

HEBER CITY COMMUNITY REINVESTMENT AGENCY

RESOLUTION NO. 2021-07

A RESOLUTION APPROVING AND ADOPTING THE COMMUNITY REINVESTMENT PROJECT AREA BUDGET FOR THE HEBER CITY DOWNTOWN COMMUNITY REINVESTMENT PROJECT AREA.

WHEREAS, pursuant to the provisions of the Utah Limited Purpose Local Government Entities - Community Reinvestment Agency Act (the “**Act**”), specifically Utah Code Annotated (“**UCA**”) § 17C-5, the Heber City Community Reinvestment Agency (the “**Agency**”) adopted a resolution designating a survey area, which was to become the Heber City Downtown Community Reinvestment Project Area (“**Project Area**”), and calling for the preparation of a project area plan and budget; and

WHEREAS, pursuant to the provisions of the Utah Community Reinvestment Agency Act (the “**Act**”), specifically Utah Code Annotated (“**UCA**”) § 17C-5, on July 1, 2021 the Agency approved the Community Reinvestment Project Area Plan for the Project Area after holding a duly-noticed public hearing; and

WHEREAS, the Agency has prepared a Project Area Budget (the “**Budget**”) for the Project Area as required by the Act; and

WHEREAS, the Budget having been prepared for the Project Area pursuant to the Act, the Agency made the Budget publicly available and provided notice of the budget hearing as required by the Act; and

WHEREAS, the Agency held, on July 1, 2021 a duly-noticed public hearing pursuant to UCA § 17C-5-302 to allow public comment on the Budget and whether it should be revised, approved, or rejected, and to receive all written and hear all oral objections to the Budget; and

WHEREAS, having received and heard all commentary on and objections to the Budget submitted for its consideration, the Agency has passed upon such objections as it has received and has made such modifications, amendments, and/or emendations to the Budget as it deems appropriate, if any; and

WHEREAS, pursuant to UCA § 17C-5-304, the Budget remains subject to approval by the entities that levy taxes within the Project Area that enter into interlocal agreements with the Agency for the Project Area before the Agency may collect project area funds from the Project Area; and

WHEREAS the Agency now desires to formally adopt the Budget as the official budget for the Project Area.

THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF THE HEBER CITY COMMUNITY REINVESTMENT AGENCY AS FOLLOWS:

1. The Agency has received all comments and objections to the draft Budget.
2. The Budget attached hereto as **Exhibit A** is hereby adopted as the official budget for the Heber City Downtown Community Reinvestment Project Area.
3. Agency staff are hereby authorized to take all actions necessary, including those actions required by UCA § 17C-5-305, to carry out the purposes of this resolution.
4. This resolution shall be effective upon adoption.

APPROVED AND ADOPTED on the 6th day of July, 2021.

	AYE	NAY	ABSENT	ABSTAIN
Heidi Franco	_____	_____	_____	<u> X </u>
Wayne Hardman	<u> X </u>	_____	_____	_____
Mike Johnston	<u> X </u>	_____	_____	_____
Rachel Kahler	<u> X </u>	_____	_____	_____
Ryan Stack	_____	_____	<u> X </u>	_____



**HEBER CITY COMMUNITY
REINVESTMENT AGENCY**

Kelleen Potter
Kelleen Potter, Chair

ATTEST:

Trina Cooke
Trina Cooke, Secretary

EXHIBIT A

Heber City Downtown Community Reinvestment Project Area Budget

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DOWNTOWN HEBER CRA, HEBER CITY, UTAH

The Agency, following thorough consideration of the needs and desires of Heber City and its residents, as well as the need and capacity for redevelopment and new development, has carefully crafted this Project Area Plan (“Plan”) for the Downtown, Heber City, Utah, Community Reinvestment Project Area (“Project Area”).

In accordance with the terms of this Plan, the Agency will promote and provide for a variety of use types, public improvements, infrastructure, redevelopment, and new development in an area primarily located around Main Street (Highway 189). The Project Area includes approximately 613.8 acres, with the majority of the study area currently developed with residential, retail, or civic-related uses.

The proposed project area has been designated through careful guidance from the “Envision Heber 2050” work that was recently completed. This General Plan update included significant public outreach and close communication with Heber City officials to understand the vision of the community. In part, the proposed Community Reinvestment Area (CRA) is intended to help carry out the vision. In particular, the “Envision Heber 2050” plan includes the following guidelines:

- Preserve the open lands that surround Heber
- Create friendly neighborhoods and centers that focus homes, jobs, shopping, and recreation into places where Heber residents and others can gather and interact regularly
- Enhance and strengthen downtown – the heart of the Heber community
- Grow, promote, and diversify recreational opportunities

In addition to these central guidelines contained in the previous visioning efforts, the city intends to further foster some of the following development framework:

- Encourage housing variety that results in an increase of attainable residences for those making near or less than the area median income
- Provide housing options, both “for sale” and “for rent,” for employees in industries such as education, government, etc.
- Create opportunities for sustainable and environmentally conscious developments

Through the aforementioned planning efforts, Heber recognizes near term growth pressures and the impact that these may have on quality of life characteristics. Current population is anticipated to double by 2050, and median housing prices have increased at a rate that is significantly more rapid than the rate of growth for median incomes. Due to changing population and affordability characteristics, residents of the area have increasingly become more focused on quality of life issues.

Heber’s downtown is well known for its desirable architecture and variety of retail and hospitality services. Most buildings along Main Street are fairly old in terms of original construction date, and some buildings show signs of depreciation. The downtown core presents the economic engine for Heber City, and, largely for all of Wasatch County. A significant amount of the area’s employment is found within the proposed

project area. Consequently, the downtown represents a notable source of quality of life characteristics for residents of Heber City.

It is the purpose of this Plan to clearly set forth the aims and objectives of this proposed CRA, its scope, its mechanism, and its value to the residents, businesses and property owners of the City and County. The Project is undertaken as a community reinvestment project pursuant to the provisions of the Act.

1. RECITALS OF PRECONDITIONS FOR DESIGNATING A COMMUNITY DEVELOPMENT PROJECT AREA

- a) Pursuant to the provisions of §17C-5-103 et seq. of the Limited Purpose Local Government Entities Community Development and Renewal Agencies Act, the governing body of the Redevelopment Agency of Heber City authorized the preparation of a draft community reinvestment project area plan; and
- b) Pursuant to the provisions of §17C-5-104(1)(a) and (b) of the Act, the City has a planning commission and general plan as required by law; and
- c) Pursuant to the provisions of §17C-5-104(3)(e) of the Act, the Agency has conducted one or more public hearings for the purpose of informing the public about the proposed Project Area, allowing public comment on the draft Project Area Plan and whether the Plan should be revised, approved or rejected; and
- d) Pursuant to the provisions of §17C-5-104(3)(b) and (d) of the Act, the Agency made a draft Project Area Plan available to the public at the Agency's offices during normal business hours, provided notice of the Plan hearing and will hold a public hearing on the draft Plan on _____ 2021.

2. DEFINITIONS

As used in this Community Development Project Area Plan:

1. The term "**Act**" shall mean and include the Limited Purpose Local Government Entities – Community Development and Renewal Agencies Act in Title 17C, Chapters 1 through 5, 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.
2. The term "**Agency**" shall mean the Community Development Renewal Agency of Heber City, a separate body corporate and politic.
3. The term "**Affordable Housing**" shall mean housing affordable to persons making 80 percent or less of the Area Median Income (AMI).

4. The term "**base taxable value**" shall mean the base taxable value of the property within the Project Area from which tax increment will be collected, as shown upon the assessment roll last equalized, before: (A) the date the Project Area Plan is adopted by the City legislative body; and (B) the date the Agency adopts the first Project Area Budget.
5. The term "**City**" shall mean Heber City, Utah.
6. The term "**community**" shall mean the community of Heber City, Utah.
7. The term "**community reinvestment**" shall mean development activities within the community, including the encouragement, promotion, or provision of development.
8. The term "**developer**" shall mean the entities potentially investing in the development in the area.
9. The term "**Plan Hearing**" means the public hearing on the draft Project Area Plan required under Subsection 17C-5-104 of the Act.
10. The term "**planning commission**" shall mean the planning commission of the City.
11. The term "**Project Area**" or "**Downtown Community Reinvestment Project Area**" shall mean the geographic area described in this Project Area Plan or Draft Project Area Plan where the community reinvestment set forth in this Project Area Plan or Draft Project Area Plan takes place or is proposed to take place.
12. The term "**Project Area Budget**" shall mean a budget setting forth:
 - a. the anticipated costs, including administrative costs, of implementing the Downtown Community Reinvestment Project Area Plan; and
 - b. the tax increment, sales tax, and other revenue the Agency anticipates to fund the project.
13. The term "**Project Area Map**" is the area depicted in Appendix A.
14. The term "**Project Area Plan**" or "**Plan**" shall mean a project area plan adopted pursuant to the Act to guide and control community reinvestment activity within the Project Area.
15. The term "**Downtown Community Reinvestment Project Area Plan**" or "**Plan**" shall mean a project area plan and project area map adopted pursuant to the Act to guide and control community reinvestment activities within a project area.
16. 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.
17. The term "**taxing entity**" shall mean a public entity that levies a tax on property within the Project Area.

18. 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 designated in the Project Area Plan 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 or were generated from that same area using the Base Taxable Value of the property.
19. All other terms shall have the same meaning set forth in the Act unless the context clearly indicates otherwise.

3. PROJECT AREA BOUNDARIES [17C-5-105(1)(A)]

The Project Area consists of approximately 613.8 acres located primarily along Main Street (Highway 189) through a central portion of Heber City. It largely begins near the southern entrance to the city, extends onto both sides of Main Street, and continues to near the municipal boundary ending to the north. Roughly three blocks along both east and west of Main Street are included in the project area, as these blocks have direct influence to and from Main Street and are largely considered part of the downtown core. Area west of Main Street, extending to a passenger rail system, is additionally included in the proposed project area. Project area boundaries depicted on the Project Area map are included in Appendix A, with a legal description of the parcels in the Project Area included in Appendix B.

4. GENERAL STATEMENT OF LAND USES, LAYOUT OF PRINCIPAL STREETS, POPULATION DENSITIES, BUILDING INTENSITIES AND HOW THEY WILL BE AFFECTED BY THE PROJECT AREA DEVELOPMENT [17C-5-105]

A. LAND USES IN THE PROJECT AREA

The existing land uses in the Project Area include primarily developed land, with residential and commercial dispersed throughout. Uses range from typical retail stores to offices, with single-family and multi-family homes, as well as hotels, entertainment, and some limited manufacturing, storage, and light industrial uses.

Land uses will be affected as currently vacant or underutilized land is developed in accordance with this Plan. This will change existing vacant land to commercial and residential uses. Other existing uses may experience use type changes as valuations and opportunities for incentives influence highest and best use considerations.

B. POPULATION DENSITIES IN THE PROJECT AREA

There are a significant number of residential uses within the project area, including single-family homes, townhomes, and apartments, of varying densities. Some proposed development in the project area may increase the number of homes, although specific densities are currently not known. Additionally, redevelopment of existing parcels may result in varied densities.

C. BUILDING INTENSITIES IN THE PROJECT AREA

The Project Area currently has a significant amount of commercial space located throughout the downtown. Current proposals for downtown, although still uncertain, suggest the possible addition of more retail and commercial uses. This plan ultimately believes that a moderate amount of new commercial and residential space could be introduced to the area, particularly if the downtown core becomes a focus of investment dollars.

5. STANDARDS THAT WILL GUIDE THE PROJECT AREA DEVELOPMENT [17C-5-105]

A. GENERAL DESIGN OBJECTIVES

Development within the Project Area will be held to high quality design and construction standards and will be subject to: (1) appropriate elements of the City's General Plan; (2) applicable City building codes and ordinances; (3) Planning Commission review and recommendation; (4) the City's land use code; and (5) development agreements that include design guidelines.

Owners and developers will be allowed flexibility in the development of land located within the Project Area and are expected to obtain quality design and development. Development contemplated in the area shall be of a design and shall use materials that are in harmony with adjoining areas and subject to design review and approval by the City. It is contemplated that these design objectives will be addressed in development agreements with prospective developers specifically addressing these points.

Coordinated and attractive landscaping shall also be provided as appropriate for the character of the Project Area. Materials and design paving, retaining walls, fences, curbs, benches, and other items should be addressed in the design guidelines.

Parking areas shall be designed with careful regard to orderly arrangement, topography, relationship to view, ease of access, and as an integral part of the overall area function. Parking, and potentially shared parking agreements or new parking alignments for portions of the downtown area, will be a key consideration for redevelopment and new development.

All development will be accompanied by site plans, development data, and other appropriate material clearly describing the development, including land coverage, setbacks, heights, and any other data required by the City's land use code, the applicable zoning designations, development agreement, or as requested by the City or the Agency.

The general standards that will guide development are those found in the "Envision Heber 2050" plan. These include:

- Preserve the open lands that surround Heber
- Create friendly neighborhoods and centers that focus homes, jobs, shopping, and recreation into places where Heber residents and others can gather and interact regularly
- Enhance and strengthen downtown – the heart of the Heber community
- Grow, promote, and diversity recreational opportunities

Additional consideration may be made for the following criteria:

1. Provide for the strengthening of the tax base and economic health of the entire community and the State of Utah.
2. Implement the tax increment financing provisions of the Act, which are incorporated herein by reference and made a part of this Plan.
3. Encourage economic use of new construction, redevelopment, or continued usage of existing properties located within the Project Area.
4. Promote and market the Project Area for project area development that would be complementary to existing businesses that would enhance the economic base of the City through diversification.
5. Provide for compatible relationships among land uses and quality standards for development, such that the area functions as a unified and viable center of community activity for the City.
6. Remove any impediments to land disposition and development through assembly of land into reasonably sized and shaped parcels served by adequate public utilities and infrastructure improvements.
7. Achieve an environment that reflects an appropriate level of concern for architectural, landscape and design principles, developed through encouragement, guidance, appropriate controls, and financial and professional assistance to owner participants and developers.
8. Provide for construction of public streets, utilities, curbs and sidewalks, other public rights-of-way, street lights, landscaped areas, public parking, water utilities, sewer utilities, storm drainage, open space, and other public improvements.
9. Provide public streets and road access to the area to facilitate better traffic circulation and reduce traffic hazards by assisting in the street alignments.

B. TECHNIQUES TO ACHIEVE THE PROJECT AREA DEVELOPMENT PLAN OBJECTIVES

Activities contemplated in carrying out the Plan in the Project Area may include the acquisition and development of properties in the Project Area.

Parcels of real property located in the Project Area may be acquired by purchase, but may not be acquired by condemnation, unless from an Agency board member or officer with their consent [§17C-1-206 (1) and (2)(b)].

C. PROPERTY ACQUISITION, DISPOSITION AND DEVELOPMENT

The objectives of this 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 Project Area. The Agency may acquire property by negotiation, gift, devise, exchange, purchase, or other lawful method, but not by eminent domain (condemnation) unless from an Agency board member or officer with their consent. 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) unless from an Agency board member or officer with their consent [§17C-1-206 (1) and (2)(b)].

2. 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 project area 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 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.

3. PROPERTY MANAGEMENT

During such time that property, if any, in the 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 project area development.

4. PROPERTY DISPOSITION AND DEVELOPMENT

The Agency is also authorized, by lawful means, to provide for and promote project area development of the Project Area as described below.

While there are currently a significant number of buildings or structures in the Project Area and it is relatively unlikely that there will ever be a need to demolish and clear a notable number of buildings or structures in the Area, the Agency is authorized to demolish and clear buildings, structures, and other improvements from any real property in the Project Area, should such a need occur, to carry out the purposes of this 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 Project Area, not prohibited by law which are necessary or desirable to carry out this Plan, as well as publicly-owned improvements and infrastructure 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 Project

Area. The Agency is also authorized to rehabilitate or to cause to be rehabilitated any building or structure in the Project Area should such a need occur in the future. The Agency is also authorized to advise, encourage, and assist in the rehabilitation of property in the Project Area not owned by the Agency should such a need occur in the future.

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 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 ensure that development is carried out pursuant to this Plan. All purchasers or lessees of property from the Agency shall be made obligated to use the property for the purposes designated in this 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 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 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 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 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 Project Area for itself or for any public entity to the extent that such improvement would be of benefit to the Project Area. During the period of development in the Project Area, the Agency shall require that the provisions of this Plan and of other documents formulated pursuant to this Plan are being observed, and that development in the Project Area is proceeding in accordance with development documents and time schedules. Plans for development by owners or developers shall be submitted to the City for review and approval. All project area development must conform to this Plan and all applicable federal, state, and local laws.

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

D. APPROVALS

The City shall approve the design of all development within the Project Area to ensure that development therein is consistent with this Plan.

6. HOW THE PROJECT AREA DEVELOPMENT WILL FURTHER PURPOSES OF THIS TITLE [17C-5-105(d)]

It is the intent of the Agency, with the assistance and participation of private owners, to facilitate new development or redevelopment within the Project Area that includes the objectives previously stated that are a key part of "Envision Heber 2050." The proposed project area will additionally provide for the encouragement, promotion, or provision of continued mixed-use development in the community. Further, the Project will strengthen the tax base of the community, will accomplish community development objectives and create a well-planned and vibrant downtown core. The Project Area Plan will further the purposes of the Act by accomplishing the following items:

A. ESTABLISHMENT OF NEW BUSINESS

The project area includes the potential for notable commercial development which will benefit the State and the City through increased job creation, increased sales tax base, and increased income taxes paid.

B. CREATION OF NEW JOBS

The project area includes the potential for new businesses and related jobs. It is anticipated that new jobs will be encouraged at income levels above the area median income indicator.

C. PUBLIC INFRASTRUCTURE IMPROVEMENTS

The construction of the public infrastructure improvements necessary to the area will support a variety of development and will provide for future development in surrounding areas. Infrastructure is an important element of economic development and areas that lack good infrastructure are not able to be competitive in attracting good-quality businesses to locate in their community.

The development of the Project Area and the associated public infrastructure improvements will also: (a) make the land within the Project Area more desirable and potentially more accessible to and from other parts of the City; and (b) allow existing infrastructure to be extended and connected to other infrastructure and thereby used more efficiently. Thus, the components of the Project provided in this Plan will encourage, promote and provide for community development within the Project Area and the City generally for years to come.

D. PROVISION OF ESSENTIAL SERVICES

Potential redevelopment or new development will most likely provide essential services to existing and possible new housing units for the Project Area. Commercial development will also likely include office spaces which may offer a variety of medical and dental services as well as professional office uses.

7. THE PLAN IS CONSISTENT WITH AND WILL CONFORM TO THE COMMUNITY'S GENERAL PLAN [17C-5-105(1)(E)]

This Plan is consistent with the City's General Plan. New development or redevelopment will diversify and strengthen the City by adding updated or new uses to the community.

Further, development of this area will provide a strong tax base that will enable the City to expand and provide additional services.

8. IF APPLICABLE, DESCRIBE HOW THE PROJECT AREA WILL REDUCE OR ELIMINATE DEVELOPMENT IMPEDIMENTS [17C-5-105(1)(F)]

While some portions of the study area may have development impediments (largely due to age), these are relatively minimal and not overly applicable to the project area plan.

9. DESCRIPTION OF ANY SPECIFIC PROJECT OR PROJECTS THAT ARE THE OBJECT OF THE PROPOSED COMMUNITY REINVESTMENT [17C-5-105(1)(G)]

The Project Area is intended to accomplish a larger vision of the downtown and Heber City, and is not intended for any specific development. It is assumed that multiple parts of the study area will support new development or redevelopment, resulting in new residential units, retail offerings, commercial uses (office, flex office, manufacturing), and possible hospitality and entertainment options.

New development projects will likely include construction and installation of public infrastructure improvements, some of which may have the capacity to serve areas outside of the Project Area.

10. HOW PARTICIPANTS WILL BE SELECTED [17C-5-105(1)(H)]

A. SELECTION OF PRIVATE DEVELOPERS

The Agency contemplates that owners of real property within the Project Area may take advantage of the opportunity to develop their property, redevelop, maintain, or sell their property to developers for the development of facilities within the Project Area. In the event that owners do not wish to participate in the 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. It is assumed that a moderate number properties in the area will not be the subject of new development or significant redevelopment but will ultimately benefit from the goals and implementation of the plan.

B. IDENTIFICATION OF DEVELOPERS WHO ARE CURRENTLY INVOLVED IN THE PROPOSED COMMUNITY REINVESTMENT AREA

There are no developers who are currently pursuing the use of tax increment financing in the proposed Community Reinvestment Area. Development guidelines and agreements regarding the use and payment of tax increment will be set forth in Development Agreement or other agreements between the Agency and any development teams.

1. QUALIFIED OWNERS

Any person wishing to become a developer will be required to own or have the right to purchase a part of the Project Area.

2. OTHER PARTIES

If there are no owners in the Project Area who possesses the skill, experience and financial resources necessary to become a developer in the Project Area or are able to become a developer to part of the Project Area, the Agency may identify other qualified persons who may be interested in developing 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 parts of the Project Area until after the Agency and the City decide whether or not to adopt this Plan for the Project Area.

11. REASONS FOR THE SELECTION OF THE COMMUNITY REINVESTMENT PROJECT AREA [17C-5-105(1)(i)]

The Project Area was selected by the Agency as having a significant impact to the community and a near-term ability to strengthen Heber City and Wasatch County by allowing for appropriate redevelopment or new development of commercial space, residential housing, and public infrastructure that may support future development anticipated for Heber City and provide for development in surrounding areas.

Specific boundaries of the Project Area were arrived at by the Agency after a review of the area by members of the Agency, City staff, 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-term growth in the Project Area and to encourage the development of real property located within the Project Area. Finally, the Project Area is a key element in the City's General Plan.

12. DESCRIPTION OF THE PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS EXISTING IN THE AREA [17C-5-105(1)(j)]

A. PHYSICAL CONDITIONS

The Project Area consists of approximately 613.8 acres of land as shown on the Project Area map located in the Addenda.

B. SOCIAL CONDITIONS

There are currently a significant number of buildings of nearly all use types within the Project Area. No unusual social conditions were found to exist. The Project Area Plan may help to further bring consumers and visitors from across the area to the Project Area for shopping, lodging, living, and employment.

C. ECONOMIC CONDITIONS

The study area currently generates a significant amount of taxable values from its variety of uses. Overall, as of the most recent tax year, the project year had a base taxable value of roughly \$271,000,000.

13. FINANCIAL ASSISTANCE ANTICIPATED TO BE OFFERED TO A PARTICIPANT [17C-5-105(1)(k)]

The Agency intends to negotiate and enter into one or more inter-local agreements with Wasatch County School District, Wasatch County, and Heber City to secure receipt of a portion of the property tax increment generated within the Project Area that would otherwise be paid to those taxing entities. Collectively, those tax revenues may be used to for the reasons already outlined. Subject to the provisions of the Act, the Agency may agree to pay for eligible development costs and other items from such tax revenues for any period of time the Agency and the taxing entities may deem appropriate under the circumstances.

Detailed tax increment information is provided in Appendix C in the Project Area Budget that is attached to this Plan and made a part thereof.

Additionally, the following consider key criteria for a development to qualify for tax increment, including necessary metrics that should be used to clearly show the public benefits of a project. Possible guidelines for tax increment are shown below, but are not limited to the following:

- Furthering of the Heber vision – preserving lands, creating friendly neighborhoods, promoting recreational opportunities
- Job creation/Business creation
 - Creation of *new* jobs (not just relocated jobs from elsewhere in the area)

- New jobs in key sectors deemed important to Heber City's appeal
- Physical space for startup incubators
 - Overhead support
- Attainable housing
 - Development of housing variety with an emphasis on essential workers, particularly providing a variety of pricing and design to appeal to a percentage of the population that includes educators, civic employees, etc.
 - Attainable housing with amenities that result in high quality of life characteristics
 - Subsidized housing based on income
- Diversified Sales Tax Base
 - Key retail types that encourage complementary uses
 - Retailers that attract consumers as destination locations
 - Hospitality and entertainment uses with potential of secondary spending throughout the city
- Building Improvements
 - Façade improvements
 - Facilitate new uses in existing buildings, such as kitchen installations
 - Building expansion
- Downtown Improvements
 - Alleviation of parking constraints
 - Landscaping improvements
 - Walkability improvements

KEY METRICS TO BE CONSIDERED TO QUALIFY FOR TAX INCREMENT

- Number of jobs created and in what sectors
 - Likely income levels of new jobs and comparison to area median income
- Number of housing units with proposed pricing
 - Comparison of area incomes to proposed housing prices to show qualification levels
- Sales tax generation – amount of retail space, likely retailers/retail types, likely sales per square foot generation ability
 - Amount of new sales tax to city and county
- Transient Room Taxes intended to be received by city and county
- Current taxes generated by property
 - Likely new taxes to be generated by proposed development to all taxing entities

- Additional fiscal benefits that may be generated by the project (population distribution, municipal energy fees, Class B/C road funds, residential online sales tax, etc.)
- Additional community benefits beyond fiscal analysis (i.e., trail miles per capita, open space per residence/per capita, etc.)

14. RESULTS OF THE PUBLIC BENEFIT ANALYSIS [17C-5-105(1)(L)]

Section 1 – The Benefit of Any Financial Assistance or Other Public Subsidy Proposed to be Provided by the Agency:

A. AN EVALUATION OF THE REASONABLENESS OF THE COSTS OF THE PROPOSED PROJECT AREA DEVELOPMENT

The preliminary cost estimates for downtown improvements include expenses for roadways, parking improvements, public open space areas, façade programs, etc., and appear to be reasonable given current and anticipated market conditions.

B. EFFORTS TO MAXIMIZE PRIVATE INVESTMENT

The City has made efforts to maximize private investment in the area. The City has pursued a development pattern that will attract desirable tenants and will bring a strong tax base to the City. The City anticipates that this project area focus will create new jobs. The wages paid for these jobs will then be re-spent, by the private sector, in the local and regional economies that will bring benefits to private businesses in the area.

It is likely that redevelopment and new development will significantly increase taxable values from the current taxable value of nearly \$271,900,000, to an anticipated \$540 million near the end of the CRA. The Project Area is currently generating roughly \$3.5 million in property tax revenues; it is projected to generate roughly \$7.5 million per year at the end of 20 years. Developers will also likely be paying for improvements to various public infrastructure needs.

C. RATIONALE FOR USE OF PROJECT AREA FUNDS

This represents a large area with redevelopment and new development potential. The cost of providing expanded and necessary roads and utilities to the Project Area is likely prohibitive when considered against the level of values that can be achieved in this part of Utah. Therefore, in order to enhance this area and uplift the desirability of the downtown core, the Agency is proactively seeking to create a Project Area, with the use of tax increment, so that development and new development can be considered.

D. ESTIMATE OF TOTAL PROJECT AREA FUNDS AND LENGTH OF TIME OF PROJECT AREA

Project area funds will be disbursed to the Agency for a period of 20 years and are anticipated to be approximately \$36 million over the 20-year period, with a net present value of near \$26.8 million. A year-by-year analysis of funds disbursed to the Agency is provided in Appendix E.

Section 2 – The Anticipated Public Benefit Derived from the Proposed Project Area Development

A. BENEFICIAL INFLUENCES ON THE COMMUNITY'S TAX BASE

The property tax base of the taxing entities should increase by approximately \$250 million from the various investments in real property (land and buildings) alone. In addition, the personal property tax base of the taxing entities will be increased, but will vary depending on the type of equipment located in the Project Area as well as individual depreciation schedules.

In addition to tax revenues, the project will generate other revenues including sales tax, Class B/C Road Funds, business license fees, charges for services, and one-time fees such as building permits and impact fees.

B. ASSOCIATED BUSINESS AND ECONOMIC ACTIVITY STIMULATED BY THE DEVELOPMENT

Other business and economic activity likely to be stimulated includes business, employee and construction expenditures. There are significant opportunities for increased economic development and tax generating development that can occur within the immediate sphere of influence of the Project Area that otherwise may not occur in a timely basis or at the same level of increased development and private investment.

1. BUSINESS AND EMPLOYEE EXPENDITURES

It is anticipated that employees and business owners in the Project Area will directly or indirectly purchase local goods and services related to their operations from local or regional suppliers. These purchases will likely increase employment opportunities in the related areas of business equipment, furniture and furnishings, business supplies, computer equipment, communication, security, transportation and delivery services, maintenance, repair and janitorial services, packaging supplies, office and printing services, transportation and delivery services.

A summary of benefits is as follows:

- Provide an increase in direct purchases in the City.
- Provide economic diversification within the City and Wasatch County.
- Encourage economic development in order for a public or private employer to create additional jobs in the community.
- Complement existing businesses and industries located within the City by providing new employees who may live and shop and pay taxes in the City and the region.
- Another benefit will be the expenditure of income by employees filling the new positions. The types of expenditures by employees in the 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.) The employees will not make all of their convenience or personal services purchases near their workplace, and each employee's purchasing patterns will be different. However, it is reasonable to assume that a percentage of

these annual purchases will occur within close proximity to the workplace (assuming the services are available).

2. CONSTRUCTION EXPENDITURES

Economic activity associated with the development will include construction activity. Construction costs for labor and materials will likely be notable. This will create a moderate number of construction jobs. Construction supplies are also anticipated to create significant sales tax revenues for the State, County and City.

C. ADOPTION OF THE PLAN IS NECESSARY AND APPROPRIATE TO UNDERTAKE THE PROJECT AREA PLAN

Adoption of the Plan is necessary and appropriate to undertake the Project Area Plan because: 1) The Plan conforms with and furthers the City's General Plan; and 2) private investment will increase the tax base by approximately \$200 million which will provide increased tax revenues to all taxing entities.

15. IF APPLICABLE, STATE THAT THE AGENCY SHALL COMPLY WITH SECTION 9-8-404 [17C-5-105(1)(M)]

Not applicable.

16. STATE WHETHER THE PLAN IS SUBJECT TO A TAXING ENTITY COMMITTEE OR AN INTERLOCAL AGREEMENT [17C-5-105(1)(N)]

This Plan is subject to Interlocal Agreements.



APPENDIX B: LEGAL DESCRIPTION AND PARCEL LIST

APPENDIX C: PROJECT AREA BUDGET

The following narrative has been prepared in accordance with Utah Code §17C-5-303 for an Agency that receives tax increment.

1(A). THE BASE TAXABLE VALUE [17C-5-303(1)(A)]

The base taxable value is the year 2020 value of \$271,862,421.

1(B). PROJECTED AMOUNT OF TAX INCREMENT TO BE GENERATED WITHIN THE PROJECT AREA [17C-5-303(1)(B)]

The projected amount of tax increment to be generated within the Project Area over 20 years is \$36,213,646.

INCREMENTAL PROPERTY TAX REVENUES FOR 20 YEARS

Incremental Tax Revenues - 100%	Full	Discounted
Wasatch County	\$7,871,740	\$5,826,640
Wasatch County School District	\$31,042,557	\$22,977,614
Heber City	\$3,689,992	\$2,731,322
Wasatch County Fire Protection Special Services	\$2,586,273	\$1,914,352
Wasatch County Special Service District	\$998,083	\$738,778
Central Utah Water Conservancy District	\$1,457,055	\$1,078,508
TOTAL	\$47,645,699	\$35,267,214

*Net Present Value is calculated at a rate of 2.5%

1(C). PROJECT AREA FUNDS COLLECTION PERIOD [17C-5-303(1)(C)]

The collection period is 20 years.

1(D). PROJECTED AMOUNT OF TAX INCREMENT TO BE PAID TO OTHER TAXING ENTITIES [17C-5-303(1)(D)]

Incremental Tax Revenues to Taxing Entities	Full	Discounted
Wasatch County	\$1,180,761	\$873,996
Wasatch County School District	\$4,656,384	\$3,446,642
Heber City	\$553,499	\$409,698
Wasatch County Fire Protection Special Services	\$2,586,273	\$1,914,352
Wasatch County Special Service District	\$998,083	\$738,778
Central Utah Water Conservancy District	\$1,457,055	\$1,078,508

TOTAL	\$11,432,054	\$8,461,974
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1(E). IF THE AREA FROM WHICH TAX INCREMENT IS COLLECTED IS LESS THAN THE ENTIRE PROJECT AREA [17C-5-303(1)(E)]

Not applicable.

1(F). THE PERCENTAGE OF TAX INCREMENT THE AGENCY IS AUTHORIZED TO RECEIVE [17C-5-303(1)(F)]

The Agency is authorized to receive 85 percent of the tax increment for a period of 20 years from participating taxing entities.

1(G). THE MAXIMUM CUMULATIVE DOLLAR AMOUNT OF TAX INCREMENT THE AGENCY IS AUTHORIZED TO RECEIVE FROM THE PROJECT AREA [17C-5-303(1)(G)]

The maximum dollar amount the Agency is authorized to receive is roughly \$36.2 million. Note that out of this amount, the Agency will have administrative expense and housing payments, leaving approximately \$30.8 million for the infrastructure projects over a 20-year period.

2. IF THE AGENCY RECEIVES SALES AND USE TAX REVENUE [17C-5-303(2)(A) AND (B)]

Not applicable.

3. AMOUNT OF PROJECT AREA FUNDS THE AGENCY WILL USE TO IMPLEMENT THE PROJECT AREA [17C-5-303(3)]

The Agency estimates that its funds will be used as follows but reserves the right to maintain flexibility with the funds and not to adhere strictly to line item amounts shown in the table below. All Agency funds will be used for infrastructure, administrative or economic development purposes within the Project Area. Administrative funds have been calculated based on 5.0 percent of Agency tax increment receipts annually. In addition, ten percent of Agency receipts have been set aside for housing projects. Housing funds do not need to be spent within the Project Area. The remaining funds are allocated primarily for possible improvements as follows:

- Roadway improvements, including parking realignment, road expansion, road realignment, sidewalk expansion/realignment, etc.

- Intersection realignment and associated improvements
- Creation of public open space amenities
- Possible installation of fiber optic networks
- Facilitation of façade grant and loan programs

4. THE AGENCY'S COMBINED INCREMENTAL VALUE [17C-5-303(4)]

The total incremental value in the Project Area is estimated at \$306 million at buildout. The City has no other project areas in place.

5. THE AMOUNT OF PROJECT AREA FUNDS THAT WILL BE USED TO COVER THE COST OF ADMINISTERING THE PROJECT AREA [17C-5-303(5)]

The Agency is requesting that 5.0 percent of revenues received be set aside for administrative purposes. The projected total amount of administrative cost over the 20-year timeframe is \$1.8 million.

6. FOR PROPERTY THAT THE AGENCY OWNS AND EXPECTS TO SELL, THE EXPECTED TOTAL COST OF THE PROPERTY TO THE AGENCY AND THE EXPECTED SALE PRICE [17C-5-303(6)]

Not applicable.