

OLYMPUS ECONOMIC DEVELOPMENT PROJECT AREA PLAN

DRAFT PROJECT AREA PLAN

March 1, 2005

Redevelopment Agency of the City of Holladay

Olympus Economic Development Project Area

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RECITALS

1. Pursuant to the provisions of Section 17B-4-401 of the Act, by resolution of the governing body of the Agency, the Agency authorized the preparation of a draft economic development project area plan; and

2. Pursuant to the provisions of Section 17B-2-402(2) of the Act, the City has a planning commission and has adopted a general plan as required by law; and

3. Pursuant to the provisions of Section 17B-402(h)(ii) of the Act, the Agency has conducted one or more public hearings for the purpose of: (a) informing the public about the area being considered for an economic development project area; and (b) allowing public input into Agency deliberations on proposing the economic development project area; and

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

Section 1 Definitions

As used in this Economic Development 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 or replacement 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 “**City**” shall mean the City of Holladay.
- E. The term “**community**” shall mean the community of the City of Holladay.
- F. The term “**economic development**” shall mean as defined in Section 17B-4-102(11) to promote the creation or retention of public or private jobs within the state through:

- (a) planning, design, development, construction, rehabilitation, business relocation, or any combination of these, within part or all of a project area; and
 - (b) the provision of office, industrial, manufacturing, warehousing, distribution, parking, public, or other facilities, or other improvements that benefit the state or a community.
- G. The term “**Economic Development Plan**” shall mean a project area plan as defined in Section 17B-4-102(19) of the Act developed by the Agency and adopted by ordinance of the governing body of the City to guide and control economic development undertakings in a specific project area.
- H. The term “**Olene Walker Housing Loan Fund Board**” shall mean the Olene Walker Housing Loan Fund Board, established under Title 9, Chapter 4, Part 7, Olene Walker Housing Loan Fund.
- 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 “**Economic Development 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 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.
- M. The term “taxing entity” shall mean a public entity that levies a tax on property within the Project Area or proposed Project Area.
- N. 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 Economic Development Project Area

The Olympus Economic Development Project Area, referred to as the Economic Development Project Area or Project Area, is enclosed within the following boundaries:

A parcel of land located in Section 23, Township 2 South, Range 1 East, Salt Lake Base and Meridian, being more particularly described as follows:

Beginning at a point which lies 691.85 feet South 89°18'16" East from the Center of said Section 23 (basis of bearing being South 89°18'16" East 2669.51 feet between the Center of Section 23 and the East Quarter of Section 23, Township 2 South, Range 1 East, Salt Lake Base and Meridian), said point also being the Southwest corner of that certain boundary survey for MTC Partners LTD, (#S2004-05-0221); and running thence along said boundary the following twelve (12) courses: 1) North 00°28'34" East 440.02 feet to a point on a 1046.96 foot radius curve to the right, 2) thence 330.13 feet along the arc of said curve through a central angle of 18°04'01" (chord bears North 84°22'00" West 328.76 feet); 3) North 75°19'59" West 140.32 feet to a point on a 81.64 foot radius curve to the left; 4) thence 61.08 feet along the arc of said curve through a central angle of 42°51'53" (chord bears South 83°14'02" West 59.67 feet); 5) South 61°48'07" West 114.14 feet to a point on the East line of Big Cottonwood Canyon Road, said point being on a 348.55 foot radius curve to the left, 6) thence 66.10 feet along the arc of said curve through a central angle of 10°51'56" (chord bears North 28°11'45" West 66.00 feet); 7) North 61°48'07" East 114.14 feet to a point on a 147.64 foot radius curve to the right; 8) thence 110.45 feet along the arc of said curve through a central angle of 42°51'53" (chord bears North 83°14'02" East 107.89 feet); 9) South 75°19'59" East 123.87 feet; 10) North 00°14'41" East 218.36 feet; 11) South 89°10'26" East 570.98 feet; 12) North 00°27'45" East 570.35 feet to the Southeast corner of that certain A.L.T.A. survey (#S96-03-0208); thence along the south line of said A.L.T.A. survey North 89°21'30" West 1089.94 feet to a point on the West right of way line of 3000 East Street, said point also being

a point on the East property line of that certain A.L.T.A. survey (#S99-02-0159); thence along said A.L.T.A. survey the following three (3) courses: 1) North 12°42'09" East 111.67 feet; 2) North 22°54'36" West 342.80 feet; 3) North 53°49'41" West 155.15 feet to a point on the South right-of-way line of 6200 South Street (SR-210, Project No. F-068); thence North 53°49'41" West 968.78 feet; thence North 77°27'03" West 175.08 feet to a point on the West right-of-way line of I-215 and the Northeast corner of that certain tract of land (Salt Lake County Tax No. 22-23-107-005); thence along said right-of-way line the following three (3) courses: 1) South 01°56'19" West 334.12 feet; 2) South 32°04'15" West 549.73 feet; 3) South 52°18'41" West 63.99 feet to a point on the Easterly right-of-way line of Holladay Boulevard; thence South 07°10'44" West 80.25 feet to a point on the Southeast corner of that certain tract of land (Salt Lake County Tax No. 22-23-106-008); thence along said tract of land the following five (5) courses: 1) South 58°37'04" West 162.76 feet; 2) South 75°17'49" West 26.04 feet; 3) South 61°45'30" West 142.45 feet; 4) South 82°46'51" West 28.35 feet; 4) North 00°16'40" East 418.79 feet to the Southwest corner of that certain tract of land (Salt Lake County Tax No. 22-23-106-012); thence along said tract of land the following two (2) courses: 1) North 00°16'40" East 116.27 feet; 2) South 89°43'20" East 70.30 feet to the centerline of Big Cottonwood Creek; thence along said centerline of Creek the following nine (9) courses: 1) North 15°57'40" West 43.21 feet; 2) North 02°25'10" West 138.92 feet; 3) North 08°51'12" West 37.00 feet; 4) North 32°08'26" West 39.89 feet; 5) North 41°33'00" West 35.36 feet; 6) North 20°52'36" West 22.99 feet; 7) North 10°26'40" West 64.20 feet; 8) North 05°12'48" West 96.84 feet; 9) North 14°50'20" West 85.25 feet; 10) North 08°54'37" West 89.45 feet; 11) North 45°14'59" West 60.75 feet; 12) North 38°45'51" West 63.22 feet; thence leaving said centerline of canal North 07°09'18" West 27.60 feet to a point on the North line of said Section 23; thence along said Section Line South 89°44'06" East 428.73 feet to a point on the South property line of that certain tract of land (Salt Lake County Tax No. 22-23-103-004); thence along said tract of land the following two (2) courses: 1) South 44°44'46" East 70.90 feet to a point on a 395.10 foot radius curve to the right; 2) thence 43.64 feet along the arc of said curve through a central angle of 06°19'43" (chord bears North 80°16'56" East 43.62 feet) to the Southwest corner of that certain tract of land (Salt Lake County Tax No. 22-14-353-012); said corner also being a point on a 395.10 foot radius curve to the right; thence 60.18 feet along the arc of said curve through a central angle of 08°43'36" (chord bears North 87°48'35" East 60.12 feet); thence South 87°49'36" East 87.17 feet to the Southwest corner of that certain tract of land (Salt Lake County Tax No. 22-23-103-002); thence along said tract of land the following two (2) courses: 1) South 87°49'36" East 77.21 feet to a point on a 270.00 foot radius curve to the right; 2) thence 63.05 feet along the arc of said curve through a central angle of 13°22'47" (chord bears South 81°08'13" East 62.91 feet); thence South 74°26'49" East 298.95 feet; thence South 53°49'41" East 1049.04 feet more or less to a point on the Northerly right-of-way line of 6200 South Street (SR-210, Project No. F-068), said point also being a point on a 846.73 foot radius curve to the left; thence following said right-of-way line 302.93 feet along the arc of said curve through a central angle of 20°29'55" (chord bears South 64°04'38" East 301.32 feet); thence South 74°19'35" East 881.94 feet to a point on a 945.00 foot radius

curve to the right; thence 711.96 feet along the arc of said curve through a central angle of 43°09'59" (chord bears South 52°44'36" East 695.24 feet) to the most Westerly corner of that certain tract of land (Salt Lake County Tax No. 22-23-276-003) to a point on a 945.00 foot radius curve to the right; thence 578.64 feet along the arc of said curve through a central angle of 35°04'59" (chord bears South 13°37'06" East 569.64 feet); thence South 03°55'23" West 570.71 feet to a point on the South line of the Northeast quarter of said Section 23; thence along said South line North 89°18'17" West 140.22 feet to the West right-of-way line of 6200 South Street (SR-210, Project No. F-068), said point also being a point on the East property line of MTC Partners LTD (#S2004-05-0221); thence along said property line and said South line of the Northeast quarter of Section 23 North 89°18'17" West 720.84 feet to the point of beginning.

Contains 2,386,605 square feet, or 54.789 Acres more or less.

Note: All Salt Lake County tax numbers and survey plat numbers are on record with Salt Lake County.

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 Economic Development

A. General Statement of Land Uses in the Project Area

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

The existing uses of the Project Area are: vacant industrial land and vacant open space.

It is expected that the permitted land uses in the Project Area will not be directly affected by economic development of the Project Area. However, the City may or may not determine to propose zoning ordinance amendments in order to aid in or promote economic development or for other reasons.

It is expected that the existing uses of the Project Area will or may change or be affected by economic development of the Project Area as follows: The vacant industrial land generally will be used for commercial office building uses; The vacant open space may be developed as a park and amenities to office buildings.

B. Layout of Principal Streets in the Project Area

The layout of the principal streets in the Economic Development Project Area is shown on the Project Area map attached as Exhibit “A” and incorporated herein. It is not expected that economic development of the Project Area will affect the existing principal streets except as follows: Holladay Blvd, north of 6200 South, is expected to be widened.

C. Population Densities in the Project Area

There are no unusual population densities found within the boundaries of the Economic Development Project Area. It is not expected that population densities will be affected by economic development of the Project Area except as follows:

The Project Area is generally in transition from vacant industrial land to a commercial use area. This change will result in an increase in the daytime population. As the vacant industrial land is developed for commercial office building uses, the daytime population of the Project Area is expected to increase, eventually to approximately 1,800 employees.

D. Building Intensities in the Project Area

The building intensities within the boundaries of the Economic Development Project Area were analyzed. No unusual evidence of building intensities was found in the Economic Development Project Area. It is expected that the building intensities within the Project Area will be affected by economic development as follows: The vacant industrial land will be developed with several A+ class commercial office buildings, consisting of approximately 500,000 square feet of office space.

Section 5 Statement of Standards That Will Guide the Economic Development

A. Statement of Development Objectives

1. Encourage and assist economic development in order for a public or private employer to create additional jobs within the state.
2. Provide for the strengthening of the tax base and economic health of the entire community and the State of Utah.
3. Implement the tax increment financing provisions of the Redevelopment Agencies Act and any successor law or act (the “Act”) which are incorporated herein by reference and made a part of this Ordinance.

4. Encourage economic use of and new construction upon the real property located within the Project Area.
5. Promote and market the Project Area for economic development that would be complimentary to existing businesses and industries or would enhance the economic base of the City through diversification.
6. 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.
7. Removal of impediments to land disposition and development through provision of adequate public utilities, infrastructure improvements and community facilities.
8. Achievement of an environment reflecting a high level of concern for architectural, landscape and urban design principles, developed through encouragement, guidance, appropriate controls, and financial and professional assistance to owner participants and developers.
9. Provide for improvements to public streets, utilities, curbs and sidewalks, other public rights-of-way, street lights, landscaped areas, public parking, trails and other public improvements, give the area a new look and to attract business activity.
10. 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.
11. Provide improved pedestrian and bicycle circulation and trail systems.

B. General Design Objectives

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

A review of economic development proposals may also be made by an advisory design review committee established by the Agency. Each economic development 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 economic development 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 economic development 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;
5. Provide open spaces and pedestrian walks and bicycle trails which are oriented to the directions of maximum use and designed to derive benefit from topographical conditions and views;
6. Provide for the adequate separation and protection of pedestrian access routes from vehicular traffic arteries;
7. Result in the development of land within the Economic Development 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.

C. Specific Design Objectives and Controls

1. Building Design Objectives:
 - a. All new buildings shall be of design and materials that 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 Economic Development Project Area should be designed and placed to act as significant landmarks in the Economic Development 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.
- 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 adequate safety and separation from vehicular traffic, and should recognize desirable views of new and existing development in the area and surrounding community.
- 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.
- f. Planning and providing open space, trails, meditation spots and other amenities for use of office building population will be encouraged.

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. It is desirable that parking areas be relatively level.

4. Landscape Design Objectives:

- a. A coordinated landscaped design over the entire Economic Development 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 Economic Development Project Area.

5. Project Improvement Design Objectives:

- a. Public rights-of-way. All streets, sidewalks, walkways and trails 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 Economic Development Plan Objectives

Activities contemplated in carrying out the Plan in the Project Area include the acquisition, clearance and rehabilitation of properties in the Economic Development Project Area.

1. Rehabilitation:

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

2. Acquisition and Clearance:

Parcels of real property located in the Economic Development Project Area may be acquired by purchase, but may not be acquired by **condemnation**.

3. Implementation of Economic Development Projects:

The Agency shall have the right to approve the design and construction documents of all economic development within the Project Area to ensure that all economic development within the Project Area is consistent with this Economic Development Plan. The City 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. Economic development projects within the Project Area shall be implemented as approved by the Agency and the City.

Economic development projects may be undertaken and carried out as provided in this Plan and as provided for in the Act. Funding for economic development projects and activities shall be provided for in the Project Area Budget or the annual budget of the Agency.

E. Property Acquisition, Disposition, Relocation and Development

The objectives of this Economic Development 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 Economic Development Project Area. The Agency may acquire property by negotiation, gift, devise, exchange, purchase, or other lawful method, but not by **eminent domain (condemnation)**. 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, but not by **eminent domain (condemnation)**. 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.

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 Economic Development 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 shall seek the aid and cooperation of such public entities in order to accomplish the purposes of economic development 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 that own or intend to acquire property in the Economic Development 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 Economic Development 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 economic development.

5. Property Disposition and Development:

The Agency is also authorized, by lawful means, to provide for and promote the economic development 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 Economic Development Project Area as necessary to carry out the purposes of this Economic Development 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 Economic Development Project Area, not prohibited by law which are necessary or desirable to carry out this Economic Development 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 Economic Development Project Area. The Agency is also authorized to rehabilitate or to cause to be rehabilitated any building or structure in the Economic Development Project Area. The Agency is also authorized and directed to advise, encourage, and assist in the rehabilitation of property in the Economic Development 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, or otherwise dispose of any interest in real property. The Agency is authorized to dispose of real property by leases or sales by negotiation with or without public bidding. All real property acquired by the Agency in the Economic Development Project Area shall be 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 Economic Development Plan. All purchasers or lessees of property from the Agency shall be made obligated to use the property for the purposes designated in this Economic Development 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 Economic Development 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 Economic Development Plan will be carried out, 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 Economic Development 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 Economic Development 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 Economic Development Project Area for itself or for any public entity to the extent that such improvement would be of benefit to the Economic Development Project Area. During the period of development in the Economic Development Project Area, the Agency shall require that the provisions of this Economic Development Plan and of other documents formulated pursuant to this Economic Development Plan are being observed, and that development in the Economic Development Project Area is proceeding in accordance with development documents and time schedules. Plans for development by owners or developers, both public and private, shall be submitted to the Agency for approval and architectural review. All economic development must conform to this Economic Development Plan and all applicable federal, state, and local laws.

For the purpose of this Economic Development Plan, the Agency is authorized to 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 Economic Development

It is the intent of the Agency, with the assistance and participation of private owners to encourage new development within the Economic Development Project Area that will strengthen the tax base of the community in furtherance of the objectives set forth in the Act. The purposes of the Act will be obtained as a result of the proposed economic development project by accomplishing the following items:

A. Establishment of A New Business

The proposed economic development project envisions the development of a new, world class office complex and is expected to attract major business tenants. The location of such new or additional businesses to the Project Area will benefit the State and the City.

B. New Jobs and Employment

The proposed economic development project will result in new jobs and employment and increase the tax base of the community and the State.

C. Associated Business Activities

The proposed economic development project will provide opportunities to stimulate associated business activities by consolidating employees into larger groups and creating business efficiency. Potential associated business activities which have been identified include offices, research and development facilities, business services, hotels, restaurants.

Section 7 How the Plan Is Consistent, and the Proposed Economic Development Conforms, With the Community General Plan

This Economic Development Plan is consistent with and the proposed economic development 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 ORD (Office, Research and Development) and Open Space/Trails. The City general plan calls for the Project Area to be for the following uses: office, research and development and open space/trails. The proposed development is permitted under the current zoning classifications of the City. If any zoning changes are required, such changes would be submitted to the City for consideration and approval.

B. Building Codes

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

C. Planning Commission Review and Report

The provisions of this Economic Development 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 Economic Development Plan is consistent with the general community plan of the City, which encourages office, research and development and open space/trails in the Project Area.

Section 8 Description of the Specific Project or Projects That Are The Object of the Proposed Economic Development

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 substantial economic development project will be undertaken by private owners to accomplish the purposes of this Economic Development Plan. Among the economic development proposals which the Agency believes are possible or forthcoming is the proposal of Millrock Park Associates to construct four office buildings containing A+ office space with a total of approximately 490,000 square feet and at a total cost of approximately \$92 million.

The proposed project includes the construction of facilities which the Agency believes are of benefit to the State and the community in order for a private employer to create additional jobs within the State.

The proposed project accomplishes the purposes of the Utah Redevelopment Agencies Act in furthering economic development in the following ways:

1. The real property located within the proposed Project Area is intended to be used for office, research and development and open space/trails.

2. A summary of new jobs created and their accompanying wages is set forth in the “Benefit Analysis of the Proposed Olympus Economic Development Project” referenced in Attachment “B” showing the cumulative number of jobs and wages information. By the year 2010 it is projected that a total of approximately 1,800 people will be employed full-time. A substantial majority of these positions represent new jobs which will be provided in the project area, with accompanying average annual wages of \$42,500.

3. It is estimated that there will be economic and community benefits to the area resulting from the construction of the project with approximately \$10 million in annual purchases from suppliers of construction materials for the five and a half years during construction of the project. These purchases would also generate sales tax revenue.

4. Construction jobs will increase as a result of the development in the area. It is estimated that about 185 full time construction workers will be on the site during the construction of the proposed office buildings. The estimated total average payroll during construction is estimated to be \$6,800,000.

Section 9 Ways in Which Private Developers, If any, Will Be Selected To Undertake the Economic Development

A. Selection of Private Developers

The Agency contemplates that owners of real property within the Project Area will take advantage of the opportunity to develop their property. In the event that owners do not wish to participate in the economic development 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.

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

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 become an owner-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-403 of the Act: Millrock Park Associates/Millrock Development, LLC/Steve Peterson.

1. Qualified Owners

The Agency shall first permit qualified owners within the Project Area to participate as developers in the economic development of the project area. Any person wishing to become a developer will be required to own or have the right to purchase all or part of the project area.

2. Other Parties

If no owner in the project area, as described in Subparagraph A above, who possesses the skill, experience and financial resources necessary to become a developer in the Project Area is willing or able to become a developer of all or part of the project area, the Agency may identify other qualified persons who may be interested in developing all or part of the project area. Potential developers may be identified by one or more of the following processes: (1) public solicitation, (2) requests for proposals (RFP), (3) requests for bids (RFB), (4) private negotiation, or (5) some other method of identification approved by the Agency.

3. Owner Participation Agreements

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

Section 10 Economic Development Plan Restrictions

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

A. 100 Acre Limitation

The Project Area described in this Economic Development Plan may not exceed 100 acres of private real property unless the Agency obtains the consent of the taxing entity committee.

B. Incremental Value Limitations

Unless the Agency obtains a waiver from the taxing entity committee, 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 Economic Development 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 Economic Development Plan for the Agency to commence implementation of this Economic Development Plan unless this Economic Development Plan is adopted again as if it were an amended plan under Section 17B-4-411 of the Act.
2. The Economic Development Plan does not permit the Agency to acquire real property through the use of **eminent domain**;
3. A time limit of no more than twenty-five years after adoption of this Economic Development Plan for tax increment from the Economic Development Project Area to be paid to the Agency unless the taxing entity committee consents to a longer period, or unless other provisions of law allow such collection.

Section 11 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 strengthen the economic base of the community through one or more major developers who are willing to invest private capital into one or more new businesses which would provide additional jobs and broaden the tax base of the community. The Project Area contains a portion of the City that is desirable for economic development because of: (1) a general recognition by the owners and the public that the Project Area 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 construct new buildings or infrastructure improvements; (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 and staff, economic development 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 12 The Description of the Physical, Social, and Economic Conditions Existing in the Area

A. Physical Conditions

The Project Area consists of approximately 54 acres of privately owned land as shown on the Project Area map. The physical characteristics of the Project Area may generally be classified as a vacant sloped area of the City ripe for commercial office development and located in the southeast portion of the City, between I-215 freeway and 6200 South, near Wasatch Blvd., nestled at the base of the Wasatch Mountains.

B. Social Conditions

There is currently only one residence in the Project Area. No unusual social conditions were found to exist. Because of the shifting of land uses that have occurred and are occurring in the Project Area consistent with the master or general plan of the City, it is unlikely that any new residential land uses will be permitted within the Project Area.

C. Economic Conditions

The Project Area is currently zoned ORD (Office, Research and Development) and Open Space/Trails. The current lack of infrastructure in the Project Area makes it difficult for private investment to be attracted to the Project Area unless a program is undertaken to provide or assist with these items and services. Customarily small acreage parcels cannot afford to fund the full infrastructure cost necessary for property development, but the assemblage of separate parcels into larger parcels of land makes this more likely because the costs of needed infrastructure can be spread over more acreage.

Section 13 Analysis Regarding the Economic Development 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 development or redevelopment of project areas within the territorial limits of the City. To accomplish this objective, State law permits the Agency to undertake economic development projects in specifically designated and adopted project areas which meet certain standards and criteria.

The Act provides a means for financing economic development 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 in the year prior to the adoption of this Economic Development 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 thereafter 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 Economic Development 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, 2004, as equalized on or before November 1, 2004, 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 Economic Development 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 economic development projects in the Project Area is economically feasible because as economic development occurs, the Project Area is expected to generate new taxes based upon the new development. 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 Project Area Budget is a multi-year budget prepared by the Agency to implement this Economic Development Plan and other authorized purposes and will be or has been submitted to the Taxing Entity Committee for its approval. The Project Area Budget currently proposed covers a fifteen (15) year period and shows the following:

(1) The base year taxable value of the Project Area is \$9,264,230 as of January 1, 2004, as shown on the Project Area Budget.

(2) The projected tax increment of the Project Area is \$20,222,434.

(3) Of the amount shown in paragraph (2) above, it is projected that \$6,554,180 of tax increment will be shared with taxing districts.

(4) The amount of tax increment expected to be used to implement this Economic Development Plan is \$13,668,254. Included in this amount of tax increment is the following: (a) land acquisition, development, public infrastructure and other eligible expenditures \$10,251,191; (b) housing \$2,733,651; and (c) Agency administrative costs of \$683,413, 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 economic development of the Project Area.

(6) The tax increment expected to be used to cover the cost of administering this Economic Development Plan is \$683,413 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. Reimbursement to the City or developer for Reimbursed Costs shall be made through an agreement between the Agency and the City or the Agency and the developer. Except where the Agency issues bonds or otherwise borrows or receive funds, the Agency expects to reimburse the City or developer 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 Beneficial Under A Benefit Analysis

The Agency has retained Bob Springmeyer of Bonneville Research, an experienced economic development consultant, to assist the Agency in analyzing the proposed economic development. This consultant prepared a report entitled "Benefit Analysis of the Proposed Olympus Economic Development Project Area (the "Benefit Analysis") dated March 4, 2005, a copy of which is attached hereto in Exhibit "C" and incorporated herein by reference.

The benefits derived from the financial assistance proposed to be provided by the Agency include those enumerated herein and in the Benefit Analysis. 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 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.
2. Promote the upgrading, as funds are available through public or private sources, of the utilities, streets, curbs, sidewalks, parking areas, landscape areas, trails and other infrastructure improvements to attract development. Infrastructure improvements are needed to encourage the development of the Project Area. These infrastructure improvements will not only encourage new development, but will also likely attract additional development outside the Project Area by providing an improved level of service delivery to the community.

3. 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.
4. Eliminate environmental deficiencies, improper drainage, underutilization of real property by encouraging development within an area which is largely vacant land area except for a number of buildings, many of which were found to be substandard.
5. Promote and market sites for economic development where the proposed development would be complimentary to existing businesses or enhance the economic base of the community through diversification.
6. 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 \$92,000,000, as well as increase the State's and community's employment base by approximately 1,861 permanent jobs or full time equivalent, resulting from the improvements.
7. Increase construction jobs as a result of the infrastructure and other development in the area. It is estimated that an average of 185 workers will be on site during the construction of the infrastructure or other development. The total average payroll during the five and a half years of construction is estimated to be \$6.8 million annually.
8. Encourage and assist economic development in order for a public or private employer to create additional jobs within the community. These jobs will provide primary and supplemental incomes to many families in the local economy.

Based upon the Benefit Analysis and the information set forth herein, it is the conclusion of the Agency that the adoption of this Plan is beneficial.

D. Evaluation of the Reasonableness of the Costs of Economic Development

1. To successfully increase the Area's tax base, most of the existing businesses will 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 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 economic development costs for relocation of businesses and the 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 economic development. The schedule entitled "Project Area Budget", Exhibit "E", sets forth all of 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 development as part of its economic development 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.

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 developers, to encourage and maximize private investment in the development of the Project Area. It is expected that through the use of tax increment in this manner, and through agreements with developers setting the developer's expected performance, private investment will be maximized to the extent reasonably possible. The private investment in the proposed development is anticipated to be \$92 million to be spent by developers.

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. The use of tax increment financing serves as a catalyst to trigger private sector investment by constructing fixed assets in the community. Simply, 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, the Agency concludes that without the construction of the necessary infrastructure improvements, or the offering of incentives to developers, the Project Area will have difficulty in attracting the private investment necessary to develop the Project Area.

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

It is estimated and anticipated that \$13,668,254 of tax increment will be expended in undertaking the economic development and that the length of time that tax increment financing will be used in connection with 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 Economic Development

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 as a result of the proposed economic development: (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 \$120,452 in the year 2004 to over \$1,000,000 in 2009 as a result of the economic development.

2. **Number of Jobs or Employment Anticipated As A Result of the Economic Development**

The number of jobs anticipated to result from the proposed economic development is estimated to be equivalent to 1,861 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 economic development 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 Economic Development**

Direct Purchase of Supplies and Services

It is anticipated that tenants of the Millrock Office Park will directly purchase local goods and services related to their operations from local or regional suppliers. These purchases will likely increase employment opportunities in the related businesses of maintenance and repair, packaging supplies, office and printing services, warehousing, transportation and delivery services. In addition, it is estimated that approximately \$2.6 million will be spent annually on utilities such as water, sewer, electricity, as well as natural gas and custodial services.

Employee Expenditures

The types of expenditures by employees in the immediate Holladay area will likely include convenience shopping for personal and household goods, lunches at area restaurants, convenience purchases and personal services (haircuts, banking, dry cleaning, etc.) Based on annual per household expenditure patterns for these types of purchases in Salt Lake County, employee expenditures can be estimated. The employees will not make all of their convenience or personal services purchases near their workplace and each employee's purchasing patterns will be unique. However, it is reasonable to assume that a high percentage of these annual purchases will occur within the Salt Lake County market area.

In order to estimate the portion of total wages that might be spent in the Salt Lake County area, expenditure patterns on a per household basis in Salt Lake County were estimated and included food at home, food away from home, apparel, travel and other typical household expenditures. The number of households was estimated at less than the total number of employees to account for family employment, room-mates and other co-habitation factors.

The estimate of retail expenditures by employees working at the Millrock Office Park is in the tens of millions annually.

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 Economic Development 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 Loan Fund Board as required by 17A-2-505(2)(a)(ii).

Section 14 Plan for Relocation of Families and Persons Displaced from Housing Facilities

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 economic development 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 economic development within the Project Area, to implement this Plan.

There are no housing facilities within the Project Area and therefore no families or persons who will be temporarily or permanently displaced from housing facilities in the Project Area. The plan for relocation of such families and persons is that there will be no displacement of such families and persons from housing facilities in the Project Area.

Section 15 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 16 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 economic development of the Project Area. The Supporting Documents are incorporated herein and made a part hereof.

Section 17 Other Economic Development Plan Objectives and Provisions

A. Continued Use of Existing Buildings

Economic development in limited cases shall include the continuance of existing buildings or uses so long as 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

The development of retail sales is not an objective of the Project Area. Incidental or subordinate development of retail sales are permitted in the Project Area and shall not disqualify the Project Area from receiving tax increment financing under Section 1005(1)(b) of the Act.

Section 18 Tax Increment and Other Provisions In This Economic Development Plan

A. General Tax Increment Provisions

Subject to any limitations required by currently existing law (unless a limitation is subsequently eliminated), for example limitations of the Project Area Budget approved by the taxing entity committee, this Economic Development 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 certain housing uses as required by the Act.

This Economic Development 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 Economic Development 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 Loan Fund, established under Title 9, Chapter 4, Part 7, Olene Walker Loan Fund, for use in providing income targeted housing within the community.

C. Housing Plan

Pursuant to the Act, before the Agency may adopt a Project Area Budget that allocates tax increment funds under Section 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 Loan 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 Loan Fund Board.

D. Other Provisions Required by Law

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

Section 19 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 a 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 20 Provisions For Amending This Economic Development Plan

This Economic Development Plan may be amended or modified at any time by the Agency in the same manner as if the amendment or modification constituted an economic development 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 MAP

EXHIBIT "C"

SUPPORTING DOCUMENTS

OLYMPUS ECONOMIC DEVELOPMENT PLAN

March 1, 2005

The following documents are part of the Olympus Economic Development Plan dated March 1, 2005 and are incorporated by reference. The documents support the statements and findings incorporated in the Olympus Economic Development Plan.

1. Benefit Analysis conducted by Bob Springmeyer of Bonneville Research, dated March 4, 2005.

EXHIBIT "D"
REPORT OF PLANNING COMMISSION

SPECIMEN

_____, 2005

Executive Director
Redevelopment Agency of the City of Holladay
4707 South Holladay Blvd.
Holladay, Utah 84117

Dear Mr. _____:

At the regular meeting of the Planning and Zoning Commission held _____, 2005, the draft proposed Redevelopment Plan entitled "Olympus Economic Development Plan" dated March 1, 2005 was reviewed. The Agency and its staff have consulted with the Planning Commission and its staff regarding the contents of the draft proposed Plan.

The draft proposed Plan was found to be consistent with the City's Master Plan, the City plans for the development of the area and the Capital Facility Plan of the City.

It is the recommendation of the Planning Commission that the Redevelopment Agency and the City Council adopt the draft proposed Plan.

The Planning Commission looks forward to working with the Redevelopment Agency in implementing redevelopment projects pursuant to the Plan.

Very truly yours,

By _____

Chair, City of Holladay
Planning Commission

EXHIBIT "E"
PROJECT AREA BUDGET