

ORDINANCE NO. 17-97

ROLL CALL

VOTING	YES	NO
MAYOR MARIE W. HUFF <i>(votes only in case of tie)</i>		
SHERMAN E. HUFF <i>Councilmember</i>	X	
MATTHEW D. BARBER <i>Councilmember</i>	X	
THORA L. SHAW <i>Councilmember</i>	X	
CLYDE A. SWENSON <i>Councilmember</i>	<i>(abstained)</i>	
REX WOODHOUSE <i>Councilmember</i>	X	

ENT 92848 BK 4443 PG 139
 RANDALL A. COVINGTON
 UTAH COUNTY RECORDER
 1997 Nov 21 4:10 pm FEE 0.00 BY JRD
 RECORDED FOR SPANISH FORK CITY

I MOVE this ordinance be adopted: Councilmember Woodhouse
 I SECOND the foregoing motion: Councilmember Huff

ORDINANCE 17-97

AN ORDINANCE ADOPTING THE ECONOMIC DEVELOPMENT PLAN FOR THE SWENSON ECONOMIC DEVELOPMENT PROJECT AREA (AS MODIFIED BY THE SPANISH FORK CITY COUNCIL) AS THE OFFICIAL ECONOMIC DEVELOPMENT PLAN FOR THE SWENSON ECONOMIC DEVELOPMENT PROJECT AREA

WHEREAS acting pursuant to the Utah Neighborhood Development Act, as amended (the "Act"), Part 12 of Chapter 2 of Title 17A of the Utah Code, as amended, the Redevelopment Agency of Spanish Fork City, Utah (the "Agency"), in consultation with the Spanish Fork City Planning Commission (the "Planning Commission"), and the Agency's staff and consultants, has caused to be prepared a Proposed Economic Development Plan for the Swenson Economic Development Project Area (the "Proposed Plan"); and

WHEREAS since the initial preparation of the Proposed Plan, the Planning Commission, Agency staff and consultants, other taxing agencies, and various Spanish Fork property owners and others have recommended various modifications of the Proposed Plan; and

WHEREAS the Planning Commission has prepared and submitted to the Agency its Report and Recommendations of the Spanish Fork Planning Commission on the Proposed Economic Development Plan for the Swenson Economic Development Project Area (the "Planning Commission Report"); and

WHEREAS the Agency has caused to be prepared and has approved the Agency's Report and Feasibility Study to Accompany the Economic Development Plan for the Swenson Economic Development Project Area (the "Agency Report"); and

WHEREAS duly noticed joint public hearings on the Proposed Plan (the "Hearings") have been held by the Spanish Fork City Council (the "City Council") and the Agency for the purposes of providing information to and receiving input from the public, considering the evidence included in the Agency Report and receiving and considering any additional evidence or other comments submitted to the Agency or the City Council at or prior to the Hearings; and

WHEREAS the City Council has considered the Agency Report, the Planning Commission Report, the matters contained in the record of the Hearing, and all evidence and testimony for and against the adoption of the Proposed Plan submitted to it at or prior to the Hearing, and concurs in the various findings and recommendations made by the Agency and the Planning Commission; and

WHEREAS the Planning Commission, the Agency's staff and consultants, other taxing agencies, the Taxing Agency Committee and various Spanish Fork property owners and others have recommended various modifications of the Proposed Plan; and

WHEREAS the Agency has recommended that such changes as have seemed necessary or appropriate in light of the Hearings be incorporated into the Proposed Plan, and the City Council in turn has modified the originally Proposed Plan by resolution (the "Modification Resolution"); and

WHEREAS the Agency has recommended the adoption of the Proposed Official Plan with the changes that have been incorporated by the Modification Resolution and the Agency has submitted the Proposed Plan along with such recommended changes to the City Council for action; and

WHEREAS the City Council has concurred in the modifications recommended by the Agency in the Proposed Plan, has made the recommended modifications in the Proposed Plan, and has overruled all objections to the adoption of the Proposed Plan received by the City Council at or prior to the Hearing, whether written or oral, except insofar as such objections are the basis for modifications of the Proposed Plan that the Agency has recommended by Resolution or that have already been responded to or incorporated in the Proposed Plan; and

WHEREAS the City Council has determined that the owners of less than forty percent (40%) of the area of the property included within the Project Area proposed in the Proposed Plan as modified (the "Official Economic Development Plan" or the "Plan"), excluding property owned by public agencies or dedicated to public use, objected to the Official Economic Development Plan in writing prior to or at the Hearing; and

WHEREAS the City Council finds and determines that the Official Economic Development Plan would help bring about economic development in the Project Area in conformity with the Utah Neighborhood Development Act, as amended; that it would further the interests of the public peace, health, safety and welfare; that the adoption and carrying out of the Official Economic Development

Plan is economically sound and feasible; and that a number of other appropriate reasons call for the adoption and implementation of the Official Economic Development Plan for the Swenson Economic Development Project Area (the "Project");

SECTION I

BE IT ORDAINED BY THE SPANISH FORK CITY COUNCIL:

SECTION 10: ADOPTION OF THE PLAN

The City Council hereby approves and adopts the Proposed Economic Development Plan for the Swenson Economic Development Project Area, as and to the extent said Plan was modified by the City Council to incorporate changes that the Agency previously recommended by resolution. The Proposed Plan as thus modified is hereby designated the "Official Economic Development Plan."

SECTION 20: LEGAL DESCRIPTION

The boundaries of the Project Area are as shown on the Land Use Map which is attached hereto and incorporated herein as Exhibit A. The legal description of the boundaries of the Project Area is more particularly set forth in Exhibit B, which is attached hereto and incorporated herein by this reference.

SECTION 30: PURPOSE AND INTENT OF CITY COUNCIL

The purposes and intent of the City Council with respect to the Project Area are as follows:

- A. [§ 31] to promote economic development and resulting job creation and strengthening of the tax base within the Project Area;
- B. [§ 32] to facilitate new development of types and quality desired by the community;
- C. [§ 33] to take any or all additional steps which may be appropriate or necessary to promote or further the aim of improving the Project Area (and, indirectly, surrounding

areas) and to prevent deterioration and economic stagnation within the Project Area.

SECTION 40: THE ECONOMIC DEVELOPMENT PLAN INCORPORATED BY REFERENCE

The Official Economic Development Plan, which incorporates modifications to the Proposed Plan recommended by the Agency and made by the City Council, and the final Report and Feasibility Study to Accompany the Economic Development Plan for the Swenson Economic Development Project Area, including the Report and Recommendations of the Spanish Fork City Planning Commission on the Proposed Economic Development Plan for the Swenson Economic Development Project Area, are incorporated herein by this reference.

SECTION 50: DESIGNATION OF THE PROPOSED PLAN AS MODIFIED AS THE OFFICIAL ECONOMIC DEVELOPMENT PLAN FOR THE PROJECT AREA; ADOPTION OF PLAN

The Proposed Plan as modified and approved by the City Council is hereby adopted and approved by the City Council and designated as the Official Economic Development Plan for the Swenson Economic Development Project Area (the "Official Economic Development Plan").

SECTION 60: FINDINGS AND DETERMINATIONS OF THE CITY COUNCIL

The City Council hereby makes the following findings and determinations:

- A. [§ 61] Need to Effectuate a Public Purpose.
 - 1. [§ 61.1] Adoption of Official Economic Development Plan Needed to Promote Economic Growth within the Project Area. As detailed in the Agency Report, adoption of the Official Economic Development Plan is needed in order to support a variety of public purposes identified in the 1995 Spanish Fork General Plan and otherwise. In particular, adoption of the Official Economic Development Plan will help to bring about development of

a business park which will promote creation of jobs for Spanish Fork residents and will strengthen the tax base for Spanish Fork City and other affected taxing entities.

2. [§ 61.2] The Official Economic Development Plan is Needed to Further a Variety of Public Welfare Purposes. As more and more of Northern Utah County is built up, southern Utah County becomes a primary potential location for low and moderate income housing. Without additional non-residential tax base, it will be extremely difficult to meet the demands for municipal and other public services. Additionally, lack of jobs in the community makes it difficult for current workers and students graduating from local schools to stay in the community, imposing added commute costs and in many cases, the need to leave the community, on those affected. These fundamental problems bring other social and economic impacts in their train. As more particularly explained in the Agency Report, the community's view is that the best way to meet these challenges, and thereby to further public welfare, is to adopt and implement the Official Economic Development Plan.
 3. [§ 61.3] Findings Not Exhaustive. Nothing herein shall be construed to imply that the Agency Report exhaustively describes all the facts and conditions that are the basis of the findings in the foregoing two paragraphs, and other additional justifications for these findings may exist which have not been expressly noted.
- B. [§ 62] Assurance of Public Benefit. Analysis of the nature and scope of public benefits to be derived from adoption of the Official Economic Development Plan is

set forth in Section VII of the Agency Report. The City Council hereby reaffirms the findings made in that Section. Several key types of benefits are identified there. First, current and future occupants of the proposed Spanish Fork Business Park will benefit in that needed infrastructure will be installed, land will be assembled, and problems currently standing in the way of long-sought development of the Project Area will be eliminated. This in turn will make it possible to help bring about the high community priorities on strengthening Spanish Fork's tax base and creating additional jobs in Spanish Fork. In addition to these general benefits, the Official Economic Development Plan requires that each of the items to be analyzed under Section 17A-2-1220 of the Act in terms of identifying specific public benefits and subsidies provided to a particular development (i.e., to each subpart of the overall economic development Project contemplated by the Official Economic Development Plan) as well as the resulting public benefit to the community must be reanalyzed, both as to the specific development and in terms of the impact of that development on the whole Project, at any time new funds are approved by the Taxing Agency Committee and committed to the Project. See Sections 601 and 605 of the Official Economic Development Plan. Thus, each major step in the implementation of the Official Economic Development Plan may only be undertaken after ongoing benefit analysis is completed, and this process, as set forth in the Official Economic Development Plan, will provide the best possible assurance that the benefits contemplated by the Act will be achieved.

- C. [§ 63] Conformity with Utah Neighborhood Development Act and Other Public Purposes. The Official Economic Development Plan will bring about economic

development within the Project Area in conformity with the Act, and in the interests of the public peace, health, safety and welfare in that:

1. [§ 63.1] it will enable the Agency to make financing alternatives available to parties electing to become participants in the Project and to developers, thereby providing necessary assistance for investment, development, installation of infrastructure, and other actions necessary to promoting economic development within the Project Area;
2. [§ 63.2] it will help to eliminate the sources of economic stagnation in the Project Area and will otherwise contribute to the strengthening of Spanish Fork's economic base;
3. [§ 63.3] it will help attract desirable businesses to locate and expand within the Project Area;
4. [§ 63.4] it will facilitate controlled growth of attractive business developments and facilities within the Project Area;
5. [§ 63.5] it will enable the Agency to help meet some of the infrastructure needs of Spanish Fork which are important for development of the Project Area;
6. [§ 63.6] it will help stimulate the creation of new, high-paying jobs within Spanish Fork; and
7. [§ 63.7] it will contribute in a variety of other ways to the development of the Project Area in conformity with the Act, and to furthering the interests of public peace, health, safety and welfare.

D. [§ 64] Feasibility. The adoption and carrying out of the Official Economic

Development Plan is economically sound and feasible in that under Section 601 of the Official Economic Development Plan, developments proposed pursuant to and in furtherance of the Official Economic Development Plan will proceed and be carried out only if and when financing becomes available, and the financing of projects is primarily based upon the willingness of public and private entities to invest and develop in the Project Area. Furthermore, as set forth in Section 605 of the Official Economic Development Plan, feasibility of specific projects and the overall feasibility of the Plan will be reanalyzed by the Taxing Agency Committee each time the commitment of additional tax increment funds is authorized by that Committee. Thus, there will be ongoing checks to assess the feasibility of the Project as a whole and individual components of the Project, and this process, as set forth in the Official Economic Development Plan and the Agency Report, will provide the best possible assurance that the Project will be feasible as contemplated by the Act.

- E. [§ 65] Conformity to Comprehensive Plan. The Official Economic Development Plan conforms to the new Spanish Fork General Plan adopted in October of 1995, as more particularly shown in the Agency Report.
- F. [§ 66] Effects of Carrying Out the Official Economic Development Plan. The carrying out of the Official Economic Development Plan will promote the public peace, health, safety and welfare of the community, and will effectuate the purpose and policy of the Act in that it will promote and facilitate:
1. [§ 66.1] the promotion of economic development in the Project Area;
 2. [§ 66.2] measures which will eliminate current sources of stagnation and inability to develop within the Project Area;

3. [§ 66.3] the attraction of desirable businesses into the Project Area;
 4. [§ 66.4] the encouragement of attractive, high quality development within the Project Area;
 5. [§ 66.5] the provision of enhanced parking, traffic circulation, infrastructure, and other such improvements;
 6. [§ 66.6] other measures which will promote the public peace, health, safety and welfare and which would be consistent with the purposes of the Act.
- G. [§ 67] Relocation. The Agency has a feasible method or plan for the relocation of families and persons displaced from the Project Area in that Section 306 of the Official Economic Development Plan and its subparagraphs specify that the Relocation Rules and Regulations for Implementation of the Utah Relocation Assistance Act for the Swenson Economic Development Project Area (“Relocation Rules”) shall govern relocation of persons, businesses, and other entities displaced by Agency action. Section 503 of the Relocation Rules specifies that “[n]o person shall be required to move from his dwelling on account of any project of the Agency unless the Agency's Executive Director is satisfied that replacement housing is available to this person.” The Executive Director's determination in this regard may be appealed to the Agency's Governing Board. That is, unless a feasible method or plan for relocation exists, execution of the Official Economic Development Plan cannot go forward. In fact, since the Agency will not be authorized to exercise eminent domain under the Official Economic Development Plan, no one will be forcibly “displaced” in the sense contemplated by the Act, and in any event, as found in the Agency

Report, it is highly unlikely that involuntary relocation of any kind will be necessary.

- H. [§ 68] Relocation Dwellings. The Relocation Rules which govern relocation of persons displaced from the Project Area under the Official Economic Development Plan as indicated in Section 67 hereof, also provide in Section 501 thereof that “[n]o person shall be required to move or be relocated from land used as his residence and acquired under any of the condemnation or eminent domain laws of this state until he has been offered a comparable replacement dwelling which is a safe, clean and sanitary dwelling adequate to accommodate this person, reasonably accessible to public services and places of employment, and available on the private market.” Thus, there are or will be provided in the Project Area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families and persons displaced from the Project Area, decent, safe, and sanitary dwellings equal in number to the number of and available to such families and persons as may be displaced by the Official Economic Development Plan and reasonably accessible to their places of employment. Since there are only two residential structures in the Project Area with respect to which it is anticipated that relocation may apply, and these are old farm structures of low quality, it is anticipated that as a practical matter, it will not be necessary to provide replacement housing, but mechanisms are available if this should be legally required.

SECTION 70: AVAILABILITY OF REPLACEMENT HOUSING

The Spanish Fork City Council is satisfied permanent housing facilities will be available within three years from the time occupants of the Project Area may be or are displaced and that pending the

development of such facilities there will be available to such displaced occupants adequate temporary housing facilities at rents comparable to those in the community at the time of their displacement. The basis for this statement is that, as indicated in Section 68 above, only a relatively small number of residential units exist in the Project Area, and even in the event that all were required to move, sufficient housing is available or could be constructed in surrounding areas. Significantly, the Relocation Rules, which govern relocation and persons displaced from the Project Area under the Official Economic Development Plan as indicated in Section 67 hereof, impose a very stringent requirement. They provide in Section 503 thereof that “[n]o person shall be required to move from his dwelling on account of any project of the Agency unless the Agency's Executive Director is satisfied that replacement housing is available to this person.” Persons may not be displaced from property pursuant to the Official Economic Development Plan unless or until this condition is met, and meeting this requirement assures (and shall be construed to require) that replacement housing be available in substantially less than three years. In all likelihood, inhabitants of the affected residential structures will voluntarily seek and find alternative housing before any action is taken by the Agency that would necessitate their moving.

SECTION 80: PARTICIPATION RULES

This Official Economic Development Plan shall operate subject to the Rules Governing Participation and Preferences by Owners, Operators of Businesses, and Tenants in the Swenson Economic Development Project Area.

SECTION 90: SEVERABILITY

If any one or more provision, section, subsection, sentence, clause, phrase or word of this Ordinance or the application thereof to any person, property or circumstance is found to be unconstitutional or otherwise contrary to law, the same is declared to be severable and the balance

of this Ordinance shall remain effective. The City Council hereby declares that it would have passed this Ordinance, and each provision, section, subsection, sentence, clause, phrase or word thereof, irrespective of the fact that any one or more provision, section, subsection, sentence, clause, phrase or word be declared unconstitutional or otherwise contrary to law.

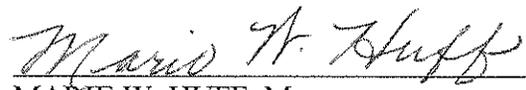
SECTION 100: EFFECTIVE DATE

This Ordinance shall become effective upon publication of a summary thereof in a newspaper of general circulation in Spanish Fork, provided that the Taxing Agency Committee has consented to the size of the Project Area as established by the Plan and to the percentage of taxable value of property included in redevelopment and economic development project areas upon adoption of the Plan.

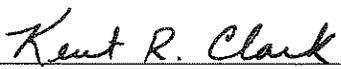
SECTION II

PASSED AND ORDERED PUBLISHED BY THE SPANISH FORK CITY COUNCIL OF SPANISH FORK, UTAH, this 21st day of October, 1997

DATED this 21st day of October, 1997.


MARIE W. HUFF, Mayor

ATTEST:


KENT R. CLARK, City Recorder

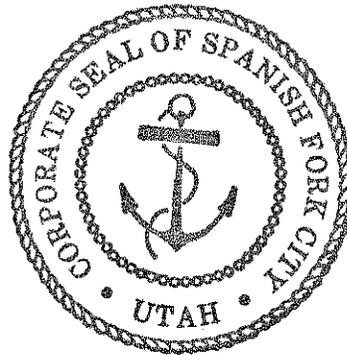


EXHIBIT B

ENT 92848 BK 4443 PG 154

LEGAL DESCRIPTION

Starting at the Northeast Corner of Section 7, Township 8 South, Range 3 East, Salt Lake Base and Meridian; Thence S 88° 59' 48" W 934.09 Feet, S 32° 00' 00" W 557.04 Feet, S 89° 00' 00" W 14.61 Feet, S 22° 00' 00" W 161.44 Feet, S 83° 00' 00" E 137.60 Feet, S 01° 00' 00" W 426.34 Feet, S 89° 00' 00" E 304.57 Feet, S 00° 20' 00" E 1438.41 Feet, N 88° 50' 00" W 457.71 Feet, S 44° 57' 00" W 187.84 Feet, S 00° 40' 00" E 367.81 Feet, S 02° 58' 32" E 24.58 Feet, S 88° 30' 04" W 143.62 Feet, S 84° 00' 00" W 271.02 Feet, S 45° 00' 00" W 712.40 Feet, East 790.62 Feet, S 01° 25' 00" E 1591.79 Feet, S 87° 30' 27" E 127.22 Feet, S 10° 00' 00" W 202.44 Feet, S 89° 30' 00" W 369.89 Feet, S 55° 45' 44" W 306.79 Feet, S 30° 38' 28" W 1235.05 Feet, S 00° 34' 55" E 353.37 Feet, S 88° 31' 07" E 2716.85 Feet, North 391.94 Feet, East 32.38 Feet, South 7.22 Feet, East 1287.20 Feet, North 2646.61 Feet, N 08° 08' 20" W 46.99 Feet, N 00° 21' 30" W 745.65 Feet, N 14° 03' 52" E 46.57 Feet, North 42.18 Feet, N 55° 40' 23" E 371.58 Feet, N 33° 02' 50" W 17.13 Feet, N 55° 18' 00" E 442.60 Feet, West 657.63 Feet, North 636.79 Feet, N 16° 23' 54" W 49.89 Feet, S 43° 45' 00" W 471.09 Feet, S 73° 00' 00" W 1056.87 Feet, North 2616.39 Feet to the point of Beginning.

Official Economic Development Plan
for the
Swenson Economic Development Project Area

October 21, 1997

REDEVELOPMENT AGENCY OF SPANISH FORK CITY, UTAH

Spanish Fork City, Utah

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ECONOMIC DEVELOPMENT PLAN

FOR THE

SWENSON ECONOMIC DEVELOPMENT PROJECT AREA

I. INTRODUCTION

The Economic Development Plan (“Economic Development Plan” or “Plan”) for the Swenson Economic Development Project Area has been prepared in consultation with the Spanish Fork City Planning Commission by the Spanish Fork Redevelopment Agency of Spanish Fork City, Utah (“Agency”) pursuant to the Utah Neighborhood Development Act, Chapter 12 of Part 2 of Title 17A of the Utah Code, as amended (the “Act”), and pursuant to the Utah Constitution, the United States Constitution, and all applicable local laws and ordinances. Activities carried out in furtherance of the Plan are referred to collectively as the “Project;” individual subcomponents of the Project are sometimes referred to herein as “Projects.”

II. PROJECT AREA BOUNDARIES

The boundaries of the Swenson Economic Development Project Area (“Project Area”) are, as of the time of adoption of the Plan, located entirely within Spanish Fork City, Utah (“City”) and are illustrated on the map entitled “Land Use Map,” which is attached hereto as Exhibit A and made a part hereof by this reference. The legal description of the boundaries of the Project Area is attached hereto and made a part hereof as Exhibit B.

III. PROPOSED REDEVELOPMENT ACTIONS

§ 301 General

The Agency proposes to promote economic development in the Project Area by some or all of the following actions:

1. Acquisition of real property;
2. Demolition or removal of buildings and improvements;

3. Relocation assistance to residential, commercial and other occupants displaced by the Project activities, if any;
4. Installation, construction or reconstruction of streets, utilities, and other public improvements;
5. Disposition of property acquired by the Agency;
6. Providing appropriate assistance for the development of land by private enterprise and public agencies for uses in accordance with this Plan;
7. Participation by persons or entities engaged in business or holding interests in property within the Project Area through remaining in or re-entering the Project Area.

§ 302 Property Acquisition

§ 302.01 Acquisition of Real Property

The Agency will determine in its sole discretion whether effective economic development can best be promoted through acquisition of land in the Project Area by the Agency or the City, or by cooperating in direct purchases of land by other parties. The Agency will be assisting and encouraging public and private entities to bring about economic development by installing needed utilities, rehabilitating properties, and developing properties in the Project Area in a manner that is consistent with the Plan. A principal objective of this Plan is to promote economic development by helping to bring about controlled growth in the private sector within the Project Area. As is more particularly specified in Section 601 hereof, the Agency will not acquire property unless or until the Agency determines that the specific project involved is feasible in light of investments or commitments made or reasonably likely to be made by developers or participants in the Plan, or by other parties. Usually, this will occur only when the Agency has an agreement assuring that the property will be disposed of to a public or private developer or participant. However, in order to bring about the desired development, it may be

necessary to take some actions and acquire some land before immediate plans for development are at hand.

The Agency is authorized to acquire (but is not required to acquire) real property located in the Project Area. The Agency is authorized to acquire such property by gift, devise, exchange, purchase, or any other lawful method, except that the Agency shall not be authorized to exercise the power of eminent domain. Nothing herein shall be deemed to be a waiver of the City's power of eminent domain, which the City may continue to use where necessary to acquire land for roads or other public purposes as permitted by law.

The Agency is authorized to acquire structures without acquiring the land upon which those structures are located. The Agency is also authorized to acquire any other interests in real property.

§ 302.02 Acquisition of Personal Property

Generally personal property will not be acquired. However, where necessary in the execution of this Plan, the Agency is authorized to acquire personal property in the Project Area in connection with acquisitions of interests in real property.

§ 303 Participation Opportunities and Preferences

§ 303.01 Participation and Preference Rules

The Rules Governing Participation and Preferences by Owners, Operators of Businesses, and Tenants in the Swenson Economic Development Project Area were adopted by the Redevelopment Agency of Spanish Fork City in conjunction with the adoption of this Plan. Those rules as they exist or as they may subsequently be amended (the "Participation Rules"), shall govern participation opportunities and preferences granted to persons or entities engaged in business or holding interests in property within the Swenson Economic Development Project Area.

Opportunities for Participation by Owners, Operators of Businesses and Other Persons or Entities with Property Interest in the Project Area

The Agency shall extend preferences to persons or entities who are engaged in business or hold interests in property within the Project Area and who sell, terminate, or otherwise transfer those interests and who re-enter the Project Area if they otherwise meet the requirements prescribed by the Plan and the Participation Rules.

The Agency may permit persons who are owners of real property in the Project Area to be given the opportunity to participate in economic development by retention of improvements or land, or by new development by retaining all or a portion of their properties, by acquiring adjacent or other properties from the Agency or purchasing other properties in the Project Area.

If conflicts develop between participants for particular sites or land uses, the Agency is authorized to establish reasonable priorities and preferences between and among participants, in accordance with the Participation Rules. This may include but is not limited to determining a solution by consideration of such factors as length of time in the area; accommodation of as many participants as possible; ability to perform; potential for generation of new tax revenues; likelihood to create new jobs; quality of proposed development; consistency of proposed development with other surrounding uses; and conformity with intent and purpose of this Plan.

In addition to opportunities for participation by persons and firms individually, participation to the extent it is feasible shall also be available for two or more persons, firms, or institutions, to join together in partnerships, corporations, or other joint entities as indicated in the Participation Rules.

The Agency and the City desire as much participation as possible in the economic development of the Project Area by owners and tenants in the Project Area.

§ 303.02 Participation Agreements

When deemed necessary by the Agency to carry out the Plan, each owner and tenant may be required to enter into a binding participation agreement with the Agency by which the participant agrees to rehabilitate, develop, or use the property in conformance with such agreements and to be subject to the provisions thereof. In such agreements, participants who retain real property shall

be required to join in the recordation of such documents as are necessary to make the provisions of the agreement applicable to their properties.

§ 304 Cooperation with Public Bodies

Many public bodies are authorized by state law to aid and cooperate, with or without consideration, in the planning, undertaking, construction, or operation of this Project. The Agency may seek the aid and cooperation of such public bodies and attempt to coordinate this Plan with the activities of such public bodies in order to accomplish the parallel purposes of the economic development and the highest public good. The Agency will seek the cooperation of all public bodies which own or intend to acquire property in the Project Area and may enter into contracts or other arrangements with such bodies as permitted by law in furtherance of this plan. Any public body which owns or leases property in the Project Area will be afforded all the privileges of participation if such public body is willing to enter into a participation agreement with the Agency. All plans for development of property in the Project Area by a public body shall be subject to Agency approval. The Agency is authorized to assist financially (and otherwise) any public entity with the costs of public land, buildings, facilities, structures, or other improvements if such land, building, facilities, structures or other improvements are of benefit to the Project.

The Agency may pay to any school district with territory located within the Project Area any amounts of money which, in the Agency's determination, are appropriate to alleviate any financial burden or detriment caused to any school district by the Project.

§ 305 Property Management

During such time as property, if any, in the Project Area is owned by the Agency, such property shall be under the management and control of the Agency. Such property may be rented or leased by the Agency pending its disposition for economic development purposes, and such rental or lease shall be pursuant to such policies as the Agency may adopt.

In any year during which the Agency owns property in the Project Area, the Agency may, but is not required, to make compensating payments to

taxing agencies which would have received tax revenues from the property were it not exempt by virtue of Agency ownership. The total amount of such compensating payments shall not exceed the tax increments the Agency actually receives from the Project and the payments to particular taxing agencies shall not exceed the amount the entity would have received but for the property's exempt status.

§ 306 Relocation of Persona Displaced by the Project

§ 306.01 Relocation Rules

The Relocation Rules and Regulations for Implementation of the Utah Relocation Assistance Act for the Swenson Economic Development Project Area were adopted by the Redevelopment Agency of Spanish Fork City in conjunction with the adoption of this Plan. The rules as they exist or as they may subsequently be amended (the "Relocation Rules") shall govern relocation of persons, businesses, and other entities displaced by Agency action.

§ 306.02 Assistance in Finding Other Locations

Since most of the Project Area consists of vacant land, it is unlikely that any substantial relocation costs will be incurred in carrying out the Project. The Agency may assist all persons and entities, if any, (including families, business concerns, and others) displaced by Agency acquisition of property in the Project Area in finding other locations and facilities. The Agency shall not be required to make such relocation payments except as required by Utah law. The Agency shall structure economic development efforts, to the greatest extent possible consistent with Agency objectives, to minimize the need to displace persons or entities, except in accordance with their voluntary agreement. The Agency shall assist individuals and families in finding housing that is decent, safe, sanitary, within their financial means, in reasonably convenient locations, and otherwise suitable to their needs. The Agency is also authorized to provide housing or to arrange for the provision of housing outside the Project Area for displaced persons, and to provide such other assistance as may be necessary or appropriate under the Relocation Rules.

§ 306.03 Relocation Payments

The Agency shall pay all relocation payments required by law (if any arise). In addition, the Agency may make any additional relocation payments which in the opinion of the Agency's Governing Board may be reasonably necessary to carry out the purposes of this Plan. Such additional relocation payments shall be subject to the availability of funds for this purpose.

§ 307 Public Improvements, Demolition and Land Clearance, and Site Preparation

§ 307.01 Public Improvements, Public Facilities and Public Utilities

The Agency is authorized to install and construct or to cause to be installed and constructed the public improvements, public facilities, and public utilities (within or outside the Project Area) as appropriate or necessary to carry out the Plan or to benefit the Project. The Agency is also authorized to reimburse the City for costs the City has already incurred in this regard in anticipation of adoption of an economic development plan. Such improvements, facilities, and utilities may be paid for in whole or in part by the Agency, by private developers or by participants in the Plan. They may be financed by any means available to the Agency and/or developers or participants which are authorized or permitted by law.

§ 307.02 Demolition and Land Clearance

The Agency is authorized to demolish and clear buildings, structures, and other improvements from any real property in the Project Area that the Agency owns or acquires, as necessary to carry out the purposes of this Plan.

§ 307.03 Preparation of Sites

The Agency is authorized to prepare or cause to be prepared as sites any real property in the Project Area owned or acquired by the Agency.

§ 308 Conservation and Moving Structures by the Agency

§ 308.01 Conservation

It shall be the purpose of this Plan to allow for the retention of existing businesses and to add to the economic life of businesses by a program of voluntary participation in their conservation and rehabilitation.

The extent of rehabilitation in the Project Area shall be subject to the following limitations:

- a. The rehabilitation of the structure must be compatible with land uses as provided for in this Plan.
- b. Rehabilitation and conservation activities on a structure must be carried out in an expeditious manner and in conformance with any standards adopted by the Agency.
- c. The expansion of public facilities, improvements and structures.
- d. The assembly and development of areas in accordance with this Plan.

The Agency is authorized to rehabilitate and conserve or cause to be rehabilitated and conserved buildings and structures in the Project Area. The Agency is also authorized and directed to advise, encourage and assist in the rehabilitation and conservation of property in the Project Area.

§ 308.02 Moving of Structures

With respect to buildings or structures owned or acquired by the Agency, the Agency is authorized to move or to cause to be moved any structure or building or any structure or building which can be rehabilitated to a location within or outside the Project Area as necessary in carrying out this Plan.

§ 309 Property Disposition and Development

§ 309.01 Real Property Disposition and Development

§ 309.01.01 General

For the purposes of this Plan, the Agency is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest in real property. To the extent permitted by law, the Agency is authorized to dispose of real property by negotiation through leases or sales without public bidding.

All real property acquired by the Agency in the Project Area shall be sold or leased to public or private persons or entities for development for the uses permitted in the Plan. Real property may be conveyed by the Agency to the City or any other public body without charge. The Agency shall reserve such powers and controls in the disposition and development documents as may be necessary to prevent transfer, retention, or use of property for speculative purposes before development and to insure that development is carried out pursuant to this Plan. All purchasers or lessees of property shall be obligated to use the property for the purpose designated in this Plan, and in accordance with any additional requirements imposed by participation agreements, development agreements, or any other covenants or agreements that affect the property in question. They shall begin and complete development of the property within a period of time which the Agency fixes as reasonable, and comply with other conditions which the Agency deems necessary to carry out the purposes of this Plan.

§ 309.01.02 Purchase and Development by Participants

Pursuant to the provisions of this Plan and the Participation Rules adopted by the Agency, the Agency shall to the greatest extent feasible offer real property acquired by the Agency for disposition and development to persons or entities engaged in business or holding other interests in the property in the Project Area on a preference basis over other persons or entities.

§ 309.01.03 Purchase and Development Documents

To provide adequate safeguards to ensure that the provisions of this Plan will be carried out and to prevent the occurrence of blight, all real property sold, leased, or conveyed by the Agency, as well as all property subject to participation agreements, shall be made subject to the provisions of this Plan by leases, deeds, contracts, agreements, declarations of restrictions, provisions of the zoning ordinance, conditional use permits, or other means. Where appropriate, as determined by the Agency, such documents or portions thereof shall be recorded in the Office of the Recorder of the County.

The leases, deeds, contracts, agreements, and declarations of restrictions may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, equitable servitudes, or any other provisions necessary to carry out this Plan.

All property in the Project Area is hereby made subject to the restrictions of § 406.08 of this Plan. All deeds, leases, or contracts for the sale, lease, sublease or other transfer of land in the Project Area and all participation agreements dealing with land in the Project Area shall contain nondiscrimination and nonsegregation clauses consistent with the provisions of § 406.08 of this Plan.

§ 309.01.04 Development

To the extent now or hereafter permitted by law, the Agency is authorized to pay for, develop, or construct any building, facility, structure, or other improvement either inside or outside the Project Area for itself or for any public body or public entity to the extent that such improvement would be of benefit to the Project Area and to the extent permitted by law.

During the period of development in the Project Area, the Agency shall insure that the provisions of this Plan and of other documents formulated pursuant to this Plan are being observed, and that development in the Project Area is proceeding in accordance with development documents and time schedules.

Development plans, both public and private, shall be submitted to the Agency for approval and architectural review. The Agency

shall develop architectural and design standards and submit them to the City Council for its consideration and approval. All development must conform to this Plan, such Agency architectural and design standards as may be approved by the City Council and all applicable laws.

§ 309.02 Personal Property Disposition

The Agency is authorized to sell, lease, exchange, transfer, assign, pledge, encumber, or otherwise dispose of personal property that has been acquired by the Agency.

§ 310 Compensation of the Agency's Governing Board, Its Officers, and Executive Director

The members of the Agency's Governing Board and its officers shall receive no compensation for their services as Board members and officers in addition to compensation received as members of the City Council. If the Executive Director of the Agency is also an employee of the City, the Executive Director shall receive no compensation for service as Executive Director in addition to compensation received as City Administrator or as an employee of the City. However, the Spanish Fork City Council may determine the percentage of the City Administrator, the Executive Director, or other employee's time that is devoted to economic development matters within the Project Area, and may require that the City be reimbursed by the Agency for an amount which corresponds to the percentage thus determined, multiplied by the total of the individual's salary and the cost of fringe benefits. The City Council may provide such amount as a loan or grant to the Agency.

IV. USES PERMITTED IN THE PROJECT AREA

§ 401 Land Use Map and Uses Generally

The "Land Use Map," Exhibit A, indicates the type and location of land uses to be permitted in the Project Area and roads serving the area or to be developed.

This Plan does not supplant the need for compliance with established procedures for securing the approval of the City Council, the Planning Commission, or other officials or bodies within the City as required by law, City ordinances, and by normal City practice.

§ 402 Permitted Uses

The Redevelopment Agency proposes to help bring about controlled growth in the Project Area by providing financial incentives to attract new business and support for economic development and by providing and/or encouraging vital improvements in the Project Area, including commercial, manufacturing, and distribution development that may include any or all of the following: retail and commercial development, office space, manufacturing, distribution, and light industrial, special highway service uses, as well as residual agricultural, and other developments which will help provide quality growth for the City. Planning includes provision of buffering between the Project Area and surrounding residential areas. Economic development efforts under the Plan could provide a certain percentage of the cost of making these improvements. The Redevelopment Agency could also provide land and building cost incentives to businesses wishing to be located in Spanish Fork, and could assist with infrastructure and a number of other costs in order to help bring about controlled development. In general, it is the intent of the Agency and the City in adopting this Plan to arrange for the installation of needed infrastructure and assembly of land so that developers can be sold parcels ready for development. For the most part, it is anticipated that such sales will be at market rates, without subsidies, except in the case of businesses that offer special benefits and advantages to the community.

In general, the Project Area will ultimately be used for light industrial, commercial, manufacturing or distribution purposes as provided in Spanish Fork City zoning ordinances. Existing uses will be allowed to continue. Other uses defined herein may be permitted to the extent they are permitted by zoning regulations as they currently exist or as they may hereafter be amended.

The Land Use Map (Exhibit A) shows the primary anticipated use of each area in the Project Area with a shade representing that use. Some areas are flagged with letters indicating that one or more alternative uses may be permitted. Unless otherwise noted, such areas may be devoted to any use permitted pursuant to

the Plan. Before any area may be used for an alternative use, approval of the City Council and the Agency must be secured, in addition to complying with normal City procedures for any necessary zoning changes or to obtain other necessary approvals or decisions as indicated in Section 17.12.070 of the Spanish Fork City Municipal Code.

It is contemplated that the land uses in the Project Area may include the following:

1. General Commercial
2. Public and Semi-Public
3. Institutional
4. Recreational
5. Industrial
6. Agricultural
7. Highway Services
8. Roads and Rights-of-Way

Other uses than those authorized above may be permitted after hearing and comment from surrounding users, so long as such uses do not detract from the intended high quality business park usages contemplated by this Plan. Office or other administrative buildings necessary to administer businesses within the park (or elsewhere) shall be permitted, subject to meeting aesthetic and other standards required of buildings within the Project Area.

§ 403 Commercial-Manufacturing-Distribution and Light Industrial Uses

The areas shown on Exhibit A or otherwise permitted to be developed as commercial, manufacturing, and distribution uses may be developed, maintained, rehabilitated, or preserved for general commercial, limited manufacturing, distribution and light industrial uses. Such uses include those uses permitted as I-1 Industrial Zone uses as defined and permitted by the Spanish Fork City Municipal Code, as it currently exists or as it may be amended from time to time, and any other applicable land use ordinances or regulations. Such uses may also include recreational uses, provided they are designed in a manner that is harmonious with other uses in the Project Area. Certain types of industrial uses are excluded, such as industries which are hazardous or are offensive due to the unusual emission of odors, vibration, dust, glare, noise, or fumes. Because of the adverse effects which occur when permitted to commingle, dwellings, schools, churches, and some service commercial establishments have been excluded from the I-1 Zone.

§ 404 Public, Semi-Public and Institutional Uses

As an alternative use, areas within the Project Area may be permitted to be developed as public, semi-public, and institutional use areas. Upon becoming an approved use, such areas shall be developed, maintained, rehabilitated, or preserved for public, semi-public, and institutional uses. Public and semi-public uses include, but are not limited to schools, parks, community center uses, churches, health care facilities, landscaped areas and walkways, recreational facilities, City, state and federal offices, libraries, and other public and semi-public uses. Such uses may not, however, include uses involving nursing homes or homes for the elderly.

§ 404.01 Institutional Uses

Institutional uses including but not limited to uses by religious, educational, charitable, scientific, health care, community center uses, recreational, or other such organizations are permitted within the Project Area as conditional uses, subject to the provisions and requirements of the Spanish Fork City Zoning Ordinances, as they currently exist or as they may be amended from time to time, and any other applicable land use ordinances or regulations.

Institutional uses permitted in the Project Area shall not include mental health, medical, or elderly housing and care facilities.

§ 404.02 Roads and Rights-of-way

As a basis for the economic development of the Project Area it is proposed that, in general, the layout of principal streets be as shown on the map attached as Exhibit A. The only road currently within the Project Area is an undedicated portion of 1100 East Street used as access to a mulching facility. It is anticipated, however, that roads will be designed and installed as suggested conceptually by the Swenson Economic Development Project diagram attached hereto as Exhibit D and incorporated herein by this reference. The roads suggested by Exhibit D interior to the Project Area have not yet been installed. As economic development efforts go forward within the Project Area, it may be necessary to reconfigure the proposed streets, but traffic configuration within the Project Area shall be designed to minimize traffic impacts on surrounding residential areas.

All or part of any street and alley in the Project Area other than the principal street may be abandoned or closed as necessary for proper development of the Project Area. Additional public streets, alleys and easements may be created in the Project Area as needed for proper development. All streets and alleys in the Project Area may be widened, altered as necessary or appropriate for proper development of the Project Area.

The public rights-of-way may be used for vehicular and/or pedestrian traffic, as well as for public improvements, public and private utilities and activities typically found in public rights-of-way.

Nothing herein shall be construed as authorizing the Agency to abandon, close, create, widen, or otherwise alter any streets, alleys, easements or other rights-of-way without following procedures established by applicable federal, state and local law.

§ 405 Agricultural Uses

The areas currently permitted to be developed or maintained as agricultural uses may be developed, maintained, rehabilitated, or preserved for

agricultural uses until such time as they shift to commercial or light industrial uses. Such agricultural uses include uses permitted in agricultural zones pursuant to the Spanish Fork City zoning ordinances, as they currently exist or as they may hereafter be amended, and any other applicable land use ordinances or regulations. In general, it is anticipated that new development in the Project Area will not be agricultural in nature.

§ 406 Federal, State and Local Controls and Limitations

No real property shall be developed, constructed, rehabilitated, modified, altered, repaired, or otherwise changed after the date of the adoption of this Plan, except in conformance with the provisions of Federal law, State law, or the ordinances of Spanish Fork City, all as they currently exist or as they may hereafter be amended.

§ 406.01 Construction

All construction shall comply with applicable State and local laws as they exist or may be amended, including without limitation the Uniform Building Code, the Uniform Plumbing Code, the Uniform Fire Code, the Uniform Mechanical Code, and the National Electrical Safety Code, all as adopted in Utah or in Spanish Fork, and the Spanish Fork Zoning and Subdivision Ordinances.

§ 406.02 Nonconforming Uses

The Agency may permit nonconforming uses to remain in the Project Area to the extent they are permitted by State and local laws as they exist or may hereafter be amended.

§ 406.03 Rehabilitation

The Agency may approve any existing structure within the Project Area for retention and rehabilitation, repair, alteration, reconstruction, in such manner that it will be safe and sound in all physical respects and be attractive in appearance and not detrimental to the surrounding areas.

§ 406.04 Landscaping, Light, Air, and Privacy

It is the intent of this Plan that a high standard of landscaping be developed and maintained within the Project Area. In all areas sufficient space shall be maintained between buildings to provide adequate light, air, and privacy.

§ 406.05 Signs

Signs shall conform to the Spanish Fork Sign Ordinance and any other sign regulations applicable within the Project Area. The Agency shall have the right to develop sign regulations and submit them to the City Council for consideration and approval as supplements to the City's sign ordinance. The design of all existing and new signs shall be submitted to the Agency for review and comment. Signs permitted shall be consistent with those permitted by any sign ordinance adopted in Spanish Fork City.

§ 406.06 Utilities

The Agency shall require that all utilities for any new development or any remodeling which would require a building permit under the Uniform Building Code shall be installed underground to the extent this is feasible as determined by the Agency.

§ 406.07 Oil, Gas, or Other Mineral Substances

Within the Project Area, except with the approval of the City Council, there shall be no extraction of oil, gas, or other mineral substances, nor any opening or penetration for any purpose connected therewith within 500 feet of the surface of the Project Area.

§ 406.08 Nondiscrimination and Nonsegregation

There shall be no discrimination or segregation based upon sex, race, color, creed, religion, national origin, or ancestry permitted in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of property in the Project Area. Nothing herein shall be construed to preclude religious or

religiously affiliated institutions from engaging in activities which uniquely benefit adherents of the religion in question or foster or advance the religious mission of the institution.

§ 406.09 Subdivision of Parcels

No parcel in the Project Area shall be subdivided or resubdivided without approval as outlined in the Spanish Fork City Municipal Code.

§ 406.10 Variances

Variances or variations from State and local law shall be permitted only pursuant to the processes, procedures, and standards of the State or local law from which the variance or variation is sought.

§ 407 Quality of Development

The objective of this Plan is to create an attractive and pleasant environment in the Project Area. To this end, the Agency may require owners of land within the Project Area, as a condition of benefiting from any activities carried out pursuant to this Plan, including the installation of infrastructure improvements initiated prior to the adoption of this Plan that benefit the Project Area, to accept covenants, conditions and restrictions upon their land which are necessary in the reasonable judgment of the Agency to bringing about a development of high quality.

§ 408 Building Permits

Building permits shall be issued for the construction of any new building or for any construction on an existing building in the Project Area only after compliance with normal City requirements for obtaining a building permit. The Agency may delegate to its Executive Director or one or more other persons or entities the right to give such approvals or to participate in the giving of such approvals on such terms and conditions and with respect to such types of projects as it may determine by resolution.

If a building permit is being sought with respect to construction undertaken pursuant to a participation or development agreement with the Agency, the building permit shall not be issued until the Agency determines that the proposed construction complies with the terms of the participation or development agreement in question. If the Agency takes no action within 30 days after receiving notice of the permit application, it shall be deemed that the proposed construction complies with the agreement in question.

§ 409 Buffering

Appropriate buffering shall be provided wherever, in the judgment of the Agency, buffering is necessary to protect adjacent properties, particularly residential properties.

V. AESTHETICS, LANDSCAPING

It is a goal of this Plan to promote development which will be visually attractive and generally conducive to attracting high quality, clean development. The Agency is authorized to submit standards to the City Council for consideration and approval which shall govern aesthetic requirements for structures and landscaping within the Project Area.

VI. METHODS FOR FINANCING THE PROJECT

§ 601 General Description of the Proposed Financing Methods

The Agency is authorized to finance this Project with financial assistance from the City, State of Utah, the Federal government, property tax increments which accrue within the Project Area, interest income, Agency bonds, or any other available source.

The property tax increments referred to in the preceding paragraph shall be as set forth in Section 602 below. Briefly stated, the tax increments that will be available under this Plan are determined in the following manner. After the Plan is adopted, the total taxable value of property within the Project Area is determined using the taxable values shown on the last equalized assessment roll prior to adoption of the Plan. This provides a base figure. To the extent the taxable

values of property within the Project Area increase above this base figure, application of prevailing tax rates to the increased value above the base figure yields "tax increments." These tax increments arise only with respect to property located in the Project Area. Other taxing entities continue to be entitled to receive the tax revenues that result from application of prevailing tax rates to the base figure of taxable value, so long as the total of taxable values in the Project Area exceed the base figure. The tax increments are made available for financing or assisting with the financing of economic development within the Project Area. Such financing can be accomplished through the use of tax increment bonds or other borrowing. These bonds or other borrowing are retired using the tax increments generated from increased taxable values within the Project Area. Bond holders and other creditors have no recourse against anything but such tax increments for payment of such bonds or other borrowing to the extent such bonds or other borrowing are based solely on tax increments. In particular, they have no claims against City funds.

Advances and loans for the processes in creating the Agency and adopting this plan for survey and planning, and for the operating capital for administration of this Project have been and are to be provided by the City until adequate tax increments or other funds are available or sufficiently assured to repay the loans and/or to permit borrowing adequate working capital from sources other than the City. The City, as it is able, is authorized to supply additional assistance through City loans and grants for various public facilities. All advances and loans from the City shall bear a reasonable rate of interest.

The Agency is authorized to issue bonds if appropriate and feasible in an amount sufficient to finance all or any part of the Project.

The Agency is authorized to obtain advances, to borrow funds and to create indebtedness in carrying out this Plan. The principal and interest on such advances, funds, and indebtedness may be paid from tax increments or any other funds available to the Agency.

It is the intent of this Plan that the Agency will usually purchase property only when the Agency has an agreement assuring that the property will be disposed of to a public or private developer or participant or when the City determines that it is in the best interest of the City to advance funds to the Agency for the purpose of acquiring business park property. Thus this Project will proceed

and be carried out only if and when financing becomes available. The financing of this project is primarily based upon the willingness of public and private entities to invest and develop in the Project Area.

The financing of the Project can also occur through advances from private developers and from purchase prices and rental payments paid by developers and participants.

Under amendments to the Utah Neighborhood Development Act adopted in 1993, the budget of the Agency in carrying out its Projects must be approved by a taxing agency committee, as more particularly provided in Section 17A-2-1247.5 of the Act. This provides a further assurance that Projects undertaken by the Agency for purposes of economic development will be both feasible and beneficial to the community.

§ 602 Tax Increments

Pursuant to Section 17A-2-1247.5 of the Utah Code, as amended, all taxes levied upon taxable property within the Project Area each year by or for the benefit of the State of Utah, County of Utah, Spanish Fork City, any district, or other public corporation (hereinafter sometimes called "taxing agencies") after the effective date of the ordinance approving this Plan, shall be divided as follows:

- (a) [See Utah Code § 17A-2-1247.5(3)(a)] The Agency must obtain the majority consent of a quorum of the taxing agency committee ("Taxing Agency Committee") for the project area budget before an agency may collect any tax increment for the Project Area.
- (b) [See Utah Code § 17A-2-1247.5(3)(b)] The Project Area Budget may be amended from time to time by obtaining the majority consent of a quorum of the taxing agency committee. If an amendment is proposed and a quorum of the taxing agency committee does not consent to the amendment, the agency will continue to operate under the previously approved, unamended Project Area Budget.

- (c) [See Utah Code § 17A-2-1247.5(4)(a)] The Agency may collect tax increment from all or a part of the Project Area. The tax increment shall be paid to the Agency in the same manner and at the same time as payments of taxes to other taxing agencies to pay the principal of and interest on loans, moneys advanced to, or indebtedness, whether funded, refunded, assumed, or otherwise, to finance or refinance, in whole or in part, the redevelopment or economic development project according to the limits established by majority consent of the Taxing Agency Committee.
- (d) [See Utah Code § 17A-2-1247.5(4)(b)] The Agency, in adopting this Plan, elects the following alternative for tax increment collection: 100% of annual tax increment to be paid to the agency for a period of twelve years commencing from the first tax year an agency accepts tax increment from a project area.
- (e) [See Utah Code § 17A-2-1247.5(4)(c)] The Agency may receive a greater percentage of tax increment or receive tax increment for a longer period of time than that specified in this subsection if the Agency obtains the majority consent of the Taxing Agency Committee (created pursuant to 17A-2-1247.5(2)).
- (f) [Utah Code § 17A-2-1247.5(5)(a)] The portion of the property taxes, if any, due to an increase in the tax rate by a taxing agency after the date the Project Area Budget is approved by the Taxing Agency Committee may not be allocated to and when collected paid into a special fund of the Agency according to the provisions of subsections (c), (d), and (e) unless the Taxing Agency Committee approves the inclusion of the increase in the tax rate at the time the Project Area Budget is approved. If approval of the inclusion of the increase in the tax rate is not obtained, the portion of the taxes attributable to the increase in the rate shall be distributed by the county to the taxing agency imposing the tax rate increase in the same manner as other property taxes.
- (g) [Utah Code § 17A-2-1247.5(5)(b)] In each year in which there are increases or decreases in the tax rate of a taxing agency as

described in subsection (f) as a result of (i) statutes enacted by the Legislature, a judicial decision, or an order from the State Tax Commission to a county to adjust or factor its assessment rate pursuant to Subsection 59-2-704(2), (ii) changes in exemptions provided in Article XIII, Sec. 2, Utah Constitution, or Section 59-2-103, and (iii) any increase or decrease in the percentage of fair market value, as defined under Section 59-2-102, the amount of the tax rate to be used in determining tax increment shall be increased or decreased by the amount of the increases or decreases as a result of the applicable action described in (i), (ii), or (iii).

- (h) [Utah Code § 17A-2-1247.5(5)(c)] Notwithstanding the increase or decrease resulting from subsection (g), the amount of money allocated to, and when collected paid to the Agency each year for payment of bonds or other indebtedness may not be less than would have been allocated to and when collected paid to the Agency each year if there had been no increase or decrease under Subsection (g).

The Agency is authorized to make pledges of portions of taxes allocated to the Agency pursuant to Section 602 above as to specific advances, loans and indebtedness as appropriate in carrying out the Project. Such pledges may be irrevocably pledged by the Agency for the payment of the principal of and interest on the advance of moneys, or making of loans, or the incurring of any indebtedness (whether funded, refunded, assumed, or otherwise) by the Agency to finance or refinance the Project in whole or in part.

Taxes shall be allocated and paid to the Agency consistent with the provisions of this Plan only to pay the principal of and interest on loans, moneys advanced to, or indebtedness (whether funded, refunded, assumed or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the Project.

§ 603 Other Loans and Grants

Any other loans grants, guarantees, or financial assistance from the United States or any other public or private source will be utilized if available as appropriate in carrying out the Project.

§ 604 No Encumbrances on Private Property Without Owner Consent

The Agency shall not be entitled to create any indebtedness which would encumber or lien any privately owned property within the Project Area without the express written consent of the owner of such property. Nothing herein shall be construed to preclude the Agency from issuing revenue bonds secured by pledges of portions of taxes allocated to the Agency pursuant to Section 602 above. Further, nothing herein shall be construed as a limitation or waiver of any of the normal powers of the City of Spanish Fork or any other governmental entity that may have authority with respect to one or more properties in the Project Area.

§ 605 Taxing Agency Committee

§ 605.01 Structure of the Committee

A taxing agency committee (the “Taxing Agency Committee”) shall be established as provided in Section 17A-2-1247.5(2)(a) of the Utah Code, as amended. The designated representatives of the various taxing agencies there specified may be replaced from time to time in the sole discretion of the various taxing agencies by naming a new representative or representatives by resolution.

§ 605.02 Meetings of the Taxing Agency Committee

Any two members of the Taxing Agency Committee may call a meeting at any time by giving one week’s notice in writing to other members of the Taxing Agency Committee, or such other notice as may be acceptable to other members of the Taxing Agency Committee. Such meetings shall be held in Utah County, unless a majority of the members of the Committee otherwise agrees. A member of the committee may elect to attend a meeting by telephone or by other electronic means, and will deemed to be present and participating and entitled to vote if he or she does so. The meetings of the Taxing Agency Committee shall comply with notice, agenda and other requirements of the Utah Open Meeting law, Section 52-4-1 of the Utah Code, as amended. In no event shall the Taxing Agency Committee meet less than once a year until such time as no further actions, approvals or reports are necessary with respect to the Project, unless all of the

voting members of the Taxing Agency Committee file statements in writing stating that a meeting of the Taxing Agency Committee is not necessary in a particular year.

§ 605.03 Taxing Agency Committee Budget Review Authority

Because of the nature of economic development contemplated by this Plan, it is not possible to establish a Project Area Budget as defined in Section 17A-2-1202(11) of the Utah Code, as amended, at the time the Plan is adopted. Rather, it is anticipated that budgeting for various aspects of the Project will be approved as various developments go forward within the Project Area over time. Accordingly, the Taxing Agency Committee shall have authority to review and approve Agency budgeting of projects carried out within the Project Area on an ongoing basis, as follows.

- (a) The Taxing Agency Committee shall have the right to review those aspects of the Agency's proposed annual budget or proposed amendments to the budget, which contain or are likely to result in increases in the Project Area Budget that have not been approved by the Taxing Agency Committee. The Agency shall not adopt an annual budget or budget amendment if the Taxing Agency Committee objects to budget items that the Taxing Agency is authorized to review by this subparagraph (a). Nothing herein shall be construed to authorize the Taxing Agency Committee to intervene in matters related to other Project Areas or to the internal management of the Agency. In connection with the annual budget hearing, the Taxing Agency Committee shall be given a status report on the Project, reporting among other things on the performance of various developers in meeting their obligations and on any other pertinent matters with respect to which members of the Taxing Agency Committee may request information.
- (b) The Taxing Agency Committee shall provide copies of each of the annual reports specified in Section 17A-2-1217 of the Utah Code, as amended, to each of the members of the Taxing Agency Committee at the same time these reports are filed with the various taxing and other entities specified in Section 17A-2-1217.

- (c) The Agency shall not be authorized to commit, obligate, pledge, or expend funds that have not been approved by the Taxing Agency Committee as part of a multi-year Project Area Budget that shall be established by the Taxing Agency Committee and that may be amended from time to time to reflect additional Agency costs incurred in the course of implementing this Plan. Once a specified level of expenditures has been authorized for a particular development, the Project Area Budget may not be subsequently amended in a manner that reduces or impairs available funding for the particular development. It is vital that the Agency be able to rely on authorized Project Area Budget amounts in working with particular developers, in issuing bonds, and otherwise in implementing this Plan. The Agency shall have reasonable flexibility in negotiating, modifying, and otherwise altering agreements with developers or participants under the Plan, so long as the Agency reasonably believes that this will not result in any expenditures or commitment of funds in excess of those authorized by the Project Area Budget.

§ 605.04 Feasibility and Benefit Reviews

Before any increase in the Project Area Budget is approved by the Taxing Agency Committee, the Agency shall submit a feasibility and benefit analysis with respect to new projects being proposed and with respect to the ongoing feasibility of the overall Project being implemented pursuant to this Plan. The purpose of this provision is to assure that the feasibility, the nature, extent of, and need for any public subsidy or other assistance, and the likely public benefit of new projects is reviewed on their own merits and in the context of implementing this Plan as a whole before additional expenditures are authorized by the Taxing Agency Committee. The Taxing Agency Committee shall have at least fifteen (15) days to review any such proposal, unless the Taxing Agency Committee agrees to provide expedited review.

§ 605.05 Taxing Agency Committee Powers

The Taxing Agency Committee shall have all powers and authority conferred upon it by the Utah Neighborhood Development Act, as amended.

VII. ACTIONS BY THE CITY

The City shall aid and cooperate with the Agency in carrying out this Plan and shall take all actions necessary to ensure the continued fulfillment of the purposes of this Plan and to prevent the recurrence or spread in the area of conditions causing blight. Subject to the provisions of applicable federal, state and local law, action by the City shall include, but not be limited to, the following:

- a. Institution and completion of proceedings for openings, closing, vacating, widening, or changing the grades of streets, alleys, and other public rights-of-ways, and for other necessary modifications of the streets, the street layout, and other public rights-of-way in the Project Area.
- b. The requirement of abandonment and relocation by the public utility companies of their operations in public rights-of-way as appropriate to carry out the Plan.
- c. Institution and completion of proceedings necessary for changes and improvements in publicly-owned public utilities within the project area.
- d. Revision of zoning within the Project Area to permit the land uses and development authorized by this Plan.
- e. Performance of the above, and of all other functions and services relating to public health, safety, and physical development normally rendered in accordance with a schedule which will permit the redevelopment or economic development of the Project Area to be commenced and carried to completion without unnecessary delays.

- f. The undertaking and completing of any other actions or proceedings necessary to carry out the Project.

VIII. ADMINISTRATION AND ENFORCEMENT OF THE PLAN

Authority to take action or enter into agreements under this Plan shall be vested exclusively in the Agency's Governing Board. The Agency's Governing Board shall be authorized to delegate this authority pursuant to resolutions approved by the Board, but shall not delegate this authority with respect to matters involving property valued in excess of \$10,000.

The Administration and enforcement of this Plan and any documents implementing this Plan shall be performed by the Agency and/or the City.

The provisions of this Plan or other documents entered into pursuant to this Plan may also be enforced by court litigation instituted by either the Agency or the City. Such remedies may include, but are not limited to, specific performance, damages, re-entry, injunctions, or any other remedies appropriate to the purposes of this Plan. In addition, any recorded provisions which are expressly for the benefit of owners of property in the Project Area may be enforced by such owners.

The City Council shall have the financial affairs of the Agency audited annually by an independent auditing firm.

IX. DURATION OF THIS PLAN AND VARIOUS PLAN PROVISIONS

The nondiscrimination and nonsegregation provisions of this Plan shall run in perpetuity. With respect to property which is sold, conveyed, leased or otherwise disposed of by the Agency pursuant to this Plan, the Agency shall retain controls and establish restrictions and covenants running with the land sold or leased for private use for not more than 25 years from the date of such sale or lease and under such conditions as are provided in the Plan.

The Agency may not issue bonds for redevelopment or economic development projects undertaken pursuant to this Plan after fifteen years from the date of the approval of this Plan. The Agency is not authorized to exercise the power of eminent domain at any time under this Plan.

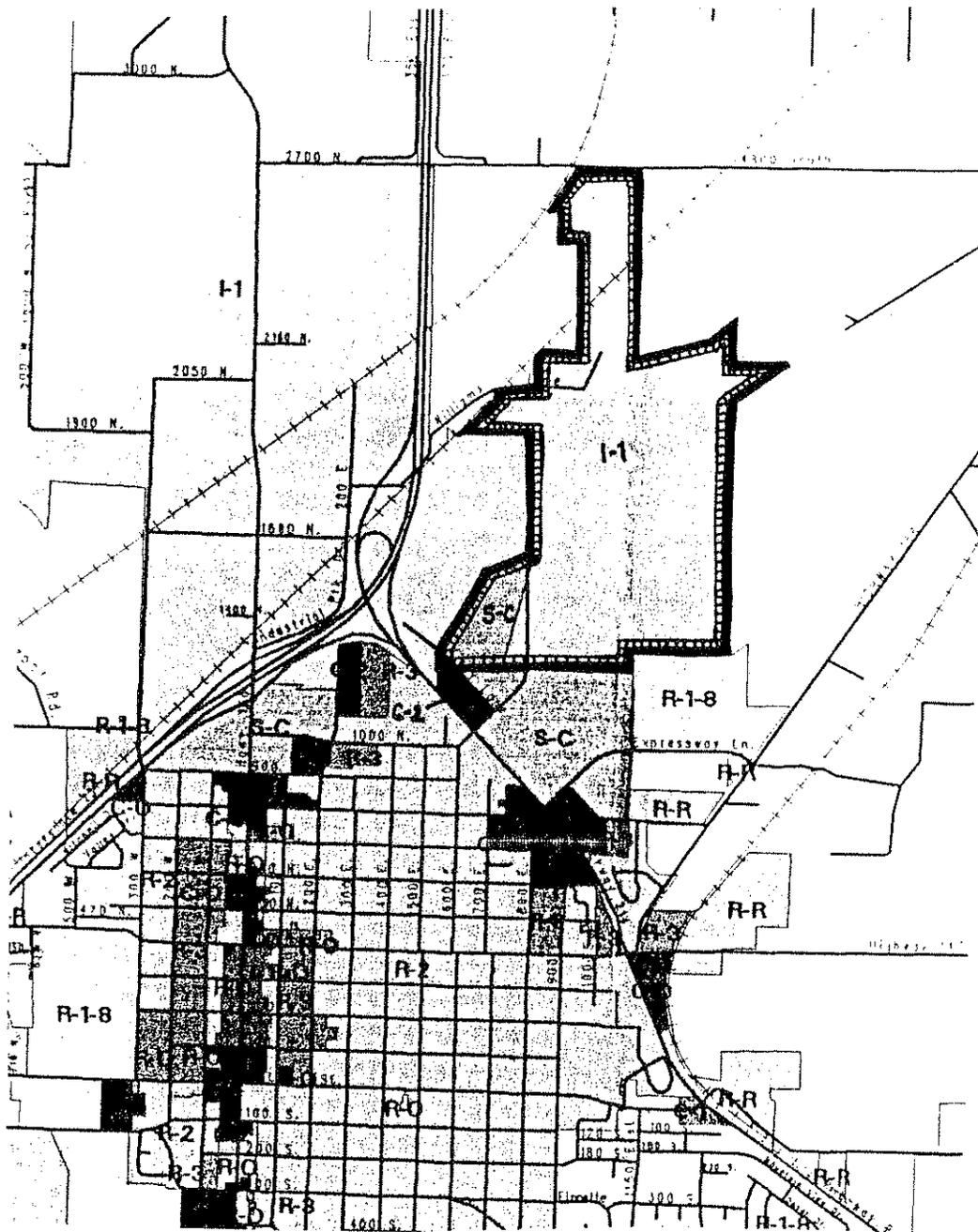
The Agency must commence implementation of this Plan within three (3) years after the date the Plan is adopted, unless the Plan is readopted as if it were a modified plan in accordance with Section 17A-2-1229 of the Utah Code (see Utah Code § 17A-2-1221).

No tax increment from the Project Area may be allocated to or used by the Agency after twenty-five (25) years from the date of the approval of this Plan without the Agency obtaining the majority consent of the taxing agency committee in accordance with Section 17A-2-1247.5 of the Utah Code for a longer period for the collection of tax increment (see Utah Code § 17A-2-1221).

X. PROCEDURE FOR AMENDMENT

This Plan may be amended by means of the procedure established in Section 17A-2-1229 of the Utah Neighborhood Development Act or by any other procedure established by law.

Exhibit A LAND USE MAP



 Swenson Economic Development Project Area

Permitted Uses: Commercial-Manufacturing-Distribution and Light Industrial Uses as specified in Section 403 of the Plan.

Alternative Uses: Other uses authorized for "Flagged Areas" under Section 402 may be allowed provided that all requirements for alternative use are met.

Exhibit B
LEGAL DESCRIPTION

Starting at the northeast corner of section 7, township 8 south, range 3 east, Salt Lake base and meridian; thence S 88°59'48" W 934.09 feet, S 32°00'00" W 557.04 feet, S 89°00'00" W 14.61 feet, S 22°00'00" W 161.44 feet, S 83°00'00" E 137.60 feet, S 01°00'00" W 426.34 feet, S 89°00'00" E 304.57 feet, S 00°20'00" E 1438.41 feet, N 88°50'00" W 457.71 feet, S 44°57'00" W 187.84 feet, S 00°40'00" E 367.81 feet, S 02°58'32" E 24.58 feet, S 88°30'04" W 143.62 feet, S 84°00'00" W 271.02 feet, S 45°00'00" W 712.40 feet, East 790.62 feet, S 01°25'00" E 1591.79 feet, S 87°30'27" E 127.22 feet, S 10°00'00" W 202.44 feet, S 89°30'00" W 369.89 feet, S 55°45'44" W 306.79 feet, S 30°38'28" W 1235.05 feet, S 00°34'55" E 353.37 feet, S 88°31'07" E 2716.85 feet, North 391.94 feet, East 32.38 feet, South 7.22 feet, East 1287.20 feet, North 2646.61 feet, N 08°08'20" W 46.99 feet, N 00°21'30" W 745.65 feet, N 14°03'52" E 46.57 feet, North 42.18 feet, N 55°40'23" E 371.58 feet, N 33°02'50" W 17.13 feet, N 55°18'00" E 442.60 feet, West 657.63 feet, North 636.79 feet, N 16°23'54" W 49.89 feet, S 43°45'00" W 471.09 feet, S 73°00'00" W 1056.87 feet, North 2616.39 feet to the point of beginning.

SPANISH FORK CITY COUNCIL
SUMMARY OF ORDINANCE ADOPTING THE
OFFICIAL SWENSON ECONOMIC DEVELOPMENT PROJECT AREA PLAN

On October 21, 1997, following duly noticed public hearings as required by law, THE Spanish Fork City Council adopted an ordinance adopting the Official Economic Development Plan for the Swenson Economic Development Project Area (the "Plan"). In addition to adopting the Plan, the ordinance describes the legal boundaries of the Swenson Economic Development Project Area (the "Project Area"); sets forth the purposes of the Spanish Fork City Council in adopting the Plan; makes various findings and determinations, including the following: that the Plan is necessary to effectuate a public purpose, that it will result in benefits to the public, that it conforms to the Utah Neighborhood Development Act and other public purposes, that the Plan is feasible, that it conforms to Spanish Fork's General Plan, that it will promote public peace, health, safety and welfare and various other public purposes, and that the Redevelopment Agency of Spanish Fork City, Utah has a feasible method or plan for handling any relocation issues that may arise in the course of implementing the Plan. The Agency will not be authorized to exercise eminent domain under the Plan. The ordinance has been deposited in the office of the Spanish Fork City Recorder, and copies of the ordinance adopting the Plan, the Plan, and the Report to Accompany the Plan are available from the Spanish Fork City Recorder at Spanish Fork City Offices, 40 South Main Street, Spanish Fork, Utah 84660.

The foregoing is a true and accurate summary of the Spanish Fork City Ordinance adopting the Official Swenson Economic Development Project Area Plan.

Spanish Fork City Recorder

published 10/20/97

10-3-711 (or)
(post 3 places)

Proof of Publication

J. Lane
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ORDINANCE 17-97
AN ORDINANCE
ADOPTING THE
ECONOMIC
DEVELOPMENT PLAN
FOR THE SWENSON
ECONOMIC
DEVELOPMENT
PROJECT AREA

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Published in the Spanish Fork Press October 30, 1997.

duly sworn according to law, disposes and says that he is the *Publisher* of *THE SPANISH FORK* newspaper, printed and published at Spanish Fork, Utah County, Utah, and of general circulation of which is hereto attached, was printed and published in said paper.

for One consecutive weeks,
the first publication on the 30 day
of October 1997
and the last on the 30 day of
October 1997

Jane Henderson



Subscribed and sworn to before me this 30 day of October 1997
Sara Worthington
Notary Public

Residing at Spanish Fork, Utah
My Commission expires 3-14-99