anticipated that the POLE CANYON PLAN will be subject to an interlocal agreement process with the taxing entities within the Project Area.

“Taxes” includes all levies on an ad valorem basis upon land, local and centrally assessed real property, personal property, or any other property, tangible or intangible.

“Taxing Entity” shall mean any public entity that levies a tax on any property within the Project Area.

“Tax Increment” shall mean the difference between the amount of property tax revenues generated each tax year by all taxing entities from the Project Area using the current assessed value of the property and the amount of property tax revenues that would be generated from the same area using the base taxable value of the property.

“Tax Increment Period” shall mean the period in which the taxing entities from the Project Area consent that a portion of their tax increment from the Project Area be used to fund the objectives outlined in the Project Area Plan.

“Tax Year” shall mean the 12-month period between sequential tax roll equalizations (November 1st - October 31st) of the following year, e.g., the November 1, 2018 - October 31, 2019 tax year.



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 Pole Canyon Community Reinvestment Project Area (the "Project Area"). This Plan is the 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 western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. 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 always been observed 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 **March 5, 2019**.

Utah Code
§17C-5-104

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.



Description of the Boundaries of the Proposed Project Area

UTAH CODE
§17C-5-105(1)

A legal description of the Project Area along with a detailed map of the Project Area is attached respectively as **Exhibit A** and **Exhibit B** and incorporated herein. The Project Area lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. All the land in the Project Area is currently vacant. The Project Area is comprised of approximately 80 acres of property.

As delineated in the office of the Utah County Recorder, the Project Area encompasses a 120-acre portion of the parcels detailed in **Table 1**.

TABLE 1: PARCEL LIST

Parcel Id	Parcel Owner
59:048:0089	Oquirrh Wood Ranch LLC
59:048:0077	BATN Family Investments

UTAH CODE
§17C-5-105(1)

General Statement of Land Uses, Layout of Principal Streets, Population Densities, Building Densities and How They Will be Affected by the Project Area

General Land Uses

The property within the Project Area is currently classified as vacant agriculture/greenbelt property. Most of the property surrounding the Project Area is also vacant agriculture/greenbelt.

Table 1 summarizes the approximate acreage of existing land uses by land use type.

TABLE 2: LAND USES

Type	Acres	% of Area
Vacant Agriculture/Greenbelt	80	100%
Total	80	100%

This Project Area Plan is consistent with the General Plan of the City and promotes economic activity by virtue of the land uses contemplated. Any zoning change, amendment or conditional use permit necessary to the successful development contemplated by this Project Area Plan shall be undertaken in accordance with the requirements of the City's Code and all other applicable laws including all goals and objectives in the City's General Plan.

Layout of Principal Streets

There are currently no paved streets within the Project Area, 4000 N., an unpaved road runs along the northern periphery of the Project Area.



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 food manufacturing facility.

Land Use – It is anticipated that future development within the Project Area will create space for a food manufacturing facility, and any other ancillary 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 include the construction of some additional streets in the area. It is anticipated that access roads will also 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 increase as the Project Area is anticipated to create approximately 1,400 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



It is the intent of the Agency, with the assistance and participation of private developers and property owners, to facilitate the development within the Project Area.

UTAH CODE
§17C-5-105(E)

Conformance of the Proposed Development to the Community's General Plan

The proposed Community Reinvestment Project Area Plan and the development contemplated are consistent with the City's proposed General Plan and land use regulations.

UTAH CODE
§17C-5-105(G)

Describe any Specific Project or Projects that are the object of the Proposed Community Reinvestment

The Project Area is being created in order to assist with the construction of a food manufacturing facility and any ancillary buildings.

UTAH CODE
§17C-5-105(H)

Method of Selection of Private Developers to undertake the Community Reinvestment and Identification of Developers Currently Involved in the Process

The City and Agency will select or approve such development as solicited or presented to the Agency and City that meets the development objectives set forth in this plan. The City and Agency retain the right to approve or reject any such development plan(s) that in their judgment do not meet the development intent for the Project Area. The City and Agency may choose to solicit development through an RFP or RFQ process, through targeted solicitation to specific industries, from inquiries to the City, EDC Utah, and/or from other such references.

The City and Agency will ensure that all development conforms to this plan and is approved by the City. All potential developers may need to provide a detailed development plan including sufficient financial information to provide the City and Agency with confidence in the sustainability of the development and the developer. Such a review may include a series of studies and reviews including reviews of the Developers financial statements, third-party verification of benefit of the development to the City, appraisal reports, etc.

Any participation between the Agency and developers and property owners shall be by an approved agreement.

UTAH CODE
§17C-5-105(I)

Reason for Selection of the Project Area

The Project Area is currently classified as vacant agriculture/greenbelt and is collecting relatively no tax revenue for the taxing entities. The creation of the Project Area will create a significant economic benefit



to all taxing entities as this underutilized area will be developed to a higher and greater use. The development will also serve as an anchor tenant of the future Pole Canyon Industrial Park.

UTAH CODE
§17C-5-105(J)

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

Physical Conditions

The Project Area consists of approximately 80 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 vacant agriculture/greenbelt classification.

Economic Conditions

The Project Area is currently under vacant agriculture/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 to future development within the Project Area.

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)

Anticipated Public Benefit to be Derived from the Community Development

UTAH CODE
§17C-5-105(2)(ii)(A)

The Beneficial Influences upon the Tax Base of the Community

The beneficial influences upon the tax base of the City and the other taxing entities will include increased property tax revenues, job growth, and affordable housing opportunities in the community. The increased revenues will come from the property values associated with new construction in the area, as well as increased land values as the property within the Project Area will no longer be classified as vacant agriculture/greenbelt. Property values include land, buildings and personal property (machines, equipment, etc.).

Job growth in the Project Area will result in increased wages, increasing local purchases and benefiting existing businesses in the area. Job growth will also result in increased income taxes paid. Additionally, business growth will generate corporate income taxes.

There will also be a beneficial impact on the community through increased construction activity within the Project Area. Positive impacts will be felt through construction wages paid, as well as construction supplies purchased locally.

UTAH CODE
§17C-5-105(2)(ii)(B)

The Associated Business and Economic Activity Likely to be Stimulated

Other business and economic activity likely to be stimulated includes increased spending by new and existing residents within the City and employees in the Project Area and in surrounding areas. This includes both direct and indirect purchases that are stimulated by the spending of the additional employees in the area.

Employees may make some purchases in the local area, such as convenience shopping for personal services (haircuts, banking, dry cleaning, etc.). The employees will not make all their convenience or personal services purchases near their workplace and each employee's purchasing patterns will be different. However, it is reasonable to assume that a percentage of these annual purchases will occur within proximity of the workplace (assuming the services are available). The City also envisions this area as a future industrial park, this development will act as an anchor and likely attract new businesses to the area.

UTAH CODE
§17C-5-105(2)(B)

Efforts to Maximize Private Investment

The agency has formed a partnership with the developers to realize the vision of this project area. It is anticipated that the development will require over \$250,000,000 of private capital. Creating a CRA will act as a catalyst for the development.

UTAH CODE
§17C-5-105(2)(C)

“But For” Analysis

The anticipated development includes numerous costs, including land purchase, infrastructure and over \$200 million of personal property. “But-for” the creation of the CRA and public participation, the costs associated with the development would be too high, and the Project Area would remain in its underutilized state.



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.

TABLE 3: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Total	NPV at 4%
Utah County	60%	20 Years	\$1,416,805	\$934,277
Alpine School District	60%	20 Years	13,612,553	8,976,460
Eagle Mountain City	60%	20 Years	1,788,426	1,179,333
Central Utah Water Conservancy District	60%	20 Years	774,210	510,534
Unified Fire Service Area – Salt Lake County	60%	20 Years	3,553,625	2,343,350
Total Sources of Tax Increment Funds			\$21,145,620	\$13,943,954

TABLE 4: PROJECT AREA REVENUES

Entity	Property Tax	Sales Tax	Franchise Tax	Total Tax Increment Revenues
Utah County	\$2,361,342	\$459,220	-	\$2,820,562
Alpine School District	22,687,589	-	-	22,687,589
Eagle Mountain City	2,980,710	444,731	3,892,941	7,318,382
Central Utah Water Conservancy District	1,290,351	-	-	1,290,351
Unified Fire District – Salt Lake County	5,922,709	-	-	5,922,709
Total Revenue	\$35,242,700	\$903,951	\$3,892,941	\$40,039,592

TABLE 5: PROJECT AREA EXPENDITURES

Entity	Property Tax	General Government	Public Safety	Public Works	Total Expenditures
Utah County	\$1,416,805	\$141,535	-	-	\$1,558,340
Alpine School District	13,612,553	8,107,145	-	-	21,719,698
Eagle Mountain City	1,788,426	730,016	1,172,766	477,903	4,169,111
Central Utah Water Conservancy District	774,210	82,816	-	-	857,026
Unified Fire District – Salt Lake County	3,553,625	244,911	-	-	3,798,536
Total Revenue	\$21,145,620	\$9,306,423	\$1,172,766	\$477,903	\$32,102,712

The total net benefit to the taxing entities of participating in the Project Area is \$7,936,880, with the City's net benefit being \$3,149,271.



EXHIBIT A: Legal Description of Pole Canyon CRA

PROJECT MOCKINGBIRD 80-ACRE PARCEL LEGAL DESCRIPTION

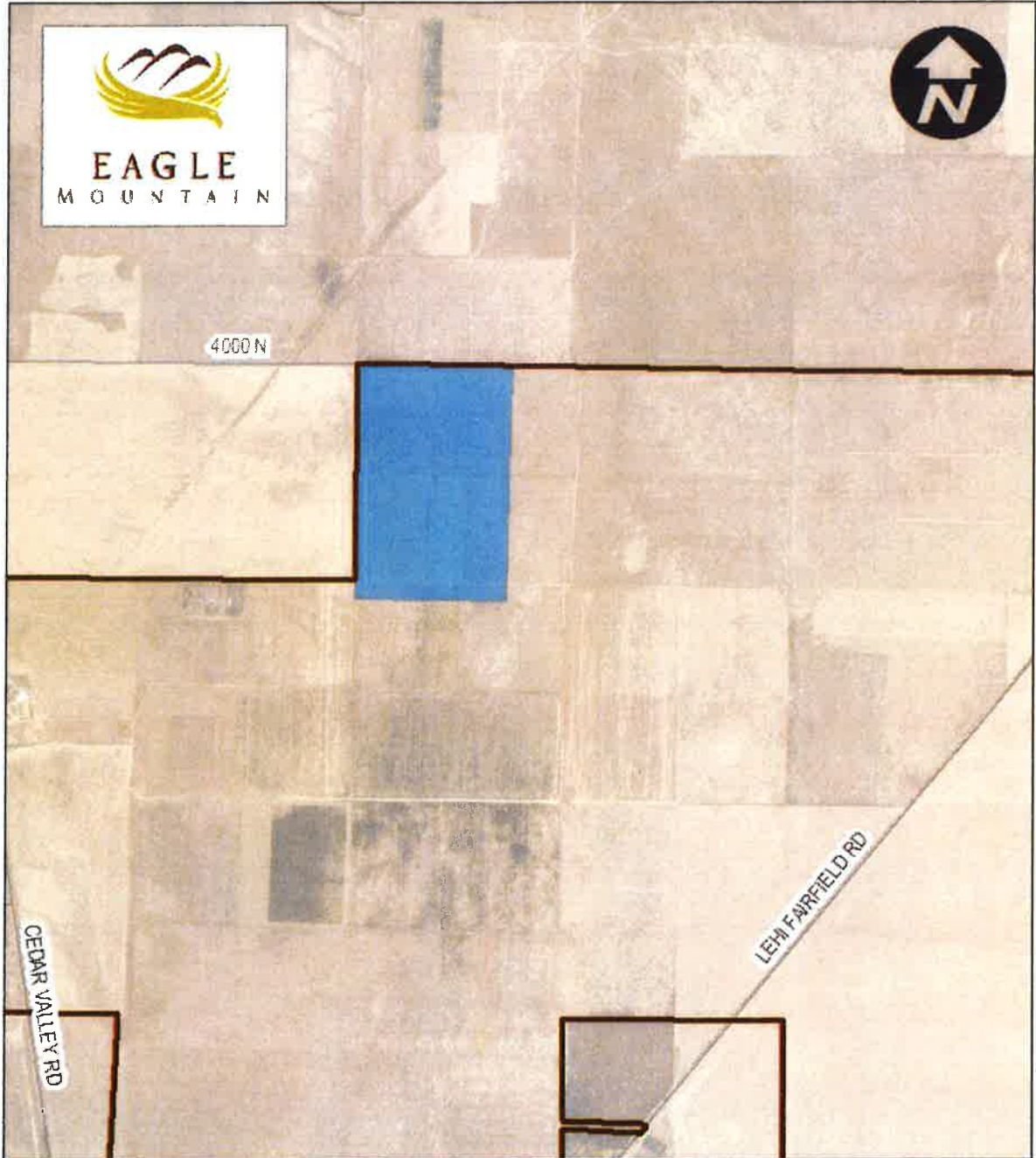
BEGINNING AT A POINT S00°23'57"W 47.00 FEET FROM THE NORTHWEST CORNER OF SECTION 16, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE S89°22'57"E 1843.00 FEET; THENCE S00°23'57"W 1890.95 FEET; THENCE N89°22'57"W 1843.00 FEET; THENCE N00°23'57"E 1890.95 FEET TO THE POINT OF BEGINNING.

CONTAINS 3,484,995.55 SQ.FT. OR 80.00 ACRES





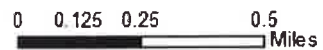
EXHIBIT B: Project Area Map

MAP OF PROPOSED PROJECT AREA BOUNDARIES



POLE CANYON CRA

-  EAGLE MOUNTAIN
-  POLE CANYON CRA



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**EXHIBIT C
To
INTERLOCAL AGREEMENT**

Project Area Budget

PROJECT AREA BUDGET

POLE CANYON COMMUNITY REINVESTMENT AREA (CRA)

EAGLE MOUNTAIN REDEVELOPMENT AGENCY, UTAH



APRIL 2019



LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.

GATEWAY PLAZA BUILDING • 41 N. RIO GRANDE, STE 101 • SALT LAKE CITY, UT 84101
(P) 801-596-0700 • (TF) 800-581-1100 • (F) 801-596-2800 • WWW.LEWISYOUNG.COM



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Section 1: Introduction

The Eagle Mountain Redevelopment Agency (the "Agency"), following thorough consideration of the needs and desires of the City of Eagle Mountain (the "City") and its residents, as well as understanding the City's capacity for new development, has carefully crafted the Project Area Plan (the "Plan") for the Pole Canyon Community Reinvestment Project Area (the "Project Area"). The Plan is the result of a comprehensive evaluation of the types of appropriate land-uses and economic development opportunities for the land encompassed by the Project Area which lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park.

The Plan is envisioned to define the method and means of development for 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. This **Project Area Budget** document (the "Budget") is predicated upon certain elements, objectives and conditions outlined in the Plan and intended to be used as a financing tool to assist the Agency in meeting Plan objectives discussed herein and more specifically referenced and identified in the Plan.

The creation of the Project Area is being undertaken as a community reinvestment project pursuant to certain provisions of Chapters 1 and 5 of the Utah Community Reinvestment Agency Act (the "Act", Utah Code Annotated ("UCA") Title 17C). The requirements of the Act, including notice and hearing obligations, have always been observed throughout the establishment of the Project Area.

Section 2: Description of Community Development Project Area

The Project Area lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. The property is currently vacant land and is generating very little tax revenue for the City and other taxing entities. The property encompasses approximately 120 acres of land.

A map of the Project Area is attached hereto in **EXHIBIT A**.



Section 3: General Overview of Project Area Budget

The purpose of the Project Area Budget is to provide the financial framework necessary to implement the Project Area Plan vision and objectives. The Project Area Plan has identified that tax increment financing is essential in order to meet the objectives of the CRA Project Area. The following information will detail the sources and uses of tax increment and other necessary details needed for public officials, interested parties, and the public in general to understand the mechanics of the Project Area Budget.

Base Year Value

The Agency has determined that the base year property tax value for the Project Area will be the total taxable value for the 2018 tax year which is estimated to be \$1,200,000. Using the tax rates established within the Project Area the property taxes levied equate to \$13,110 annually. Accordingly, this amount will continue to flow through to each taxing entity proportional to the amount of their respective tax rates being levied.

Payment Trigger

The Project Area will have a twenty-year (20) duration from the date of the first tax increment received by the Agency. The collection of tax increment will be triggered at the discretion of the Agency prior to March 1 of the tax year in which they intend to begin the collection of increment. The following year in which this increment will be remitted to the Agency will be Year 1, e.g., if requested prior to March 1, 2020, Year 1 of increment will be 2021. The first year of tax increment shall be determined by the Agency.

Projected Tax Increment Revenue – Total Generation

Development within the Project Area will commence upon favorable market conditions which will include both horizontal and vertical infrastructure and development. The Agency anticipates that new development will begin in the Project Area in 2019. The contemplated development will generate significant additional property tax revenue as well as incremental sales and use tax above what is currently generated within the Project Area.

Property Tax Increment will begin to be generated in the tax year (ending Dec 1st) following construction completion and Tax Increment will be paid to the Agency in March or April after collection. It is projected that property Tax Increment generation within the Project Area could begin as early as 2021 or as late as 2022. It is currently estimated that during the 20-year life of the Project Area Budget, property Tax Increment could be generated within the Project Area in the approximate amount of \$35.24 million or at a net present value (NPV)¹ of \$23.24 million. This amount is over and above the \$262,200 of base taxes that the property would generate over 20 years at the \$13,110 annual amount it currently generates as shown in Table 4.1 below.

¹ Net Present Value of future cash flows assumes a 4% discount rate. The same 4% discount rate is used in all remaining NPV calculations. This total is prior to accounting for the flow-through of tax increment to the respective taxing entities.

Section 4: Property Tax Increment

Base Year Property Tax Revenue

The taxing entities are currently receiving - and will continue to receive - property tax revenue from the current assessed value of the property within the Project Area ("Base Taxes"). The current assessed value is estimated to be \$1,200,000. Based upon the tax rates in the area, the collective taxing entities are receiving \$13,110 in property tax annually from this Project Area. This equates to approximately \$262,200 over the 20-year life of the Project Area.

TABLE 4.1: TOTAL BASE YEAR TO TAXING ENTITIES (OVER 20 YEARS)

Entity	Total	NPV at 4%
Utah County	\$17,568	\$11,938
Alpine School District	168,792	114,697
Eagle Mountain City	22,176	15,069
Central Utah Water Conservancy District	9,600	6,523
Unified Fire Service Area – Salt Lake County	44,064	29,942
Total Revenue	\$262,200	\$178,169

Property Tax Increment Shared with RDA

All taxing entities that receive property tax generated within the Project Area, as detailed above, will share at least a portion of that increment generation with the Agency. All taxing entities will contribute 60% of their respective tax increment for 20 years. Table 4.2 shows the amount of Tax Increment shared with the Agency assuming the participation levels discussed above.

TABLE 4.2: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Total	NPV at 4%
Utah County	60%	20 Years	\$1,416,805	\$934,277
Alpine School District	60%	20 Years	13,612,553	8,976,460
Eagle Mountain City	60%	20 Years	1,788,426	1,179,333
Central Utah Water Conservancy District	60%	20 Years	774,210	510,534
Unified Fire Service Area – Salt Lake County	60%	20 Years	3,553,625	2,343,350
Total Sources of Tax Increment Funds			\$21,145,620	\$13,943,954

Uses of Tax Increment

The anticipated development includes numerous costs, including land purchase, infrastructure and over \$200 million of personal property. "But-for" the creation of the CRA and public participation, the costs associated with the development would be too high, and the Project Area would remain in its underutilized state.

The majority of the remaining Tax Increment collected by the Agency will be used to overcome the obstacles outlined above (88%). Including: offsetting certain on-site public infrastructure costs, Agency requested improvements and upgrades, desirable Project Area improvements, and other redevelopment activities as approved by the Agency. 10% will go towards affordable housing, as required by the Act. The remaining 2% will be used by the Agency to administer the Project Area.

TABLE 4.3: USES OF TAX INCREMENT

Uses	Total	NPV at 4%
Redevelopment Activities	\$18,608,146	\$12,270,680
CRA Housing Requirement	2,114,562	1,394,395
Project Area Administration	422,912	278,879
Total Uses of Tax Increment Funds	\$21,145,620	\$13,943,954

A multi-year projection of tax increment is including in **EXHIBIT B**.

Total Annual Property Tax Revenue for Taxing Entities at Conclusion of Project

As described above, the collective taxing entities are currently receiving approximately \$13,110 in property taxes annually from this Project Area. At the end of 20 years an additional \$2,011,033 in property taxes annually is anticipated, totaling approximately \$2,024,143 in property taxes annually for the area. "But for" the assistance provided by the RDA through tax increment revenues, this 15,340 percent increase in property taxes generated for the taxing entities would not be possible.

TABLE 4.4: TOTAL BASE YEAR AND END OF PROJECT LIFE ANNUAL PROPERTY TAXES

Entity	Annual Base Year Property Taxes	Annual Property Tax Increment at Conclusion of Project	Total Annual Property Taxes
Utah County	\$878	\$134,744	\$135,622
Alpine School District	8,440	1,294,608	1,303,048
Eagle Mountain City	1,109	170,086	171,195
Central Utah Water Conservancy District	480	73,631	74,111
Unified Fire Service Area – Salt Lake County	2,203	337,964	340,167
Total Revenue	\$13,110	\$2,011,033	\$2,024,143

Section 5: Cost/Benefit Analysis

Additional Revenues

Other Tax Revenues

The development within the Project Area will also generate sales taxes and municipal energy taxes. Table 5.1 shows the total revenues generated by the Project Area.

TABLE 5.1 TOTAL REVENUES

Entity	Property Tax	Sales Tax	Franchise Tax	Total Increment Revenues
Utah County	\$2,361,342	\$459,220	-	\$2,820,562
Alpine School District	22,687,589	-	-	22,687,589
Eagle Mountain City	2,980,710	444,731	3,892,941	7,318,382
Central Utah Water Conservancy District	1,290,351	-	-	1,290,351
Unified Fire Service Area – Salt Lake County	5,922,709	-	-	5,922,709
Total Revenue	\$35,242,700	\$903,951	\$3,892,941	\$40,039,592

Additional Costs

The development anticipated within the Project Area will also likely result in additional general government, public works, and public safety costs. These costs, along with the estimated budget to implement the Project Area Plan, are identified below.

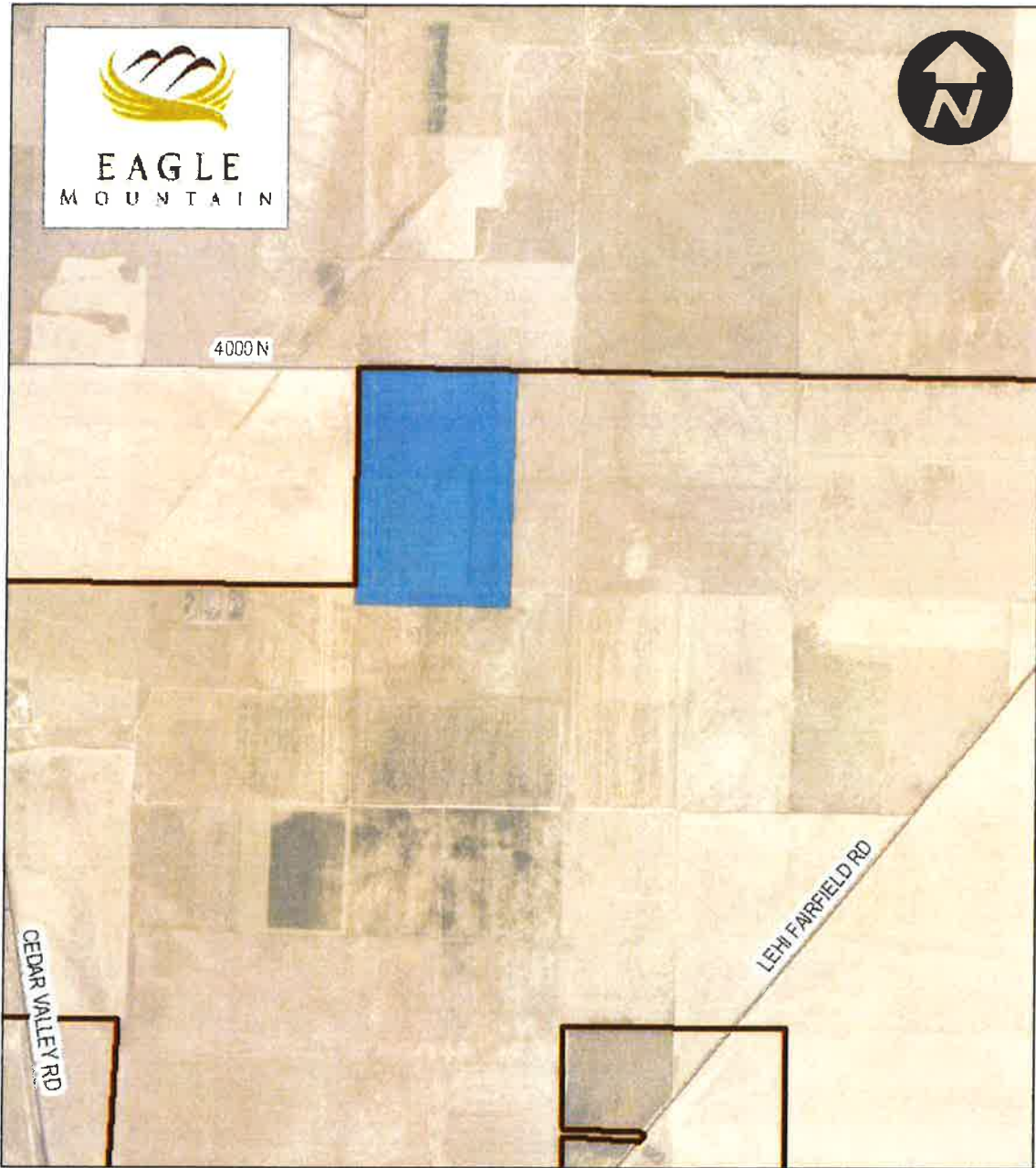
TABLE 5.2 TOTAL EXPENDITURES

Entity	CRA Budget	General Government	Public Works	Public Safety	Total Incremental Expenditures
Utah County	\$1,416,805	\$141,535	-	-	\$1,558,340
Alpine School District	13,612,553	8,107,145	-	-	21,719,698
Eagle Mountain City	1,788,426	730,016	1,172,766	477,903	4,169,111
Central Utah Water Conservancy District	774,210	82,816	-	-	857,026
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Total Expenditures	\$21,145,620	\$9,306,423	\$1,172,766	\$477,903	\$32,102,712



The total net benefit to the taxing entities of participating in the Project Area is \$7,936,880, with the City's net benefit being \$3,149,271.

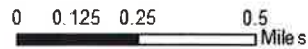


Exhibit A: Project Area Map



POLE CANYON CRA

-  EAGLE MOUNTAIN
-  POLE CANYON CRA



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Exhibit B: Multi-Year Budget

Eagle Mountain Redevelopment Agency

Pole Canyon Community Reinvestment Area
Increment and Budget Analysis

ASSUMPTIONS	
Discount Rate	4.0%
Inflation Rate	0.0%

INCREMENTAL TAX ANALYSIS:	Payment Year	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS	NPV	
	Tax Year	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040			2041
Cumulative Taxable Value	Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20			
Real Property Value (Building & Land)		\$38,573,008	\$38,573,008	\$38,573,008	\$38,573,008	\$38,573,008	\$49,027,408	\$49,027,408	\$49,027,408	\$49,027,408	\$49,027,408	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008			
Personal Property Value		-	\$108,396,100	\$105,024,050	\$100,289,850	\$109,390,380	\$104,220,832	\$97,516,710	\$89,371,070	\$81,028,410	\$73,331,472	\$96,913,231	\$83,614,143	\$81,207,528	\$78,698,714	\$76,439,135	\$122,380,269	\$117,523,638	\$112,220,807	\$107,323,393	\$102,633,055			
Total Assessed Value:		\$38,573,008	\$146,969,108	\$143,597,058	\$138,862,858	\$147,963,388	\$153,248,240	\$146,544,118	\$138,398,478	\$130,055,819	\$122,358,881	\$161,622,239	\$148,323,151	\$145,916,536	\$143,407,723	\$141,148,144	\$187,089,278	\$182,232,646	\$176,929,816	\$172,032,401	\$167,342,063			
Development Performance Contingency Buffer (10%)		\$3,857,301	\$14,696,911	\$14,359,706	\$13,886,286	\$14,796,339	\$15,324,824	\$14,654,412	\$13,839,848	\$13,005,582	\$12,235,888	\$16,162,224	\$14,832,315	\$14,591,654	\$14,340,772	\$14,114,814	\$18,708,928	\$18,223,265	\$17,692,982	\$17,203,240	\$16,734,206			
Value of Current Property		\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000			
Less Base Year Value		\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)			
TOTAL INCREMENTAL VALUE:		\$42,430,309	\$161,666,019	\$157,956,764	\$152,749,144	\$162,759,727	\$168,573,064	\$161,198,530	\$152,238,326	\$143,061,401	\$134,594,769	\$177,784,463	\$163,155,467	\$160,508,190	\$157,748,495	\$155,262,958	\$205,798,205	\$200,455,911	\$194,622,797	\$189,235,641	\$184,076,269			
TAX RATE & INCREMENT ANALYSIS:	2018 Rates																							
Utah County	0.000732	31,059	118,340	115,624	111,812	119,140	123,395	117,997	111,438	104,721	98,523	130,138	119,430	117,492	115,472	113,652	150,644	146,734	142,464	138,520	134,744	2,361,342	1,557,128	
Alpine School District	0.007033	298,412	1,136,997	1,110,910	1,074,285	1,144,689	1,185,574	1,133,709	1,070,692	1,006,151	946,605	1,250,358	1,147,472	1,128,854	1,109,445	1,091,964	1,447,379	1,409,806	1,368,782	1,330,894	1,294,608	22,687,589	14,960,767	
Eagle Mountain City	0.000924	39,206	149,379	145,952	141,140	150,390	155,762	148,947	140,668	132,189	124,366	164,273	150,756	148,310	145,760	143,463	190,158	185,221	179,831	174,854	170,086	2,980,710	1,965,555	
Central Utah Water Conservancy District	0.000400	16,972	64,666	63,183	61,100	65,104	67,429	64,479	60,895	57,225	53,838	71,114	65,262	64,203	63,099	62,105	82,319	80,182	77,849	75,694	73,631	1,290,351	850,890	
Unified Fire Service Area - Salt Lake County	0.001836	77,902	296,819	290,009	280,447	298,827	309,500	295,961	279,510	262,661	247,116	326,412	299,553	294,693	289,626	285,063	377,846	368,037	357,327	347,437	337,964	5,922,709	3,905,583	
Totals:	0.010925	463,551	1,766,201	1,725,678	1,668,784	1,778,150	1,841,661	1,761,094	1,663,204	1,562,946	1,470,448	1,942,295	1,782,473	1,753,552	1,723,402	1,696,248	2,248,345	2,189,981	2,126,254	2,067,399	2,011,033	35,242,700	23,239,923	
TOTAL INCREMENTAL REVENUE IN PROJECT AREA:		\$463,551	\$1,766,201	\$1,725,678	\$1,668,784	\$1,778,150	\$1,841,661	\$1,761,094	\$1,663,204	\$1,562,946	\$1,470,448	\$1,942,295	\$1,782,473	\$1,753,552	\$1,723,402	\$1,696,248	\$2,248,345	\$2,189,981	\$2,126,254	\$2,067,399	\$2,011,033	\$35,242,700	\$23,239,923	
PROJECT AREA BUDGET		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041			
Sources of Funds:																						TOTALS	NPV	
Property Tax Participation Rate for Budget																								
Utah County		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%			
Alpine School District		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%			
Eagle Mountain City		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%			
Central Utah Water Conservancy District		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%			
Unified Fire Service Area - Salt Lake County		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%			
Property Tax Increment for Budget																								
Utah County		\$18,635	\$71,004	\$69,375	\$67,087	\$71,484	\$74,037	\$70,798	\$66,863	\$62,833	\$59,114	\$78,083	\$71,658	\$70,495	\$69,283	\$68,191	\$90,387	\$88,040	\$85,478	\$83,112	\$80,846	\$1,416,805	\$934,277	
Alpine School District		\$179,047	\$682,198	\$666,546	\$644,571	\$686,813	\$711,345	\$680,226	\$642,415	\$603,690	\$567,963	\$750,215	\$688,483	\$677,312	\$665,667	\$655,179	\$868,427	\$845,884	\$821,269	\$798,537	\$776,765	\$13,612,553	\$8,976,460	
Eagle Mountain City		\$23,523	\$89,628	\$87,571	\$84,684	\$90,234	\$93,457	\$89,368	\$84,401	\$79,313	\$74,619	\$98,564	\$90,453	\$88,986	\$87,456	\$86,078	\$114,095	\$111,133	\$107,899	\$104,912	\$102,052	\$1,788,426	\$1,179,333	
Central Utah Water Conservancy District		\$10,183	\$38,800	\$37,910	\$36,660	\$39,062	\$40,458	\$38,688	\$36,537	\$34,335	\$32,303	\$42,668	\$39,157	\$38,522	\$37,860	\$37,263	\$49,392	\$48,109	\$46,709	\$45,417	\$44,178	\$774,210	\$510,534	
Unified Fire Service Area - Salt Lake County		\$46,741	\$178,091	\$174,005	\$168,268	\$179,296	\$185,700	\$177,576	\$167,706	\$157,596	\$148,270	\$195,847	\$179,732	\$176,816	\$173,776	\$171,038	\$226,707	\$220,822	\$214,396	\$208,462	\$202,778	\$3,553,625	\$2,343,350	
Total Property Tax Increment for Budget:		\$278,131	\$1,059,721	\$1,035,407	\$1,001,271	\$1,066,890	\$1,104,996	\$1,056,656	\$997,922	\$937,767	\$882,269	\$1,165,377	\$1,069,484	\$1,052,131	\$1,034,041	\$1,017,749	\$1,349,007	\$1,313,988	\$1,275,752	\$1,240,440	\$1,206,620	\$21,145,620	\$13,943,954	
Uses of Tax Increment Funds:																						TOTALS	NPV	
Redevelopment Activities (Infrastructure, Incentives, etc.)	88.0%	\$244,755	\$932,554	\$911,158	\$881,118	\$938,863	\$972,397	\$929,858	\$878,172	\$825,235	\$776,396	\$1,025,532	\$941,146	\$925,875	\$909,956	\$895,619	\$1,187,126	\$1,156,310	\$1,122,662	\$1,091,587	\$1,061,826	\$18,608,146	\$12,270,680	
CRA Housing Requirement	10.0%	\$27,813	\$105,972	\$103,541	\$100,127	\$106,689	\$110,500	\$105,666	\$99,792	\$93,777	\$88,227	\$116,538	\$106,948	\$105,213	\$103,404	\$101,775	\$134,901	\$131,399	\$127,575	\$124,044	\$120,662	\$2,114,562	\$1,394,395	
RDA Administration	2.0%	\$5,563	\$21,194	\$20,708	\$20,025	\$21,338	\$22,100	\$21,133	\$19,958	\$18,755	\$17,645	\$23,308	\$21,390	\$21,043	\$20,681	\$20,355	\$26,980	\$26,280	\$25,515	\$24,809	\$24,132	\$422,912	\$278,879	
Total Uses		\$278,131	\$1,059,721	\$1,035,407	\$1,001,271	\$1,066,890	\$1,104,996	\$1,056,656	\$997,922	\$937,767	\$882,269	\$1,165,377	\$1,069,484	\$1,052,131	\$1,034,041	\$1,017,749	\$1,349,007	\$1,313,988	\$1,275,752	\$1,240,440	\$1,206,620	\$21,145,620	\$13,943,954	
REMAINING TAX REVENUES FOR TAXING ENTITIES																						TOTALS	NPV	
Utah County		\$12,424	\$47,336	\$46,250	\$44,725	\$47,656	\$49,358	\$47,199	\$44,575	\$41,888	\$39,409	\$52,055	\$47,772	\$46,997	\$46,189	\$45,461	\$60,258	\$58,693	\$56,986	\$55,408	\$53,898	\$944,537	\$622,851	
Alpine School District		\$119,365	\$454,799	\$444,364	\$429,714	\$457,876	\$474,230	\$453,484	\$428,277	\$402,460	\$378,642	\$500,143	\$458,989	\$451,542	\$443,778	\$436,786	\$578,952	\$563,923	\$547,513	\$532,358	\$517,843	\$9,075,036	\$5,984,307	
Eagle Mountain City		\$15,682	\$59,752	\$58,381	\$56,456	\$60,156	\$62,305	\$59,579	\$56,267	\$52,875	\$49,746	\$65,709	\$60,302	\$59,324	\$58,304	\$57,385	\$76,063	\$74,089	\$71,933	\$69,941	\$68,035	\$1,192,284	\$786,222	
Central Utah Water Conservancy District		\$6,789	\$25,867	\$25,273	\$24,440	\$26,042	\$26,972	\$25,792	\$24,358	\$22,890	\$21,535	\$28,446	\$26,105	\$25,681	\$25,240	\$24,842	\$32,928	\$32,073	\$31,140	\$30,278	\$29,452	\$516,140	\$340,356	
Unified Fire Service Area - Salt Lake County		\$31,161	\$118,728	\$116,003	\$112,179	\$119,531	\$123,800	\$118,384	\$111,804	\$105,064	\$98,846	\$130,565	\$119,821	\$117,877	\$115,850	\$114,025	\$151,138	\$147,215	\$142,931	\$138,975	\$135,186	\$2,369,084	\$1,562,233	
Total		\$185,420	\$706,481	\$690,271	\$667,514	\$711,260	\$736,664	\$704,438	\$665,281	\$625,178	\$588,179	\$776,918	\$712,989	\$701,421	\$689,361	\$678,499	\$899,338	\$875,992	\$850,502	\$826,960	\$804,413	\$14,097,080	\$9,295,969	

Exhibit G

Interlocal Agreement with County

INTERLOCAL COOPERATION AGREEMENT

THIS INTERLOCAL COOPERATION AGREEMENT is made and entered into this 21 day of May, 2019, by and between the **EAGLE MOUNTAIN REDEVELOPMENT AGENCY**, a community reinvestment agency and political subdivision of the State of Utah (the "Agency"), and **UTAH COUNTY**, a political subdivision of the State of Utah (the "County") in contemplation of the following facts and circumstances:

A. **WHEREAS**, the Agency was created and organized pursuant to the provisions of the Utah Neighborhood Development Act, Utah Code Annotated ("UCA") §17A-2-1201 *et seq.* (2000), and continues to operate under the provisions of its extant successor statute, the Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Title 17C of the UCA (the "Act"), and is authorized and empowered under the Act to undertake, among other things, various community reinvest activities pursuant to the Act, including, among other things, assisting Eagle Mountain City (the "City") in development activities that are likely to advance the policies, goals and objectives of the City's general plan, contributing to capital improvements which substantially benefit the City, creating economic benefits to the City, and improving the public health, safety and welfare of its citizens; and

B. **WHEREAS**, this Agreement is made pursuant to the provisions of the Act and the Interlocal Cooperation Act (UCA Title 11, Chapter 13) (the "Cooperation Act"); and

C. **WHEREAS**, the Agency has created or will create the Pole Canyon Community Reinvestment Project Area (the "Project Area"), through the adoption of the Pole Canyon Plan (the "Project Area Plan"), located within the City, which Project Area is described in Exhibit "A" attached hereto and incorporated herein by this reference; and

D. **WHEREAS**, the Project Area contains vacant and underutilized land, which is anticipated to be developed, with encouragement and planning by the Agency, as a food manufacturing facility. The Agency has not entered into any participation or development agreements with developers but anticipates that prior to development of the Project Area, the City and/or the Agency will enter into one or more participation agreements with one or more developer(s), including a participation agreement related to the construction by Tyson Fresh Meats, a subsidiary of Tyson Foods, Inc., of a food production plant which will convert large cuts of beef and pork into steaks, chops, roasts and ground meat that are placed in retail trays, weighed and labeled and then shipped to retailers to be sold through the grocery meat case, with an investment of approximately \$300 million dollars (the "Mockingbird Project"), which will provide certain terms and conditions upon which the Project Area will be developed using, in part, "Tax Increment" (as that term is defined in the Act), generated from the Project Area; and

E. **WHEREAS**, historically, the Project Area has generated a total of \$13,110 per year in property taxes for the various taxing entities, including the City, the County, Alpine School District (the "School District), and other taxing entities; and

F. **WHEREAS**, upon full development as contemplated in the Project Area Plan, property taxes produced by the Project Area for the City, the County, the School District, and other taxing entities are projected to total approximately \$1,828,212 per year; and

G. **WHEREAS**, the Agency has requested the City, the County, the School District, and other taxing entities to participate in the promotion of development in the Project Area by agreeing to remit to the Agency for a specified period of time specified portions of the increased real and personal property tax (i.e., Tax Increment,) which will be generated by the Project Area; and

H. **WHEREAS**, it is in the best interest of the citizens of the County for the County to remit such payments to the Agency to permit the Agency to leverage private development of the Project Area; and

I. **WHEREAS**, the Agency has retained Lewis Young Robertson & Burningham, Inc., an independent financial consulting firm with substantial experience regarding community reinvestment projects and tax increment funding across the State of Utah, to prepare the Project Area Plan and to provide a report regarding the need and justification for investment of Tax Increment revenues from and within the Project Area. A copy of the report is included in the Project Area Plan attached as Exhibit "B"; and

J. **WHEREAS**, the Agency has created the Pole Canyon Community Reinvestment Project Area Budget (the "Project Area Budget"), a copy of which is attached as Exhibit "C", which Project Area Budget outlines the anticipated generation, payment and use of Tax Increment within the Project Area;

K. **WHEREAS**, the parties desire to set forth in writing their agreements regarding the nature and timing of such assistance;

NOW, THEREFORE, the parties agree as follows:

1. **Additional Tax Revenue.** The County has determined that significant additional Tax Increment will likely be generated by the development of the Project Area as described in further detail in the Project Area Plan and Project Area Budget. Each of the parties acknowledge, however, that the development activity required for the generation of the Tax Increment is not likely to occur within the foreseeable future or to the degree possible or desired without Tax Increment participation in order to induce and encourage such development activity.

2. **Offset of Development Costs and Expenses.** The County has determined that it is in the best interests of its citizens to pay specified portions of its portion of Tax Increment to the Agency in order for the Agency to offset costs and expenses which will be incurred by Agency or participants in Project Area development, including, without limitation, the construction and installation of buildings, infrastructure improvements, personal property and other development related costs needed to serve the Project Area, to the extent permitted by the Act, the Project Area Plan, and the Project Area Budget, each as adopted and amended from time to time.

3. **Base Year and Base Year Value.** The base year, for purposes of calculation of the Base Taxable Value (as that term is defined in the Act), shall be 2018, meaning the Base Taxable Value shall, to the extent and in the manner defined by the Act, be equal to the equalized taxable value shown on the 2018 Utah County assessment rolls for all property located within the Project Area (which is currently estimated to be \$1,200,000, but is subject to final adjustment and verification by the County and Agency). Notwithstanding anything contained herein, or in the Act, to the contrary, the Base Taxable Value shall not be reduced below \$1,200,000. The Agency covenants with the County that the Agency shall not issue bonds secured by the Tax Increment to be paid to the Agency by the County under this Agreement.

4. **Agreement(s) with Developer(s).** The Agency is authorized to enter into one or more participation agreements with one or more participants which may provide for the payment of certain amounts of Tax Increment (to the extent such Tax Increment is actually paid to and received by the Agency from year to year) to the participant(s) conditional upon the participant (s)'s meeting of certain performance measures as outlined in said agreement. Such agreement shall be consistent with the terms and conditions of this Agreement, shall require as a condition of the payment to the participant(s) that the respective participant or its approved successors in title as owners of all current and subsequent parcels within the Project Area, as outlined in Exhibit "A" (the "Property"), shall pay any and all taxes and assessments which shall be assessed against the Property in accordance with levies made by applicable municipal entities in accordance with the laws of the state of Utah applicable to such levies, and such other performance measures as the Agency may deem appropriate.

5. **Payment Trigger.** The first year ("Year One") of payment of Tax Increment from the County to the Agency shall be determined by the Agency but shall be no later than 2023. Each subsequent year, beginning with the first year after Year One, shall be defined in sequence as Year Two through Year Twenty. The Agency may trigger the collection of Tax Increment by timely delivering a letter or other written request to the Utah County Auditor's office.

6. **Total Payment to Agency.** Subject to the express condition precedent of the complete and full performance and compliance by the developer, the City, and the Agency, of the development of the Mockingbird Project, including all participation agreements related thereto, the County is authorized and instructed to remit to the Agency, beginning with property tax receipts in Year One and continuing through Year Twenty, 60% of the County's annual Tax Increment generated from the Project Area or until a cumulative maximum cap amount of \$1,288,004 is reached, whichever comes first.

7. **Property Tax Increase.** This Agreement provides for the payment of the increase in real and personal property taxes collected from the Project Area by the County acting as the tax collecting agency solely on behalf of the County. Real and personal property taxes which are the subject of this Agreement shall not include taxes collected from the Project Area by the County, acting in its capacity as the tax collection agency, which are to be paid to or utilized by abatement districts, special service or improvement districts or other entities for which the County acts as the tax collection agency, nor shall it include any component of real property taxes retained by the County as payment for costs incurred in the collection of real property taxes for itself or other applicable agencies. It is expressly understood that the property taxes which are the subject of this Agreement are only those real and personal property taxes collected by the County, for the County, from the Project Area. This Agreement does not include Tax Increment resulting from a tax rate increase by the County, which increased tax revenue is hereby expressly not approved as being included in Tax Increment pursuant to Section 17C-1-407 of the Act.

8. **No Independent Duty.** The County shall be responsible to remit to the Agency only Tax Increment received by the County. The County shall have no independent duty to pay any amount to the Agency other than the Tax Increment received by the County on an annual basis from and including Year One through and including Year Twenty.

9. **Authority to Bind.** Each individual executing this Agreement represents and warrants that such person is authorized to do so, and, that upon executing this Agreement, this Agreement shall be binding and enforceable in accordance with its terms upon the party for whom such person is acting.

10. **Further Documents and Acts.** Each of the parties hereto agrees to cooperate in good faith with the others, and 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 transactions contemplated under this Agreement.

11. **Notices.** Any notice, request, demand, consent, approval or other communication required or permitted hereunder or by law shall be validly given or made only if in writing and delivered to an officer or duly authorized representative of the other party in person or by Federal Express, private commercial delivery or courier service for next business day delivery, or by United States mail, duly certified or registered (return receipt requested), postage prepaid, and addressed to the party for whom intended, as follows:

If to County:
Utah County
Attn: County Commission
100 E. Center Street
Provo, UT 84606
Phone: (801) 851-8133

If to Agency:
Eagle Mountain Redevelopment Agency
Attn: Agency Board
1650 E. Stagecoach Run
Eagle Mountain, UT 84005
Phone: (801) 789-6600

Any party may from time to time, by written notice to the others as provided above, designate a different address which shall be substituted for that specified above. Notice sent by mail shall be deemed served or delivered seventy-two (72) hours after mailing. Notice by any other method shall be deemed served or delivered upon actual receipt at the address or facsimile number listed above. Delivery of courtesy copies noted above shall be as a courtesy only and failure of any party to give or receive a courtesy copy shall not be deemed to be a failure to provide notice otherwise properly delivered to a party to this Agreement.

12. **Entire Agreement.** This Agreement is the final expression of and contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior understandings with respect thereto. This Agreement may not be modified, changed, supplemented or terminated, nor may any obligations hereunder be waived, except by written instrument signed by the party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein. This Agreement and its exhibits constitute the entire agreement between the parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understandings of the parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

13. **No Third-Party Benefit.** The parties do not intend to confer any benefit hereunder on any person, firm or corporation other than the parties hereto. There are no intended third-party beneficiaries to this Agreement.

14. **Construction.** Headings at the beginning of each paragraph and subparagraph are solely for the convenience of the parties and are not a part of the Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. Unless otherwise indicated, all references to paragraphs and subparagraphs are to this Agreement. In the event the date on which any of the parties is required to take any action under the terms of this Agreement is not a business day, the action shall be taken on the next succeeding business day.

15. **Partial Invalidity.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or

the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law.

16. **Amendments.** No addition to or modification of any provision contained in this Agreement shall be effective unless fully set forth in writing executed by each of the parties hereto.

17. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

18. **Waivers.** No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other covenant or provision herein contained. 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.

19. **Governing Law.** This Agreement and the exhibits attached hereto shall be governed by and construed under the laws of the State of Utah. In the event of any dispute hereunder, it is agreed that the sole and exclusive venue shall be in a court of competent jurisdiction in Utah County, Utah, and the parties hereto agree to submit to the jurisdiction of such court.

20. **Declaration of Invalidity.** In the event that a court of competent jurisdiction declares that the County cannot pay and/or that the Agency cannot receive payments of the Tax Increment, declares that the Agency cannot pay the Tax Increment to developers, or takes any other action which has the effect of eliminating or reducing the payments of Tax Increment received by the Agency, the Agency's obligation to pay the Tax Increment to developers shall be reduced or eliminated accordingly, the Agency, and the County shall take such steps as are reasonably required to not permit the payment and/or receipt of the Tax Increment to be declared invalid.

21. **No Separate Legal Entity.** No separate legal entity is created by this Agreement.

22. **Duration.** This Agreement shall terminate after the Year Twenty Tax Increment payment.

23. **Assignment.** No party may assign its rights, duties or obligations under this Agreement without the prior written consent first being obtained from all parties. Notwithstanding the foregoing, such consent shall not be unreasonably withheld or delayed so long as the assignee thereof shall be reasonably expected to be able to perform the duties and obligations being assigned.

24. **Termination.** Upon any termination of this Agreement resulting from the uncured default of any party, the order of any court of competent jurisdiction or termination as a result of any legislative action requiring such termination, then any funds held by the Agency and for which the Agency shall not be required to disburse to developers in accordance with the agreements which govern such disbursement, then such funds shall be returned to the party originally remitting same to the Agency and upon such return this Agreement shall be deemed terminated and of no further force or effect.

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

- a. This Agreement has been, on or prior to the date hereof, authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Cooperation Act;
- b. This Agreement has been, on or prior to the date hereof, reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party

pursuant to and in accordance with the provisions of Section 11-13-202.5(3) of the Cooperation 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 Cooperation Act;
- d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act, pursuant to Section 11-13-207 of the Cooperation Act; and
- e. Should a party to this Agreement desire to terminate this Agreement, in part or in whole, each party to the Agreement must adopt, by resolution, an amended Interlocal Cooperation Agreement stating the reasons for such termination. Any such amended Interlocal Cooperation Agreement must be in harmony with any development/participation agreement(s) entered into by the Agency as described in this Agreement.
- f. Immediately after execution of this Agreement by both Parties, the Agency shall, on behalf of both parties, cause to be published notice regarding this Agreement pursuant to Section 11-13-219 of the Cooperation Act.
- g. This Agreement makes no provision for the parties acquiring, holding and disposing of real and personal property used in the joint undertaking as such action is not contemplated as part of this Agreement nor part of the undertaking. Any such provision would be outside the parameters of the current undertaking. However, to the extent that this Agreement may be construed as providing for the acquisition, holding or disposing of real and/or personal property, all such property shall be owned by the Agency upon termination of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day specified above.

County: UTAH COUNTY

Attest:

JEFFREY D. SMITH
County Recorder

By: [Signature]
Its: Commission Chair

Approved as to form and compliance
with applicable law:

[Signature]
Attorney for County

provision would be outside the parameters of the current undertaking. However, to the extent that this Agreement may be construed as providing for the acquisition, holding or disposing of real and/or personal property, all such property shall be owned by the Agency upon termination of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day specified above.

Dated this ____ day of _____, 2019.

County: UTAH COUNTY

ATTEST:

By: _____
Its: Commission Chair

County Recorder

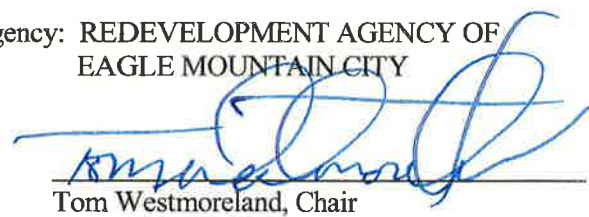
Approved as to form:

Attorney for County

Dated this ____ day of _____, 2019

Agency: REDEVELOPMENT AGENCY OF
EAGLE MOUNTAIN CITY

ATTEST:



Tom Westmoreland, Chair



Aaron Sanborn, Executive Director

APPROVED AS TO FORM:


Jeremy Cook, City Attorney



EXHIBIT A
to
INTERLOCAL AGREEMENT

Legal Description of Project

PROJECT MOCKINGBIRD 80-ACRE PARCEL LEGAL DESCRIPTION

BEGINNING AT A POINT S00°23'57"W 47.00 FEET FROM THE NORTHWEST CORNER OF SECTION 16, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE S89°22'57"E 1843.00 FEET; THENCE S00°23'57"W 1890.95 FEET; THENCE N89°22'57"W 1843.00 FEET; THENCE N00°23'57"E 1890.95 FEET TO THE POINT OF BEGINNING.

CONTAINS 3,484,995.55 SQ.FT. OR 80.00 ACRES

EXHIBIT B
To
INTERLOCAL AGREEMENT

Project Area Plan

PROJECT AREA PLAN

POLE CANYON COMMUNITY REINVESTMENT AREA (CRA)

EAGLE MOUNTAIN REDEVELOPMENT AGENCY, UTAH



MAY 2019



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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 several 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;



- the tax identification number of the parcels from which tax increment will be collected; or
 - a legal description of the portion of the Project Area from which tax increment will be collected; and
- ☞ for property that the Agency owns and expects to sell, the expected total cost of the property to the Agency and the expected selling price.

“Project Area Plan” or “Plan” shall mean the written plan (outlined by 17C-5-105 of the Act) that, after its effective date, guides and controls the community reinvestment activities within the Project Area. Project Area Plan refers to this document and all the attachments to this document, which attachments are incorporated by this reference. It is anticipated that the POLE CANYON PLAN will be subject to an interlocal agreement process with the taxing entities within the Project Area.

“Taxes” includes all levies on an ad valorem basis upon land, local and centrally assessed real property, personal property, or any other property, tangible or intangible.

“Taxing Entity” shall mean any public entity that levies a tax on any property within the Project Area.

“Tax Increment” shall mean the difference between the amount of property tax revenues generated each tax year by all taxing entities from the Project Area using the current assessed value of the property and the amount of property tax revenues that would be generated from the same area using the base taxable value of the property.

“Tax Increment Period” shall mean the period in which the taxing entities from the Project Area consent that a portion of their tax increment from the Project Area be used to fund the objectives outlined in the Project Area Plan.

“Tax Year” shall mean the 12-month period between sequential tax roll equalizations (November 1st - October 31st) of the following year, e.g., the November 1, 2018 - October 31, 2019 tax year.



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 Pole Canyon Community Reinvestment Project Area (the "Project Area"). This Plan is the 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 western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. 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 always been observed 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 **March 5, 2019**.

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



Description of the Boundaries of the Proposed Project Area

UTAH CODE
§17C-5-105(1)

A legal description of the Project Area along with a detailed map of the Project Area is attached respectively as **Exhibit A** and **Exhibit B** and incorporated herein. The Project Area lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. All the land in the Project Area is currently vacant. The Project Area is comprised of approximately 80 acres of property.

As delineated in the office of the Utah County Recorder, the Project Area encompasses an 80-acre portion of the parcels detailed in **Table 1**.

TABLE 1: PARCEL LIST

Parcel Id	Parcel Owner
59:048:0089	Oquirrh Wood Ranch LLC
59:048:0077	BATN Family Investments

UTAH CODE
§17C-5-105(1)

General Statement of Land Uses, Layout of Principal Streets, Population Densities, Building Densities and How They Will be Affected by the Project Area

General Land Uses

The property within the Project Area is currently classified as vacant agriculture/greenbelt property. Most of the property surrounding the Project Area is also vacant agriculture/greenbelt.

Table 1 summarizes the approximate acreage of existing land uses by land use type.

TABLE 2: LAND USES

Type	Acres	% of Area
Vacant Agriculture/Greenbelt	80	100%
Total	80	100%

This Project Area Plan is consistent with the General Plan of the City and promotes economic activity by virtue of the land uses contemplated. Any zoning change, amendment or conditional use permit necessary to the successful development contemplated by this Project Area Plan shall be undertaken in accordance with the requirements of the City's Code and all other applicable laws including all goals and objectives in the City's General Plan.

Layout of Principal Streets

There are currently no paved streets within the Project Area, 4000 N., an unpaved road runs along the northern periphery of the Project Area.



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 food manufacturing facility.

Land Use – It is anticipated that future development within the Project Area will create space for a food manufacturing facility, and any other ancillary 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 include the construction of some additional streets in the area. It is anticipated that access roads will also 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 increase as the Project Area is anticipated to create approximately 1,400 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



It is the intent of the Agency, with the assistance and participation of private developers and property owners, to facilitate the development within the Project Area.

UTAH CODE
§17C-5-105(E)

Conformance of the Proposed Development to the Community's General Plan

The proposed Community Reinvestment Project Area Plan and the development contemplated are consistent with the City's proposed General Plan and land use regulations.

UTAH CODE
§17C-5-105(G)

Describe any Specific Project or Projects that are the object of the Proposed Community Reinvestment

The Project Area is being created in order to assist with the construction of a food manufacturing facility and any ancillary buildings.

UTAH CODE
§17C-5-105(H)

Method of Selection of Private Developers to undertake the Community Reinvestment and Identification of Developers Currently Involved in the Process

The City and Agency will select or approve such development as solicited or presented to the Agency and City that meets the development objectives set forth in this plan. The City and Agency retain the right to approve or reject any such development plan(s) that in their judgment do not meet the development intent for the Project Area. The City and Agency may choose to solicit development through an RFP or RFQ process, through targeted solicitation to specific industries, from inquiries to the City, EDC Utah, and/or from other such references.

The City and Agency will ensure that all development conforms to this plan and is approved by the City. All potential developers may need to provide a detailed development plan including sufficient financial information to provide the City and Agency with confidence in the sustainability of the development and the developer. Such a review may include a series of studies and reviews including reviews of the Developers financial statements, third-party verification of benefit of the development to the City, appraisal reports, etc.

Any participation between the Agency and developers and property owners shall be by an approved agreement.

UTAH CODE
§17C-5-105(I)

Reason for Selection of the Project Area

The Project Area is currently classified as vacant agriculture/greenbelt and is collecting relatively no tax revenue for the taxing entities. The creation of the Project Area will create a significant economic benefit



to all taxing entities as this underutilized area will be developed to a higher and greater use. The development will also serve as an anchor tenant of the future Pole Canyon Industrial Park.

UTAH CODE
§17C-5-105(J)

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

Physical Conditions

The Project Area consists of approximately 80 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 vacant agriculture/greenbelt classification.

Economic Conditions

The Project Area is currently under vacant agriculture/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 to future development within the Project Area.

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)

Anticipated Public Benefit to be Derived from the Community Development

UTAH CODE
§17C-5-105(2)(ii)(A)

The Beneficial Influences upon the Tax Base of the Community

The beneficial influences upon the tax base of the City and the other taxing entities will include increased property tax revenues, job growth, and affordable housing opportunities in the community. The increased revenues will come from the property values associated with new construction in the area, as well as increased land values as the property within the Project Area will no longer be classified as vacant agriculture/greenbelt. Property values include land, buildings and personal property (machines, equipment, etc.).

Job growth in the Project Area will result in increased wages, increasing local purchases and benefiting existing businesses in the area. Job growth will also result in increased income taxes paid. Additionally, business growth will generate corporate income taxes.

There will also be a beneficial impact on the community through increased construction activity within the Project Area. Positive impacts will be felt through construction wages paid, as well as construction supplies purchased locally.

UTAH CODE
§17C-5-105(2)(ii)(B)

The Associated Business and Economic Activity Likely to be Stimulated

Other business and economic activity likely to be stimulated includes increased spending by new and existing residents within the City and employees in the Project Area and in surrounding areas. This includes both direct and indirect purchases that are stimulated by the spending of the additional employees in the area.

Employees may make some purchases in the local area, such as convenience shopping for personal services (haircuts, banking, dry cleaning, etc.). The employees will not make all their convenience or personal services purchases near their workplace and each employee's purchasing patterns will be different. However, it is reasonable to assume that a percentage of these annual purchases will occur within proximity of the workplace (assuming the services are available). The City also envisions this area as a future industrial park, this development will act as an anchor and likely attract new businesses to the area.

UTAH CODE
§17C-5-105(2)(B)

Efforts to Maximize Private Investment

The agency has formed a partnership with the developers to realize the vision of this project area. It is anticipated that the development will require over \$250,000,000 of private capital. Creating a CRA will act as a catalyst for the development.

UTAH CODE
§17C-5-105(2)(C)

"But For" Analysis

The anticipated development includes numerous costs, including land purchase, infrastructure and over \$200 million of personal property. "But-for" the creation of the CRA and public participation, the costs associated with the development would be too high, and the Project Area would remain in its underutilized state.



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.

TABLE 3: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Total	NPV at 4%
Utah County	60%	20 Years	\$1,288,004	\$849,343
Alpine School District	60%	20 Years	12,375,049	8,160,418
Eagle Mountain City	60%	20 Years	1,625,842	1,072,121
Central Utah Water Conservancy District	60%	20 Years	703,828	464,122
Unified Fire Service Area – Salt Lake County	60%	20 Years	3,230,569	2,130,318
Total Sources of Tax Increment Funds			\$19,223,291	\$12,676,322

TABLE 4: PROJECT AREA REVENUES

Entity	Property Tax	Sales Tax	Franchise Tax	Total Tax Increment Revenues
Utah County	\$2,146,674	\$459,220	-	\$2,605,894
Alpine School District	20,625,081	-	-	20,625,081
Eagle Mountain City	2,709,736	444,731	3,892,941	7,047,408
Central Utah Water Conservancy District	1,173,046	-	-	1,173,046
Unified Fire District – Salt Lake County	5,384,281	-	-	5,384,281
Total Revenue	\$32,038,818	\$903,951	\$3,892,941	\$36,835,710

TABLE 5: PROJECT AREA EXPENDITURES

Entity	CRA Budget	General Government	Public Safety	Public Works	Total Expenditures
Utah County	\$1,288,004	\$141,535	-	-	\$1,429,539
Alpine School District	12,375,049	8,107,145	-	-	20,482,194
Eagle Mountain City	1,625,842	730,016	1,172,766	477,903	4,006,527
Central Utah Water Conservancy District	703,828	82,816	-	-	786,644
Unified Fire District – Salt Lake County	3,230,569	244,911	-	-	3,475,480
Total Revenue	\$19,223,291	\$9,306,423	\$1,172,766	\$477,903	\$30,180,383

The total net benefit to the taxing entities of participating in the Project Area is \$6,655,327, with the City's net benefit being \$3,040,881.



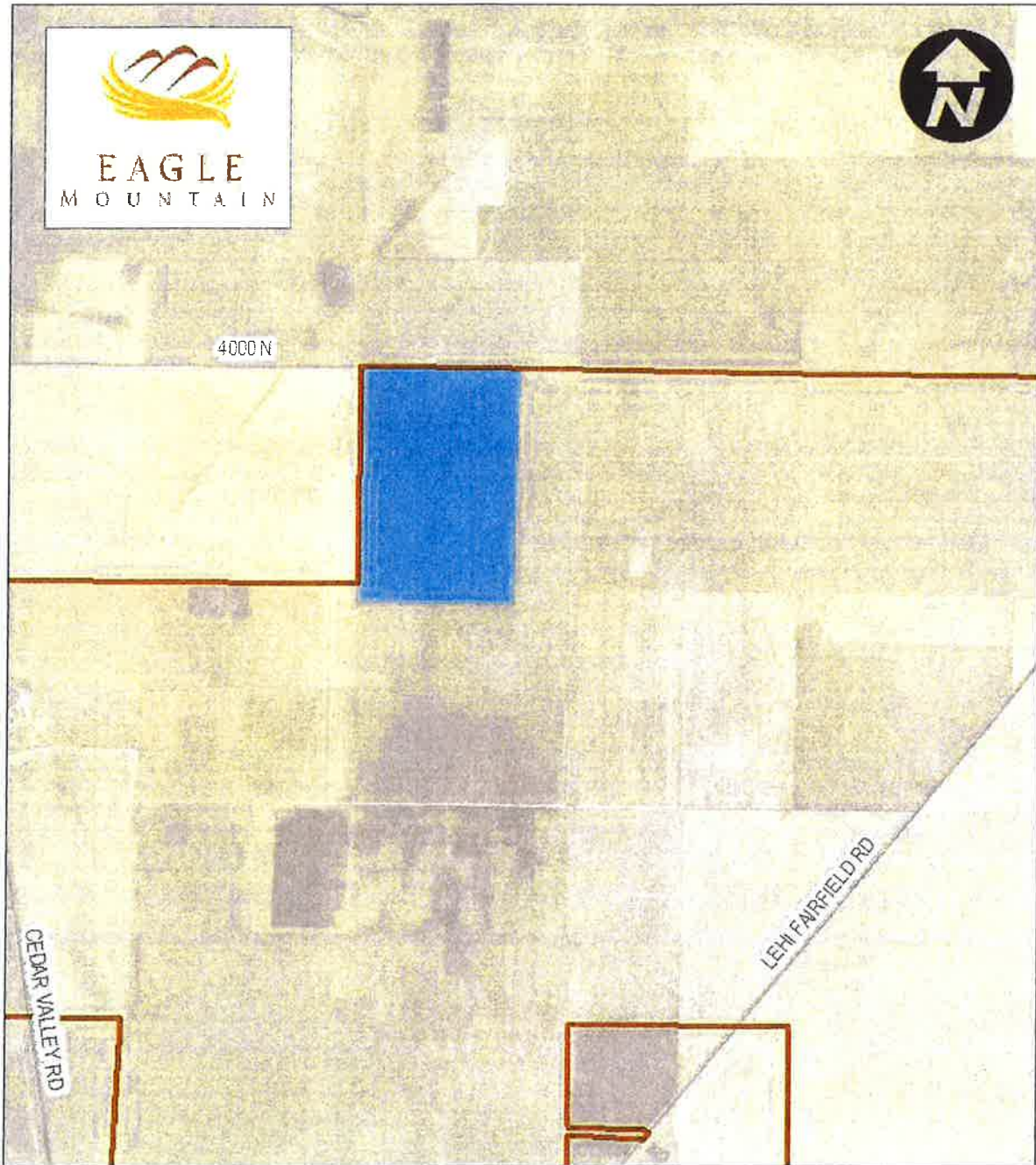
EXHIBIT A: Legal Description of Pole Canyon CRA

PROJECT MOCKINGBIRD 80-ACRE PARCEL LEGAL DESCRIPTION


BEGINNING AT A POINT S00°23'57"W 47.00 FEET FROM THE NORTHWEST CORNER OF SECTION 16, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE S89°22'57"E 1843.00 FEET; THENCE S00°23'57"W 1890.95 FEET; THENCE N89°22'57"W 1843.00 FEET; THENCE N00°23'57"E 1890.95 FEET TO THE POINT OF BEGINNING.

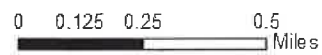
CONTAINS 3,484,995.55 SQ.FT. OR 80.00 ACRES

EXHIBIT B: Project Area Map
 MAP OF PROPOSED PROJECT AREA BOUNDARIES



POLE CANYON CRA

-  EAGLE MOUNTAIN
-  POLE CANYON CRA



LEWIS  YOUNG
 ROBERTSON & BURNINGHAM, INC.

EXHIBIT "C"
To
INTERLOCAL AGREEMENT

Project Area Budget

EXHIBIT C
To
INTERLOCAL AGREEMENT

Project Area Budget

PROJECT AREA BUDGET

POLE CANYON COMMUNITY REINVESTMENT AREA (CRA)

EAGLE MOUNTAIN REDEVELOPMENT AGENCY, UTAH



MAY 2019



LEWIS YOUNG
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GATEWAY PLAZA BUILDING • 41 N. RIO GRANDE, STE 101 • SALT LAKE CITY, UT 84101
(P) 801-596-0700 • (TF) 800-581-1100 • (F) 801-596-2800 • WWW.LEWISYOUNG.COM

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Section 1: Introduction

The Eagle Mountain Redevelopment Agency (the "Agency"), following thorough consideration of the needs and desires of the City of Eagle Mountain (the "City") and its residents, as well as understanding the City's capacity for new development, has carefully crafted the Project Area Plan (the "Plan") for the Pole Canyon Community Reinvestment Project Area (the "Project Area"). The Plan is the result of a comprehensive evaluation of the types of appropriate land-uses and economic development opportunities for the land encompassed by the Project Area which lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park.

The Plan is envisioned to define the method and means of development for 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. This **Project Area Budget** document (the "Budget") is predicated upon certain elements, objectives and conditions outlined in the Plan and intended to be used as a financing tool to assist the Agency in meeting Plan objectives discussed herein and more specifically referenced and identified in the Plan.

The creation of the Project Area is being undertaken as a community reinvestment project pursuant to certain provisions of Chapters 1 and 5 of the Utah Community Reinvestment Agency Act (the "Act", Utah Code Annotated ("UCA") Title 17C). The requirements of the Act, including notice and hearing obligations, have always been observed throughout the establishment of the Project Area.

Section 2: Description of Community Development Project Area

The Project Area lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. The property is currently vacant land and is generating very little tax revenue for the City and other taxing entities. The property encompasses approximately 120 acres of land.

A map of the Project Area is attached hereto in EXHIBIT A.

Section 3: General Overview of Project Area Budget

The purpose of the Project Area Budget is to provide the financial framework necessary to implement the Project Area Plan vision and objectives. The Project Area Plan has identified that tax increment financing is essential in order to meet the objectives of the CRA Project Area. The following information will detail the sources and uses of tax increment and other necessary details needed for public officials, interested parties, and the public in general to understand the mechanics of the Project Area Budget.

Base Year Value

The Agency has determined that the base year property tax value for the Project Area will be the total taxable value for the 2018 tax year which is estimated to be \$1,200,000. Using the tax rates established within the Project Area the property taxes levied equate to \$13,110 annually. Accordingly, this amount will continue to flow through to each taxing entity proportional to the amount of their respective tax rates being levied.

Payment Trigger

The Project Area will have a twenty-year (20) duration from the date of the first tax increment received by the Agency. The collection of tax increment will be triggered at the discretion of the Agency prior to March 1 of the tax year in which they intend to begin the collection of increment. The following year in which this increment will be remitted to the Agency will be Year 1, e.g., if requested prior to March 1, 2020, Year 1 of increment will be 2021. The first year of tax increment shall be determined by the Agency.

Projected Tax Increment Revenue – Total Generation

Development within the Project Area will commence upon favorable market conditions which will include both horizontal and vertical infrastructure and development. The Agency anticipates that new development will begin in the Project Area in 2019. The contemplated development will generate significant additional property tax revenue as well as incremental sales and use tax above what is currently generated within the Project Area.

Property Tax Increment will begin to be generated in the tax year (ending Dec 1st) following construction completion and Tax Increment will be paid to the Agency in March or April after collection. It is projected that property Tax Increment generation within the Project Area could begin as early as 2021 or as late as 2022. It is currently estimated that during the 20-year life of the Project Area Budget, property Tax Increment could be generated within the Project Area in the approximate amount of \$32.04 million or at a net present value (NPV)¹ of \$21.13 million. This amount is over and above the \$262,200 of base taxes that the property would generate over 20 years at the \$13,110 annual amount it currently generates as shown in Table 4.1 below.

¹ Net Present Value of future cash flows assumes a 4% discount rate. The same 4% discount rate is used in all remaining NPV calculations. This total is prior to accounting for the flow-through of tax increment to the respective taxing entities.

Section 4: Property Tax Increment

Base Year Property Tax Revenue

The taxing entities are currently receiving - and will continue to receive - property tax revenue from the current assessed value of the property within the Project Area ("Base Taxes"). The current assessed value is estimated to be \$1,200,000. Based upon the tax rates in the area, the collective taxing entities are receiving \$13,110 in property tax annually from this Project Area. This equates to approximately \$262,200 over the 20-year life of the Project Area.

TABLE 4.1: TOTAL BASE YEAR TO TAXING ENTITIES (OVER 20 YEARS)

Entity	Total	NPV at 4%
Utah County	\$17,568	\$11,938
Alpine School District	168,792	114,697
Eagle Mountain City	22,176	15,069
Central Utah Water Conservancy District	9,600	6,523
Unified Fire Service Area – Salt Lake County	44,064	29,942
Total Revenue	\$262,200	\$178,169

Property Tax Increment Shared with RDA

All taxing entities that receive property tax generated within the Project Area, as detailed above, will share at least a portion of that increment generation with the Agency. All taxing entities will contribute 60% of their respective tax increment for 20 years. Table 4.2 shows the amount of Tax Increment shared with the Agency assuming the participation levels discussed above.

TABLE 4.2: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Total	NPV at 4%
Utah County	60%	20 Years	\$1,288,004	\$849,343
Alpine School District	60%	20 Years	12,375,049	8,160,418
Eagle Mountain City	60%	20 Years	1,625,842	1,072,121
Central Utah Water Conservancy District	60%	20 Years	703,828	464,122
Unified Fire Service Area – Salt Lake County	60%	20 Years	3,230,569	2,130,318
Total Sources of Tax Increment Funds			\$19,223,291	\$12,676,322

Uses of Tax Increment

The anticipated development includes numerous costs, including land purchase, infrastructure and over \$200 million of personal property. "But-for" the creation of the CRA and public participation, the costs associated with the development would be too high, and the Project Area would remain in its underutilized state.

The majority of the remaining Tax Increment collected by the Agency will be used to overcome the obstacles outlined above (88%). Including: offsetting certain on-site public infrastructure costs, Agency requested improvements and upgrades, desirable Project Area improvements, and other redevelopment activities as approved by the Agency. 10% will go towards affordable housing, as required by the Act. The remaining 2% will be used by the Agency to administer the Project Area.

TABLE 4.3: USES OF TAX INCREMENT

Uses	Total	NPV at 4%
Redevelopment Activities	\$16,916,496	\$11,155,163
CRA Housing Requirement	1,922,329	1,267,632
Project Area Administration	384,466	253,526
Total Uses of Tax Increment Funds	\$19,223,291	\$12,676,322

A multi-year projection of tax increment is including in **EXHIBIT B**.

Total Annual Property Tax Revenue for Taxing Entities at Conclusion of Project

As described above, the collective taxing entities are currently receiving approximately \$13,110 in property taxes annually from this Project Area. At the end of 20 years an additional \$1,828,212 in property taxes annually is anticipated, totaling approximately \$1,841,322 in property taxes annually for the area. "But for" the assistance provided by the RDA through tax increment revenues, this 13,945 percent increase in property taxes generated for the taxing entities would not be possible.

TABLE 4.4: TOTAL BASE YEAR AND END OF PROJECT LIFE ANNUAL PROPERTY TAXES

Entity	Annual Base Year Property Taxes	Annual Property Tax Increment at Conclusion of Project	Total Annual Property Taxes
Utah County	\$878	\$122,494	\$123,373
Alpine School District	8,440	1,176,917	1,185,356
Eagle Mountain City	1,109	154,624	155,733
Central Utah Water Conservancy District	480	66,937	67,417
Unified Fire Service Area – Salt Lake County	2,203	307,240	309,443
Total Revenue	\$13,110	\$1,828,212	\$1,841,322

Section 5: Cost/Benefit Analysis

Additional Revenues

Other Tax Revenues

The development within the Project Area will also generate sales taxes and municipal energy taxes. Table 5.1 shows the total revenues generated by the Project Area.

TABLE 5.1 TOTAL REVENUES

Entity	Property Tax	Sales Tax	Franchise Tax	Total Increment Revenues
Utah County	\$2,146,674	\$459,220	-	\$2,605,894
Alpine School District	20,625,081	-	-	20,625,081
Eagle Mountain City	2,709,736	444,731	3,892,941	7,047,408
Central Utah Water Conservancy District	1,173,046	-	-	1,173,046
Unified Fire Service Area – Salt Lake County	5,384,281	-	-	5,384,281
Total Revenue	\$32,038,818	\$903,951	\$3,892,941	\$36,835,710

Additional Costs

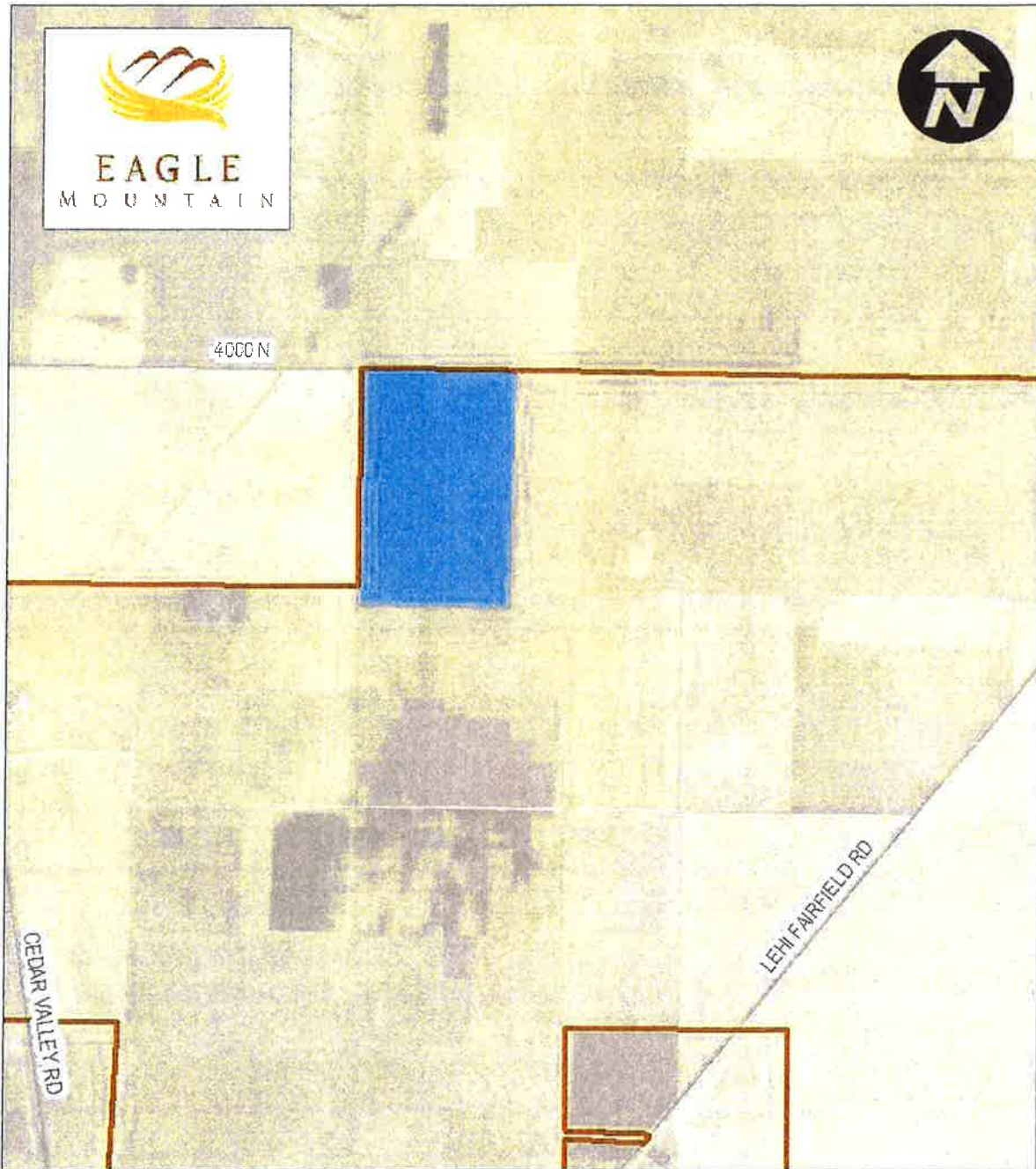
The development anticipated within the Project Area will also likely result in additional general government, public works, and public safety costs. These costs, along with the estimated budget to implement the Project Area Plan, are identified below.

TABLE 5.2 TOTAL EXPENDITURES



Entity	CRA Budget	General Government	Public Works	Public Safety	Total Incremental Expenditures
Utah County	\$1,288,004	\$141,535	-	-	\$1,429,539
Alpine School District	12,375,049	8,107,145	-	-	20,482,194
Eagle Mountain City	1,625,842	730,016	1,172,766	477,903	4,006,527
Central Utah Water Conservancy District	703,828	82,816	-	-	786,644
Unified Fire Service Area – Salt Lake County	3,230,569	244,911	-	-	3,475,480
Total Expenditures	\$19,223,291	\$9,306,423	\$1,172,766	\$477,903	\$30,180,383

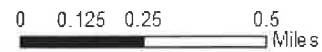
The total net benefit to the taxing entities of participating in the Project Area is \$6,655,327, with the City's net benefit being \$3,040,881.

Exhibit A: Project Area Map



POLE CANYON CRA

-  EAGLE MOUNTAIN
-  POLE CANYON CRA



LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.



Exhibit B: Multi-Year Budget

Eagle Mountain Redevelopment Agency

Pole Canyon Community Reinvestment Area
Increment and Budget Analysis

ASSUMPTIONS	
Discount Rate	4.0%
Inflation Rate	0.0%

INCREMENTAL TAX ANALYSIS:	Payment Year	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS	NPV
	Tax Year	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040		
Cumulative Taxable Value	Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20		
Real Property Value (Building & Land)		\$38,573,008	\$38,573,008	\$38,573,008	\$38,573,008	\$38,573,008	\$49,027,408	\$49,027,408	\$49,027,408	\$49,027,408	\$49,027,408	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008		
Personal Property Value		-	\$108,396,100	\$105,024,050	\$100,289,850	\$109,390,380	\$104,220,832	\$97,516,710	\$89,371,070	\$81,028,410	\$73,331,472	\$96,913,231	\$83,614,143	\$81,207,528	\$78,698,714	\$76,439,135	\$122,380,269	\$117,523,638	\$112,220,807	\$107,323,393	\$102,633,055		
Total Assessed Value:		\$38,573,008	\$146,969,108	\$143,597,058	\$138,862,858	\$147,963,368	\$153,248,240	\$146,544,118	\$138,398,478	\$130,055,819	\$122,358,881	\$161,622,239	\$148,323,151	\$145,916,536	\$143,407,723	\$141,148,144	\$187,089,278	\$182,232,646	\$176,929,816	\$172,032,401	\$167,342,063		
Development Performance Contingency Buffer (10%)		\$3,857,301	\$14,696,911	\$14,359,706	\$13,886,286	\$14,796,339	\$15,324,824	\$14,654,412	\$13,839,848	\$13,005,582	\$12,235,888	\$16,162,224	\$14,832,315	\$14,591,654	\$14,340,772	\$14,114,814	\$18,708,928	\$18,223,265	\$17,692,982	\$17,203,240	\$16,734,206		
Value of Current Property		\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000		
Less Base Year Value		\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)		
TOTAL INCREMENTAL VALUE:		\$42,430,309	\$161,666,019	\$157,956,764	\$152,749,144	\$162,759,727	\$168,573,064	\$161,198,530	\$152,238,326	\$143,061,401	\$134,594,769	\$177,784,463	\$163,155,467	\$160,508,190	\$157,748,495	\$155,262,958	\$205,798,205	\$200,455,911	\$194,622,797	\$189,235,641	\$184,076,269		
TAX RATE & INCREMENT ANALYSIS:	2018 Rates																						
Utah County	0.000732	31,059	118,340	115,624	111,812	119,140	123,395	117,997	111,438	104,721	98,523	130,138	119,430	117,492	115,472	113,652	150,644	146,734	142,464	138,520	134,744	2,361,342	1,557,128
Alpine School District	0.007033	298,412	1,136,997	1,110,910	1,074,285	1,144,689	1,185,574	1,133,709	1,070,692	1,006,151	946,605	1,250,358	1,147,472	1,128,854	1,109,445	1,091,964	1,447,379	1,409,806	1,368,782	1,330,894	1,294,608	22,687,589	14,960,767
Eagle Mountain City	0.000924	39,206	149,379	145,952	141,140	150,390	155,762	148,947	140,668	132,189	124,366	164,273	150,756	148,310	145,760	143,463	190,158	185,221	179,831	174,854	170,086	2,980,710	1,965,555
Central Utah Water Conservancy District	0.000400	16,972	64,666	63,183	61,100	65,104	67,429	64,479	60,895	57,225	53,838	71,114	65,262	64,203	63,099	62,105	82,319	80,182	77,849	75,694	73,631	1,290,351	850,890
Unified Fire Service Area - Salt Lake County	0.001836	77,902	296,819	290,009	280,447	298,827	309,500	295,961	279,510	262,661	247,116	326,412	299,553	294,693	289,626	285,063	377,846	368,037	357,327	347,437	337,964	5,922,709	3,905,583
Totals:	0.010925	463,551	1,766,201	1,725,678	1,668,784	1,778,150	1,841,661	1,761,094	1,663,204	1,562,946	1,470,448	1,942,295	1,782,473	1,753,552	1,723,402	1,696,248	2,248,345	2,189,981	2,126,254	2,067,399	2,011,033	35,242,700	23,239,923
TOTAL INCREMENTAL REVENUE IN PROJECT AREA:		\$463,551	\$1,766,201	\$1,725,678	\$1,668,784	\$1,778,150	\$1,841,661	\$1,761,094	\$1,663,204	\$1,562,946	\$1,470,448	\$1,942,295	\$1,782,473	\$1,753,552	\$1,723,402	\$1,696,248	\$2,248,345	\$2,189,981	\$2,126,254	\$2,067,399	\$2,011,033	\$35,242,700	\$23,239,923
PROJECT AREA BUDGET		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS	NPV
Sources of Funds:																							
Property Tax Participation Rate for Budget																							
Utah County		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%		
Alpine School District		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%		
Eagle Mountain City		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%		
Central Utah Water Conservancy District		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%		
Unified Fire Service Area - Salt Lake County		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%		
Property Tax Increment for Budget																							
Utah County		\$18,635	\$71,004	\$69,375	\$67,087	\$71,484	\$74,037	\$70,798	\$66,863	\$62,833	\$59,114	\$78,083	\$71,658	\$70,495	\$69,283	\$68,191	\$90,387	\$88,040	\$85,478	\$83,112	\$80,846	\$1,416,805	\$934,277
Alpine School District		\$179,047	\$682,198	\$666,546	\$644,571	\$686,813	\$711,345	\$680,226	\$642,415	\$603,690	\$567,963	\$750,215	\$688,483	\$677,312	\$665,667	\$655,179	\$868,427	\$845,884	\$821,269	\$798,537	\$776,765	\$13,612,553	\$8,976,460
Eagle Mountain City		\$23,523	\$89,628	\$87,571	\$84,684	\$90,234	\$93,457	\$89,368	\$84,401	\$79,313	\$74,619	\$98,564	\$90,453	\$88,986	\$87,456	\$86,078	\$114,095	\$111,133	\$107,899	\$104,912	\$102,052	\$1,788,426	\$1,179,333
Central Utah Water Conservancy District		\$10,183	\$38,800	\$37,910	\$36,660	\$39,062	\$40,458	\$38,688	\$36,537	\$34,335	\$32,303	\$42,668	\$39,157	\$38,522	\$37,860	\$37,263	\$49,392	\$48,109	\$46,709	\$45,417	\$44,178	\$774,210	\$510,534
Unified Fire Service Area - Salt Lake County		\$46,741	\$178,091	\$174,005	\$168,268	\$179,296	\$185,700	\$177,576	\$167,706	\$157,596	\$148,270	\$195,847	\$179,732	\$176,816	\$173,776	\$171,038	\$226,707	\$220,822	\$214,396	\$208,462	\$202,778	\$3,553,625	\$2,343,350
Total Property Tax Increment for Budget:		\$278,131	\$1,059,721	\$1,035,407	\$1,001,271	\$1,066,890	\$1,104,996	\$1,056,656	\$997,922	\$937,767	\$882,269	\$1,165,377	\$1,069,484	\$1,052,131	\$1,034,041	\$1,017,749	\$1,349,007	\$1,313,988	\$1,275,752	\$1,240,440	\$1,206,620	\$21,145,620	\$13,943,954
Uses of Tax Increment Funds:																							
Redevelopment Activities (Infrastructure, Incentives, etc.)	88.0%	\$244,755	\$932,554	\$911,158	\$881,118	\$938,863	\$972,397	\$929,858	\$878,172	\$825,235	\$776,396	\$1,025,532	\$941,146	\$925,875	\$909,956	\$895,619	\$1,187,126	\$1,156,310	\$1,122,662	\$1,091,587	\$1,061,826	\$18,608,146	\$12,270,680
CRA Housing Requirement	10.0%	\$27,813	\$105,972	\$103,541	\$100,127	\$106,689	\$110,500	\$105,666	\$99,792	\$93,777	\$88,227	\$116,538	\$106,948	\$105,213	\$103,404	\$101,775	\$134,901	\$131,399	\$127,575	\$124,044	\$120,662	\$2,114,562	\$1,394,395
RDA Administration	2.0%	\$5,563	\$21,194	\$20,708	\$20,025	\$21,338	\$22,100	\$21,133	\$19,958	\$18,755	\$17,645	\$23,308	\$21,390	\$21,043	\$20,681	\$20,355	\$26,980	\$26,280	\$25,515	\$24,809	\$24,132	\$422,912	\$278,879
Total Uses		\$278,131	\$1,059,721	\$1,035,407	\$1,001,271	\$1,066,890	\$1,104,996	\$1,056,656	\$997,922	\$937,767	\$882,269	\$1,165,377	\$1,069,484	\$1,052,131	\$1,034,041	\$1,017,749	\$1,349,007	\$1,313,988	\$1,275,752	\$1,240,440	\$1,206,620	\$21,145,620	\$13,943,954
REMAINING TAX REVENUES FOR TAXING ENTITIES																							
Utah County		\$12,424	\$47,336	\$46,250	\$44,725	\$47,656	\$49,358	\$47,199	\$44,575	\$41,888	\$39,409	\$52,055	\$47,772	\$46,997	\$46,189	\$45,461	\$60,258	\$58,693	\$56,986	\$55,408	\$53,898	\$944,537	\$622,851
Alpine School District		\$119,365	\$454,799	\$444,364	\$429,714	\$457,876	\$474,230	\$453,484	\$428,277	\$402,460	\$378,642	\$500,143	\$458,989	\$451,542	\$443,778	\$436,786	\$578,952	\$563,923	\$547,513	\$532,358	\$517,843	\$9,075,036	\$5,984,307
Eagle Mountain City		\$15,682	\$59,752	\$58,381	\$56,456	\$60,156	\$62,305	\$59,579	\$56,267	\$52,875	\$49,746	\$65,709	\$60,302	\$59,324	\$58,304	\$57,385	\$76,063	\$74,089	\$71,933	\$69,941	\$68,035	\$1,192,284	\$786,222
Central Utah Water Conservancy District		\$6,789	\$25,867	\$25,273	\$24,440	\$26,042	\$26,972	\$25,792	\$24,358	\$22,890	\$21,535	\$28,446	\$26,105	\$25,681	\$25,240	\$24,842	\$32,928	\$32,073	\$31,140	\$30,278	\$29,452	\$516,140	\$340,356
Unified Fire Service Area - Salt Lake County		\$31,161	\$118,728	\$116,003	\$112,179	\$119,531	\$123,800	\$118,384	\$111,804	\$105,064	\$98,846	\$130,565	\$119,821	\$117,877	\$115,850	\$114,025	\$151,138	\$147,215	\$142,931	\$138,975	\$135,186	\$2,369,084	\$1,562,233
Total		\$185,420	\$706,481	\$690,271	\$667,514	\$711,260	\$736,664	\$704,438	\$665,281	\$625,178	\$588,179	\$776,918	\$712,989	\$701,421	\$689,361	\$678,499	\$899,338	\$875,992	\$850,502	\$826,960	\$804,413	\$14,097,080	\$9,295,969

Exhibit H

Interlocal Agreement with School District

INTERLOCAL COOPERATION AGREEMENT

THIS INTERLOCAL COOPERATION AGREEMENT is made and entered into this 14th day of MAY, 2019, by and between the **EAGLE MOUNTAIN REDEVELOPMENT AGENCY**, a community reinvestment agency and political subdivision of the State of Utah (the "Agency"), and **ALPINE SCHOOL DISTRICT**, a political subdivision of the State of Utah (the "School District") in contemplation of the following:

- A. **WHEREAS**, the Agency was created and organized pursuant to the provisions of the Utah Neighborhood Development Act, Utah Code Annotated ("UCA") §17A-2-1201 *et seq.* (2000), and continues to operate under the provisions of its extant successor statute, the Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Title 17C of the UCA (the "Act"), and is authorized and empowered under the Act to undertake, among other things, various community reinvest activities pursuant to the Act, including, among other things, assisting Eagle Mountain City (the "City") in development activities that are likely to advance the policies, goals and objectives of the City's general plan, contributing to capital improvements which substantially benefit the City, creating economic benefits to the City, and improving the public health, safety and welfare of its citizens; and
- B. **WHEREAS**, this Agreement is made pursuant to the provisions of the Act and the Interlocal Cooperation Act (UCA Title 11, Chapter 13) (the "Cooperation Act"); and
- C. **WHEREAS**, the Agency has created or will create the Pole Canyon Community Reinvestment Project Area (the "Project Area"), through the adoption of the Pole Canyon Plan (the "Project Area Plan"), located within the City, which Project Area is described in Exhibit "A" attached hereto and incorporated herein by this reference; and
- D. **WHEREAS**, the Project Area contains vacant and underutilized land, which is anticipated to be developed, with encouragement and planning by the Agency, as a food manufacturing facility. The Agency has not entered into any participation or development agreements with developers but anticipates that prior to development of the Project Area, the City and/or the Agency may enter into one or more participation agreements with one or more developer(s) which will provide certain terms and conditions upon which the Project Area will be developed using, in part, "Tax Increment" (as that term is defined in the Act), generated from the Project Area; and
- E. **WHEREAS**, historically, the Project Area has generated a total of \$13,110 per year in property taxes for the various taxing entities, including the City, Utah County (the "County"), the School District, and other taxing entities; and
- F. **WHEREAS**, upon full development as contemplated in the Project Area Plan, property taxes produced by the Project Area for the City, the County, the School District, and other taxing entities are projected to total approximately \$1,828,212 per year; and
- G. **WHEREAS**, the Agency has requested the City, the County, the School District, and other taxing entities to participate in the promotion of development in the Project Area by agreeing to remit to the Agency for a specified period of time specified portions of the increased real property tax (i.e., Tax Increment) which will be generated by the Project Area; and
- H. **WHEREAS**, it is in the best interest of the citizens of the School District for the School District to remit such payments to the Agency to permit the Agency to leverage accelerated private development of the Project Area; and

JC

I. **WHEREAS**, the Agency has retained Lewis Young Robertson & Birmingham, Inc., an independent financial consulting firm with substantial experience regarding community reinvestment projects and tax increment funding across the State of Utah, to prepare the Project Area Plan and to provide a report regarding the need and justification for investment of Tax Increment revenues from and within the Project Area. A copy of the report is included in the Project Area Plan attached as Exhibit "B"; and

J. **WHEREAS**, the Agency has created the Pole Canyon Community Reinvestment Project Area Budget (the "Project Area Budget"), a copy of which is attached as Exhibit "C", which Project Area Budget outlines the anticipated generation, payment and use of Tax Increment within the Project Area;

K. **WHEREAS**, the parties desire to set forth in writing their agreements regarding the nature and timing of such assistance;

L. **WHEREAS**, Participants will be dedicated to being an active participant in the community served by the School District and as such, a strong supporter of the community's education system. Upon approval of the project, Participants will initiate a community assessment project at a cost of approximately \$30,000. Upon receipt of the assessment, representatives from such Participant will meet with the School District and other community leaders to discuss the results of the assessment and how parties can mutually work on projects to address opportunities identified. Participants will require applicable representatives from such Participant to meet at least annually with representatives of the School District to discuss and implement mutually agreeable partnership/engagement opportunities between the Participant and the School District, and to discuss what support the District may need from the Participant. Upon approval of the project, and commencement of construction, Participant will make a \$50,000 donation to the School District during 2019 at a mutually agreed upon time.

NOW, THEREFORE, the parties agree as follows:

1. **Additional Tax Revenue.** The School District has determined that significant additional Tax Increment will likely be generated by the development of the Project Area as described in further detail in the Project Area Plan and Project Area Budget. Each of the parties acknowledge, however, that the development activity required for the generation of the Tax Increment is not likely to occur within the foreseeable future or to the degree possible or desired without Tax Increment participation in order to leverage accelerated development activity.

2. **Offset of Development Costs and Expenses.** The School District has determined that it is in the best interests of its citizens to remit specified portions of its portion of Tax Increment to the Agency in order for the Agency to offset costs and expenses which will be incurred by Agency or participants in Project Area development, including, without limitation, the construction and installation of Buildings, infrastructure improvements, personal property and other development related costs needed to serve the Project Area, to the extent permitted by the Act, the Project Area Plan, and the Project Area Budget, each as adopted and amended from time to time.

3. **Base Year and Base Year Value.** The base year, for purposes of calculation of the Base Taxable Value (as that term is defined in the Act), shall be 2018, meaning the Base Taxable Value shall, to the extent and in the manner defined by the Act, be equal to the equalized taxable value shown on the 2018 Utah County assessment rolls for all property located within the Project Area (which is currently estimated to be \$1,200,000, but is subject to final adjustment and verification by the County and Agency).

4. **Agreement(s) with Developer(s).** The Agency is authorized to enter into one or more participation agreements with one or more participants which may provide for the payment of certain amounts of Tax Increment (to the extent such Tax Increment is actually paid to and received by the Agency from year to year) to the participant(s) conditional upon the participant (s)'s meeting of certain performance measures as outlined in said agreement. Such agreement shall be consistent with the terms and conditions of this Agreement, shall require as a condition of the payment to the participant(s) that the respective participant or its approved successors in title as owners of all current and subsequent parcels within the Project Area, as outlined in Exhibit "A" (the "Property"), shall pay any and all taxes and assessments which shall be assessed against the Property in accordance with levies made by applicable municipal entities in accordance with the laws of the State of Utah applicable to such levies, and such other performance measures as the Agency may deem appropriate.
5. **Payment Trigger.** The first year ("Year One") of payment of Tax Increment from the School District to the Agency shall be determined by the Agency but shall be no later than 2021. Each subsequent year, beginning with the first year after Year One, shall be defined in sequence as Year Two through Year Twenty. The Agency may trigger the collection of Tax Increment by timely delivering a letter or other written request to the Utah County Auditor's office.
6. **Total Payment to Agency.** The County is authorized and instructed to remit to the Agency, beginning with property tax receipts in Year One and continuing through Year Twenty, 60% of the School District's annual Tax Increment generated from the Project Area or until a cap amount of \$12,375,049 is reached, whichever comes first.
7. **Property Tax Increase.** This Agreement provides for the payment of the increase in real and personal property taxes collected from the Project Area by the County acting as the tax collecting agency for the School District. Real and personal property taxes which are the subject of this Agreement shall not include taxes collected from the Project Area by the County, acting in its capacity as the tax collection agency for the School District, which are to be paid to or utilized by abatement districts, special service or improvement districts or other entities for which the County acts as the tax collection agency, nor shall it include any component of real property taxes retained by the County as payment for costs incurred in the collection of real property taxes for itself or other applicable agencies. It is expressly understood that the real property taxes which are the subject of this Agreement are only those real and personal property taxes collected by the County on behalf of the School District from the Project Area.
8. **Provision of Property and No Impact Fees.** The Agency, or Eagle Mountain City through the Agency, or a developer(s) cooperating with the Agency or the City, shall provide to the School District an elementary school site of approximately 10 usable acres to accommodate the growth in student population resulting from this project. Property shall be in close proximity to a developing residential area acceptable to the School District and shall be deeded at least 12 months prior to the opening of the project facility. Eagle Mountain City, through the Agency, shall not charge any impact fees for the construction of the provided elementary school.
9. **No Independent Duty.** The School District shall be responsible to remit to the Agency only Tax Increment received by the County. The School District shall have no independent duty to pay any amount to the Agency other than the Tax Increment received by the School District on an annual basis from and including Year One through and including Year Twenty.
10. **Authority to Bind.** Each individual executing this Agreement represents and warrants that such person is authorized to do so, and, that upon executing this Agreement, this Agreement shall be binding and enforceable in accordance with its terms upon the party for whom such person is acting.

SC

11. **Further Documents and Acts.** Each of the parties hereto agrees to cooperate in good faith with the others, and 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 transactions contemplated under this Agreement.

12. **Notices.** Any notice, request, demand, consent, approval or other communication required or permitted hereunder or by law shall be validly given or made only if in writing and delivered to an officer or duly authorized representative of the other party in person or by Federal Express, private commercial delivery or courier service for next business day delivery, or by United States mail, duly certified or registered (return receipt requested), postage prepaid, and addressed to the party for whom intended, as follows:

If to School District:
Alpine School District
Attn: Business Administrator
575 N. 100 E.
American Fork, UT 84003
Phone: (801) 610-8400

If to Agency:
Eagle Mountain Redevelopment Agency
Attn: Agency Board
1650 E. Stagecoach Run
Eagle Mountain, UT 84005
Phone: (801) 789-6600

Any party may from time to time, by written notice to the others as provided above, designate a different address, which shall be substituted for that specified above. Notice sent by mail shall be deemed served or delivered seventy-two (72) hours after mailing. Notice by any other method shall be deemed served or delivered upon actual receipt at the address or facsimile number listed above. Delivery of courtesy copies noted above shall be as a courtesy only and failure of any party to give or receive a courtesy copy shall not be deemed to be a failure to provide notice otherwise properly delivered to a party to this Agreement.

13. **Entire Agreement.** This Agreement is the final expression of and contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior understandings with respect thereto. This Agreement may not be modified, changed, supplemented or terminated, nor may any obligations hereunder be waived, except by written instrument signed by the party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein. This Agreement and its exhibits constitute the entire agreement between the parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understandings of the parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

14. **No Third-Party Benefit.** The parties do not intend to confer any benefit hereunder on any person, firm or corporation other than the parties hereto. There are no intended third-party beneficiaries to this Agreement.

15. **Construction.** Headings at the beginning of each paragraph and subparagraph are solely for the convenience of the parties and are not a part of the Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. Unless otherwise indicated, all references to paragraphs and subparagraphs are to this Agreement.

In the event the date on which any of the parties is required to take any action under the terms of this Agreement is not a business day, the action shall be taken on the next succeeding business day.

16. **Partial Invalidity.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law.
17. **Amendments.** No addition to or modification of any provision contained in this Agreement shall be effective unless fully set forth in writing executed by each of the parties hereto.
18. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.
19. **Waivers.** No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other covenant or provision herein contained. 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.
20. **Governing Law.** This Agreement and the exhibits attached hereto shall be governed by and construed under the laws of the State of Utah. In the event of any dispute hereunder, it is agreed that the sole and exclusive venue shall be in a court of competent jurisdiction in Utah County, Utah, and the parties hereto agree to submit to the jurisdiction of such court.
21. **Declaration of Invalidity.** In the event that a court of competent jurisdiction declares that the County cannot pay and/or that the Agency cannot receive payments of the Tax Increment, declares that the Agency cannot pay the Tax Increment to developers, or takes any other action which has the effect of eliminating or reducing the payments of Tax Increment received by the Agency, the Agency's obligation to pay the Tax Increment to developers shall be reduced or eliminated accordingly, the Agency, and the County shall take such steps as are reasonably required to not permit the payment and/or receipt of the Tax Increment to be declared invalid.
22. **No Separate Legal Entity.** No separate legal entity is created by this Agreement.
23. **Duration.** This Agreement shall terminate after the Year Twenty Tax Increment payment.
24. **Assignment.** No party may assign its rights, duties or obligations under this Agreement without the prior written consent first being obtained from all parties. Notwithstanding the foregoing, such consent shall not be unreasonably withheld or delayed so long as the assignee thereof shall be reasonably expected to be able to perform the duties and obligations being assigned.
25. **Termination.** Upon any termination of this Agreement resulting from the uncured default of any party, the order of any court of competent jurisdiction or termination as a result of any legislative action requiring such termination, then any funds held by the Agency and for which the Agency shall not be required to disburse to developers in accordance with the agreements which govern such disbursement, then such funds shall be returned to the party originally remitting same to the Agency and upon such return this Agreement shall be deemed terminated and of no further force or effect.
26. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:

- a. This Agreement has been, on or prior to the date hereof, authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Cooperation Act;
- b. This Agreement has been, on or prior to the date hereof, reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5(3) of the Cooperation 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 Cooperation Act;
- d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act, pursuant to Section 11-13-207 of the Cooperation Act; and
- e. Should a party to this Agreement desire to terminate this Agreement, in part or in whole, each party to the Agreement must adopt, by resolution, an amended Interlocal Cooperation Agreement stating the reasons for such termination. Any such amended Interlocal Cooperation Agreement must be in harmony with any development/participation agreement(s) entered into by the Agency as described in this Agreement.
- f. Immediately after execution of this Agreement by both Parties, the Agency shall, on behalf of both parties, cause to be published notice regarding this Agreement pursuant to Section 11-13-219 of the Cooperation Act.
- g. This Agreement makes no provision for the parties acquiring, holding and disposing of real and personal property used in the joint undertaking as such action is not contemplated as part of this Agreement nor part of the undertaking. Any such provision would be outside the parameters of the current undertaking. However, to the extent that this Agreement may be construed as providing for the acquisition, holding or disposing of real and/or personal property, all such property shall be owned by the Agency upon termination of this Agreement.




IN WITNESS WHEREOF, the parties have executed this Agreement on the day specified above.


School District: ALPINE SCHOOL DISTRICT

Attest:


Business Administrator

By: 
S. Scott Carlson
Its: Board President

Approved as to form:


Attorney for School District

Agency: EAGLE MOUNTAIN REDEVELOPMENT AGENCY

Attest:

By: _____
Its: Chair

Secretary

Approved as to form:

Attorney for Agency

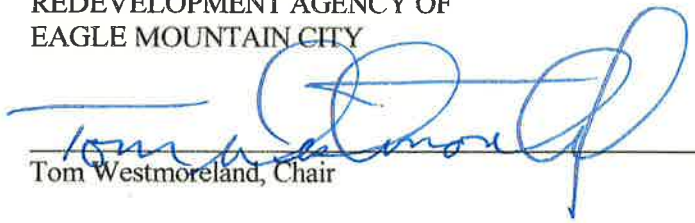
Dated this 14 day of May, 2019

Agency: REDEVELOPMENT AGENCY OF
EAGLE MOUNTAIN CITY

ATTEST:

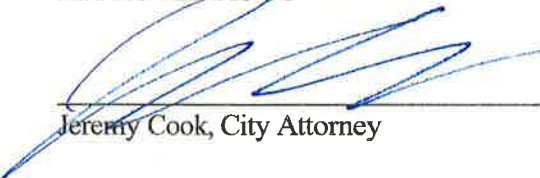


Aaron Sanborn, Executive Director



Tom Westmoreland, Chair

APPROVED AS TO FORM:



Jeremy Cook, City Attorney



EXHIBIT "A"
to
INTERLOCAL AGREEMENT

Legal Description of Project

PROJECT MOCKINGBIRD 80-ACRE PARCEL LEGAL DESCRIPTION

BEGINNING AT A POINT S00°23'57"W 47.00 FEET FROM THE NORTHWEST CORNER OF SECTION 16, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE S89°22'57"E 1843.00 FEET; THENCE S00°23'57"W 1890.95 FEET; THENCE N89°22'57"W 1843.00 FEET; THENCE N00°23'57"E 1890.95 FEET TO THE POINT OF BEGINNING.

CONTAINS 3,484,995.55 SQ.FT. OR 80.00 ACRES

Sc

EXHIBIT "B"

EXHIBIT "B"
To
INTERLOCAL AGREEMENT

Project Area Plan

PROJECT AREA PLAN

POLE CANYON COMMUNITY REINVESTMENT AREA (CRA)

EAGLE MOUNTAIN REDEVELOPMENT AGENCY, UTAH



APRIL 2019



LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.

GATEWAY PLAZA BUILDING - 41 N. RIO GRANDE, STE 101 - SALT LAKE CITY, UT 84101
(P) 801-596-0700 - (TF) 800-581-1100 - (F) 801-596-2800 - WWW.LEWISYOUNG.COM



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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 several 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:



- the tax identification number of the parcels from which tax increment will be collected; or
- a legal description of the portion of the Project Area from which tax increment will be collected; and

☞ for property that the Agency owns and expects to sell, the expected total cost of the property to the Agency and the expected selling price.

“Project Area Plan” or **“Plan”** shall mean the written plan (outlined by 17C-5-105 of the Act) that, after its effective date, guides and controls the community reinvestment activities within the Project Area. Project Area Plan refers to this document and all the attachments to this document, which attachments are incorporated by this reference. It is anticipated that the POLE CANYON PLAN will be subject to an interlocal agreement process with the taxing entities within the Project Area.

“Taxes” includes all levies on an ad valorem basis upon land, local and centrally assessed real property, personal property, or any other property, tangible or intangible.

“Taxing Entity” shall mean any public entity that levies a tax on any property within the Project Area.

“Tax Increment” shall mean the difference between the amount of property tax revenues generated each tax year by all taxing entities from the Project Area using the current assessed value of the property and the amount of property tax revenues that would be generated from the same area using the base taxable value of the property.

“Tax Increment Period” shall mean the period in which the taxing entities from the Project Area consent that a portion of their tax increment from the Project Area be used to fund the objectives outlined in the Project Area Plan.

“Tax Year” shall mean the 12-month period between sequential tax roll equalizations (November 1st - October 31st) of the following year, e.g., the November 1, 2018 - October 31, 2019 tax year.



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 Pole Canyon Community Reinvestment Project Area (the "Project Area"). This Plan is the 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 western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. 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 always been observed 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 March 5, 2019.

Utah Code
§17C-5-104

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.



Description of the Boundaries of the Proposed Project Area

UTAH CODE
§17C-5-105(1)

A legal description of the Project Area along with a detailed map of the Project Area is attached respectively as **Exhibit A** and **Exhibit B** and incorporated herein. The Project Area lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. All the land in the Project Area is currently vacant. The Project Area is comprised of approximately 80 acres of property.

As delineated in the office of the Utah County Recorder, the Project Area encompasses a 120-acre portion of the parcels detailed in **Table 1**.

TABLE 1: PARCEL LIST

Parcel Id	Parcel Owner
59:048:0089	Oquirrh Wood Ranch LLC
59:048:0077	BATN Family Investments

UTAH CODE
§17C-5-105(1)

General Statement of Land Uses, Layout of Principal Streets, Population Densities, Building Densities and How They Will be Affected by the Project Area

General Land Uses

The property within the Project Area is currently classified as vacant agriculture/greenbelt property. Most of the property surrounding the Project Area is also vacant agriculture/greenbelt.

Table 1 summarizes the approximate acreage of existing land uses by land use type.

TABLE 2: LAND USES

Type	Acres	% of Area
Vacant Agriculture/Greenbelt	80	100%
Total	80	100%

This Project Area Plan is consistent with the General Plan of the City and promotes economic activity by virtue of the land uses contemplated. Any zoning change, amendment or conditional use permit necessary to the successful development contemplated by this Project Area Plan shall be undertaken in accordance with the requirements of the City's Code and all other applicable laws including all goals and objectives in the City's General Plan.

Layout of Principal Streets

There are currently no paved streets within the Project Area, 4000 N., an unpaved road runs along the northern periphery of the Project Area.



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 food manufacturing facility.

Land Use – It is anticipated that future development within the Project Area will create space for a food manufacturing facility, and any other ancillary 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 include the construction of some additional streets in the area. It is anticipated that access roads will also 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 increase as the Project Area is anticipated to create approximately 1,400 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



It is the intent of the Agency, with the assistance and participation of private developers and property owners, to facilitate the development within the Project Area.

UTAH CODE
§17C-5-105(E)

Conformance of the Proposed Development to the Community's General Plan

The proposed Community Reinvestment Project Area Plan and the development contemplated are consistent with the City's proposed General Plan and land use regulations.

UTAH CODE
§17C-5-105(G)

Describe any Specific Project or Projects that are the object of the Proposed Community Reinvestment

The Project Area is being created in order to assist with the construction of a food manufacturing facility and any ancillary buildings.

UTAH CODE
§17C-5-105(H)

Method of Selection of Private Developers to undertake the Community Reinvestment and Identification of Developers Currently Involved in the Process

The City and Agency will select or approve such development as solicited or presented to the Agency and City that meets the development objectives set forth in this plan. The City and Agency retain the right to approve or reject any such development plan(s) that in their judgment do not meet the development intent for the Project Area. The City and Agency may choose to solicit development through an RFP or RFQ process, through targeted solicitation to specific industries, from inquiries to the City, EDC Utah, and/or from other such references.

The City and Agency will ensure that all development conforms to this plan and is approved by the City. All potential developers may need to provide a detailed development plan including sufficient financial information to provide the City and Agency with confidence in the sustainability of the development and the developer. Such a review may include a series of studies and reviews including reviews of the Developers financial statements, third-party verification of benefit of the development to the City, appraisal reports, etc.

Any participation between the Agency and developers and property owners shall be by an approved agreement.

UTAH CODE
§17C-5-105(I)

Reason for Selection of the Project Area

The Project Area is currently classified as vacant agriculture/greenbelt and is collecting relatively no tax revenue for the taxing entities. The creation of the Project Area will create a significant economic benefit



to all taxing entities as this underutilized area will be developed to a higher and greater use. The development will also serve as an anchor tenant of the future Pole Canyon Industrial Park.

UTAH CODE
§17C-5-105(J)

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

Physical Conditions

The Project Area consists of approximately 80 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 vacant agriculture/greenbelt classification.

Economic Conditions

The Project Area is currently under vacant agriculture/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 to future development within the Project Area.

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)

Anticipated Public Benefit to be Derived from the Community Development

UTAH CODE
§17C-5-105(2)(ii)(A)

The Beneficial Influences upon the Tax Base of the Community

The beneficial influences upon the tax base of the City and the other taxing entities will include increased property tax revenues, job growth, and affordable housing opportunities in the community. The increased revenues will come from the property values associated with new construction in the area, as well as increased land values as the property within the Project Area will no longer be classified as vacant agriculture/greenbelt. Property values include land, buildings and personal property (machines, equipment, etc.).

Job growth in the Project Area will result in increased wages, increasing local purchases and benefiting existing businesses in the area. Job growth will also result in increased income taxes paid. Additionally, business growth will generate corporate income taxes.

There will also be a beneficial impact on the community through increased construction activity within the Project Area. Positive impacts will be felt through construction wages paid, as well as construction supplies purchased locally.

UTAH CODE
§17C-5-105(2)(ii)(B)

The Associated Business and Economic Activity Likely to be Stimulated

Other business and economic activity likely to be stimulated includes increased spending by new and existing residents within the City and employees in the Project Area and in surrounding areas. This includes both direct and indirect purchases that are stimulated by the spending of the additional employees in the area.

Employees may make some purchases in the local area, such as convenience shopping for personal services (haircuts, banking, dry cleaning, etc.). The employees will not make all their convenience or personal services purchases near their workplace and each employee's purchasing patterns will be different. However, it is reasonable to assume that a percentage of these annual purchases will occur within proximity of the workplace (assuming the services are available). The City also envisions this area as a future industrial park, this development will act as an anchor and likely attract new businesses to the area.

UTAH CODE
§17C-5-105(2)(B)

Efforts to Maximize Private Investment

The agency has formed a partnership with the developers to realize the vision of this project area. It is anticipated that the development will require over \$250,000,000 of private capital. Creating a CRA will act as a catalyst for the development.

UTAH CODE
§17C-5-105(2)(C)

“But For” Analysis

The anticipated development includes numerous costs, including land purchase, infrastructure and over \$200 million of personal property. “But-for” the creation of the CRA and public participation, the costs associated with the development would be too high, and the Project Area would remain in its underutilized state.



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.

TABLE 3: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Total	NPV at 4%
Utah County	60%	20 Years	\$1,416,805	\$934,277
Alpine School District	60%	20 Years	13,612,553	8,976,460
Eagle Mountain City	60%	20 Years	1,788,426	1,179,333
Central Utah Water Conservancy District	60%	20 Years	774,210	510,534
Unified Fire Service Area – Salt Lake County	60%	20 Years	3,553,625	2,343,350
Total Sources of Tax Increment Funds			\$21,145,620	\$13,943,954

TABLE 4: PROJECT AREA REVENUES

Entity	Property Tax	Sales Tax	Franchise Tax	Total Tax Increment Revenues
Utah County	\$2,361,342	\$459,220	-	\$2,820,562
Alpine School District	22,687,589	-	-	22,687,589
Eagle Mountain City	2,980,710	444,731	3,892,941	7,318,382
Central Utah Water Conservancy District	1,290,351	-	-	1,290,351
Unified Fire District – Salt Lake County	5,922,709	-	-	5,922,709
Total Revenue	\$35,242,700	\$903,951	\$3,892,941	\$40,039,592

TABLE 5: PROJECT AREA EXPENDITURES

Entity	Property Tax	General Government	Public Safety	Public Works	Total Expenditures
Utah County	\$1,416,805	\$141,535	-	-	\$1,558,340
Alpine School District	13,612,553	8,107,145	-	-	21,719,698
Eagle Mountain City	1,788,426	730,016	1,172,766	477,903	4,169,111
Central Utah Water Conservancy District	774,210	82,816	-	-	857,026
Unified Fire District – Salt Lake County	3,553,625	244,911	-	-	3,798,536
Total Revenue	\$21,145,620	\$9,306,423	\$1,172,766	\$477,903	\$32,102,712

The total net benefit to the taxing entities of participating in the Project Area is \$7,936,880, with the City's net benefit being \$3,149,271.



EXHIBIT A: Legal Description of Pole Canyon CRA

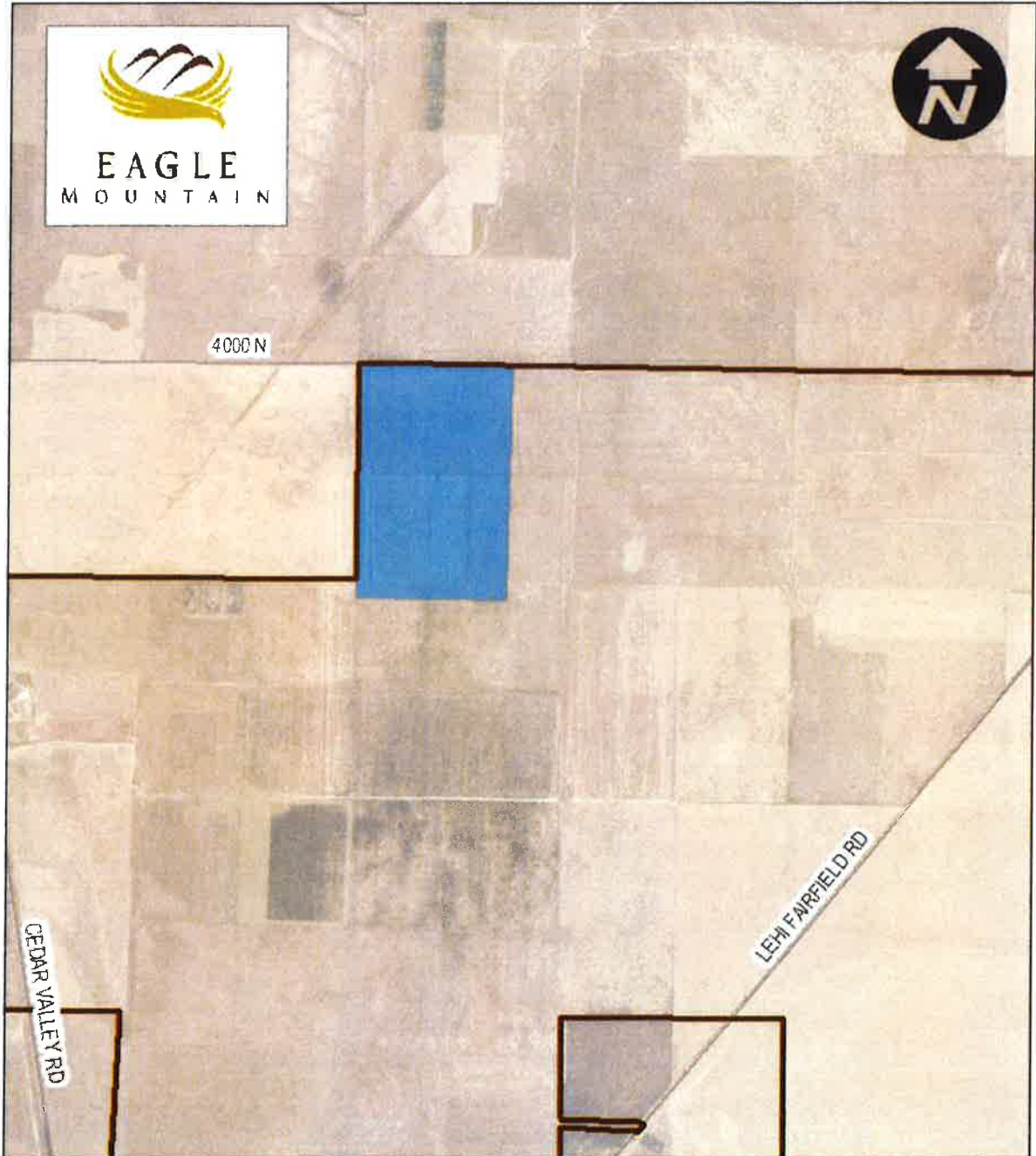
PROJECT MOCKINGBIRD 80-ACRE PARCEL LEGAL DESCRIPTION

BEGINNING AT A POINT S00°23'57"W 47.00 FEET FROM THE NORTHWEST CORNER OF SECTION 16, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE S89°22'57"E 1843.00 FEET; THENCE S00°23'57"W 1890.95 FEET; THENCE N89°22'57"W 1843.00 FEET; THENCE N00°23'57"E 1890.95 FEET TO THE POINT OF BEGINNING.



CONTAINS 3,484,995.55 SQ.FT. OR 80.00 ACRES

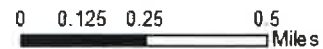
EXHIBIT B: Project Area Map

MAP OF PROPOSED PROJECT AREA BOUNDARIES



POLE CANYON CRA

-  EAGLE MOUNTAIN
-  POLE CANYON CRA



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EXHIBIT "C"
To
INTERLOCAL AGREEMENT
Project Area Budget

PROJECT AREA BUDGET

POLE CANYON COMMUNITY REINVESTMENT AREA (CRA)

EAGLE MOUNTAIN REDEVELOPMENT AGENCY, UTAH



APRIL 2019



LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.

GATEWAY PLAZA BUILDING • 41 N. RIO GRANDE, STE 101 • SALT LAKE CITY, UT 84101
(P) 801-596-0700 • (TF) 800-581-1100 • (F) 801-596-2800 • WWW.LEWISYOUNG.COM



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Section 1: Introduction

The Eagle Mountain Redevelopment Agency (the "Agency"), following thorough consideration of the needs and desires of the City of Eagle Mountain (the "City") and its residents, as well as understanding the City's capacity for new development, has carefully crafted the Project Area Plan (the "Plan") for the Pole Canyon Community Reinvestment Project Area (the "Project Area"). The Plan is the result of a comprehensive evaluation of the types of appropriate land-uses and economic development opportunities for the land encompassed by the Project Area which lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park.

The Plan is envisioned to define the method and means of development for 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. This **Project Area Budget** document (the "Budget") is predicated upon certain elements, objectives and conditions outlined in the Plan and intended to be used as a financing tool to assist the Agency in meeting Plan objectives discussed herein and more specifically referenced and identified in the Plan.

The creation of the Project Area is being undertaken as a community reinvestment project pursuant to certain provisions of Chapters 1 and 5 of the Utah Community Reinvestment Agency Act (the "Act", Utah Code Annotated ("UCA") Title 17C). The requirements of the Act, including notice and hearing obligations, have always been observed throughout the establishment of the Project Area.

Section 2: Description of Community Development Project Area

The Project Area lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. The property is currently vacant land and is generating very little tax revenue for the City and other taxing entities. The property encompasses approximately 120 acres of land.

A map of the Project Area is attached hereto in EXHIBIT A.



Section 3: General Overview of Project Area Budget

The purpose of the Project Area Budget is to provide the financial framework necessary to implement the Project Area Plan vision and objectives. The Project Area Plan has identified that tax increment financing is essential in order to meet the objectives of the CRA Project Area. The following information will detail the sources and uses of tax increment and other necessary details needed for public officials, interested parties, and the public in general to understand the mechanics of the Project Area Budget.

Base Year Value

The Agency has determined that the base year property tax value for the Project Area will be the total taxable value for the 2018 tax year which is estimated to be \$1,200,000. Using the tax rates established within the Project Area the property taxes levied equate to \$13,110 annually. Accordingly, this amount will continue to flow through to each taxing entity proportional to the amount of their respective tax rates being levied.

Payment Trigger

The Project Area will have a twenty-year (20) duration from the date of the first tax increment received by the Agency. The collection of tax increment will be triggered at the discretion of the Agency prior to March 1 of the tax year in which they intend to begin the collection of increment. The following year in which this increment will be remitted to the Agency will be Year 1, e.g., if requested prior to March 1, 2020, Year 1 of increment will be 2021. The first year of tax increment shall be determined by the Agency.

Projected Tax Increment Revenue – Total Generation

Development within the Project Area will commence upon favorable market conditions which will include both horizontal and vertical infrastructure and development. The Agency anticipates that new development will begin in the Project Area in 2019. The contemplated development will generate significant additional property tax revenue as well as incremental sales and use tax above what is currently generated within the Project Area.

Property Tax Increment will begin to be generated in the tax year (ending Dec 1st) following construction completion and Tax Increment will be paid to the Agency in March or April after collection. It is projected that property Tax Increment generation within the Project Area could begin as early as 2021 or as late as 2022. It is currently estimated that during the 20-year life of the Project Area Budget, property Tax Increment could be generated within the Project Area in the approximate amount of \$35.24 million or at a net present value (NPV)¹ of \$23.24 million. This amount is over and above the \$262,200 of base taxes that the property would generate over 20 years at the \$13,110 annual amount it currently generates as shown in Table 4.1 below.

¹ Net Present Value of future cash flows assumes a 4% discount rate. The same 4% discount rate is used in all remaining NPV calculations. This total is prior to accounting for the flow-through of tax increment to the respective taxing entities.



Section 4: Property Tax Increment

Base Year Property Tax Revenue

The taxing entities are currently receiving - and will continue to receive - property tax revenue from the current assessed value of the property within the Project Area ("Base Taxes"). The current assessed value is estimated to be \$1,200,000. Based upon the tax rates in the area, the collective taxing entities are receiving \$13,110 in property tax annually from this Project Area. This equates to approximately \$262,200 over the 20-year life of the Project Area.

TABLE 4.1: TOTAL BASE YEAR TO TAXING ENTITIES (OVER 20 YEARS)

Entity	Total	NPV at 4%
Utah County	\$17,568	\$11,938
Alpine School District	168,792	114,697
Eagle Mountain City	22,176	15,069
Central Utah Water Conservancy District	9,600	6,523
Unified Fire Service Area – Salt Lake County	44,064	29,942
Total Revenue	\$262,200	\$178,169

Property Tax Increment Shared with RDA

All taxing entities that receive property tax generated within the Project Area, as detailed above, will share at least a portion of that increment generation with the Agency. All taxing entities will contribute 60% of their respective tax increment for 20 years. Table 4.2 shows the amount of Tax Increment shared with the Agency assuming the participation levels discussed above.

TABLE 4.2: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Total	NPV at 4%
Utah County	60%	20 Years	\$1,416,805	\$934,277
Alpine School District	60%	20 Years	13,612,553	8,976,460
Eagle Mountain City	60%	20 Years	1,788,426	1,179,333
Central Utah Water Conservancy District	60%	20 Years	774,210	510,534
Unified Fire Service Area – Salt Lake County	60%	20 Years	3,553,625	2,343,350
Total Sources of Tax Increment Funds			\$21,145,620	\$13,943,954



Uses of Tax Increment

The anticipated development includes numerous costs, including land purchase, infrastructure and over \$200 million of personal property. "But-for" the creation of the CRA and public participation, the costs associated with the development would be too high, and the Project Area would remain in its underutilized state.

The majority of the remaining Tax Increment collected by the Agency will be used to overcome the obstacles outlined above (88%). Including: offsetting certain on-site public infrastructure costs, Agency requested improvements and upgrades, desirable Project Area improvements, and other redevelopment activities as approved by the Agency. 10% will go towards affordable housing, as required by the Act. The remaining 2% will be used by the Agency to administer the Project Area.

TABLE 4.3: USES OF TAX INCREMENT

Uses	Total	NPV at 4%
Redevelopment Activities	\$18,608,146	\$12,270,680
CRA Housing Requirement	2,114,562	1,394,395
Project Area Administration	422,912	278,879
Total Uses of Tax Increment Funds	\$21,145,620	\$13,943,954

A multi-year projection of tax increment is including in **EXHIBIT B**.

Total Annual Property Tax Revenue for Taxing Entities at Conclusion of Project

As described above, the collective taxing entities are currently receiving approximately \$13,110 in property taxes annually from this Project Area. At the end of 20 years an additional \$2,011,033 in property taxes annually is anticipated, totaling approximately \$2,024,143 in property taxes annually for the area. "But for" the assistance provided by the RDA through tax increment revenues, this 15,340 percent increase in property taxes generated for the taxing entities would not be possible.

TABLE 4.4: TOTAL BASE YEAR AND END OF PROJECT LIFE ANNUAL PROPERTY TAXES

Entity	Annual Base Year Property Taxes	Annual Property Tax Increment at Conclusion of Project	Total Annual Property Taxes
Utah County	\$878	\$134,744	\$135,622
Alpine School District	8,440	1,294,608	1,303,048
Eagle Mountain City	1,109	170,086	171,195
Central Utah Water Conservancy District	480	73,631	74,111
Unified Fire Service Area – Salt Lake County	2,203	337,964	340,167
Total Revenue	\$13,110	\$2,011,033	\$2,024,143

Section 5: Cost/Benefit Analysis

Additional Revenues

Other Tax Revenues

The development within the Project Area will also generate sales taxes and municipal energy taxes. Table 5.1 shows the total revenues generated by the Project Area.

TABLE 5.1 TOTAL REVENUES

Entity	Property Tax	Sales Tax	Franchise Tax	Total Incremental Revenues
Utah County	\$2,361,342	\$459,220	-	\$2,820,562
Alpine School District	22,687,589	-	-	22,687,589
Eagle Mountain City	2,980,710	444,731	3,892,941	7,318,382
Central Utah Water Conservancy District	1,290,351	-	-	1,290,351
Unified Fire Service Area – Salt Lake County	5,922,709	-	-	5,922,709
Total Revenue	\$35,242,700	\$903,951	\$3,892,941	\$40,039,592

Additional Costs

The development anticipated within the Project Area will also likely result in additional general government, public works, and public safety costs. These costs, along with the estimated budget to implement the Project Area Plan, are identified below.

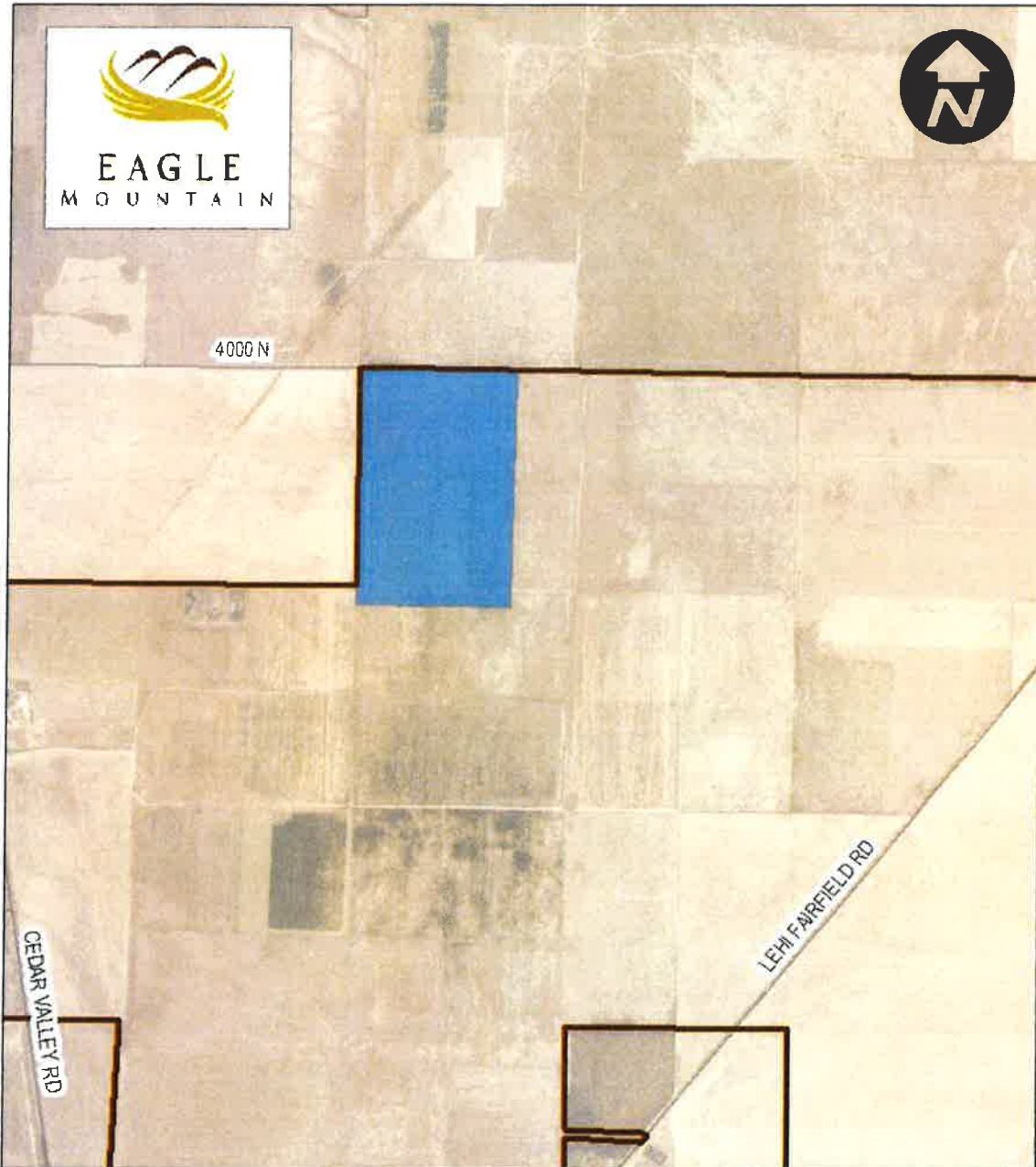
TABLE 5.2 TOTAL EXPENDITURES

Entity	CRA Budget	General Government	Public Works	Public Safety	Total Incremental Expenditures
Utah County	\$1,416,805	\$141,535	-	-	\$1,558,340
Alpine School District	13,612,553	8,107,145	-	-	21,719,698
Eagle Mountain City	1,788,426	730,016	1,172,766	477,903	4,169,111
Central Utah Water Conservancy District	774,210	82,816	-	-	857,026
Unified Fire Service Area – Salt Lake County	3,553,625	244,911	-	-	3,798,536
Total Expenditures	\$21,145,620	\$9,306,423	\$1,172,766	\$477,903	\$32,102,712



The total net benefit to the taxing entities of participating in the Project Area is \$7,936,880, with the City's net benefit being \$3,149,271.



Exhibit A: Project Area Map



POLE CANYON CRA

-  EAGLE MOUNTAIN
-  POLE CANYON CRA



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Exhibit B: Multi-Year Budget

Eagle Mountain Redevelopment Agency

Pole Canyon Community Reinvestment Area
Increment and Budget Analysis

ASSUMPTIONS	
Discount Rate	4.0%
Inflation Rate	0.0%

INCREMENTAL TAX ANALYSIS:	Payment Year	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS	NPV		
	Tax Year	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040			2041	
Cumulative Taxable Value	Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20				
Real Property Value (Building & Land)		\$38,573,008	\$38,573,008	\$38,573,008	\$38,573,008	\$38,573,008	\$49,027,408	\$49,027,408	\$49,027,408	\$49,027,408	\$49,027,408	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008				
Personal Property Value		-	\$108,396,100	\$105,024,050	\$100,289,850	\$109,390,380	\$104,220,832	\$97,516,710	\$89,371,070	\$81,028,410	\$73,331,472	\$96,913,231	\$83,614,143	\$81,207,528	\$78,698,714	\$76,439,135	\$122,380,269	\$117,523,638	\$112,220,807	\$107,323,393	\$102,633,055				
Total Assessed Value:		\$38,573,008	\$146,969,108	\$143,597,058	\$138,862,858	\$147,963,388	\$153,248,240	\$146,544,118	\$138,398,478	\$130,055,819	\$122,358,881	\$161,622,239	\$148,323,151	\$145,916,536	\$143,407,723	\$141,148,144	\$187,089,278	\$182,232,646	\$176,929,816	\$172,032,401	\$167,342,063				
Development Performance Contingency Buffer (10%)		\$3,857,301	\$14,696,911	\$14,359,706	\$13,886,286	\$14,796,339	\$15,324,824	\$14,654,412	\$13,839,848	\$13,005,582	\$12,235,888	\$16,162,224	\$14,832,315	\$14,591,654	\$14,340,772	\$14,114,814	\$18,708,928	\$18,223,265	\$17,692,982	\$17,203,240	\$16,734,206				
Value of Current Property		\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000			
Less Base Year Value		\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)			
TOTAL INCREMENTAL VALUE:		\$42,430,309	\$161,666,019	\$157,956,764	\$152,749,144	\$162,759,727	\$168,573,064	\$161,198,530	\$152,238,326	\$143,061,401	\$134,594,769	\$177,784,463	\$163,155,467	\$160,508,190	\$157,748,495	\$155,262,958	\$205,798,205	\$200,455,911	\$194,622,797	\$189,235,641	\$184,076,269				
TAX RATE & INCREMENT ANALYSIS:	2018 Rates																								
Utah County	0.000732	31,059	118,340	115,624	111,812	119,140	123,395	117,997	111,438	104,721	98,523	130,138	119,430	117,492	115,472	113,652	150,644	146,734	142,464	138,520	134,744	2,361,342	1,557,128		
Alpine School District	0.007033	298,412	1,136,997	1,110,910	1,074,285	1,144,689	1,185,574	1,133,709	1,070,692	1,006,151	946,605	1,250,358	1,147,472	1,128,854	1,109,445	1,091,964	1,447,379	1,409,806	1,368,782	1,330,894	1,294,608	22,687,589	14,960,767		
Eagle Mountain City	0.000924	39,206	149,379	145,952	141,140	150,390	155,762	148,947	140,668	132,189	124,366	164,273	150,756	148,310	145,760	143,463	190,158	185,221	179,831	174,854	170,086	2,980,710	1,965,555		
Central Utah Water Conservancy District	0.000400	16,972	64,666	63,183	61,100	65,104	67,429	64,479	60,895	57,225	53,838	71,114	65,262	64,203	63,099	62,105	82,319	80,182	77,849	75,694	73,631	1,290,351	850,890		
Unified Fire Service Area - Salt Lake County	0.001836	77,902	296,819	290,009	280,447	298,827	309,500	295,961	279,510	262,661	247,116	326,412	299,553	294,693	289,626	285,063	377,846	368,037	357,327	347,437	337,964	5,922,709	3,905,583		
Totals:	0.010925	463,551	1,766,201	1,725,678	1,668,784	1,778,150	1,841,661	1,761,094	1,663,204	1,562,946	1,470,448	1,942,295	1,782,473	1,753,552	1,723,402	1,696,248	2,248,345	2,189,981	2,126,254	2,067,399	2,011,033	35,242,700	23,239,923		
TOTAL INCREMENTAL REVENUE IN PROJECT AREA:		\$463,551	\$1,766,201	\$1,725,678	\$1,668,784	\$1,778,150	\$1,841,661	\$1,761,094	\$1,663,204	\$1,562,946	\$1,470,448	\$1,942,295	\$1,782,473	\$1,753,552	\$1,723,402	\$1,696,248	\$2,248,345	\$2,189,981	\$2,126,254	\$2,067,399	\$2,011,033	\$35,242,700	\$23,239,923		
PROJECT AREA BUDGET		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041				
Sources of Funds:																									
Property Tax Participation Rate for Budget																									
Utah County		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%			
Alpine School District		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%			
Eagle Mountain City		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%			
Central Utah Water Conservancy District		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%			
Unified Fire Service Area - Salt Lake County		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%			
Property Tax Increment for Budget																									
Utah County		\$18,635	\$71,004	\$69,375	\$67,087	\$71,484	\$74,037	\$70,798	\$66,863	\$62,833	\$59,114	\$78,083	\$71,658	\$70,495	\$69,283	\$68,191	\$90,387	\$88,040	\$85,478	\$83,112	\$80,846	\$1,416,805	\$934,277		
Alpine School District		\$179,047	\$682,198	\$666,546	\$644,571	\$686,813	\$711,345	\$680,226	\$642,415	\$603,690	\$567,963	\$750,215	\$688,483	\$677,312	\$665,667	\$655,179	\$868,427	\$845,884	\$821,269	\$798,537	\$776,765	\$13,612,553	\$8,976,460		
Eagle Mountain City		\$23,523	\$89,628	\$87,571	\$84,684	\$90,234	\$93,457	\$89,368	\$84,401	\$79,313	\$74,619	\$98,564	\$90,453	\$88,986	\$87,456	\$86,078	\$114,095	\$111,133	\$107,899	\$104,912	\$102,052	\$1,788,426	\$1,179,333		
Central Utah Water Conservancy District		\$10,183	\$38,800	\$37,910	\$36,660	\$39,062	\$40,458	\$38,688	\$36,537	\$34,335	\$32,303	\$42,668	\$39,157	\$38,522	\$37,860	\$37,263	\$49,392	\$48,109	\$46,709	\$45,417	\$44,178	\$774,210	\$510,534		
Unified Fire Service Area - Salt Lake County		\$46,741	\$178,091	\$174,005	\$168,268	\$179,296	\$185,700	\$177,576	\$167,706	\$157,596	\$148,270	\$195,847	\$179,732	\$176,816	\$173,776	\$171,038	\$226,707	\$220,822	\$214,396	\$208,462	\$202,778	\$3,553,625	\$2,343,350		
Total Property Tax Increment for Budget:		\$278,131	\$1,059,721	\$1,035,407	\$1,001,271	\$1,066,890	\$1,104,996	\$1,056,656	\$997,922	\$937,767	\$882,269	\$1,165,377	\$1,069,484	\$1,052,131	\$1,034,041	\$1,017,749	\$1,349,007	\$1,313,988	\$1,275,752	\$1,240,440	\$1,206,620	\$21,145,620	\$13,943,954		
Uses of Tax Increment Funds:																									
Redevelopment Activities (Infrastructure, Incentives, etc.)	88.0%	\$244,755	\$932,554	\$911,158	\$881,118	\$938,863	\$972,397	\$929,858	\$878,172	\$825,235	\$776,396	\$1,025,532	\$941,146	\$925,875	\$909,956	\$895,619	\$1,187,126	\$1,156,310	\$1,122,662	\$1,091,587	\$1,061,826	\$18,608,146	\$12,270,680		
CRA Housing Requirement	10.0%	\$27,813	\$105,972	\$103,541	\$100,127	\$106,689	\$110,500	\$105,666	\$99,792	\$93,777	\$88,227	\$116,538	\$106,948	\$105,213	\$103,404	\$101,775	\$134,901	\$131,399	\$127,575	\$124,044	\$120,662	\$2,114,562	\$1,394,395		
RDA Administration	2.0%	\$5,563	\$21,194	\$20,708	\$20,025	\$21,338	\$22,100	\$21,133	\$19,958	\$18,755	\$17,645	\$23,308	\$21,390	\$21,043	\$20,681	\$20,355	\$26,980	\$26,280	\$25,515	\$24,809	\$24,132	\$422,912	\$278,879		
Total Uses		\$278,131	\$1,059,721	\$1,035,407	\$1,001,271	\$1,066,890	\$1,104,996	\$1,056,656	\$997,922	\$937,767	\$882,269	\$1,165,377	\$1,069,484	\$1,052,131	\$1,034,041	\$1,017,749	\$1,349,007	\$1,313,988	\$1,275,752	\$1,240,440	\$1,206,620	\$21,145,620	\$13,943,954		
REMAINING TAX REVENUES FOR TAXING ENTITIES																									
Utah County		\$12,424	\$47,336	\$46,250	\$44,725	\$47,656	\$49,358	\$47,199	\$44,575	\$41,888	\$39,409	\$52,055	\$47,772	\$46,997	\$46,189	\$45,461	\$60,258	\$58,693	\$56,986	\$55,408	\$53,898	\$944,537	\$622,851		
Alpine School District		\$119,365	\$454,799	\$444,364	\$429,714	\$457,876	\$474,230	\$453,484	\$428,277	\$402,460	\$378,642	\$500,143	\$458,989	\$451,542	\$443,778	\$436,786	\$578,952	\$563,923	\$547,513	\$532,358	\$517,843	\$9,075,036	\$5,984,307		
Eagle Mountain City		\$15,682	\$59,752	\$58,381	\$56,456	\$60,156	\$62,305	\$59,579	\$56,267	\$52,875	\$49,746	\$65,709	\$60,302	\$59,324	\$58,304	\$57,385	\$76,063	\$74,089	\$71,933	\$69,941	\$68,035	\$1,192,284	\$786,222		
Central Utah Water Conservancy District		\$6,789	\$25,867	\$25,273	\$24,440	\$26,042	\$26,972	\$25,792	\$24,358	\$22,890	\$21,535	\$28,446	\$26,105	\$25,681	\$25,240	\$24,842	\$32,928	\$32,073	\$31,140	\$30,278	\$29,452	\$516,140	\$340,356		
Unified Fire Service Area - Salt Lake County		\$31,161	\$118,728	\$116,003	\$112,179	\$119,531	\$123,800	\$118,384	\$111,804	\$105,064	\$98,846	\$130,565	\$119,821	\$117,877	\$115,850	\$114,025	\$151,138	\$147,215	\$142,931	\$138,975	\$135,186	\$2,369,084	\$1,562,233		
Total		\$185,420	\$706,481	\$690,271	\$667,514	\$711,260	\$736,664	\$704,438	\$665,281	\$625,178	\$588,179	\$776,918	\$712,989	\$701,421	\$689,361	\$678,499	\$899,338	\$875,992	\$850,502	\$826,960	\$804,413	\$14,097,080	\$9,295,969		

Exhibit I

Interlocal Agreement with UFSA

INTERLOCAL COOPERATION AGREEMENT

THIS INTERLOCAL COOPERATION AGREEMENT is made and entered into this 7th day of May, 2019, by and between the **REDEVELOPMENT AGENCY OF EAGLE MOUNTAIN CITY**, a community reinvestment agency and political subdivision of the State of Utah (the "Agency"), and **UNIFIED FIRE SERVICE AREA**, a political subdivision of the State of Utah (the "Fire District") in contemplation of the following facts and circumstances:

- A. **WHEREAS**, the Agency was created and organized pursuant to the provisions of the Utah Neighborhood Development Act, Utah Code Annotated ("**UCA**") §17A-2-1201 *et seq.* (2000), and continues to operate under the provisions of its extant successor statute, the Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Title 17C of the UCA (the "**Act**"), and is authorized and empowered under the Act to undertake, among other things, various community reinvest activities pursuant to the Act, including, among other things, assisting Eagle Mountain City (the "City") in development activities that are likely to advance the policies, goals and objectives of the City's general plan, contributing to capital improvements which substantially benefit the City, creating economic benefits to the City, and improving the public health, safety and welfare of its citizens; and
- B. **WHEREAS**, this Agreement is made pursuant to the provisions of the Act and the Interlocal Cooperation Act (UCA Title 11, Chapter 13) (the "Cooperation Act"); and
- C. **WHEREAS**, the Agency has created or will create the Pole Canyon Community Reinvestment Project Area (the "Project Area"), through the adoption of the Pole Canyon Plan (the "Project Area Plan"), located within the City, which Project Area is described in Exhibit "A" attached hereto and incorporated herein by this reference; and
- D. **WHEREAS**, the Project Area contains vacant and underutilized land, which is anticipated to be developed, with encouragement and planning by the Agency, as a food manufacturing facility. The Agency has not entered into any participation or development agreements with developers but anticipates that prior to development of the Project Area, the City and/or the Agency may enter into one or more participation agreements with one or more developer(s) which will provide certain terms and conditions upon which the Project Area will be developed using, in part, "Tax Increment" (as that term is defined in the Act), generated from the Project Area; and
- E. **WHEREAS**, historically, the Project Area has generated a total of \$13,110 per year in property taxes for the various taxing entities, including the City, Utah County (the "County"), Alpine School District (the "School District), and other taxing entities; and
- F. **WHEREAS**, upon full development as contemplated in the Project Area Plan, property taxes produced by the Project Area for the City, the County, the School District, and other taxing entities are projected to total approximately \$1,828,212 per year; and
- G. **WHEREAS**, the Agency has requested the City, the County, the School District, and other taxing entities to participate in the promotion of development in the Project Area by agreeing to remit to the Agency for a specified period of time specified portions of the increased real and personal property tax (i.e., Tax Increment,) which will be generated by the Project Area; and
- H. **WHEREAS**, it is in the best interest of the citizens of the Fire District for the Fire District to remit such payments to the Agency to permit the Agency to leverage private development of the Project Area; and

I. **WHEREAS**, the Agency has retained Lewis Young Robertson & Burningham, Inc., an independent financial consulting firm with substantial experience regarding community reinvestment projects and tax increment funding across the State of Utah, to prepare the Project Area Plan and to provide a report regarding the need and justification for investment of Tax Increment revenues from and within the Project Area. A copy of the report is included in the Project Area Plan attached as Exhibit "B"; and

J. **WHEREAS**, the Agency has created the Pole Canyon Community Reinvestment Project Area Budget (the "Project Area Budget"), a copy of which is attached as Exhibit "C", which Project Area Budget outlines the anticipated generation, payment and use of Tax Increment within the Project Area;

K. **WHEREAS**, the parties desire to set forth in writing their agreements regarding the nature and timing of such assistance;

NOW, THEREFORE, the parties agree as follows:

1. **Additional Tax Revenue.** The Fire District has determined that significant additional Tax Increment will likely be generated by the development of the Project Area as described in further detail in the Project Area Plan and Project Area Budget. Each of the parties acknowledge, however, that the development activity required for the generation of the Tax Increment is not likely to occur within the foreseeable future or to the degree possible or desired without Tax Increment participation in order to induce and encourage such development activity.

2. **Offset of Development Costs and Expenses.** The Fire District has determined that it is in the best interests of its citizens to pay specified portions of its portion of Tax Increment to the Agency in order for the Agency to offset costs and expenses which will be incurred by Agency or participants in Project Area development, including, without limitation, the construction and installation of Buildings, infrastructure improvements, personal property and other development related costs needed to serve the Project Area, to the extent permitted by the Act, the Project Area Plan, and the Project Area Budget, each as adopted and amended from time to time.

3. **Base Year and Base Year Value.** The base year, for purposes of calculation of the Base Taxable Value (as that term is defined in the Act), shall be 2018, meaning the Base Taxable Value shall, to the extent and in the manner defined by the Act, be equal to the equalized taxable value shown on the 2018 Utah County assessment rolls for all property located within the Project Area (which is currently estimated to be \$1,200,000, but is subject to final adjustment and verification by the County and Agency).

4. **Agreement(s) with Developer(s).** The Agency is authorized to enter into one or more participation agreements with one or more participants which may provide for the payment of certain amounts of Tax Increment (to the extent such Tax Increment is actually paid to and received by the Agency from year to year) to the participant(s) conditional upon the participant (s)'s meeting of certain performance measures as outlined in said agreement. Such agreement shall be consistent with the terms and conditions of this Agreement, shall require as a condition of the payment to the participant(s) that the respective participant or its approved successors in title as owners of all current and subsequent parcels within the Project Area, as outlined in Exhibit "A" (the "Property"), shall pay any and all taxes and assessments which shall be assessed against the Property in accordance with levies made by applicable municipal entities in accordance with the laws of the state of Utah applicable to such levies, and such other performance measures as the Agency may deem appropriate.

5. **Payment Trigger.** The first year (“Year One”) of payment of Tax Increment from the Fire District to the Agency shall be determined by the Agency but shall be no later than 2023. Each subsequent year, beginning with the first year after Year One, shall be defined in sequence as Year Two through Year Twenty. The Agency may trigger the collection of Tax Increment by timely delivering a letter or other written request to the Utah County Auditor’s office.

6. **Total Payment to Agency.** The County is authorized and instructed to remit to the Agency, beginning with property tax receipts in Year One and continuing through Year Twenty, 60% of the Fire District’s annual Tax Increment generated from the Project Area.

7. **Property Tax Increase.** This Agreement provides for the payment of the increase in real and personal property taxes collected from the Project Area by the County acting as the tax collecting agency for the Fire District. Real and personal property taxes which are the subject of this Agreement shall not include taxes collected from the Project Area by the County, acting in its capacity as the tax collection agency for the Fire District, which are to be paid to or utilized by abatement districts, special service or improvement districts or other entities for which the County acts as the tax collection agency, nor shall it include any component of real property taxes retained by the County as payment for costs incurred in the collection of real property taxes for itself or other applicable agencies. It is expressly understood that the real property taxes which are the subject of this Agreement are only those real and personal property taxes collected by the County on behalf of the Fire District from the Project Area.

8. **No Independent Duty.** The Fire District shall be responsible to remit to the Agency only Tax Increment received by the County. The Fire District shall have no independent duty to pay any amount to the Agency other than the Tax Increment received by the Fire District on an annual basis from and including Year One through and including Year Twenty.

9. **Authority to Bind.** Each individual executing this Agreement represents and warrants that such person is authorized to do so, and, that upon executing this Agreement, this Agreement shall be binding and enforceable in accordance with its terms upon the party for whom such person is acting.

10. **Further Documents and Acts.** Each of the parties hereto agrees to cooperate in good faith with the others, and 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 transactions contemplated under this Agreement.

11. **Notices.** Any notice, request, demand, consent, approval or other communication required or permitted hereunder or by law shall be validly given or made only if in writing and delivered to an officer or duly authorized representative of the other party in person or by Federal Express, private commercial delivery or courier service for next business day delivery, or by United States mail, duly certified or registered (return receipt requested), postage prepaid, and addressed to the party for whom intended, as follows:

If to Fire District:
Unified Fire Service Area
Attn: District Board
3380 S. 900 W.
Salt Lake City, UT 84119
Phone: (801) 743-7200

If to Agency:
Redevelopment Agency of Eagle Mountain City
Attn: Agency Board
1650 E. Stagecoach Run

Eagle Mountain, UT 84005
Phone: (801) 789-6600

Any party may from time to time, by written notice to the others as provided above, designate a different address which shall be substituted for that specified above. Notice sent by mail shall be deemed served or delivered seventy-two (72) hours after mailing. Notice by any other method shall be deemed served or delivered upon actual receipt at the address or facsimile number listed above. Delivery of courtesy copies noted above shall be as a courtesy only and failure of any party to give or receive a courtesy copy shall not be deemed to be a failure to provide notice otherwise properly delivered to a party to this Agreement.

12. **Entire Agreement.** This Agreement is the final expression of and contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior understandings with respect thereto. This Agreement may not be modified, changed, supplemented or terminated, nor may any obligations hereunder be waived, except by written instrument signed by the party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein. This Agreement and its exhibits constitute the entire agreement between the parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understandings of the parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

13. **No Third-Party Benefit.** The parties do not intend to confer any benefit hereunder on any person, firm or corporation other than the parties hereto. There are no intended third-party beneficiaries to this Agreement.

14. **Construction.** Headings at the beginning of each paragraph and subparagraph are solely for the convenience of the parties and are not a part of the Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. Unless otherwise indicated, all references to paragraphs and subparagraphs are to this Agreement. In the event the date on which any of the parties is required to take any action under the terms of this Agreement is not a business day, the action shall be taken on the next succeeding business day.

15. **Partial Invalidity.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law.

16. **Amendments.** No addition to or modification of any provision contained in this Agreement shall be effective unless fully set forth in writing executed by each of the parties hereto.

17. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

18. **Waivers.** No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other covenant or provision herein contained. 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.

19. **Governing Law.** This Agreement and the exhibits attached hereto shall be governed by and construed under the laws of the State of Utah. In the event of any dispute hereunder, it is agreed that

the sole and exclusive venue shall be in a court of competent jurisdiction in Utah County, Utah, and the parties hereto agree to submit to the jurisdiction of such court.

20. **Declaration of Invalidity.** In the event that a court of competent jurisdiction declares that the County cannot pay and/or that the Agency cannot receive payments of the Tax Increment, declares that the Agency cannot pay the Tax Increment to developers, or takes any other action which has the effect of eliminating or reducing the payments of Tax Increment received by the Agency, the Agency's obligation to pay the Tax Increment to developers shall be reduced or eliminated accordingly, the Agency, and the County shall take such steps as are reasonably required to not permit the payment and/or receipt of the Tax Increment to be declared invalid.

21. **No Separate Legal Entity.** No separate legal entity is created by this Agreement.

22. **Duration.** This Agreement shall terminate after the Year Twenty Tax Increment payment.

23. **Assignment.** No party may assign its rights, duties or obligations under this Agreement without the prior written consent first being obtained from all parties. Notwithstanding the foregoing, such consent shall not be unreasonably withheld or delayed so long as the assignee thereof shall be reasonably expected to be able to perform the duties and obligations being assigned.

24. **Termination.** Upon any termination of this Agreement resulting from the uncured default of any party, the order of any court of competent jurisdiction or termination as a result of any legislative action requiring such termination, then any funds held by the Agency and for which the Agency shall not be required to disburse to developers in accordance with the agreements which govern such disbursement, then such funds shall be returned to the party originally remitting same to the Agency and upon such return this Agreement shall be deemed terminated and of no further force or effect.

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

- a. This Agreement has been, on or prior to the date hereof, authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Cooperation Act;
- b. This Agreement has been, on or prior to the date hereof, reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5(3) of the Cooperation 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 Cooperation Act;
- d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act, pursuant to Section 11-13-207 of the Cooperation Act; and
- e. Should a party to this Agreement desire to terminate this Agreement, in part or in whole, each party to the Agreement must adopt, by resolution, an amended Interlocal Cooperation Agreement stating the reasons for such termination. Any such amended Interlocal Cooperation Agreement must be in harmony with any development/participation agreement(s) entered into by the Agency as described in this Agreement.

Agreement may be construed as providing for the acquisition, holding or disposing of real and/or personal property, all such property shall be owned by the Agency upon termination of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day specified above.

Fire District: UNIFIED FIRE SERVICE AREA

Attest:

Clerk

By: 
Its: Board Chair

Approved as to form:


Attorney for Fire District


Agency: EAGLE MOUNTAIN REDEVELOPMENT AGENCY

Attest:

Secretary

By: _____
Its: Chair

Approved as to form:


Attorney for Agency

- f. Immediately after execution of this Agreement by both Parties, the Agency shall, on behalf of both parties, cause to be published notice regarding this Agreement pursuant to Section 11-13-219 of the Cooperation Act.
- g. This Agreement makes no provision for the parties acquiring, holding and disposing of real and personal property used in the joint undertaking as such action is not contemplated as part of this Agreement nor part of the undertaking. Any such provision would be outside the parameters of the current undertaking. However, to the extent that this Agreement may be construed as providing for the acquisition, holding or disposing of real and/or personal property, all such property shall be owned by the Agency upon termination of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day specified above.

Dated this _____ day of _____, 2019.

Fire District: UNIFIED FIRE SERVICE AREA

ATTEST:

By: _____
Its: Board Chair

Clerk


APPROVED AS TO FORM:

Attorney for Fire District

Dated this 14 day of May, 2019

Agency: REDEVELOPMENT AGENCY OF
EAGLE MOUNTAIN CITY

ATTEST:




Tom Westmoreland, Chair



Aaron Sanborn, Executive Director

APPROVED AS TO FORM:



Jeremy Cook, City Attorney



EXHIBIT A
to
INTERLOCAL AGREEMENT

Legal Description of Project

PROJECT MOCKINGBIRD 80-ACRE PARCEL LEGAL DESCRIPTION

BEGINNING AT A POINT S00°23'57"W 47.00 FEET FROM THE NORTHWEST CORNER OF SECTION 16, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE S89°22'57"E 1843.00 FEET; THENCE S00°23'57"W 1890.95 FEET; THENCE N89°22'57"W 1843.00 FEET; THENCE N00°23'57"E 1890.95 FEET TO THE POINT OF BEGINNING.

CONTAINS 3,484,995.55 SQ.FT. OR 80.00 ACRES

EXHIBIT B
To
INTERLOCAL AGREEMENT

Project Area Plan

PROJECT AREA PLAN

POLE CANYON COMMUNITY REINVESTMENT AREA (CRA)

EAGLE MOUNTAIN REDEVELOPMENT AGENCY, UTAH



APRIL 2019



LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.

GATEWAY PLAZA BUILDING - 41 N. RIO GRANDE, STE 101 - SALT LAKE CITY, UT 84101
(P) 801-596-0700 - (TF) 800-581-1100 - (F) 801-596-2800 - WWW.LEWISYOUNG.COM



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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 several 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;



- the tax identification number of the parcels from which tax increment will be collected; or
- a legal description of the portion of the Project Area from which tax increment will be collected; and

¶ for property that the Agency owns and expects to sell, the expected total cost of the property to the Agency and the expected selling price.

“Project Area Plan” or **“Plan”** shall mean the written plan (outlined by 17C-5-105 of the Act) that, after its effective date, guides and controls the community reinvestment activities within the Project Area. Project Area Plan refers to this document and all the attachments to this document, which attachments are incorporated by this reference. It is anticipated that the POLE CANYON PLAN will be subject to an interlocal agreement process with the taxing entities within the Project Area.

“Taxes” includes all levies on an ad valorem basis upon land, local and centrally assessed real property, personal property, or any other property, tangible or intangible.

“Taxing Entity” shall mean any public entity that levies a tax on any property within the Project Area.

“Tax Increment” shall mean the difference between the amount of property tax revenues generated each tax year by all taxing entities from the Project Area using the current assessed value of the property and the amount of property tax revenues that would be generated from the same area using the base taxable value of the property.

“Tax Increment Period” shall mean the period in which the taxing entities from the Project Area consent that a portion of their tax increment from the Project Area be used to fund the objectives outlined in the Project Area Plan.

“Tax Year” shall mean the 12-month period between sequential tax roll equalizations (November 1st - October 31st) of the following year, e.g., the November 1, 2018 - October 31, 2019 tax year.



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 Pole Canyon Community Reinvestment Project Area (the "Project Area"). This Plan is the 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 western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. 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 always been observed 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 **March 5, 2019**.

Utah Code
§17C-5-104

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.

Description of the Boundaries of the Proposed Project Area

UTAH CODE
§17C-5-105(1)

A legal description of the Project Area along with a detailed map of the Project Area is attached respectively as **Exhibit A** and **Exhibit B** and incorporated herein. The Project Area lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. All the land in the Project Area is currently vacant. The Project Area is comprised of approximately 80 acres of property.

As delineated in the office of the Utah County Recorder, the Project Area encompasses a 120-acre portion of the parcels detailed in **Table 1**.

TABLE 1: PARCEL LIST

Parcel Id	Parcel Owner
59:048:0089	Oquirrh Wood Ranch LLC
59:048:0077	BATN Family Investments

UTAH CODE
§17C-5-105(1)

General Statement of Land Uses, Layout of Principal Streets, Population Densities, Building Densities and How They Will be Affected by the Project Area

General Land Uses

The property within the Project Area is currently classified as vacant agriculture/greenbelt property. Most of the property surrounding the Project Area is also vacant agriculture/greenbelt.

Table 1 summarizes the approximate acreage of existing land uses by land use type.

TABLE 2: LAND USES

Type	Acres	% of Area
Vacant Agriculture/Greenbelt	80	100%
Total	80	100%

This Project Area Plan is consistent with the General Plan of the City and promotes economic activity by virtue of the land uses contemplated. Any zoning change, amendment or conditional use permit necessary to the successful development contemplated by this Project Area Plan shall be undertaken in accordance with the requirements of the City's Code and all other applicable laws including all goals and objectives in the City's General Plan.

Layout of Principal Streets

There are currently no paved streets within the Project Area, 4000 N., an unpaved road runs along the northern periphery of the Project Area.



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 food manufacturing facility.

Land Use – It is anticipated that future development within the Project Area will create space for a food manufacturing facility, and any other ancillary 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 include the construction of some additional streets in the area. It is anticipated that access roads will also 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 increase as the Project Area is anticipated to create approximately 1,400 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



It is the intent of the Agency, with the assistance and participation of private developers and property owners, to facilitate the development within the Project Area.

UTAH CODE
§17C-5-105(E)

Conformance of the Proposed Development to the Community's General Plan

The proposed Community Reinvestment Project Area Plan and the development contemplated are consistent with the City's proposed General Plan and land use regulations.

UTAH CODE
§17C-5-105(G)

Describe any Specific Project or Projects that are the object of the Proposed Community Reinvestment

The Project Area is being created in order to assist with the construction of a food manufacturing facility and any ancillary buildings.

UTAH CODE
§17C-5-105(H)

Method of Selection of Private Developers to undertake the Community Reinvestment and Identification of Developers Currently Involved in the Process

The City and Agency will select or approve such development as solicited or presented to the Agency and City that meets the development objectives set forth in this plan. The City and Agency retain the right to approve or reject any such development plan(s) that in their judgment do not meet the development intent for the Project Area. The City and Agency may choose to solicit development through an RFP or RFQ process, through targeted solicitation to specific industries, from inquiries to the City, EDC Utah, and/or from other such references.

The City and Agency will ensure that all development conforms to this plan and is approved by the City. All potential developers may need to provide a detailed development plan including sufficient financial information to provide the City and Agency with confidence in the sustainability of the development and the developer. Such a review may include a series of studies and reviews including reviews of the Developers financial statements, third-party verification of benefit of the development to the City, appraisal reports, etc.

Any participation between the Agency and developers and property owners shall be by an approved agreement.

UTAH CODE
§17C-5-105(I)

Reason for Selection of the Project Area

The Project Area is currently classified as vacant agriculture/greenbelt and is collecting relatively no tax revenue for the taxing entities. The creation of the Project Area will create a significant economic benefit



to all taxing entities as this underutilized area will be developed to a higher and greater use. The development will also serve as an anchor tenant of the future Pole Canyon Industrial Park.

UTAH CODE
§17C-5-105(J)

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

Physical Conditions

The Project Area consists of approximately 80 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 vacant agriculture/greenbelt classification.

Economic Conditions

The Project Area is currently under vacant agriculture/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 to future development within the Project Area.

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)

Anticipated Public Benefit to be Derived from the Community Development

UTAH CODE
§17C-5-105(2)(ii)(A)

The Beneficial Influences upon the Tax Base of the Community

The beneficial influences upon the tax base of the City and the other taxing entities will include increased property tax revenues, job growth, and affordable housing opportunities in the community. The increased revenues will come from the property values associated with new construction in the area, as well as increased land values as the property within the Project Area will no longer be classified as vacant agriculture/greenbelt. Property values include land, buildings and personal property (machines, equipment, etc.).

Job growth in the Project Area will result in increased wages, increasing local purchases and benefiting existing businesses in the area. Job growth will also result in increased income taxes paid. Additionally, business growth will generate corporate income taxes.

There will also be a beneficial impact on the community through increased construction activity within the Project Area. Positive impacts will be felt through construction wages paid, as well as construction supplies purchased locally.

UTAH CODE
§17C-5-105(2)(ii)(B)

The Associated Business and Economic Activity Likely to be Stimulated

Other business and economic activity likely to be stimulated includes increased spending by new and existing residents within the City and employees in the Project Area and in surrounding areas. This includes both direct and indirect purchases that are stimulated by the spending of the additional employees in the area.

Employees may make some purchases in the local area, such as convenience shopping for personal services (haircuts, banking, dry cleaning, etc.). The employees will not make all their convenience or personal services purchases near their workplace and each employee's purchasing patterns will be different. However, it is reasonable to assume that a percentage of these annual purchases will occur within proximity of the workplace (assuming the services are available). The City also envisions this area as a future industrial park, this development will act as an anchor and likely attract new businesses to the area.

UTAH CODE
§17C-5-105(2)(B)

Efforts to Maximize Private Investment

The agency has formed a partnership with the developers to realize the vision of this project area. It is anticipated that the development will require over \$250,000,000 of private capital. Creating a CRA will act as a catalyst for the development.

UTAH CODE
§17C-5-105(2)(C)

“But For” Analysis

The anticipated development includes numerous costs, including land purchase, infrastructure and over \$200 million of personal property. “But-for” the creation of the CRA and public participation, the costs associated with the development would be too high, and the Project Area would remain in its underutilized state.

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.

TABLE 3: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Total	NPV at 4%
Utah County	60%	20 Years	\$1,416,805	\$934,277
Alpine School District	60%	20 Years	13,612,553	8,976,460
Eagle Mountain City	60%	20 Years	1,788,426	1,179,333
Central Utah Water Conservancy District	60%	20 Years	774,210	510,534
Unified Fire Service Area – Salt Lake County	60%	20 Years	3,553,625	2,343,350
Total Sources of Tax Increment Funds			\$21,145,620	\$13,943,954

TABLE 4: PROJECT AREA REVENUES

Entity	Property Tax	Sales Tax	Franchise Tax	Total Tax Increment Revenues
Utah County	\$2,361,342	\$459,220	-	\$2,820,562
Alpine School District	22,687,589	-	-	22,687,589
Eagle Mountain City	2,980,710	444,731	3,892,941	7,318,382
Central Utah Water Conservancy District	1,290,351	-	-	1,290,351
Unified Fire District – Salt Lake County	5,922,709	-	-	5,922,709
Total Revenue	\$35,242,700	\$903,951	\$3,892,941	\$40,039,592

TABLE 5: PROJECT AREA EXPENDITURES

Entity	Property Tax	General Government	Public Safety	Public Works	Total Expenditures
Utah County	\$1,416,805	\$141,535	-	-	\$1,558,340
Alpine School District	13,612,553	8,107,145	-	-	21,719,698
Eagle Mountain City	1,788,426	730,016	1,172,766	477,903	4,169,111
Central Utah Water Conservancy District	774,210	82,816	-	-	857,026
Unified Fire District – Salt Lake County	3,553,625	244,911	-	-	3,798,536
Total Revenue	\$21,145,620	\$9,306,423	\$1,172,766	\$477,903	\$32,102,712

The total net benefit to the taxing entities of participating in the Project Area is \$7,936,880, with the City's net benefit being \$3,149,271.



EXHIBIT A: Legal Description of Pole Canyon CRA

PROJECT MOCKINGBIRD 80-ACRE PARCEL LEGAL DESCRIPTION

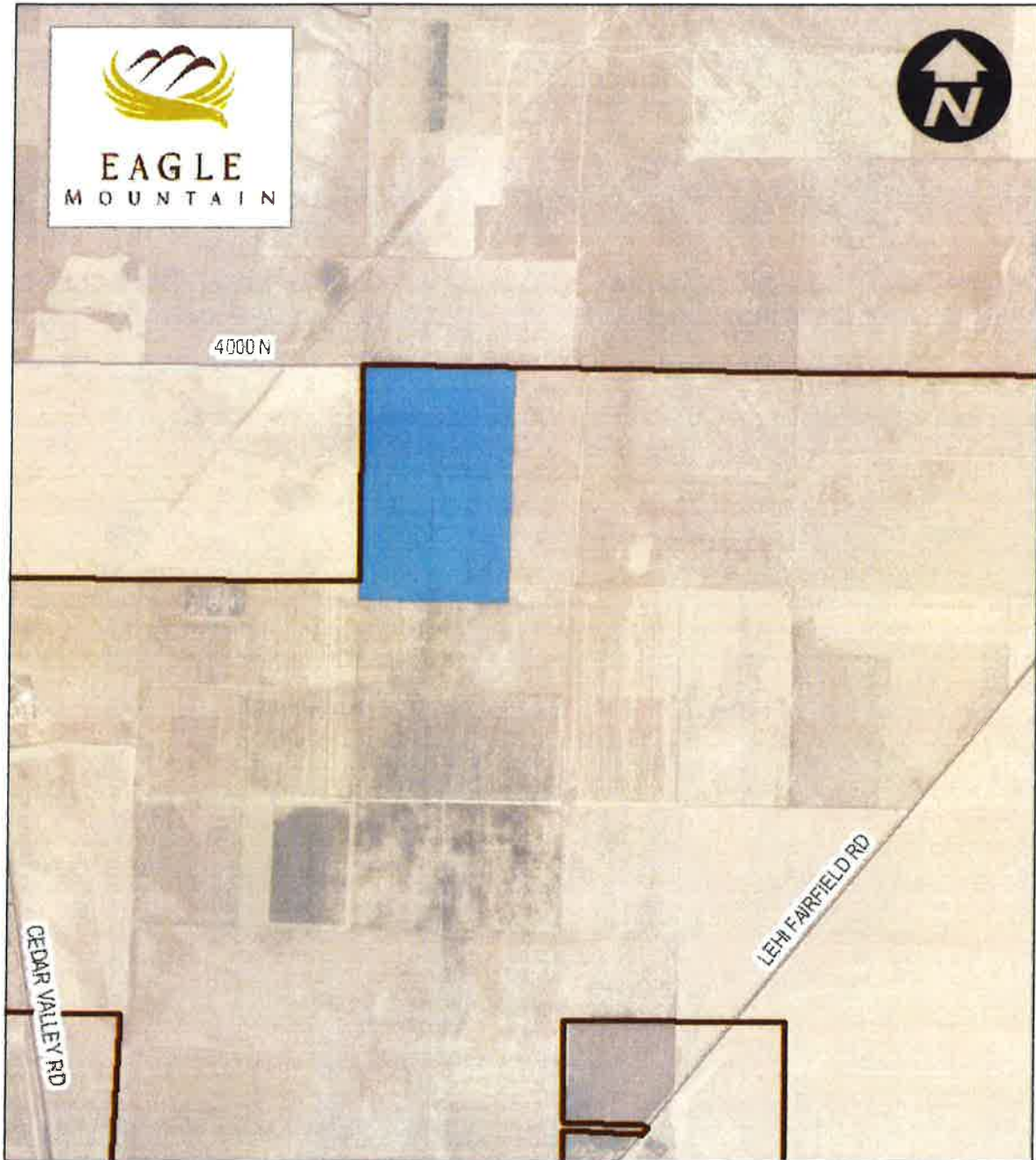
BEGINNING AT A POINT S00°23'57"W 47.00 FEET FROM THE NORTHWEST CORNER OF SECTION 16, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE S89°22'57"E 1843.00 FEET; THENCE S00°23'57"W 1890.95 FEET; THENCE N89°22'57"W 1843.00 FEET; THENCE N00°23'57"E 1890.95 FEET TO THE POINT OF BEGINNING.

CONTAINS 3,484,995.55 SQ.FT. OR 80.00 ACRES





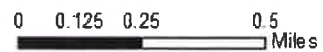
EXHIBIT B: Project Area Map

MAP OF PROPOSED PROJECT AREA BOUNDARIES



POLE CANYON CRA

-  EAGLE MOUNTAIN
-  POLE CANYON CRA



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EXHIBIT C
To
INTERLOCAL AGREEMENT

Project Area Budget

PROJECT AREA BUDGET

POLE CANYON COMMUNITY REINVESTMENT AREA (CRA)

EAGLE MOUNTAIN REDEVELOPMENT AGENCY, UTAH



APRIL 2019



LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.

GATEWAY PLAZA BUILDING - 41 N. RIO GRANDE, STE 101 - SALT LAKE CITY, UT 84101
(P) 801-596-0700 - (TF) 800-581-1100 - (F) 801-596-2500 - WWW.LEWISYOUNG.COM



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Section 1: Introduction

The Eagle Mountain Redevelopment Agency (the "Agency"), following thorough consideration of the needs and desires of the City of Eagle Mountain (the "City") and its residents, as well as understanding the City's capacity for new development, has carefully crafted the Project Area Plan (the "Plan") for the Pole Canyon Community Reinvestment Project Area (the "Project Area"). The Plan is the result of a comprehensive evaluation of the types of appropriate land-uses and economic development opportunities for the land encompassed by the Project Area which lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park.

The Plan is envisioned to define the method and means of development for 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. This **Project Area Budget** document (the "Budget") is predicated upon certain elements, objectives and conditions outlined in the Plan and intended to be used as a financing tool to assist the Agency in meeting Plan objectives discussed herein and more specifically referenced and identified in the Plan.

The creation of the Project Area is being undertaken as a community reinvestment project pursuant to certain provisions of Chapters 1 and 5 of the Utah Community Reinvestment Agency Act (the "Act", Utah Code Annotated ("UCA") Title 17C). The requirements of the Act, including notice and hearing obligations, have always been observed throughout the establishment of the Project Area.

Section 2: Description of Community Development Project Area

The Project Area lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. The property is currently vacant land and is generating very little tax revenue for the City and other taxing entities. The property encompasses approximately 120 acres of land.

A map of the Project Area is attached hereto in **EXHIBIT A**.



Section 3: General Overview of Project Area Budget

The purpose of the Project Area Budget is to provide the financial framework necessary to implement the Project Area Plan vision and objectives. The Project Area Plan has identified that tax increment financing is essential in order to meet the objectives of the CRA Project Area. The following information will detail the sources and uses of tax increment and other necessary details needed for public officials, interested parties, and the public in general to understand the mechanics of the Project Area Budget.

Base Year Value

The Agency has determined that the base year property tax value for the Project Area will be the total taxable value for the 2018 tax year which is estimated to be \$1,200,000. Using the tax rates established within the Project Area the property taxes levied equate to \$13,110 annually. Accordingly, this amount will continue to flow through to each taxing entity proportional to the amount of their respective tax rates being levied.

Payment Trigger

The Project Area will have a twenty-year (20) duration from the date of the first tax increment received by the Agency. The collection of tax increment will be triggered at the discretion of the Agency prior to March 1 of the tax year in which they intend to begin the collection of increment. The following year in which this increment will be remitted to the Agency will be Year 1, e.g., if requested prior to March 1, 2020, Year 1 of increment will be 2021. The first year of tax increment shall be determined by the Agency.

Projected Tax Increment Revenue – Total Generation

Development within the Project Area will commence upon favorable market conditions which will include both horizontal and vertical infrastructure and development. The Agency anticipates that new development will begin in the Project Area in 2019. The contemplated development will generate significant additional property tax revenue as well as incremental sales and use tax above what is currently generated within the Project Area.

Property Tax Increment will begin to be generated in the tax year (ending Dec 1st) following construction completion and Tax Increment will be paid to the Agency in March or April after collection. It is projected that property Tax Increment generation within the Project Area could begin as early as 2021 or as late as 2022. It is currently estimated that during the 20-year life of the Project Area Budget, property Tax Increment could be generated within the Project Area in the approximate amount of \$35.24 million or at a net present value (NPV)¹ of \$23.24 million. This amount is over and above the \$262,200 of base taxes that the property would generate over 20 years at the \$13,110 annual amount it currently generates as shown in Table 4.1 below.

¹ Net Present Value of future cash flows assumes a 4% discount rate. The same 4% discount rate is used in all remaining NPV calculations. This total is prior to accounting for the flow-through of tax increment to the respective taxing entities.



Section 4: Property Tax Increment

Base Year Property Tax Revenue

The taxing entities are currently receiving - and will continue to receive - property tax revenue from the current assessed value of the property within the Project Area ("Base Taxes"). The current assessed value is estimated to be \$1,200,000. Based upon the tax rates in the area, the collective taxing entities are receiving \$13,110 in property tax annually from this Project Area. This equates to approximately \$262,200 over the 20-year life of the Project Area.

TABLE 4.1: TOTAL BASE YEAR TO TAXING ENTITIES (OVER 20 YEARS)

Entity	Total	NPV at 4%
Utah County	\$17,568	\$11,938
Alpine School District	168,792	114,697
Eagle Mountain City	22,176	15,069
Central Utah Water Conservancy District	9,600	6,523
Unified Fire Service Area – Salt Lake County	44,064	29,942
Total Revenue	\$262,200	\$178,169

Property Tax Increment Shared with RDA

All taxing entities that receive property tax generated within the Project Area, as detailed above, will share at least a portion of that increment generation with the Agency. All taxing entities will contribute 60% of their respective tax increment for 20 years. Table 4.2 shows the amount of Tax Increment shared with the Agency assuming the participation levels discussed above.

TABLE 4.2: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Total	NPV at 4%
Utah County	60%	20 Years	\$1,416,805	\$934,277
Alpine School District	60%	20 Years	13,612,553	8,976,460
Eagle Mountain City	60%	20 Years	1,788,426	1,179,333
Central Utah Water Conservancy District	60%	20 Years	774,210	510,534
Unified Fire Service Area – Salt Lake County	60%	20 Years	3,553,625	2,343,350
Total Sources of Tax Increment Funds			\$21,145,620	\$13,943,954



Uses of Tax Increment

The anticipated development includes numerous costs, including land purchase, infrastructure and over \$200 million of personal property. "But-for" the creation of the CRA and public participation, the costs associated with the development would be too high, and the Project Area would remain in its underutilized state.

The majority of the remaining Tax Increment collected by the Agency will be used to overcome the obstacles outlined above (88%). Including: offsetting certain on-site public infrastructure costs, Agency requested improvements and upgrades, desirable Project Area improvements, and other redevelopment activities as approved by the Agency. 10% will go towards affordable housing, as required by the Act. The remaining 2% will be used by the Agency to administer the Project Area.

TABLE 4.3: USES OF TAX INCREMENT

Uses	Total	NPV at 4%
Redevelopment Activities	\$18,608,146	\$12,270,680
CRA Housing Requirement	2,114,562	1,394,395
Project Area Administration	422,912	278,879
Total Uses of Tax Increment Funds	\$21,145,620	\$13,943,954

A multi-year projection of tax increment is including in **EXHIBIT B**.

Total Annual Property Tax Revenue for Taxing Entities at Conclusion of Project

As described above, the collective taxing entities are currently receiving approximately \$13,110 in property taxes annually from this Project Area. At the end of 20 years an additional \$2,011,033 in property taxes annually is anticipated, totaling approximately \$2,024,143 in property taxes annually for the area. "But for" the assistance provided by the RDA through tax increment revenues, this 15,340 percent increase in property taxes generated for the taxing entities would not be possible.

TABLE 4.4: TOTAL BASE YEAR AND END OF PROJECT LIFE ANNUAL PROPERTY TAXES

Entity	Annual Base Year Property Taxes	Annual Property Tax Increment at Conclusion of Project	Total Annual Property Taxes
Utah County	\$878	\$134,744	\$135,622
Alpine School District	8,440	1,294,608	1,303,048
Eagle Mountain City	1,109	170,086	171,195
Central Utah Water Conservancy District	480	73,631	74,111
Unified Fire Service Area – Salt Lake County	2,203	337,964	340,167
Total Revenue	\$13,110	\$2,011,033	\$2,024,143



Section 5: Cost/Benefit Analysis

Additional Revenues

Other Tax Revenues

The development within the Project Area will also generate sales taxes and municipal energy taxes. Table 5.1 shows the total revenues generated by the Project Area.

TABLE 5.1 TOTAL REVENUES

Entity	Property Tax	Sales Tax	Franchise Tax	Total Increment Revenues
Utah County	\$2,361,342	\$459,220	-	\$2,820,562
Alpine School District	22,687,589	-	-	22,687,589
Eagle Mountain City	2,980,710	444,731	3,892,941	7,318,382
Central Utah Water Conservancy District	1,290,351	-	-	1,290,351
Unified Fire Service Area – Salt Lake County	5,922,709	-	-	5,922,709
Total Revenue	\$35,242,700	\$903,951	\$3,892,941	\$40,039,592

Additional Costs

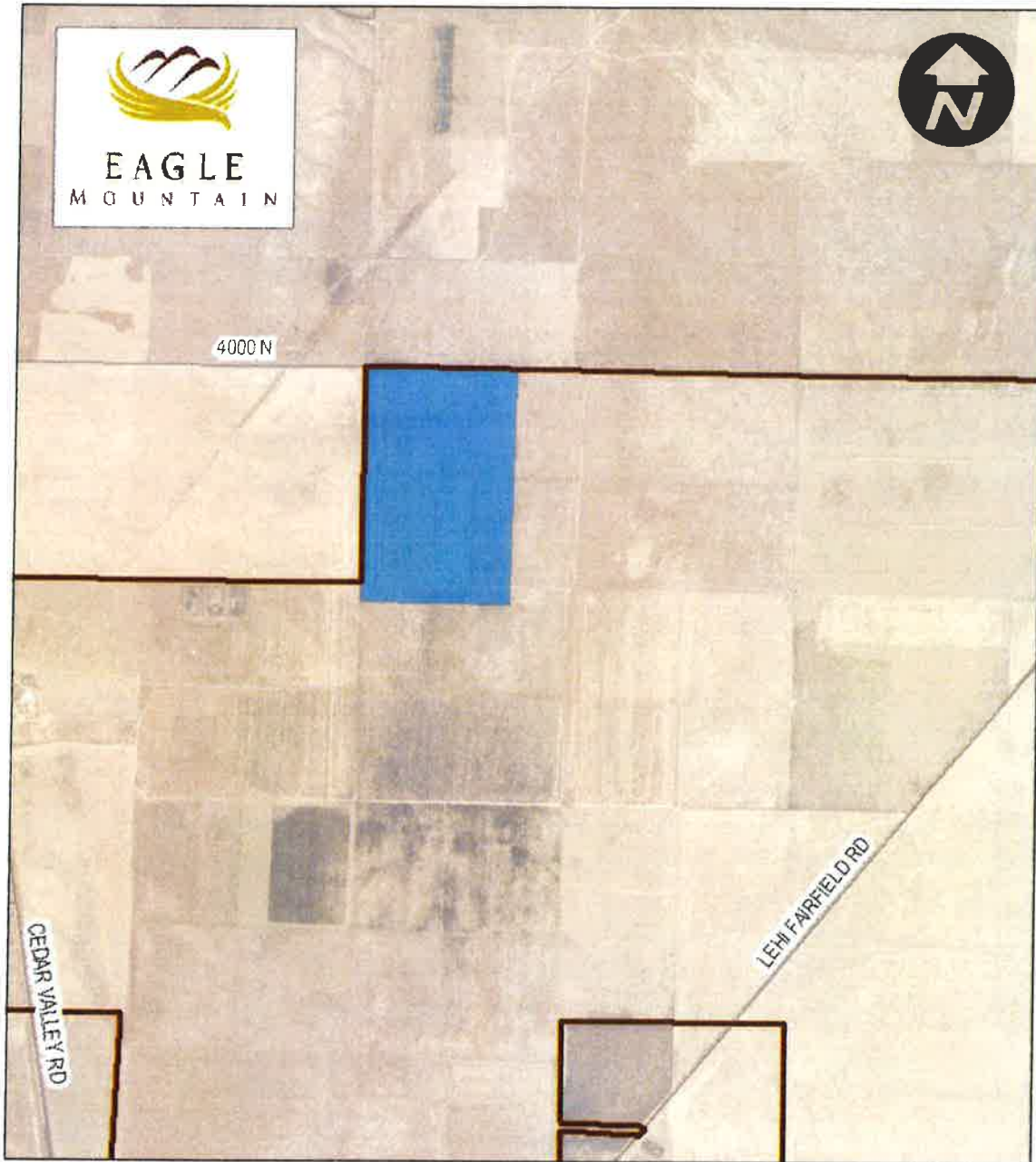
The development anticipated within the Project Area will also likely result in additional general government, public works, and public safety costs. These costs, along with the estimated budget to implement the Project Area Plan, are identified below.

TABLE 5.2 TOTAL EXPENDITURES

Entity	CRA Budget	General Government	Public Works	Public Safety	Total Incremental Expenditures
Utah County	\$1,416,805	\$141,535	-	-	\$1,558,340
Alpine School District	13,612,553	8,107,145	-	-	21,719,698
Eagle Mountain City	1,788,426	730,016	1,172,766	477,903	4,169,111
Central Utah Water Conservancy District	774,210	82,816	-	-	857,026
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Total Expenditures	\$21,145,620	\$9,306,423	\$1,172,766	\$477,903	\$32,102,712

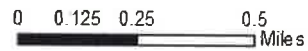
The total net benefit to the taxing entities of participating in the Project Area is \$7,936,880, with the City's net benefit being \$3,149,271.

Exhibit A: Project Area Map



POLE CANYON CRA

-  EAGLE MOUNTAIN
-  POLE CANYON CRA



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Exhibit B: Multi-Year Budget

Eagle Mountain Redevelopment Agency

Pole Canyon Community Reinvestment Area
Increment and Budget Analysis

ASSUMPTIONS	
Discount Rate	4.0%
Inflation Rate	0.0%

INCREMENTAL TAX ANALYSIS:	Payment Year	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS	NPV	
	Tax Year	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040			2041
Cumulative Taxable Value	Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20			
Real Property Value (Building & Land)		\$38,573,008	\$38,573,008	\$38,573,008	\$38,573,008	\$38,573,008	\$49,027,408	\$49,027,408	\$49,027,408	\$49,027,408	\$49,027,408	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008		
Personal Property Value		-	\$108,396,100	\$105,024,050	\$100,289,850	\$109,390,380	\$104,220,832	\$97,516,710	\$89,371,070	\$81,028,410	\$73,331,472	\$96,913,231	\$83,614,143	\$81,207,528	\$78,698,714	\$76,439,135	\$122,380,269	\$117,523,638	\$112,220,807	\$107,323,393	\$102,633,055			
Total Assessed Value:		\$38,573,008	\$146,969,108	\$143,597,058	\$138,862,858	\$147,963,368	\$153,248,240	\$146,544,118	\$138,398,478	\$130,055,819	\$122,358,881	\$161,622,239	\$148,323,151	\$145,916,536	\$143,407,723	\$141,148,144	\$187,089,278	\$182,232,646	\$176,929,816	\$172,032,401	\$167,342,063			
Development Performance Contingency Buffer (10%)		\$3,857,301	\$14,696,911	\$14,359,706	\$13,886,286	\$14,796,339	\$15,324,824	\$14,654,412	\$13,839,848	\$13,005,582	\$12,235,888	\$16,162,224	\$14,832,315	\$14,591,654	\$14,340,772	\$14,114,814	\$18,708,928	\$18,223,265	\$17,692,982	\$17,203,240	\$16,734,206			
Value of Current Property		\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000		
Less Base Year Value		\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)		
TOTAL INCREMENTAL VALUE:		\$42,430,309	\$161,666,019	\$157,956,764	\$152,749,144	\$162,759,727	\$168,573,064	\$161,198,530	\$152,238,326	\$143,061,401	\$134,594,769	\$177,784,463	\$163,155,467	\$160,508,190	\$157,748,495	\$155,262,958	\$205,798,205	\$200,455,911	\$194,622,797	\$189,235,641	\$184,076,269			
TAX RATE & INCREMENT ANALYSIS:	2018 Rates																							
Utah County	0.000732	31,059	118,340	115,624	111,812	119,140	123,395	117,997	111,438	104,721	98,523	130,138	119,430	117,492	115,472	113,652	150,644	146,734	142,464	138,520	134,744	2,361,342	1,557,128	
Alpine School District	0.007033	298,412	1,136,997	1,110,910	1,074,285	1,144,689	1,185,574	1,133,709	1,070,692	1,006,151	946,605	1,250,358	1,147,472	1,128,854	1,109,445	1,091,964	1,447,379	1,409,806	1,368,782	1,330,894	1,294,608	22,687,589	14,960,767	
Eagle Mountain City	0.000924	39,206	149,379	145,952	141,140	150,390	155,762	148,947	140,668	132,189	124,366	164,273	150,756	148,310	145,760	143,463	190,158	185,221	179,831	174,854	170,086	2,980,710	1,965,555	
Central Utah Water Conservancy District	0.000400	16,972	64,666	63,183	61,100	65,104	67,429	64,479	60,895	57,225	53,838	71,114	65,262	64,203	63,099	62,105	82,319	80,182	77,849	75,694	73,631	1,290,351	850,890	
Unified Fire Service Area - Salt Lake County	0.001836	77,902	296,819	290,009	280,447	298,827	309,500	295,961	279,510	262,661	247,116	326,412	299,553	294,693	289,626	285,063	377,846	368,037	357,327	347,437	337,964	5,922,709	3,905,583	
Totals:	0.010925	463,551	1,766,201	1,725,678	1,668,784	1,778,150	1,841,661	1,761,094	1,663,204	1,562,946	1,470,448	1,942,295	1,782,473	1,753,552	1,723,402	1,696,248	2,248,345	2,189,981	2,126,254	2,067,399	2,011,033	35,242,700	23,239,923	
TOTAL INCREMENTAL REVENUE IN PROJECT AREA:		\$463,551	\$1,766,201	\$1,725,678	\$1,668,784	\$1,778,150	\$1,841,661	\$1,761,094	\$1,663,204	\$1,562,946	\$1,470,448	\$1,942,295	\$1,782,473	\$1,753,552	\$1,723,402	\$1,696,248	\$2,248,345	\$2,189,981	\$2,126,254	\$2,067,399	\$2,011,033	\$35,242,700	\$23,239,923	
PROJECT AREA BUDGET		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS	NPV	
Sources of Funds:																								
Property Tax Participation Rate for Budget																								
Utah County		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%			
Alpine School District		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%			
Eagle Mountain City		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%			
Central Utah Water Conservancy District		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%			
Unified Fire Service Area - Salt Lake County		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%			
Property Tax Increment for Budget																								
Utah County		\$18,635	\$71,004	\$69,375	\$67,087	\$71,484	\$74,037	\$70,798	\$66,863	\$62,833	\$59,114	\$78,083	\$71,658	\$70,495	\$69,283	\$68,191	\$90,387	\$88,040	\$85,478	\$83,112	\$80,846	\$1,416,805	\$934,277	
Alpine School District		\$179,047	\$682,198	\$666,546	\$644,571	\$686,813	\$711,345	\$680,226	\$642,415	\$603,690	\$567,963	\$750,215	\$688,483	\$677,312	\$665,667	\$655,179	\$868,427	\$845,884	\$821,269	\$798,537	\$776,765	\$13,612,553	\$8,976,460	
Eagle Mountain City		\$23,523	\$89,628	\$87,571	\$84,684	\$90,234	\$93,457	\$89,368	\$84,401	\$79,313	\$74,619	\$98,564	\$90,453	\$88,986	\$87,456	\$86,078	\$114,095	\$111,133	\$107,899	\$104,912	\$102,052	\$1,788,426	\$1,179,333	
Central Utah Water Conservancy District		\$10,183	\$38,800	\$37,910	\$36,660	\$39,062	\$40,458	\$38,688	\$36,537	\$34,335	\$32,303	\$42,668	\$39,157	\$38,522	\$37,860	\$37,263	\$49,392	\$48,109	\$46,709	\$45,417	\$44,178	\$774,210	\$510,534	
Unified Fire Service Area - Salt Lake County		\$46,741	\$178,091	\$174,005	\$168,268	\$179,296	\$185,700	\$177,576	\$167,706	\$157,596	\$148,270	\$195,847	\$179,732	\$176,816	\$173,776	\$171,038	\$226,707	\$220,822	\$214,396	\$208,462	\$202,778	\$3,553,625	\$2,343,350	
Total Property Tax Increment for Budget:		\$278,131	\$1,059,721	\$1,035,407	\$1,001,271	\$1,066,890	\$1,104,996	\$1,056,656	\$997,922	\$937,767	\$882,269	\$1,165,377	\$1,069,484	\$1,052,131	\$1,034,041	\$1,017,749	\$1,349,007	\$1,313,988	\$1,275,752	\$1,240,440	\$1,206,620	\$21,145,620	\$13,943,954	
Uses of Tax Increment Funds:																								
Redevelopment Activities (Infrastructure, Incentives, etc.)	88.0%	\$244,755	\$932,554	\$911,158	\$881,118	\$938,863	\$972,397	\$929,858	\$878,172	\$825,235	\$776,396	\$1,025,532	\$941,146	\$925,875	\$909,956	\$895,619	\$1,187,126	\$1,156,310	\$1,122,662	\$1,091,587	\$1,061,826	\$18,608,146	\$12,270,680	
CRA Housing Requirement	10.0%	\$27,813	\$105,972	\$103,541	\$100,127	\$106,689	\$110,500	\$105,666	\$99,792	\$93,777	\$88,227	\$116,538	\$106,948	\$105,213	\$103,404	\$101,775	\$134,901	\$131,399	\$127,575	\$124,044	\$120,662	\$2,114,562	\$1,394,395	
RDA Administration	2.0%	\$5,563	\$21,194	\$20,708	\$20,025	\$21,338	\$22,100	\$21,133	\$19,958	\$18,755	\$17,645	\$23,308	\$21,390	\$21,043	\$20,681	\$20,355	\$26,980	\$26,280	\$25,515	\$24,809	\$24,132	\$422,912	\$278,879	
Total Uses		\$278,131	\$1,059,721	\$1,035,407	\$1,001,271	\$1,066,890	\$1,104,996	\$1,056,656	\$997,922	\$937,767	\$882,269	\$1,165,377	\$1,069,484	\$1,052,131	\$1,034,041	\$1,017,749	\$1,349,007	\$1,313,988	\$1,275,752	\$1,240,440	\$1,206,620	\$21,145,620	\$13,943,954	
REMAINING TAX REVENUES FOR TAXING ENTITIES																								
Utah County		\$12,424	\$47,336	\$46,250	\$44,725	\$47,656	\$49,358	\$47,199	\$44,575	\$41,888	\$39,409	\$52,055	\$47,772	\$46,997	\$46,189	\$45,461	\$60,258	\$58,693	\$56,986	\$55,408	\$53,898	\$944,537	\$622,851	
Alpine School District		\$119,365	\$454,799	\$444,364	\$429,714	\$457,876	\$474,230	\$453,484	\$428,277	\$402,460	\$378,642	\$500,143	\$458,989	\$451,542	\$443,778	\$436,786	\$578,952	\$563,923	\$547,513	\$532,358	\$517,843	\$9,075,036	\$5,984,307	
Eagle Mountain City		\$15,682	\$59,752	\$58,381	\$56,456	\$60,156	\$62,305	\$59,579	\$56,267	\$52,875	\$49,746	\$65,709	\$60,302	\$59,324	\$58,304	\$57,385	\$76,063	\$74,089	\$71,933	\$69,941	\$68,035	\$1,192,284	\$786,222	
Central Utah Water Conservancy District		\$6,789	\$25,867	\$25,273	\$24,440	\$26,042	\$26,972	\$25,792	\$24,358	\$22,890	\$21,535	\$28,446	\$26,105	\$25,681	\$25,240	\$24,842	\$32,928	\$32,073	\$31,140	\$30,278	\$29,452	\$516,140	\$340,356	
Unified Fire Service Area - Salt Lake County		\$31,161	\$118,728	\$116,003	\$112,179	\$119,531	\$123,800	\$118,384	\$111,804	\$105,064	\$98,846	\$130,565	\$119,821	\$117,877	\$115,850	\$114,025	\$151,138	\$147,215	\$142,931	\$138,975	\$135,186	\$2,369,084	\$1,562,233	
Total		\$185,420	\$706,481	\$690,271	\$667,514	\$711,260	\$736,664	\$704,438	\$665,281	\$625,178	\$588,179	\$776,918	\$712,989	\$701,421	\$689,361	\$678,499	\$899,338	\$875,992	\$850,502	\$826,960	\$804,413	\$14,097,080	\$9,295,969	

Exhibit J

Interlocal Agreement with Water District

INTERLOCAL COOPERATION AGREEMENT

THIS INTERLOCAL COOPERATION AGREEMENT is made and entered into this 7th day of May, 2019, by and between the **REDEVELOPMENT AGENCY OF EAGLE MOUNTAIN CITY**, a community reinvestment agency and political subdivision of the State of Utah (the "Agency"), and **CENTRAL UTAH WATER CONSERVANCY DISTRICT**, a political subdivision of the State of Utah (the "Water District") in contemplation of the following facts and circumstances:

- A. **WHEREAS**, the Agency was created and organized pursuant to the provisions of the Utah Neighborhood Development Act, Utah Code Annotated ("**UCA**") §17A-2-1201 *et seq.* (2000), and continues to operate under the provisions of its extant successor statute, the Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Title 17C of the UCA (the "**Act**"), and is authorized and empowered under the Act to undertake, among other things, various community reinvest activities pursuant to the Act, including, among other things, assisting Eagle Mountain City (the "City") in development activities that are likely to advance the policies, goals and objectives of the City's general plan, contributing to capital improvements which substantially benefit the City, creating economic benefits to the City, and improving the public health, safety and welfare of its citizens; and
- B. **WHEREAS**, this Agreement is made pursuant to the provisions of the Act and the Interlocal Cooperation Act (UCA Title 11, Chapter 13) (the "Cooperation Act"); and
- C. **WHEREAS**, the Agency has created or will create the Pole Canyon Community Reinvestment Project Area (the "Project Area"), through the adoption of the Pole Canyon Plan (the "Project Area Plan"), located within the City, which Project Area is described in Exhibit "A" attached hereto and incorporated herein by this reference; and
- D. **WHEREAS**, the Project Area contains vacant and underutilized land, which is anticipated to be developed, with encouragement and planning by the Agency, as a food manufacturing facility. The Agency has not entered into any participation or development agreements with developers but anticipates that prior to development of the Project Area, the City and/or the Agency may enter into one or more participation agreements with one or more developer(s) which will provide certain terms and conditions upon which the Project Area will be developed using, in part, "Tax Increment" (as that term is defined in the Act), generated from the Project Area; and
- E. **WHEREAS**, historically, the Project Area has generated a total of \$13,110 per year in property taxes for the various taxing entities, including the City, Utah County (the "County"), Alpine School District (the "School District), and other taxing entities; and
- F. **WHEREAS**, upon full development as contemplated in the Project Area Plan, property taxes produced by the Project Area for the City, the County, the School District, and other taxing entities are projected to total approximately \$1,828,212 per year; and
- G. **WHEREAS**, the Agency has requested the City, the County, the School District, and other taxing entities to participate in the promotion of development in the Project Area by agreeing to remit to the Agency for a specified period of time specified portions of the increased real and personal property tax (i.e., Tax Increment,) which will be generated by the Project Area; and
- H. **WHEREAS**, it is in the best interest of the citizens of the Water District for the Water District to remit such payments to the Agency to permit the Agency to leverage private development of the Project Area; and

I. **WHEREAS**, the Agency has retained Lewis Young Robertson & Burningham, Inc., an independent financial consulting firm with substantial experience regarding community reinvestment projects and tax increment funding across the State of Utah, to prepare the Project Area Plan and to provide a report regarding the need and justification for investment of Tax Increment revenues from and within the Project Area. A copy of the report is included in the Project Area Plan attached as Exhibit "B"; and

J. **WHEREAS**, the Agency has created the Pole Canyon Community Reinvestment Project Area Budget (the "Project Area Budget"), a copy of which is attached as Exhibit "C", which Project Area Budget outlines the anticipated generation, payment and use of Tax Increment within the Project Area;

K. **WHEREAS**, the parties desire to set forth in writing their agreements regarding the nature and timing of such assistance;

NOW, THEREFORE, the parties agree as follows:

1. **Additional Tax Revenue.** The Water District has determined that significant additional Tax Increment will likely be generated by the development of the Project Area as described in further detail in the Project Area Plan and Project Area Budget. Each of the parties acknowledge, however, that the development activity required for the generation of the Tax Increment is not likely to occur within the foreseeable future or to the degree possible or desired without Tax Increment participation in order to induce and encourage such development activity.

2. **Offset of Development Costs and Expenses.** The Water District has determined that it is in the best interests of its citizens to pay specified portions of its portion of Tax Increment to the Agency in order for the Agency to offset costs and expenses which will be incurred by Agency or participants in Project Area development, including, without limitation, the construction and installation of Buildings, infrastructure improvements, personal property and other development related costs needed to serve the Project Area, to the extent permitted by the Act, the Project Area Plan, and the Project Area Budget, each as adopted and amended from time to time.

3. **Base Year and Base Year Value.** The base year, for purposes of calculation of the Base Taxable Value (as that term is defined in the Act), shall be 2018, meaning the Base Taxable Value shall, to the extent and in the manner defined by the Act, be equal to the equalized taxable value shown on the 2018 Utah County assessment rolls for all property located within the Project Area (which is currently estimated to be \$1,200,000, but is subject to final adjustment and verification by the County and Agency).

4. **Agreement(s) with Developer(s).** The Agency is authorized to enter into one or more participation agreements with one or more participants which may provide for the payment of certain amounts of Tax Increment (to the extent such Tax Increment is actually paid to and received by the Agency from year to year) to the participant(s) conditional upon the participant (s)'s meeting of certain performance measures as outlined in said agreement. Such agreement shall be consistent with the terms and conditions of this Agreement, shall require as a condition of the payment to the participant(s) that the respective participant or its approved successors in title as owners of all current and subsequent parcels within the Project Area, as outlined in Exhibit "A" (the "Property"), shall pay any and all taxes and assessments which shall be assessed against the Property in accordance with levies made by applicable municipal entities in accordance with the laws of the state of Utah applicable to such levies, and such other performance measures as the Agency may deem appropriate.

5. **Payment Trigger.** The first year (“Year One”) of payment of Tax Increment from the Water District to the Agency shall be determined by the Agency but shall be no later than 2023. Each subsequent year, beginning with the first year after Year One, shall be defined in sequence as Year Two through Year Twenty. The Agency may trigger the collection of Tax Increment by timely delivering a letter or other written request to the Utah County Auditor’s office.
6. **Total Payment to Agency.** The County is authorized and instructed to remit to the Agency, beginning with property tax receipts in Year One and continuing through Year Twenty, 60% of the Water District’s annual Tax Increment generated from the Project Area or until a cap amount of \$774,210 is reached, whichever comes first.
7. **Property Tax Increase.** This Agreement provides for the payment of the increase in real and personal property taxes collected from the Project Area by the County acting as the tax collecting agency for the Water District. Real and personal property taxes which are the subject of this Agreement shall not include taxes collected from the Project Area by the County, acting in its capacity as the tax collection agency for the Water District, which are to be paid to or utilized by abatement districts, special service or improvement districts or other entities for which the County acts as the tax collection agency, nor shall it include any component of real property taxes retained by the County as payment for costs incurred in the collection of real property taxes for itself or other applicable agencies. It is expressly understood that the real property taxes which are the subject of this Agreement are only those real and personal property taxes collected by the County on behalf of the Water District from the Project Area.
8. **No Independent Duty.** The Water District shall be responsible to remit to the Agency only Tax Increment received by the County. The Water District shall have no independent duty to pay any amount to the Agency other than the Tax Increment received by the Water District on an annual basis from and including Year One through and including Year Twenty.
9. **Authority to Bind.** Each individual executing this Agreement represents and warrants that such person is authorized to do so, and, that upon executing this Agreement, this Agreement shall be binding and enforceable in accordance with its terms upon the party for whom such person is acting.
10. **Further Documents and Acts.** Each of the parties hereto agrees to cooperate in good faith with the others, and 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 transactions contemplated under this Agreement.
11. **Notices.** Any notice, request, demand, consent, approval or other communication required or permitted hereunder or by law shall be validly given or made only if in writing and delivered to an officer or duly authorized representative of the other party in person or by Federal Express, private commercial delivery or courier service for next business day delivery, or by United States mail, duly certified or registered (return receipt requested), postage prepaid, and addressed to the party for whom intended, as follows:

If to Water District:
Central Utah Water Conservancy District
Attn: District Board
355 W. University Pkwy
Orem, UT 84058
Phone: (801) 226-7100

If to Agency:
Redevelopment Agency of Eagle Mountain City
Attn: Agency Board

1650 E. Stagecoach Run
Eagle Mountain, UT 84005
Phone: (801) 789-6600

Any party may from time to time, by written notice to the others as provided above, designate a different address which shall be substituted for that specified above. Notice sent by mail shall be deemed served or delivered seventy-two (72) hours after mailing. Notice by any other method shall be deemed served or delivered upon actual receipt at the address or facsimile number listed above. Delivery of courtesy copies noted above shall be as a courtesy only and failure of any party to give or receive a courtesy copy shall not be deemed to be a failure to provide notice otherwise properly delivered to a party to this Agreement.

12. **Entire Agreement.** This Agreement is the final expression of and contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior understandings with respect thereto. This Agreement may not be modified, changed, supplemented or terminated, nor may any obligations hereunder be waived, except by written instrument signed by the party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein. This Agreement and its exhibits constitute the entire agreement between the parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understandings of the parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

13. **No Third-Party Benefit.** The parties do not intend to confer any benefit hereunder on any person, firm or corporation other than the parties hereto. There are no intended third-party beneficiaries to this Agreement.

14. **Construction.** Headings at the beginning of each paragraph and subparagraph are solely for the convenience of the parties and are not a part of the Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. Unless otherwise indicated, all references to paragraphs and subparagraphs are to this Agreement. In the event the date on which any of the parties is required to take any action under the terms of this Agreement is not a business day, the action shall be taken on the next succeeding business day.

15. **Partial Invalidity.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law.

16. **Amendments.** No addition to or modification of any provision contained in this Agreement shall be effective unless fully set forth in writing executed by each of the parties hereto.

17. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

18. **Waivers.** No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other covenant or provision herein contained. 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.

19. **Governing Law.** This Agreement and the exhibits attached hereto shall be governed by and construed under the laws of the State of Utah. In the event of any dispute hereunder, it is agreed that

the sole and exclusive venue shall be in a court of competent jurisdiction in Utah County, Utah, and the parties hereto agree to submit to the jurisdiction of such court.

20. **Declaration of Invalidity.** In the event that a court of competent jurisdiction declares that the County cannot pay and/or that the Agency cannot receive payments of the Tax Increment, declares that the Agency cannot pay the Tax Increment to developers, or takes any other action which has the effect of eliminating or reducing the payments of Tax Increment received by the Agency, the Agency's obligation to pay the Tax Increment to developers shall be reduced or eliminated accordingly, the Agency, and the County shall take such steps as are reasonably required to not permit the payment and/or receipt of the Tax Increment to be declared invalid.

21. **No Separate Legal Entity.** No separate legal entity is created by this Agreement.

22. **Duration.** This Agreement shall terminate after the Year Twenty Tax Increment payment.

23. **Assignment.** No party may assign its rights, duties or obligations under this Agreement without the prior written consent first being obtained from all parties. Notwithstanding the foregoing, such consent shall not be unreasonably withheld or delayed so long as the assignee thereof shall be reasonably expected to be able to perform the duties and obligations being assigned.

24. **Termination.** Upon any termination of this Agreement resulting from the uncured default of any party, the order of any court of competent jurisdiction or termination as a result of any legislative action requiring such termination, then any funds held by the Agency and for which the Agency shall not be required to disburse to developers in accordance with the agreements which govern such disbursement, then such funds shall be returned to the party originally remitting same to the Agency and upon such return this Agreement shall be deemed terminated and of no further force or effect.

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


- a. This Agreement has been, on or prior to the date hereof, authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Cooperation Act;
- b. This Agreement has been, on or prior to the date hereof, reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5(3) of the Cooperation 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 Cooperation Act;
- d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act, pursuant to Section 11-13-207 of the Cooperation Act; and
- e. Should a party to this Agreement desire to terminate this Agreement, in part or in whole, each party to the Agreement must adopt, by resolution, an amended Interlocal Cooperation Agreement stating the reasons for such termination. Any such amended Interlocal Cooperation Agreement must be in harmony with any development/participation agreement(s) entered into by the Agency as described in this Agreement.

outside the parameters of the current undertaking. However, to the extent that this Agreement may be construed as providing for the acquisition, holding or disposing of real and/or personal property, all such property shall be owned by the Agency upon termination of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day specified above.

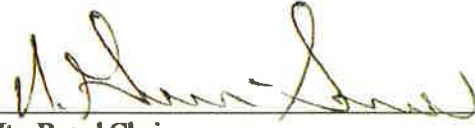
Water District: CENTRAL UTAH WATER CONSERVANCY DISTRICT

Attest:



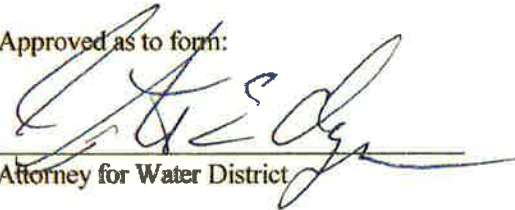
Secretary

By:



Its: Board Chair

Approved as to form:



Attorney for Water District

Agency: EAGLE MOUNTAIN REDEVELOPMENT AGENCY

Attest:

By: _____

Its: Chair

Secretary

Approved as to form:

Attorney for Agency

- f. Immediately after execution of this Agreement by both Parties, the Agency shall, on behalf of both parties, cause to be published notice regarding this Agreement pursuant to Section 11-13-219 of the Cooperation Act.
- g. This Agreement makes no provision for the parties acquiring, holding and disposing of real and personal property used in the joint undertaking as such action is not contemplated as part of this Agreement nor part of the undertaking. Any such provision would be outside the parameters of the current undertaking. However, to the extent that this Agreement may be construed as providing for the acquisition, holding or disposing of real and/or personal property, all such property shall be owned by the Agency upon termination of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day specified above.

Dated this _____ day of _____, 2019.

Water District: CENTRAL UTAH
WATER CONSERVANCY DISTRICT

ATTEST:

By: _____
Its: Board Chair

Secretary

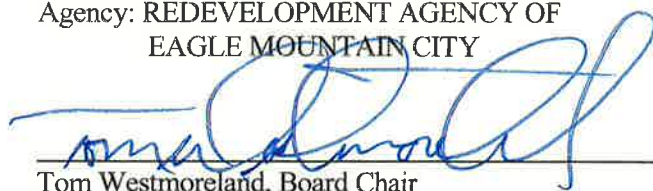
APPROVED AS TO FORM:

Attorney for Water District

Dated this 14 day of May, 2019.

Agency: REDEVELOPMENT AGENCY OF
EAGLE MOUNTAIN CITY

ATTEST:

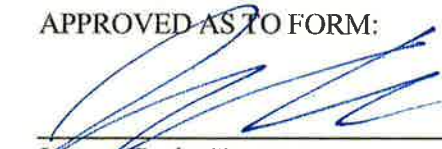


Tom Westmoreland, Board Chair



Aaron Sanborn, Executive Director

APPROVED AS TO FORM:



Jeremy Cook, City Attorney



EXHIBIT A
to
INTERLOCAL AGREEMENT

Legal Description of Project

PROJECT MOCKINGBIRD 80-ACRE PARCEL LEGAL DESCRIPTION

BEGINNING AT A POINT S00°23'57"W 47.00 FEET FROM THE NORTHWEST CORNER OF SECTION 16, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE S89°22'57"E 1843.00 FEET; THENCE S00°23'57"W 1890.95 FEET; THENCE N89°22'57"W 1843.00 FEET; THENCE N00°23'57"E 1890.95 FEET TO THE POINT OF BEGINNING.

CONTAINS 3,484,995.55 SQ.FT. OR 80.00 ACRES

PROJECT AREA PLAN

POLE CANYON COMMUNITY REINVESTMENT AREA (CRA)

EAGLE MOUNTAIN REDEVELOPMENT AGENCY, UTAH



APRIL 2019


**LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.**

GATEWAY PLAZA BUILDING - 41 N. RIO GRANDE, STE 101 - SALT LAKE CITY, UT 84101
(P) 801-596-0700 - (TF) 800-581-1100 - (F) 801-596-2800 - www.LewisYoung.com



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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 several 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;



- the tax identification number of the parcels from which tax increment will be collected; or
- a legal description of the portion of the Project Area from which tax increment will be collected; and

☞ for property that the Agency owns and expects to sell, the expected total cost of the property to the Agency and the expected selling price.

“Project Area Plan” or **“Plan”** shall mean the written plan (outlined by 17C-5-105 of the Act) that, after its effective date, guides and controls the community reinvestment activities within the Project Area. Project Area Plan refers to this document and all the attachments to this document, which attachments are incorporated by this reference. It is anticipated that the POLE CANYON PLAN will be subject to an interlocal agreement process with the taxing entities within the Project Area.

“Taxes” includes all levies on an ad valorem basis upon land, local and centrally assessed real property, personal property, or any other property, tangible or intangible.

“Taxing Entity” shall mean any public entity that levies a tax on any property within the Project Area.

“Tax Increment” shall mean the difference between the amount of property tax revenues generated each tax year by all taxing entities from the Project Area using the current assessed value of the property and the amount of property tax revenues that would be generated from the same area using the base taxable value of the property.

“Tax Increment Period” shall mean the period in which the taxing entities from the Project Area consent that a portion of their tax increment from the Project Area be used to fund the objectives outlined in the Project Area Plan.

“Tax Year” shall mean the 12-month period between sequential tax roll equalizations (November 1st - October 31st) of the following year, e.g., the November 1, 2018 - October 31, 2019 tax year.

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 Pole Canyon Community Reinvestment Project Area (the "Project Area"). This Plan is the 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 western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. 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 always been observed 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 **March 5, 2019**.

Utah Code
§17C-5-104

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-5-105(1)

Description of the Boundaries of the Proposed Project Area

A legal description of the Project Area along with a detailed map of the Project Area is attached respectively as **Exhibit A** and **Exhibit B** and incorporated herein. The Project Area lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. All the land in the Project Area is currently vacant. The Project Area is comprised of approximately 80 acres of property.

As delineated in the office of the Utah County Recorder, the Project Area encompasses a 120-acre portion of the parcels detailed in **Table 1**.

TABLE 1: PARCEL LIST

Parcel Id	Parcel Owner
59:048:0089	Oquirrh Wood Ranch LLC
59:048:0077	BATN Family Investments

UTAH CODE
§17C-5-105(1)

General Statement of Land Uses, Layout of Principal Streets, Population Densities, Building Densities and How They Will be Affected by the Project Area

General Land Uses

The property within the Project Area is currently classified as vacant agriculture/greenbelt property. Most of the property surrounding the Project Area is also vacant agriculture/greenbelt.

Table 1 summarizes the approximate acreage of existing land uses by land use type.

TABLE 2: LAND USES

Type	Acres	% of Area
Vacant Agriculture/Greenbelt	80	100%
Total	80	100%

This Project Area Plan is consistent with the General Plan of the City and promotes economic activity by virtue of the land uses contemplated. Any zoning change, amendment or conditional use permit necessary to the successful development contemplated by this Project Area Plan shall be undertaken in accordance with the requirements of the City's Code and all other applicable laws including all goals and objectives in the City's General Plan.

Layout of Principal Streets

There are currently no paved streets within the Project Area, 4000 N., an unpaved road runs along the northern periphery of the Project Area.



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 food manufacturing facility.

Land Use – It is anticipated that future development within the Project Area will create space for a food manufacturing facility, and any other ancillary 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 include the construction of some additional streets in the area. It is anticipated that access roads will also 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 increase as the Project Area is anticipated to create approximately 1,400 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



It is the intent of the Agency, with the assistance and participation of private developers and property owners, to facilitate the development within the Project Area.

UTAH CODE
§17C-5-105(E)

Conformance of the Proposed Development to the Community's General Plan

The proposed Community Reinvestment Project Area Plan and the development contemplated are consistent with the City's proposed General Plan and land use regulations.

UTAH CODE
§17C-5-105(G)

Describe any Specific Project or Projects that are the object of the Proposed Community Reinvestment

The Project Area is being created in order to assist with the construction of a food manufacturing facility and any ancillary buildings.

UTAH CODE
§17C-5-105(H)

Method of Selection of Private Developers to undertake the Community Reinvestment and Identification of Developers Currently Involved in the Process

The City and Agency will select or approve such development as solicited or presented to the Agency and City that meets the development objectives set forth in this plan. The City and Agency retain the right to approve or reject any such development plan(s) that in their judgment do not meet the development intent for the Project Area. The City and Agency may choose to solicit development through an RFP or RFQ process, through targeted solicitation to specific industries, from inquiries to the City, EDC Utah, and/or from other such references.

The City and Agency will ensure that all development conforms to this plan and is approved by the City. All potential developers may need to provide a detailed development plan including sufficient financial information to provide the City and Agency with confidence in the sustainability of the development and the developer. Such a review may include a series of studies and reviews including reviews of the Developers financial statements, third-party verification of benefit of the development to the City, appraisal reports, etc.

Any participation between the Agency and developers and property owners shall be by an approved agreement.

UTAH CODE
§17C-5-105(I)

Reason for Selection of the Project Area

The Project Area is currently classified as vacant agriculture/greenbelt and is collecting relatively no tax revenue for the taxing entities. The creation of the Project Area will create a significant economic benefit



to all taxing entities as this underutilized area will be developed to a higher and greater use. The development will also serve as an anchor tenant of the future Pole Canyon Industrial Park.

UTAH CODE
§17C-5-105(j)

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

Physical Conditions

The Project Area consists of approximately 80 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 vacant agriculture/greenbelt classification.

Economic Conditions

The Project Area is currently under vacant agriculture/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 to future development within the Project Area.

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)

Anticipated Public Benefit to be Derived from the Community Development

UTAH CODE
§17C-5-105(2)(ii)(A)

The Beneficial Influences upon the Tax Base of the Community

The beneficial influences upon the tax base of the City and the other taxing entities will include increased property tax revenues, job growth, and affordable housing opportunities in the community. The increased revenues will come from the property values associated with new construction in the area, as well as increased land values as the property within the Project Area will no longer be classified as vacant agriculture/greenbelt. Property values include land, buildings and personal property (machines, equipment, etc.).

Job growth in the Project Area will result in increased wages, increasing local purchases and benefiting existing businesses in the area. Job growth will also result in increased income taxes paid. Additionally, business growth will generate corporate income taxes.

There will also be a beneficial impact on the community through increased construction activity within the Project Area. Positive impacts will be felt through construction wages paid, as well as construction supplies purchased locally.

UTAH CODE
§17C-5-105(2)(ii)(B)

The Associated Business and Economic Activity Likely to be Stimulated

Other business and economic activity likely to be stimulated includes increased spending by new and existing residents within the City and employees in the Project Area and in surrounding areas. This includes both direct and indirect purchases that are stimulated by the spending of the additional employees in the area.

Employees may make some purchases in the local area, such as convenience shopping for personal services (haircuts, banking, dry cleaning, etc.). The employees will not make all their convenience or personal services purchases near their workplace and each employee's purchasing patterns will be different. However, it is reasonable to assume that a percentage of these annual purchases will occur within proximity of the workplace (assuming the services are available). The City also envisions this area as a future industrial park, this development will act as an anchor and likely attract new businesses to the area.

UTAH CODE
§17C-5-105(2)(B)

Efforts to Maximize Private Investment

The agency has formed a partnership with the developers to realize the vision of this project area. It is anticipated that the development will require over \$250,000,000 of private capital. Creating a CRA will act as a catalyst for the development.

UTAH CODE
§17C-5-105(2)(C)

“But For” Analysis

The anticipated development includes numerous costs, including land purchase, infrastructure and over \$200 million of personal property. “But-for” the creation of the CRA and public participation, the costs associated with the development would be too high, and the Project Area would remain in its underutilized state.


 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.

TABLE 3: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Total	NPV at 4%
Utah County	60%	20 Years	\$1,416,805	\$934,277
Alpine School District	60%	20 Years	13,612,553	8,976,460
Eagle Mountain City	60%	20 Years	1,788,426	1,179,333
Central Utah Water Conservancy District	60%	20 Years	774,210	510,534
Unified Fire Service Area – Salt Lake County	60%	20 Years	3,553,625	2,343,350
Total Sources of Tax Increment Funds			\$21,145,620	\$13,943,954

TABLE 4: PROJECT AREA REVENUES

Entity	Property Tax	Sales Tax	Franchise Tax	Total Tax Increment Revenues
Utah County	\$2,361,342	\$459,220	-	\$2,820,562
Alpine School District	22,687,589	-	-	22,687,589
Eagle Mountain City	2,980,710	444,731	3,892,941	7,318,382
Central Utah Water Conservancy District	1,290,351	-	-	1,290,351
Unified Fire District – Salt Lake County	5,922,709	-	-	5,922,709
Total Revenue	\$35,242,700	\$903,951	\$3,892,941	\$40,039,592

TABLE 5: PROJECT AREA EXPENDITURES

Entity	Property Tax	General Government	Public Safety	Public Works	Total Expenditures
Utah County	\$1,416,805	\$141,535	-	-	\$1,558,340
Alpine School District	13,612,553	8,107,145	-	-	21,719,698
Eagle Mountain City	1,788,426	730,016	1,172,766	477,903	4,169,111
Central Utah Water Conservancy District	774,210	82,816	-	-	857,026
Unified Fire District – Salt Lake County	3,553,625	244,911	-	-	3,798,536
Total Revenue	\$21,145,620	\$9,306,423	\$1,172,766	\$477,903	\$32,102,712

The total net benefit to the taxing entities of participating in the Project Area is \$7,936,880, with the City's net benefit being \$3,149,271.



EXHIBIT A: Legal Description of Pole Canyon CRA

PROJECT MOCKINGBIRD 80-ACRE PARCEL LEGAL DESCRIPTION

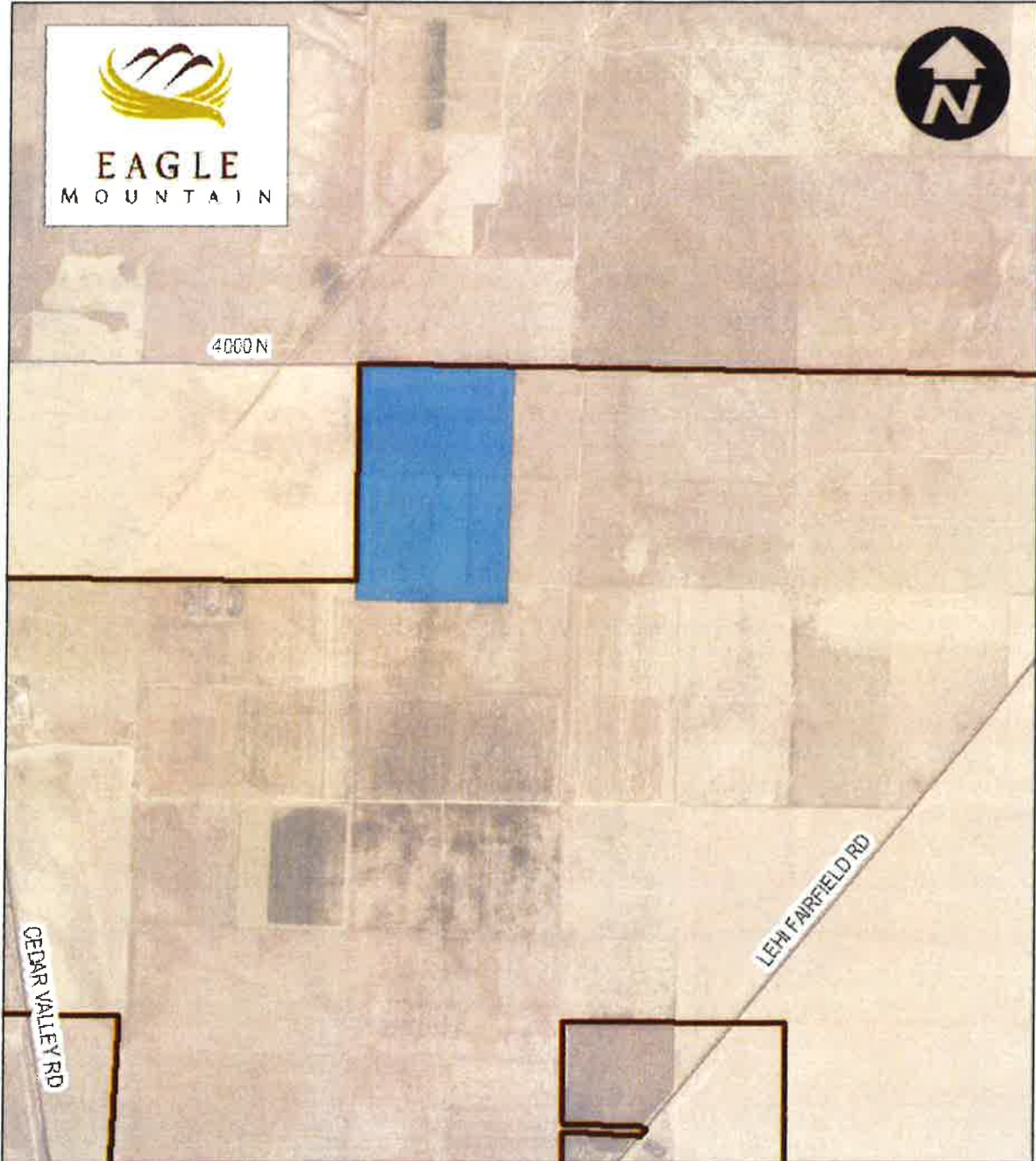
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CONTAINS 3,484,995.55 SQ.FT. OR 80.00 ACRES





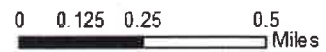
EXHIBIT B: Project Area Map

MAP OF PROPOSED PROJECT AREA BOUNDARIES



POLE CANYON CRA

-  EAGLE MOUNTAIN
-  POLE CANYON CRA



LEWIS  YOUNG
ROBERTSON & BURNINGHAM, INC.

EXHIBIT "C"
To
INTERLOCAL AGREEMENT

Project Area Budget

PROJECT AREA BUDGET

POLE CANYON COMMUNITY REINVESTMENT AREA (CRA)

EAGLE MOUNTAIN REDEVELOPMENT AGENCY, UTAH



APRIL 2019


LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.

GATEWAY PLAZA BUILDING - 41 N. RIO GRANDE, STE 101 - SALT LAKE CITY, UT 84101
(P) 801-596-0700 - (TF) 800-581-1100 - (F) 801-596-2800 - WWW.LEWISYOUNG.COM



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Section 1: Introduction

The Eagle Mountain Redevelopment Agency (the "Agency"), following thorough consideration of the needs and desires of the City of Eagle Mountain (the "City") and its residents, as well as understanding the City's capacity for new development, has carefully crafted the Project Area Plan (the "Plan") for the Pole Canyon Community Reinvestment Project Area (the "Project Area"). The Plan is the result of a comprehensive evaluation of the types of appropriate land-uses and economic development opportunities for the land encompassed by the Project Area which lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park.

The Plan is envisioned to define the method and means of development for 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. This **Project Area Budget** document (the "Budget") is predicated upon certain elements, objectives and conditions outlined in the Plan and intended to be used as a financing tool to assist the Agency in meeting Plan objectives discussed herein and more specifically referenced and identified in the Plan.

The creation of the Project Area is being undertaken as a community reinvestment project pursuant to certain provisions of Chapters 1 and 5 of the Utah Community Reinvestment Agency Act (the "Act", Utah Code Annotated ("UCA") Title 17C). The requirements of the Act, including notice and hearing obligations, have always been observed throughout the establishment of the Project Area.

Section 2: Description of Community Development Project Area

The Project Area lies within the western portion of the City, southwest of Eagle Mountain City Hall. The Project Area will be within the future Pole Canyon Industrial Park. The property is currently vacant land and is generating very little tax revenue for the City and other taxing entities. The property encompasses approximately 120 acres of land.

A map of the Project Area is attached hereto in EXHIBIT A.



Section 3: General Overview of Project Area Budget

The purpose of the Project Area Budget is to provide the financial framework necessary to implement the Project Area Plan vision and objectives. The Project Area Plan has identified that tax increment financing is essential in order to meet the objectives of the CRA Project Area. The following information will detail the sources and uses of tax increment and other necessary details needed for public officials, interested parties, and the public in general to understand the mechanics of the Project Area Budget.

Base Year Value

The Agency has determined that the base year property tax value for the Project Area will be the total taxable value for the 2018 tax year which is estimated to be \$1,200,000. Using the tax rates established within the Project Area the property taxes levied equate to \$13,110 annually. Accordingly, this amount will continue to flow through to each taxing entity proportional to the amount of their respective tax rates being levied.

Payment Trigger

The Project Area will have a twenty-year (20) duration from the date of the first tax increment received by the Agency. The collection of tax increment will be triggered at the discretion of the Agency prior to March 1 of the tax year in which they intend to begin the collection of increment. The following year in which this increment will be remitted to the Agency will be Year 1, e.g., if requested prior to March 1, 2020, Year 1 of increment will be 2021. The first year of tax increment shall be determined by the Agency.

Projected Tax Increment Revenue – Total Generation

Development within the Project Area will commence upon favorable market conditions which will include both horizontal and vertical infrastructure and development. The Agency anticipates that new development will begin in the Project Area in 2019. The contemplated development will generate significant additional property tax revenue as well as incremental sales and use tax above what is currently generated within the Project Area.

Property Tax Increment will begin to be generated in the tax year (ending Dec 1st) following construction completion and Tax Increment will be paid to the Agency in March or April after collection. It is projected that property Tax Increment generation within the Project Area could begin as early as 2021 or as late as 2022. It is currently estimated that during the 20-year life of the Project Area Budget, property Tax Increment could be generated within the Project Area in the approximate amount of \$35.24 million or at a net present value (NPV)¹ of \$23.24 million. This amount is over and above the \$262,200 of base taxes that the property would generate over 20 years at the \$13,110 annual amount it currently generates as shown in Table 4.1 below.

¹ Net Present Value of future cash flows assumes a 4% discount rate. The same 4% discount rate is used in all remaining NPV calculations. This total is prior to accounting for the flow-through of tax increment to the respective taxing entities.

Section 4: Property Tax Increment

Base Year Property Tax Revenue

The taxing entities are currently receiving - and will continue to receive - property tax revenue from the current assessed value of the property within the Project Area ("Base Taxes"). The current assessed value is estimated to be \$1,200,000. Based upon the tax rates in the area, the collective taxing entities are receiving \$13,110 in property tax annually from this Project Area. This equates to approximately \$262,200 over the 20-year life of the Project Area.

TABLE 4.1: TOTAL BASE YEAR TO TAXING ENTITIES (OVER 20 YEARS)

Entity	Total	NPV at 4%
Utah County	\$17,568	\$11,938
Alpine School District	168,792	114,697
Eagle Mountain City	22,176	15,069
Central Utah Water Conservancy District	9,600	6,523
Unified Fire Service Area – Salt Lake County	44,064	29,942
Total Revenue	\$262,200	\$178,169

Property Tax Increment Shared with RDA

All taxing entities that receive property tax generated within the Project Area, as detailed above, will share at least a portion of that increment generation with the Agency. All taxing entities will contribute 60% of their respective tax increment for 20 years. Table 4.2 shows the amount of Tax Increment shared with the Agency assuming the participation levels discussed above.

TABLE 4.2: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Total	NPV at 4%
Utah County	60%	20 Years	\$1,416,805	\$934,277
Alpine School District	60%	20 Years	13,612,553	8,976,460
Eagle Mountain City	60%	20 Years	1,788,426	1,179,333
Central Utah Water Conservancy District	60%	20 Years	774,210	510,534
Unified Fire Service Area – Salt Lake County	60%	20 Years	3,553,625	2,343,350
Total Sources of Tax Increment Funds			\$21,145,620	\$13,943,954

Uses of Tax Increment

The anticipated development includes numerous costs, including land purchase, infrastructure and over \$200 million of personal property. "But-for" the creation of the CRA and public participation, the costs associated with the development would be too high, and the Project Area would remain in its underutilized state.

The majority of the remaining Tax Increment collected by the Agency will be used to overcome the obstacles outlined above (88%). Including: offsetting certain on-site public infrastructure costs, Agency requested improvements and upgrades, desirable Project Area improvements, and other redevelopment activities as approved by the Agency. 10% will go towards affordable housing, as required by the Act. The remaining 2% will be used by the Agency to administer the Project Area.

TABLE 4.3: USES OF TAX INCREMENT

Uses	Total	NPV at 4%
Redevelopment Activities	\$18,608,146	\$12,270,680
CRA Housing Requirement	2,114,562	1,394,395
Project Area Administration	422,912	278,879
Total Uses of Tax Increment Funds	\$21,145,620	\$13,943,954

A multi-year projection of tax increment is including in **EXHIBIT B**.

Total Annual Property Tax Revenue for Taxing Entities at Conclusion of Project

As described above, the collective taxing entities are currently receiving approximately \$13,110 in property taxes annually from this Project Area. At the end of 20 years an additional \$2,011,033 in property taxes annually is anticipated, totaling approximately \$2,024,143 in property taxes annually for the area. "But for" the assistance provided by the RDA through tax increment revenues, this 15,340 percent increase in property taxes generated for the taxing entities would not be possible.

TABLE 4.4: TOTAL BASE YEAR AND END OF PROJECT LIFE ANNUAL PROPERTY TAXES

Entity	Annual Base Year Property Taxes	Annual Property Tax Increment at Conclusion of Project	Total Annual Property Taxes
Utah County	\$878	\$134,744	\$135,622
Alpine School District	8,440	1,294,608	1,303,048
Eagle Mountain City	1,109	170,086	171,195
Central Utah Water Conservancy District	480	73,631	74,111
Unified Fire Service Area – Salt Lake County	2,203	337,964	340,167
Total Revenue	\$13,110	\$2,011,033	\$2,024,143



Section 5: Cost/Benefit Analysis

Additional Revenues

Other Tax Revenues

The development within the Project Area will also generate sales taxes and municipal energy taxes. Table 5.1 shows the total revenues generated by the Project Area.

TABLE 5.1 TOTAL REVENUES

Entity	Property Tax	Sales Tax	Franchise Tax	Total Incremental Revenues
Utah County	\$2,361,342	\$459,220	-	\$2,820,562
Alpine School District	22,687,589	-	-	22,687,589
Eagle Mountain City	2,980,710	444,731	3,892,941	7,318,382
Central Utah Water Conservancy District	1,290,351	-	-	1,290,351
Unified Fire Service Area – Salt Lake County	5,922,709	-	-	5,922,709
Total Revenue	\$35,242,700	\$903,951	\$3,892,941	\$40,039,592

Additional Costs

The development anticipated within the Project Area will also likely result in additional general government, public works, and public safety costs. These costs, along with the estimated budget to implement the Project Area Plan, are identified below.

TABLE 5.2 TOTAL EXPENDITURES

Entity	CRA Budget	General Government	Public Works	Public Safety	Total Incremental Expenditures
Utah County	\$1,416,805	\$141,535	-	-	\$1,558,340
Alpine School District	13,612,553	8,107,145	-	-	21,719,698
Eagle Mountain City	1,788,426	730,016	1,172,766	477,903	4,169,111
Central Utah Water Conservancy District	774,210	82,816	-	-	857,026
Unified Fire Service Area – Salt Lake County	3,553,625	244,911	-	-	3,798,536
Total Expenditures	\$21,145,620	\$9,306,423	\$1,172,766	\$477,903	\$32,102,712



The total net benefit to the taxing entities of participating in the Project Area is \$7,936,880, with the City's net benefit being \$3,149,271.

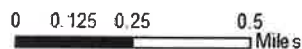


Exhibit A: Project Area Map



POLE CANYON CRA

-  EAGLE MOUNTAIN
-  POLE CANYON CRA



LEWIS  YOUNG
ROBERTSON & BURNINGHAM, INC.



Exhibit B: Multi-Year Budget

Eagle Mountain Redevelopment Agency

Pole Canyon Community Reinvestment Area
Increment and Budget Analysis

ASSUMPTIONS	
Discount Rate	4.0%
Inflation Rate	0.0%

INCREMENTAL TAX ANALYSIS:	Payment Year	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS	NPV	
	Tax Year	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040			2041
Cumulative Taxable Value	Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20			
Real Property Value (Building & Land)		\$38,573,008	\$38,573,008	\$38,573,008	\$38,573,008	\$38,573,008	\$49,027,408	\$49,027,408	\$49,027,408	\$49,027,408	\$49,027,408	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008	\$64,709,008		
Personal Property Value		-	\$108,396,100	\$105,024,050	\$100,289,850	\$109,390,380	\$104,220,832	\$97,516,710	\$89,371,070	\$81,028,410	\$73,331,472	\$96,913,231	\$83,614,143	\$81,207,528	\$78,698,714	\$76,439,135	\$122,380,269	\$117,523,638	\$112,220,807	\$107,323,393	\$102,633,055			
Total Assessed Value:		\$38,573,008	\$146,969,108	\$143,597,058	\$138,862,858	\$147,963,368	\$153,248,240	\$146,544,118	\$138,398,478	\$130,055,819	\$122,358,881	\$161,622,239	\$148,323,151	\$145,916,536	\$143,407,723	\$141,148,144	\$187,089,278	\$182,232,646	\$176,929,816	\$172,032,401	\$167,342,063			
Development Performance Contingency Buffer (10%)		\$3,857,301	\$14,696,911	\$14,359,706	\$13,886,286	\$14,796,339	\$15,324,824	\$14,654,412	\$13,839,848	\$13,005,582	\$12,235,888	\$16,162,224	\$14,832,315	\$14,591,654	\$14,340,772	\$14,114,814	\$18,708,928	\$18,223,265	\$17,692,982	\$17,203,240	\$16,734,206			
Value of Current Property		\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000		
Less Base Year Value		\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)		
TOTAL INCREMENTAL VALUE:		\$42,430,309	\$161,666,019	\$157,956,764	\$152,749,144	\$162,759,727	\$168,573,064	\$161,198,530	\$152,238,326	\$143,061,401	\$134,594,769	\$177,784,463	\$163,155,467	\$160,508,190	\$157,748,495	\$155,262,958	\$205,798,205	\$200,455,911	\$194,622,797	\$189,235,641	\$184,076,269			
TAX RATE & INCREMENT ANALYSIS:	2018 Rates																							
Utah County	0.000732	31,059	118,340	115,624	111,812	119,140	123,395	117,997	111,438	104,721	98,523	130,138	119,430	117,492	115,472	113,652	150,644	146,734	142,464	138,520	134,744	2,361,342	1,557,128	
Alpine School District	0.007033	298,412	1,136,997	1,110,910	1,074,285	1,144,689	1,185,574	1,133,709	1,070,692	1,006,151	946,605	1,250,358	1,147,472	1,128,854	1,109,445	1,091,964	1,447,379	1,409,806	1,368,782	1,330,894	1,294,608	22,687,589	14,960,767	
Eagle Mountain City	0.000924	39,206	149,379	145,952	141,140	150,390	155,762	148,947	140,668	132,189	124,366	164,273	150,756	148,310	145,760	143,463	190,158	185,221	179,831	174,854	170,086	2,980,710	1,965,555	
Central Utah Water Conservancy District	0.000400	16,972	64,666	63,183	61,100	65,104	67,429	64,479	60,895	57,225	53,838	71,114	65,262	64,203	63,099	62,105	82,319	80,182	77,849	75,694	73,631	1,290,351	850,890	
Unified Fire Service Area - Salt Lake County	0.001836	77,902	296,819	290,009	280,447	298,827	309,500	295,961	279,510	262,661	247,116	326,412	299,553	294,693	289,626	285,063	377,846	368,037	357,327	347,437	337,964	5,922,709	3,905,583	
Totals:	0.010925	463,551	1,766,201	1,725,678	1,668,784	1,778,150	1,841,661	1,761,094	1,663,204	1,562,946	1,470,448	1,942,295	1,782,473	1,753,552	1,723,402	1,696,248	2,248,345	2,189,981	2,126,254	2,067,399	2,011,033	35,242,700	23,239,923	
TOTAL INCREMENTAL REVENUE IN PROJECT AREA:		\$463,551	\$1,766,201	\$1,725,678	\$1,668,784	\$1,778,150	\$1,841,661	\$1,761,094	\$1,663,204	\$1,562,946	\$1,470,448	\$1,942,295	\$1,782,473	\$1,753,552	\$1,723,402	\$1,696,248	\$2,248,345	\$2,189,981	\$2,126,254	\$2,067,399	\$2,011,033	\$35,242,700	\$23,239,923	
PROJECT AREA BUDGET		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041			
Sources of Funds:																								
Property Tax Participation Rate for Budget																								
Utah County		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%		
Alpine School District		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%		
Eagle Mountain City		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%		
Central Utah Water Conservancy District		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%		
Unified Fire Service Area - Salt Lake County		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%		
Property Tax Increment for Budget																								
Utah County		\$18,635	\$71,004	\$69,375	\$67,087	\$71,484	\$74,037	\$70,798	\$66,863	\$62,833	\$59,114	\$78,083	\$71,658	\$70,495	\$69,283	\$68,191	\$90,387	\$88,040	\$85,478	\$83,112	\$80,846	\$1,416,805	\$934,277	
Alpine School District		\$179,047	\$682,198	\$666,546	\$644,571	\$686,813	\$711,345	\$680,226	\$642,415	\$603,690	\$567,963	\$750,215	\$688,483	\$677,312	\$665,667	\$655,179	\$868,427	\$845,884	\$821,269	\$798,537	\$776,765	\$13,612,553	\$8,976,460	
Eagle Mountain City		\$23,523	\$89,628	\$87,571	\$84,684	\$90,234	\$93,457	\$89,368	\$84,401	\$79,313	\$74,619	\$98,564	\$90,453	\$88,986	\$87,456	\$86,078	\$114,095	\$111,133	\$107,899	\$104,912	\$102,052	\$1,788,426	\$1,179,333	
Central Utah Water Conservancy District		\$10,183	\$38,800	\$37,910	\$36,660	\$39,062	\$40,458	\$38,688	\$36,537	\$34,335	\$32,303	\$42,668	\$39,157	\$38,522	\$37,860	\$37,263	\$49,392	\$48,109	\$46,709	\$45,417	\$44,178	\$774,210	\$510,534	
Unified Fire Service Area - Salt Lake County		\$46,741	\$178,091	\$174,005	\$168,268	\$179,296	\$185,700	\$177,576	\$167,706	\$157,596	\$148,270	\$195,847	\$179,732	\$176,816	\$173,776	\$171,038	\$226,707	\$220,822	\$214,396	\$208,462	\$202,778	\$3,553,625	\$2,343,350	
Total Property Tax Increment for Budget:		\$278,131	\$1,059,721	\$1,035,407	\$1,001,271	\$1,066,890	\$1,104,996	\$1,056,656	\$997,922	\$937,767	\$882,269	\$1,165,377	\$1,069,484	\$1,052,131	\$1,034,041	\$1,017,749	\$1,349,007	\$1,313,988	\$1,275,752	\$1,240,440	\$1,206,620	\$21,145,620	\$13,943,954	
Uses of Tax Increment Funds:																								
Redevelopment Activities (Infrastructure, Incentives, etc.)	88.0%	\$244,755	\$932,554	\$911,158	\$881,118	\$938,863	\$972,397	\$929,858	\$878,172	\$825,235	\$776,396	\$1,025,532	\$941,146	\$925,875	\$909,956	\$895,619	\$1,187,126	\$1,156,310	\$1,122,662	\$1,091,587	\$1,061,826	\$18,608,146	\$12,270,680	
CRA Housing Requirement	10.0%	\$27,813	\$105,972	\$103,541	\$100,127	\$106,689	\$110,500	\$105,666	\$99,792	\$93,777	\$88,227	\$116,538	\$106,948	\$105,213	\$103,404	\$101,775	\$134,901	\$131,399	\$127,575	\$124,044	\$120,662	\$2,114,562	\$1,394,395	
RDA Administration	2.0%	\$5,563	\$21,194	\$20,708	\$20,025	\$21,338	\$22,100	\$21,133	\$19,958	\$18,755	\$17,645	\$23,308	\$21,390	\$21,043	\$20,681	\$20,355	\$26,980	\$26,280	\$25,515	\$24,809	\$24,132	\$422,912	\$278,879	
Total Uses		\$278,131	\$1,059,721	\$1,035,407	\$1,001,271	\$1,066,890	\$1,104,996	\$1,056,656	\$997,922	\$937,767	\$882,269	\$1,165,377	\$1,069,484	\$1,052,131	\$1,034,041	\$1,017,749	\$1,349,007	\$1,313,988	\$1,275,752	\$1,240,440	\$1,206,620	\$21,145,620	\$13,943,954	
REMAINING TAX REVENUES FOR TAXING ENTITIES																								
Utah County		\$12,424	\$47,336	\$46,250	\$44,725	\$47,656	\$49,358	\$47,199	\$44,575	\$41,888	\$39,409	\$52,055	\$47,772	\$46,997	\$46,189	\$45,461	\$60,258	\$58,693	\$56,986	\$55,408	\$53,898	\$944,537	\$622,851	
Alpine School District		\$119,365	\$454,799	\$444,364	\$429,714	\$457,876	\$474,230	\$453,484	\$428,277	\$402,460	\$378,642	\$500,143	\$458,989	\$451,542	\$443,778	\$436,786	\$578,952	\$563,923	\$547,513	\$532,358	\$517,843	\$9,075,036	\$5,984,307	
Eagle Mountain City		\$15,682	\$59,752	\$58,381	\$56,456	\$60,156	\$62,305	\$59,579	\$56,267	\$52,875	\$49,746	\$65,709	\$60,302	\$59,324	\$58,304	\$57,385	\$76,063	\$74,089	\$71,933	\$69,941	\$68,035	\$1,192,284	\$786,222	
Central Utah Water Conservancy District		\$6,789	\$25,867	\$25,273	\$24,440	\$26,042	\$26,972	\$25,792	\$24,358	\$22,890	\$21,535	\$28,446	\$26,105	\$25,681	\$25,240	\$24,842	\$32,928	\$32,073	\$31,140	\$30,278	\$29,452	\$516,140	\$340,356	
Unified Fire Service Area - Salt Lake County		\$31,161	\$118,728	\$116,003	\$112,179	\$119,531	\$123,800	\$118,384	\$111,804	\$105,064	\$98,846	\$130,565	\$119,821	\$117,877	\$115,850	\$114,025	\$151,138	\$147,215	\$142,931	\$138,975	\$135,186	\$2,369,084	\$1,562,233	
Total		\$185,420	\$706,481	\$690,271	\$667,514	\$711,260	\$736,664	\$704,438	\$665,281	\$625,178	\$588,179	\$776,918	\$712,989	\$701,421	\$689,361	\$678,499	\$899,338	\$875,992	\$850,502	\$826,960	\$804,413	\$14,097,080	\$9,295,969	

RESOLUTION OF THE UNIFIED FIRE SERVICE AREA BOARD APPROVING AN INTERLOCAL COOPERATION AGREEMENT BETWEEN UFSA AND THE EAGLE MOUNTAIN REDEVELOPMENT AGENCY.

WHEREAS, pursuant to the provisions of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the "Interlocal Act"), and the provisions of the Community Reinvestment Agency Act, Title 17C, Utah Code Annotated 1953, as amended (the "CRA Act"), public agencies, including political subdivisions of the State of Utah as therein defined, are authorized to enter into mutually advantageous agreements for joint and cooperative actions, including the sharing of tax and other revenues; and

WHEREAS, Unified Fire Service Area (the "UFSA") and the Eagle Mountain Redevelopment Agency (the "Agency") are "public agencies" for purposes of the Act; and

WHEREAS, after careful analysis and consideration of relevant information, the UFSA desires to enter into an Interlocal Agreement with the Agency whereby the UFSA would remit to the Agency a portion of the property tax increment generated within the Pole Canyon Community Reinvestment Project Area, (the "Project Area") which would otherwise flow to the UFSA, for the purpose of encouraging development activities through the payment for certain public infrastructure and other uses that directly benefit the Project Area; and

WHEREAS, Section 11-13-202.5 of the Interlocal Act requires that certain interlocal agreements be approved by resolution of the legislative body of a public agency.

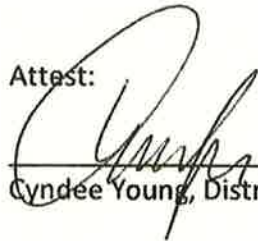
NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE LEGISLATIVE BODY of the UFSA as follows:

1. The Interlocal Cooperation Agreement between the UFSA and the Agency, substantially in the form attached hereto as Exhibit A (the "Agreement"), is approved in final form and shall be executed for and on behalf of the UFSA by the District Administrator or the Board Chair.
2. Pursuant to Section 11-13-202.5 of the Interlocal Act, the Agreement has been submitted to legal counsel of the UFSA for review and approval as to form and legality.
3. Pursuant to Section 11-13-209 of the Interlocal Act, a duly executed original counterpart of the Agreement shall be filed immediately with the UFSA Clerk, the keeper of records of the Fire District.
4. As provided in Utah Code Ann. § 17C-5-205(3), the Agreement shall be effective on the day on which the Agency publishes notice of the Agreement pursuant to Utah Code Ann. § 11-13-219 of the Interlocal Act.

5. This Resolution shall take effect upon adoption.

APPROVED AND ADOPTED by the legislative body of Unified Fire Service Area this 21st day of May, 2019.

Attest:



Cyndee Young, District Clerk



Jeff Silvestrini, UFGA Board Chair

RESOLUTION NO. 2019-05-03

RESOLUTION OF THE CENTRAL UTAH WATER CONSERVANCY DISTRICT BOARD APPROVING AN INTERLOCAL COOPERATION AGREEMENT BETWEEN THE DISTRICT AND THE EAGLE MOUNTAIN REDEVELOPMENT AGENCY.

WHEREAS pursuant to the provisions of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the “Interlocal Act”), and the provisions of the Community Reinvestment Agency Act, Title 17C, Utah Code Annotated 1953, as amended (the “CRA Act”), public agencies, including political subdivisions of the State of Utah as therein defined, are authorized to enter into mutually advantageous agreements for joint and cooperative actions, including the sharing of tax and other revenues; and

WHEREAS Central Utah Water Conservancy District, Utah (the “District”) and the Eagle Mountain Redevelopment Agency (the “Agency”) are “public agencies” for purposes of the Act; and

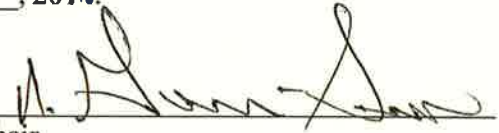
WHEREAS after careful analysis and consideration of relevant information, the District desires to enter into an Interlocal Agreement with the Agency whereby the District would remit to the Agency a portion of the property tax increment generated within for the Pole Canyon Community Reinvestment Project Area, (the “Project Area”) which would otherwise flow to the District, for the purpose of encouraging development activities through the payment for certain public infrastructure and other uses that directly benefit the Project Area; and

WHEREAS Section 11-13-202.5 of the Interlocal Act requires that certain interlocal agreements be approved by resolution of the legislative body of a public agency.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE LEGISLATIVE BODY of the District as follows:

1. The Interlocal Cooperation Agreement between the District and the Agency, substantially in the form attached hereto as Exhibit A (the “Agreement”), is approved in final form and shall be executed for and on behalf of the District by the Chair of the Board.
2. Pursuant to Section 11-13-202.5 of the Interlocal Act, the Agreement has been submitted to legal counsel of the District for review and approval as to form and legality.
3. Pursuant to Section 11-13-209 of the Interlocal Act, a duly executed original counterpart of the Agreement shall be filed immediately with the District Clerk, the keeper of records of the District.
4. The District will publish or cause to be published a notice of the Agreement in accordance with Section 11-13-219 of the Interlocal Act and make a copy of the Agreement available for public inspection and copying at the District’s offices during regular business hours for a period of at least 30 days following publication of the notice.
5. The Agreement shall be effective immediately upon execution.
6. This Resolution shall take effect upon adoption.

APPROVED AND ADOPTED by the legislative body of Central Utah Water Conservancy District, Utah this 22nd day of May, 2018.



Chair,
Central Utah Water Conservancy District

Attest:



Clerk

EXHIBIT A

INTERLOCAL COOPERATION AGREEMENT