

**GUIDELINES, ELIGIBILITY REQUIREMENTS,
AND POLICY FOR EXPENDITURES
AND PROJECT SELECTION OF THE TEDIIF FUND:**

TAYLORSVILLE ECONOMIC DEVELOPMENT INVESTMENT AND INFRASTRUCTURE FUND

A line of credit or similar mechanism for ready access for capital should be created. The main goal of this pool of credit or funds (or "TEDIIF") and its expenditures should be directly linked to economic development activities. For the City of Taylorsville to adequately handle the economic development activities required to improve our current degradation in aging retail and needed job growth, a beginning point should be \$10 million. The repayment of this fund can be through TIF or general fund means.

GUIDELINES:

1. To sustain and increase high-value, long-term employment within the City boundaries.
2. To sustain, redevelop and increase retail development within the City boundaries.
3. To stimulate the private sector to expand within, or locate in the City.
4. To secure new job opportunities for Taylorsville residents.
5. To rebuild or expand infrastructure and public facilities within the City.

ELIGIBILITY REQUIREMENTS - Selected projects must accomplish one or more of the following:

1. Aid a client in identifying and securing property or facilities within the City.
2. Aid a client in making public improvements necessary for the success of the project.
3. Assist the client in securing lower interest rate, property rehabilitation/renovation loans.
4. Formation of a Business Improvement District in the Commercial Business Area.
5. Development of marketing information for general and targeted prospects.
6. Assist in the funding of job training and technical programs for City residents or businesses.
7. Provide reimbursable technical assistance for property owners and developers seeking aid in the development of retail, professional, research & development, and other multiple job creating enterprises, such as business incubators.
8. Fund the construction, re-construction, or renovation of needed infrastructure or public facilities that will benefit, stimulate, or be needed as a result of economic development.
9. Fund projects that have a direct influence on "quality of life" issues, such as parks, recreation, and the arts (see exception for funding from the TEDIIF outside economic development).

POLICY – Administration can undertake incentive investments from the budget amount without council approval if the following policies are met. The following shall be considered when evaluating and prioritizing possible projects to fund:

1. Prefer investments in obvious physical improvements which generate quality job growth.
2. Prefer a "payback" mechanism on funded projects, to replenish the TEDIIF Fund.
 - a. Bonded indebtedness shall include return of principal bond interest, bond issuance costs, etc., +1.5%.
 - b. Bond indebtedness term of 25 years or less.
 - c. Payback of revenues can be in the form of:
 - i. Increased property tax revenues (Property Tax TIF) from the project area.
 - ii. Increased sales tax revenues (Sales Tax TIF) from the project area.
 - iii. Other methods of direct repayment from the developer / owner
 - iv. Construction of municipal infrastructure in lieu of repayment
 - v. Special Improvement Districts
3. The overall economic development investment portfolio should have an internal ROI of 5%. Individual deals can have no less than a 1.5% return without council approval.
 - a. If individual deals are key investments and will in the long run be of benefit to the City, but are below the 1.5%, the City Council must vote in favor of the expenditure with a majority vote.
4. Balance economic development investments between new ventures and revitalization of existing business locations.
5. Limit investment in "soft activities," (e.g. marketing, promotion, program administration, funds management, etc.), to not more than 10% of annually.

6. All investments shall be defined within economic development agreements or contracts.
7. Any public improvement investment (e.g. rights-of-way, traffic signalization, etc.), benefiting specific nonresidential, private properties shall be negotiated in order to reduce City costs of property acquisition.
8. Exception for funding projects from the TEDIIF outside economic development as defined in Guidelines 1-5, Eligibility Requirements 1-9, and Policy 1-6 of these guidelines, shall require a 4/5 majority vote of the City Council.