ORDINANCE NO. 13-00

AN ORDINANCE OF THE SPANISH FORK CITY, UTAH, ADOPTING THE GATEWAY ECONOMIC DEVELOPMENT PROJECT AREA ECONOMIC DEVELOPMENT PLAN ENTITLED, "GATEWAY ECONOMIC DEVELOPMENT PLAN," DATED SEPTEMBER 1, 2000, AND ITS REPORT

BE IT ORDAINED BY THE CITY COUNCIL OF SPANISH FORK CITY, UTAH AS FOLLOWS:

SECTION I. This Ordinance pertaining to the "Gateway Economic Development Plan" is hereby enacted to read as follows:

GATEWAY ECONOMIC DEVELOPMENT PLAN

Sections:

1. Economic Development Plan.
2. Project Area Boundaries.
3. Purposes and Intent of Economic Development Plan.
4. Economic Development Plan Incorporated by Reference.
5. Economic Development Plan Officially Designated.
6. Council Findings.
7. Housing Facilities.
8. Tax Increment Financing.
9. Housing Element.

Section 1. Economic Development Plan. It has become necessary and desirable to adopt and Spanish Fork City hereby adopts, an economic development plan entitled, "Gateway Economic Development Plan," dated September 1, 2000 (the "Economic Development Plan") along with its Report.

Section 2. Project Area Boundaries. The legal description of the boundaries of the project area (the "Project Area") covered by the Economic Development Plan is as follows, to-wit:

Beginning at a point in a fenceline located North 00° 21' 30" West along the Section line 191.05 feet from the East Quarter Corner of Section 1, Township 8 South, Range 2 East, Salt Lake Base & Meridian; thence North 89°52' 00" West along a fenceline 222.60 feet; thence South 89°19' 30" West along a fence line 147.10 feet; thence North 89°27' 00" West along a fenceline 198.69 feet to the Westerly line of Main Street; thence North along said Street 1432.54 feet; thence North 88°32' 00" East along the projection of, and along a fenceline, 373.84 feet; thence South 89° 42' 00" East along a fenceline 185.64 feet to a point on said Section line located South 00° 21' 30" East 1024.90 feet from the Northeast Corner of said Section 1; thence South 88° 42' 00" East along a fenceline 540.14 feet; thence South 89°06' 00" East along a fenceline 295.71 feet to a fence corner; thence South 00°26' 00" West along a fenceline 378.96 feet; thence North 88°42' 00" West 9.91 feet; thence South 00°10' 00" East along a fenceline 148.77 feet; thence South 01°04' 00" East along a fence line 246.60 feet; thence South 01°10' 00" West along a fence line 360.00 feet; thence South 01°12' 30" West along a fenceline 292.00 feet to a fence corner; thence North 88°48' 00" West along a fence line 99.97 feet; thence South 88°17' 00" West along a fenceline 85.76 feet; thence South 89°56' 00" West along a fenceline 326.75 feet; thence North 89°38' 30" West along a fenceline 293.00 feet, more or less, to the point of beginning. Contains 45.66 acres, more or less.

Section 3. Purposes and Intent of Economic Development Plan. The purpose and intent of the City Council of Spanish Fork City with respect to the Project Area is to accomplish the following purposes by adoption of the Economic Development Plan:

A. Encourage and assist economic development in order for a public or private employer to create additional jobs within the state.

B. Removal of impediments to land disposition and development through assembly of land into reasonably sized and shaped parcels necessary for economic

development served by improved public utilities, infrastructure improvements and new public or private facilities.

C. The elimination of environmental deficiencies, irregular lot subdivision, improper drainage, overcrowding or underutilization of real property.

D. Achievement of an environment reflecting a high level of concern for architectural, landscape and urban design principles, developed through encouragement, guidance, appropriate controls, and financial and professional assistance to owner participants and developers.

E. Promote and market the project area for economic development that would be complimentary to existing businesses and industries or would enhance the economic base of the City through diversification.

F. Provide utilities, streets, curbs, sidewalks, parking areas, landscape areas and other infrastructure improvements as appropriate and as necessary.

G. Provide for the strengthening of the property and income tax base and economic health of the entire community and the State of Utah.

H. Provide improved public streets and road access to and within the project area to facilitate better traffic and pedestrian circulation, reduce traffic hazards, and to promote air quality and reduce congestion.

I. Insure compatible relationships among land uses and quality standards for their development, such that the area functions as a unified and viable center of economic activity for the City.

Section 4. Economic Development Plan and Report Incorporated by Reference. The Economic Development Plan, together with its Report and other supporting documents is incorporated herein by reference, and made a part of this Ordinance. Copies of the Economic Development Plan and Report shall be filed and maintained in the office of the City Recorder for public inspection.

Section 5. Economic Development Plan Officially Designated. The Economic Development Plan is hereby designated as the official Economic Development Plan for the Project Area.

Section 6. City Council Findings. The City Council of Spanish Fork hereby determines and finds as follows:

A. There is a need to effectuate a public purpose, and the development of the Project Area is needed to effectuate the public purposes set forth in the Act.

B. There is a benefit under the benefit analysis described in Section 17A-2-1220 of the Act.

C. The Economic Development Plan as described in Section 17A-2-1202(14) of the Act would develop the Project Area in conformity with the Act and is in the interests of the public peace, health, safety and welfare of the Project Area and the community.

D. The adoption and carrying out of the Economic Development Plan is economically sound and feasible.

E. The Economic Development Plan conforms to the master plan or general plan of Spanish Fork City.

F. The carrying out of the Economic Development Plan will promote the public peace, health, safety and welfare of the community.

G. The condemnation of real property is not provided for in the Economic Development Plan. The Redevelopment Agency shall not acquire real property within the Project Area by the use of the power of eminent domain.

H. The Redevelopment Agency of Spanish Fork City (the "Agency") has a feasible method or plan for the relocation of families and persons displaced from the project Area, if the implementation of the Economic Development Plan results in the temporary or permanent displacement of any occupants of housing facilities in the Project Area.

I. There are or are being 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 and available to such displaced families and persons and reasonably accessible to their places of employment.

Section 7. Housing Facilities. In the event that there are displaced families or persons, the Agency is satisfied that permanent housing facilities will be available within three years from the time occupants of the Project Area are displaced and that pending the development of these housing facilities, there will be available to the displaced occupants adequate temporary housing facilities at rents comparable to those in the community at the time of their displacement.

Since the Economic Development Plan does not authorize the use of the power of eminent domain, the Agency is satisfied that there are no families or persons residing within the Project Area who will be displaced by the Agency from the Project Area.

Section 8. Tax Increment Financing.

(A) The Economic Development Plan and this Ordinance adopting the Economic Development Plan specifically incorporates the provisions of tax increment financing permitted by Section 17A-2-1247.5 of the Act set forth as follows:

> "(4) (a) An Agency may collect tax increment from all or a part of a 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 and the housing projects and programs under Section 17A-2-1263 and 17A-2-1264.

(B) The Economic Development Plan provides and the Agency has elected the tax increment alternative of 100% of the annual tax increment for 12 years as shown in the Project Area Budget.

(C) The Economic Development Plan and Project Area Budget does not allocate 20% of the tax increment to be received by the Agency over the life of the Economic Development Plan for affordable housing uses. Pursuant to Section 17A-2-

1247.5(3)(a)(iii)(A)(II) of the Act, the 20% requirement of Subsection (3)(a)(iii)(A)(I) may be waived in whole or in part by the mutual consent of the Olene Walker Housing Trust Fund Board and the taxing agency committee upon their determination that 20% of tax increment is more than is needed to address the community's need for affordable housing, as defined in Section 17A-2-1264. The Agency has obtained a waiver from the Olene Walker Housing Trust Fund Board and the taxing agency committee waiving the requirement in whole.

(D) The Economic Development Plan specifically incorporates the provisions of Section 17A-2-1247.(5) of the Act as follows:

> (5) (a) The Redevelopment Plan shall provide that the portion of the 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 redevelopment agency according to the provisions of Subsection (4) 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.

(b) The amount of the tax rate to be used in determining tax increment shall be increased or decreased by the amount of an increase or decrease as a result of:

(i) a statute 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 59-704(2), Utah Code Annotated 1953 as amended;

(ii) a change in exemption provided in Utah Constitution, Article XIII, Section 2, or Section 59-2-103;

(iii) any increase or decrease in the percentage of fair market value, as defined under Section 59-2-102, Utah Code Annotated 1953, as amended; or

(iv) a decrease in the certified tax rate under Subsection 59-2-924(2)(c) or (2)(d)(i).

(c) (i) Notwithstanding the increase or decrease resulting from Subsection 1247.5(5)(b) of the Act, 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 (5)(b).

(ii) For a decrease resulting from Subsection (5)(b)(iv), the taxable value for the base year under Subsection 17A-2-1247(2)(a) or 17A-2-1202(2), as the case may be, shall be reduced for any year to the extent necessary, including

below zero, to provide an agency with approximately the same amount of money the agency would have received without a reduction in the county's certified tax rate if:

(A) in that year there is a decrease in the certified tax rate under Subsection 59-2-924(2)(c) or (2)(d)(i);

(B) the amount of the decrease is more than 20% of the county's certified tax rate of the previous year; and

(iii) the decrease results in a reduction of the amount to be paid to the agency under Section 17A-2-1247 or 17A-2-1247.5.

Section 9. Housing Element. The Economic Development Plan and Project Area Budget does not allocate 20% of the tax increment to be received by the Agency over the life of the Economic Development Plan for affordable housing uses. Pursuant to Section 17A-2-1247.5(3)(a)(iii)(A)(II) of the Act, the 20% requirement of Subsection (3)(a)(iii)(A)(I) may be waived in whole or in part by the mutual consent of the Olene Walker Housing Trust Fund Board and the taxing agency committee upon their determination that 20% of tax increment is more than is needed to address the community's need for affordable housing, as defined in Section 17A-2-1264. The Agency has obtained a waiver from the Olene Walker Housing Trust Fund Board and the taxing agency committee waiving the requirement in whole.

SECTION II. This ordinance shall take effect upon its first publication or posting.

PASSED by the City Council of Spanish Fork, Utah, this 24 day of October, 2000.

Dale R. Barney
Mayor

ATTEST:

Kent R. Clark
City Recorder

Gateway EDA

Proof of Publication

J. Lane Henderson being first duly sworn according to law, disposes and says that he is the Publisher of *THE SPANISH FORK PRESS*, a weekly newspaper printed and published at Spanish Fork, Utah County, Utah and of general circulation therein; that the Notice, a copy of which is hereto attached, was printed and published in said paper.

for consecutive One weeks,

the first publication on the 26th day

of October 2000

and the last on the 26th day of

October 2000

J. Lane Henderson

SUMMARY OF THE SPANISH FORK CITY COUNCIL ORDINANCE 13-00 ADOPTING THE GATEWAY ECONOMIC DEVELOPMENT PLAN, DATED SEPTEMBER 1, 2000

On October 24, 2000, the City Council of Spanish Fork City adopted the "Gateway Economic Development Plan," (the "Economic Development Plan" or the "Plan") dated September 1, 2000. The boundary of the Project Area covered by the Plan, dated September 1, 2000 is as follows:

Beginning at a point in a fenceline located North 00° 21' 30" West along the Section line 191.05 feet from the East Quarter Corner of Section 1, Township 8 South, Range 2 East, Salt Lake Base & Meridian; thence North 89°52' 00" West along a fenceline 222.60 feet; thence South 89°19' 30" West along a fence line 147.10 feet; thence North 89°27' 00" West along a fenceline 198.69 feet to the Westerly line of Main Street; thence North along said Street 1432.54 feet; thence North 88°32' 00" East along the projection of, and along a fenceline, 373.84 feet; thence South 89° 42' 00" East along a fenceline 185.64 feet to a point on said Section line located South 00° 21' 30" East 1024.90 feet from the Northeast Corner of said Section 1; thence South 88° 42' 00" East along a fenceline 540.14 feet; thence South 89°06' 00" East along a fenceline 295.71 feet to a fence corner; thence South 00°26' 00" West along a fenceline 378.96 feet; thence North 88°42' 00" West 9.91 feet; thence South 00°10' 00" East along a fenceline 148.77 feet; thence South 01°04' 00" East along a fence line 246.60 feet; thence South 01°10' 00" West along a fence line 360.00 feet; thence South 01°12' 30" West along a fenceline 292.00 feet to a fence corner; thence North 88°48' 00" West along a fence line 99.97 feet; thence South 88°17' 00" West along a fenceline 85.76 feet; thence South 89°56' 00" West along a fenceline 326.75 feet; thence North 89°38' 30" West along a fenceline 293.00 feet to the point of beginning. Contains 45.66 acres, more or less.

The City Council determined and found in its Ordinance as follows:

A. There is a need to effectuate a public purpose, and the development of the Project Area is needed to effectuate the public purposes set forth in the Utah Neighborhood Development Act (the "Act").

B. There is a benefit under the benefit analysis described in Section 17A-2-1220 of the Act.

C. The Economic Development Plan would develop the Project Area in conformity with the Act and is in the interests of the public peace, health, safety and welfare of the Project Area and the community.

D. The adoption and carrying out of the Economic Development Plan is economically sound and feasible.

E. The Economic Development Plan conforms to the master plan or general plan of Spanish Fork City.

F. The carrying out of the Economic Development Plan will promote the public peace, health, safety and welfare of the community.

G. The condemnation of real property is not provided for in the Economic Development Plan. The Redevelopment Agency shall not acquire real property within the Project Area by the use of the power of eminent domain.

H. The Redevelopment Agency of Spanish Fork City has a feasible method or plan for the relocation of families and persons displaced from the Project Area, if the implementation of the Economic Development Plan results in the temporary or permanent displacement of any occupants of housing facilities in the Project Area.

I. There are or are being 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 and available to such displaced families and persons and reasonably accessible to their places of employment.

The Ordinance adopting the Plan specifically incorporates the provisions of tax increment financing as permitted by the Act.

The Economic Development Plan provides that the Agency has elected the tax increment alternative of 100% of the annual tax increment each year for 12 years as shown in the Project Area Budget.

The Economic Development Plan and Project Area Budget does not allocate 20% of the tax increment to be received by the Agency over the life of the Economic Development Plan for affordable housing uses. Pursuant to Section 17A-2-1247.5(3)(a)(iii)(A)(II) of the Act, the 20% requirement of Subsection (3)(a)(iii)(A)(I) may be waived in whole or in part by the mutual consent of the Olene Walker Housing Trust Fund Board and the taxing agency committee upon their determination that 20% of tax increment is more than is needed to address the community's need for affordable housing, as defined in Section 17A-2-1264. The Agency has obtained a waiver from the Olene Walker Housing Trust Fund Board and the taxing agency committee waiving the requirement in whole.

The Ordinance and the Plan are available for public inspection in the office of the Redevelopment Agency of Spanish Fork City, 40 South Main, Spanish Fork City, weekdays from 9:00 a.m. to 5:00 p.m., excluding holidays.

Published in the Spanish Fork Press October 26, 2000.

Subscribed and sworn to before me this 26th day of October 2000

Sara Worthington

Notary Public

SARA WORTHINGTON
NOTARY PUBLIC - STATE of UTAH
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SP. FORK, UT 84660
COMM. EXP. 3-14-2003