RDA STRATEGIC PLANNING AND GOVERNANCE REPORT

AMERICAN FORK REDEVELOPMENT AGENCY, UTAH

AMERICAN FORK
1853

JANUARY 26, 2016

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Contents

Executive Summary

The American Fork City Redevelopment Agency (the "Agency") has commissioned Lewis Young Robertson and Burningham, Inc. ("LYRB") to develop a strategic plan related to the governance and management of the Agency and to address any deficiencies or cash flow pressures related to the Agency's budget and their respective obligations. This strategic plan adopted by the Agency includes:

- A report on the annual sources and uses of each active Agency's Project Area Tax Increment and the availability and amount of "haircut" monies[1] for Agency purposes
- Recommendations to the Agency for updating policies and practices to conform to the Community Development and Renewal Agencies Act, Title 17C (the "Act")
- A framework for evaluating and managing the actions and undertakings of the Agency
- A detailed implementation plan to ensure full deployment of this strategic plan.

This report presents LYRB's comprehensive review and strategic recommendations for each of the Agency's project areas and an overall strategic plan for the Agency which includes recommended revisions to the Agency's policies and procedures, as well as suggested revisions to the Agency's by-laws. The previous by-laws, policies, and procedures have served the Agency well in the past, but both are in need of being amended in order to provide a more adequate and appropriate governance structure for the Agency. The Agency has significantly benefited American Fork City (the "City") through the creation of project areas, which have generated economic development and expanded the tax base of the City.

The American Fork Redevelopment Agency is a separate legal entity from the City and was created by the City for the purpose of promoting economic development activity within the legal boundaries of the City. As a separate legal entity, the Agency has certain fiduciary responsibilities and obligations related to fulfilling the Agency's purpose. Based on the comprehensive review of the individual project areas, project area budgets, and specific uses of tax increment, it is apparent that the Agency and City, in some circumstances, have not acted in a separate or fiduciary role, but rather the City has used the Agency as a financing vehicle for other City-related purposes. This comprehensive review concludes that the Agency should adopt new governing by-laws to better establish the division of fiduciary responsibilities and obligations and provide greater accountability for the operation and functions of the Agency and to more specifically compl with the provisions outlines in the Act. Proposed by-laws can be found in Section 8. Policy and procedure recommendations can be found in Section 9.

The following executive summary includes:

1. A summary of each project area (including revenue, expenditure projections, key findings, and recommendations) and

2. A brief overview of key findings and strategic planning recommendations for the Agency as a whole.

[1] "Haircut" refers increment which may be retained by the Agency from pre-1993 project areas. The haircut revenues must be used toward specific purposes outlined in Utah State Code 17c-1-403.

SUMMARY OF PROJECT AREAS

The Agency has a total of four (4) project areas with the oldest project being created in 1987. Table 1 below highlights key facts and statistics summarizing each project area.

TABLE 1: PROJECT AREA CREATION AND HISTORIC & FORECASTED REVENUE, EXPENDITURE, AND FUNDS BALANCE SUMMARY

Project Area/(Type)	Creation Year	1st Fiscal Year of Tax Increment	Project Area End Date	Size in Acres	Total Revenues (Historical & Projected)	Total Expenditures (Historical & Projected)	Project Combined Funds Balance
North Valley RDA	1987	1995	2018	125	$13,066,684	$11,263,591	$1,803,094
East Main RDA	1992	1994	2018	29.5	$1,417,312	$1,097,382	$319,930
West Side RDA	1990	1992	2016	17	$1,202,610	$1,202,610	$0
Egg Farm EDA	2000	2005	2026	97	$12,056,403	$12,056,403	$0
Total				**268.5**	**$27,743,009**	**$25,619,986**	**$2,123,024**

Using historical data on the Agency's revenues and expenses from its four project areas, we forecasted the expected revenues and expenses through 2025. This forecast assumes no additional projects areas are created and those project areas scheduled to expire are not extended. The details of the forecast can be found below in Table 2: Combined Project Area Fund Balance (FY 2015-2022).

TABLE 2: COMBINED PROJECT AREA FUND BALANCE (FY 2015-2030)

	2015	2016	2017	2018	2019	2020	2021	2022
Total Revenue	$1,296,949	$1,518,506	$1,432,890	$1,456,084	$1,400,532	$838,439	$863,783	$889,887
Total Expenditure	$1,296,949	$1,518,506	$1,432,890	$1,456,084	$1,400,532	$838,439	$863,783	$889,887
Yearly Fund Balance	$0	$0	$0	$0	$0	$0	$0	$0
Cumulative Balance	$2,123,024	$2,123,024	$2,123,024	$2,123,024	$2,123,024	$2,123,024	$2,123,024	$2,123,024

The $2,123,024 surplus comes from two RDAs, East Main and North Valley. As these project areas are scheduled to expire in 2018, the Agency should decide the best use for the RDA funds and dedicate the money to development projects or developer agreements.

SPECIFIC PROJECT AREA FINDINGS & RECOMMENDATIONS

This subsection focuses on each project area individually, providing brief overviews of concerns and recommendations. The explanations pertaining to LYRB's concerns and recommendations are available in greater detail in the project area's given section in this report.

NORTH VALLEY EDA

Project Area Extension- This project area is set to expire in 2018. We recommend the Agency consider extending this RDA for an additional 7 years. Extending the life of this project area should be an objective the City will want to pursue to achieve its goals.

Capital Facilities Finance Plan (**CFFP**) – In order to effectively prioritize the best possible use for tax increment dollars, the City's development needs should be matched up with project area revenues. A CFFP enables the Agency to best serve the City's long-term needs. Each project area's CFFP rolls up to a CFFP for the Agency, allowing management to see each project area's revenues and demands on those revenues. The CFFP will permit the Agency to retain tax increment for future priorities and budgeted items that may extend beyond the current fiscal year.

EAST MAIN RDA

Project Area Extension- This project area is set to expire in 2018. This project area is entirely located in the City's Main Street area. Because reinvigorating the City's Main Street is a major objective, the Agency will want to consider extending the life of this project area.

Capital Facilities Finance Plan (CFFP) – In order to effectively prioritize the best possible use for tax increment dollars, the City's development needs should be matched up with project area revenues. A CFFP enables the Agency to best serve the City's long-term needs. Each project area's CFFP rolls up to a CFFP for the Agency, allowing management to see each project area's revenues and demands on those revenues. The CFFP will permit the Agency to retain tax increment for future priorities and budgeted items that may extend beyond the current fiscal year.

Ensure Project Area Self-Sustainability- Although the tax increment revenue should be enough to make debt service payments, delinquent taxes are not paid until the county collects them. In some years, the Agency has collected as little as 30% of what was due. The Agency should set up procedures for fund transfers to cover debt service payments and to refund those monies to the accounts from which they came. This project area should also maintain a fund balance sufficient to make debt service payments, should insufficient revenue be collected by the county.

Project Area Expansion- Because this project area lies within the City's Main Street and one of the City's current main objectives is to revitalize its Main Street, this project area may be expanded to include new developments.

WEST SIDE RDA

Capital Facilities Finance Plan (CFFP) – In order to effectively prioritize the best possible use for tax increment dollars, the City's development needs should be matched up with project area revenues. A CFFP enables the Agency to best serve the City's long-term needs. Each project area's CFFP rolls up to a CFFP for the Agency, allowing management to see each project area's revenues and demands on those revenues. The CFFP will permit the Agency to retain tax increment for future priorities and budgeted items that may extend beyond the current fiscal year.

Ensure Project Area Self-Sustainability- Although the tax increment revenue should be enough to make debt service payments, delinquent taxes are not paid until the county collects them. In some years, the Agency has collected as little as 30% of what was due. The Agency should set up procedures for fund transfers to cover debt service payments and to refund those monies to the accounts from which they came. This project area should also maintain a fund balance sufficient to make debt service payments, should insufficient revenue be collected by the county.

EGG FARM EDA

Capital Facilities Finance Plan (CFFP) – In order to effectively prioritize the best possible use for tax increment dollars, the City's development needs should be matched up with project area revenues. A CFFP enables the Agency to best serve the City's long-term needs. Each project area's CFFP rolls up to a CFFP for the Agency, allowing management to see each project area's revenues and demands on those revenues. The CFFP will permit the Agency to retain tax increment for future priorities and budgeted items that may extend beyond the current fiscal year.

Monetize TIF with Developer Support

Use the future value of tax increment revenues to incentivize developers to make needed improvements in the present. By working directly with developers through development agreements this project area can leverage future dollars to realize benefits sooner.

Findings & Recommendations For the Agency:

Utilization of the RDA Management Tool- Changes in personnel and in document management efforts make it difficult to keep track of various project area documents and have them readily available. Use an Excel-based RDA Management Tool for the purpose of warehousing all documentation, agreements, budgets, and cash flow information.

Development Agreement Standards – Contained within the body of this report are a set of guidelines to assist the Agency in formulating developer agreements. When referred to, these guideline will help anchor agreement negotiations and ensure the Agency is able to reach agreeable outcomes and maximize the benefit both parties enjoy.

Require Benefits Analysis Study for Each Project Area- The Agency should require a cost benefit analysis before entering into a development agreement. The analysis should illustrate an adequate return on the Agency's required investment.

Administration Fees Calculation- The Agency should be sure that general economic development initiatives are being funded by the general fund. This includes any city wide initiatives like supporting the chamber of commerce or down-town revitalization. Specific and targeted initiatives should be funded by RDA administration fees. A clear link should exist between all development efforts and where funding for the work came from.

Recommendations to Promote Self-Sustaining Project Areas

Create a Revolving Loan Fund
Provide opportunities for small local business and property owners to obtain lower than-market interest loans for which they might not qualify through regular lenders such as banks.

Create a Small Business Development/Resource Center
Provide management training, research services, counseling/consulting, and training. This can achieve the following objectives: (1) encourage a higher rate of new business starts, (2) reduce the level of business failures, (3) improve the general financial performance and growth-rate of small businesses, (4) raise the potential of small firms to create new jobs, and (5) raise the general level of technological innovation and productivity

Improve Marketing Materials to Businesses
Encourage businesses to consider American Fork as a place to locate through marketing. This could be an effective way to generate economic development in the area. Marketing materials and oter information can be very useful when attending trade shows shch as ICSC.

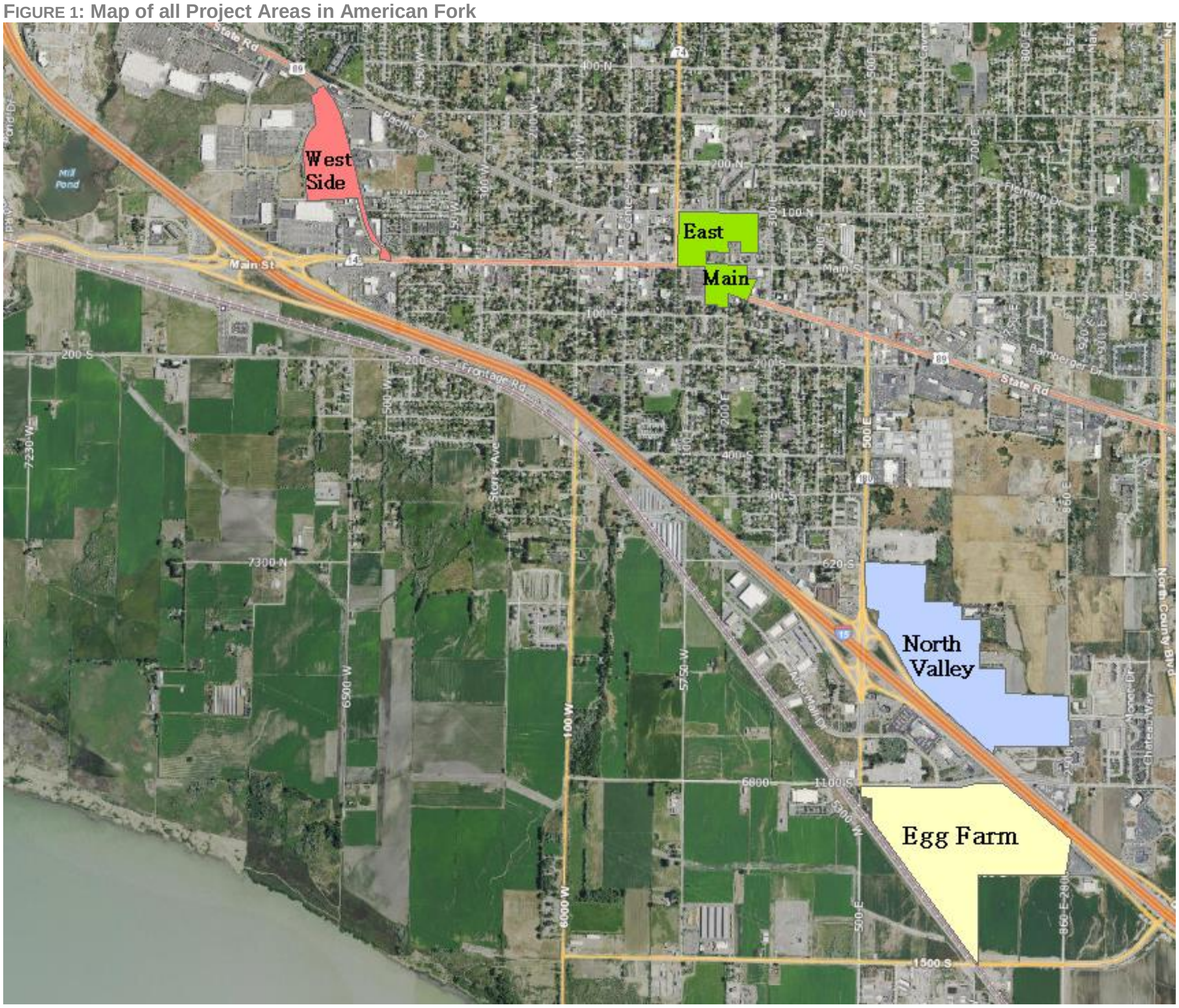
Improve Research and Development Ties With Companies, Universities, and Other Organizations
Cultivate a relationship with nearby Universities and utilize the relationship in conjunction with other parts of the strategic plan to cultivate economic development. Also, develop a strong relationship with the Downtown Business Alliance and Chamber of Commerce.

Stronger Transportation Connections from FrontRunner

To encourage business and retail sector growth, the Agency should continue to seek out ways to better link the FrontRunner station and future commuter-rail stations to retail areas of the City. One option we recommend is to create an EDA at the FrontRunner Station (See section 7).

COMBINED PROJECT AREA MAP

FIGURE 1: Map of all Project Areas in American Fork



Section 1: Introduction

The purpose of this report is to provide a framework that will allow the Agency, its staff, and consultants to evaluate and manage the actions and undertakings of the Agency. When properly implemented, the framework from this report and its accompanying Excel based management tool will guide the use of surplus funds to those areas and projects that will generate the highest economic impact and benefit for the Agency and City.

The report is organized by first providing an overview of the redevelopment area. The focus then shifts to each individual project area. Finally, insights and recommendations are given to improve the Redevelopment Agency as a whole.

REDEVELOPMENT AGENCY OF AMERICAN FORK CITY

The Agency is a separate body corporate and politic, created under Section 17C-1-201 or as a Redevelopment Agency under previous law. The Ris a political subdivision of the state and was created to undertake and promote urban renewal, economic development, community development, or any combination of these purposes, and whose geographic boundaries are coterminous with the City's boundaries. The Agency has been successful in creating economic development within the City, as well as, extending a vision for enhancing the economic tax base within the community.

Project Area Types & Categories

There are currently four project areas in American Fork. These areas include North Valley, East Main, West Side, and Egg Farm. Each of these project areas is categorized as a specific type of project area: Redevelopment Project Area (now known as an Urban Renewal Project Area (URA), Economic Development Project Area (EDA), and Community Development Project Area (CDA). Although American Fork does not currently have a CDA or a post-1993 URA, we will provide details about them for future reference. Table 3 provides a summary of American Fork's project areas.

Table 3: American Fork RDA: PROJECT AREAS, TYPES, AND CREATION YEAR

Project Area/(Type)	Project Area Type	Creation Year
North Valley	Redevelopment Area	1987
East Main	Redevelopment Area	1992
West Side	Redevelopment Area	1990
Egg Farm	Economic Development Area	2000

Below are a few brief descriptions of the four different categories of project areas. Understanding these descriptions will aid in reading and understanding later sections of this document.

REDEVELOPMENT AREA (RDA) (PRE-1993)

The North Valley, East Main, and West Side project areas were originally created as RDAs. Some of the main distinguishing characteristics include:

1) If the majority of the taxing entities decide to participate, then all taxing entities are obligated to participate.

2) It contains statutorily set taxing entity participation rates and lengths which are: 100% tax increment for years 1-5, 80% of tax increment for years 6-10, 75% of tax increment through years 11-15, 70% of the tax increment through years 16-20, and 60% of tax increment for years 20-25 (see Table 4 below).

3) The life of a project area can be extended to 32 years if funding certain statutorily defined projects including sports complexes, cultural centers, or parks (17c-1-403-2).

4) A project area can recapture the additional tax increment or "haircut" portion—the difference between 100% of the tax increment for a tax year and the amount of tax increment an Agency is paid for that tax year under the determined percentages and time periods—if it is funding a statutorily qualifying project(s), such as a sports complex, cultural center, or park (17c-1-403-3).

5) The base-year taxable value is the effective date of the project area plan and is based on the assessor role last equalized.

TABLE 4: STATUTORILY DEFINED TAXING ENTITY PARTICIPATION SCHEDULES FOR PRE-1993 PROJECT AREAS

	Years 1-5	Years 6-10	Years 11-15	Years 16-20	Years 21-25	Years 26-32
Property Tax Increment	100%	80%	75%	70%	60%	0%
Haircut Increment	0%	20%	25%	30%	40%	100%

URBAN RENEWAL AREA (URA) (POST-1993)

Redevelopment Area projects are now considered Urban Renewal Areas (URAs). All of the features of an RDA can be applied to a URA except for the following characteristics:

1) Utah statute now states that the participation schedules, including rates, can now solely be determined by the taxing entity committee (TEC). A TEC is a committee representing the interests of taxing entities as provided in Section 17C-1-402.

2) A project area that has created a TEC under subsection 17C-1-402(1), can utilize any percentages of tax increment up to 100% and for any length of time that the TEC approves.

ECONOMIC DEVELOPMENT AREA (EDA) (BETWEEN 1993-2006)

The Egg Farm development area is an EDA. The following characteristics apply for EDAs created between 1993 & 2006 (which includes the Egg Farm):

1) If a project area allocates 20% of its budget to housing, then that project area may receive 100% of the annual tax increment for 15-years or 75% of the annual tax increment for 24 years. If a project area does *not* allocate 20% of its budget to housing, then the project area may receive 100% of the annual tax increment for 12 years or 75% of the annual tax for 20 years. (Various aspects of the housing requirement will be expanded upon in Section 5: Egg Farm EDA.

2) The base year value is approved by the TEC and is found in the TEC approved project area budget.

3) It promotes the creation or retention of public or private jobs within the State.

COMMUNITY DEVELOPMENT AREA (CDA)

The following characteristics apply to community development areas (CDAs):

1) Participates in development activities within a community including the encouragement, promotion, or provision of development.

2) Taxing entity participation rates and lengths are determined by each individual taxing entity and contained in an interlocal agreement between the redevelopment Agency and the taxing entity.

3) There is no requirement for a certain number of taxing entities to participate in order for the project area to be created.

4) In addition to property tax increment, the project area can capture and utilize sales tax increment or potentially other incremental revenues generatd by the project.

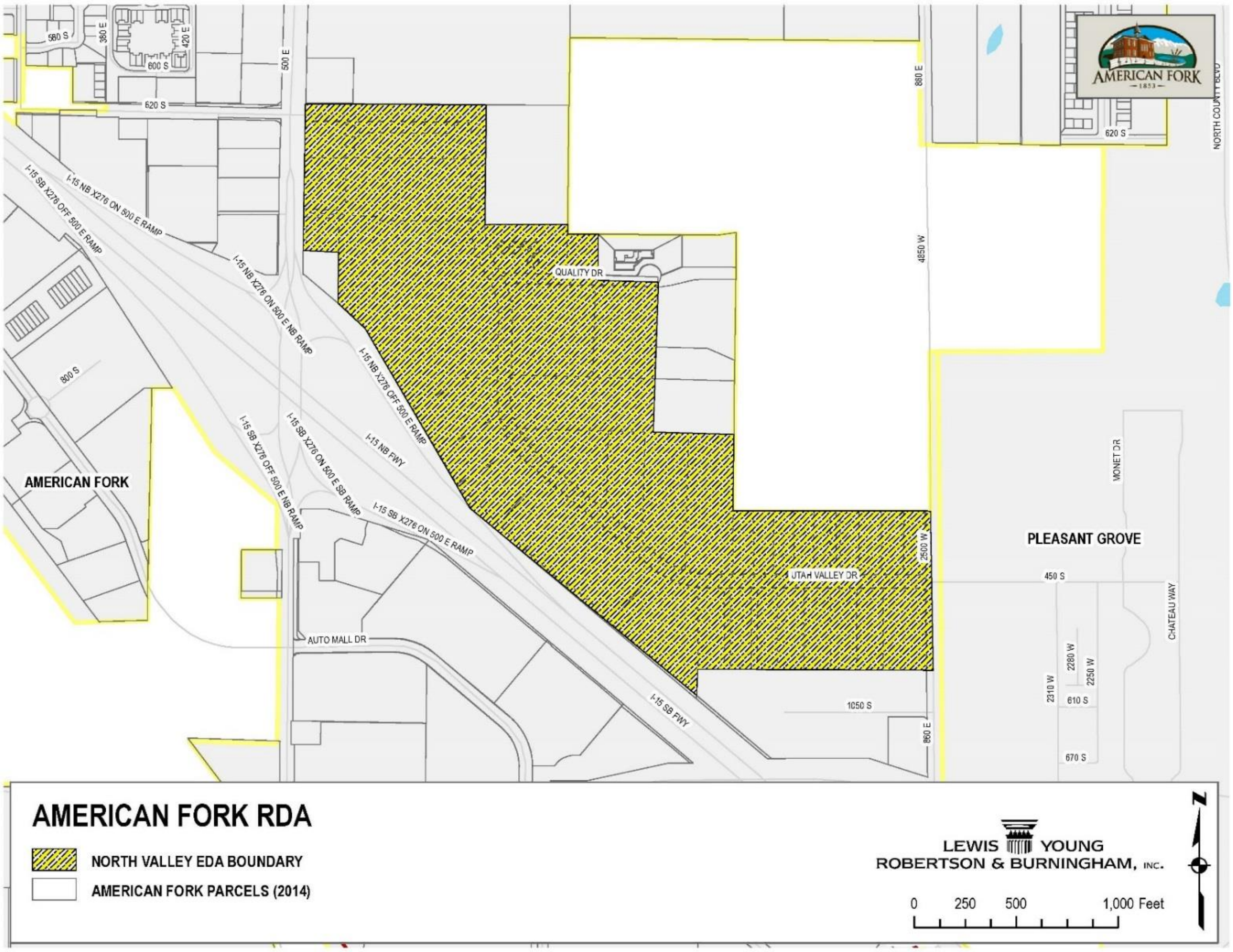
5) The base-year taxable value is determined by each interlocal agreement between the taxing entity and the Agency.

Section 2: North Valley RDA

The North Valley EDA is a Redevelopment Project Area created and officially adopted by the Agency on September 22, 1987. The Project Area is roughly 125 acres located along Interstate 15 (I-15) on its northeast side between 500 East and 2500 West (see Figure 2).

MAP OF AREA

Figure 2: Map of North Valley EDA

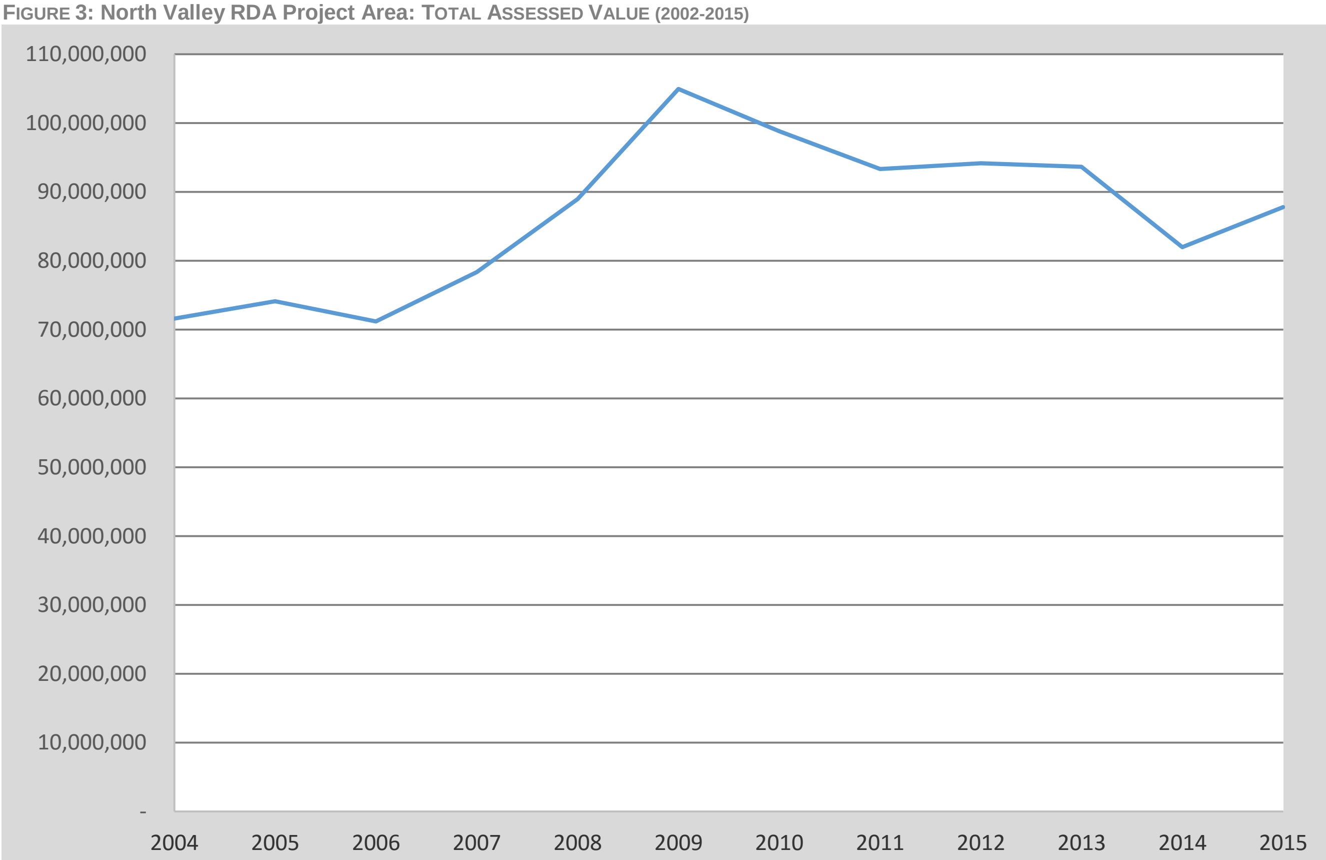


The land use within the project area is mostly commercial with some industrial developments. Notable businesses found in this Project Area include:

- Aristotle Academy
- BidSync
- Brain Garden
- DOMO
- Echostar Hughes
- Elearning Brothers
- Exxon Food Mart
- Fluke Calibration
- Holiday Inn Express & Suites
- Idea Sphere
- Jamberry
- Mylar Disability
- Odyssey Charter School
- Orange Soda
- Peppermint Place
- Rise Broadband
- Standard Plumbing Supply
- Sushi House
- Taco Bell
- TAGS Thrift
- ThermoWorks
- Torion
- Total Computer Solutions
- Tri-Phase Electric
- TwinLabs
- VISA

The North Valley Project Area first took increment in tax year 1994 and distributed it in 1995. The RDA is scheduled to take its last increment in tax year 2018 and distribute it in 2019. The Project Area has increased in assessed value by 1,297% since 1986, going from $6,282,698 to $87,775,305 with the largest yearly increases coming in 2008 (14%). Figure 3 displays the assessed value totals from tax year 2004-2015.

FIGURE 3: North Valley RDA Project Area: TOTAL ASSESSED VALUE (2002-2015)



Financial Review and Analysis

PROJECT AREA REVENUES

The North Valley Project Area began taking property tax increment in FY 1994 from the following taxing entities: Utah County, Alpine School District, American Fork City, American Fork Metropolitan Water District, North Utah County Water Conservancy District, and the Central Utah Water Conservancy District. The participation lengths and rates follow the statutorily defined schedule previously stated for RDAs in Table 4.

Table 5: North Valley RDA Revenues

Revenue Category	Historical Totals (1995-2015)	Projected Totals (2016-2019)	1995-2019 Totals
Increment Revenues	$10,719,893	$2,346,792	$13,066,685
Haircut Revenues	-	-	-
Interest, Bond Proceeds, & Other Income	-	-	-
Total	$10,719,893	$2,346,792	$13,066,685

Between 1994-2015, the Project Area could have received $3,568,915 in haircut revenues to fund approved projects. For the next 4 years, the project area could fund a qualified project in accordance with (17c-1-403-3) with $1,564,528 from haircut funds.

EXPENDITURES

Infrastructure expenses make up 48% of the Area's total expenses over the life of the project area. North Valley RDA's infrastructure expenses, where possible, are broken out and are described in Table 6. Notable facts regarding certain expenses include:

Table 6: North Valley RDA Expenditures

Expense Category	Historical Totals (FY 1994-2015)	Projected Totals (FY 2016-2019)	Combined Totals (FY 1994-2019)
Administration	$535,995	$117,340	$653,335
Infrastructure	4,394,213	1,020,010	5,414,223
Developer Incentives	-	125,000	125,000
Debt Service	3,986,592	1,084,442	5,071,034
Haircut Expenses	-	-	-
Total	$8,916,800	$2,346,792	$11,263,592

FINDINGS

RETURN ON INVESTMENT

A simple way to gauge a project area's return on investment is to compare the project area's annual expenditures to the annual increase in tax increment. Up through FY 2015, North Valley RDA has spent a total of $8,916,800 both inside and outside the project area which has produced a total incremental value increase of $81,492,607. **This means that for every dollar of expenditure in the North Valley RDA area, nine dollars and fourteen cents worth of increased incremental value were generated.**

RECOMMENDATIONS

Project Area Extension- The last year this project area is scheduled to collect tax increment dollars is 2018. Those funds will be distributed in 2019, and the project area will expire. It is, however, possible to extend the life of the project area to 32 years. If the City had a qualified project (17c-1-403-3) it implemented within the project area or not within but still a benefit to the project area. Approved projects include a convention center, sports complex, cultural facility, recreational facility, or related parking and infrastructure improvements. Construction of the recreational or cultural facility must, however, have begun before June 30, 2002 (17C-1-403B).

Project Area Expansion- This area lies near property that is beginning to be developed. Targeted support from the project area and Agency would shape development in a way that best meets the City's development goals. See Section 7 for more details.

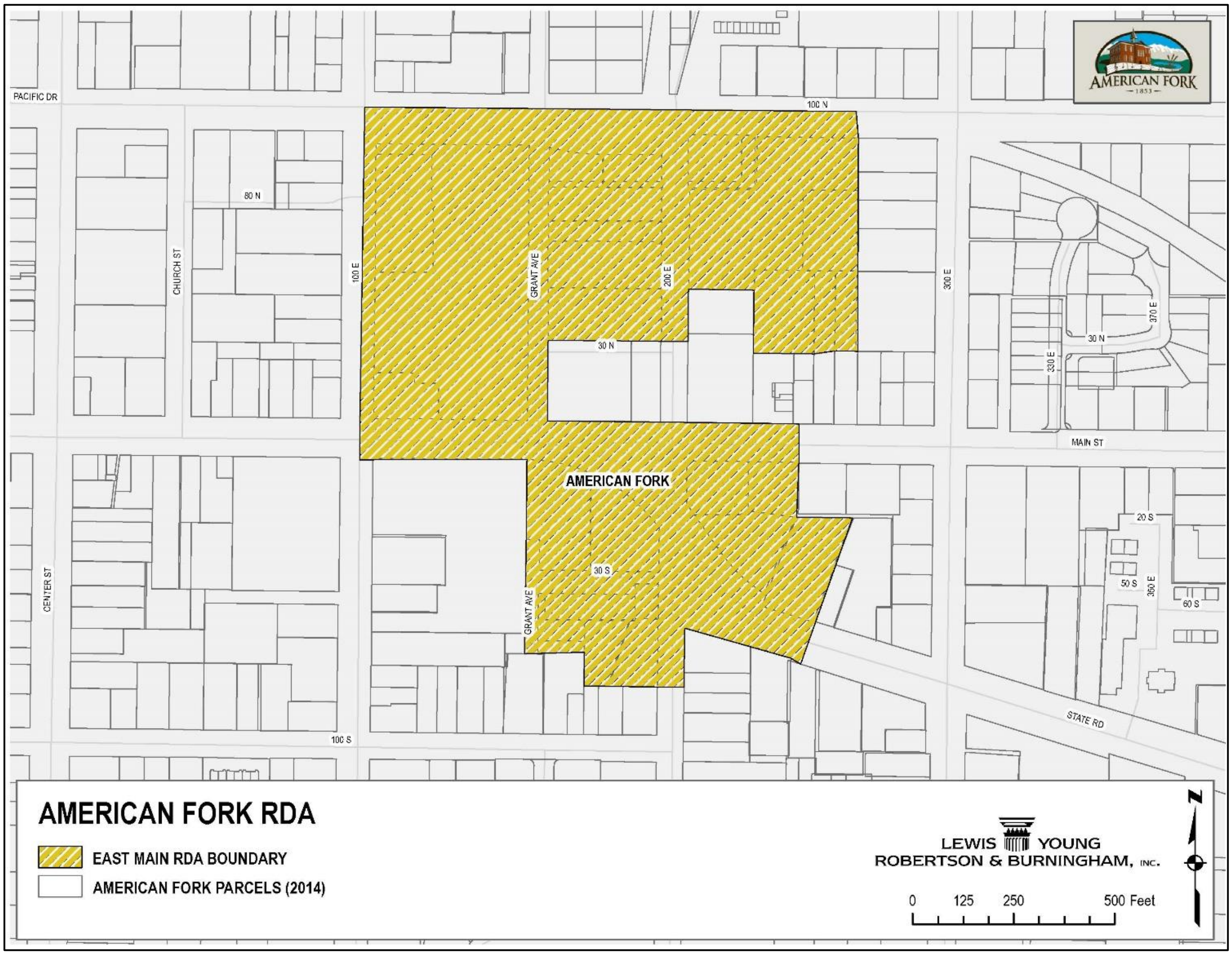
Capital Facilities Finance Plan (CFFP) – Create a plan that matches the City's long-term needs with the project area's capabilities. Forecast the project area's revenues and assign uncommitted revenues to projects that maximize the project area's value to the City's future growth and prosperity. This plan, when carefully crafted and implemented will ensure the best possible use for tax increment dollars. The CFFP will permit the Agency to retain tax increment for future priorities and budgeted items that may extend beyond the current fiscal year.

Section 3: East Main RDA

The East Main RDA is a Redevelopment Project Area created and officially adopted by the Agency on December 8, 1992. The Project Area is roughly 29.5 acres located along several blocks of Main Street (see Figure 4).

MAP OF AREA

Figure 4: Map of East Main EDA



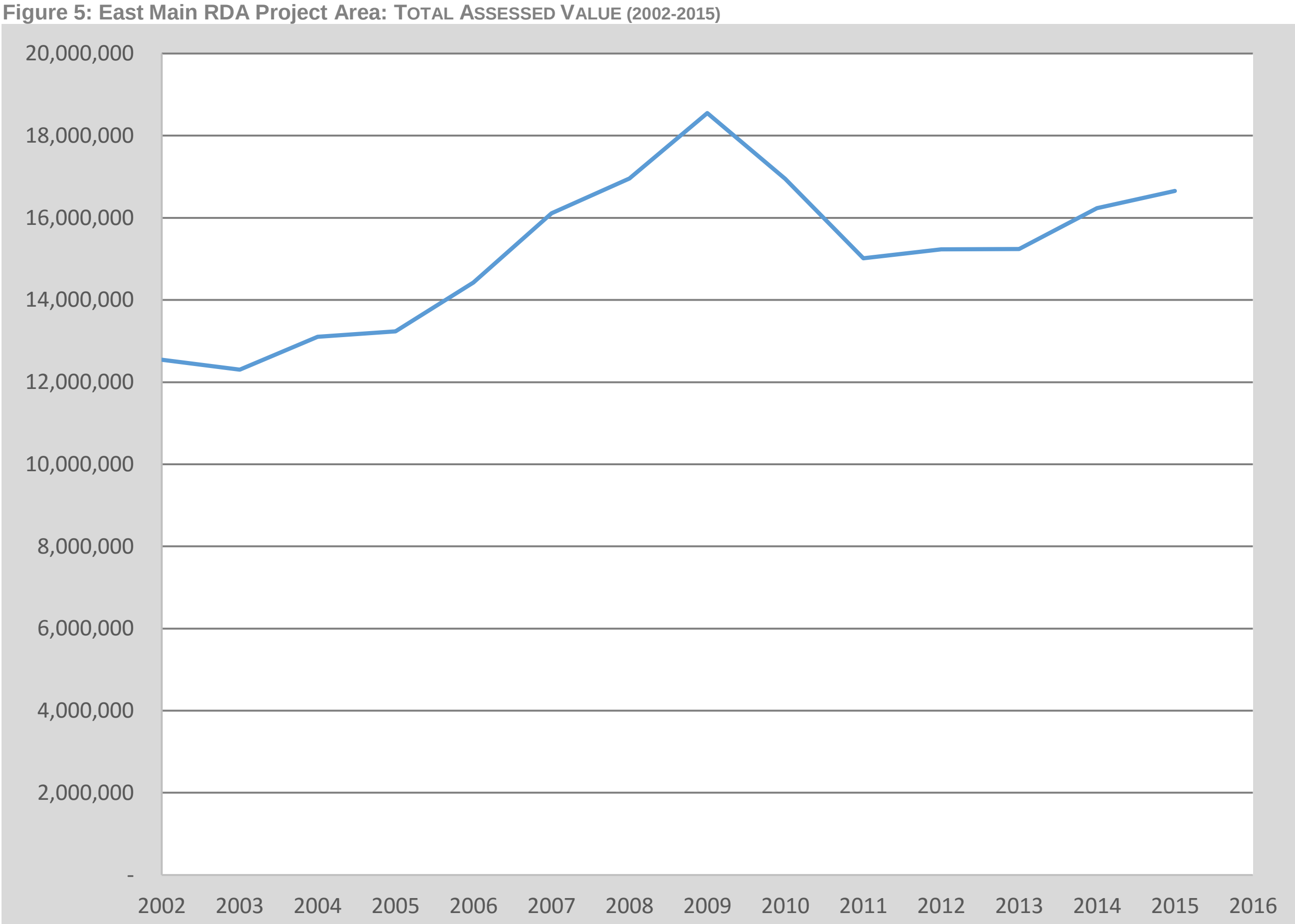
The land use within the project area is mostly commercial with some industrial developments. Notable businesses found in this Project Area include:

- 5 Buck Pizza
- 7-Eleven
- AF Collision
- Burger King
- Fantastic Sams
- Foundations Insurance
- Fresh Market
- O'Reilly Auto Parts
- Pizza Hut
- Rocky Mountain Power
- Shoff Family Dental
- Superior Concrete
- The UPS Store
- Utah Run
- Whistle Wok

Financial Review and Analysis

The East Main Project Area first took increment in tax year 1994 and distributed it in 1995. The RDA is scheduled to take its last increment in tax year 2018 and distribute it in 2019. The Project Area has increased in assessed value by 196% since 1992, going from $5,621,532 to $16,655,884 with the largest yearly increases coming in 2006 (12%). Figure 5 displays the assessed value totals from tax year 2002-2015.

Figure 5: East Main RDA Project Area: Total Assessed Value (2002-2015)



PROJECT AREA REVENUES

The East Main Project Area began taking property tax increment in FY 1995 from the following taxing entities: Utah County, Alpine School District, American Fork City, American Fork Metropolitan Water District, North Utah County Water Conservancy District, and the Central Utah Water Conservancy District. The participation lengths and rates follow the statutorily defined schedule previously stated for RDAs in Table 4.

Table 7: East Main RDA: Revenues

Revenue Category	Historical Totals (1995-2015)	Projected Totals (2016-2019)	1995-2019 Totals
Increment Revenues [2]	$1,178,990	$238,322	$1,417,312
Haircut Revenues	-	-	-
Interest, Bond Proceeds, & Other Income	-	-	-
Total	$1,178,990	$238,322	$1,417,312

Between 1994-2015, the Project Area could have received $488,944 in haircut revenues to fund qualified projects (17c-1-403-3). For the next 4 years, the project area could fund qualifying project with $158,881 from haircut funds.

For 10 of the last 11 years the Agency has received less revenue from the county that initially estimated, due to land owners defaulting on tax payments. The Agency has not received $93,960 because of delinquent payments. In 2013, the County was able to pay $9,022 rebated to previous year's tax increment revenue. Every year the Agency should request previous year's tax increment revenue until the $93,960 is paid, regardless of whether the project area expires.

EXPENDITURES

Below, in Table 8, East Main's expenses are highlighted. Infrastructure expenses make up 30% of the Area's total expenses over the life of the project area.

Table 8: East Main Expenses Overview

Expense Category	Historical Totals (FY 1994*-2015)	Projected Totals (FY 2016-2019)	Combined Totals (FY 1994-2019)
Administration	$57,199	$11,916	$69,116
Infrastructure	288,554	92,958	381,511
Developer Incentives	-	-	-
Debt Service	513,307	133,448	646,755
Haircut Expenses	-	-[3]	-
Total	$859,060	$238,322	$1,097,382

[2] Data for revenue in 1999 was not available, so an estimated revenue of $50,000 was used.
[3] If the Agency received the maximum amount of haircut revenues, this expense could be up to $158,881

Findings

RETURN ON INVESTMENT

A simple way to gauge a project area's return on investment is to compare the project area's annual expenditures to the annual increase in tax increment. Up through FY 2015, East Main RDA has spent a total of $860,902 both inside and outside the project area which has produced a total incremental value increase of $11,034,352. **This means that for every dollar of expenditure in the East Main RDA area twelve dollars eighty-one cents worth of increased incremental value were generated.**

Recommendations

Project Area Extension- Because this project area was created before 1993, the expiration date may be extended for a period of up to 32 years, or until 2026. An extended pre-93 project area may use 100% of the tax increment on "haircut" qualified projects (17c-1-403-3).

This project area is entirely located in the City's Main Street area. Because reinvigorating the City's Main Street is a major objective, the Agency will likely want to consider extending the life of this project area. If the City began "haircut" qualified projects (17c-1-403-3) before 2002 and the City has requisite documentation and receipts, extending this project area should be strongly considered.

This tool may only be used if the City had a qualified project (17c-1-403-3) it implemented within the project area or not within but still a benefit to the project area. Approved projects include a convention center, sports complex, cultural facility, recreational facility, or related parking and infrastructure improvements. Construction of the recreational or cultural facility must, however, have begun before June 30, 2002 (17C-1-403-3).

Project Area Expansion- Because this project area lies within the City's Main Street and one of the City's high priority objectives is to revitalize its Main Street, the Agency should consider expanding this project area to include new developments. See Section 7 for more details.

Capital Facilities Finance Plan (**CFFP**) – Create a plan that matches the City's long-term needs with the project area's capabilities. Forecast the project area's revenues and assign uncommitted revenues to projects that maximize the project area's value to the City's future growth and prosperity. This plan, when carefully crafted and implemented will ensure the best possible use for tax increment dollars. The CFFP will permit the Agency to retain tax increment for future priorities and budgeted items that may extend beyond the current fiscal year.

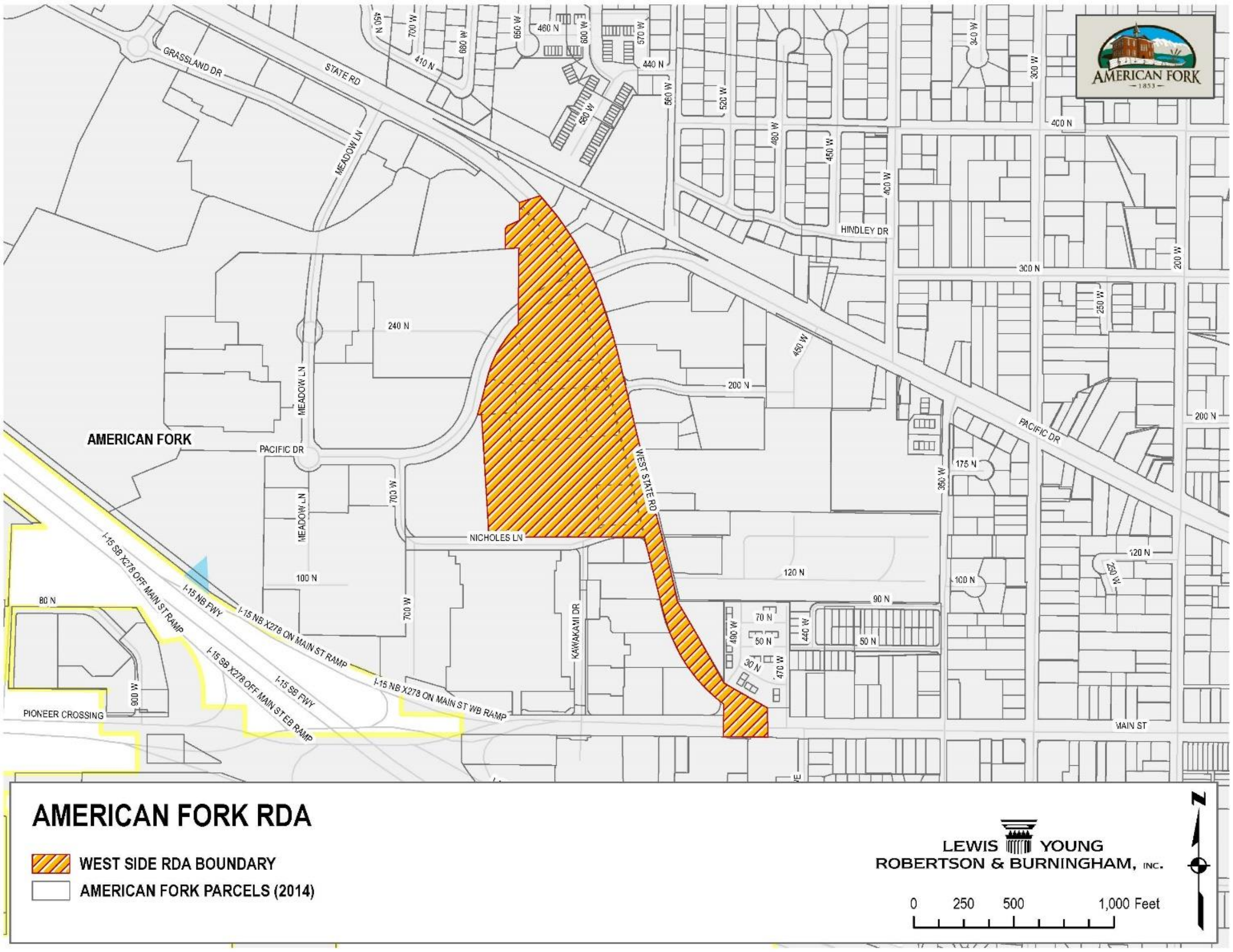
Ensure Project Area Self-Sustainability- Although the tax increment revenue should be enough to make debt service payments, delinquent taxes are not paid until the county collects them. In some years, the Agency has collected as little as 30% of what was due. The Agency should set up procedures for fund transfers to cover debt service payments and to refund those monies to the accounts from which they came. This project area should also maintain a fund balance sufficient to make debt service payments, should insufficient revenue be collected by the county.

Section 4: West Side RDA

The West Side RDA is a Redevelopment Project Area created and officially adopted by the Agency on December 11, 1990. The Project Area is roughly 17 acres located along the west side of West State Road (see Figure 6).

MAP OF AREA

Figure 6 Map of West Side RDA



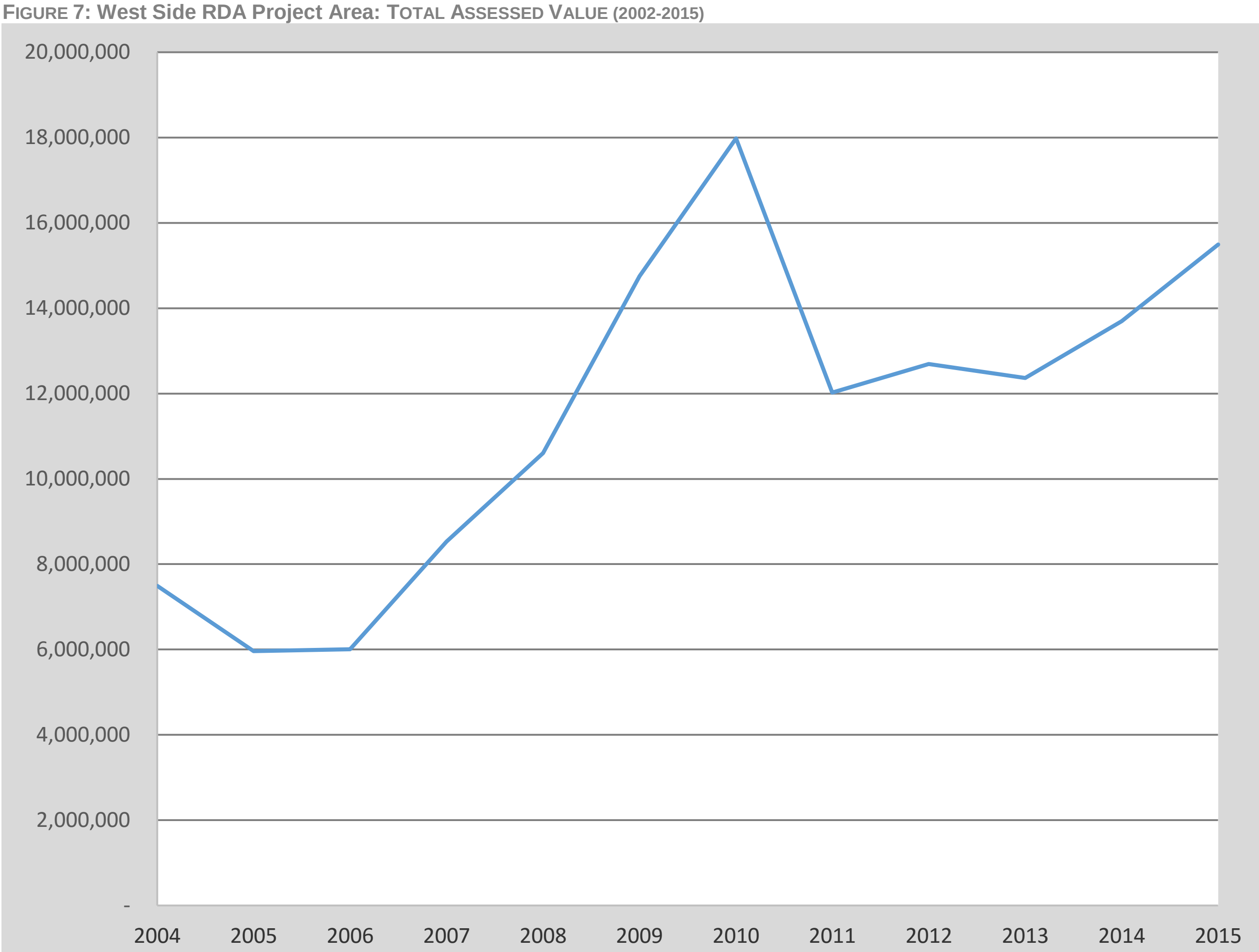
The land use within the project area is primarily retail/commercial with the exception for the credit union. Notable businesses found in this Project Area include:

- Applebees
- America First Credit Union
- Cal Ranch
- Chi-Ku Restaurant
- Chick-fil-A
- Costa Vida
- Fetal Fotos
- Five Guys Burgers and Fries
- Sherwin Williams
- Sonic Drive-In
- The Quilted Bear
- U-Swirl Frozen Yogurt
- Vision Works
- Zurchers

Financial Review and Analysis

The West Side Project Area first took increment in tax year 1992 and distributed it in 1993. The RDA is scheduled to have taken its last increment in 2015 and distribute it in 2016. The Project Area has increased in assessed value by 3201% since 1990, increasing from $469,256 to $15,489,012 in 2015, with the largest yearly increases coming in 2007 (42%). Figure 7 displays the assessed value totals from tax year 2002-2015.

FIGURE 7: West Side RDA Project Area: TOTAL ASSESSED VALUE (2002-2015)



PROJECT AREA REVENUES

The West Side Project Area began taking property tax increment in FY 1997 from the following taxing entities: Utah County, Alpine School District, American Fork City, American Fork Metropolitan Water District, North Utah County Water Conservancy District, and the Central Utah Water Conservancy District. The participation lengths and rates follow the statutorily defined schedule previously stated for RDAs in Table 4.

Table 9: West Side RDA: Revenues

Revenue Category	Historical Totals (2002-2015)	Projected Totals + Delinquent Payments	2002-2015 Totals
Increment Revenues [4]	$1,094,477	$108,133	$1,202,610
Haircut Revenues	-	-	-
Interest, Bond Proceeds, & Other Income	-	-	-
Total	$1,094,477	$108,133	$1,202,610

Between 1997-2015, the Project Area could have received $559,806 in haircut revenues to fund qualified projects (17c-1-403-3). For the next year, the project area could fund approved projects with $72,089 from haircut funds.

For 8 of the last 11 years the Agency has received less revenue from the county that initially estimated, due to land owners defaulting on tax payments. The Agency has not received $138,150 because of delinquent payments. Every year the Agency should request previous year's tax increment revenue until the $138,150 is paid, regardless of when the project area expires.

EXPENDITURES

Below, in Table 10, West Side's expenses are highlighted. Infrastructure expenses make up 51% of the Area's total expenses over the life of the project area.

Table 10: East Main Expenses Overview

Expense Category	Historical Totals (FY 1997-2015)	Projected Totals (FY 2016)	Combined Totals (FY 1994*-2019)
Administration	$52,473	$5,407	$57,880
Infrastructure	573,419	68,078	596,497
Developer Incentives	-	-	-
Debt Service	468,583	34,648	503,231
Haircut Expenses	-	-	-
Total	$1,094,477	$108,133	$1,202,610

[4] Data for revenue in 1999 was not available, so an estimated revenue of 50,000 was used

Findings

RETURN ON INVESTMENT

A simple way to gauge a project area's return on investment is to compare the project area's annual expenditures to the annual increase in tax increment. Up through FY 2015, West Side RDA has spent a total of $1,049,475 both inside and outside the project area which has produced a total incremental value increase of $15,019,756. **This means that for every dollar of expenditure in the West Side RDA area fourteen dollars thirty-one cents worth of increased incremental value were generated.**

Recommendations

Capital Facilities Finance Plan (CFFP) – In order to effectively prioritize the best possible use for tax increment dollars, the City's development needs should be matched up with project area revenues. A CFFP enables the Agency to best serve the City's long-term needs. Each project area's CFFP rolls up to a CFFP for the Agency, allowing management to see each project area's revenues and demands on those revenues. The CFFP will permit the Agency to retain tax increment for future priorities and budgeted items that may extend beyond the current fiscal year.

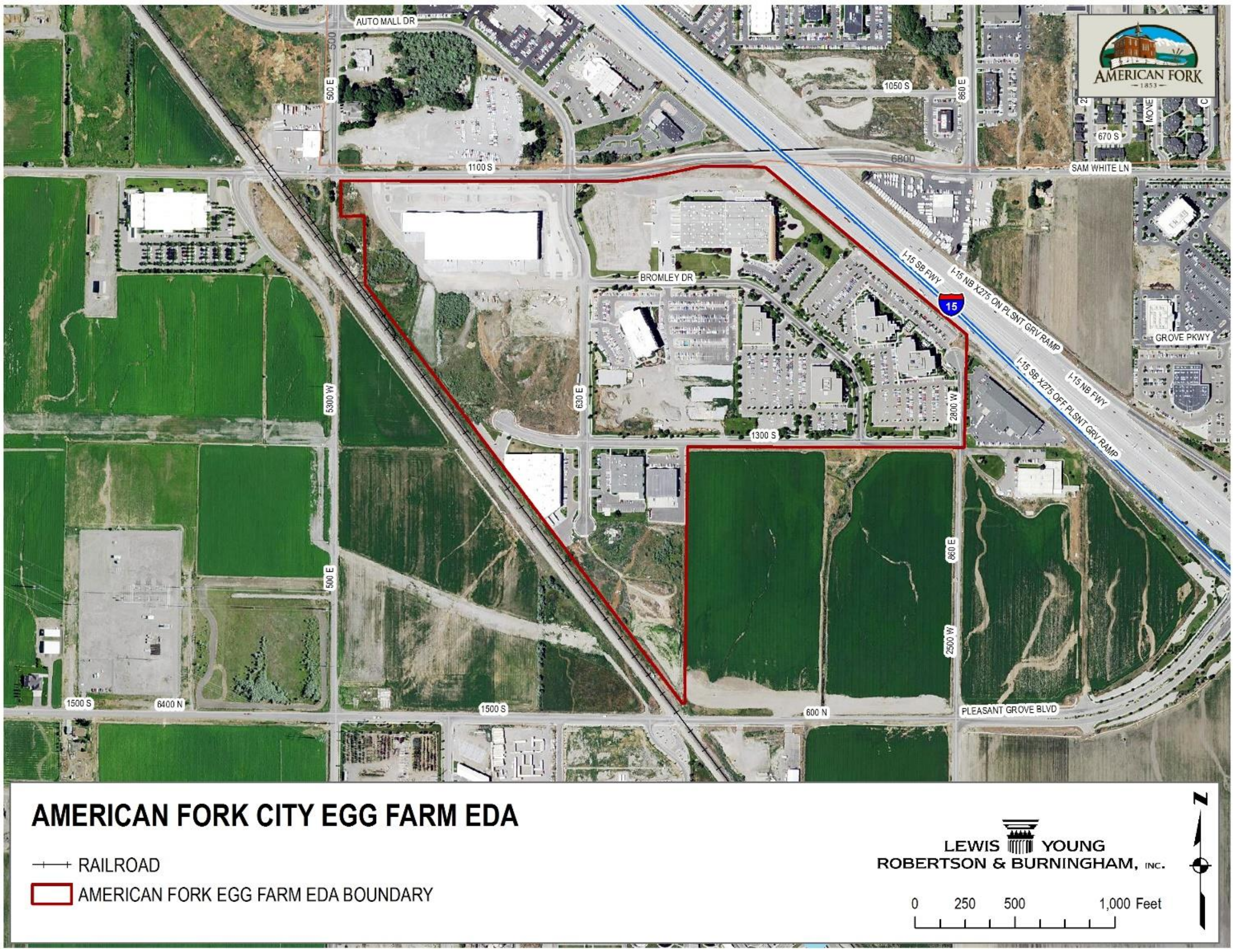
Ensure Project Area Self-Sustainability- Although the tax increment revenue should be enough to make debt service payments, delinquent taxes are not paid until the county collects them. In some years, the Agency has collected as little as 30% of what was due. The Agency should set up procedures for fund transfers to cover debt service payments and to refund those monies to the accounts from which they came. This project area should also maintain a fund balance sufficient to make debt service payments, should insufficient revenue be collected by the county.

Section 5: Egg Farm EDA

The Egg Farm EDA is an Economic Development Project Area created and officially adopted by the Agency on October 17th 2000. The Project Area is roughly 97 acres and is located along the west side of I-15 from 1100 South to about 1500 South Street (see Figure 8).

MAP OF AREA

Figure 8: Map of East Main EDA



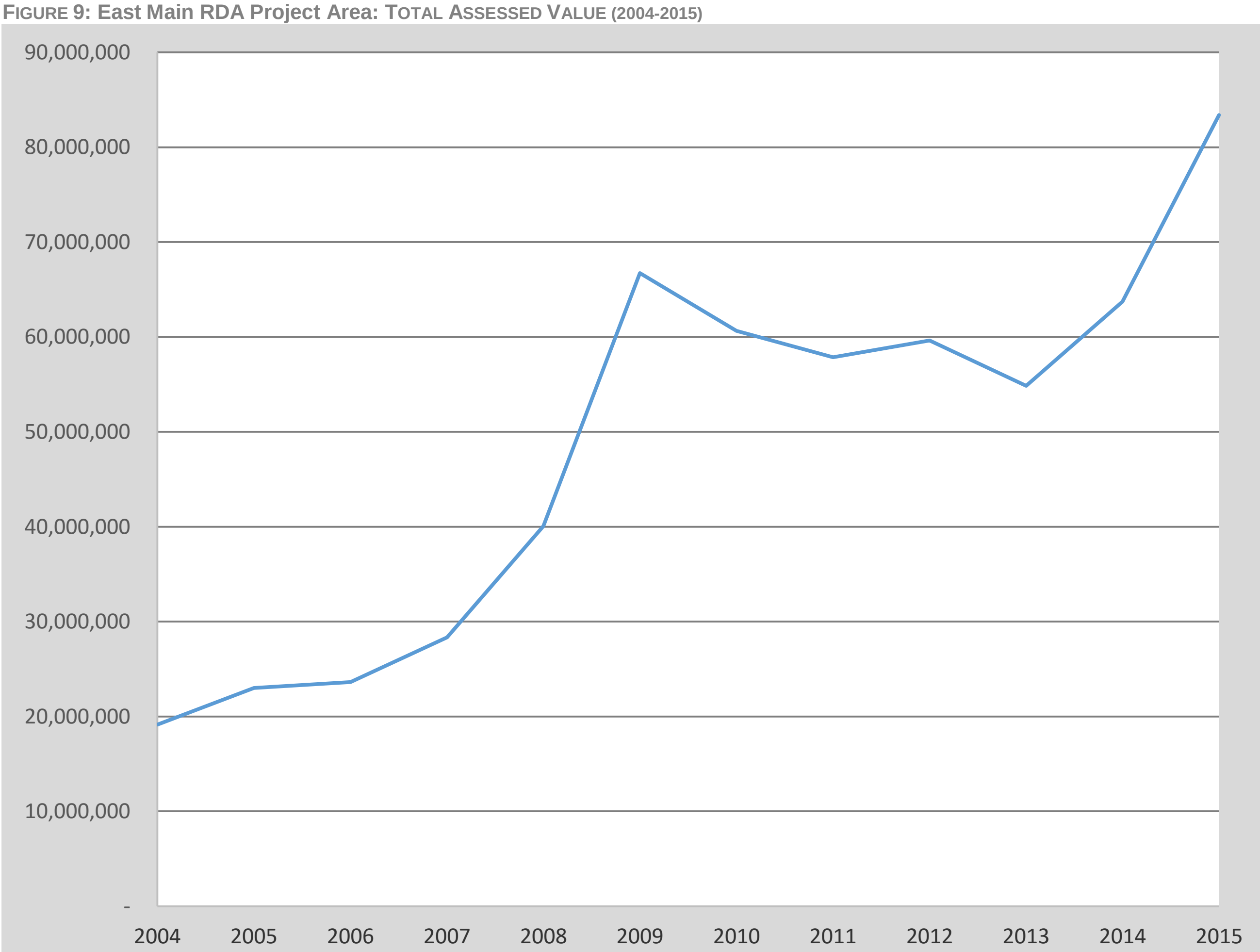
The land use within the project area is primarily retail/commercial with the exception for the credit union. Notable businesses found in this Project Area include:

- AMP Security
- CED
- Certiport
- Coldwell Banker Commercial
- Franson Civil Engineering
- Henry Schein Practice Solutions
- Marketecture
- Morinda
- Novarad
- Power Innovations
- Rain International

Financial Review and Analysis

The Egg Farm EDA first took increment in tax year 2004 and distributed it in 2005. The EDA has a cap on how much increment it may take. If the EDA does not reach this cap, it will expire in 2028. Our forecast, however, indicates that the project area will reach this cap by tax year 2024 and distribute the revenue in 2025. The Project Area has increased in assessed value by 11,717% since 1999, increasing from $705,802 to $83,405,388 in 2015, with the largest yearly increases coming in 2009 (67%). Figure 9 displays the assessed value totals from tax year 2004-2015.

Figure 9: East Main RDA Project Area: Total Assessed Value (2004-2015)



PROJECT AREA REVENUES

The Egg Farm Project Area began taking property tax increment in FY 2004 from the following taxing entities: Utah County, Alpine School District, American Fork City, North Utah County Water Conservancy District, and the Central Utah Water Conservancy District. The participation length is run to 2027 or until a cap amount of $9,262,291 is reached (whichever comes first). The cap is estimated to be reached by 2025. The Participation rate is 75% of the tax increment with the base year being 1999. This is found in Resolution No. 2013-10-01R.

Table 11: Egg Farm EDA: Revenues

Revenue Category	Historical Totals (2004-2015)	Projected Totals 2016-2025 (CAP)	2002-2015 Totals
Increment Revenues	$3,814,694	$8,241,709	$12,056,403
Interest, Bond Proceeds, & Other Income	-	-	-
Total	$3,814,694	$8,241,709	$12,056,403

EXPENDITURES

Below, in Table 12, Egg Farm's expenses are highlighted. Infrastructure expenses make up 23% of the Area's total expenses over the life of the project area.

Table 12: Egg Farm EDA's historical and projected expenditures

Expense Category	Historical Totals (FY 2004-2015)	Projected Totals (FY 2016-2025)	Combined Totals (FY 2004-2025*)
Administration	$190,734	$567,293	$596,220
Affordable Housing	762,938	2,269,171	2,384,884
Infrastructure	953,673	2,836,464	2,981,106
Developer Incentives	-	-	-
Debt Service	1,746,859	2,568,782	4,315,641
Developer	160,487	-	160,487
Total	$3,814,694	$8,241,709	$12,056,403
*Estimated year the EDA hits the cap			

FINDINGS

RETURN ON INVESTMENT

A simple way to gauge a project area's return on investment is to compare the project area's annual expenditures to the annual increase in tax increment. Up through FY 2015, Egg Farm EDA has spent a total of $3,814,691 both inside and outside the project area which has produced a total incremental value increase of $82,699,586. **This means that for every dollar of expenditure in the Egg Farm RDA area twenty-one dollars sixty-eight cents worth of increased incremental value were generated.**

Recommendations

Capital Facilities Finance Plan (CFFP) – Create a plan that matches the City's long-term needs with the project area's capabilities. Forecast the project area's revenues and assign uncommitted revenues to projects that maximize the project area's value to the City's future growth and prosperity. This plan, when carefully crafted and implemented will ensure the best possible use for tax increment dollars. The CFFP will permit the Agency to retain tax increment for future priorities and budgeted items that may extend beyond the current fiscal year.

Monetize TIF with Developer Support
Use the future value of tax increment revenues to incentivize developers to make needed improvements in the present. By working directly with developers through development agreements this project area can leverage future dollars to realize benefits sooner.

Section 6: The Agency and All Project Areas

General Overview

The American Fork City Council created the Redevelopment Agency of American Fork City in June of 1983 in accordance with the provision of the Utah Neighborhood Development Act, UCA 17A-2-1201, 17A-2-1202, and 17A-2-1203. The Agency continues to operate under Title 17C of Utah Code (UCA 17C). The purpose of the Agency is to assist the city to achieve its long range goals by encouraging growth and revitalization of certain areas of the City with quality developments.

The Redevelopment Agency currently oversees four project areas, three RDAs that were created before 1993 and one EDA. The combined size of all four project areas is 268.5 acres. A map of the city with all four project areas is provided in the Executive Summary and is labeled Figure 1.

AUTHORITIES AND POWERS OF THE AGENCY

The authority of the Agency is directed by UCA Title 17C.
17C-1-202

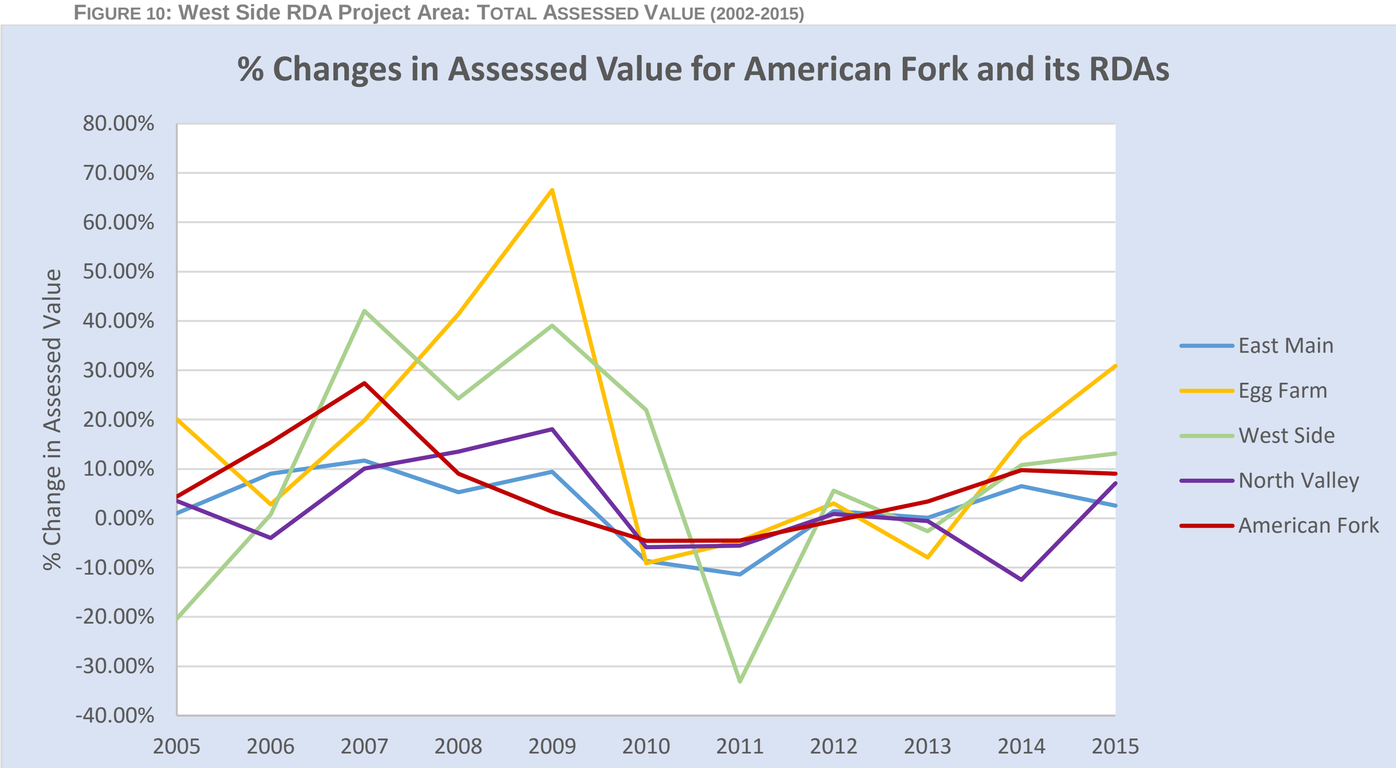
I. A community development and renewal agency may:
   - Sue and be sued;
   - Enter into contracts generally;
   - Buy, obtain an option upon, or otherwise acquire an interest in real or personal property;
   - Sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real or personal property;
   - Enter into a lease agreement on real or personal property, either as lessee or lessor;
   - Provide for urban renewal, economic development, and community development as provided in this title;
   - Receive tax increment as provided in this title;
   - If disposing of or leasing land, retain controls or establish restrictions and covenants running with the land consistent with the project area plan;
   - Accept financial or other assistance from any public or private source for the agency's activities, powers, and duties, and expend any funds so received for any of the purposes of this title;
   - Borrow money or accept financial or other assistance from the federal government, a public entity, or any other source for any of the purposes of this title and comply with any conditions of the loan or assistance;
   - Issue bonds to finance the undertaking of any urban renewal, economic development, or community development or for any of the agency's other purposes, including;
     - Reimbursing an advance made by the agency or by a public entity or the federal government to the agency;
     - Refunding bonds to pay or retire bonds previously issued by the agency; and
     - Refunding bonds to pay or retire bonds previously issued by the community that created the agency for expenses associated with an urban renewal, economic development, or community development project; and
   - Transact other business and exercise all other powers provided for in this title.

Financial Review and Analysis

In the last ten years, American Fork City's non-project area total assessed value increased 82.2%, increasing from $ 935,907,841 to $ 1,704,893,548 in 2015, with the largest yearly increases coming in 2007 (27%). The City's non-project area annual growth rate for the last ten years has been 6.89%.

To directly compare the assessed value growth of the project areas and the City's non-project area assessed value, refer below to figure 10. Because the project areas are on a scale of millions and the City's scale is billions, the chart compares yearly changes in assessed value in percentage changes from the previous year's assessed value.

FIGURE 10: West Side RDA Project Area: TOTAL ASSESSED VALUE (2002-2015)



As illustrated above in Figure 10, in the last ten years, the project areas' assessed values have typically grown at a rate similar to or higher than the City. Another way to look at growth is by annual growth rate. The table below compares annual growth rates of assessed value for each project area to the City's annual growth rate during the same time period as the project area's life.

TABLE 13: Annual Growth Rate of Assessed Value for Project Areas and City

Project Area	Creation Year	Annual Growth Rate	American Fork's non-CDRA-SCME Annual Growth Rate
North Valley RDA	1987	10.4%	7.3%*
East Main RDA	1992	5.2%	7.3%*
West Side RDA	1990	15.8%	7.3%*
Egg Farm EDA	2000	41.4%	9.78%
***Growth Rate from 1997-2015. (Pre-1997 data unavailable)**			

Table 1, below, provides an overview of each project area's total revenue, expense, and fund balance. None of the project areas run a negative balance, which is a positive sign. It may, however, better serve the agency to dedicate the remaining revenue from the North Valley RDA and East Main RDA. These project areas both expire in 2018, so a decision on how to best use the funds should be made shortly.

TABLE 1: PROJECT AREA CREATION, REVENUE, EXPENDITURE, AND FUNDS BALANCE SUMMARY

Project Area/(Type)	Creation Year	1st Fiscal Year of Tax Increment	Project Area End Date	Size in Acres	Total Revenues (Historical & Projected)	Total Expenditures (Historical & Projected)	Project Combined Funds Balance
North Valley RDA	1987	1995	2018	125	$13,066,684	$11,263,591	$1,803,094
East Main RDA	1992	1994	2018	29.5	$1,417,312	$1,097,382	$319,930
West Side RDA	1990	1992	2016	17	$1,202,610	$1,202,610	$0
Egg Farm EDA	2000	2005	2026	97	$12,056,403	$12,056,403	$0
Total				**268.5**	**$27,743,009**	**$25,619,986**	**$2,123,024**

Using historical data on the Agency's revenues and expenses from its four project areas, we forecasted the expected revenues and expenses through 2025. This forecast assumes no additional projects areas are created and those project areas scheduled to expire are not extended. The details of the forecast can be found below in Table 2: Combined Project Area Fund Balance (FY 2015-2025).

TABLE 2: COMBINED PROJECT AREA FUND BALANCE (FY 2015-2030)

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Revenue	$1,296,949	$1,518,506	$1,432,890	$1,456,084	$1,400,532	$838,439	$863,783	$889,887	$0
Total Expenditure	$1,296,949	$1,518,506	$1,432,890	$1,456,084	$1,400,532	$838,439	$863,783	$889,887	$0
Yearly Fund Balance	$0	$0	$0	$0	$0	$0	$0	$0	$0
Cumulative Balance	$2,123,024	$2,123,024	$2,123,024	$2,123,024	$2,123,024	$2,123,024	$2,123,024	$2,123,024	$2,123,024

Findings & Recommendations

ADMINISTRATION FEES

The Administration Fees for each of the RDA Project Areas should reflect concentrated efforts made to specifically benefit the individual project area. General economic development initiatives should be supported by the City's General Fund. Support for the Chamber of Commerce, for example, should not come from RDA Administration Fees. While it is not necessary to justify expenditures on a granular level, a clear link should a exist between each RDA's Administration Fees and specific efforts made to improve the project area.

- **Determine Administration Costs per Project Area Upfront.** LYRB recommends determining the administration expenses upfront for each project area and include professional service expenses in that administration total.

If the Agency decides to extend any of its pre-1993 project areas, the following should be noted. At year 26 of the project areas, all tax increment revenues are deposited into the haircut fund. Since administration fees are funded solely through the increment funds of the project areas and since the haircut funds can only be used on qualifying projects, the administrative functions may no longer be funded by these project areas.

ADMINISTRATION

LYRB recommends adopting the following administrative policies and procedures, as part of the Agency's overall strategic plan that are consistent with best practices and with State law. The recommended policies and procedures to be adopted include:

1. Requiring a 10-8-2 cost-benefit study per project area
2. Documenting loan agreements for fund-to-fund and project area to project area transfers
3. Developing and utilizing the RDA management tool
4. Making and monitoring development incentive agreements
5. Establishing stricter debt capacity requirements to encourage self-sustaining project areas.

REQUIRE A BENEFITS STUDY PER PROJECT AREA

Utah state law (UC: 10-8-2) requires that a City or Municipality, when appropriating municipal funds for a corporate purpose, conduct an analysis demonstrating the purpose of the appropriation and the expected benefit the municipality will receive in return. As for the Agency, the Community Development and Renewal Agencies Act (§17C1-4) requires it to conduct a single benefits analysis for each project area. The Agency and the City have met the requirements of both of these statutes. LYRB recommends the following for the Agency:

1. Continue the practice of conducting the required benefits-analysis study for an entire project area.
2. Conduct a benefits-analysis before entering into any development agreements. The analysis will ensure the agreement will yield an adequate return on City investments and allow administration to confidently negotiate and make decisions concerning development agreements.
3. Incorporate the 10-8-2 cost benefit analysis requirements for cities into the benefits-analysis studies conducted by the Agency. Since the 10-8-2 requires additional analysis elements such as feasibility studies and economic and fiscal impacts in its analysis, incorporating 10-8-2 requirements would make for stronger, more insightful benefits-analysis studies. Also, for instances where the City will be appropriating funds in a project area, using the 10-8-2 analysis standards for the Agency's benefits-analysis would allow the City to utilize the benefits-analysis study to meet its 10-8-2 analysis requirement. This would cut down on both Agency and City time and expenses while at the same time helping the Agency and City make better and more informed decisions and help them better assess how projects can accomplish economic development goals and objectives.

DOCUMENTED LOAN AGREEMENTS FOR FUND-TO-FUND TRANSFERS

While the City has never had issues with transferring monies between funds within a project area or between project areas in order to make certain funds are whole, this could become a problem in the future. Transfers between funds are considered loans. Utah Code 17C-1-409-1e states that an agency "may loan tax increment proceeds, from a project area fund to another project area fund" if both the Agency's board and the legislative body of the community formally approve the loan. LYRB recommends complying with the procedural requirements of this Utah statute by each entity's legislative body approve an official loan agreement between funds stating the terms of the loan including the amount and for the length of time until the amount is repaid.

We furthermore recommend adjusting the terms of the loan to account for opportunity costs. Much like a bank loan that charges interest, a loan between project area funds should include interest charges to account for opportunity costs or the lost opportunities in which the lending fund could have used the money in other ways that would generate a return. LYRB recommends charging a 5% interest rate for all future project area fund to fund loan transfers.

RDA MANAGEMENT TOOL

The creation and administration of a Redevelopment Agency project area requires a large amount of legal documentation and agreements between various parties. Through the life of a project area these large compilations of documents and agreements need to be within easy access just in case reference is needed. Over the life of some of the Agency's project areas, especially those older project areas that have been in existence for over 20 years, changes in personnel and document management tools American Fork City and the Agency have had a difficult time keeping track of various project area documents. To counter these challenges and as has already been requested by the Agency, LRYB has recommended and is in the process of creating an Excel-based RDA Management Tool for the purpose of warehousing all documentation, agreements, budgets, and cash flow information. The tool will give the Agency easy access to all Agency project area information and documentation to assist in all aspects of project area management, including the monitoring of development incentive agreements.

DEVELOPMENT INCENTIVE AGREEMENTS

Among the most important documents for a project area are the development incentive agreements an Agency can make within a project area with real estate developers and property owners. Included in these agreements are performance-based incentives given by the Agency in an effort to spur development and economic development within the project area. A performance-based incentive could include paying a developer/property owner the tax increment his/her parcel generates once certain property improvements are completed. To aid the Agency in negotiations with developers and businesses, LYRB has compiled a set of Developer Agreement Guidelines (Section 7). The guidelines will not obligate the Agency to any specific standards but provide background and a starting point for developer agreement negotiations to begin.

Unless these agreements are carefully and properly monitored, developers/property owners might receive incentives BEFORE the performance requirements are met. The RDA Management Tool will enable the Agency to better monitor these agreements to ensure agreement compliance.

SELF SUSTAINING & INDEPENDENT PROJECT AREAS

LYRB recommends the Agency undertake any steps necessary (see Economic Development Tools section below) to ensure that all project areas—both current and future—are self-sustaining and financially independent from one another. This includes making certain that debt levels are appropriate and are manageable by the budgets of the various project areas. This will enable each project area to maximize the utilization of its resources towards accomplishing its own economic development objectives within its designated project area.

The Agency also supports self-sustaining and independent project areas by encouraging growth in its project areas. The economic tools listed below can be used by the Agency to support growth and development within the project areas

Economic Development Tools

LYRB also recommends pursuing the adoption of the following economic development tools into this to maximize the economic development generated by each individual project area and as an Agency as a whole.

ESTABLISH A REVOLVING LOAN FUND

The Agency can cause impactful improvements to be made in commercial areas by enabling business owners to make the improvements themselves. A simple way of enabling business owners to make improvements is by providing lower than-market interest loans for which the business owners might not qualify through regular lenders such as banks. With these loans, businesses are expected to make small improvements to their businesses' appearance and aesthetics. The combined efforts of the Agency and interested small businesses can have a meaningful impact on a commercial area's appearance.

CREATE A SMALL BUSINESS DEVELOPMENT/RESOURCE CENTER

An additional resource the Agency can provide to support development of small businesses is management training, research services, counseling/consulting, and training. One of the reasons small businesses fail is a lack of experience from the business owners. A small business development/resource center can achieve the following objectives: (1) encourage a higher rate of new business starts, (2) reduce the level of business failures, (3) improve the general financial performance and growth-rate of small businesses, (4) raise the potential of small firms to create new jobs, and (5) raise the general level of technological innovation and productivity.

MARKETING PROJECT AREAS

Our final recommendation for the Agency's economic development plan is to improve its marketing efforts. The Agency should have current promotional materials for the City as a whole and for each of its project areas. This report contains some of the information future developers and retailers would want to know, such as the development areas, possible incentives to locating in a project area, and historic growth of different areas. Costs of producing project area specific marketing materials can be covered by the area's administrative fees.

Future Project Areas

An underutilized area with a lot of growth potential is the American Fork Boat Harbor. American Fork can provide the closest access onto Utah Lake from the north. Creating an Economic Development Area in and around the harbor would jumpstart development in the area and increase use of the harbor and lake as City resources.

An Additional project area the City should consider is a Community Development Area around the American Fork FrontRunner Station. More details are provided in the following section.

Section 7: Strategic Plan

The following is a strategic plan for the Agency to follow that includes best practices, policies, and procedures for economic development. This strategic plan is broken up into the following categories:

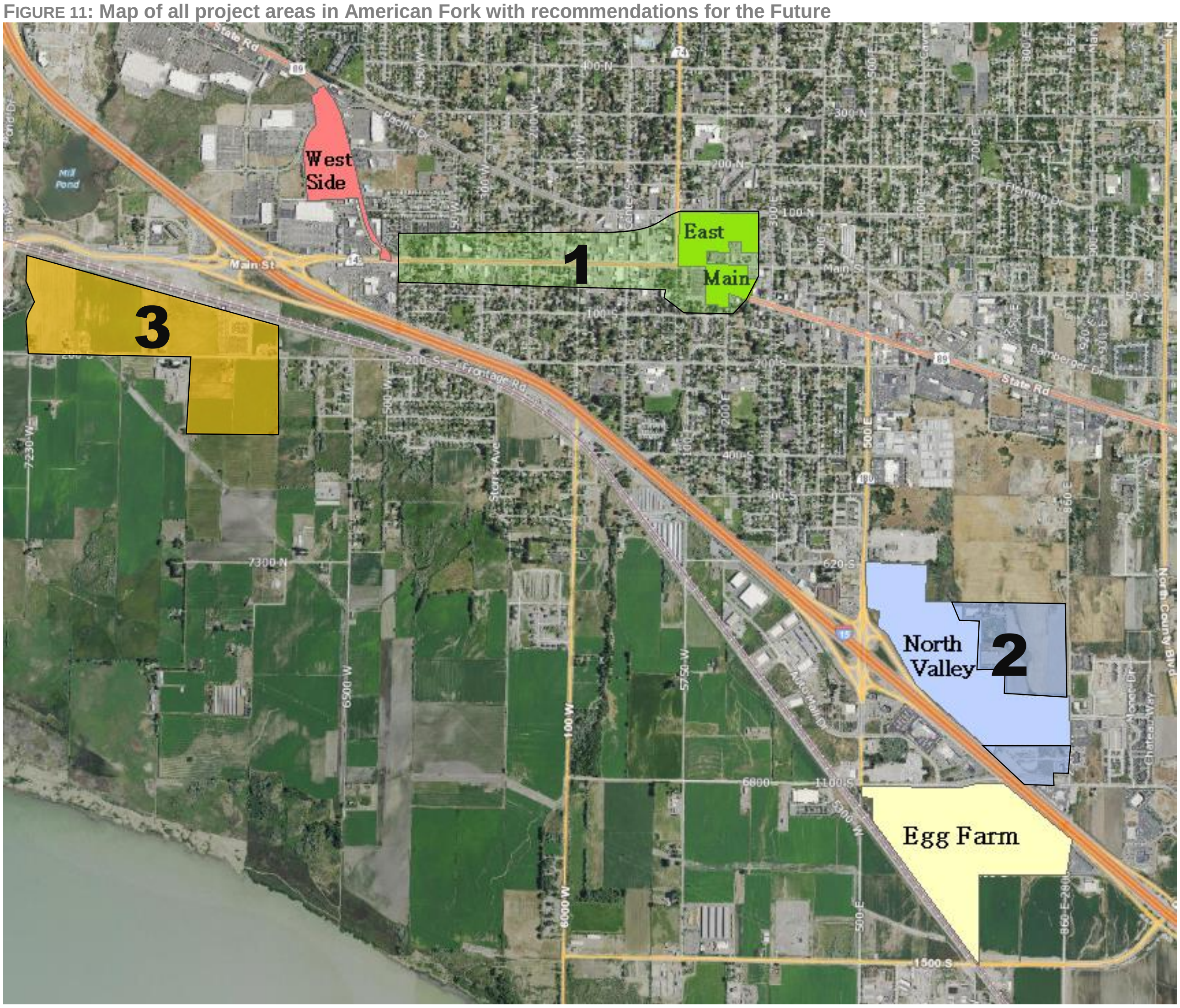
(1) Recommendations for Future Development Areas;

(2) Governance;

(3) Participation Agreement Process and Guidelines.

(1) RECOMMENDATIONS FOR FUTURE REDEVELOPMENT AREAS

FIGURE 11: Map of all project areas in American Fork with recommendations for the Future



1. East Main RDA: Recently, the city has been focusing on revitalizing its Main Street area. The City has commissioned studies to assess ways it could improve the area. This development area is scheduled to expire in 2018. If the RDA's sunset date were extended, and the borders broadened, it could provide significant support to the City's efforts to revitalize the area. To further market this RDA as an economic development driver for the Main Street area, we further propose the redevelopment area be renamed the "Main Street RDA".

When the borders of the RDA are expanded, the newly incorporated properties will not likely have the same base value year as the parcels of land within the original borders. In that sense, the incorporated properties will not quickly increase the funds the RDA receives. Expanding the borders does enable the revenue already received by the project area to be focused over a larger area. As more focused development efforts occur in the newly added properties, the properties will likely increase in value and begin to contribute more toward the project area's revenues.

Extending the borders and life of the RDA may also be looked upon more favorably by taxing entities. Many taxing entities would prefer to lengthen the life of an existing RDA which would likely mean a lower rate of contribution and a closer sunset date as opposed to a new RDA with a higher contribution rate and a sunset date further into the future.

One consideration to extending the sunset date and expanding the borders of the RDA, as opposed to creating a new RDA, is a loss of flexibility. RDAs created before 1993 come with legislation that limit its life to 32 years. While some believe that this legislative language can be overridden by interlocal agreements, others believe that a pre-93 RDA's life cannot be extended beyond 32 years. It is, therefore, likely that this project area could not be extended beyond 7 years. Creating a new project area also allows the Agency to pinpoint the area it wants to include and select the type of project area, customizing the tool to the role the Agency wants it to fulfill. We believe, however, that the benefits of extending the RDA more than make up for the loss of flexibility. We, therefore, recommend extending the sunset date of this RDA.

2. North Valley RDA: This project area has been a catalyst for development and economic growth. Industrial and commercial growth has pushed up the assessed value of the property by 1,205% since the base year's value (1986). Its annual growth rate is 2.4% higher than the rest of the City. The project area will, however soon expire. Its sunset date is 2019.

Extending the sunset date for this project area will allow the Redevelopment Agency to continue its efforts to improve and develop under-utilized land within the project area. Extending the sunset date allows the RDA to maintain its taxable value base year of 1986. Not having to reassess the taxable value means a continuous revenue stream.

We further recommend that this project area extend its borders. Some of the properties we propose including in the RDA's expansion are not yet annexed into the City. The City has two options.

i. The City can work with the county to make the project area a joint City/County project or
ii. The City can work with the county and property owners to annex the property.

We recommend the City proceed via option *ii*. With its extended borders, the North Valley RDA will be able to focus its tax increment funds on developing more areas with a higher probability of success. Growth is slowly starting within the project area's proposed extended borders. With assistance from an RDA, the City can direct and aid this growth.

3. American Fork Station EDA: One of the recommendations we have for the is to improve transportation connectivity, especially from the FrontRunner station to the rest of the City. Currently, the station is separated from the majority of the City by the I-15 and railroad. The closest points of access that cross the freeway and tracks are 300 West and Pioneer Crossing. Both of these access points are over 0.5 a mile away from the station. To improve connectivity and development, we recommend the City create an Economic Development Area (EDA) (Labeled 3 in Figure 11).

As with the North Valley RDA, there is property we recommend including into this project area that is not currently a part of the City but is unincorporated land. Please refer to options *i* and *ii* above. The "American Fork Station EDA" Could use tax increment to build an overpass to improve the connection between American Fork and its FrontRunner station.

(2) GOVERNANCE

LYRB recommends the Agency adopt the Agency Officers and Personnel as detailed in the proposed Agency By-Laws. See Section 8 for the complete set of recommended By-Laws.

The following outlines the suggested Agency By-Laws within the text of this document. The actual Agency By-Laws will be in a separate legal document for official adoption by the Agency Board.

(3) PARTICIPATION AGREEMENT PROCESS AND GUIDELINES

To improve the efficiency by which RDA funds are used, a standardized approach must be followed for analyzing and approving requests. A standardized approach will improve the RDA funds granting process by eliminating ambiguity as to who the point person is, what information is required in making a decision, and the criteria for receiving funds. Before RDA money can be used to support any development efforts, the person or organization requesting funds must follow the steps in the RDA Support Process Map (**Appendix A**). This process must be followed before funds can be applied to specific requests as well as broad needs. The application for RDA support listed in Step 1 of the process map can be found in (**Appendix B**).

The Participation Agreement Guidelines establish a baseline standard for developer requirements and incentives with which the Community Development Director may:

- Propose possible incentives and benchmarks to potential developers/businesses
- Judge the incentives and benchmarks proposed by developers/businesses
- Produce developer agreements that yield the best benefit to all parties involved

INCENTIVES

The following incentives are most commonly seen in developer agreements between developers and municipalities/redevelopment agencies:

Property Tax Revenues: The Agency may offer a percentage of the total tax increment revenues. Note that haircut monies may not be offered. The Agency could also reimburse a percent of the property taxes the developer pays.

Sales Tax Revenues: A Community Development Project Area is able to capture and utilize sales tax revenues. A CDA may offer to reimburse a percentage of a company's sales taxes, or a percent of the Agency's sales tax increment. See **Appendix C** for a process map.

To effectively be able to distribute sales tax revenues, the City needs its own defined process to follow (**Appendix C**). The process involves an interlocal agreement between the City and the Agency and a participation agreement between the Agency and the developer.

In addition to the principles outlined in the following section,

Land & Development: The Agency may offer land it owns to a developer. The Agency may also promise to develop lands on behalf of a developer.

Municipal Fees: The Agency may negotiate with the City to reduce or remove municipal fees, including but not limited to; impact fees, permitting fees, and business license fees.

REQUIREMENTS

The following requirements and benchmarks are most commonly seen in developer agreements between developers and municipalities/redevelopment agencies:

Development: Outlining specific infrastructure improvements is fairly common.

> "The developer is required to have improved the property by completing the following projects with a total cost of $_____."

It is common to have payment of an incentive contingent upon the developer having completed their project, or met certain deadlines within their construction schedule. Requiring a useful life of the assets is also used.

> "The developer must have completed the building of _______, which is _____ sq. ft. and has a taxable value of $_________ and a useful life of ____ years."

Taxable Sales: For retail development, a common benchmark is taxable sales.

> "The company must reach a level of taxable sales of at least $_______."

Employment: Agencies have often based their releasing incentives on the number of jobs created. A jobs report is required which provides data on the number employed, their status (FT/PT), and other pertinent information.

> "For the third year's incentive to be released the business must have employed an additional ____ employees."

RETURN ON INVESTMENT

Once the incentive period is over, the Agency/City will see enhanced benefits without the burden of reimbursing sales or property taxes. During the incentive period, however, the average annual net benefit should not be 0%. The City should see a return on its investment even during the incentive-period. The Agency should not accept an average annual ROI during this period much lower than 9%. Depending on the length of the incentive period, a higher post-incentive-period ROI may justify a lower incentive-period ROI.

If the City benefits from an agreement wherein major job creation takes place (100 or more over a 5 year period), ROI may be less important. If the benefits to the City are mostly increases in taxable sales and/or assessed property value, with little benefit to employment, the Agency should be wary of agreements with lengthy incentive periods (more than 10 years) and average annual incentive-period ROI of less than 50%.Benchmarks

The key to a successful participation agreement is a set of well-crafted benchmarks. Allow the goals of the agreement to shape the benchmarks. If, for example, the City's objective from an agreement is to boost employment, a yearly schedule outlining the required number of additional employees is a good fit. If the developer does not reach the required number of employees in their fourth year, they would not receive an incentive for that year, but the year four incentive could be reached the following year.

Specific and sometimes multiple incentive caps can also contribute to a successful agreement for the City. An example could be having two potential incentive caps:

"The Agency promises to reimburse ___% of the developer's sales taxes for ___ years or up to $_______, whichever comes first."

CHECKLIST

This checklist condenses this information above and can assist in recognizing whether the terms of an agreement will yield a successful outcome for the City.

- What is the average annual ROI?
- Is the average annual ROI during the incentive-period lower than 9%?
- If employment is not a major benefit to the City, is the average annual ROI during the incentive-period at least around 50%?
- Do the benchmarks fit the goal of the agreement?
- Are there clear and specific caps to the incentive(s)?

Section 8: Agency By-Laws

This section includes the suggested Agency By-Laws within the text of this document. The actual Agency By-Laws will be in a separate legal document for official adoption by the Agency Board.

I. THE AGENCY

A. THE NAME OF THE AGENCY.

The official, legal name of the Agency is the "REDEVELOPMENT AGENCY OF AMERICAN FORK CITY" or the "COMMUNITY DEVELOPMENT AND RENEWAL AGENCY OF AMERICAN FORK CITY" (the "Agency"). The Agency is a Community Development and Renewal Agency existing and operating under Title 17C of the Utah Code, as amended (the "Act").

B. CREATION OF THE AGENCY & THE AGENCY GOVERNING BOARD.

The City Council of American Fork City ("City Council") constitutes the legislative body of the community that created the Agency. Acting in that capacity, the City Council created the Agency by Resolution No. 82-1 adopted on August 10, 1982.

C. THE AGENCY SEAL.

The Agency Secretary has obtained, or at the direction of the Redevelopment Director may obtain, a seal which, if obtained, will state "Redevelopment Agency of American Fork City," and will be maintained by the Agency Secretary. The Agency seal, if obtained, must be affixed to all resolutions passed by the Agency.

D. THE AGENCY OFFICES.

The principal offices of the Agency are the American Fork City Offices—currently 31 Church Street American Fork, Utah 84003—unless the Board by resolution designates another location within the Agency's boundaries as the principal offices of the Agency. The Board may also, from time to time, designate other offices or locations for the carrying out of Agency business or for the holding of Agency meetings.

II. AGENCY OFFICERS

A. OFFICERS.

The officers of the Agency are the Chair, the Vice-Chair, the Secretary, the Treasurer, the Executive Director, and the Redevelopment Director. The Mayor is the Chair of the Board, and a City Councilor is the Vice-Chair of the Board. The City Administrator is the Executive Director of the Agency; the Redevelopment Director is a member of City staff that is appointed by the Agency's Board of Trustees; the City Recorder is the Agency Secretary; the City Purchasing Agent and/or Administrative Executive Secretary are the Agency Purchasing Agents; the City Treasurer is the Agency Treasurer, and the City Finance Director is the Agency Finance Director. Each of the Officers may appoint a delegate to act in his or her place in the event such Officer shall be absent from duties for a prolonged period of time.

Table 14: Recommended Agency Officers and Personnel

Agency Position	Personnel	City Position
Chair	James Hadfield	Mayor
Vice-Chair	Brad Frost	City Councilor
Secretary	Richard Colborn	City Recorder
Treasurer	Laurel Allman	Treasurer
Executive Director	Craig Whitehead	City Administrator
Redevelopment Director	Audra Sorensen	Economic Development Dir.
Purchasing Agent(s)	Appointed Member of City Staff	Appointed by Board of Trustees
Finance Director	Cathy Jensen	Finance Dir.

B. THE CHAIR.

The Agency Chair presides at all Agency meetings.

C. THE VICE-CHAIR.

The Vice-Chair shall serve as the acting Chair in the absence or incapacity of the Chair.

D. THE SECRETARY.

The Secretary of the Agency acts as recorder of the meetings of the Agency and records all votes according to the requirements of the Utah Open and Public Meetings Act, Title 52, Chapter 4 of the Utah Code. The Secretary must (1) keep a record of the proceedings of the Agency in a journal of proceedings to be kept for such purpose, (2) keep the official documents and records of the Agency, and (3) perform all duties incident to the office. The Secretary must keep in safe custody the Agency seal and records. There may also be an assistant Secretary appointed by the Executive Director, in the Executive Director's discretion, to serve as directed by the Agency.

E. THE TREASURER.

The Treasurer of the Agency has the care and custody of all Agency funds and, unless directed by a conflicting resolution, policy or procedure adopted at any time by the Board, shall generally follow the same accounting practices, cash management, financial controls and protocols to properly protect the Agency funds as currently adopted and followed by the City or as they or may be changed by the City from time to time, except as otherwise provided by the Agency Policies and Procedures. All receipts, invoices, checks, debt transfers and other documents of a financial nature relating to the Agency shall be delivered to the Treasurer.

F. THE EXECUTIVE DIRECTOR.

The City Administrator is the Executive Director of the Agency. The Executive Director shall have general supervisory authority over the administrative and business affairs of the Agency. Except as otherwise specifically provided by resolution of the Board or in the Agency Policies and Procedures, the Executive Director shall countersign all contracts, deeds, resolutions, orders, checks, and other instruments, including instruments of indebtedness, made by the Agency, after such documents have been properly prepared and signed by the Redevelopment Director. The Executive Director shall implement the resolutions and other directives properly adopted or given by the Board. The Executive Director will regularly attend meetings of the Board, and shall, in the Executive Director's sole discretion, make recommendations to the Board. The Executive Director may, in his or her sole discretion, perform any duties of the Redevelopment Director identified in these Bylaws or in the Policies and Procedures. The Executive Director may appoint Agency employees and staff, including but not necessarily limited to one or more Redevelopment Agency Project Managers. The Executive Director will create Policies and Procedures to govern the operations of the Agency.

G. THE REDEVELOPMENT DIRECTOR.

The Redevelopment Director is the administrative manager of the Agency and has general supervision over the routine administration and management of Agency business. The powers of the Redevelopment Director shall include but not be limited to scheduling meetings of the Agency, preparing agendas, budgets and other documents for the Agency, retaining and supervising staff, consultants and legal counsel of the Agency, and managing the day-to-day activities of the Agency. The Redevelopment Director serves under and reports to the Executive Director. The Redevelopment Director will regularly attend meetings of the Board, and shall, in the Redevelopment Director's sole discretion, make recommendations to the Board. The Redevelopment Director will also negotiate and execute contracts within budget appropriations or as otherwise directed by the Board. The Redevelopment Director may have additional duties as assigned by the Executive Director or by Resolution of the Board.

H. THE PURCHASING AGENT.

The Purchasing Agents shall facilitate and process all purchase orders and other contracts entered into by the Agency. The Purchasing Agent shall report to the Redevelopment Director.

I. FINANCE DIRECTOR

The Finance Director shall act under the supervision and direction of the Redevelopment Director and the Executive Director, and shall generally have oversight and supervisory control over the financial and fiscal management of the Agency, as specifically directed from time to time by the Redevelopment Director or the Executive Director.

J. ADDITIONAL DUTIES.

The Agency officers must perform any additional duties and functions as may from time to time be required by Board resolution.

III. AGENCY EMPLOYEES AND INDEPENDENT CONTRACTORS

A. AGENCY EMPLOYEES.

The Executive Director may, by appointment from time to time, employ personnel, permanent and temporary, as the Executive Director deems necessary to exercise its powers, duties, and functions and determine personnel qualifications, duties and compensation.

B. INDEPENDENT CONTRACTORS.

The Redevelopment Director may enter into contracts with independent contractors for technical expertise and any other agents and persons, permanent and temporary, to exercise its powers, duties, and functions, and determine their qualifications, duties, and compensation. For legal service required by the Agency, the Agency may employ or retain under contract its own legal counsel.

IV. BOARD

A. GOVERNANCE.

The Board shall govern the Agency and shall exercise all powers not otherwise enumerated to the Agency officers, including but not necessarily limited to the following:

1. Adopt resolutions as the Board deems appropriate and as the Agency Policies and Procedures may require;
2. Approve the Agency's annual budget, including any amendments;
3. Adopt and amend the Agency Bylaws;
4. Approve any indebtedness by the Agency;
5. Approve any agreement by the Agency other than agreements that either the Executive Director or the Redevelopment Director are specifically authorized to enter into on behalf of the Agency;
6. Approve any acquisition or disposition of real property by the Agency, and
7. Perform all other actions that may be required by law, these Bylaws or the Policies and Procedures of the Agency.

V. POWERS OF THE AGENCY

A. GENERAL POWERS OF THE AGENCY.

The Agency is authorized to enter into contracts generally and has the power to transact the business and exercise all the powers provided for in the Act. All Agency contracts shall be approved in the manner set forth in the Agency Policies and Procedures. However, contracts approved by a two-third (2/3) majority vote of the Board will be valid even in the absence of the signature of the Executive Director or the Redevelopment Director. The Agency may accept financial or other assistance from any public or private source for the Agency's activities, powers, and duties, and expend any funds received for any of the purposes found in the Act. The Agency may borrow money or accept financial or other assistance from the state or the federal government for any project undertaken in accordance with the Act and may comply with any conditions of a loan or grant. Notwithstanding anything else contained in the Bylaws or in the Agency Policies and Procedures, the Board must first approve all loans and financial obligations of the Agency before the Agency can become obligated thereunder.

B. THE FISCAL YEAR.

The fiscal year of the Agency ends on June 30 of each year.

C. THE BOUNDARIES AND TERRITORIAL JURISDICTION OF THE AGENCY.

The boundaries and territorial jurisdiction of the Agency are coextensive with the incorporated area of the City, as such City boundaries may be amended from time to time. However, notwithstanding anything else to the contrary, the Agency may exercise extraterritorial jurisdiction pursuant to Section 17C-1-204 of the Act.

D. GOVERNMENTAL AND PUBLIC FUNCTIONS OF THE AGENCY.

The Agency exercises and performs governmental and public functions, including any and all of the functions authorized, expressly or impliedly, by the Act.

E. LITIGATION.

The Agency may sue and be sued. The Board shall have full discretion and authority with respect to all decisions to engage in or settle litigation.

F. MISCELLANEOUS PROVISIONS.

The Agency may:

1. Utilize City offices, personnel, and facilities, in the manner authorized by the City, so long as the Agency agrees to reimburse the City for each use;
2. Obtain, hire, purchase, or rent office space, equipment, supplies, insurance, or services; and
3. Authorize and pay the travel expense of the Agency officers, agents, legal counsel, employees, consultants, and contractors on Agency business.

G. AGENCY SEPARATION.

The Agency is a separate body corporate and politic and political subdivision of the State of Utah, and is not a department of the City. Except as expressly set forth to the contrary by resolution of the Board, the Agency shall follow its own internal Policies and Procedures. To that end, the Board will, from time to time as the Board deems appropriate, adopt internal Policies and Procedures to govern the operation of the Agency and its officers, agents, legal counsel, employees, consultants, and contractors.

H. AGENCY RESPONSIBILITIES.

The Agency may:

1. From time to time prepare and carry out plans for urban renewal in accordance with the Act, including specifically the improvement, rehabilitation, and redevelopment of blighted areas, in accordance with the Act;
2. From time to time prepare and carry out plans for economic development and community development in accordance with the Act; and
3. Disseminate information regarding community development, economic development and urban renewal activities and projects proposed and undertaken by the Agency in accordance with the Act.
4. In the Board's discretion, undertake all other actions authorized by Federal law, State law, including the Act, and by local ordinance.

I. APPROPRIATIONS.

The Agency may accept from the City Council such appropriated money as the City Council deems necessary for administrative expenses, overhead, and any other normal expenses of the Agency in accordance with Section 17C-1-207 of the Act. The money appropriated may be accepted by the Agency as a grant or as a loan to defray expenses and overhead. Loans are to be repaid upon the terms and conditions as the City Council may provide by resolution at the time of making the loan, including interest on the indebtedness, as determined by the City Council. In addition to the common understanding and usual interpretation of terms, "administrative expenses" includes, but is not limited to, expenses of planning community development, economic development, and urban renewal activities and projects and the dissemination of information related thereto, and any other administrative expenses authorized by the Act. Unless otherwise explicitly declared in the applicable documents, all appropriations from the City to the Agency will be grants and not loans.

Similarly, the Agency may appropriate money in favor of the City as the Agency Board deems appropriate. The money appropriated may be offered as either a grant or a loan. In the absence of clear evidence to the contrary, all appropriations in favor of the City shall be considered loans and not grants. Loans are to be repaid upon the terms and conditions as the Agency Board may provide by resolution at the time of making the loan, including interest on the indebtedness, as determined by the Agency Board.

VI. BOARD MEETINGS

A. REGULAR MEETINGS.

Regular Board meetings that are scheduled in advance over the course of a year will be held on the same day as regular City Council meetings in the Council Chambers. Regular Board meetings may be held prior to, following, or during a recess of a Council meeting. Agency meetings will be noticed on a separate Agency agenda or a joint agenda with the City Council. Public notice of the regular Board meetings, specifying the date, time, and place of the meetings, must be given once each year pursuant to a resolution of the Agency adopted in the same meeting in which the Agency's annual budget is adopted, or at any other time as the Agency's Governing Board deems appropriate.

Public notice must be given by posting the date, time and place of the meetings at the principal office of the Agency and on the Utah Public Notice Website and by providing notice of such information to a newspaper or newspapers of general circulation in the City.

B. SPECIAL MEETINGS.

When the Chair (or the Vice-Chair in the absence or incapacity of the Chair), the Redevelopment Director, or a majority of the Board deems it expedient, he, she or they may call a special meeting of the Board for the purpose of transacting any business designated in the call. At least 24 hours before each special meeting, the call for the meeting must be delivered personally or electronically to each member of the Board or left at his or her usual place of abode.

C. PUBLIC NOTICE OF INDIVIDUAL MEETINGS.

At least 24 hours before each regular or special meeting of the Board, notice of the agenda, date, time, and place of each meeting must be provided by posting notice at the principal office of the Agency and on the Utah Public Notice Website and by providing notice to at least one newspaper of general circulation within the City or to a local media correspondent.

D. QUORUM.

The Board Quorum and voting requirements are identical to the Quorum and voting requirements of the City Council.

E. RESOLUTIONS.

All resolutions must be in writing and designated by number, reference to which must be inscribed in the minutes and an approved copy filed in the official book of Agency Resolutions. Except as otherwise expressly set forth in these Bylaws or in the Policies and Procedures, meetings of the Board will proceed according to the rules of procedure adopted by the City Council.

F. MANNER OF VOTING.

Voting on formal resolutions and such other matters as may be requested by a majority of the Board members must be by roll call, and the ayes and nays, as well as the names of members abstaining, must be entered upon the minutes of such meeting.

VII. ADOPTION AND APPROVAL OF THE BYLAWS AND AMENDMENTS

A. APPROVAL BY THE AGENCY.

These Bylaws are effective immediately upon approval by Board resolution.

B. POSTING OF THE BYLAWS.

Within 30 days after these Bylaws, or any subsequent amendments to these Bylaws, become effective, the Agency Secretary will cause a copy of the adopted Bylaws/Amendment(s) to be posted on the Agency or City website and to otherwise be made available for public inspection and review. The Agency Secretary's failure to follow this paragraph, however, will in no way effect the effectiveness, validity, or enforceability of the Bylaws/Amendment(s).

C. AMENDMENTS TO THE BYLAWS.

These Bylaws may be amended only with the approval of the Board at a regular or a special meeting, but no amendment may be adopted unless at least seven days' written notice of the proposed amendment has been previously given to all members of the Board. That notice must identify the section or sections of the Bylaws proposed to be amended. Amendments of these Bylaws are not effective until they have been approved by a resolution of the Board.

SECTION 9: AGENCY POLICIES AND PROCEDURES

This section includes the suggested Agency Policies and Procedures within the text of this document. The actual Agency Policies and Procedures will be in a separate legal document for official adoption by the Agency Board.

I. ANNUAL BUDGET

A. ANNUAL BUDGET POLICY.

The Agency intends to fully comply with the requirement contained in the Community Development and Renewal Agencies Act, Title 17C of the Utah Code (the "Act") for the Agency to adopt an annual budget each year.

B. ANNUAL BUDGET PROCEDURE.

Each year the Redevelopment Director will oversee the preparation and adoption of the Agency's annual budget, according to the following steps, in order:

1. Prepare the draft annual budget for a first review and discussion with the Executive Director and the Board, at the Board's final meeting in May
2. Make any changes to the draft annual budget as directed by the Board, and then prepare the final budget
3. Arrange for a public hearing to be held by the Board, before June 22, as follows:
    a) Publish a notice of public hearing at least once in a newspaper of general circulation within the Agency boundaries, one week before the public hearing
    b) Publish the same notice on the Utah Public Notice Website at least one week before the public hearing
    c) Make the annual budget available for public inspection at least three days before the date of the public hearing
    d) Comply with any other public notice requirements in the Act or other Utah law
4. Hold the public hearing regarding the final budget
5. After the close of the public hearing, coordinate Board approval of the annual budget
6. Within 90 days after the Board adopts the annual budget, file a copy of the annual budget with the county auditor, the State Tax Commission, the state auditor, the State Board of Education, and each taxing entity that levies a tax on property from which the Agency collects tax increment.
7. Amend the budget on an as-needed basis by following the same steps above.

II. ANNUAL REPORT

A. ANNUAL REPORT POLICY.

The Agency intends to fully comply with the Act's requirement for the Agency to provide an annual report on each of the Agency's active project areas. The Agency understands that the annual report, if used properly, can work as both an informational tool and a tool of persuasion with the taxing entities. The Agency should use its best efforts to prepare an annual report that is informative, persuasive, and reflective of the nature of the Agency's activities within each active project area. The annual report should highlight the accomplishments within each active project area. The Agency will generally prepare and submit an annual report pursuant to Section 17C-1-603 of the Act, so that the Agency does not also have to hold an annual TEC meeting. However, the Redevelopment Director shall have discretion to hold an annual TEC meeting in addition to providing the annual report.

B. ANNUAL REPORT PROCEDURE.

The Redevelopment Director will cause an annual report to be prepared pursuant to the Section 17C-1- 603 of the Act, which annual report must be prepared and submitted to the Agency Board for review at the first available meeting of the Agency Board in September or, at the very latest, October of each year. The Agency Board will then review the annual report and, in the Board's discretion, approve the annual report or direct the Redevelopment Director to make certain changes to the annual report. After receiving the Agency Board's approval of the annual report, the Redevelopment Director will cause the annual report to be delivered to the entities listed in Section 17C-1-603 of the Act by November 1. The Redevelopment Director may employ such consultants and legal counsel for the preparation of the annual report as the Redevelopment Director deems helpful or necessary.

III. PROJECT AREA CREATION

A. PROJECT AREA CREATION POLICY.

The Agency Board may create urban renewal project areas for the purpose of remediating blight, economic development project areas for the purpose of promoting job creation and tax base growth, and community development project areas for any other legal purpose desired by the Agency. The Agency Board may create a project area on its own volition, or at the request of one or more property owners or proposed participants. The Agency will always strive to fulfill the purposes of the Act by obtaining maximum tax increment participation by the taxing entities and leveraging those tax increment revenues in the way that will achieve maximum private participation in the project area. The Agency is not a municipality and therefore does not fall under the provisions of Utah Code Ann. § 10-8-2; however, the Agency intends that, for each project area, the Agency will prepare a single benefit analysis that complies with Utah Code Ann. §§ 17C-2-103(2), 17C-3-103(2), or 17C-4-103(11), as applicable, as well as the intent and purposes of Utah Code Ann. § 10-8-2 and related Utah case law.

B. PROJECT AREA CREATION PROCEDURE.

Any member of the Agency Board may propose the creation of a project area at any time. Similarly, the Executive Director or Redevelopment Director may also propose the creation of a project area at any time. Each proposal to create a project area will be submitted to the Agency Board and will proceed only after designation of the proposed project area boundaries by resolution of the Agency Board. Project area creation will proceed according to the requirements and procedures set forth in the Act. The Redevelopment Director may implement any additional procedures beyond the minimum procedures required by the Act. For example, the Redevelopment Director may, among other things, cause the Agency staff, Board members, consultants, and legal counsel to negotiate with and make presentations to taxing entities, to hold open-house sessions for members of the public, and to consult with property owners or potential developers/participants within the proposed project area boundaries.

IV. INCENTIVES

A. INCENTIVE POLICY.

The Agency intends to provide reasonable opportunities for owners of property within established project areas to participate in the stated purposes of the applicable project area plan. Such reasonable opportunities may include the provision of development incentives within established project areas, including land incentives, tax increment incentives, sales tax incentives, public infrastructure construction, or any other type of incentive deemed appropriate by the Board on a case-by-case basis. The Board will generally give preference to owners or tenants of property located within the applicable project area. The Agency is not a municipality and therefore does not fall under the provisions of Utah Code Ann. § 10-8-2; however, if the Agency is ever authorized by law to provide an incentive outside of a project area, the Agency should first prepare an analysis, relating to the proposed incentive, that fulfills the basic intent and purposes of Utah Code Ann. § 10-8-2. Furthermore, while the Agency is statutorily authorized to provide gifts in the form of land and
other incentives for the purposes of providing for urban renewal, economic development, and community development, the Agency also intends to generally comply with the principles outlined in Utah Code Ann. § 10- 8-2 and related Utah case law including Price Development Company v. Orem City, 2000 UT 26, 995 P.2d 1237. The Agency may consider intangible and non-monetary benefits in its analysis of the benefits to be derived from the provision of any incentive.

B. INCENTIVE PROCEDURE.

All discussion for potential incentives shall be facilitated by the Redevelopment Director. The Redevelopment Director will review all requested incentives, and will also have responsibility for identifying incentives in a proactive manner when necessary for the fulfillment of an adopted project area plan. The Agency may provide an incentive according to the following steps, in this order:

1. Incentive Identification. The Redevelopment Director, and any consultants or legal counsel specifically engaged by the Redevelopment Director or any developers/participants/brokers working with the Agency, will identify the proposed incentive and the proposed recipient of that incentive.

2. Justification Review. The Redevelopment Director, and any consultants or legal counsel specifically engaged by the Redevelopment Director, will evaluate the proposed incentive to verify whether the incentive is:

   a) Necessary to further the stated purposes of the applicable project area plan,

   b) Reasonable and sufficient in amount, considering
      (1) the needs of the potential recipient,
      (2) the population likely to benefit from the recipient's use of the incentive,
      (3) the Agency's current available funds,
      (4) estimated tax increment and/or sales tax revenue receipts from the project area in future years, and

(5) other incentives that may be necessary to fulfill the stated purposes of the applicable project area plan, and

c) Likely to provide the Agency with a return on investment, including promotion of the general welfare.

d) Is located within an established project area.

(1) If the incentive will be provided within an established project area for which the Agency Board has adopted a project area plan under the Act then no additional benefit or fair market value analysis shall be required, unless the Agency Board determines it is necessary;

(2) however, if the incentive will be provided outside the boundaries of an established project area then the Redevelopment Director and legal counsel shall together cause a benefit or fair market analysis, as may be required by law, to be prepared, and legal counsel must provide an opinion that the expenditure outside an existing project area is otherwise authorized by Utah law.

3. Participation Agreement. With assistance from legal counsel, the Agency's consultants, staff, and the "Participation Agreement Guidelines", the Redevelopment Director will negotiate and draft a written participation agreement that outlines the amount of the incentive and any corresponding performance obligations of the participant, such as number of jobs created or level of taxable investment.

4. Submission to Agency Board. The Redevelopment Director will submit a draft participation agreement to the Agency Board for final consideration and potential approval. The Redevelopment Director and/or legal counsel and/or Agency consultants may include a staff report describing the general terms, justification, analysis, and other relevant matters with respect to the proposed participation agreement.

5. Signature. If the Agency Board approves the form of participation agreement then the appropriate parties will cause the agreement to be fully executed and carried out.

V. REAL PROPERTY ACQUISITIONS

A. REAL PROPERTY ACQUISITION POLICY.

The Agency Board has sole discretion regarding the purchase of real property by the Agency. In general, the Agency Board will consider purchasing real property when the purchase is necessary or helpful for carrying out approved project area plans or other written policies or programs of the Agency.

B. REAL PROPERTY ACQUISITION PROCEDURE.

The Agency may acquire real property according to the following steps, in this order:

1. Property Identification. The Redevelopment Director, and any consultants or legal counsel specifically engaged by the Redevelopment Director or any developers/participants/brokers working with the Agency, will identify the property to be considered for acquisition.

2. Affordability Review. The Redevelopment Director, and any consultants or legal counsel specifically engaged by the Redevelopment Director, will evaluate the proposal to verify whether the land is affordable. This affordability review may include the following:
   a) Estimate the purchase price,
   b) Review Agency funds, including bond proceeds, if any,
   c) Analyze the available tax increment, now and in the future, to achieve all goals set forth in the project area plan, and
   d) Evaluate how the acquisition will help achieve the project area plan and, if applicable, the master development plan.

3. Plan Compatibility Review. The Redevelopment Director, and any consultants or legal counsel specifically engaged by the Redevelopment Director, will review the proposed acquisition to verify that the acquisition is consistent with all Agency goals, policies, and plans, including the applicable project area plan and master development plan.

4. Appraisal. The Redevelopment Director may order an appraisal of the property.

5. Purchase Agreement. Legal counsel will assist the Redevelopment Director in negotiating and drafting a real estate purchase agreement.

6. Due Diligence. The Redevelopment Director will cause the following due diligence to be completed by staff, consultants, or legal counsel, as deemed necessary or appropriate on a case-by-case basis by the Redevelopment Director:
   a) Appraisal review
   b) Survey and title review
   c) Phase I environment review, and if necessary, Phase II review
   d) Seller disclosures
   e) Other information deemed pertinent by the Redevelopment Director

7. Submission to Agency Board. The Redevelopment Director will submit a draft real estate purchase agreement to the Agency Board for final consideration and potential approval. The Redevelopment Director and/or legal counsel may include a staff report describing the general terms, due diligence, and other relevant matters with respect to the proposed land acquisition. The Agency Board will generally review the proposal in closed session. As a general rule, no information will be provided to or by the Agency Board in a public session until the closing transaction has been consummated. If the Agency Board approves the form of real estate purchase agreement then the appropriate parties will cause the agreement to be fully executed and carried out.

8. Closing. Redevelopment Director facilitates closing in accordance with the terms and conditions of the purchase agreement.

VI. DISPOSITION OF REAL PROPERTY

A. REAL PROPERTY DISPOSITION POLICY.

The Agency intends to hold title to real property when necessary or helpful for stated objectives of the Board, including but not limited to objectives stated in approved project area plans.

In general, the Agency will generally dispose of real property in exchange for the receipt of consideration equal to the fair market value of the real property at the time of disposition. However, as authorized by the Act and the Board, the Agency may from time to time authorize dispositions in exchange for less than fair market value when the disposition is necessary or helpful for the fulfillment of the purpose of either an adopted project area plan or some other incentive-related program established by the Board. The Agency is not a municipality and therefore does not fall under the provisions of Utah Code Ann. § 10-8-2; however, if the Agency is ever authorized to dispose of land outside of a project area, the Agency should first prepare an analysis, relating to the proposed disposal, that fulfills the basic intent and purposes of Utah Code Ann. § 10-8-2. Furthermore, while the Agency is statutorily authorized to provide gifts in the form of land, the Agency also intends to generally comply with the principles outlined in Utah Code Ann. § 10-8-2 and related Utah case law including
Price Development Company v. Orem City, 2000 UT 26, 995 P.2d 1237. The Agency may consider intangible and non-monetary benefits in its analysis of the benefits to be derived from the disposition of any land.

B. REAL PROPERTY DISPOSITION PROCEDURE.

The Agency may dispose of real property according to the following steps, in this order:

1. Property Identification. The Redevelopment Director will identify the property to be considered for disposition.
2. Fair Market Value Review. The Redevelopment Director, and any consultants or legal counsel specifically engaged by the Redevelopment Director, will evaluate the proposed disposition to determine the appropriate disposition price. This evaluation should generally include consideration of the:
    a) Appraised value,
    b) Current Agency funds, including bond proceeds, if any,
    c) Analysis of available tax increment, now and in the future, to achieve all goals set forth in the project area plan,
    d) Evaluation of how the disposition will help achieve the project area plan or other program created by the Board.
    e) If the disposition will be for less than full fair market value, the purpose and justification for the discount or incentive
3. Plan Compatibility Review. The Redevelopment Director, and any consultants or legal counsel specifically engaged by the Redevelopment Director, will review the proposed disposition to verify that such disposition is consistent with all Agency goals, policies, and plans, including the applicable project area plan and/or program guidelines established by the Board.
4. Disposition Agreement. Legal counsel will assist the Redevelopment Director in negotiating and drafting a disposition agreement.
5. Submission to Agency Board. The Redevelopment Director will submit the draft disposition agreement to the Agency Board for final consideration and potential approval. The Redevelopment Director and/or legal counsel may include a staff report describing the general terms and relevant matters with respect to the proposed disposition. The Agency Board will generally review the proposal in closed session. If the

Agency Board approves the form of disposition agreement then the appropriate parties will cause the agreement to be fully executed and carried out.

6. Closing. The Redevelopment Director will facilitate closing in accordance with the terms and conditions of the disposition agreement.

7. Notice of Disposition. Within one month after the closing, the Redevelopment Director will prepare a summary of the disposition and cause the summary to be:
a) Posted on the Utah Public Notice website, and
b) Published once in a newspaper of general circulation in the Agency's boundaries.

VII. EMINENT DOMAIN

A. EMINENT DOMAIN POLICY.

The Agency intends to utilize its limited power of eminent domain, as prescribed and limited by the Act, only when critically necessary for the removal of blight pursuant to an adopted urban renewal project area plan, and only when requested by petition of the property owners in the manner set forth in the Act. Before utilizing its power of eminent domain, the Agency will use every effort to work with property owners for the mutually agreeable purchase of land.

B. EMINENT DOMAIN PROCEDURE.

If eminent domain appears necessary for the removal of blight within an established project area, the Redevelopment Director will first consult with the Board regarding the potential use of eminent domain. If a two-third (2/3) majority of the Board agrees that eminent domain will be necessary, the Redevelopment Director will consult with legal counsel regarding the statutory procedure for carrying out eminent domain within an urban renewal project area. The Redevelopment Director, consultants and legal counsel will take the necessary steps for the Agency to proceed with the exercise of eminent domain.

VIII. CONFIDENTIALITY AND PROTECTED RECORDS

A. CONFIDENTIALITY AND PROTECTED RECORDS POLICY.

The Agency understands that, because of its unique purpose to encourage, among other things, job growth and economic development, the Agency often receives confidential and proprietary private information. The protection of that private information serves the interests of the public by facilitating the Agency's activities without compromising such private information to public disclosure. The Agency therefore intends to protect all private information submitted to the Agency to the maximum extent permitted by Utah law.

B. CONFIDENTIALITY AND PROTECTED RECORDS PROCEDURE.

The Redevelopment Director shall oversee the receipt and classification by the Agency of any private, confidential, or proprietary private information. Under the Utah Government Records Access and Management Act, Title 63G, Chapter 2 of the Utah Code ("GRAMA"), the Agency may classify certain records as protected records, including but not necessarily limited to "records that would reveal negotiations regarding assistance or incentives offered by or requested from a governmental entity for

the purpose of encouraging a person to expand or locate a business in Utah, but only if disclosure would result in actual economic harm to the person or place the governmental entity at a competitive disadvantage, but this section may not be used to restrict access to a record evidencing a final contract." Utah Code Ann. § 63G-2-305(35) (2011). The Redevelopment Director shall review all private information submitted to the Agency, including but not necessarily limited to information submitted as part of the project area creation or incentive application/evaluation procedures, and
classify all qualifying information as protected from public disclosure under GRAMA. Any information classified as protected shall be provided to the Board only in a closed session. If requested by the person submitting the protected information, all Agency officers, employees, consultants, agents, and members of the Board who have access to the protected information shall only review that information after signing a confidentiality or nondisclosure agreement.

IX. ENGAGING PROFESSIONAL CONSULTANTS

A. PROFESSIONAL CONSULTANTS POLICY.

The Agency understands that, because of its unique purpose to encourage, among other things job growth, economic development, and community development, the Agency often must respond more quickly than the City or other government agencies might be able to respond. It is therefore in the Agency's best interest to adopt a streamlined procedure for professional services that varies from the City's purchasing procedure. The Agency encourages the engagement of qualified professional consultants by the Redevelopment Director when necessary or helpful to further the Agency's goals and objectives. The Agency will solicit proposals, through a request for proposals ("RFP") or a request for qualifications ("RFQ") procedure, for all professional consultant services requiring total payment in excess of $45,000 annually.

B. PROFESSIONAL CONSULTANTS PROCEDURE.

1. Service Identification. The Redevelopment Director will identify the distinct service needing to be provided by a professional consultant. Professional consultant services are to be defined according to State guidance and in consultation with the Executive Director.

2. Cost Review. The Redevelopment Director will evaluate whether the service will require total compensation of more than $45,000 annually. If the service will require total annual compensation of $45,000 or less, as reasonably estimated by the Redevelopment Director at the time of execution of the contract, then the Redevelopment Director in consultation with the Executive Director shall engage the services of professional consultant that the Redevelopment Director and the Executive Director collectively deem appropriate. No further requirements apply to the engagement of professional consultants who the Redevelopment Director estimates will be paid an annual total of $45,000 or less. However, if the Agency engages a professional consultant that the Redevelopment Director reasonably estimated would not be paid more than $45,000 annually, but that professional consultant ultimately receives more than $45,000 in any year from the Agency then the Redevelopment Director shall promptly inform the Agency Board of (a) the total annual amount paid by the Agency to that professional consultant, and (b) a brief explanation of why the Agency paid the professional consultant more than $45,000 annually.

3. Request for Proposals/Qualifications. If the Redevelopment Director reasonably estimates that a professional service will require total compensation of more than $45,000 annually then the Redevelopment Director will cause, in the Redevelopment Director's sole discretion, either a formal Request for Proposals (RFP) or Request for Qualifications (RFQ) to be prepared. The RFP/RFQ will include all of the relevant terms, qualifications, and requirements relating to the response to be provided, including, for example, the scope of work, the selection criteria, submittal requirements, the selection schedule, and general description of the selection and evaluation process.

4. RFP/RFQ Submission. If the Redevelopment Director reasonably estimates that a professional service will require total compensation of more than $45,000 annually then the Redevelopment Director will identify preliminary candidates and will cause a recipient list for the RFP/RFQ to be prepared, and a copy of the RFP/RFQ to be sent to each candidate on that list. The Redevelopment Director may, in his or her discretion, also cause the RFP/RFQ to be provided to relevant publications, including websites, journals, periodicals, or other sources that will likely reach the intended RFP/RFQ audience.

5. Qualifications/Proposal Review. The Redevelopment Director, and any consultants or legal counsel specifically engaged by the Redevelopment Director, will accept and review the qualifications/proposals submitted in response to the RFP/RFQ, and will perform any needed follow up regarding the qualifications/proposals, which may, in the Redevelopment Director's sole discretion, include interviews of one or more potential candidates. After receiving all information, the Redevelopment Director will identify the candidate that the Redevelopment Director believes offer the best value.

Engagement Contract. As appropriate, legal counsel will assist the Redevelopment Director in negotiating, drafting, and executing a professional services engagement contract with the selected candidate. Any contracts not requiring an expenditure of Agency funds may be approved in any manner deemed appropriate by the Redevelopment Director. Contracts may be for any length of time deemed appropriate by the Executive Director and the Redevelopment Agency Director and, if applicable as provided above, the Board. However, absent extenuating circumstances to be determined on a case-by-case basis. Contracts that require a competitive bidding process, as described above, shall not be for a term in excess of three years.

Contracts of $45,000 or more shall be made only after the Agency has completed a RFP/RFQ process and entered in a written contract that is approved and signed by: (1) the Board, whose approval shall be designated by signature of the Board Chair, (2) the Executive Director, (3) the Redevelopment Director, (4) the Agency's legal counsel, who shall sign in for the sole purpose of indicating that the contract complies with applicable Utah and/or Federal Law, the Agency Bylaws and Policies and Procedures, and general risk management guidelines, and (5) the Agency Treasurer, who shall sign for the sole purpose of indicating that the Agency has sufficient funds to meet the financial obligations in the contract. No other approvals or signatures shall be required.

X. GENERAL PURCHASING AND PROCEDURES

A. GENERAL PURCHASING PROCEDURE POLICY.

The Agency understands that a competitive process is important in the use of redevelopment funds in securing products and services in furthering the Agency's, purpose to encourage, among other things, job growth, economic development, and community development, the Agency often must respond more quickly than the City or other government agencies might respond. It is therefore in the Agency's best interest to adopt a purchasing procedure that provides a competitive process when securing products and services.

B. GENERAL PURCHASING PROCEDURE.

Agency contracts relating to an interest in real property shall be governed first by the Agency's "Real Property Acquisitions Procedure" and/or "Dispositions of Real Property Procedure," as applicable, Policies and Procedures and then, if appropriate or necessary, by this general "Purchasing and Contracts Procedure." Agency contracts relating to the engagement of Professional Consultants shall be governed exclusively by the "Engaging Professional Consultants Procedure" *above*; in other words, this "Purchasing and Contracts Procedure" shall not apply in any way to the Agency's engagement of Professional Consultants.

All purchases that are not within the "Real Property Acquisition Procedure" and/or "Disposition of Real Property " will follow the American Fork City Purchasing Ordinance.

Purchases of $45,000 or more shall be made only after the Agency has completed a competitive bidding process and entered into a written contract that is approved and signed by (1) the Board, whose approval shall be designated by signature of the Board Chair, (2) the Executive Director, (3) the Redevelopment Director, (4) the Agency's legal counsel, who shall sign in for the sole purpose of indicating that the contract complies with applicable Utah and/or Federal law, the Agency Bylaws and Policies and Procedures, and general risk management guidelines, and (5) the Agency Treasurer, who shall sign for the sole purpose of indicating that the Agency has sufficient funds to meet the financial obligations in the contract. No other approvals or signatures shall be required.

Any contracts not requiring an expenditure of Agency funds may be approved in any manner deemed appropriate by the Redevelopment Director.

Contracts may be for any length of time deemed appropriate by the Executive Director and the Redevelopment Director and, if applicable as provided above, the Board. However, absent extenuating circumstances to be determined on a case-by-case basis, contracts that require a competitive bidding process, as described above, shall not be for a term in excess of three years.

The Purchasing Agent shall process all bids, purchase orders and contracts for the Agency.

C. APPROVAL BY AGENCY BOARD OF CONTRACTS AND AGREEMENTS

Except as expressly authorized herein, all contracts and agreements of the Agency shall be approved by resolution of the Agency Board.

Appendix A: RDA Support Process Map

The steps in this process map must be followed before RDA money can be used to support any development efforts. This requirement applies to specific requests as well as fulfilling broad needs.

Step 1
Provide required information found in the RDA Funds Request Application.

Step 2
Discuss the request with the RDA's Redevelopment Director.

Step 3
The Redevelopment Director reviews the request with the RDA's Executive Director.

Step 4
The Redevelopment Director prepares a recommendation to present to the RDA Board.

Step 5
The RDA Board votes on the request.

Step 6
The RDA Board's decision is carried out. If the request was denied, a reason is provided.

Step 1

Complete the Request for RDA Assistance Application. Questions relating to the form should be directed to the RDA's Redevelopment Director, Audra Sorensen.

Step 2

Discuss the need for RDA funding with the RDA's Redevelopment Director. This person is the point of contact. Other appointed or elected City staff should not be consulted with on the issue.

Step 3

The Redevelopment Director discusses the request with the RDA's Executive Director to estimate the extent to which the RDA fund request aligns with the goals and efforts of the RDA.

Step 4

Based on information gathered from the previous three steps, the Redevelopment Director writes recommendation on whether to grant the request or not.

Step 5

The recommendation for the RDA fund reqest is presented to the RDA Board and voted upon

Step 6

If the RDA Board approves the request, the RDA monies are allocated based on the terms of the agreement. If the request is denied, the Redevelopment Director informs the requestor why their request was denied.

Appendix B: RDA Funding Criteria, Priorities, and Considerations

AMERICAN FORK — 1853 —

Request for RDA Assistance Application

American Fork Redevelopment Agency
51 East Main, American Fork, Utah 84003
(801) 763-3000 www.afcity.org

The following information is required before consideration can be given to a request of assistance from a redevelopment project area's budget. Direct questions about any portion of this form to the Agency's Redevelopment Director, Audra Sorensen.

SECTION 1: INFORMATION

Applicant's Name:

Preferred Methods of Contact

Email:

Phone:

Entity Represented by Applicant:

Nature of Business Conducted by Entity:

Type of Assistance Requested (infrastructure, reimbursement for improvements, etc.)

Total Estimated Value of Requested Support:

Desired Timeline for Receiving RDA Support:

SECTION 2: Estimated Benefit to RDA/City

With support from the Agency, It is estimated that the entity requesting assistance will:

- Create ________ new jobs with an average annual payroll of ________ within the next ________ months.
- Increase the taxable value of property by ________ and taxable sales by ________.
- Invest ________ into blighted and/or underutilized property.

SECTION 3: Agency/City Priorities

Employment: Bringing jobs into the City is an important priority pursued by the Agency. Job creation is considered a substantial benefit when the assisted entity creates **150 or more jobs**. If job creation is a substantial benefit, the Agency may relax its standard for ROI.

Tax Revenues: An entity can raise the City's tax revenues by increasing their taxable sales and by increasing the taxable value of their property. The Agency views offering assistance through the lens of a return on investment. The Agency expects an incentive-period **ROI of no less than 50 percent** when an increase in tax revenues is the main benefit to the Agency. The Agency will not likely offer any support when the incentive-period **ROI is less than nine percent.**

Property Improvement: The Agency and City also value the improvement of blighted or underutilized property. If an entity is able to remove blight and/or improve the use of an underutilized property, the Agency is more willing to assist the entity's efforts.

SECTION 4: CONSIDERATIONS

With consideration to the objectives of the project area and the City's objectives, when entering into an RDA agreement, the American Fork Redevelopment Agency primarily provides support by assisting with costs associated with infrastructure and improvements.

AMERICAN FORK — 1853 —

Request for RDA Assistance Application

American Fork Redevelopment Agency
51 East Main, American Fork, Utah 84003
(801) 763-3000 www.afcity.org

This part of the application uses the data provided from the Main Form Sheet to calculate the benefit the assistance is estimated to bring to the Agency and City.

Employment

Providing assistance to the entity will provide a substantial benefit to the Agency and City through employment:

The annual average pay per employee is estimated to be:

The boost in employment should benefit the City after months.

Tax Revenues/ ROI

The entity requests the RDA provide about in support.

The entity estimates an increase of:

____________________ in sales tax revenues to the City and

____________________ in property tax revenues to the City.

The estimated return on investment is:

The ROI is more than 50%
The ROI is more than 9%

Property Improvement

By providing assistance to the entity, the Agency and City will benefit from improvements to property:

Based on the knowledge and judgement of the RDA Redevelopment Director, the property is blighted/ underutilized:

Summary

Offering assistance will provide a substantial employment benefit:

Offering assistance provides a significant return on investment:

Offering assistance provides the minimum return on investment:

Because of employment, the ROI carries less weight on the decision:

Offering assistance will improve blighted and/or underutilized property:

Notes

Appendix C: Sales Tax Support Process Map

The steps in this process map must be followed before sales tax revenues can be used to support any development efforts. This requirement applies to specific requests as well as fulfilling broad needs.

Step 1

Step 1
Provide required information found in the Request for RDA Assistance Applicaion.

Complete the Request for RDA Assistance Application. Questions relating to the form should be directed to the RDA's Redevelopment Director, Audra Sorensen.

Step 2
Discuss the request with the City's Economic Development Director.

Step 2

Discuss the need for assistance with the City's Economic Development Director. This person is the point of contact. Other appointed or elected City staff should not be consulted with on the issue.

Step 3
The Economic Development Director reviews the request with the City Administrator.

Step 3

The Economic Development Director discusses the request with the City Administrator to estimate the extent to which the request for assistance aligns with the goals and efforts of the City.

Step 4
The Redevelopment Director prepares a recommendation to present to the RDA Board.

Step 4

Based on information gathered from the previous three steps, the Economic Development Director recommends whether to grant the request or not.

Step 5
City Council and RDA Board consider the recommendation. If approved, an interloacal agreement is signed.

Step 5

The Economic Development Director presents the recommendation to the City Council and RDA Board. If approved by both bodies, an interlocal agreement between the City and the RDA is drafted and signed to verify agreement conditions.

Step 6
Economic Development Director explains why request was denied or, if request was approved, a participation aggrement is signed.

Step 6

If request was denied in Step 5, the Economic Development Director informs the requestor why their request was denied. If the request was approved, a participation agreement between the Agency and the requestor is drafted and signed.