

**REDEVELOPMENT AGENCY OF TAYLORSVILLE
BOARD MEETING
AGENDA ITEM SUMMARY**

MEETING DATE: June 20, 2012

AGENDA ITEM: Resolution No. RDA 12-05 – Adopting the Amended 5400 South and Bangerter Highway Urban Renewal Project Area Budget as Approved by the Taxing Entity Committee on May 14, 2012

PRESENTER: Donald Adams

ISSUE SUMMARY: Consideration of Resolution No. RDA 12-05 – Adopting the Amended 5400 South and Bangerter Highway Urban Renewal Project Area Budget as Approved by the Taxing Entity Committee on May 14, 2012

STAFF RECOMMENDATION: Approve Resolution No. RDA 12-05

CITY ATTORNEY (Approved as to form)

RECOMMENDED MOTION: Move to Approve Resolution No. RDA 12-05

ACTION REQUIRED: Consideration of Resolution No. RDA 12-05

CONTACT INFORMATION: Donald Adams, Economic Development Director

REDEVELOPMENT AGENCY OF TAYLORSVILLE CITY

RESOLUTION NO. RDA 12-05

DATE: JUNE 20, 2012

**RESOLUTION OF THE REDEVELOPMENT AGENCY OF TAYLORSVILLE CITY
ADOPTING THE AMENDED 5400 SOUTH AND BANGERTER HIGHWAY URBAN
RENEWAL PROJECT AREA BUDGET AS APPROVED BY THE TAXING ENTITY
COMMITTEE ON MAY 14, 2012**

WHEREAS, the Redevelopment Agency of Taylorsville City (the "Agency") was created to transact the business and exercise the powers provided for in the former Utah Redevelopment Agencies Act, the current Utah Community Development and Renewal Agencies Act and any successor law or act (the "Act"); and

WHEREAS, pursuant to the applicable requirements of the law on January 23, 2008 the Agency has previously adopted the original 5400 South and Bangerter Highway Urban Renewal Project Area Budget (the "original Project Area Budget" or "original Budget") for the 5400 South and Bangerter Highway Urban Renewal Project Area (the "Project Area"); and

WHEREAS, it has become necessary and desirable that the Agency adopt an amended project area budget for the Project Area; and

WHEREAS, pursuant to Sections 17C-2-201(2) and 17C-2-206 of the Act, the Agency has: (a) prepared a draft of the proposed Amended 5400 South and Bangerter Highway Urban Renewal Project Area Budget (the "Amended Project Area Budget" or "Amended Budget") for the 5400 South and Bangerter Highway Urban Renewal Project Area; (b) made a copy of the draft Amended Project Area Budget available to the public at the Agency's offices during normal business hours; and (c) provided notice of the Amended Budget hearing as required by Sections 17C-2-501, 502 and 505 of the Act; and

WHEREAS, on May 31, 2012, the Agency published in the Salt Lake Tribune, a newspaper of general circulation, a notice of the Amended Budget Hearing which met the requirements of Sections 17C-2-501, 502 and 505 of the Act; and

WHEREAS, pursuant to the provisions of the Act, a public hearing was held on June 20, 2012 to allow public comment on the draft Amended Project Area Budget and whether the draft Amended Project Area Budget should be revised, adopted or rejected; and

WHEREAS, the Agency has considered comments made and information presented at the public hearing relating to the draft Amended Project Area Budget; and

WHEREAS, pursuant to the provisions of Sections 17C-2-203 and 17C-1-412 of the Act, the Agency has allocated 20% of the total tax increment received by the Agency from the 5400 South and Bangerter Highway Urban Renewal Project Area to be used for housing as set forth in the Act; and

WHEREAS, the Agency has selected the option of collecting 75% of the annual tax increment from the 5400 South and Bangerter Highway Urban Renewal Project Area for fifteen (15) tax years beginning with tax year 2012; and

WHEREAS, the governing body of the Agency desires to approve and adopt the Amended Project Area Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY OF TAYLORSVILLE CITY:

Section 1. Amended 5400 South and Bangerter Highway Urban Renewal Project Area Budget. As the official project area budget for the 5400 South and Bangerter Highway Urban Renewal Project Area, the Agency hereby approves and adopts, as a multi-year 15-year cumulative budget the amended project area budget entitled "5400 South and Bangerter Highway Urban Renewal Project Area, Redevelopment Agency of Taylorsville City, 15-Year Cumulative – Multi-Year Budget Utilizing 75% of the Tax Increment" as approved by resolution of the Taxing Entity Committee on May 14, 2012, and as shown on the attached Exhibit "A." The boundaries of the Project Area are more fully described and shown in the Project Area Plan dated December 7, 2007 (adopted January 23, 2008).

The Amended Project Area Budget is a 15 year multiyear cumulative budget. This means that the annual amounts of projected tax increment revenue to the Agency as shown in each year of the Amended Project Area Budget and any supporting materials are not limitations but are for informational purposes only, and that the Agency is authorized to receive 75% of the annual tax increment for fifteen tax years (beginning with tax year 2012) up to a maximum cumulative total of tax increment received by the Agency of \$22,010,037. The Agency specifically approves the following percentages for the multi-year cumulative Amended Project Area Budget, applying the line item descriptions and percentages shown in the columns of the attached Amended Project Area Budget entitled "ALLOCATED AGENCY % 2012-2026" and "ALLOCATED AGENCY \$ 2012-2026," of the attached Amended Project Area Budget as follows:

The maximum total of all tax increment payable to the Agency over the fifteen (15) year Amended Project Area Budget is 75% of the total tax increment for the fifteen (15)-year period (2012 through 2026) but not to exceed \$22,010,037. From the total of all tax increment actually received by the Agency pursuant to this Amended Budget, 20% thereof, using appropriate net present value calculations, if applicable, shall be allocated to housing purposes as required by and under Sections 17C-2-203 and 17C-1-412 of the Act, and up to \$1,100,502 (5% of the total tax increment received by the Agency over the entire fifteen (15)-year period) may be used by the Agency for administration purposes.

Section 2. Housing Element. Pursuant to the provisions of Sections 17C-2-203 and 17C-1-412 of the Act, the Agency has allocated 20% of the total tax increment received by the Agency to be used for housing as set forth in the Act.

Section 3. Tax Increment Financing.

A. The Agency may collect tax increment from all or a part of the Project Area. The tax increment shall be paid to the Agency to finance or refinance, in whole or in part, the urban renewal (redevelopment) of the Project Area and publicly owned infrastructure and improvements within and outside the Project Area that benefit the Project Area, according to the amounts established by the Taxing Entity Committee as shown in the approved Amended Project Area Budget attached as Exhibit "A" and in this Resolution.

B. Subject to any limitations required by currently existing law (unless a limitation is subsequently eliminated), for example limitations of the Amended Project Area Budget approved by the taxing entity committee, this Resolution hereby specifically incorporates all of the provisions of the Utah Community Development and Renewal Agencies 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 law or by any successor provision, law or act, those are also specifically incorporated herein. It is the intent of this Resolution that the Agency shall have the broadest authorization and permission for receipt of and use of tax increment as is authorized by law, whether by existing or amended provisions of law.

C. As shown in the Amended Project Area Budget, the Agency has elected to receive 75% of the tax increment monies from the Project Area for a period not to exceed fifteen (15) years (2012 through 2026).

Section 4. Effective Date.

This Resolution shall become effective immediately upon adoption by the Board of Directors of the Agency.

IN WITNESS WHEREOF, the Redevelopment Agency of Taylorsville City has approved, passed and adopted this Resolution this 20th day of June 2012.

ATTEST:

Jerry Rechtenbach, Chairperson

Cheryl Peacock Cottle, Secretary

AMENDED 5400 SOUTH & BANGERTER HIGHWAY URBAN RENEWAL PROJECT AREA REDEVELOPMENT AGENCY OF TAYLORSVILLE CITY 15 YEAR CUMULATIVE MULTI-YEAR BUDGET UTILIZING 75 PERCENT OF THE TAX INCREMENT																				ALLOCATED AGENCY % 2012-2026	ALLOCATED AGENCY \$ 2012-2026
BASE YEAR 2011	NPV @ 6.5% 15 YEARS	CASH VALUE 15 YEARS	INCREMENT TAX YEAR 1	INCREMENT TAX YEAR 2	INCREMENT TAX YEAR 3	INCREMENT TAX YEAR 4	INCREMENT TAX YEAR 5	INCREMENT TAX YEAR 6	INCREMENT TAX YEAR 7	INCREMENT TAX YEAR 8	INCREMENT TAX YEAR 9	INCREMENT TAX YEAR 10	INCREMENT TAX YEAR 11	INCREMENT TAX YEAR 12	INCREMENT TAX YEAR 13	INCREMENT TAX YEAR 14	INCREMENT TAX YEAR 15				
Base Year Property Tax (Base Year Taxable Value)	\$575,908 \$44,806,350	\$6,415,072	\$575,908 \$44,806,350																		
Required Infrastructure Investment		\$6,962,389																			
Projected Available Tax Increment for Infrastructure Investment		\$9,779,990	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$0	\$0		
Tax Increment Surplus (Shortfall)		\$817,591																			
RDA TOTAL - 15 YEARS			\$20,643	\$436,739	\$899,298	\$997,242	\$1,297,675	\$1,609,646	\$1,936,636	\$2,274,898	\$2,618,851	\$2,969,593	\$3,327,224	\$3,647,894	\$0	\$0	\$0	75%	\$22,010,037		
Agency @ 75%		\$13,039,806	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$0	\$0		
Eligible Project Area Expenditures		\$9,779,990	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$0	\$0		
Housing		\$2,607,997	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$0	\$0		
RDA Administration		\$651,999	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$0	\$0		
Taxing Agency Flow-Thru		\$4,949,892	\$7,398,679	\$7,398,679	\$7,398,679	\$7,398,679	\$7,398,679	\$7,398,679	\$7,398,679	\$7,398,679	\$7,398,679	\$7,398,679	\$7,398,679	\$7,398,679	\$7,398,679	\$7,398,679	\$7,398,679	\$0	\$0		
Total Tax Increment		\$13,039,806	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$0	\$0		
Total Project Revenues		\$17,388,648	\$29,346,716	\$29,346,716	\$29,346,716	\$29,346,716	\$29,346,716	\$29,346,716	\$29,346,716	\$29,346,716	\$29,346,716	\$29,346,716	\$29,346,716	\$29,346,716	\$29,346,716	\$29,346,716	\$29,346,716	\$0	\$0		
PROJECT EXPENDITURES																					
CAPITAL COSTS & RELATED EXPENSES																					
Buildings/Improvements																					
Residential @ 55%		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Retail		\$14,784,564	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$0	\$0		
Commercial Office		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Soft Costs/Const Mgmt/Financing (Included above)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Total New Building Taxable Value		\$14,784,564	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$15,612,500	\$0	\$0		
Personal Property & Capital Equipment																					
New Investment in Furniture, Fixtures and Equipment (includes replacement and re-investment)		\$4,817,747	\$5,748,287	\$3,671,829	\$0	\$339,716	\$144,560	\$144,560	\$144,560	\$144,560	\$144,560	\$144,560	\$144,560	\$144,560	\$144,560	\$144,560	\$144,560	\$144,560	\$144,560		
Depreciated Value of Personal Property					\$2,546,861	\$2,546,861	\$2,245,309	\$1,972,888	\$0	\$1,288,320	\$832,068	\$495,144	\$485,144	\$485,144	\$485,144	\$485,144	\$485,144	\$485,144	\$485,144		
Total Personal Property & Capital Equipment Expense				\$3,671,829	\$2,546,861	\$2,886,579	\$2,388,969	\$2,117,228	\$144,560	\$1,432,881	\$970,649	\$629,704	\$629,704	\$629,704	\$629,704	\$629,704	\$629,704	\$629,704	\$629,704		
PROJECT NEW TAXABLE INCREMENTAL VALUE			\$19,284,328	\$21,831,188	\$24,717,764	\$27,107,833	\$29,224,882	\$29,369,422	\$30,802,303	\$31,776,951	\$32,408,655	\$33,036,360	\$33,668,064	\$34,287,768	\$34,827,472	\$35,557,176	\$36,186,880				
Less Existing Base Year Improvements Value			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
TOTAL PROJECT TAXABLE INCREMENTAL VALUE			\$19,284,328	\$21,831,188	\$24,717,764	\$27,107,833	\$29,224,882	\$29,369,422	\$30,802,303	\$31,776,951	\$32,408,655	\$33,036,360	\$33,668,064	\$34,287,768	\$34,827,472	\$35,557,176	\$36,186,880				
EXPENDITURES REIMBURSABLE FROM TAX INCREMENT																					
Operating Expenses																					
Redevelopment Agency Administration		\$698,286	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$1,100,502	\$0	\$0		
Housing (20% Annually)			\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$4,402,007	\$0	\$0		
Tax increment for public infrastructure and other improvements in & outside the project area & other eligible expenditures		\$10,474,295	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$16,507,528	\$0	\$0		
RDA Grants		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
TOTAL EXPENDITURES REIMBURSABLE FROM TAX INCREMENT		\$11,965,727	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$22,010,037	\$0	\$0		
TOTAL PROJECT EXPENDITURES		\$304,707,498	\$476,210,863	\$476,210,863	\$476,210,863	\$476,210,863	\$476,210,863	\$476,210,863	\$476,210,863	\$476,210,863	\$476,210,863	\$476,210,863	\$476,210,863	\$476,210,863	\$476,210,863	\$476,210,863	\$476,210,863	\$34,827,472	\$35,557,176	\$36,186,880	
PROPERTY TAX																					
Taylorville City - 13.8%	0.001794	\$2,202,333	\$3,717,282	\$34,596	\$73,761	\$118,105	\$198,738	\$219,198	\$271,854	\$327,113	\$384,128	\$442,288	\$501,537	\$561,927	\$616,096	\$0	\$0	12.7%	\$3,717,282		
Salt Lake County - 17.5%	0.002896	\$3,309,638	\$5,586,258	\$51,861	\$110,847	\$177,487	\$280,059	\$329,668	\$408,539	\$491,582	\$577,258	\$664,932	\$753,709	\$844,472	\$925,891	\$0	\$0	19.0%	\$5,586,258		
Granite School District - 47.4%	0.008799	\$8,342,841	\$14,081,782	\$131,058	\$278,421	\$447,403	\$631,676	\$830,239	\$1,028,633	\$1,236,166	\$1,455,136	\$1,675,386	\$1,899,913	\$2,128,721	\$2,333,883	\$0	\$0	48.0%	\$14,081,782		
South Salt Lake Valley Mosquito Abatement District - 2%	0.000052	\$93,836	\$107,748	\$1,003	\$2,138	\$3,423	\$4,833	\$6,353	\$7,880	\$9,402	\$11,134	\$12,819	\$14,537	\$16,288	\$17,858	\$0	\$0	0.4%	\$107,748		
Jordan Valley Water Conservancy District - 3.5%	0.000424	\$520,907	\$978,557	\$8,177	\$17,433	\$27,913	\$39,407	\$51,798	\$64,251	\$77,311	\$90,785	\$104,527	\$118,535	\$132,810	\$145,810	\$0	\$0	3.0%	\$978,557		
Taylorville-Bonnie Improvement District - 1.3%	0.000189	\$206,238	\$349,108	\$3,240	\$6,907	\$11,000	\$15,614	\$20,524	\$25,458	\$30,633	\$35,972	\$41,418	\$46,997	\$52,622	\$57,629	\$0	\$0	1.2%	\$349,108		
Oquirrh Recreation and Parks District	0.001163	\$1,464,538	\$2,471,879	\$23,006	\$49,051	\$76,529	\$110,879	\$145,744	\$180,781	\$217,529	\$255,441	\$294,104	\$333,518	\$373,685	\$409,700	\$0	\$0	8.4%	\$2,471,879		
Central Utah Water Conservancy District - 2.8%	0.000438	\$535,238	\$903,422	\$8,408	\$17,928	\$28,703	\$40,522	\$53,264	\$66,089	\$79,469	\$93,365	\$107,485	\$121,890	\$136,569	\$149,731	\$0	\$0	3.1%	\$903,422		
Salt Lake County Libraries - 4.5%	0.000904	\$741,477	\$1,251,530	\$11,848	\$24,834	\$39,763	\$56,136	\$73,786	\$91,527	\$110,132	\$129,326	\$148,901	\$168,858	\$189,192	\$207,426	\$0	\$0	4.3%	\$1,251,530		
TOTAL PROPERTY TAX	0.014163	\$17,388,648	\$29,346,716	\$273,124	\$582,319	\$932,397	\$1,316,322	\$1,730,234	\$2,146,193	\$2,582,448	\$3,032,531	\$3,491,535	\$3,959,457	\$4,436,298	\$4,883,859	\$0	\$0	100.0%	\$29,346,716		
TOTAL PROPERTY TAX INCREMENT		\$17,388,648	\$29,346,716	\$273,124	\$582,319	\$932,397	\$1,316,322	\$1,730,234	\$2,146,193	\$2,582,448	\$3,032,531	\$3,491,535	\$3,959,457	\$4,436,298	\$4,883,859	\$0	\$0	100.0%	\$29,346,716		