6200 SOUTH REDWOOD ROAD URBAN RENEWAL PROJECT AREA PLAN

DRAFT PROJECT AREA PLAN

September 10, 2010

Redevelopment Agency of Taylorsville City

6200 South Redwood Road Urban Renewal Project Area

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RECITALS

1. Pursuant to the provisions of Section 17C-2-101 of the Act, the governing body of the Redevelopment Agency of Taylorsville City (the "Agency") designated an urban renewal survey area by a resolution containing a description or map of the boundaries of the urban renewal survey area, which resolution contained a statement that the survey area requires study to determine: (a) whether one or more urban renewal projects within the survey area are feasible; and (b) whether blight exists within the survey area; and

2. Pursuant to the provisions of Section 17C-2-102(1)(a)(ii)(B)(II) of the Act, the Agency has selected by resolution one or more urban renewal project areas comprising all or part of the urban renewal survey area; and

3. Pursuant to the provisions of Section 17C-2-102(2) of the Act, the City has a planning commission and has adopted a general plan as required by law; and

4. Pursuant to Sections 17C-2-101(1)(a)(i)(A) and 17C-2-301 of the Act, the Agency has caused a blight study to be conducted within the survey area, and the blight study was completed prior to August 6, 2010 and within one year after adoption of the survey area resolution (or the Agency adopted a new resolution as provided for in Section 17C-2-301(2)(a) of the Act); and

5. Pursuant to the provisions of Sections 17C-2-102 and 17C-2-302 of the Act, the Agency has conducted one or more public hearings for the purpose of: (a) permitting all evidence of the existence or nonexistence of blight within the proposed urban renewal project area to be presented; (b) permitting each record owner of property located within the proposed urban renewal project area or the record owner's representative the opportunity to: (i) examine and cross examine witnesses providing evidence of the existence or nonexistence of blight; and (ii) present evidence and testimony, including expert testimony, concerning the existence or nonexistence of blight; (c) informing the public about the area being considered for an urban renewal project area; and (d) allowing public input into Agency deliberations on proposing the urban renewal project area; and

6. Pursuant to the provisions of Section 17C-2-102(1)(a)(ii)(B) and 17C-2-303 of the Act and prior to adopting the Plan, after the blight hearing had been held, the Agency by resolution made a finding of the existence of blight in the proposed urban renewal project area.

Section 1 <u>Definitions</u>

As used in this Urban Renewal Plan:

A. The term "**Act**" shall mean and include the former Utah Redevelopment Agencies Act, to the extent applicable, the current Utah Community Development and Renewal Agencies Act as

found in Title 17C, Parts 1 through 4, Utah Code Annotated 1953, as amended, or such other amendments as shall from time to time be enacted or any successor law or act.

B. The term "**Agency**" shall mean the Redevelopment Agency of Taylorsville City.

C. The term "**base taxable value**" shall mean the taxable value of the property within the Project Area from which tax increment is to be collected, as shown upon the assessment roll last equalized before the date of the taxing entity committee's approval of the first Project Area Budget.

D. The term "**blight**" or "**blighted**" shall mean the condition of an area that meets the requirements of Section 17C-2-303 as follows:

(a) (i) the proposed project area consists predominantly of nongreenfield parcels;
(ii) the proposed project area is currently zoned for urban purposes and generally served by utilities;
(iii) at least 50% of the parcels within the proposed project area contain nonagricultural or nonaccessory buildings or improvements used or intended for residential, commercial, industrial, or other urban purposes, or any combination of those uses;
(iv) the present condition or use of the proposed project area substantially impairs the sound growth of the municipality, retards the provision of housing accommodations, or constitutes an economic liability or is detrimental to the public health, safety, or welfare, as shown by the existence within the proposed project area of at least four of the following factors:
(A) one of the following, although sometimes interspersed with well maintained buildings and infrastructure:
(I) substantial physical dilapidation, deterioration, or defective construction of buildings or infrastructure; or
(II) significant noncompliance with current building code, safety code, health code, or fire code requirements or local ordinances;
(B) unsanitary or unsafe conditions in the proposed project area that threaten the health, safety, or welfare of the community;
(C) environmental hazards, as defined in state or federal law, that require remediation as a condition for current or future use and development;
(D) excessive vacancy, abandoned buildings, or vacant lots within an area zoned for urban use and served by utilities;
(E) abandoned or outdated facilities that pose a threat to public health, safety, or welfare;
(F) criminal activity in the project area, higher than that of comparable nonblighted areas in the municipality or county; and
(G) defective or unusual conditions of title rendering the title nonmarketable; and
(v) (A) at least 50% of the parcels within the proposed project area are affected by at least one of the factors, but not necessarily the same factor, listed in Subsection (1)(a)(iv); and
(B) the affected parcels comprise at least 66% of the acreage of the proposed project area; or
(b) the proposed project area includes some or all of a superfund site.

(2) No single parcel comprising 10% or more of the acreage of the proposed project area may be counted as satisfying Subsection (1)(a)(iii) or (iv) unless at least 50% of the area of that parcel is occupied by buildings or improvements.

E. The term "**City**" shall mean the City of Taylorsville, Utah.

F. The term "**community**" shall mean the community of the City of Taylorsville, Utah.

G. The term "**Olene Walker Housing Loan Fund Board**" shall mean the Olene Walker Housing Loan Fund Board, established under Title 9, Chapter 4, Part 7, Olene Walker Housing Loan Fund.

H. The term "**planning commission**" shall mean the planning commission of the City established pursuant to law or charter.

I. The term "**Project Area**" or "**Urban Renewal Project Area**" shall mean the geographic area described in this Project Area Plan where the urban renewal set forth in this Project Area Plan takes place or is proposed to take place.

J. The term "**Project Area Budget**" shall mean a multiyear projection of annual or cumulative revenues and expenses and other fiscal matters pertaining to the subject Project Area and Plan, approved by the Taxing Entity Committee and adopted by the Agency that includes:

(1) the base taxable value of the property in the project area;
(2) the projected tax increment expected to be generated within the project area;
(3) the amount of tax increment expected to be shared with other taxing entities;
(4) the amount of tax increment expected to be used to implement the project area plan, including the estimated amount of tax increment to be used for land acquisitions, public improvements, infrastructure improvements and loans, grants or other incentives to private and public entities;
(5) the tax increment expected to be used to cover the cost of administering the project area plan;
(6) if the area from which tax increment is to be collected is less than the entire project area: the tax identification numbers 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;
(7) 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; and
(8) the information required under Section 17C-2-201(1)(b).

K. The term "**urban renewal**" shall mean, as defined in Section 17C-1-102(48) of the Act, the development activities under a project area plan within an urban renewal project area, including:

(a) planning, design, development, demolition, clearance, construction, rehabilitation, or any combination of these, of part or all of a project area;
(b) the provision of residential, commercial, industrial, public, or other structures or spaces, including recreational and other facilities incidental or appurtenant to them;

(c) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating, or any combination of these, existing structures in a project area;
(d) providing open space, including streets and other public grounds and space around buildings;
(e) providing public or private buildings, infrastructure, structures, and improvements; and
(f) providing improvements of public or private recreation areas and other public grounds.

L. The term "**Urban Renewal Plan**" or "**Plan"** shall mean this Urban Renewal Plan developed by the Agency and adopted by ordinance of the governing body of the City to guide and control the urban renewal activities within the Project Area.

M. The terms "**tax," "taxes," "property tax" or "property taxes"** include privilege tax and each levy on an ad valorem basis on tangible or intangible personal or real property.

N. The term "**taxing entity**" shall mean a public entity that levies a tax on property within the Project Area or proposed Project Area.

O. The term "**tax increment**" shall mean the difference between the amount of property tax revenues generated each tax year by all taxing entities from the area within the Project Area designated in this Plan as the area from which tax increment is to be collected, using the current assessed value of the property and the amount of property tax revenues that would be generated from that same area using the base taxable value of the property. Tax increment does not include taxes levied and collected under Section 59-2-906.1 on or after January 1, 1994.

Section 2 <u>Description of the Urban Renewal Project Area</u>

The 6200 South Redwood Road Urban Renewal Project Area, referred to as the Urban Renewal Project Area or Project Area, is enclosed within the following boundaries:

Parcel of land located in Taylorsville City being part of Section 15 & 22, Township 2 South, Range 1 West, Salt Lake Base & Meridian. Beginning at a point N 62d28'1" E 341.58', from the north quarter corner of said Section 22, thence to the east along the following four(4) bearings and distances: S 89°51'33" E 322.79'; thence S 0°11'2" W 301.74 to the 6235 South Street North right of way line; thence S 7°51'50" W 71.37 to the 6235 South Street South right of way line; thence S 0°10'36" E 227.46' along Cannonwood Pl. Road West right of way line the following seven (7) bearings and distances: N 89°55'36" W 192.54'; thence S 0°17'36" E 118.99' ; thence S 89°55'37" E 16.50'; thence S 0°21'2" E 330.01'; thence N 89°55'36" W 240.01'; thence S 0°6'3" E 380.26'; thence N 89°59'48" E 17.58'; thence S 1°37'18" W 135.91' to Allegheny Drive North right of way line; thence N 89°45'3" W 147.17' along Allegheny Drive North right of way line to the Redwood Road East right of way line; thence leaving said line to the south along the following three(3) bearings and distances: S 0°13'31" W 115.67' along Redwood Road East right of way line; thence S 16°42'11" W 76.48' to the south west along Redwood Road East right of way line; thence S 0°13'31" W 50.00' to the south along Redwood Road East right of way line; thence leaving said line N 88°46'30 " W 19.00' to the west toward Redwood Road centerline; thence S 0°13'31" W 25.79' along Redwood Road East right of way line; thence S 89°31'37" E 12.00'; thence S 0°13'31" W 272.25' along Redwood Road East right of way line; thence S 88d46'30" E 12.00'; thence S 0°14'33" W 226.35' along Redwood Road East right of way line; thence leaving said line N 89°46'30" W 20.00 to the west toward Redwood Road centerline;

thence S 0°13'29" W 120.00’ along Redwood Road East right of way line; thence leaving said line S 89°55'21" E 297.00’ to the east; thence S 0°13'30" W 86.00’; thence S 89°55'18" E 263.31’ to the Canal Road West right of way line; thence along the Canal Road West right of way along the following eight (8) bearings and distances: S 41°56'12" E 199.73’; thence S 41°56'12" E 20.80’; thence S 45°19'25" E 142.86’; thence S 83°13'52" E 6.31’; thence S 55°24'26" E 42.89’; thence S 60°31'27" E 30.88’; thence S 34°59'31" E 42.80’; thence S 14°55'53" E 36.29’; thence leaving said line S 25.71’ along the Canal Road West right of way line; thence S 42°8'17" W 33.10’ along the Canal Road West right of way line; thence along the Canal Road North right of way line the following three(3) bearings and distances: S 78°59'47" W 42.86’; thence N 84°36'37" W 62.22’; thence N 80°32'15" W 49.76’; thence leaving said line N 83°59'26" W 66.98’; thence N 89°59'59" W 73.63’; thence S 80°25'24" W 263.95’; thence S 81°51'55" W 139.92’; thence S 73°34'47" W 99.39’; thence S 73°34'47" W 99.39’; thence S 59°59'58" W 56.39’ to the centerline of Redwood Road; thence N 1616.61’ along the centerline of Redwood Road; thence N 89°44'57" W 472.64’; thence N 0°21'17" W 417.15’; thence S 89°37'28" E 175.67’ to the centerline of the Canal; thence N 47°50'22" E 41.31’ to the Canal Road East right of way line; thence along the Canal Road East right of way line the following ten(10) bearings and distances: N 42°9'37" W 61.50’; thence N 35°5'19" W 62.59’; thence N 28°6'38" W 69.85’; thence N 28°6'37" W 155.15’; thence N 47°49'0" W 55.93’; thence N 37°46'3" W 159.48’; thence N 24°52'0" W 173.50’; thence N 42°58'0" W 146.42’; thence N 29°53'59" W 133.45’ to the 6235 South Street South right of way line; thence N 13°38'14" W 82.74’ to the 6235 South Street North right of way line; thence N 89°41'4" W 15.68’ along 6235 South Road North right of way line; thence N 8°38'33" W 24.85’ along the Canal Road East right of way line; thence N 89°40'46" W 1.76’ to the west toward the centerline of the Canal; thence N 9°3'59" W 105.32’ along the Canal Road East right of way line; thence N 89°40'59" W 4.57’ to the west toward the centerline of the Canal; thence N 18°17'20" W 264.53’ along the Canal Road East right of way line; thence N 87°0'27" E 18.29’ along the Canal Road East right of way line; thence along the Canal Road East right of way line the following six(6) bearings and distances: N 14°46'26" W 132.04’; thence N 26°12'24" W 133.50’; thence N 34°40'24" W 185.10’; thence N 35°45'24" W 180.40’; thence N 42°5'24" W 146.20’; thence N 41°59'47" W 306.81’; thence S 89°47'49" E 506.35’; thence N 0°12'49" E 648.27’; thence S 55°26'36" E 492.33’ along the I-215 Belt Route South right of way line; thence along a 1030.85 foot arc to the Left 227.88’; thence along a 1025.75 foot arc to the Left 107.35’; thence S 69°6'51" E 101.47’ along the I-215 Belt Route South right of way line; thence S 74°57'47" E 219.69 along the I-215 Belt Route South right of way line to the Redwood Road West right of way line; thence S 89°55'12" E 122.25’ along the I-215 Belt Route South right of way line to the Redwood Road East right of way line; thence N 0°4'47" E 264.64 along the Redwood Road East right of way line; thence along the I-215 Belt Route South right of way line the following six(6) bearings and distances: N 25°50'42" E 46.31’; thence N 31°55'32" E 136.27’; thence N 51°26'30" E 213.52’; thence N 75°37'28" E 76.04’; thence N 83°27'11” E 48.03’; thence N 87°30'43" E 72.39’; thence leaving said line N 88°59'4" E 437.41’ to the east; thence S 89°59'17" E 386.00’; thence S 0°7'6.587" W 304.58’; thence N 89°55'14" W 953.60’; thence S 0°6'50" W 491.64’. Thence along a 100.02 foot arc to the Right 129.68’. Thence S 0°17'35" E 81.75’; thence S 89°55'12" E 32.27’; thence S 0°1'2" W 81.69’; thence S 89°55'8" E 30.11’; thence S 0°4'52" W 34.51’; thence S 89°58'55" E 74.94’ to Elsie Drive West right of way line; thence along a 47.20 foot arc to the Left 20.16’; thence N 89°58'49" W 74.98’; thence S 0°4'45" W 34.55’; thence N 89°58'50" W 30.20’; thence S 0°4'47" W 398.62’; thence S 33°28'45" E 36.40’ to 6135 South Street West

right of way line; thence along a 44.94 foot arc to the Left 90.29’; thence S 33°31'15" W 36.65’; thence S 0°1'15" W 59.41’; thence N 87°54'2" W 32.87’; thence S 2°5'57" W 133.45’, to the point of beginning.

Section 3 Map of the Project Area

A map of the Project Area is attached hereto and incorporated herein as Exhibit "A".

Section 4 Certain Project Area Characteristics and How They Will Be Affected By the Urban Renewal

A. General Statement of Land Uses in the Project Area

The permitted land uses within the Urban Renewal Project Area shall be those uses permitted by the officially adopted zoning ordinances of the City, as those ordinances may be amended from time to time, subject to limitations imposed by “overlay” restrictions and the controls and guidelines of this Urban Renewal Plan. A Land Use Map showing the current permitted uses is included in this Urban Renewal Plan as Exhibit "B" and is made a part of this Plan.

The existing uses of the Project Area are commercial, retail, office and residential.

It is expected that the currently permitted land uses in the Project Area will not be directly changed for purposes of effecting the urban renewal of the Project Area, except for an increase in the amount of commercial, retail and office uses within the Project Area. However, the City may or may not determine to propose zoning ordinance amendments in order to aid in or promote urban renewal or for other reasons.

B. Layout of Principal Streets in the Project Area

The layout of the principal streets in the Urban Renewal Project Area is shown on the Project Area map attached as Exhibit "A" and incorporated herein. It is not expected that urban renewal of the Project Area will affect the existing principal streets except as follows:

It is expected that:

1. Implementation of the Redwood Road Corridor Access and Beautification is planned to occur over time.

2. Improved internal access road improvements to areas abutting Redwood Road may be provided.

C. Population Densities in the Project Area

It is expected that population densities will be increased by urban renewal of the Project Area.

1. Residential Population:

(A) Because of the zoning of the Project Area, it is not expected that any substantial new residential uses will be constructed within the Project Area as a result of the urban renewal.

(B) It is desired that the Urban Renewal Project Area will transition from an underutilized and declining area to a vibrant and fully utilized area. This change will maintain and hopefully increase the day time population.

2. Daytime Business Population

It is expected that as the Project Area becomes more fully utilized that the daytime business population will increase.

D. Building Intensities in the Project Area

The building intensities within the boundaries of the Urban Renewal Project Area were analyzed along with the condition of each structure as described in the blight survey. No unusual evidence of building intensities was found in the Urban Renewal Project Area. It is expected that the building intensities within the Project Area will be affected by urban renewal, in that it is expected that building intensities will increase as the Project Area becomes more fully developed and utilized.

Section 5 <u>Statement of Standards That Will Guide the Urban Renewal</u>

A. Statement of Development Objectives

l. Removal of structurally substandard buildings or improvements to permit the return of the Urban Renewal Project Area land to economic use and new construction.

2. Removal of impediments to land disposition and development through assembly of land into reasonably sized and shaped parcels served by improved public utilities and infrastructure improvements.

3. Rehabilitation of buildings if sound long-term economic activity can be assured thereby.

4. The elimination of environmental deficiencies, including: irregular lot subdivision, inadequate drainage, weeds and excessive vegetation, underutilized land and soil contamination mitigation, and the implementation of City institutional controls and regulations to ensure management of any contaminated materials..

5. Achievement of an environment reflecting a high level of concern for architectural, landscape and urban design principles, developed through encouragement, guidance, appropriate controls, and professional assistance to owner participants and developers.

6. Promote and market the Project Area for development or urban renewal that would be complimentary to existing businesses and industries or would enhance the economic base of the community through diversification.

7. Provide utilities, streets, curbs, sidewalks, parking areas, landscaping and architecture to give the area a new look and to attract business activity.

8. Provide for the strengthening of the tax base and economic health of the entire community and the State of Utah.

9. Provide improved public streets and road access to the area to facilitate better traffic circulation and reduce traffic hazards by assisting in the street alignments. The Agency shall work with the City to recommend ways to improve traffic and pedestrian circulation within and abutting the Project Area.

10. Provide for compatible relationships among land uses and quality standards for development, such that the area functions as a unified and viable center of social and economic activity for the City.

11. Provide improved pedestrian circulation systems.

12. Coordinate and improve the public transportation system, including streets and public transit services.

13. Eliminate the blighting factors and blighting influences in the Project Area.

B. General Design Objectives

Subject to the development objectives and other provisions of this Plan, owners and developers will be allowed flexibility in the urban renewal of land located within the Urban Renewal Project Area and are expected to obtain the highest quality design and development. Each urban renewal proposal will be considered subject to: (1) appropriate elements of the City's general plan; (2) the planning and zoning code of the City; (3) other applicable building codes and ordinances of the City; (4) a review and recommendation by the City Planning Commission and City Council; and (5) approval by the Agency to ensure that the urban renewal is consistent with this Urban Renewal Plan.

A review of urban renewal proposals may also be made by an advisory design review committee established by the Agency. Each urban renewal proposal by an owner or a developer will be accompanied by site plans, development data and other appropriate material that clearly describes the extent of urban renewal proposed, including land coverage, setbacks, heights and bulk proposed, off-street parking and loading to be provided, use of public transportation, and any other data determined to be necessary or requested by the City or the Agency.

The general design of specific projects may be developed or approved by the Agency in cooperation with the Planning Commission. The particular elements of the design should be such that the overall urban renewal of the Project Area will:

1. Provide an attractive urban environment;

2. Blend harmoniously with the adjoining areas;

3. Provide for the optimum amount of open space in relation to new buildings;

4. Provide parking areas, appropriately screened and/or landscaped to blend harmoniously with the area, and possibly parking structures;

5. Provide open spaces and pedestrian walks which are oriented to the directions of maximum use and designed to derive benefit from topographical conditions and views;

6. Provide for the optimum separation and protection of pedestrian access routes from vehicular traffic arteries;

7. Result in the development of land within the Urban Renewal Project Area in such a manner that available off-street parking will be provided as appropriate. Special emphasis will be placed on phases of construction of all new development projects to support the parking program;

8. Comply with the other provisions of this Plan.

C. Specific Design Objectives and Controls

1. Building Design Objectives:

a. All new buildings shall be of design and materials which will be in harmony with adjoining areas and other new development and shall be subject to design review and approval by the Agency.

b. The design of buildings shall take optimum advantage of available views and topography and shall provide, where appropriate, separate levels of access.

c. Buildings within the Urban Renewal Project Area should be designed and placed to act as significant landmarks in the Urban Renewal Project Area and the City.

2. Open Space Pedestrian Walks and Interior Drive Design Objectives:

a. All open spaces, pedestrian walks and interior drives shall be designed as an integral part of an overall site design, properly related to existing and proposed buildings, area topography, views, etc.

b. Appropriate pedestrian or human spaces to be used for casual occupancy, gathering and interaction should be provided.

c. Attractively landscaped open spaces shall be provided, which will offer maximum usability to occupants of the building for which they are developed.

d. Landscaped, paved, and comfortably graded pedestrian walks should be provided along the lines of the most intense use, particularly from building entrances to streets, parking areas, and adjacent buildings on the same site.

e. The location and design of pedestrian walks should afford maximum safety and separation from vehicular traffic, and should recognize and take into account desirable views of new and existing development in the area and surrounding community and the area topography and views.

f. Materials and design of paving, retaining walls, fences, curbs, benches, and other appurtenances, shall be of good appearance, easily maintained, and indicative of their purpose.

3. Parking Design Objectives:

a. Parking areas shall be designed with careful regard to orderly arrangement, topography, relationship to view, ease of access, and as an integral part of overall site design.

b. Any parking structures should be designed to complement and blend with existing or planned structures.

4. Landscape Design Objectives:

a. A coordinated landscape and open space design incorporating landscaped treatment for open space, roads, paths, and parking areas into a continuous and integrated design shall be a primary objective.

b. Primary landscape treatment shall consist of a variety of shrubs, ground cover, and shade trees as appropriate to the character of the Urban Renewal Project Area and as determined by the City and the Agency.

5. Project Improvement Design Objectives:

a. Public rights-of-way. All streets, sidewalks and walkways within public rights-of-way will be designed or approved by the City and will be consistent with all design objectives.

b. Street lighting and signs. Lighting standards and signs following consistent design standards and of pleasant appearance and modern illumination standards shall be provided as necessary as approved by the City.

c. Grading. The applicable portions of the Project Area will be graded in conformance with the final project design determined by the Agency and the City for each specific project.

D. Techniques to Achieve The Urban Renewal Plan Objectives

Possible activities contemplated in carrying out the Plan in the Project Area include the acquisition, clearance and rehabilitation of properties in the **Urban Renewal** Project Area.

1. Rehabilitation:

Properties determined to be in substandard condition by the Agency and not otherwise needed for urban renewal may be sufficiently rehabilitated to insure a remaining economic life of twenty years.

2. Acquisition and Clearance:

Parcels of real property located in the Project Area may be acquired by purchase or other methods, and may be acquired by **condemnation (eminent domain) if during the existence of this Plan the Agency's power of eminent domain is authorized by law.**

3. Implementation of Urban Renewal Projects:

The Agency shall have the right to approve the design and construction documents of all urban renewal within the Project Area to ensure that all urban renewal within the Project Area is consistent with this Urban Renewal Plan. The City's Community Development Department or Planning Commission shall notify the Agency of all requests for: (1) zoning changes; (2) design approval; (3) site plan approval or amendments thereto; and (4) building permits within the Project Area. Urban renewal projects within the Project Area shall be implemented as approved by the Agency and the City.

Urban Renewal projects may be undertaken and carried out as provided in this Plan and as provided for in the Act. Funding for urban renewal projects and activities shall be provided for in the Project Area Budget or the annual budget of the Agency, or by private investment.

E. Property Acquisition, Disposition, Relocation and Development

The objectives of this Urban Renewal Plan are to be accomplished by various means, including but not limited to the following:

1. Acquisition of Real Property:

The Agency may acquire, but is not required to acquire, real property located in the Urban Renewal Project Area. The Agency may acquire property by negotiation, gift, devise, exchange, purchase, **eminent domain (condemnation), provided that at the time acquisition is initiated through eminent domain the Agency's power of eminent domain is authorized by law,** or other lawful method. The Agency is authorized to acquire any other interest in real property less than fee title such as leasehold interests, easements, rights of way, etc. by negotiation, gift, devise, exchange, purchase, **eminent domain (condemnation), provided that at the time acquisition is initiated through eminent domain the Agency's power of eminent domain is authorized by law,** or other lawful method. The Agency shall not acquire real property on which an existing building is to be continued on its present site and in its present form and use without the consent of the owner, unless, in the Agency's judgment, (1) such building requires structural alteration, improvement, modernization, or rehabilitation, or (2) the site or lot on which the building is situated requires modification in size, shape, or use, or (3) it is necessary to impose upon such property any of the standards, restrictions and controls of the Plan and the owner fails or refuses to agree to participate in the Plan in a manner acceptable to the Agency.

2. Acquisition of Personal Property:

Generally personal property will not be acquired by the Agency. However, where necessary in the execution of this Plan, the Agency is authorized to acquire personal property in the Urban Renewal Project Area by any lawful means.

3. Cooperation with the Community and Public Entities:

The community and certain public entities are authorized by state law, with or without consideration, to assist and cooperate in the planning, undertaking, construction, or operation of projects within this Project Area. The Agency may seek the aid and cooperation of such public entities in order to accomplish the purposes of urban renewal and the highest public good.

The Agency, by law, is not authorized to acquire real property owned by a public entity without the consent of the public entity. The Agency, however, will seek the cooperation of all public entities which own or intend to acquire property in the Urban Renewal Project Area. To the extent allowed by law, the Agency shall impose on all public entities owning real property in the Project Area the planning and design controls contained in this Plan to the end that uses and any future development by public entities will conform to this Plan.

4. Property Management:

During such time that property, if any, in the Urban Renewal Project Area is owned by the Agency, such property shall be under the management and control of the Agency. Such property may be rented or leased by the Agency pending its disposition for urban renewal.

5. Property Disposition and Development:

The Agency is also authorized, by lawful means, to provide for and promote the urban renewal of the Project Area as follows.

The Agency is authorized to demolish and clear buildings, structures, and other improvements from any real property in the Urban Renewal Project Area as necessary to carry out the purposes of this Urban Renewal Plan. The Agency is authorized to install and construct or to cause to be installed and constructed the public improvements, public facilities, and public utilities, within the Urban Renewal Project Area, not prohibited by law which are necessary or desirable to carry out this Urban Renewal Plan, and, to the extent approved by the taxing entity committee in the approved Project Area Budget or otherwise, public infrastructure and improvements outside the Project Area that are of benefit to the Project Area. The Agency is authorized to prepare or cause to be prepared as building sites any real property in the Urban Renewal Project Area. The Agency is also authorized to rehabilitate or to cause to be rehabilitated any building or structure in the Urban Renewal Project Area. The Agency is also authorized and directed to advise, encourage, and assist in the rehabilitation of property in the Urban Renewal Project Area not owned by the Agency.

For the purposes of this Plan, the Agency is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, grant or otherwise dispose of any interest in real property. The Agency is authorized to dispose of real property by gift, grant, leases or sales by negotiation with or without public bidding. All real property acquired by the Agency in the Urban Renewal Project Area may be given, granted, sold or leased to public or

private persons or entities for development for the uses permitted in this Plan. Real property may be conveyed by the Agency to the City or any other public entity without charge. The Agency shall reserve such controls in the disposition and development documents as may be necessary to prevent transfer, retention, or use of property for speculative purposes and to insure that development is carried out pursuant to this Urban Renewal Plan. All purchasers or lessees of property from the Agency shall be made obligated to use the property for the purposes designated in this Urban Renewal Plan, to begin and complete development of the property within a period of time which the Agency fixes as reasonable, and to comply with other conditions which the Agency deems necessary to carry out the purposes of this Plan.

To the maximum possible extent, the objectives of this Urban Renewal Plan are to be accomplished through Agency encouragement of, and assistance to, private enterprise in carrying out development activities. To provide adequate safeguards to ensure that the provisions of this Urban Renewal Plan will be carried out and to prevent the recurrence of blight, all real property sold, leased, or conveyed by the Agency, as well as all property subject to participation agreements, shall be made subject to the provisions of this Urban Renewal Plan by leases, deeds, contracts, agreements, declarations of restrictions, provisions of the City ordinances, conditional use permits, or other means. Where appropriate, as determined by the Agency, such documents or portions thereof shall be recorded in the Office of the County Recorder. The leases, deeds, contracts, agreements, and declarations of restrictions may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, equitable servitudes, or any other provision necessary or desirable to carry out this Urban Renewal Plan.

To the extent now or hereafter permitted by law, the Agency is authorized to pay for, develop, or construct any building, facility, structure, or other improvement either within or outside the Urban Renewal Project Area for itself or for any public entity to the extent that such improvement would be of benefit to the Urban Renewal Project Area. During the period of development in the Urban Renewal Project Area, the Agency shall require that the provisions of this Urban Renewal Plan and of other documents formulated pursuant to this Urban Renewal Plan are being observed, and that development in the Urban Renewal Project Area is proceeding in accordance with development documents and time schedules. Plans for development or urban renewal by owners or developers, both public and private, shall be submitted to the Agency for approval and architectural review. All development or urban renewal must conform to this Urban Renewal Plan and all applicable federal, state, and local laws.

For the purpose of this Urban Renewal Plan, the Agency is authorized to grant, sell, lease, exchange, transfer, assign, pledge, encumber, and otherwise dispose of personal property.

Section 6 <u>How the Purposes of State Law Would Be Attained By The Urban Renewal</u>

It is the intent of the Agency, with the assistance and participation of private owners, to remove, if possible, all blight and blighting influences from the Project Area by the methods described in this Plan, including but not limited to the removal or clearance of buildings, structures, or improvements with blight factors or which are blighted, or through the renovation or rehabilitation of buildings, structures or improvements with blight factors or which are blighted. With the clearance of land or the rehabilitation of buildings and structures, private development

should be encouraged to undertake new development or urban renewal which will strengthen the tax base of the community in furtherance of the objectives set forth in the Act.

Section 7 How the Plan Is Consistent, and the Proposed Urban Renewal Conforms, With the Community General Plan

This Urban Renewal Plan is consistent with and the proposed urban renewal conforms to the community's general plan in the following respects:

A. Zoning Ordinances

The property within the Project Area is currently zoned MD-1, MD-3, O-P, C-2, C-1, R-M, or A-1 in its entirety. The City general plan currently calls for the Project Area to be for the following uses: community commercial, industrial, professional offices, low density residential and medium density residential uses. The proposed development is permitted under the current zoning classifications of the City. If any zoning changes are required, such changes would be submitted to the City for consideration and approval.

B. Building Codes

The construction of all new buildings and improvements and the rehabilitation of any existing buildings or improvements will be done in accordance with the standards set forth in the general plan of the City and in accordance with the International Building Code applicable to the City. All building permits for construction or rehabilitation will be issued by the City in order to assure that new development or urban renewal is consistent with the general plan of the City.

C. Plan Consistent with General Plan

This Urban Renewal Plan is consistent with the general community plan of the City, which recognizes this location as the South Redwood Road Transition Area, and encourages community commercial, industrial, professional offices, low density residential and medium density residential uses in the Project Area.

Section 8 Description of How the Urban Renewal Will Reduce or Eliminate Blight

The governing board of the Agency and the legislative body of the City have found that the area within the boundaries of the Project Area is a blighted area. It is expected, and it is the purpose of this Urban Renewal Plan, that the factors of blight in the Project Area will be eliminated and removed by: (1) implementation of the various provisions and standards of this Plan; (2) encouragement and promotion of development in the Project Area, which development will be in compliance with the provisions and standards of this Plan; (3) removal, if possible, of buildings and structures that have blight factors or were found to be blighted, or factors and elements of blight in the Project Area, primarily through private development and also through owner participation; and (4) rehabilitation of buildings and structures if they would have a useful life after rehabilitation of at least 20 years.

The Agency believes that some owners of real property located within the Project Area would be willing to undertake a program or take action which will result in the removal of some of the

blighted buildings and structures, the relocation of their businesses or sale of their land, buildings and residences, thereby facilitating construction of new buildings and improvements on the land within the Project Area. Through the process of owner participation, owners of real property located within the Project Area may enter into one or more agreements with the Agency which will result in the removal of blight from the Project Area.

Section 9 Description of the Specific Project or Projects That Are The Object of the Proposed Urban Renewal

The Agency believes on the basis of public input received by the Agency from owners at a public hearing and in other discussions with owners of real property within the Project Area that one or more urban renewal projects may be undertaken by private owners to accomplish the purposes of this Urban Renewal Plan.

Section 10 Ways in Which Private Developers, If any, Will Be Selected To Undertake the Urban Renewal

A. Selection of Private Developers

The Agency contemplates that owners of real property within the Project Area will take advantage of the opportunity to develop their property. In the event that owners do not wish to participate in the urban renewal in compliance with the Plan, or in a manner acceptable to the Agency, or are unable or unwilling to appropriately participate, the Agency reserves the right pursuant to the provisions of the Act to acquire parcels, to encourage other owners to acquire other property within the Project Area, or to select non-owner developers by private negotiation, public advertisement, bidding or the solicitation of written proposals, or a combination of one or more of the above methods, and by doing so to encourage or accomplish the desired urban renewal of the Project Area.

B. Identification of Developers who are Currently Involved in the Proposed Urban Renewal

The Agency has not been contacted by or been in contact with any developers regarding any proposed development. Consequently, there are no potential developers currently involved in the proposed development pursuant to provisions of Section 17C-2-103(1)(h) of the Act.

1. Qualified Owners

The Agency shall first permit qualified owners within the Project Area to participate as developers in the urban renewal of the Project Area.

2. Other Parties

Regarding all or any portion of the Project Area, if owners in the Project Area, as described in Subparagraph A above, do not propose urban renewal projects acceptable to the Agency, or do not possess the necessary skill, experience and financial resources, or are not willing or able to appropriately develop or renew all or part of the Project Area, the Agency may identify other qualified persons who may be interested in developing all or part of the Project Area. Potential

developers may be identified by one or more of the following processes: (1) public solicitation, (2) requests for proposals (RFP), (3) requests for bids (RFB), (4) private negotiation, or (5) some other method of identification approved by the Agency.

3. Owner Participation Agreements

The Agency has not entered into nor does it intend to enter into any owner participation agreements or agreements with developers to develop all or part of the Project Area until after the Agency and the City decide whether or not to adopt an urban renewal plan for the Project Area.

Section 11 Urban Renewal Plan Restrictions

Pursuant to the provisions of the Act, this Urban Renewal Plan provides as follows:

Incremental Value Limitations: Pursuant to Section 17C-2-202 of the Act, unless the Agency obtains a waiver from the taxing entity committee or the Act is amended to delete or omit this requirement, the Agency may not adopt the first Project Area Budget if the combined incremental value (from urban renewal/redevelopment project areas) for the Agency exceeds 10% of the total taxable value of the property within the Agency's boundaries in the year that the Project Area Budget is being considered.

Section 12 The Reasons for the Selection of the Project Area

The Project Area was selected by the Agency as that area within the City having an immediate opportunity to reduce or eliminate blight from the community and to strengthen the economic base of the community through one or more new projects which would eliminate blighting factors and develop the area in an appropriate manner and broaden the tax base of the community. The Project Area contains a portion of the City that is desirable for urban renewal because of: (1) a general recognition by the owners and the public that the Project Area is in decline, is blighted and needs assistance if the area is to remain or become economically viable; (2) a recognition and growing support by property owners that this portion of the City needs the reinvestment of private capital to rehabilitate existing buildings or construct new buildings or infrastructure improvements; and (3) the opportunity to commence a public-private partnership to improve this area of the City.

Specific boundaries of the Project Area were arrived at by the Agency after a review of the area by members of the Agency, City staff, urban renewal consultants, and other technical and legal consultants. Planned treatment of this area is intended to stimulate development to the degree necessary for sound long-range economic growth in the Project Area and to encourage the further development of real property located within the Project Area.

Section 13 The Description of the Physical, Social, and Economic Conditions Existing in the Area

A. Physical Conditions

The Project Area consists of approximately 74.41 acres of privately owned land as shown on the Project Area map. The physical characteristics of the Project Area may generally be classified as an underutilized urban area of the City including a mix of residential and smaller commercial lots, areas with limited internal circulation, areas with excessive vacancies and dysfunctional vacant lots, areas that have not been reinvested in to improve function and aesthetics.

At the time of the blight finding by the Agency pursuant to Section 17C-2-303 of the Act, the Agency determined that the present condition or use of the Project Area substantially impairs the sound growth of the municipality, retards the provision of housing accommodations, or constitutes an economic liability or is detrimental to the public health, safety or welfare, as shown by existence within the Project Area of at least four of the following factors listed below, and the Project Area was determined to be a "blighted area" for the following reasons:

FINDING A.

The 6200 South Redwood Road Urban Renewal Project Area contains 74.41 acres +/- of private real property and meets the following tests:

The Project Area consists predominantly of non-greenfield parcels; (17C-2-303(1)(a)(i) Utah Code Annotated, 1953, as amended)

The Project Area is currently zoned for urban purposes and is generally served by utilities; (17C-2-303(1)(a)(ii) Utah Code Annotated, 1953, as amended)

At least 50% of the parcels within the Project Area contain nonagricultural or nonaccessory buildings or improvements used or intended for residential, commercial, industrial, or other urban purposes, or any combination of those uses; (17C-2-303(1)(a)(iii) Utah Code Annotated, 1953, as amended)

At least 50% of the parcels within the Project Area are affected by at least one of the blight factors, but not necessarily the same factor; (17C-2-303(1)(a)(v)(A) Utah Code Annotated, 1953, as amended)

The affected parcels comprise at least 66% of the acreage of the Project Area; (17C-2-303(1)(a)(v)(B) Utah Code Annotated, 1953, as amended)

FINDING B.

One hundred seventeen (117) of the total of one hundred seventeen (117) or 100% of the number of private parcels for a total of 74.41+/- acres or 100% of the total 6200 South Redwood Road Urban Renewal Project Area exhibit four or more of the legislated "blight" factors.

One of the following, although sometimes interspersed with well maintained buildings and infrastructure:

Substantial physical dilapidation, deterioration, or defective construction of buildings or infrastructure:

Ninety eight (98) of the one hundred and seventeen parcels (117) parcels, or eighty four percent (84%), met this blight factor. The affected parcels represented eighty one percent (81%) of the

total acreage. Some of the conditions exhibited are: Vacant, abandoned, dysfunctional land or structures; Recent sale or transfer of ownership; Non-owner occupied residential property; and Open outside storage of used material.

Significant noncompliance with current building code, safety code, health code ,or fire code requirements or local ordinances:

One hundred seventeen (117) of the one hundred seventeen parcels (117) parcels, or one hundred percent (100%), met this blight factor. The affected parcels represented one hundred percent (100%) of the total acreage. Some of the conditions exhibited are: Significant noncompliance with current Building Code; Lots of inadequate or unusual size or shape; and inadequate fire water flow.

Unsanitary or unsafe conditions in the proposed project area that threaten the health, safety or welfare of the community:

One hundred seventeen (117) of the one hundred seventeen parcels (117) parcels, or one hundred percent (100%), met this blight factor. The affected parcels represented one hundred percent (100%) of the total acreage. Some of the conditions exhibited are: Inadequate sidewalks; Curb deficiencies; Abandoned, unlicensed, wrecked, or junked vehicles; and Weeds.

Due to the number of affected parcels and the area-wide nature of this blight factor, this blight condition is determined to be an AREA WIDE FINDING.

Environmental hazards, as defined in state or federal law, that require remediation as a condition for current or future use and development:

Zero (0) of the one hundred seventeen parcels (117) parcels, or zero percent (0%), met this blight factor. The affected parcels represented zero percent (0%) of the total acreage.

Excessive vacancy, abandoned buildings, or vacant lots within an area zoned for urban use and served by utilities:

Thirty seven (37) of the one hundred seventeen parcels (117) parcels, or thirty two percent (31.6%), met this blight factor. The affected parcels represented twenty six percent (26%) of the total acreage. Some of the conditions exhibited are: Vacant buildings; Vacant retail stores; and Vacant or dysfunctional land.

The Office vacancy rate for this area is 9.09%, the Industrial vacancy rate is 6.89%, and the Retail vacancy rate is 8.46%.

Due to the number of affected parcels and the area-wide nature of this blight factor, this blight condition is determined to be an AREA WIDE FINDING.

Abandoned or out-dated facilities that pose a threat to public health, safety, or welfare:

Forty nine (49) of the one hundred seventeen parcels (117) parcels, or forty two percent (42%), met this blight factor. The affected parcels represented thirty nine percent (39%) of the total acreage. Some of the conditions exhibited are: Roofs in need of replacement or significant

maintenance; Building masonry in need of replacement or significant maintenance; and Inadequate Streets.

Criminal activity in the project area, higher than that of comparable non-blighted areas in the municipality or county:

The Calls for Service to local law enforcement were higher in the Project Area than in a comparable non-blighted area in the municipality.

Therefore this blight factor is attributed to all of the parcels in the Project Area and is determined to be an AREA WIDE FINDING.

FINDING C.

The 6200 South Redwood Road Urban Renewal Project Area is a blighted area, the renewal of which is necessary to effectuate a public purpose. Evidence of "blight" conditions or indicators was found in the Project Area, sufficient to be determined to be present area wide, and therefore leads to the cumulative conclusion of blighted conditions in the 6200 South Redwood Road Urban Renewal Project Area.

The Board's finding of blight was made on September 8, 2010, by adoption of Resolution No. RDA 10-03

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Section 14 Analysis Regarding the Urban Renewal Project Area and the Proposed Method of Financing

The Agency is a separate government entity established pursuant to the provisions of the Act. Its purposes include to prepare and carry out plans for the urban renewal of the project areas within the territorial limits of the City. To accomplish this objective, State law permits the Agency to undertake urban renewal projects in specifically designated and adopted project areas which meet certain standards and criteria.

The Act provides a means for financing urban renewal projects based upon an allocation of taxes collected within a project area. Most of the Agency's activities are funded by "tax increment" financing.

Under tax increment financing and the provisions of the Act, the assessed value of all personal and real property within the Project Area as equalized for the year prior to the adoption of this Urban Renewal Plan becomes the base year or "base taxable value". In years following the base year, the local taxing units (such as the County, the City, the local school district) receive the taxes generated by applying the current year tax levy to the base taxable value assessed valuation. The taxing entities having the right to levy general ad valorem property taxes on the real and personal property located in the Project Area continue to receive the taxes produced by the levy of the current tax rate upon the base taxable value.

The Agency may receive taxes collected due to an increase in the assessed value of the Project Area over that of the base year or "base taxable value". Taxes collected upon any increase in assessed valuation over the "base taxable value" may be paid to the Agency for the uses

authorized by the Act. The Agency has no authority to levy taxes and must look specifically to the allocation of tax increment produced in the Project Area as above described.

In determining the feasibility of this Urban Renewal Plan, the Agency has considered the present "base taxable value" within the Project Area and estimated future increments in assessed valuation and resulting "tax increment" tax revenues. The Agency reviewed the assessed value of the property valuations within the Project Area as determined by the office of the County Assessor. The "base taxable value" for the Project Area is equal to the sum of the assessed values of real property, personal property and any State-assessed property within the Project Area for the tax assessment roll last equalized before the date of the taxing entity's approval of the first Project Area Budget.

Based upon the data obtained, the Agency has calculated the "base taxable value" of the Project Area as of January l, 2009, as equalized on or before November 1, 2009, in order to estimate the amount of tax increment which may be available within the Project Area.

It is the intent of the Agency to implement this Urban Renewal Plan as tax increment becomes available to the Agency from the investment of private capital within the Project Area as a result of the construction of new improvements, other sources of revenue which may be available to the Agency within the Project Area, and from loans, grants, gifts, and bonds, as authorized by law.

The implementation of urban renewal projects in the Project Area is economically feasible because as urban renewal occurs, the Project Area is expected to generate new taxes based upon the new development or urban renewal. It is anticipated that additional tax increment will result from the increased value of land and improvements which are expected to be constructed within the Project Area.

A. The Project Area Budget

The Agency has requested that a taxing entity committee (the "Taxing Entity Committee") as authorized by Section 17C-2-402 of the Act be created for the Agency. The Agency has prepared a Project Area Budget, Exhibit "D," and the Taxing Entity Committee, representing the public entities having the right to levy taxes on the real and personal property located in the Project Area, will be or has been asked to approve the Project Area Budget, Exhibit "D," or a revised or amended project area budget (the "Project Area Budget") for the Project Area. Tax increment received by the Agency from the Project Area will be expended and used by the Agency in accordance with the uses authorized by the Act, and except as authorized by the Act will not exceed the total amounts authorized and established in a Project Area Budget, approved by the Taxing Entity Committee and adopted by the Agency. The amounts, percentages and time periods discussed below relate to the currently proposed Project Area Budget. Said amounts, percentages and time periods shall be automatically deemed to be amended to conform with any Project Area Budget or amended Project Area Budget approved and adopted pursuant to applicable law and procedures. The Agency is authorized to receive increased or additional amounts of tax increment, and to expend tax increment funds, in accordance with the Project Area Budget that is approved by the Taxing Entity Committee and adopted by the Agency, and in accordance with any subsequent amended Project Area Budget approved and adopted pursuant to applicable law and procedures.

The currently proposed draft Project Area Budget is a multi-year budget prepared by the Agency to implement this Urban Renewal Plan and other authorized purposes and will be or has been submitted to the Taxing Entity Committee for its approval. The currently proposed draft Project Area Budget provides for the Agency to receive 75% of the tax increment for a fifteen (15) year period and shows the following:

(1) The 2009 base year taxable value of the Project Area is $71,929,100 as of January 1, 2009, as last equalized on November 1, 2009 and as shown on the currently proposed draft Project Area Budget.

(2) The projected tax increment of the Project Area to be paid to the Agency under the currently proposed draft Project Area Budget is $11,558,357.

(3) The total projected tax increment is $15,411,143. The currently proposed draft Project Area Budget contemplates that 25% of the total projected tax increment will be shared with taxing districts.

(4) Under the currently proposed Project Area Budget, the amount of tax increment expected to be used to implement this Urban Renewal Plan is $11,558,357. Included in this amount of tax increment are the following: (a) eligible project area expenses, development and relocation costs, public and infrastructure improvements, $8,668,768; (b) housing $2,311,671; and (c) Agency administrative costs of 5% of the tax increment received by the Agency or approximately $577,918, as described in subparagraph (6) below.

(5) It has not yet been determined whether tax increment revenue bonds will be issued by the Agency to finance the urban renewal of the Project Area.

(6) Under the currently proposed draft Project Area Budget, the tax increment expected to be used to cover the cost of administering this Urban Renewal Plan is $577,918 over a period of fifteen (15) years.

B. A Description of Any Tax Incentives Offered To Private Entities for Facilities Located in the Project Area

Subject to the adoption of the Project Area Budget, the following generally describes tax or other incentives which the Agency intends to offer within the Project Area to owners/developers in consideration for constructing and operating the proposed development. The Agency may offer other incentives and use tax increment in other ways, as authorized and provided for in the Act.

The Agency intends to use tax increment from the Project Area, subject to Agency discretion and only to the extent tax increment funds are available, to help pay for the costs associated with the development of the Project Area (the "Reimbursed Costs"). Reimbursed Costs may include costs for such items as public infrastructure improvements, Agency requested off-site improvements and upgrades and on-site upgrades, land write downs, desirable Project Area improvements and other items as approved by the Agency. Payment to the City or developer or owner for Reimbursed Costs shall be made through an agreement between the Agency and the City or the

Agency and the developer or owner. Except where the Agency issues bonds or otherwise borrows or receives funds, the Agency expects to pay the City or developer or owner for the agreed upon Reimbursed Costs in tax increment payments to be paid after receipt by the Agency of the tax increment after ad valorem taxes have been paid to the County and then distributed to the Agency. The tax increment for making payments will be received as a result of the incremental ad valorem tax increases on the Project Area due to the development in the Project Area. Subject to the provisions of the Act, the Agency may agree to pay Reimbursed Costs and other items from tax increment for any period of time that the Agency may deem to be appropriate under the circumstances.

C. Analysis of Whether the Adoption of the Plan Is Necessary and Appropriate to Reduce or Eliminate Blight

The Agency has retained Bonneville Research to assist the Agency in analyzing the conditions found in the Project Area. This firm prepared a Blight Analysis or Blight Study dated August 12, 2010, a copy of which is incorporated herein by reference.

The benefits derived from the financial assistance proposed to be provided by the Agency include those enumerated herein. Implementation of the provisions and standards of this Plan, and the financial assistance proposed to be provided by the Agency under this Plan, will:

1. Assist in the removal of blight and blighting influences from the Urban Renewal Project Area.

2. Assist in removing impediments to land disposition and development. The Agency will encourage proposed developers to assemble separate parcels into one or more consolidated parcels which will have sufficient land area to become economically viable for any proposed future development.

3. Promote the upgrading, as funds are available through public or private sources, of the utilities, streets, curbs, sidewalks, parking areas, landscape areas and other infrastructure improvements to attract development. Infrastructure improvements are needed to encourage the development or urban renewal of the Project Area. These infrastructure improvements may attract additional development outside the Project Area.

4. Provide improved transportation to and within the Project Area by upgrading public streets and providing improved road access to and/or within the Project Area to facilitate better traffic and pedestrian circulation, reduce traffic hazards, and to promote air quality and reduce congestion, and encourage the improvement of public transportation for persons working or shopping in the Project Area.

5. Eliminate environmental deficiencies, improper drainage, underutilization of real property by encouraging development or urban renewal of an area found to be substandard.

6. Promote and market sites for urban renewal where the proposed development would remove blight, be complimentary to existing businesses or enhance the economic base of the community through diversification.

7. Provide for the strengthening of the property and income tax base and economic health of the entire community and the State of Utah by increasing the assessed valuation of the City by more than $90 million resulting from the improvements.

Based upon the Blight Analysis or Blight Study, the need for improvement and renewal, the decline of the Project Area, existing impediments to development and urban renewal and lack of recent private investment, and the other information set forth herein, it is the conclusion of the Agency that the adoption of this Plan is necessary and appropriate to reduce or eliminate blight.

D. Evaluation of the Reasonableness of the Costs of Urban Renewal

1. To successfully eliminate blight in the Project Area and increase the Area's tax base, some of the existing businesses may need to be relocated to a more appropriate part of the City.

2. The Project Area and vicinity need infrastructure improvements necessary to stimulate private investment. There is an infrastructure "gap" which must be satisfied to enable private investment to proceed within portions of the Project Area.

3. The infrastructure improvements proposed will benefit the future development of the commercial area by providing improved access and traffic circulation and better accessibility to utilities. The Agency believes that this additional development will result in increased revenues to the City, the potential of additional property tax revenue for taxing entities, job creation to the community and income, corporate franchise and sales tax revenues to the State and local government.

4. An estimate of the urban renewal costs and the costs for construction of infrastructure for or related to the proposed development of the Project Area is shown in the currently proposed draft "Project Area Budget", Exhibit "D."

The cost of the relocation of businesses and public improvements to be constructed as part of the proposed development may need to be borne by developers, or by the City and initially funded through City revenue repayable in part with a portion of the Agency's share of the tax increment generated by the urban renewal. The schedule entitled "Project Area Budget", Exhibit "D," sets forth the projected development costs.

The Agency believes that the cost estimates shown in the currently proposed draft Project Area Budget are reasonable and provide the basis for the Agency to proceed with the proposed urban renewal activities in the Project Area. The cost estimates reflect the Agency's current best estimates of current and future costs and revenues based upon estimated inflationary factors which may change during the life of the Project Area Budget that is approved by the Taxing Entity Committee and adopted by the Agency.

The Agency believes that the proposed development will result in increased revenues to the City, the potential of additional property tax revenue and job creation to the community and income and sales tax revenues to the State and local government. Given the substantial benefits to the community and to the State from the Urban Renewal Project, as referred to elsewhere in this Plan, the public investment of approximately $11,558,357 for improvements and infrastructure

payable over time from tax increment as contemplated in the currently proposed draft Project Area Budget, also appears to be reasonable and justified.

E. Efforts The Agency Has Made or Will Make To Maximize Private Investment

The Agency proposes to use tax increment to fund key infrastructure improvements or as an incentive to private owners and developers, to encourage and maximize private investment in the urban renewal of the Project Area. It is expected that through the use of tax increment in this manner, and through agreements with owners and developers setting the expected performance, private investment will be maximized to the extent reasonably possible. The private investment in the proposed development is anticipated to be $90 million to be spent by owners and developers.

The resulting private to public participation ratio is approximately 8 to 1. This is an acceptable ratio. The Agency believes that private investment for the project has been or will be maximized to the extent reasonably possible.

F. Rationale For Use of Tax Increment Financing, Including Analysis of Whether the Proposed Development Might Occur In The Foreseeable Future Solely Through Private Investment

The rationale for use of tax increment financing is also addressed in other provisions of this Plan.

By using tax increment, the Agency can fund the construction of key infrastructure improvements and offer incentives to developers, in order to induce private investment and development within the Project Area that would not otherwise take place, or may only take place at a much later time or in an unacceptable manner or without eliminating blight. The use of tax increment financing serves as a catalyst to trigger private sector investment by constructing fixed assets in the community. If there is no private sector investment, there will be no tax increment against which private sector dollars can be leveraged. Private investment is calculated using the projected costs for: (1) land acquisition, (2) new building construction or rehabilitation, (3) capital equipment, and (4) personal property.

Based upon the existing circumstances and the recent lack of development and needed renewal in the Project Area resulting in blight conditions, and resulting in the persistence of those conditions in the Project Area, the Agency concludes that without the construction of the necessary infrastructure improvements, or the offering of incentives to owners or developers, the Project Area will have difficulty in attracting the private investment necessary to rehabilitate the Project Area.

G. Estimate of The Total Amount of Tax Increment That Will Be Expended in Undertaking Urban Renewal And The Length of Time For Which it Will Be Expended

It is estimated and anticipated that $11,558,357 of tax increment, including the 20% housing allocation, will be expended in undertaking the urban renewal and that the length of time that tax increment financing will be used within the Project Area will not exceed fifteen (15) years, all as shown in the currently proposed draft Project Area Budget. However, the length of time, and the amount of tax increment authorized to be used or received by the Agency, shall be in accordance

with the Project Area Budget(s) actually approved by the Taxing Entity Committee and adopted by the Agency.

H. Description of Anticipated Public Benefit to Be Derived From The Urban Renewal

It is anticipated that the public benefit to be derived from the proposed development in the Project Area will include the following:

1. **Beneficial Influences upon the Tax Base of the Community**

The following benefits are projected to accrue to the tax base of the community and the state as a result of the subject urban renewal: (1) local option sales tax revenue; (2) real property tax revenue; (3) personal property tax revenue; (4) personal income and corporate franchise tax revenue. The property tax alone is expected to rise from $596,000 in the year 2009 to over $1,860,000 million in 2017 as a result of the urban renewal.

2. **Number of Jobs or Employment Anticipated As A Result of the Urban Renewal**

The number of jobs anticipated to result from the proposed urban renewal is estimated to be equivalent to 1,775 full time positions.

The number of construction jobs is calculated based on construction labor costs, which are assumed to be about 40 percent of total construction costs (the remaining 60 percent is spent for materials and overhead). The total costs for the initial projects are estimated to be $90 million. Therefore, the total labor cost estimates of $36 million, divided by the average wage of $39,144, results in the annual equivalent of 153 full-time jobs spread over the 6-year construction period.

The Agency believes that some of the work force relating to the proposed urban renewal will likely come from other areas of the County. Some employees obtaining employment in the Project Area may wish to relocate to the City due to the quality of life near their job location. Other potential employees may wish to lower expenses by living close to work in an affordable locale. The proposed development should help provide jobs for anticipated growth in population.

3. **Associated Business and Economic Activity Likely to Be Stimulated By the Urban Renewal**

Please refer to the information set forth above. Also, other direct and indirect benefits may accrue to businesses involved in construction supply, business products, business equipment and furnishing, furniture and furnishings, office supplies, food services, pharmaceutical, general retail and others.

4. **Use of a Portion of the Tax Increment for Housing**

Pursuant to Section 17C-2-203 of the Act, 20% of the tax increment funds paid to the Agency over the life of this Urban Renewal Plan pursuant to the Project Area Budget will be allocated for certain housing uses as provided in Section 17C-1-412 of the Act. The Agency anticipates that the use of these tax increment monies for housing will have the additional public benefit of

assisting the community in improving its housing stock and create additional employment opportunities within the community. The Agency has prepared and has adopted a housing plan showing the uses for the housing funds and has provided a copy of the housing plan to the taxing entity committee and to the Olene Walker Housing Loan Fund Board as required by 17C-2-204(2).

Section 15 Description Of Phases And Area Included Within Each Phase; Maps Showing Phase Areas

The following described phases under this Project Area Plan are hereby established and described, pursuant to and as provided for in Subsection 17C-2-601(2)(a)(ii)(B) of the Act. A map showing the area included within each phase is set forth in Exhibit "E" attached hereto.

Phase 1 of this Project Area Plan includes all of the property within the Project Area located north of 6200 South and west of Redwood Road.

Phase 2 of this Project Area Plan includes all of the property within the Project Area located north of 6235 South and east of Redwood Road.

Phase 3 of this Project Area Plan includes all of the property within the Project Area located south of 6235 South and east of Redwood Road.

Phase 4 of this Project Area Plan includes all of the property within the Project Area located South of 6200 South and west of Redwood Road.

Section 16 Relocation

This Urban Renewal Plan for the Project Area incorporates by reference the provisions of the Utah Relocation Assistance Act as found in Section 57121, et. seq., Utah Code Annotated 1953, as amended. The Agency intends that all property needed to be acquired within the Project Area will be acquired, if possible, by private owners wishing to undertake urban renewal within the Project Area. The Agency may, however, acquire real property or interests in real property as permitted by law in order to further the proposed urban renewal within the Project Area, to implement this Plan, and to remove blight from the Project Area. Pursuant to applicable law, the Agency will provide relocation assistance to persons who are displaced by the acquisition of real property by the Agency through use of the power of eminent domain, in accordance with the then current and applicable requirements of the Utah Relocation Assistance Act, if any.

Section 17 National Register of Historic Places or State Register

If any of the existing buildings or uses in the Project Area are included in or eligible for inclusion in the National Register of Historic Places or the State Register, with respect to such buildings or uses the Agency shall comply with Subsection 9-8-404(1) as though it were a state agency.

Section 18 Exhibit "C" Documents

The documents listed on Exhibit "C" entitled, "Supporting Documents," provide additional information which may be used in support of this Plan and the urban renewal of the Project Area. The Supporting Documents are incorporated herein and made a part hereof.

Section 19 Other Urban Renewal Plan Objectives and Provisions

A. Continued Use of Existing Buildings

Urban renewal in limited cases shall include the continuance of existing buildings or uses so long as blight conditions, if any, are removed and the buildings have an economic life after rehabilitation of at least twenty (20) years. The Agency believes that some existing buildings within the Project Area should be considered to be continued or rehabilitated.

B. Retail Sales

Because blight has been found in the Urban Renewal Project Area, the development of retail sales may be, and is, an objective of the Project Area in order to strengthen the tax base of the community and the State.

Section 20 Tax Increment and Other Provisions In This Urban Renewal Plan

A. General Tax Increment Provisions

Subject to any limitations required by currently existing law (unless a limitation is subsequently eliminated), this Urban Renewal Plan hereby specifically incorporates all of the provisions of the Act that authorize or permit the Agency to receive tax increment from the Project Area and that authorize the various uses of such tax increment by the Agency, and to the extent greater authorization for receipt of tax increment by the Agency or use thereof by the Agency is provided by any amendment of the Act or by any successor provision, law or act, those are also specifically incorporated herein. It is the intent of this Plan that the Agency shall have the broadest authorization and permission for receipt of and use of tax increment as is authorized by law, whether by existing or amended provisions of law. This Plan also incorporates the specific provisions of tax increment financing permitted by Sections 17C-1-401 and 405 of the Act, which provide, in part, as follows:

"401 (1) An agency may receive and use tax increment and sales tax, as provided in this part.
(2) (a) The applicable length of time or number of years for which an agency is to be paid tax increment or sales tax under this part shall be measured:
. . . .
(ii) for a post-June 30, 1993 urban renewal or economic development project area plan, from the first tax year for which the agency receives tax increment under the project area budget;
. . . .
(b) Unless otherwise provided in a project area budget that is approved by a taxing entity committee, or in an interlocal agreement or resolution adopted by a taxing entity, tax increment may not be paid to an agency for a tax year prior to the tax year following:
(i) for an urban renewal or economic development project area plan, the effective date of the project area plan;

. . . .
(4) With the written consent of a taxing entity, an agency may be paid tax increment, from that taxing entity's tax revenues only, in a higher percentage or for a longer period of time, or both, than otherwise authorized under this title.
(5) Each county that collects property tax on property within a project area shall pay and distribute to the agency the tax increment that the agency is entitled to collect under this title, in the manner and at the time provided in Section 59-2-1365

405 (1) This section applies to tax increment under a project area plan adopted on or after May 1, 2006.
(2) Subject to the approval of the taxing entity committee, an agency board may provide in the project area budget for the agency to be paid any percentage of tax increment up to 100% or any specified dollar amount of tax increment for any period of time."

In the Project Area Budget the Agency has provided or will provide that 20% of the tax increment to be received by the Agency pursuant to the Project Area Budget be allocated for income targeted housing.

B. Twenty Percent (20%) of The Tax Increment Received By The Agency Pursuant to the Project Area Budget Shall Be used For Housing

This Urban Renewal Plan and currently proposed draft Project Area Budget allocate 20% of the tax increment to be received by the Agency pursuant to the Project Area Budget approved by the taxing entity committee, for the uses described in Sections 17C-1-412 and 17C-2-203 of the Act. These uses include the uses set forth in Section 17C-2-412 of the Act which require that the Agency use all housing funds allocated under Section 17C-2-412 of the Act to:

"(i) pay part or all of the cost of land or construction of income targeted housing within the boundary of the agency, if practicable in a mixed income development or area;
(ii) pay part or all of the cost of rehabilitation of income targeted housing within the boundary of the agency;
(iii) lend, grant, or contribute money to a person, public entity, housing authority, private entity or business, or nonprofit corporation for income targeted housing within the boundary of the agency;
(iv) plan or otherwise promote income targeted housing within the boundary of the agency;
(v) pay part or all of the cost of land or installation, construction, or rehabilitation of any building, facility, structure or other housing improvement, including infrastructure improvements, related to housing located in a project area where blight has been found to exist;
(vi) replace housing units lost as a result of the urban renewal, economic development or community development;
(vii) make payments on or establish a reserve fund for bonds;
(A) issued by the agency, the community or the housing authority that provides income targeted housing within the community; and
(B) all or part of the proceeds of which are used within the community for the purposes stated in Subsections (1)(a)(i), (ii), (iii), or (iv); or
(viii) if the community's fair share ratio at the time of the first adoption of the Project Area Budget is at least 1.1 to 1.0, make payments on bonds:

(A) that were previously issued by the agency, the community or the housing authority that provides income targeted housing within the community; and
(B) all or part of the proceeds of which were used within the community for the purposes stated in Subsections (1)(a)(i), (ii), (iii) or (iv); or
(ix) relocate mobile home park residents displaced by an urban renewal, economic development or community development project.
(b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all housing funds to:
(i) the community for use as provided in Subsection (1)(a);
(ii) the housing authority that provides income targeted housing within the community for use in providing income targeted housing within the community; or
(iii) the Olene Walker Housing Loan Fund, established under Title 9, Chapter 4, Part 7, Olene Walker Loan Fund, for use in providing income targeted housing within the community."

C. Housing Plan

Pursuant to the Act, before the Agency may adopt a Project Area Budget that allocates tax increment funds under Section 17C-2-203(1)(a), the Agency shall prepare and adopt a housing plan showing the uses for the housing funds and provide a copy of this Plan to the taxing entity committee and the Olene Walker Housing Loan Fund Board. The Agency has adopted such a housing plan in connection with a previous urban renewal project area. If the Agency amends a housing plan prepared under Section 17C-2-204(2)(a)(i), the Agency shall provide a copy of the amendment to the taxing entity committee and the Olene Walker Housing Loan Fund Board.

D. Other Provisions Required by Law

To the extent required by the Act, before the Agency collects tax increment from the Project Area pursuant to the Project Area Budget, the Agency must obtain the majority consent of a quorum of the taxing entity committee for the Project Area Budget.

Section 21 <u>Taxing Entity Committee</u>

Section 17C-1-402 of the Act provides for the establishment of a taxing entity committee composed of:

(A) two school district representatives appointed as provided in Subsection (2)(a)(ii);

(B) (II) in a county of the first class, one representative appointed by the county executive, and one representative appointed by the legislative body of the county in which the agency is located;

(C) if the agency was created by a city or town, two representatives appointed by resolution of the legislative body of that city or town;

(D) one representative appointed by the State Board of Education; and

(E) one representative selected by majority vote of the legislative bodies or governing boards of all other taxing entities that levy a tax on property within the agency's boundaries, to represent the interests of those taxing entities on the taxing entity committee.

The taxing entity committee has the duties and powers as provided for in the Act, and represents all taxing entities regarding a project area. The current duties and powers of a taxing entity committee include the following which are listed in Section 17C-1-402(3) of the Act:

"(a) cast votes that will be binding on all taxing entities;
(b) negotiate with the agency concerning a draft project area plan;
(c) approve or disapprove an urban renewal project area budget as provided in Section 17C-2-204;
(d) approve or disapprove amendments to a project area budget as provided in Section 17C-2-206 for an urban renewal project area budget;
(e) approve exceptions to the limits on the value and size of a project area imposed under this title;
(f) approve exceptions to the percentage of tax increment and the period of time that tax increment is paid to the agency as provided in this title;
(g) approve the use of tax increment for publicly owned infrastructure and improvements outside of an urban renewal or economic development project area that the agency and community legislative body determine to be of benefit to the urban renewal or economic development project area, as provided in Subsection 17C-1-409(1)(a)(iii)(D);
(h) waive restrictions imposed by Section 17C-2-202(1); and
(i) give other taxing entity committee approval or consent required or allowed under this title."

Section 22 Provisions For Amending This Urban Renewal Plan

This Urban Renewal Plan may be amended or modified at any time by the Agency in the same manner as if the amendment or modification constituted an urban renewal plan being originally proposed, or pursuant to the procedures provided in Section 17C-2-110 of the Act, and may be amended as allowed by any other provision of the Act or as provided or allowed by any amended or successor provision, law or act.

EXHIBIT “A”
PROJECT AREA MAP

EXHIBIT “B”
LAND USE/ZONING MAP

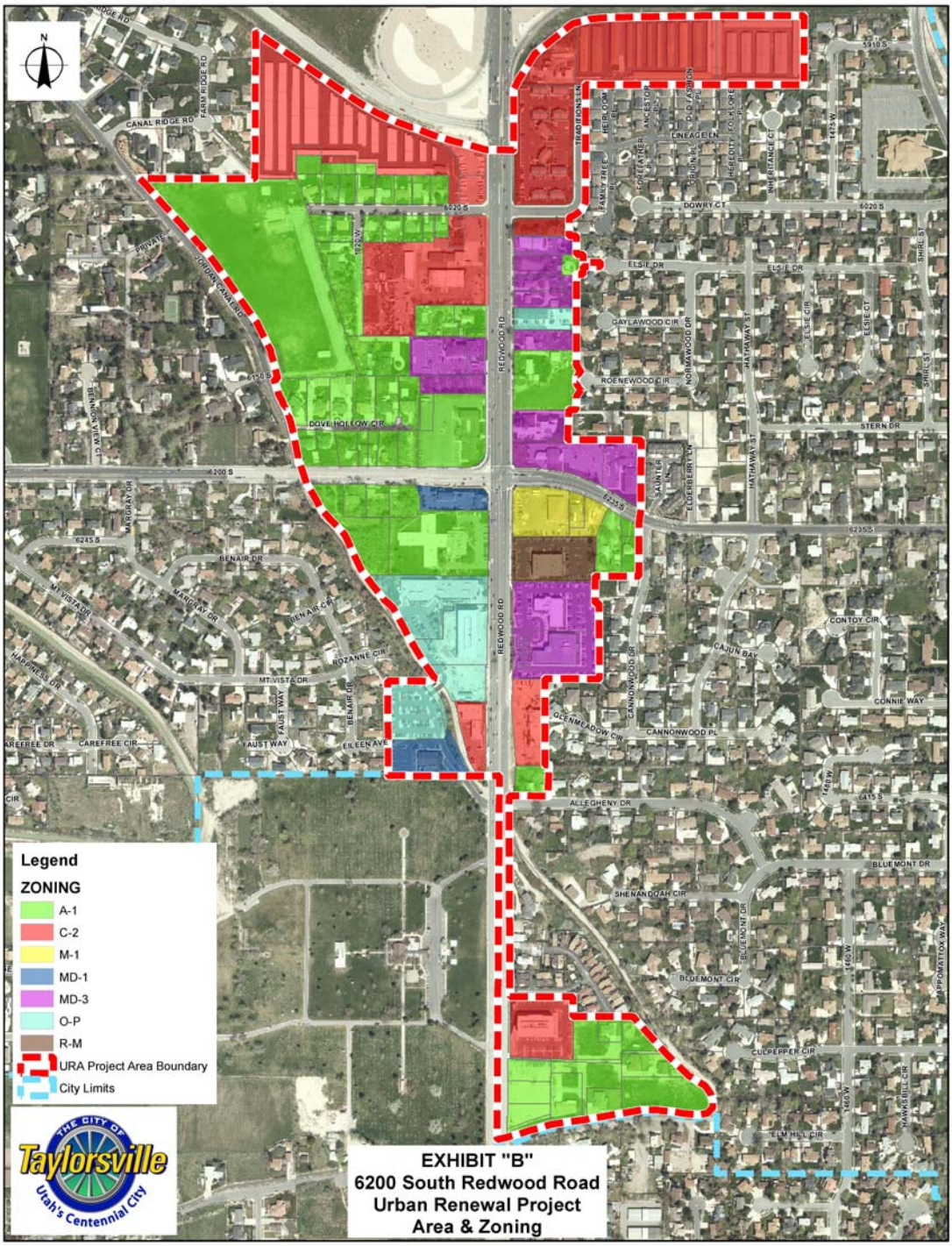


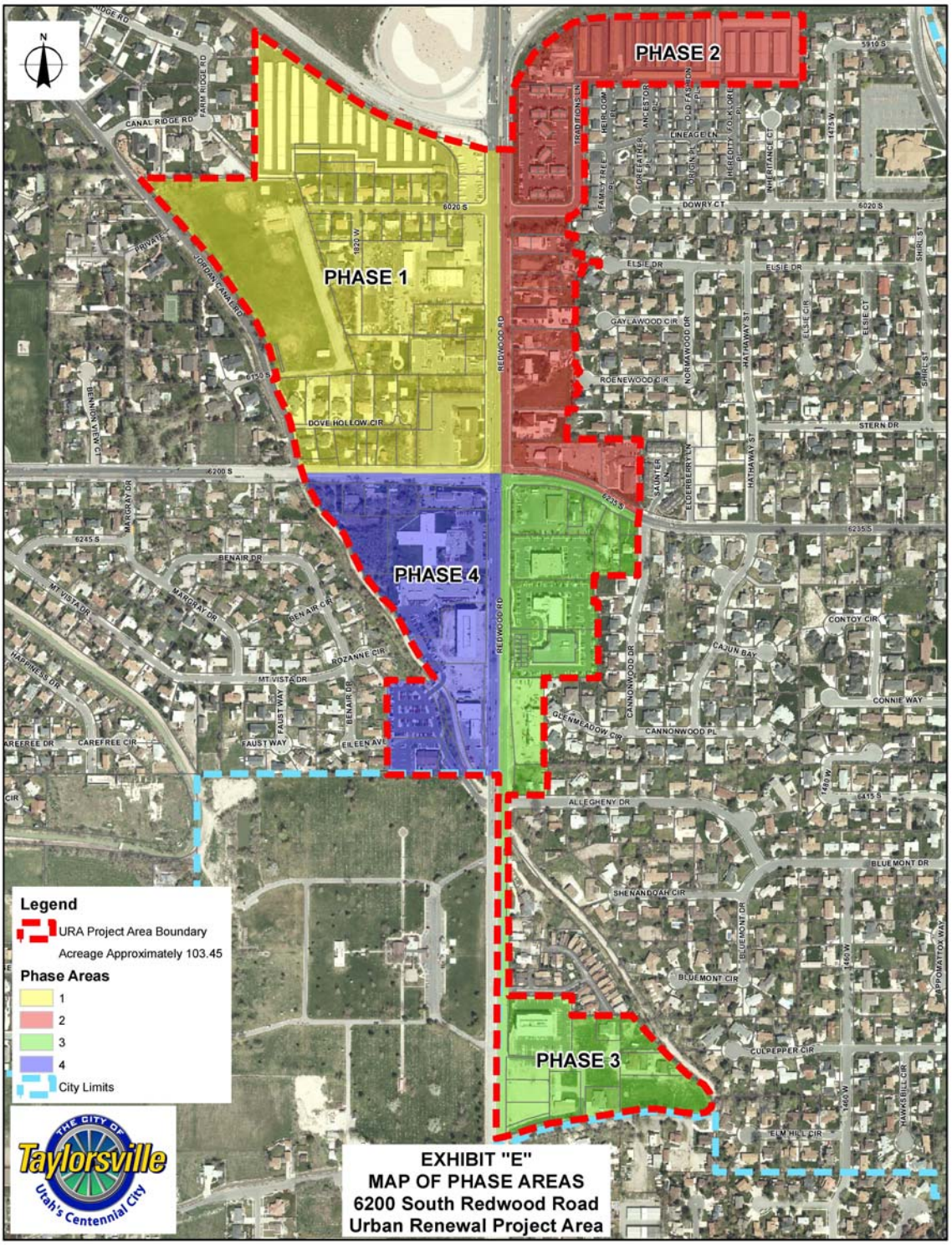
EXHIBIT "C"
SUPPORTING DOCUMENTS

6200 South Redwood Road URBAN RENEWAL PROJECT AREA PLAN
August 31, 2010

The following documents are part of the 6200 South Redwood Road Urban Renewal Project Area Plan dated August 31, 2010 and are incorporated by reference. The documents support the statements and findings incorporated in the 6200 South Redwood Road Urban Renewal Project Area Plan.

Blight Study for Taylorsville 6200 South Redwood Road Urban Renewal Survey Area and Proposed Project Area, conducted by Bonneville Research dated August 12, 2010.

EXHIBIT “D”
PROJECT AREA BUDGET

EXHIBIT "E"

MAP SHOWING PHASE AREAS