

VILLAGE CENTER REDEVELOPMENT PROJECT AREA PLAN

DRAFT PROJECT AREA PLAN

December 5, 2005

**Redevelopment Agency of the City
of Holladay**

Village Center Redevelopment Project Area

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RECITALS

1. Pursuant to the provisions of Section 17B-4-401 of the Act, the governing body of the Agency designated a redevelopment survey area by a resolution containing a description or map of the boundaries of the redevelopment survey area, which resolution contained a statement that the survey area requires study to determine: (a) whether one or more redevelopment projects within the survey area are feasible; and (b) whether blight exists within the survey area; and

2. Pursuant to the provisions of Section 402(1)(h)(iii) of the Act, the Agency has selected by resolution one or more redevelopment project areas comprising all or part of the redevelopment survey area; and

3. Pursuant to the provisions of Section 17B-4-402(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 17B-4-601 and 602 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 July 1, 2004 and within one year after adoption of the survey area resolution (or the Agency adopted a new resolution as provided for in Section 602(2) of the Act); and

5. Pursuant to the provisions of Sections 17B-4-601 and 603 and Section 17B-4-402(h)(ii) 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 redevelopment project area to be presented; (b) permitting each record owner of property located within the proposed redevelopment 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 a redevelopment project area; and (d) allowing public input into Agency deliberations on proposing the redevelopment project area; and

6. Pursuant to the provisions of Section 17B-4-601 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 redevelopment project area; and

7. Pursuant to the provisions of Section 17B-4-1004 of the Act, this Redevelopment Plan has been adopted after June 30, 1993.

Section 1 Definitions

As used in this Redevelopment Plan:

- A. The term "**Act**" shall mean and include the Utah Neighborhood Development Act to the extent applicable, and the Redevelopment Agencies Act as found in Title 17B, Part 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 the City of Holladay as designated by the City to act as a redevelopment agency.
- 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 Subsection 17B-4-604(1) as follows:
- (1) contains buildings or improvements used or intended to be used for residential, commercial, industrial, or other urban purposes, or any combination of those uses;
 - (2) contains buildings or improvements on at least 50% of the number of parcels of private real property whose acreage is at least 50% of the acreage of the private real property within the proposed redevelopment project area; and
 - (3) is unfit or unsafe to occupy or may be conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime because of any three or more of the following factors:
 - (i) defective character of physical construction;
 - (ii) high density of population or overcrowding;
 - (iii) inadequate ventilation, light, or spacing between buildings;
 - (iv) mixed character and shifting of uses, resulting in obsolescence, deterioration, or dilapidation;
 - (v) economic deterioration or continued disuse;
 - (vi) lots of irregular shape or inadequate size for proper usefulness and development, or laying out of lots in disregard of the contours and other physical characteristics of the ground and surrounding conditions;
 - (vii) inadequate sanitation or public facilities which may include streets, open spaces, and utilities;
 - (viii) areas that are subject to being submerged by water; and
 - (ix) existence of any hazardous or solid waste, defined as any substance defined, regulated, or listed as a hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant, or toxic substance, or identified as hazardous to human health or the environment under state or federal law or regulation.
- E. The term "**City**" shall mean the City of Holladay, Utah.

- F. The term "**community**" shall mean the community of the City of Holladay, Utah.
- G. The term "**Olene Walker Housing Trust Fund Board**" shall mean the Olene Walker Housing Trust Fund Board, established under Title 9, Chapter 4, Part 7, Olene Walker Housing Trust Fund.
- H. The term "**owner participation**" shall mean the owner participation provided for in the owner participation guidelines adopted by the Agency as required by the Act.
- I. The term "**planning commission**" shall mean the planning commission of the City established pursuant to law or charter.
- J. The term "**Project Area**" or "**Redevelopment Project Area**" shall mean the geographic area described in this Project Area Plan where the redevelopment, economic development or education housing development set forth in this Project Area Plan takes place or is proposed to take place.
- K. The term "**Project Area Budget**" shall mean a multiyear projection of annual or cumulative revenues and expenses and other fiscal matters pertaining to a redevelopment, economic development or education housing development project area 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, a legal description of the portion of the project area from which tax increment will be collected; and
 - (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.
- L. The term "**redevelopment**" shall mean, as defined in Section 17B-4-102(25) of the Act, the development activities under a project area plan within a redevelopment 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.
13. The term "**Redevelopment Plan**" or "**Plan**" shall mean this Redevelopment Plan developed by the Agency and adopted by ordinance of the governing body of the City to guide and control the redevelopment activities within the Project Area.
- N. 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.
- O. The term "**taxing entity**" shall mean a public entity that levies a tax on property within the Project Area or proposed Project Area.
- P. 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 Description of the Redevelopment Project Area

The Village Center Redevelopment Project Area, referred to as the Redevelopment Project Area or Project Area, is enclosed within the following boundaries:

A parcel of land located in the South half of Section 3 and the North half of Section 10, Township 2 South, Range 1 East, Salt Lake Base and Meridian, being more particularly described as follows:

Beginning at a point on the East right-of-way line of 2300 East street which is South 00°46'23" West 1027.67 feet along the section line and South 89°13'37" East 38.54 feet from the Center of said Section 3 (basis of bearing being South 89°13'37" East 2631.75 feet between the Center of Section 3 and the South Quarter Corner of Section 3, Township 2 South, Range 1 East, Salt Lake Base and Meridian), and running thence along said right-of-way line South 01°05'51" West 449.08 feet to the Northwest corner of that certain tract of land (Salt Lake County Tax No. 22-03-451-010); thence along said tract of land the following (2) calls: 1) North 86°42'35" East 280.43 feet 2) South 00°52'00" West 89.30 feet to a point on the Northerly line of that certain tract of land (Salt Lake County Tax No. 22-03-451-011); thence along said tract of land the following (2) calls: 1) North 67°00'00" East 11.00 feet; 2) South 09°58'51" East 118.76 feet to the Northeast corner of that certain tract of land (Salt Lake County Tax No. 22-03-451-012); thence along said tract of land South 09°58'51" East 89.32 feet to a point on the Northerly line of the Phyliden Subdivision as recorded in the Salt Lake County Recorder's Office; thence along said subdivision the following (3) calls: 1) South

67°00'00" West 122.59 feet to a point on a 1025.00 foot radius curve to the left; 2) 35.78 feet along the arc of said curve through a central angle of 02°00'00" (chord bears South 66°00'00" West 35.78 feet); 3) South 65°00'00" West 29.94 feet to a point on the Northerly right-of-way line of Phylden Drive; thence South 25°00'00" East 49.99 feet to the Southerly right-of-way line of said Phylden Drive, and the Northwest corner of Lot 2 of said Phylden Subdivision; thence along said Lot 2 South 25°00'00" East 129.91 feet to a point on the Southerly boundary line of said Phylden Subdivision; thence along said Phylden Subdivision North 66°27'00" East 141.89 feet to a point on the Northeast Corner of that certain tract of land (Salt Lake County Tax No. 22-03-452-018); thence along said tract of land South 25°20'00" East 269.85 feet to the Northerly right-of-way line of Murray Holladay Road; thence South 25°20'00" East 50.01 feet to the Southerly right-of-way line of said Murray Holladay Road; thence along said right-of-way line South 65°56'56" West 94.86 feet to a point on the Easterly line of that certain tract of land (Salt Lake County Tax No. 22-03-454-002); thence along said tract of land South 26°00'00" East 328.06 feet to a point on the Northerly line of that certain tract of land (Salt Lake County Tax No. 22-10-202-002); thence along said tract of land the following (4) calls: 1) North 65°30'00" East 40.77 feet; 2) North 00°03'36" East 20.68 feet; 3) North 65°30'00" East 22.70 feet; 4) South 17°04'00" East 294.22 feet to a point on the Northerly right-of-way line of Kentucky Avenue; thence South 17°04'00" East 50.42 feet to the Southerly right-of-way line of said Kentucky Avenue; thence along said right-of-way line South 65°30'00" West 11.80 feet to the Northeast corner of that certain tract of land (Salt Lake County Tax No. 22-10-206-040); thence South 24°30'00" East 148.80 feet to a point on the Northerly line of that certain tract of land (Salt Lake County Tax No. 22-10-206-008); thence along said tract of land the following (4) calls: 1) North 70°18'00" East 165.01 feet; 2) South 06°40'00" West 61.62 feet; 3) South 30°29'00" West 130.90 feet; 4) South 60°44'00" West 164.24 feet to the Easterly right-of-way line of Holladay Boulevard; thence South 29°51'33" West 69.76 feet to the Westerly right-of-way line of said Holladay Boulevard, said point also being the Southeast corner of that certain tract of land (Salt Lake County Tax No. 22-10-254-010); thence along said tract of land South 49°06'40" West 129.26 feet to the Southeast corner of that certain tract of land (Salt Lake County Tax No. 22-10-254-008); thence along said tract of land the following (2) calls: 1) South 49°06'40" West 343.51 feet; 2) North 41°19'40" West 224.91 feet to a point on the Southerly right-of-way line of Arbor Lane; thence North 41°19'40" West 50.08 feet to the Northerly right-of-way line of said Arbor Lane; thence along said right-of-way line North 51°54'14" East 60.53 feet to the Southeast corner of that certain tract of land (Salt Lake County Tax No. 22-10-201-003) thence along said tract of land North 46°25'00" West 424.34 feet to the Southerly line of the Holladay Villa Apartment Homes as recorded in the Salt Lake County Recorder's Office; thence along said Apartment Homes the following (5) calls: 1) North 52°30'00" East 275.89 feet; 2) North 52°30'00" West 78.87 feet; 3) North 53°33'50" West 156.46 feet; 4) North 45°30'00" West 68.00 feet; 5) South 59°31'56" West 209.44 feet to the Northeast corner of the Holladay Villa "B" Apartment Homes as recorded in the Salt Lake County Recorder's Office; thence along said Apartment Homes South 65°41'30" West 239.08 feet to the Westerly corner of said Apartment Homes; thence North 46°25'00" West 157.10 feet to a point on the Southerly right-of-way line of Murray Holladay Road; thence North 54°27'27" West 81.14 feet to the Northerly right-of-way line of said Murray Holladay Road, and to a point on the West right-of-way line of Locust Lane; thence along said right of way North 478.75 feet to a point on a 25.00 foot radius curve to the left; thence 38.40 feet along the arc of said curve through a central angle of 88°00'00" (chord bears North 44°00'00" West 34.73 feet) to a point on the South right-of-way line of Laney Avenue; thence along said right-of-way North 88°00'00" West 82.17 feet to a point on the West right-of-way line of Locust Lane; thence along said right-of-way North 01°00'00" East 850.68 feet to a point on the Westerly right-of-way line of Holladay Boulevard; thence along said right-of-way line North 38°52'12" West 281.69 feet; thence North 84°26'00" East 95.72 feet to the Easterly right-of-way line of said Holladay Boulevard, and the Northwest corner of that certain tract of land (Salt Lake County Tax No. 22-03-334-017) thence along said tract of land North 84°26'00" East 834.36 feet to a point on the West right-of-way line of 2300 East Street; thence North 84°26'00" East 80.54 feet to the point of beginning. Contains 2,361,310 square feet, or 54.208 Acres more or less.

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

Redevelopment

A. General Statement of Land Uses in the Project Area

The permitted land uses within the Redevelopment 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 Redevelopment Plan. A Land Use Map showing the current permitted uses is included in this Redevelopment Plan as Exhibit "B" and is made a part of this Plan.

The existing uses of the Project Area are commercial, retail, office, residential and public (school and fire station).

It is expected that the currently permitted land uses in the Project Area will not be directly changed for purposes of effecting the redevelopment of the Project Area. However, the City may or may not determine to propose zoning ordinance amendments in order to aid in or promote redevelopment or for other reasons.

B. Layout of Principal Streets in the Project Area

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

1. The turning radius from 2300 East to Murray Holladay Blvd may be modified;
2. A new intersection may be constructed at 2300 East and Lacy Avenue.
3. Other streets or intersections may be added.

C. Population Densities in the Project Area

There is residential population and business population within the Project Area. It is expected that population densities will be increased by redevelopment of the Project Area.

1. Residential Population:

(A) Since the City’s general plan provides that the Project Area should be developed for commercial uses, no new detached single family residential uses are contemplated in the Redevelopment Project Area or are likely to occur in the Project Area.

(B) It is desired that the Redevelopment Project Area will transition from an underutilized area to 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 Redevelopment 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 Redevelopment Project Area. It is expected that the building intensities within the Project Area will be affected by redevelopment, in that it is expected that building intensities will increase as the Project Area becomes for fully developed and utilized.

Section 5 Statement of Standards That Will Guide the Redevelopment

A. Statement of Development Objectives

1. Removal of structurally substandard buildings or improvements to permit the return of the Redevelopment 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, infrastructure improvements and new community facilities.
3. Rehabilitation of buildings if sound long-term economic activity can be assured thereby.
4. The elimination of environmental deficiencies, including: irregular lot subdivision, improper drainage, weeds and excessive vegetation, overcrowding of the land and underutilized land.
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 redevelopment 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 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 and the implementation of City institutional controls and regulations to ensure management of any contaminated materials. 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 redevelopment of land located within the Redevelopment Project Area and are expected to obtain the highest quality design and development. Each redevelopment proposal will be considered subject to: (1) appropriate elements of the City's master or 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 and Zoning Commission; and (5) approval by the Agency to ensure that the redevelopment is consistent with this Redevelopment Plan.

A review of redevelopment proposals may also be made by an advisory design review committee established by the Agency. Each redevelopment 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 redevelopment 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 redevelopment 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 Redevelopment Project Area in such a manner that available off-street parking will be maintained to the maximum degree. Special emphasis will be placed on phases of construction of all new development projects to support the parking program;
8. Comply with the 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 Redevelopment Project Area should be designed and placed to act as significant landmarks in the Redevelopment 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. Attractively landscaped open spaces shall be provided, which will offer maximum usability to occupants of the building for which they are developed.

- c. 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.
 - d. 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.
 - e. Materials and design of paving, retaining walls, fences, curbs, benches, and other accouterments, 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 landscaped design over the entire Redevelopment Project Area 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 non-deciduous shrubs, ground cover, and shade trees as appropriate to the character of the Redevelopment 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 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 Redevelopment Plan Objectives

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

1. Rehabilitation:

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

2. Acquisition and Clearance:

Parcels of real property located in the Redevelopment Project Area may be acquired by purchase or other method. It is not the intent of the Agency to acquire property by **condemnation (eminent domain)**.

3. Implementation of Redevelopment Projects:

The Agency shall have the right to approve the design and construction documents of all redevelopment within the Project Area to ensure that all redevelopment within the Project Area is consistent with this Redevelopment Plan. The City and Planning Commission shall notify the Agency of all requests for: (1) zoning changes; (2) design approval; (3) site plan approval; and (4) building permits within the Project Area. Redevelopment projects within the Project Area shall be implemented as approved by the Agency and the City.

Redevelopment projects may be undertaken and carried out as provided in this Plan and as provided for in the Act. Funding for redevelopment 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 Redevelopment 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 Redevelopment Project Area. The Agency may acquire property by negotiation, gift, devise, exchange, purchase, or other lawful method. It is not the intent of the Agency to acquire property by **condemnation (eminent domain)**. 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 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 Redevelopment 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 redevelopment 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 Redevelopment 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 the requirements of this Plan.

4. Property Management:

During such time that property, if any, in the Redevelopment 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 redevelopment.

5. Property Disposition and Development:

The Agency is also authorized, by lawful means, to provide for and promote the redevelopment 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 Redevelopment Project Area as necessary to carry out the purposes of this Redevelopment 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 Redevelopment Project Area, not prohibited by law which are necessary or desirable to carry out this Redevelopment Plan, and, to the extent approved by the taxing entity committee in the approved Project Area Budget

or otherwise, access and utilities 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 Redevelopment Project Area. The Agency is also authorized to rehabilitate or to cause to be rehabilitated any building or structure in the Redevelopment Project Area. The Agency is also authorized and directed to advise, encourage, and assist in the rehabilitation of property in the Redevelopment 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 Redevelopment 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 Redevelopment Plan. All purchasers or lessees of property from the Agency shall be made obligated to use the property for the purposes designated in this Redevelopment 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 Redevelopment 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 Redevelopment 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 Redevelopment 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 Redevelopment 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 Redevelopment Project Area for itself or for any public entity to the extent that such improvement would be of benefit to the Redevelopment Project Area. During the period of development in the Redevelopment Project Area, the Agency shall require that the provisions of this Redevelopment Plan and of other documents formulated pursuant to this Redevelopment Plan are being observed, and that development in the Redevelopment Project Area is proceeding in accordance with development documents and time schedules. Plans for development or redevelopment by owners or developers,

both public and private, shall be submitted to the Agency for approval and architectural review. All development or redevelopment must conform to this Redevelopment Plan and all applicable federal, state, and local laws.

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

Section 6 How the Purposes of State Law Would Be Attained By The Redevelopment

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 which are blighted, or through the renovation or rehabilitation of buildings, structures or improvements 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 redevelopment 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 Redevelopment Conforms, With the Community General Plan

This Redevelopment Plan is consistent with and the proposed redevelopment conforms to the community's master plan or general plan in the following respects:

A. Zoning Ordinances

The property within the Project Area is currently zoned Commercial (C-2), Residential Multiple (RM), Residential Single Family ½ Acre Minimum (R1-21), Public (P), and Residential Single Family 10,000 Square Feet Minimum (R1-10). The City general plan currently calls for the Project Area to be for the following uses: regional and neighborhood commercial, professional office and 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 master or 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 redevelopment is consistent with the master plan or general plan of the City.

C. Planning Commission Review and Report

The provisions of this Redevelopment Plan were reviewed and approved by the Planning Commission of the City. See the attached letter report and recommendation from the City Planning Commission, which is incorporated herein by reference and made a part hereof as Exhibit “D”. This Redevelopment Plan is consistent with the general community plan of the City, which encourages regional and neighborhood commercial, professional office and residential uses in the Project Area.

Section 8 Description of How the Redevelopment 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 Redevelopment 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 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 many of the 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 will be given a preference in entering 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 Redevelopment

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 a number of redevelopment projects may be undertaken by private owners to accomplish the purposes of this Redevelopment Plan. Among the redevelopment proposals which the Agency believes are possible or forthcoming is the development of the property owned by the City located at the northwest corner of Holladay Blvd and Murray Holladay Blvd (former Video Verns).

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

A. Selection of Private Developers

The Agency has previously adopted Owner Participation Guidelines for all redevelopment projects within the City, which Guidelines permit owners of real property, or tenants having the rights of ownership of real property, a preference in undertaking redevelopment within the Project Area. 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 redevelopment 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 redevelopment of the Project Area.

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

The Agency has been contacted by or has been in contact with some of the current property owners within the Project Area. The following persons or business entities have expressed an interest to participate or become a developer of part of the Project Area and are therefore deemed to be potential developers currently involved in the proposed development pursuant to provisions of Section 17B-4-403 of the Act: Ken Melby; Fox Development.

1. Qualified Owners

The Agency shall first permit qualified owners within the Project Area to participate as developers in the redevelopment 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 redevelopment projects acceptable to the Agency, or do not possess the necessary skill, experience and financial resources, or are not willing or able to appropriately redevelop 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 a redevelopment plan for the Project Area.

Section 11 Redevelopment Plan Restrictions

Pursuant to the provisions of Sections 17B-4-403 and 17B-4-503 of the Act, this Redevelopment Plan provides as follows:

A. 100 Acre Limitation

The Project Area described in this Redevelopment Plan may not exceed 100 acres of private real property unless the Agency obtains the consent of the taxing entity committee or the Act is amended to delete or omit this requirement.

B. Incremental Value Limitations

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 pursuant to Section 17B-4-503(2)(a) of the Act if the combined incremental value 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.

C. Plan Limitations

This Redevelopment Plan contains the following limitations on the power of the Agency in accordance with Section 17B-4-403 of the Act, which limitations shall be effective unless the Act or other applicable law is amended or repealed in such a manner that these limitations are no longer required:

1. A time limit of no more than three years after adoption of this Redevelopment Plan for the Agency to commence implementation of this Redevelopment Plan unless this Redevelopment Plan is adopted again as if it were an amended plan under Section 17B-4-411 of the Act.
2. A time limit of no more than **five** years after the effective date of this Redevelopment Plan for the Agency to commence acquisition of property through the use of **eminent domain**, unless a longer time period is allowed by applicable provisions of law;
3. A time limit of no more than twenty-five years after adoption of this Redevelopment Plan for tax increment from the Redevelopment Project Area to be paid to the Agency unless the taxing entity committee consents to a longer period.

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 redevelopment because of: (1) a general recognition by the owners and the public that the Project Area 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 Planning Commission members and staff, redevelopment 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 54.2 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 located within the central core business district of the City.

Over fifty percent (50%) of the number of parcels of private real property whose acreage is at least 50% of the acreage of the private real property within the Redevelopment Project Area contain buildings or improvements.

At the time of the blight finding by the Agency pursuant to Section 17B-4-601 of the Act, the Agency determined that the Project Area was unfit or unsafe to occupy or may be conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime because of any three or more of the following factors listed below, and the Project Area was determined to be a "blighted area" for the following reasons:

DEFECTIVE CHARACTER OF PHYSICAL CONSTRUCTION:

Building/Housing Code Violations:

1. Curb deficiencies: 10 parcels: #11, #16, #42, #50, #51, #57, #59, #63, #67 & #71.
2. Sidewalk deficiencies: 23 parcels: #6, #11, #14, #15, #16, #22, #27, #28, #29, #30, #31, #32, #36, #42, #50, #51, #53, #57, #59, #63, #65, #67 & #71.
3. Inadequate or non conforming access: 1 parcel: #73

4. Insufficient off street parking: 3 parcels: #11, #14 & #53.
5. Inadequate landscaping: 16 parcels: #10, #11, #14, #15, #16, #22, #26, #27, #28, #29, #30, #31, #36, #59, #60 & #71.
6. Dumpster not enclosed: 13 parcels: #10, #11, #16, #27, #28, #29, #30, #41, #42, #44, #49, #58 & #66.
7. Non Conforming use – Residence in commercial district: 5 parcels: #51, #56, #59, #60 & #73
8. Junk, accumulation of trash and/or solid waste: 1 Parcel/Building: #14
10. Open outside storage of used material: 1 Parcel/Building: #29
11. Abandoned, unlicensed, wrecked, or junked vehicles: 2 Parcels/Buildings: #11 & #29
12. Structural deficiencies: Buildings that do not meet current seismic codes and would incur major damage in a moderate earthquake: 36 buildings: #1, #2, #3, #4, #5, #6, #10, #11, #15, #16, #21, #22, #24, #26, #27, #28, #29, #30, #31, #32, #35, #36, #39, #41, #42, #44, #45, #49, #50, #53, #56, #57, #58, #65, #67 & #71.
13. ADA Access deficiencies: 2 parcels: #22 & #24
14. Driveway/Parking lots deteriorated and in need of maintenance or replacement: 11 parcels: #1, #14, #16, #21, #26, #27, #29, #41, #49, #56 & #60
15. 16. Building exterior paint in need of replacement or maintenance: 3 Parcels/Buildings: #41, #42 & #60
16. Building soffits and trim in need of replacement or maintenance: 3 Parcels/Buildings: #41, #42 & #60
17. Inadequate storm drainage: 16 parcels: #11, #14, #15, #16, #22, #26, #27, #28, #29, #30, #31, #41, #42, #50, #57 & #71

Exterior Health Code Violations

1. Abandoned, unlicensed, wrecked, or junked vehicles: 2 Parcels/Buildings: #11 & #29
2. Junk, accumulation of solid waste and debris: 1 Parcel/Building: #14
3. Inadequate landscaping: 16 parcels: #10, #11, #14, #15, #16, #22, #26, #27, #28, #29, #30, #31, #36, #59, #60 & #71.
4. Dumpster not enclosed: 13 parcels: #10, #11, #16, #27, #28, #29, #30, #41, #42, #44, #49, #58 & #66
5. Open outside storage of used material: 1 Parcel/Building: #29

Planning & Zoning Code Violations:

1. Insufficient off street parking: 3 parcels: #11, #14 & #53.
2. Inadequate landscaping: 16 parcels: #10, #11, #14, #15, #16, #22, #26, #27, #28, #29, #30, #31, #36, #59, #60 & #71.
3. Sidewalk deficiencies: 23 parcels: #6, #11, #14, #15, #16, #22, #27, #28, #29, #30, #31, #32, #36, #42, #50, #51, #53, #57, #59, #63, #65, #67 & #71.
4. Dumpster not enclosed: 13 parcels: #10, #11, #16, #27, #28, #29, #30, #41, #42, #44, #49, #58 & #66
5. Abandoned, unlicensed, wrecked, or junked vehicles: 2 Parcels/Buildings: #11 & #29
6. Illegally parked vehicles: 2 Parcels/Buildings: #11 & #29
7. Junk, accumulation of solid waste: 1 Parcel/Building: #14
8. Open outside storage of used material: 1 Parcel/Building: #29
9. Parking backs to road: 9 parcels: #10, #11, #15, #16, #22, #27, #28, #30 & #31
10. Driveway/Parking lots deteriorated and in need of maintenance or replacement: 11 parcels: #1, #14, #16, #21, #26, #27, #29, #41, #49, #56 & #60
11. Building exterior paint in need of replacement or maintenance: 3 Parcels/Buildings: #41, #42 & #60
12. Building soffits and trim in need of replacement or maintenance: 3 Parcels/Buildings: #41, #42 & #60
13. Inadequate storm drainage: 16 parcels: #11, #14, #15, #16, #22, #26, #27, #28, #29, #30, #31, #41, #42, #50, #57 & #71
14. Graffiti on walls: 2 parcels: #11 & #60

Evidence of defective character of physical construction was found on 44 of the 49 parcels or 90% of the number of parcels, representing 28.70 acres or 89% of the total Proposed Project area.

**MIXED CHARACTER AND SHIFTING OF USES, RESULTING IN OBSOLESCENCE,
DETERIORATION, OR DILAPIDATION:**

Mixed Character or Shifting of Uses:

1. Vacant, Abandoned, Dysfunctional Land/Structures: 2 Parcels: #41 & #42.
2. Driveway/Parking lots deteriorated and in need of maintenance or replacement: 11 parcels: #1, #14, #16, #21, #26, #27, #29, #41, #49, #56 & #60
3. 4. Building exterior paint in need of replacement or maintenance: 3 Parcels/Buildings: #41, #42 & #60
4. Building soffits and trim in need of replacement or maintenance: 3 Parcels/Buildings: #41, #42 & #60
5. Inadequate storm drainage: 16 parcels: #11, #14, #15, #16, #22, #26, #27, #28, #29, #30, #31, #41, #42, #50, #57 & #71
6. Residence in commercial zone: 5 parcels: #51, #56, #59, #60 & #73
7. Parking backs to road: 9 parcels: #10, #11, #15, #16, #22, #27, #28, #30 & #31
8. Residential Not Owner Occupied: 2 parcels: #51 & #56
9. Parking areas deteriorated and need to be sealed or replaced: 11 parcels: #1, #14, #16, #21, #26, #27, #29, #41, #49, #56 & #60
10. Insufficient off street parking: 3 parcels: #11, #14 & #53.
11. Inadequate landscaping: 16 parcels: #10, #11, #14, #15, #16, #22, #26, #27, #28, #29, #30, #31, #36, #59, #60 & #71.
12. Residential in Commercial Zone: 5 parcels: #51, #56, #59, #60 & #73

Obsolescence, Deterioration, or Dilapidation:

1. Driveway/Parking lots deteriorated and in need of maintenance or replacement: 11 parcels: #1, #14, #16, #21, #26, #27, #29, #41, #49, #56 & #60
2. Building exterior paint in need of replacement or maintenance: 3 Parcels/Buildings: #41, #42 & #60
3. Building soffits and trim in need of replacement or maintenance: 3 Parcels/Buildings: #41, #42 & #60
4. Inadequate storm drainage: 16 parcels: #11, #14, #15, #16, #22, #26, #27, #28, #29, #30, #31, #41, #42, #50, #57 & #71
5. Insufficient off street parking: 3 parcels: #11, #14 & #53.
6. Vacant Commercial Property: 2 Parcels: #41 & #42.
7. Curb deficiencies: 10 parcels: #11, #16, #42, #50, #51, #57, #59, #63, #67 & #71.
8. Inadequate or sidewalks in need of repair: 17 parcels: #11, #14, #15, #16, #22, #27, #28, #29, #36, #42, #50, #51, #57, #59, #63, #67 & #71.
9. Junk, accumulation of solid waste: 1 Parcel/Building: #14
10. Dumpster not enclosed: 13 parcels: #10, #11, #16, #27, #28, #29, #30, #41, #42, #44, #49, #58 & #66
11. Abandoned, unlicensed, wrecked, or junked vehicles: 2 Parcels/Buildings: #11 & #29
12. Open outside storage of used material: 1 Parcel/Building: #29
13. Inadequate landscaping: 16 parcels: #10, #11, #14, #15, #16, #22, #26, #27, #28, #29, #30, #31, #36, #59, #60 & #71.
14. Declining retail sales: 24 Businesses
15. ADA Access deficiencies: 2 parcels: #22 & #24
16. Building Code structural deficiencies: Commercial buildings that do not meet current seismic codes and would incur major damage in a moderate earthquake. 36 buildings: #1, #2, #3, #4, #5, #6, #10, #11, #15, #16, #21, #22, #24, #26, #27, #28, #29, #30, #31, #32, #35, #36, #39, #41, #42, #44, #45, #49, #50, #53, #56, #57, #58, #65, #67 & #71.
17. Seismic Code deficiencies: Commercial buildings that do not meet current seismic codes and would incur major damage in a moderate earthquake. 37 buildings: #1, #2, #3, #4, #5, #6, #10, #11, #15, #16, #21, #22, #24, #26, #27, #28, #29, #30, #31, #32, #35, #36, #39, #41, #42, #44, #45, #49, #50, #53, #56, #57, #58, #65, #67 & #71.

18. Residential parcels not adequately buffered from current or potential commercial development: 1 parcel #77.
19. Insufficient off street parking: 3 parcels: #11, #14 & #53.
20. Abandoned, unlicensed, wrecked, or junked vehicles: 2 Parcels/Buildings: #11 & #29
21. Non-conforming residential in commercial zone: 5 parcels: #51, #56, #59, #60 & #73

The area does not represent an unusual number of Police calls for service, or an unusual number of Burglaries, Assaults, and Drunkenness Arrests, but the following conditions were found, which are often found to be conducive to higher levels of crime:

1. Residential parcels not adequately buffered from current or potential commercial development: 1 parcel #77
2. Graffiti on walls: 2 parcels: #11 & #60
3. Insufficient off street parking: 3 parcels: #11, #14 & #53.
4. Building with boarded up windows: No unusual evidenced found.
5. Inadequate or sidewalks in need or repair: 17 parcels: #11, #14, #15, #16, #22, #27, #28, #29, #36, #42, #50, #51, #57, #59, #63, #67 & #71.
6. Fencing violations: No unusual evidenced found.
7. Abandoned, unlicensed, wrecked, or junked vehicles: 2 Parcels/Buildings: #11 & #29
8. Open outside storage of used material: 1 Parcel/Building: #29
9. Inadequate landscaping: 16 parcels: #10, #11, #14, #15, #16, #22, #26, #27, #28, #29, #30, #31, #36, #59, #60 & #71.
10. Residential Not Owner Occupied: 2 parcels: #51 & #56

Evidence of mixed character and shifting of uses, resulting in obsolescence, deterioration, or dilapidation therefore was found on 46 of the 49 parcels or 94% of the number of parcels, representing 30.19 acres or 94% of the total Proposed Project area.

ECONOMIC DETERIORATION OR CONTINUED DISUSE:

Economic Deterioration:

1. Dysfunctional Industrial Land/Structures: 2 Parcels/Buildings: #5 & #6.
2. Vacant Commercial Property: 2 Parcels: #41 & #42.
3. Building with boarded up windows: 1 Parcel/Building: #10
4. Declining Retail Sales: 24 Businesses
5. Retail Businesses which are no longer in business – last 5 years: 7 Businesses
6. Commercial buildings, which have a high ration of short-term or month-to-month leases: No unusual evidence found
7. Buildings which do not meet current seismic codes and would incur major damage in a moderate earthquake: 36 buildings: #1, #2, #3, #4, #5, #6, #10, #11, #15, #16, #21, #22, #24, #26, #27, #28, #29, #30, #31, #32, #35, #36, #39, #41, #42, #44, #45, #49, #50, #53, #56, #57, #58, #65, #67 & #71.
8. Non Owner Occupied Residential Property: 2 parcels: #51 & #56
9. Inadequate landscaping: 16 parcels: #10, #11, #14, #15, #16, #22, #26, #27, #28, #29, #30, #31, #36, #59, #60 & #71.
10. Insufficient Off Street Parking: 3 parcels: #11, #14 & #53.
11. Curb deficiencies: 10 parcels: #11, #16, #42, #50, #51, #57, #59, #63, #67 & #71.
12. Inadequate or sidewalks in need or repair: 17 parcels: #11, #14, #15, #16, #22, #27, #28, #29, #36, #42, #50, #51, #57, #59, #63, #67 & #71.
13. Abandoned, unlicensed, wrecked, or junked vehicles: 2 Parcels/Buildings: #11 & #29
14. Junk, accumulation of solid waste: 1 Parcel/Building: #14
15. Open outside storage of used material: 1 Parcel/Building: #29

16. Dumpster not enclosed: 13 parcels: #10, #11, #16, #27, #28, #29, #30, #41, #42, #44, #49, #58 & #66
17. Parking areas deteriorated and need to be sealed or replaced: 11 parcels: #1, #14, #16, #21, #26, #27, #29, #41, #49, #56 & #60
18. Residential in commercial zone: 5 parcels: #51, #56, #59, #60 & #73
19. Residential parcels not adequately buffered from current or potential commercial development: 1 parcel #77
20. Graffiti on walls: 2 parcels: #11 & #60

Continued Disuse:

1. Commercial buildings, which have a high ration of short-term or month-to-month leases: No unusual evidence found
2. Vacant Commercial Property: 2 Parcels: #41 & #42.

Evidence of economic deterioration or continued disuse therefore was found on 45 of the 49 parcels or 92% of the number of parcels, representing 29.68 acres or 92% of the total Proposed Project area.

LOTS OF IRREGULAR SHAPE OR INADEQUATE SIZE FOR PROPER USEFULNESS AND DEVELOPMENT, OR LAYING OUT OF LOTS IN DISREGARD OF THE CONTOURS AND OTHER PHYSICAL CHARACTERISTICS OF THE GROUND AND SURROUNDING CONDITIONS:

1. Lots of non-conforming size for commercial use. 2 parcels: #36 & #41

Evidence of lots of irregular shape or inadequate size for proper usefulness and development, or laying out of lots in disregard of the contours and other physical characteristics of the ground and surrounding conditions therefore was found on 2 of the 49 parcels or 4% of the number of parcels, representing .25 acres or 1% of the total Proposed Project area.

INADEQUATE SANITATION OR PUBLIC FACILITIES WHICH MAY INCLUDE, STREETS, OPEN SPACES, AND UTILITIES:

1. Inadequate streets – Holladay Blvd & Murray/Holladay Rd - Serious congestion and safety problems: 33 parcels: #6, #11, #14, #15, #16, #20, #22, #23, #24, #25, #26, #27, #28, #29, #30, #31, #32, #33, #35, #36, #39, #41, #42, #44, #45, #49, #53, #55, #65, #67, #71, #73 & #77.
2. Inadequate streets – Holladay Blvd & 2300 East - Serious congestion and safety problems; 39 parcels: #1, #2, #3, #4, #5, #6, #10, #11, #14, #15, #16, #20, #22, #23, #24, #25, #26, #27, #28, #29, #30, #31, #32, #33, #35, #36, #39, #41, #42, #44, #45, #49, #53, #56, #65, #67, #71, #73 & #77.
3. Inadequate sidewalks in need or repair: 17 parcels: #11, #14, #15, #16, #22, #27, #28, #29, #36, #42, #50, #51, #57, #59, #63, #67 & #71.
4. Inadequate storm drainage: 16 parcels: #11, #14, #15, #16, #22, #26, #27, #28, #29, #30, #31, #41, #42, #50, #57 & #71
5. Curb deficiencies: 10 parcels: #11, #16, #42, #50, #51, #57, #59, #63, #67 & #71.
6. Insufficient off street parking: 3 parcels: #11, #14 & #53.
7. Inadequate access: 1 parcel: #73
8. Residential parcels not adequately buffered from current or potential commercial development: 1 parcels #77
9. Dumpster not enclosed: 13 parcels: #10, #11, #16, #27, #28, #29, #30, #41, #42, #44, #49, #58 & #66

Evidence of the existence of inadequate sanitation or public facilities was found on 47 of the 49 parcels or 96% of the number of parcels, representing 31.43 acres or 98% of the total Proposed Project area.

The governing board of the Redevelopment Agency of the City of Holladay found and determined that the Village Center Redevelopment Project Area is a blighted area pursuant to the provisions of the Act because of the following factors:

1. Defective character of physical construction.
2. Mixed character and shifting of uses, resulting in obsolescence, deterioration, or dilapidation.
3. Economic deterioration or continued disuse.
4. Lots of irregular shape or inadequate size for proper usefulness and development, or laying out of lots in disregard of the contours and other physical characteristics of the ground and surrounding conditions.
5. Inadequate sanitation or public facilities which may include, streets, open spaces, and utilities.

The Board's finding of blight was made on September 15, 2005, Resolution No. 05-12.

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

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

The Act provides a means for financing redevelopment 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 of the adoption of this Redevelopment 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 Redevelopment 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 1, 2005, as equalized on or before November 1, 2005, 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 Redevelopment 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 redevelopment projects in the Project Area is economically feasible because as redevelopment occurs, the Project Area is expected to generate new taxes based upon the new development or redevelopment. 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 17B-4-1002 of the Act be created for the Agency. The Agency has prepared a Project Area Budget, Exhibit "E", 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 adopt the Project Area Budget, Exhibit "E", 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 the approved or amended Project Area Budget. 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 any subsequent amended Project Area Budget approved and adopted pursuant to applicable law and procedures.

The Project Area Budget is a multi-year budget prepared by the Agency to implement this Redevelopment Plan and other authorized purposes and will be or has been submitted to the Taxing Entity Committee for its approval. The Project Area Budget provides for the Agency to receive 100% of the tax increment for a fifteen (15) year period and shows the following:

(1) The 2005 base year taxable value of the Project Area is \$27,013,810 as of January 1, 2005, as last equalized on November 1, 2005 and as shown on the Project Area Budget.

(2) The projected tax increment of the Project Area is \$23,461,241.

(3) Of the amount shown in paragraph (2) above, \$0 of tax increment will be shared with taxing districts.

(4) Under the current proposed Project Area Budget, the amount of tax increment expected to be used to implement this Redevelopment Plan is \$23,461,241. Included in this amount of tax increment is the following: (a) development and relocation costs, public and infrastructure improvements \$17,595,931 ; (b) housing \$4,692,248; and (c) Agency administrative costs of \$1,173,062, 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 redevelopment of the Project Area.

(6) The tax increment expected to be used to cover the cost of administering this Redevelopment Plan is \$1,173,062 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 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 receive 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 Bob Springmeyer of Bonneville Research to assist the Agency in analyzing the conditions found in the Project Area. This firm prepared a Blight Analysis dated May 18, 2005 and a supplement dated June 30, 2005, copies of which are 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 Redevelopment Project Area.
2. Assist in removing impediments to land disposition and development through assembly of land into reasonably sized and shaped parcels necessary for present and future development. The Agency will encourage proposed developers to assemble separate parcels into one or more 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 redevelopment 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 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 within areas that are largely vacant land area except for a number of buildings, many of which were found to be substandard.
6. Promote and market sites for redevelopment 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 \$66 million resulting from the improvements.

Based upon the Blight Analysis and the 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 Redevelopment

1. To successfully eliminate blight in the Project Area and increase the Area's tax base, some of the existing residences and some of the existing businesses may need to be relocated to a more appropriate part of the City.
2. The Project Area needs the 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 and job creation to the community and income, corporate franchise and sales tax revenues to the State and local government.
4. An estimate of the redevelopment costs and the costs for construction of infrastructure for the proposed development of the Project Area is shown in the "Project Area Budget", Exhibit "E".
5. 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 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 redevelopment. The schedule entitled "Project Area Budget", Exhibit "E", sets forth the projected development costs.

The Agency believes that the cost estimates shown in the Project Area Budget are reasonable and provide the basis for the Agency to proceed with the proposed redevelopment 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.

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 redevelopment project, as referred to elsewhere in this Plan, the public investment of

approximately \$17,595,931 for improvements and infrastructure payable over time from tax increment, 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 redevelopment 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 \$66 million to be spent by owners and developers.

The resulting private to public participation ratio is approximately 4 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 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 Redevelopment And The Length of Time For Which it Will Be Expended

It is estimated and anticipated that \$23,461,241 of tax increment, including the 20% housing allocation, will be expended in undertaking the redevelopment and that the length of time that tax

increment financing will be used within the Project Area will not exceed fifteen years, all as shown in the Project Area Budget.

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

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 redevelopment: (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 \$332,690 in the year 2005 to over \$2 million in 2022 as a result of the redevelopment.

2. Number of Jobs or Employment Anticipated As A Result of the Redevelopment

The number of jobs anticipated to result from the proposed redevelopment is estimated to be equivalent to *** full time positions. With low unemployment in the City and the location of the City in relation to neighboring cities, the Agency believes that some of the work force relating to the proposed redevelopment 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 any anticipated growth in population.

3. Associated Business and Economic Activity Likely to Be Stimulated By the Redevelopment

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

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

Pursuant to Section 17B-4-1010 of the Act, 20% of the tax increment funds payable to the Agency over the life of this Redevelopment Plan pursuant to the Project Area Budget will be allocated for certain housing uses as provided in Section 17B-4-1010 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 or will adopt a housing plan showing the uses

for the housing funds and has provided or will provide a copy of the housing plan to the taxing entity committee and to the Olene Walker Housing Trust Fund Board as required by 17B-4-505(2)(a)(ii).

Section 15 Owner Participation

This Redevelopment Plan provides record owners of real property within the Redevelopment Project Area and their tenant's reasonable opportunities to participate in the redevelopment if the record property owner or tenant enters into a participation agreement with the Agency that is acceptable to the Agency. The Agency shall extend reasonable preferential opportunities to owners within the Redevelopment Project Area ahead of persons and entities outside the Redevelopment Project Area.

The Agency has previously adopted Owner Participation Guidelines for all redevelopment projects within the City, copies of which may be obtained from the office of the Agency upon request. The Owner Participation Guidelines permit owners and tenants within the Redevelopment Project Area reasonable opportunities to participate in the redevelopment of the Project Area by executing a participation agreement with the Agency. Pursuant to Section 17B-4-901 of the Act, the Owner Participation Guidelines permit owners of real property (or tenants having certain rights of ownership of real property) a preference in undertaking redevelopment within the Project Area. The Owner Participation Guidelines incorporate provisions required by Section 17B-4-901 which provides the following ways that an owner may participate in the redevelopment of the Project Area:

- (1) Each Agency shall provide record owners of property located within and tenants within a redevelopment project area reasonable opportunity to enter into a participation agreement with the agency through which the owner or tenant may participate in the redevelopment consistent with this Redevelopment Plan.
- (2)(a) Owner participation in redevelopment under a participation agreement may consist of one or more of the following:
 - (i) retaining, maintaining, and, if necessary, rehabilitating, all or portions of the owner's property;
 - (ii) acquiring adjacent or other properties in the Redevelopment Project Area;
 - (iii) selling all or portions of the owner's improvements to the Agency, retaining the land, and developing the owner's property;
 - (iv) selling all or portions of the owner's property to the Agency and purchasing other property in the Redevelopment Project Area;
 - (v) selling all or portions of the owner's property to the Agency and obtaining preferences to reenter the Redevelopment Project Area;
 - (vi) other methods approved by the Agency.
- (b) Tenant participation in redevelopment under a participation agreement may consist of:
 - (i) becoming an owner of property in the Redevelopment Project Area, subject to the opportunities of persons who are already record owners of property in the Redevelopment Project Area;

- (vi) other methods approved by the Agency.
- (3) The Agency may extend reasonable preferential opportunities to record property owners and tenants in a Redevelopment Project Area ahead of persons and entities from outside the Redevelopment Project Area, to be owners and tenants in the Redevelopment Project Area during an after the completion of the redevelopment.

A copy of the Owner Participation Guidelines as approved and amended by the Agency from time to time is incorporated herein by reference and made a part hereof and copies can be obtained upon request at the office of the Redevelopment Agency during regular business hours.

Section 16 Relocation Guidelines

This Redevelopment Plan for the Project Area incorporates by reference the provisions of the Utah Relocation Assistance Act as found in Section 57-12-1, et. seq., Utah Code Annotated 1953, as amended, and the relocation rules or guidelines adopted by the Agency's governing board, as these may be amended from time to time. The relocation rules or guidelines describe how relocation assistance, if any, will be offered to displaced persons in the event any real property is acquired by the Agency within the Project Area.

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 redevelopment 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 redevelopment within the Project Area, to implement this Plan, and to remove blight from the Project Area.

The Agency has adopted relocation rules or guidelines as required by the Act. Pursuant to the relocation rules or guidelines, 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 relocation rules or guidelines adopted by the Agency as the same may be amended from time to time.

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 redevelopment of the Project Area. The Supporting Documents are incorporated herein and made a part hereof.

Section 19 Other Redevelopment Plan Objectives and Provisions

A. Continued Use of Existing Buildings

Redevelopment 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 few existing buildings within the Project Area should be considered to be continued or rehabilitated.

B. Retail Sales

Because blight has been found in the Redevelopment 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 Redevelopment Plan

A. General Tax Increment Provisions

Subject to any limitations required by currently existing law (unless a limitation is subsequently eliminated), this Redevelopment 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 17B-4-1001 and 1004 of the Act, which provide, in part, as follows:

- 1001 (1) An agency may receive and use tax increment, 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 under this part shall be measured from the first tax year regarding which the agency accepts tax increment from the project area.
- (b) Tax increment may not be paid to an agency for a tax year prior to the tax year following the effective date of the Plan.
- (3) 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 chapter. . . .
- 1004 (2) An agency board may provide in the project area budget for the agency to be paid:

(a) if 20% of the Project Area Budget is allocated for housing as provided for in Subsection 17B-4-504:

- (i) 100% of annual tax increment for 15 years;
- (ii) 75% of annual tax increment for 24 years; or
- (iii) if approved by the taxing entity committee, any percentage of tax increment up to 100%, or any specified dollar amount, for any period of time.

(b) if 20% of the project area budget is not allocated for housing under Section 17B-4-504:

- (i) 100% of annual tax increment for 12 years;
- (ii) 75% of annual tax increment for 20 years; or
- (iii) if approved by the taxing entity committee, any percentage of tax increment up to 100% 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.

This Redevelopment Plan also specifically incorporates the provisions of Sections 17B-4-1005(2)(a) and Section 17B-4-1006 as follows:

1005(2) (a) An agency may not be paid any portion of a taxing entity's taxes resulting from an increase in the taxing entity's tax rate that occurs after the taxing entity committee approves the project area budget unless, at the time the taxing entity committee approves the project area budget, the taxing entity committee approves payment of those increased taxes to the agency.

(b) If the taxing entity committee does not approve of payment of the increased taxes to the agency under Subsection (2)(a), the county shall distribute to the taxing entity the taxes attributable to the tax rate increase in the same manner as other property taxes.

1006(1) (a) (i) As used in this Subsection (1), "qualifying decrease" means:

- (A) a decrease of more than 20% from the previous tax year's levy; or
- (B) a cumulative decrease over a consecutive five-year period of more than 100% from the levy in effect at the beginning of the five-year period.

(ii) The year in which a qualifying decrease under Subsection (1)(a)(i)(B) occurs is the fifth year of the five-year period.

(b) If there is a qualifying decrease in the minimum basic school levy under Section **59-2-902** that would result in a reduction of the amount of tax increment to be paid to an agency:

- (i) the base taxable value of taxable property within the project area shall be reduced in the year of the qualifying decrease to the extent necessary, even if below zero, to provide the agency with approximately the same amount of tax increment that would have been paid to the agency each year had the qualifying decrease not occurred; and

- (ii) the amount of tax increment paid to the agency each year for the payment of bonds and indebtedness may not be less than what would have been paid to the agency if there had been no qualifying decrease.
- (2) (a) The amount of the base taxable value to be used in determining tax increment shall be:
 - (i) increased or decreased by the amount of an increase or decrease that results from:
 - (A) a statute enacted by the Legislature or by the people through an initiative;
 - (B) a judicial decision;
 - (C) an order from the State Tax Commission to a county to adjust or factor its assessment rate under Subsection **59-2-704(2)**;
 - (D) a change in exemption provided in Utah Constitution Article XIII, Section 2, or Section **59-2-103**; or
 - (E) an increase or decrease in the percentage of fair market value, as defined under Section **59-2-102**; and
 - (ii) reduced for any year to the extent necessary, even if below zero, to provide an agency with approximately the same amount of money the agency would have received without a reduction in the county's certified tax rate if:
 - (A) in that year there is a decrease in the county's certified tax rate under Subsection **59-2-924(2)(c)** or (d)(i);
 - (B) the amount of the decrease is more than 20% of the county's certified tax rate of the previous year; and
 - (C) the decrease would result in a reduction of the amount of tax increment to be paid to the agency.
- (b) Notwithstanding an increase or decrease under Subsection (2)(a), the amount of tax increment paid to an agency each year for payment of bonds or other indebtedness may not be less than would have been paid to the agency each year if there had been no increase or decrease under Subsection (2)(a).

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

This Redevelopment Plan and 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 Section 17B-4-1010 of the Act. These uses include the uses set forth in Section 17B-4-1010 of the Act which require that the Agency use all housing funds allocated under Section 17B-4-1010(2)(a) of the Act to:

- (i) pay part or all of the cost of land or construction of income targeted housing within the community that created 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 community that created the agency;

- (iii) 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 Redevelopment Project Area where blight has been found to exist;
 - (iv) replace housing units lost as a result of the redevelopment, economic development or education housing development;
 - (v) 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 (2)(a)(i), (ii), (iii), or (iv); or
 - (vi) 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 (2)(a)(i), (ii), (iii) or (iv).
- or the uses set forth in Section 17B-4-1010(2)(b) of the Act.

(b) As an alternative to the requirements of Subsection (2)(a), an agency may pay all housing funds to:

- (i) the community for use as provided in Subsection (2)(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 Trust Fund, established under Title 9, Chapter 4, Part 7, Olene Walker Trust 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 17B-4-505(2)(a)(i), 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 Trust Fund Board. If the Agency amends a housing plan prepared under Section 17B-4-505 (2)(a)(i), the Agency shall provide a copy of the amendment to the taxing entity committee and the Olene Walker Housing Trust 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 Taxing Entity Committee

Section 17B-4-1002 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) two representatives appointed by resolution of 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 approved 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 taxes 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 17B-4-1002(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 a project area budget as provided in Section 17B-4-505;
- (d) approve or disapprove amendments to a project area budget as provided in Section 17B-4-507;
- (e) approve exceptions to the limits on the value and size of a project area imposed under this chapter;
- (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 part;
- (g) approve the use of tax increment for access and utilities outside of a project area that the agency and community legislative body determine to be of benefit to the project area, as provided in Subsection 17B-4-1007(1)(a)(ii)(D);
- (h) waive restrictions imposed by Section 17B-4-503(2)(a); and
- (i) give other taxing entity committee approval or consent required or allowed under this chapter.

Section 22 Provisions For Amending This Redevelopment Plan

This Redevelopment Plan may be amended or modified at any time by the Agency in the same manner as if the amendment or modification constituted a redevelopment plan being originally proposed, or pursuant to the procedures provided in Section 17B-4-411 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

VILLAGE CENTER REDEVELOPMENT PROJECT AREA PLAN

December 5, 2005

The following documents are part of the Village Center Redevelopment Project Area Plan dated December 5, 2005 and are incorporated by reference. The documents support the statements and findings incorporated in the Village Center Redevelopment Project Area Plan.

1. Blight Survey conducted by Bob Springmeyer of Bonneville Research dated May 18, 2005 and supplement dated June 30, 2005.

EXHIBIT "D"
REPORT OF PLANNING COMMISSION

EXHIBIT "E"
PROJECT AREA BUDGET