EAGLE MOUNTAIN
REDEVELOPMENT AGENCY BOARD MEETING
(IMMEDIATELY FOLLOWING COUNCIL MEETING)

AUGUST 18, 2026, 8:00 PM
EAGLE MOUNTAIN CITY COUNCIL CHAMBERS
1650 EAST STAGECOACH RUN, EAGLE MOUNTAIN, UTAH 84005

REDEVELOPMENT AGENCY BOARD MEETING – CITY COUNCIL CHAMBERS

1. CALL TO ORDER

2. MINUTES

    2.A. June 16, 2026 Minutes - Regular Redevelopment Agency Board Meeting

3. RESOLUTIONS/PUBLIC HEARINGS

    3.A. RESOLUTION/PUBLIC HEARING - A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Adopting the Official Project Area Plan for the Mid-Valley Community Reinvestment Project Area.

    BACKGROUND: *(Presented by Director of Legislative and Strategic Affairs, Evan Berrett)* The proposed resolution will allow for the approval of the Mid-Valley Community Reinvestment Project Area Plan. This Plan is the end result of a comprehensive evaluation of the intended development plans and guides and controls the community reinvestment activities within the Project Area. The Plan is intended to define the method and means of the Project Area from its current state to a higher and better use.

    3.B. RESOLUTION/PUBLIC HEARING - A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Adopting the Official Project Area Budget for the Mid-Valley Community Reinvestment Project Area.

    BACKGROUND: *(Presented by Director of Legislative and Strategic Affairs, Evan Berrett)* The Project Area budget has been assembled based on the outcomes of negotiations aimed at ensuring the successful development of a large commercial/retail area within the city. The budget assumes use of a TIF arrangement using sales tax revenues, with 55% of new tax revenues paying down a TIF Bond which will be utilized to complete negotiated off-site infrastructure improvements. The budget also reflects a conclusion of incentives after 20 years or fewer which starts at the completion of the first building.

4. RESOLUTIONS

4.A. RESOLUTION - A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Eagle Mountain City for the Collection and Remittance of Incremental Property Taxes Collected from Property Within the Mid-Valley Community Reinvestment Project Area.

BACKGROUND: *(Presented by Director of Legislative and Strategic Affairs, Evan Berrett)* The Mid-Valley CRA covers approximately 53 acres currently under review for commercial retail development. This interlocal agreement specifies the City's involvement in providing tax increment financing for the off-site project improvements and other necessary administrative procedures, terms, and so forth.

4.B. RESOLUTION - A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving the Mid-Valley CRA Participation Agreement between the Redevelopment Agency of Eagle Mountain City, Eagle Mountain City, and Terra Smith's Eagle Mountain, LLC.

BACKGROUND: *(Presented by Director of Legislative and Strategic Affairs, Evan Berrett)* The Mid-Valley CRA covers approximately 53 acres currently under review for commercial retail development. The proposed resolution sets terms and conditions for the distribution and use of project area funds and satisfies any other obligations any or all parties participating in the Mid-Valley CRA have agreed to through negotiations.

5. ADJOURNMENT

THE PUBLIC IS INVITED TO PARTICIPATE IN PUBLIC MEETINGS FOR ALL AGENDAS.

In accordance with the Americans with Disabilities Act, Eagle Mountain City will make reasonable accommodations for participation in all Public Meetings and Work Sessions. Please call the City Recorder's Office at least 3 working days prior to the meeting at 801-789-6611. This meeting may be held telephonically to allow a member of the public body to participate. This agenda is subject to change with a minimum 24-hour notice.

CERTIFICATE OF POSTING

The undersigned, duly appointed City Recorder, does hereby certify that the above agenda notice was posted on this 13 day of August, 2026, on the Eagle Mountain City bulletin boards, the Eagle Mountain City website www.eaglemountain.gov, posted to the Utah State public notice website http://www.utah.gov/pmn/index.html, and was emailed to at least one newspaper of general circulation within the jurisdiction of the public body.

Lacie A. Messerly, City Recorder

EAGLE MOUNTAIN
REDEVELOPMENT AGENCY BOARD MEETING

JUNE 16, 2026, 8:00 PM
EAGLE MOUNTAIN CITY COUNCIL CHAMBERS
1650 E STAGECOACH RUN, EAGLE MOUNTAIN, UT 84005

BOARD MEMBERS PRESENT: Chairperson Jared Gray, Vice Chair Melissa Clark, Board Members Zachory Huish, Craig Whiting, Rich Wood and Brett Wright.

CITY STAFF PRESENT: Benjamin Reeves, City Manager; Steve Mumford, Deputy City Manager; Marcus Draper, City Attorney; Fionnuala Kofoed, Assistant City Manager; Evan Berrett, Director of Legislative and Strategic Services; Kimberly Ruesch, Director of Administrative Services; Brandon Larsen, Community Development Director; Lacie Messerly, City Recorder; Stephanie Allred, Deputy Recorder.

REDEVLOPMENT AGENCY BOARD MEETING – CITY COUNCIL CHAMBERS

1. CALL TO ORDER

Chairperson Gray called the meeting to order at 9:49 PM.

2. MINUTES

2.A. June 2, 2026 Minutes - Regular Redevelopment Agency Board Meeting

MOTION: ***Board Member Whiting moved to approve the Redevelopment Agency Board Meeting Minutes from June 2, 2026. Board Member Wood seconded the motion.***

Melissa Clark	Yes
Zachory Huish	Yes
Craig Whiting	Yes
Rich Wood	Yes
Brett Wright	Yes

The motion passed with a unanimous vote.

3. RESOLUTIONS/PUBLIC HEARINGS

3.A. RESOLUTION/PUBLIC HEARING - A Resolution of the Redevelopment Agency of Eagle Mountain City, Adopting the RDA Budget for Fiscal Year 2026-2027.

The recording of the discussion can be found online at 00:00:58.

Director of Administrative Services Kimberly Ruesch presented the item and responded to questions from the City Council.

Board Member Gray opened the Public Hearing at 9:50 PM. Seeing no one who wished to speak, Board Member Gray closed the Public Hearing at 9:51 PM.

MOTION: ***Board Member Whiting moved to adopt a Resolution of the Redevelopment Agency of Eagle Mountain City, Adopting the RDA Budget for Fiscal Year 2026-2027. Board Member Wood seconded the motion.***

Melissa Clark	Yes
Zachory Huish	Yes
Craig Whiting	Yes
Rich Wood	Yes
Brett Wright	Yes

The motion passed with a unanimous vote.

The recording of the motion can be found online here at 00:01:40.

4. ADJOURNMENT

MOTION: ***Board Member Wood moved to adjourn the meeting at 9:51 PM. Board Member Whiting seconded the motion.***

Melissa Clark	Yes
Zachory Huish	Yes
Craig Whiting	Yes
Rich Wood	Yes
Brett Wright	Yes

The motion passed with a unanimous vote.

The recording of the motion can be found online here at 00:02:08.

The meeting was adjourned at 9:51 PM.

Approved by the Redevelopment Agency of Eagle Mountain City on August 18, 2026.

____

Abby Ivory
Executive Director

EAGLE MOUNTAIN 19 96 CORPORATE SEAL

	EAGLE MOUNTAIN CITY **REDEVELOPMENT AGENCY BOARD MEETING** **AUGUST 18, 2026**
TITLE:	RESOLUTION/PUBLIC HEARING - A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Adopting the Official Project Area Plan for the Mid-Valley Community Reinvestment Project Area.
ITEM TYPE:	Resolution
FISCAL IMPACT:	Up to $15,751,273
APPLICANT:	

CURRENT GENERAL PLAN DESIGNATION & ZONE	ACREAGE
N/A	Approximately 53 acres

PUBLIC HEARING
Yes

PREPARED BY
Evan Berrett, Economic Development Director

PRESENTED BY
Evan Berrett

RECOMMENDATION:
Staff recommends the Board approve a Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Adopting the Official Project Area Plan for the Mid-Valley Community Reinvestment Project Area.

BACKGROUND:
The proposed resolution will allow for the approval of the Mid-Valley Community Reinvestment Project Area Plan. This Plan is the end result of a comprehensive evaluation of the intended development plans and guides and controls the community reinvestment activities within the Project Area. The Plan is intended to define the method and means of the Project Area from its current state to a higher and better use.

ITEMS FOR CONSIDERATION:
N/A

PLANNING COMMISSION ACTION/RECOMMENDATION:
N/A

ATTACHMENTS:
1. Resolution
2. Mid-Valley CRA Project Area Plan

RESOLUTION NO. R- -2026

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF EAGLE MOUNTAIN CITY ADOPTING AN OFFICIAL PROJECT AREA PLAN FOR THE MID-VALLEY COMMUNITY REINVESTMENT PROJECT AREA

PREAMBLE

WHEREAS, the Redevelopment Agency of Eagle Mountain City (the "Agency") was created to transact the business and exercise the powers provided for in the current Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Title 17C of the Utah Code amended May 10, 2016, (the "Act"); and

WHEREAS, Eagle Mountain City (the “City”) has a planning commission and has adopted a general plan pursuant to applicable law; and

WHEREAS, the Agency, by Resolution, has authorized the preparation of a draft project area plan as provided in Section 17C-5-103 of the Act; and

WHEREAS, pursuant to Section 17C-5-104 of the Act, the Agency has (a) prepared a draft Mid-valley Community Reinvestment Project Area Plan (the “Project Area Plan” or “Plan”) and (b) made the draft Project Area Plan available to the public at the Agency’s offices during normal business hours; and

WHEREAS, the Agency provided notice of the public hearing in strict compliance with Sections 17C-1-805, 806, and 808; and

WHEREAS, the Agency has held a public hearing on the draft Project Area Plan and at that Plan hearing (a) allowed public comment on the draft Project Area Plan and whether the draft Project Area Plan should be revised, approved, or rejected, and (b) received all written and heard all oral objections to the draft Project Area Plan; and

WHEREAS, after holding the public hearing, and at the same meeting, the Agency considered the oral and written objections to the draft Project Area Plan, and whether to revise, approve or reject the draft Project Area Plan;

WHEREAS, less than one year has passed since the date of the public hearing.

NOW, THEREFORE BE IT RESOLVED BY THE EAGLE MOUNTAIN REDEVELOPMENT AGENCY:

Section I. Adoption of Project Area Plan. It has become necessary and desirable to adopt the draft Project Area Plan as the official Project Area Plan for the Project Area. The draft Project Area Plan, in the form attached hereto as Exhibit A, and together with any changes to the draft Project Area Plan as may be indicated in the minutes of this meeting (if any), is hereby designated and adopted as the official Project Area Plan for the Project Area. The Agency shall submit the Project Area Plan, together with a copy of this Resolution, to the City Council of the City requesting that the Project Area Plan be adopted by ordinance of the legislative body of City in accordance with the provisions of the Act. All comments and objections to the draft Project Area Plan (if any) have been considered and are, unless otherwise provided in the minutes of this meeting (if at all), passed upon.

Section 2. Boundary Description of the Project Area. The boundary description of the Project Area covered by the Project Area Plan is attached hereto and incorporated herein as Exhibit A.

Section 3. Agency's Purposes and Intent. The Agency's purposes and intent with respect to the Project Area are to accomplish the following:

A. Encourage and accomplish appropriate private development and community reinvestment activities within the Project Area.

B. Provide for redevelopment infrastructure improvements within or to serve the Project Area.

C. Provide for the strengthening of the tax base and economic health of the community.

Section 4. Project Area Plan Incorporated by Reference. The Project Area Plan, together with supporting documents, in the form attached as Exhibit A, and together with any changes to the draft Project Area Plan as may be indicated in the minutes of this meeting (if any), is hereby incorporated herein by reference, and made a part of this Resolution. Copies of the Project Area Plan shall be filed and maintained in the office of the Agency and the City Recorder for public inspection.

Section 5. Agency Board Findings. The Agency Board hereby determines and finds as follows:

The adoption of the Project Area Plan will:

A. Satisfy a public purpose by, among other things, encouraging and accomplishing appropriate community reinvestment activities within the Project Area;

B. Produce a public benefit in the form of, among other things, increased development activity within the boundaries of the Agency, including in particular within the Project Area, that is desirable and will enhance the tax base of all taxing entities within the Project Area, as demonstrated by the analysis provided in the Project Area Plan;

C. Be economically sound and feasible; in that the revenue needed for the implementation of the Project Area Plan will come from incremental property and sales taxes generated by new private development within the Project Area, all as further shown and supported by the analysis contained in the Project Area Plan;

D. Conform to the City's general plan in that, among other things, the Project Area Plan provides that all development in the Project Area is to be in accordance with the City's zoning ordinances and requirements, and the development activities contemplated by the Project Area Plan are in harmony with the City's general plan; and

E. Promotes the public peace, health, safety and welfare of the City.

Section 6. Financing. Subject to any limitations required by currently existing law (unless a limitation is subsequently eliminated), this Resolution hereby specifically incorporates all of the provisions of the Act that authorize or permit the Agency to receive funding for the Project Area and that authorize the various uses of such funding by the Agency, and to the extent greater (or more beneficial to the Agency) authorization for receipt of funding by the Agency or use thereof by the Agency is provided by any amendment of the Act or by any successor provision, law or act, those are also specifically incorporated herein. It is the intent of this Resolution that the Agency shall have the broadest authorization and permission for receipt of and use of sales tax, tax increment and other funding as is authorized by law, whether by existing or amended provisions of law. This Resolution also incorporates the specific provisions relating to funding of community reinvestment project areas permitted by Chapter 5 of the Act.

Section 7. Effective Date. This Resolution shall take effect immediately upon adoption, and pursuant to the provisions of the Act, the Project Area Plan shall become effective upon adoption by Ordinance of the legislative body of the City.

IN WITNESS WHEREOF, the Governing Board of the Eagle Mountain Redevelopment Agency has approved, passed and adopted this Resolution this 18th day of August 2026.

____
Jared R. Gray, Board Chair

ATTEST:

____
Abby Ivory, Executive Director

CERTIFICATION

The above Resolution was adopted by the Board of the Redevelopment Agency of Eagle Mountain City, Utah on the 18th day of August 2026.

Those voting yes:	Those voting no:	Those excused:	Those abstaining:
☐ Melissa Clark	☐ Melissa Clark	☐ Melissa Clark	☐ Melissa Clark
☐ Zachory Huish	☐ Zachory Huish	☐ Zachory Huish	☐ Zachory Huish
☐ Craig Whiting	☐ Craig Whiting	☐ Craig Whiting	☐ Craig Whiting
☐ Rich Wood	☐ Rich Wood	☐ Rich Wood	☐ Rich Wood
☐ Brett Wright	☐ Brett Wright	☐ Brett Wright	☐ Brett Wright

____
Abby Ivory, Executive Director

Exhibit A

(Project Area Plan)

EAGLE MOUNTAIN REDEVELOPMENT AGENCY, UTAH

JULY 2026

PROJECT AREA PLAN

MID-VALLEY COMMERCIAL COMMUNITY REINVESTMENT AREA (CRA)

PREPARED BY:

LRB PUBLIC FINANCE ADVISORS

FORMERLY LEWIS YOUNG ROBERTSON & BURNINGHAM INC.

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DEFINITIONS

As used in this Community Reinvestment Project Area Plan, the term:

"Act" shall mean and include the Limited Purpose Local Government Entities – Community Reinvestment Agency Act in Title 17C, Chapters 1 through 5, Utah Code Annotated 1953, as amended, or such other amendments as shall from time to time be enacted or any successor or replacement law or act.

"Agency" shall mean the Eagle Mountain Redevelopment Agency, which is a separate body corporate and politic created by Eagle Mountain City pursuant to the Act.

"**Base year sales tax generation**" shall mean the total sales tax collections generated from business activity occurring within the Project Area during calendar year 2026, which serves as the baseline from which future Tax Increment generation is measured

"Base year" shall mean the agreed upon year for which the base sales tax generation is established and shall be incorporated into the interlocal agreements with participating taxing entities.

"Bond" shall mean the Sales Tax and Tax Increment Revenue Bonds, Series 2026.

"City" or "Community" shall mean Eagle Mountain City, Utah.

"Legislative body" shall mean the City Council of Eagle Mountain which is the legislative body of the City.

"Master Development Agreement" or **"MDA"** shall mean Master Development Agreement for the Eagles Landing Commercial Center.

"Plan Hearing" shall mean the public hearing on the draft Project Area Plan required under Subsection 17C-1-102(45) and 17C-5-104(3)(e).

"Project Area" shall mean the geographic area described in the Project Area Plan or draft Project Area Plan where the community development and reinvestment is anticipated to take place, as further referenced and included by this definition in **Exhibit A** and **Exhibit B** attached hereto.

"Net Present Value (NPV)" shall mean the discounted value of a cash flow. The NPV illustrates the total value of a stream of revenue over a number of years expressed in terms of current or present-day dollars.

"Project Area Budget" shall mean (as further described under 17C-5-303 of the Act) the multi-year projection of annual or cumulative revenues, other expenses and other fiscal matters pertaining to the Project Area that includes:

- the base year sales tax generation within the Project Area;
- the projected tax increment expected to be generated within the Project Area;

- the amount of tax increment expected to be shared with other taxing entities;
- the amount of tax increment expected to be used to implement this Project Area Plan;
- if the area from which tax increment is to be collected is less than the entire Project Area:
  - the tax identification number of the parcels from which tax increment will be collected; or
  - a legal description of the portion of the Project Area from which tax increment will be collected; and
- for property that the Agency owns and expects to sell, the expected total cost of the property to the Agency and the expected selling price.

"Project Area Plan" or **"Plan"** shall mean the written plan (outlined by 17C-5-302 of the Act) that, after its effective date, guides and controls the community reinvestment activities within the Project Area. Project Area Plan refers to this document and all of the attachments to this document, which attachments are incorporated by this reference. It is anticipated that the **MID-VALLEY COMMERCIAL COMMUNITY REINVESTMENT PROJECT AREA PLAN** will be subject to an interlocal agreement process with the taxing entities within the Project Area.

"Sales Tax" Refers to a tax on retail sales, or on the receipts from sales as defined by Utah State Code 59-12.

"Taxing Entity" shall mean any public entity that levies a tax on any property within the Project Area or imposes a sales and use tax.

"Tax Increment" shall mean the portion of sales tax revenues generated within the Project Area and remitted to the Agency during the Tax Increment Collection Period. The difference in sales tax revenue is attributable to the creation of new business opportunities that result in new sales tax revenue.

"Tax Increment Collection Period" shall mean the period of time in which the taxing entities from the Project Area consent to a portion of their tax increment to be remitted to the Agency from within the Project Area and used to fund the objectives outlined in this Project Area Plan. Tax increment revenues generated within the Project Area will accrue monthly after the effective trigger date. Consistent with the timing of sales tax collection and distribution procedures, monthly sales tax revenues are expected to be remitted to the Agency approximately three months after the month in which the underlying taxable sales occur.

"Tax Year" shall mean the 12-month period that begins January 1st and ends December 31st.

INTRODUCTION

The Eagle Mountain Redevelopment Agency (Agency), has the opportunity to enable development to be realized within the vicinity of Eagle Mountain City (the City) which lies within the central portion of the City, to the east of Pony Express Parkway, and to the south of Old Airport Road, and is shown on the attached map in **Exhibit B**. In consideration of the City's residents, as well as the City's capacity for new development, the Agency has carefully crafted this Project Area Plan (the Plan) for the MID-VALLEY COMMERCIAL COMMUNITY REINVESTMENT PROJECT AREA (the Project Area). The purpose of the Project Area is to enable the development of a commercial center in the City. Without the assistance of the Project

Area Plan, specific financial hurdles would not be overcome, and the project would likely be prevented from developing as contemplated herein within the foreseeable future.

The City and Agency have undergone a comprehensive evaluation of the types of appropriate land-uses and economic development for the land encompassed by the Project Area. The Plan is intended to define the method and means of supporting the property owners and/or developers in overcoming the development shortfalls which will improve the Project Area from its current state to a higher and better use and meet road improvement requirements of the City. The Project Area Plan is consistent with the General Plan of the City and is believed to facilitate the desired land-uses for the Project Area.

The City has determined it is in the best interest of its residents to assist in the development of the Project Area. It is the purpose of this Plan to clearly set forth the aims and objectives of development, scope, potential financing mechanism, and value to the residents of the City and other taxing entities within the Project Area.

The Project Area is being undertaken as a community reinvestment project area (CRA) pursuant to certain provisions of Chapters 1 and 5 of the Utah Limited Purpose Local Governmental Entities -- Community Reinvestment Agency Act (the "Act", Utah Code Annotated (UCA) Title 17C). The requirements of the Act, including notice and hearing obligations, have been observed at all times throughout the establishment of the Project Area. The realization of the Plan is subject to interlocal cooperation agreements between the taxing entities and the Agency.

RESOLUTION AUTHORIZING THE PREPARATION OF A DRAFT COMMUNITY REINVESTMENT PROJECT AREA PLAN

Pursuant to the provisions of §17C-5-103 of the Act, the governing body of the Agency adopted a resolution authorizing the preparation of a draft Community Reinvestment Project Area Plan on September 16, 2025.

RECITALS OF PREREQUISITES FOR ADOPTING A COMMUNITY REINVESTMENT PROJECT AREA PLAN

In order to adopt a community reinvestment project area plan, the Agency shall;

- Pursuant to the provisions of §17C-5-104(1)(a) and (b) of the Act, the City has a planning commission and General Plan as required by law; and

- Pursuant to the provisions of §17C-5-104 of the Act, the Agency has conducted or will conduct one or more public hearings for the purpose of informing the public about the Project Area, and allowing public input into the Agency's deliberations and considerations regarding the Project Area; and

- Pursuant to the provisions of §17C-5-104 of the Act, the Agency has allowed opportunity for input on the *draft* Project Area Plan and has made a *draft* Project Area Plan available to the public at the Agency's offices during normal business hours, provided notice of the plan hearing, sent copies of the *draft* Project Area Plan to all required entities prior to the hearing, and provided opportunities for affected entities to provide feedback.

DESCRIPTION OF THE BOUNDARIES OF THE PROPOSED PROJECT AREA

A legal description of the Project Area along with a detailed map of the Project Area is attached respectively as **Exhibit A** and **Exhibit B** and incorporated herein. The Plan focuses on property that is adjacent to Mid Valley Road, Old Airport Road, and Pony Express Parkway. The current land use in the Project Area is vacant exempt land and is 103.60 acres of land. However, once the recording of the land purchase is completed, the Project Area will be comprised of four parcels that total 53.17 acres of land.

TABLE 1: PARCEL LIST

PARCEL ID	PARCEL OWNER	ACRES
58:054:0046	STATE OF UTAH	49.55
59:033:0016	EAGLE MOUNTAIN CITY	13.86
58:054:0045	STATE OF UTAH	39.64
58:054:0061	STATE OF UTAH SCHOOL AND INSTITUTIONAL LANDS ADMINISTRATION	0.55
	TOTAL (CURRENT)	**103.60**
	TOTAL (FOLLOWING COMPLETION OF LAND PURCHASE)	**53.17**

GENERAL STATEMENT OF THE EXISTING LAND USES, LAYOUT OF PRINCIPAL STREETS, POPULATION DENSITIES, AND BUILDING INTENSITIES AND HOW EACH WILL BE AFFECTED BY PROJECT AREA DEVELOPMENT

Community reinvestment activities within the Project Area will mostly consist of development and economic enhancement of underutilized areas. To promote the development of the Project Area, the Agency, along with property owners, developers, and/or businesses will need to construct infrastructure improvements and create better utilization of land.

EXISTING GENERAL LAND USES

The Project Area's land is currently zoned as overall commercial use. This Project Area Plan is consistent with the General Plan of the City and promotes economic activity by virtue of the land uses contemplated. Any zoning change, amendment or conditional use permit necessary to the successful development contemplated by this Project Area Plan shall be undertaken in accordance with the requirements of the City's Code and all other applicable laws including all goals and objectives in the City's General Plan.

EXISTING LAYOUT OF PRINCIPAL STREETS

The principal streets within the Project Area are Mid Valley Road, Old Airport Road, and Pony Express Parkway. **Exhibit C** shows the principal streets located within the Project Area.

EXISTING POPULATION DENSITIES

The estimated population density of the Project Area is 0.0 residents per acre. There are no residential buildings within the Project Area.

EXISTING BUILDING INTENSITIES

Currently, there are no buildings within the Project Area, as it is made up entirely of vacant land. Building intensities will increase as development occurs. The intent of this Plan is to assist the development of a regional commercial, promote greater economic utilization of the land area, and increase overall density.

IMPACT ON GENERAL LAND USES

It is anticipated that future development will include, but not limited to grocery and general merchandise stores, restaurants, financial institutions, fuel centers, and service businesses.

IMPACT ON LAYOUT OF PRINCIPAL STREETS

As part of the MDA, significant road development is planned for Old Airport Road and Mid Valley Road. The developer will construct Old Airport Road from Pony Express Parkway, as well as Mid Valley Road from Pony Express Parkway, as 5-lane roadways with other improvements and design requirements. The developer will also construct a third northbound auxiliary lane on Pony Express Parkway.

IMPACT ON POPULATION DENSITIES

There are currently no residential developments in the Project Area. Anticipated development does not include any residential components, therefore there will be no impact to the City's population density.

IMPACT ON BUILDING INTENSITIES

The intent of this Plan is to assist in the development of a regional commercial center, promote greater economic utilization of the land area, and increase overall density. The total planned square footage of each phase equals 427,626.

STANDARDS GUIDING THE COMMUNITY REINVESTMENT

In order to provide maximum flexibility in the development and economic promotion of the Project Area, and to encourage and obtain the highest quality in development and design, specific development controls for the uses identified above are not set forth herein. Each development proposal in the Project Area will be subject to appropriate elements of the City's General Plan; the Zoning Ordinance of the City, including adopted Architectural Design Guidelines pertaining to the area; institutional controls, deed restrictions if the property is acquired and resold by the Agency, other applicable building codes and ordinances of the City; and, as required by ordinance or agreement, review and recommendation of the Planning Commission, approval by the Agency and City Council.

Each development proposal by an owner, tenant, participant or a developer shall be accompanied by site plans, development data and other appropriate material that clearly describes the extent of proposed development and any other data determined to be necessary or requested by the Agency or the City.

HOW THE PURPOSES OF THIS TITLE WILL BE ATTAINED BY COMMUNITY REINVESTMENT

It is the intent of the Agency, with the assistance and participation of private developers and property owners, to assist with the development of a regional commercial center in an underutilized, yet highly visible portion of the City.

CONFORMANCE OF THE PROPOSED DEVELOPMENT TO THE COMMUNITY'S GENERAL PLAN

The proposed Community Reinvestment Project Area Plan and the development contemplated are consistent with the City's General Plan and land use regulations.

DESCRIBE ANY SPECIFIC PROJECT OR PROJECTS THAT ARE THE OBJECT OF THE PROPOSED COMMUNITY REINVESTMENT

Currently, the Project Area will include the construction of a grocery and general merchandise stores, restaurants, financial institutions, fuel centers, and service businesses. In addition, the development includes road and intersection improvements for Old Airport Road and Mid Valley Road.

METHOD OF SELECTION OF PRIVATE DEVELOPERS TO UNDERTAKE THE COMMUNITY REINVESTMENT AND IDENTIFICATION OF DEVELOPERS CURRENTLY INVOLVED IN THE PROCESS

The City and Agency will partner with developers to create development as solicited or presented to the Agency and City that meets the development objectives set forth in this plan. The City and Agency retain the right to approve or reject any such development plan(s) that in their judgment do not meet the development intent for the Project Area. To the extent the RDA owns, controls, or partners on the land, the City and Agency may choose to solicit development through an RFP or RFQ process, through targeted solicitation to specific industries, from inquiries to the City and or Agency.

The City and Agency will ensure that all development conforms to this Plan and is approved by the City. If seeking CRA funds all potential developers may need to provide a detailed development plan including sufficient financial information to provide the City and Agency with confidence in the sustainability of the development and the wherewithal of the developer to successfully finance said development. Such a review may include a series of studies and reviews including reviews of the developer's financial statements, third-party verification of benefit of the development to the City, appraisal reports, etc.

Any participation between the Agency and developers and or property owners shall be governed by a Participation/Development Agreement or similar agreement as approved by the Agency.

REASON FOR SELECTION OF THE PROJECT AREA

The Project Area is a highly visible and important section of the City. Major transportation and utility connections exist or will exist due to investment in the project which will greatly benefit the city as a whole. The Project Area presents an opportunity to reinvest in underutilized and vacant land that would otherwise remain as such for the foreseeable future, and expedite the attraction of goods and services that are in high demand. Additionally, this project area represents an opportunity to greatly reduce sales tax leakage, and create a large increase to the community's tax base. It is anticipated that development of this project area will also aid in the development of the bordering downtown development and other projects in the vicinity.

DESCRIPTION OF PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS EXISTING IN THE PROJECT AREA

PHYSICAL CONDITIONS

The Project Area currently consists of approximately 103.6 acres of relatively flat, State of Utah and City owned land. However, once the recording of the land purchase is completed, the Project Area will be comprised of four parcels that total 53.17 acres of land as shown in the Project Area map.

SOCIAL CONDITIONS

The Project Area experiences a lack of connectivity and vitality. There are no residential units and no parks, libraries, or other social gathering places in the Project Area.

ECONOMIC CONDITIONS

The Project Area is currently vacant and underutilized. The Agency desires to encourage development within the Project Area that will directly benefit the existing economic base of the City, the County, and other taxing entities.

DESCRIPTION OF ANY TAX INCENTIVES OFFERED PRIVATE ENTITIES FOR FACILITIES LOCATED IN THE PROJECT AREA

Tax increment arising from the development within the Project Area shall be used for public infrastructure improvements, Agency requested improvements and upgrades, both off-site and on-site improvements, land and development incentives, desirable Project Area improvements, and other items approved by the Agency. Subject to provisions of the Act, the Agency may agree to pay for eligible costs and other items from taxes during the Tax Increment Collection Period which the Agency deems to be appropriate under the circumstances. The Agency will consider each request for support individually, paying close attention to the potential costs and benefits.

In general, tax incentives may be offered to achieve the community reinvestment goals and objectives of this Plan, specifically to:

- Foster and accelerate economic development;
- Stimulate job development;
- Make needed infrastructure improvements to roads, street lighting, water, storm water, sewer, and parks and open space; and
- Provide attractive development for high-quality tenants.

The Project Area Budget will include specific participation percentages and timeframes for each taxing entity. Furthermore, a resolution and interlocal agreement will formally establish the participation percentage and Tax Increment Collection Period for each taxing entity.

ANTICIPATED PUBLIC BENEFIT TO BE DERIVED FROM THE COMMUNITY DEVELOPMENT

THE BENEFICIAL INFLUENCES UPON THE TAX BASE OF THE COMMUNITY

The beneficial influences upon the tax base of the City and the other taxing entities will include increased property tax revenues, increased sales and use tax revenues, and job creation. The increased revenues will come from the property values associated with new construction in the Project Area, as well as increased spending at new commercial properties and spending by the commercial and office space employees.

Job growth in the Project Area will result in increased wages, increasing local purchases and benefiting existing businesses in the Project Area. Job growth will also result in increased income taxes paid, which will be beneficial to the school district and the State of Utah. Additionally, business growth will generate corporate income taxes, also a benefit to the school district and State of Utah.

There will also be a beneficial impact on the community through increased construction activity within the Project Area. Positive impacts will be felt through construction wages paid, as well as construction supplies purchased locally. The nature of the development will attract visitors from outside the City and County who may make additional purchases that benefit the existing businesses in the area.

THE ASSOCIATED BUSINESS AND ECONOMIC ACTIVITY LIKELY TO BE STIMULATED

Other business and economic activity likely to be stimulated includes increased spending by new employees in the Project Area and in surrounding areas. This includes both direct and indirect purchases that are stimulated by the spending of the additional employees in the area.

Employees may make some purchases in the local area, such as convenience shopping for personal services (haircuts, banking, dry cleaning, etc.). The employees will not make all of their convenience or personal services purchases near their workplace and each employee's purchasing patterns will be different. However, it is reasonable to assume that a percentage of these annual purchases will occur within close proximity of the workplace (assuming the services are available).

EFFORTS TO MAXIMIZE PRIVATE INVESTMENT

The Agency is in discussions with developers who are looking to develop within the Project Area. Creating a CRA will act as a catalyst to jumpstart the development of the area and guide the development to be the highest and best uses.

BUT FOR ANALYSIS

The developer of the land has informed the Agency that the current property owners will only accept a premium price above fair market value for their land. This land price, combined with increases in construction costs, the existence of other desirable properties outside of Eagle Mountain, and required infrastructure costs which include oversizing to accommodate future growth create a financing gap that cannot be overcome without assistance. "But for" public participation, the land will remain underutilized, the City will find great difficulty attracting highly desirable goods and service providers, infrastructure vital to the City's growth will not be built, and needed tax revenues will not be realized. Based on the Benefits Analysis included in the following section, public participation will bring **$19,429,369.** of benefit to the City over the life of the Project Area.

OTHER INFORMATION

CITY COST/BENEFIT ANALYSIS

Based on the land use assumptions, current economic and market demand factors, tax increment participation levels, the following table outlines the benefits (revenues) and costs (expenditures) anticipated in the Project Area. This does not factor in the benefit of other economic multipliers such as job creation, disposable income for retail consumption, etc. The revenues calculated in this analysis consist of property and sales tax revenues.

TABLE 1.2: TOTAL REVENUES (OVER LIFE OF PROJECT AREA)

ENTITY	SALES TAX	PROPERTY TAX	TOTAL SALES TAX REVENUE
Eagle Mountain City	$48,924,285	$896,220	$49,820,504
TOTAL REVENUES	**$48,924,285**	**$896,220**	**$49,820,504**

The expenditures consist of general government, public safety, public works, and sales tax participation. The net benefit is calculated using total revenues less total expenditures. As shown below, the proposed community reinvestment will create a net benefit to the City.

TABLE 1.3: TOTAL EXPENDITURES (OVER LIFE OF PROJECT AREA)

ENTITY	CRA BUDGET (SALES TAX PARTICIPATION)	GENERAL GOVERNMENT	PUBLIC WORKS	PUBLIC SAFETY	TOTAL INCREMENTAL EXPENDITURES
Eagle Mountain City	$26,908,357	$1,776,312	$82,699	$1,623,768	$30,391,135
TOTAL EXPENDITURES	**$26,908,357**	**$1,776,312**	**$82,699**	**$1,623,768**	**$30,391,135**

The net benefit to the City of participating in the Project Area is **$19,429,369**.[1]

[1] This does not include the $2,690,836 housing portion of tax increment that will be reinvested into the City.

EXHIBIT A: BOUNDARY DESCRIPTION OF MID-VALLEY COMMERCIAL CRA

A part of the South Half of Section 36, Township 5 South, Range 2 West and the Northeast Quarter of Section 1, Township 6 South, Range 2 West of the Salt Lake Base and Meridian, U.S. Survey in Utah County, Utah.

Beginning at a point on the Easterly Line of Pony Express Parkway as widened to 76.00 foot half-width and the Southwesterly Line of the Old Airport Road as it exists at 103.00 foot half-width located 267.81 feet South 0°36'08″ West along the Section Line; and 1774.46 feet North 89°23'10″ West from an existing Monument found marking the East Quarter Corner of said Section 36; and running thence along said Southwesterly Line of the Old Airport Road the following two courses: South 61°32'38″ East 616.62 feet; and Southeasterly along the arc of an 1897.00 foot radius curve to the right a distance of 331.50 feet (Center bears South 28°27'20″ West, Central Angle equals 10°00'44″ and Long Chord bears South 56°32'18″ East 331.08 feet); thence South 24°30'40″ West 2009.05 feet to the Northerly Line of Midvalley Road as it will be dedicated to 61.00 foot half-width; thence along said Northerly Line the following five courses: North 89°22'13″ West 277.48 feet to a point of curvature; Southwesterly along the arc of and 1103.00 foot radius curve to the left a distance of 288.77 feet (Central Angle equals 15°00'00″ and Long Chord bears South 83°07'47″ West 287.94 feet) to a point of tangency; South 75°37'47″ West 368.88 feet to a point of curvature; Westerly along the arc of a 281.00 foot radius curve to the right a distance of 191.64 feet (Central Angle equals 39°04'29″ and Long Chord bears North 84°49'59″ West 187.95 feet) to a point of tangency; and North 65°17'44″ West 68.92 feet to the Easterly Line of Pony Express Parkway as widened to 76.00 foot half-width; thence along said Easterly Line the following six courses: Northeasterly along the arc of a 2374.00 foot radius curve to the right a distance of 45.88 feet (Center bears South 63°49'21″ East, Central Angle equals 1°06'26″ and Long Chord bears North 26°43'52″ East 45.88 feet); North 27°17'06″ East 1067.90 feet to a point of curvature; Northeasterly along the arc of a 576.00 foot radius curve to the left a distance of 27.89 feet (Central Angle equals 2°46'26″ and Long Chord bears North 25°53'53″ East 27.88 feet) to a point of tangency; North 24°30'40″ East 972.70 feet to a point of curvature; Northeasterly along the arc of a 424.00 foot radius curve to the right a distance of 29.18 feet (Central Angle equals 3°56'36″ and Long Chord bears North 26°28'58″ East 29.18 feet) to a point of tangency; and North 28°27'16″ East 517.83 feet to the point of beginning

Contains 2,316,098 sq ft
or 53.170 acres

EXHIBIT B: CRA PROJECT AREA MAP

EXHIBIT C: LAYOUT OF STREETS

AWA	**Landscape Treatments**	Sheet No.	Design By: TW
	Eagles Landing	**EX1.0**	Drafted By: GV
	Pony Express Parkway & Old Airport RD		Client Name: Terra Smith's Eagle Mountain I, LLC
	Eagle Mountain, Utah		15 Jan, 2026

	EAGLE MOUNTAIN CITY **REDEVELOPMENT AGENCY BOARD MEETING** **AUGUST 18, 2026**
TITLE:	RESOLUTION/PUBLIC HEARING - A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Adopting the Official Project Area Budget for the Mid-Valley Community Reinvestment Project Area.
ITEM TYPE:	Resolution
FISCAL IMPACT:	Up to: $15,751,273
APPLICANT:	

CURRENT GENERAL PLAN DESIGNATION & ZONE	ACREAGE
	Approximately 53 acres

PUBLIC HEARING

PREPARED BY
Evan Berrett, Economic Development Director

PRESENTED BY
Evan Berrett

RECOMMENDATION:
Staff recommends City Council approve a Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Adopting the Official Project Area Budget for the Mid-Valley Community Reinvestment Project Area.

BACKGROUND:
The Project Area budget has been assembled based on the outcomes of negotiations aimed at ensuring the successful development of a large commercial/retail area within the city. The budget assumes use of a TIF arrangement using sales tax revenues, with 55% of new tax revenues paying down a TIF Bond which will be utilized to complete negotiated off-site infrastructure improvements. The budget also reflects a conclusion of incentives after 20 years or fewer which starts at the completion of the first building.

ITEMS FOR CONSIDERATION:
N/A

PLANNING COMMISSION ACTION/RECOMMENDATION:

ATTACHMENTS:
1. Resolution
2. Mid-Valley CRA Project Area Budget

RESOLUTION NO. R-   -2026

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF EAGLE MOUNTAIN CITY ADOPTING THE OFFICIAL PROJECT AREA BUDGET FOR THE MID-VALLEY COMMUNITY REINVESTMENT PROJECT AREA

PREAMBLE

WHEREAS, the Redevelopment Agency of Eagle Mountain City (the "Agency") was created to transact the business and exercise the powers provided for in the current Limited Purpose Local Government Entities – Community Reinvestment Agency Act, Title 17C of the Utah Code Ann. 1953, as amended (the "Act"); and

WHEREAS, the Agency has adopted by Resolution the Mid Valley Community Reinvestment Project Area Plan (the "Plan") for the Mid-Valley Community Reinvestment Project Area (the "Project Area"); and

WHEREAS, the Plan Allows for the Agency to collect tax increment created within the Project Area to assist in the creation of jobs, to meet other goals and objectives as outlined in the Plan, to promote economic development, and provide a public benefit within Eagle Mountain City (the "City"); and

WHEREAS, the Agency has prepared a Project Area Budget in accordance with section 17C-5-303 of the Act.

WHEREAS, the Agency has held a public hearing on the draft Project Area Budget and at that hearing allowed public comment on the draft Project Area Budget and whether the draft Project Area Budget should be revised, approved or rejected; and

WHEREAS, after holding the public hearing, and at the same meeting, the Agency considered the oral and written objections to the draft Project Area Budget, and whether to revise, approve, or reject the draft Project Area Budget; and

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Redevelopment Agency of Eagle Mountain City:

1. The Project Area Budget attached hereto as Exhibit A, and together with any changes to the draft Project Area Budget as may be indicated in the minutes of this meeting (if any), is hereby approved, and adopted on the 18th day of August, 2026.

2. The Agency staff will include in the annual report, the taking of tax increment from the Mid-Valley Community Reinvestment Project beginning with the tax year before the Agency requests funding.

3. The Agency staff is authorized to finalize negotiations with the taxing entities that levy a certified rate in the Project Area, to participate with the Agency in the

implementation and funding of the Budget in accordance with Sections 17C-5-201, 202, 204, 205, and 206 of the Act.

ADOPTED by the governing board of the Redevelopment Agency of Eagle Mountain City, this 18th day of August, 2026.

____
Jared A. Gray, Board Chair

ATTEST:

____
Abby Ivory, Executive Director

CERTIFICATION

The above Resolution was adopted by the Redevelopment Agency of Eagle Mountain City, Utah on this 18th day of August, 2026.

Those voting yes:	Those voting no:	Those excused:	Those abstaining:
☐ Melissa Clark	☐ Melissa Clark	☐ Melissa Clark	☐ Melissa Clark
☐ Zachory Huish	☐ Zachory Huish	☐ Zachory Huish	☐ Zachory Huish
☐ Craig Whiting	☐ Craig Whiting	☐ Craig Whiting	☐ Craig Whiting
☐ Rich Wood	☐ Rich Wood	☐ Rich Wood	☐ Rich Wood
☐ Brett Wright	☐ Brett Wright	☐ Brett Wright	☐ Brett Wright

____

Abby Ivory, Executive Director

Exhibit A

(Project Area Budget)

LRB | PUBLIC FINANCE ADVISORS

LEWIS | ROBERTSON | BURNINGHAM

EAGLE MOUNTAIN REDEVELOPMENT AGENCY, UTAH

JULY 2026

PROJECT AREA BUDGET

MID-VALLEY COMMUNITY REINVESTMENT AREA (CRA)

PREPARED BY:

LRB PUBLIC FINANCE ADVISORS

FORMERLY LEWIS YOUNG ROBERTSON & BURNINGHAM INC.

SECTION 1. INTRODUCTION

The Eagle Mountain Redevelopment Agency (the Agency), following thorough consideration of the needs and desires of the City of Eagle Mountain (the City) and its residents, as well as understanding the City's capacity for new development, has carefully crafted the Project Area Plan (the Plan) for the Mid-Valley Community Reinvestment Project Area (the Project Area). The Plan is the result of a comprehensive evaluation of the types of appropriate land-uses and economic development opportunities for the land encompassed by the Project Area which lies within the central portion of the City, to the east of Pony Express Parkway, and to the south of Old Airport Road.

The Plan is envisioned to define the method and means of development for the Project Area from its current state to a higher and better use. The City has determined it is in the best interest of its citizens to assist in the development of the Project Area. This **Project Area Budget** document (the Budget) is predicated upon certain elements, objectives and conditions outlined in the Plan and intended to be used as a financing tool to assist the Agency in meeting Plan objectives discussed herein and more specifically referenced and identified in the Plan.

The creation of the Project Area is being undertaken as a community reinvestment project pursuant to certain provisions of Chapters 1 and 5 of the Utah Community Reinvestment Agency Act (the Act, Utah Code Annotated (UCA) Title 17C). The requirements of the Act, including notice and hearing obligations, have been observed throughout the establishment of the Project Area.

SECTION 2. DESCRIPTION OF COMMUNITY DEVELOPMENT PROJECT AREA

The Agency was established for the purpose of promoting economic activity within the boundaries of the City and Agency. Pursuant to that purpose, the Agency has determined that it is in the best interests of the participating taxing entities that levy taxes within the proposed project area to promote the development of a regional commercial center.

The developer of the land has informed the Agency that the current property owners will only accept a premium price above fair market value for their land. This land price, combined with increases in construction costs, and required public road improvements creates a financing gap that cannot be overcome without assistance. "But for" public participation, the land will remain underutilized.

A map of the Project Area is attached hereto in **Exhibit A**.

SECTION 3. GENERAL OVERVIEW OF PROJECT AREA BUDGET

[redacted] the Project Area Plan vision and objectives. The Project Area Plan has identified that tax increment financing is essential to meet the objectives of the Project Area. The following information will detail the sources and uses of tax increment and other details necessary for public officials, interested parties, and the public in general to understand the mechanics of the Project Area Budget.

BASE YEAR VALUE

The Agency has determined that the base year sales tax generation for the Project Area will be the total sales tax collections from business activity within the project area boundaries during calendar year 2026. Based on current conditions within the Project Area, collections are estimated at **$0**.

PAYMENT TRIGGER

The Project Area will have a maximum duration of twenty (20) years from the date of the first tax increment received by the Agency, unless the Sales Tax and Tax Increment Revenue Bonds, Series 2026 (Bonds) are fully paid prior to the end of the twenty-year period. The collection of tax increment will be triggered at the discretion of the Agency. Following the Agency's request to begin the collection of tax increment, tax increment revenues generated within the Project Area will accrue monthly after the effective trigger date. Consistent with the timing of sales tax collection and distribution procedures, monthly sales tax revenues are expected to be remitted to the Agency approximately three months after the month in which the underlying taxable sales occur. For the purposes of this Project Area Budget, "Year 1" shall mean the calendar year in which the Agency first receives Tax Increment revenues. The Agency anticipates it will trigger tax increment during 2027, but in no case will the Agency trigger the first year of tax increment collection after 2029.

PROJECTED TAX INCREMENT REVENUE – TOTAL GENERATION

Development within the Project Area will commence upon favorable market conditions which will include both horizontal and vertical infrastructure and development. The Agency anticipates that site work and infrastructure construction will commence in fourth quarter 2026 and new vertical development will begin in the Project Area in 2027. The contemplated development will generate significant incremental sales and use tax above what is currently generated within the Project Area.

Although the Project Area Budget may terminate prior to the expiration of the 20-year period if the Bonds are fully repaid, it is estimated that during the 20-year life of the Project Area Budget, Tax Increment could be generated within the Project Area in the approximate amount of **$26.9M** or at a **net present value (NPV)[1] of $15.8M.**

[1] Net Present Value (NPV) of future cash flows assumes a 4.75% discount rate. The same 4.75% discount rate is used in all remaining NPV calculations. This total is prior to accounting for the flow-through of tax increment to the respective taxing entities.

SECTION 4. TAX INCREMENT

BASE YEAR TAX REVENUE

The Agency has determined that the base year sales tax generation for the Project Area will be the total sales tax collections from business activity within the project area boundaries during calendar year 2026. Based on current conditions within the Project Area, collections are estimated at **$0**.

TAX INCREMENT SHARED WITH RDA – PROJECT AREA BUDGET

It is currently anticipated that only the City will share a portion of that increment generation with the Agency. The City will contribute an estimated 55% of their respective tax increment for 20 years. **Table 4.1** shows the amount of Tax Increment shared with the Agency assuming the participation levels discussed above.

TABLE 4.1: SOURCES OF TAX INCREMENT FUNDS AFTER APPLICATION OF PARTICIPATION RATE

ENTITY	PARTICIPATION PERCENTAGE	LENGTH	TOTAL	NPV AT 4.75%
Eagle Mountain City	55%	20 Years[1]	$26,908,357	$15,751,273
TOTAL SOURCES OF TAX INCREMENT FUNDS			**$26,908,357**	**$15,751,273**
[1] Project Area Budget may terminate prior to the expiration of the 20-year period if the Bonds are fully repaid.				

USES OF TAX INCREMENT

Most of the tax increment (89.5%) will be used to facilitate the development of the commercial center, specifically to assist in repaying the Bonds issued to meet road improvement requirements of the City. 10% of the Project Area's tax increment will be used on qualified affordable housing uses, as outlined Utah Code 17C-5-307(3). The remaining 0.5% will be used to offset the administration costs of the Agency.

TABLE 4.2: USES OF TAX INCREMENT

USES	TOTAL	NPV AT 4.75%
Redevelopment Activities (Road Improvements, etc.)	$24,082,979	$14,097,390
CRA Housing Requirement	$2,690,836	$1,575,127
Agency Administration	$134,542	$78,756
TOTAL USES OF TAX INCREMENT FUNDS	**$26,908,357**	**$15,751,273**

A multi-year projection of tax increment is included in **EXHIBIT B**.

TOTAL ANNUAL TAX REVENUE FOR TAXING ENTITIES AT CONCLUSION OF PROJECT

As described above, the collective taxing entities are not currently generating sales tax revenue from this Project Area. At the end of 20 years an additional $1,839,941 in sales tax revenue annually is anticipated.

TABLE 4.3: TOTAL BASE YEAR AND END OF PROJECT LIFE ANNUAL SALES TAX INCREMENT

ENTITY	BASE YEAR REVENUE	ANNUAL INCREMENT AT YEAR 20	TOTAL ANNUAL SALES TAX
Eagle Mountain City	$0	$1,839,941	$1,839,941
TOTAL REVENUES	**$0**	**$1,839,941**	**$1,839,941**

SECTION 5: CITY COST/BENEFIT ANALYSIS

Based on the land use assumptions, current economic and market demand factors, tax increment participation levels, the following table outlines the benefits (revenues) and costs (expenditures) anticipated in the Project Area. This does not factor in the benefit of other economic multipliers such as job creation, disposable income for retail consumption, etc. The revenues calculated in this analysis consists of property and sales tax revenues.

TABLE 5.1 TOTAL REVENUES (OVER LIFE OF PROJECT AREA)

ENTITY	SALES TAX	PROPERTY TAX	TOTAL SALES TAX REVENUE
Eagle Mountain City	$48,924,285	$896,220	$49,820,504
TOTAL REVENUES	**$48,924,285**	**$896,220**	**$49,820,504**

The expenditures consist of general government, public safety, public works, and sales tax participation. The net benefit is calculated using total revenues less total expenditures. As shown below, the proposed community reinvestment will create a net benefit to the City.

TABLE 5.2 TOTAL EXPENDITURES (OVER LIFE OF PROJECT AREA)

ENTITY	CRA BUDGET (SALES TAX PARTICIPATION)	GENERAL GOVERNMENT	PUBLIC WORKS	PUBLIC SAFETY	TOTAL INCREMENTAL EXPENDITURES
Eagle Mountain City	$26,908,357	$1,776,312	$82,699	$1,623,768	$30,391,135
TOTAL EXPENDITURES	**$26,908,357**	**$1,776,312**	**$82,699**	**$1,623,768**	**$30,391,135**

The net benefit to the City of participating in the Project Area is **$19,429,369**.[2]

[2] This does not include the $2,690,836 housing portion of tax increment that will be reinvested into the City.

EXHIBIT A: PROJECT AREA MAP

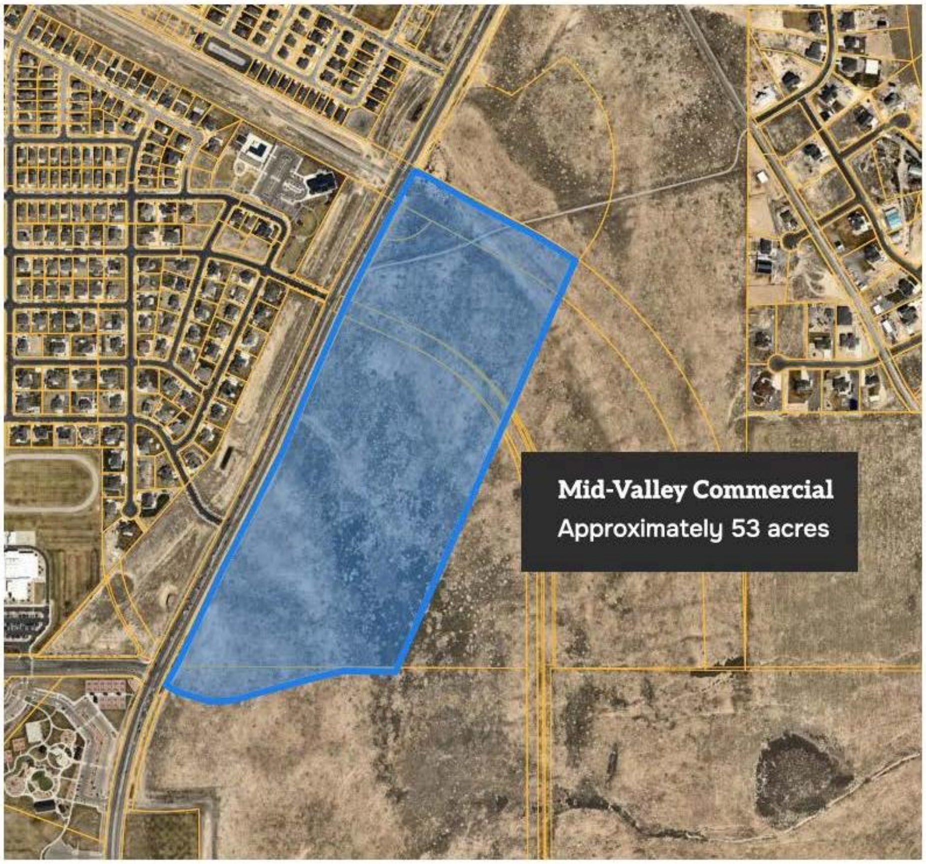

EXHIBIT B: MULTI-YEAR BUDGET

Eagle Mountain Redevelopment Agency

Mid-Valley CRA

INCREMENTAL SALES TAX ANALYSIS:	*Tax Year*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*	*2036*	*2037*
	Build Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
	Year	*Year 1*	*Year 2*	*Year 3*	*Year 4*	*Year 5*	*Year 6*	*Year 7*	*Year 8*	*Year 9*	*Year 10*
SALES TAX & INCREMENT ANALYSIS											
City Local Option	1.000%	321,949	778,455	1,272,213	1,944,619	2,151,541	2,367,593	2,426,783	2,487,453	2,549,639	2,613,380
Sales Tax Participation Rate											
City Local Option		55%	55%	55%	55%	55%	55%	55%	55%	55%	55%
Sales Tax Increment for Budget											
City Local Option		177,072	428,150	699,717	1,069,540	1,183,347	1,302,176	1,334,731	1,368,099	1,402,301	1,437,359
Total Sales Tax Increment for Budget:		**$177,072**	**$428,150**	**$699,717**	**$1,069,540**	**$1,183,347**	**$1,302,176**	**$1,334,731**	**$1,368,099**	**$1,402,301**	**$1,437,359**
Use of Tax Increment Funds											
Redevelopment Activities (Infrastructure, Incentives, etc.)	89.5%	158,479	383,194	626,247	957,239	1,059,096	1,165,448	1,194,584	1,224,449	1,255,060	1,286,436
CRA Housing Requirement	10.0%	17,707	42,815	69,972	106,954	118,335	130,218	133,473	136,810	140,230	143,736
RDA Administration (0.5%)	0.5%	885	2,141	3,499	5,348	5,917	6,511	6,674	6,840	7,012	7,187
Total Uses		**$177,072**	**$428,150**	**$699,717**	**$1,069,540**	**$1,183,347**	**$1,302,176**	**$1,334,731**	**$1,368,099**	**$1,402,301**	**$1,437,359**
REMAINING TAX REVENUES FOR TAXING ENTITIES											
Eagle Mountain		144,877	350,305	572,496	875,078	968,193	1,065,417	1,092,052	1,119,354	1,147,338	1,176,021

Eagle Mountain Redevelopment Ag

Mid-Valley CRA

INCREMENTAL SALES TAX ANALYSIS:	Tax Year	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047		
	Build Year	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046		
	Year	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20		
SALES TAX & INCREMENT ANALYSIS												TOTALS	NPV
City Local Option	1.000%	2,678,714	2,745,682	2,814,324	2,884,682	2,956,800	3,030,719	3,106,487	3,184,150	3,263,753	3,345,347	48,924,285	28,638,679
Sales Tax Participation Rate													
City Local Option		55%	55%	55%	55%	55%	55%	55%	55%	55%	55%		
Sales Tax Increment for Budget												TOTALS	NPV
City Local Option		1,473,293	1,510,125	1,547,878	1,586,575	1,626,240	1,666,896	1,708,568	1,751,282	1,795,064	1,839,941	26,908,357	15,751,273
Total Sales Tax Increment for Budget:		**$1,473,293**	**$1,510,125**	**$1,547,878**	**$1,586,575**	**$1,626,240**	**$1,666,896**	**$1,708,568**	**$1,751,282**	**$1,795,064**	**$1,839,941**	**$26,908,357**	**$15,751,273**
Use of Tax Increment Funds												TOTALS	NPV
Redevelopment Activities (Infrastructure, Incentives, etc.)	89.5%	1,318,597	1,351,562	1,385,351	1,419,985	1,455,485	1,491,872	1,529,168	1,567,398	1,606,583	1,646,747	24,082,979	14,097,390
CRA Housing Requirement	10.0%	147,329	151,013	154,788	158,658	162,624	166,690	170,857	175,128	179,506	183,994	2,690,836	1,575,127
RDA Administration (0.5%)	0.5%	7,366	7,551	7,739	7,933	8,131	8,334	8,543	8,756	8,975	9,200	134,542	78,756
Total Uses		**$1,473,293**	**$1,510,125**	**$1,547,878**	**$1,586,575**	**$1,626,240**	**$1,666,896**	**$1,708,568**	**$1,751,282**	**$1,795,064**	**$1,839,941**	**$26,908,357**	**$15,751,273**
REMAINING TAX REVENUES FOR TAXING ENTITIES												TOTALS	NPV
Eagle Mountain		1,205,421	1,235,557	1,266,446	1,298,107	1,330,560	1,363,824	1,397,919	1,432,867	1,468,689	1,505,406	22,015,928	12,887,406

	EAGLE MOUNTAIN CITY **REDEVELOPMENT AGENCY BOARD MEETING** **AUGUST 18, 2026**
TITLE:	RESOLUTION - A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Eagle Mountain City for the Collection and Remittance of Incremental Property Taxes Collected from Property Within the Mid-Valley Community Reinvestment Project Area.
ITEM TYPE:	Resolution
FISCAL IMPACT:	Up to $15,751,273
APPLICANT:	

CURRENT GENERAL PLAN DESIGNATION & ZONE	ACREAGE
	Approximately 53 acres

PUBLIC HEARING
No

PREPARED BY
Evan Berrett, Economic Development Director

PRESENTED BY
Evan Berrett

RECOMMENDATION:
Staff recommends the City Council approve a Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Eagle Mountain City for the Collection and Remittance of Incremental Property Taxes Collected from Property Within the Mid-Valley Community Reinvestment Project Area.

BACKGROUND:
The Mid-Valley CRA covers approximately 53 acres currently under review for commercial retail development. This interlocal agreement specifies the City's involvement in providing tax increment financing for the off-site project improvements and other necessary administrative procedures, terms, and so forth.

ITEMS FOR CONSIDERATION:

PLANNING COMMISSION ACTION/RECOMMENDATION:

ATTACHMENTS:
1. Resolution
2. MidValley Interlocal Agreement with City

RESOLUTION NO. R-   -2026

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF EAGLE MOUNTAIN CITY, UTAH, APPROVING AN INTERLOCAL COOPERATION AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY AND EAGLE MOUNTAIN CITY FOR THE COLLECTION AND REMITTANCE OF INCREMENTAL PROPERTY TAXES COLLECTED FROM PROPERTY WITHIN THE MID-VALLEY COMMUNITY REINVESTMENT AREA

PREAMBLE

WHEREAS, pursuant to the provisions of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the "Interlocal Act"), and the provisions of the Community Reinvestment Agency Act, Title 17C, Utah Code Annotated 1953, as amended (the "Act"), public agencies, including political subdivisions of the State of Utah as therein defined, are authorized to enter into mutually advantageous agreements for joint and cooperative actions, including the sharing of tax and other revenues; and

WHEREAS, the Redevelopment Agency of Eagle Mountain City (the "Agency") and Eagle Mountain City (the "Taxing Entity") are "public agencies" for purposes of the Act; and

WHEREAS, after careful analysis and consideration of relevant information, the Agency desires to enter into Interlocal Agreements with the Taxing Entity whereby the Taxing Entity would remit to the Agency a portion of the property tax increment generated within the Mid-Valley Community Reinvestment Project Area, (the "Project Area") which would otherwise flow to the Taxing Entity, for the purpose of encouraging development activities through the payment for certain public infrastructure and other uses that directly benefit the Project Area; and

WHEREAS, Section 11-13-202.5 of the Interlocal Cooperation Act requires that certain interlocal agreements be approved by resolution of the legislative body of a public agency.

NOW, THEREFORE, BE IT RESOLVED BY the Board of Directors of the Redevelopment Agency of Eagle Mountain City:

1. The Interlocal Cooperation Agreement between the Agency and the Taxing Entity, substantially in the form attached hereto as Exhibit A (the "Interlocal Agreement"), is approved in final form, and shall be executed for and on behalf of the Agency by the Chair of the Agency Board.

2. Pursuant to Section 11-13-202.5 of the Interlocal Act, the Interlocal Agreement has been submitted to legal counsel of the Agency for review and approval as to form and legality.

3. Pursuant to Section 11-13-209 of the Interlocal Act, duly executed original counterparts of the Interlocal Agreement shall be filed immediately with the Agency Secretary, the keeper of records of the Agency.

4. As provided in Utah Code Ann. § 17C-5-205(3), the Interlocal Agreement shall be effective on the day on which the Agency publishes notice of the Agreement pursuant to Utah Code Ann. § 11-13-219 of the Interlocal Act.

5. This Resolution shall take effect upon adoption.

ADOPTED by the governing board of the Redevelopment Agency of Eagle Mountain City, this 18th day of August, 2026.

____
Jared R. Gray, Board Chair

ATTEST:

____
Abby Ivory, Executive Director

CERTIFICATION

The above Resolution was adopted by the Redevelopment Agency of Eagle Mountain City, Utah, on the 18th day of August, 2026.

Those voting yes:	Those voting no:	Those excused:	Those abstaining:
☐ Melissa Clark	☐ Melissa Clark	☐ Melissa Clark	☐ Melissa Clark
☐ Zachory Huish	☐ Zachory Huish	☐ Zachory Huish	☐ Zachory Huish
☐ Craig Whiting	☐ Craig Whiting	☐ Craig Whiting	☐ Craig Whiting
☐ Rich Wood	☐ Rich Wood	☐ Rich Wood	☐ Rich Wood
☐ Brett Wright	☐ Brett Wright	☐ Brett Wright	☐ Brett Wright

____

Abby Ivory, Executive Director

EXHIBIT A

INTERLOCAL COOPERATION AGREEMENT

THIS INTERLOCAL COOPERATION AGREEMENT is made and entered into this _____ day of , 2026, by and between the **EAGLE MOUNTAIN REDEVELOPMENT AGENCY**, a community reinvestment agency and political subdivision of the State of Utah (the "Agency"), and **EAGLE MOUNTAIN CITY**, a political subdivision of the State of Utah (the "City") in contemplation of the following facts and circumstances:

A. **WHEREAS,** the Agency was created and organized pursuant to the provisions of the Utah Neighborhood Development Act, Utah Code Annotated (**"UCA"**) §17A-2-1201 *et seq.* (2000), and continues to operate under the provisions of its extant successor statute, the Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Title 17C of the UCA (the **"Act"**), and is authorized and empowered under the Act to undertake, among other things, various community development activities pursuant to the Act, including, among other things, assisting the City in development activities that are likely to advance the policies, goals and objectives of the City's general plan, contributing to capital improvements which substantially benefit the City, creating economic benefits to the City, and improving the public health, safety and welfare of its citizens; and

B. **WHEREAS,** this Agreement is made pursuant to the provisions of the Act and the Interlocal Cooperation Act (UCA Title 11, Chapter 13) (the "Cooperation Act"); and

C. **WHEREAS,** the Agency will create the Mid-Valley Community Reinvestment Project Area (the "Project Area"), through the adoption of the Mid-Valley Plan (the "Project Area Plan"), located within the City, which Project Area is described in Exhibit "A" attached hereto and incorporated herein by this reference; and

D. **WHEREAS,** the Project Area contains vacant and underutilized land, which is anticipated to be developed, with encouragement and planning by the Agency, as a regional commercial center consisting of real and personal property including a building or group of buildings for the construction, maintenance, use and/or operation of retail operations, including but not limited to grocery and general merchandise stores, restaurants, financial institutions, fuel centers, service businesses, and more (each a "Building" and collectively the "Buildings"). The Agency has not entered into any participation or development agreements with developers but anticipates that prior to development of the Project Area, the City and/or the Agency may enter into one or more participation agreements with one or more developer(s) which will provide certain terms and conditions upon which the Project Area will be developed using, in part, sales and use tax revenue ("**Tax Revenue**") (as that term is defined in the Act), generated from the Project Area; and

E. **WHEREAS,** historically, the Project Area has generated a total of $0 per year in sales taxes for the City; and

F. **WHEREAS,** upon full development as contemplated in the Project Area Plan, sales taxes produced by the Project Area for the City are projected to total approximately $321,949 in the first year of sales tax revenue collection or which a portion will be distributed to support the development of the Project Area, and after major development has concluded and growth has stabilized, increase by 2.5% annually, until peaking at approximately $3,345,347 per year; and

G. **WHEREAS,** the Agency has requested the City to participate in the promotion of development in the Project Area by agreeing to remit to the Agency for a specified period of time specified portions of the increased sales tax (i.e., Tax Revenue) which will be generated by the Project Area; and

H. **WHEREAS,** it is in the best interest of the citizens of the City for the City to remit such payments to the Agency to permit the Agency to leverage private development of the Project Area; and

I. **WHEREAS,** the Agency has retained LRB Public Finance Advisors, Inc., an independent financial consulting firm with substantial experience regarding community reinvestment projects and tax revenue funding across the State of Utah, to prepare the Project Area Plan and to provide a report regarding the need and justification for investment of Tax Revenues from and within the Project Area. A copy of the report is included in the Draft Project Area Plan attached as Exhibit "B"; and

J. **WHEREAS,** the Agency will create the Mid-Valley Community Reinvestment Project Area Budget (the "Project Area Budget"), a draft copy of which is attached as Exhibit "C", which Project Area Budget, generally speaking, outlines the anticipated generation, payment and use of Tax Revenue within the Project Area;

K. **WHEREAS,** the parties desire to set forth in writing their agreements regarding the nature and timing of such assistance;

NOW, THEREFORE, the parties agree as follows:

1. **Additional Tax Revenue.** The City has determined that significant additional Tax Revenue will likely be generated by the development of the Project Area as described in further detail in the Project Area Plan and Project Area Budget. Each of the parties acknowledges, however, that the development activity required for the generation of the Tax Revenue is not likely to occur within the foreseeable future or to the degree possible or desired without Tax Revenue participation in order to induce and encourage such development activity.

2. **Offset of Development Costs and Expenses.** The City has determined that it is in the best interests of its citizens to pay specified portions of its portion of Tax Revenue to the Agency in order for the Agency to offset costs and expenses which will be incurred by the Agency or participants in Project Area development, including, without limitation, the construction and installation of infrastructure improvements, acquisition of water rights, and other development related costs needed to serve the Project Area, to the extent permitted by the Act, the Project Area Plan, and the Project Area Budget, each as adopted and amended from time to time.

3. **Base Year and Base Year Value.** The base year, for purposes of calculation of the Base Taxable Value (as that term is defined in the Act), shall be 2025, meaning the Base Taxable Value shall, to the extent and in the manner defined by the Act, be equal to the total sales tax collections from business activity within the project area boundaries during the year 2025 (which is currently estimated to be $0, but is subject to final adjustment and verification by the Agency).

4. **Agreement(s) with Developer(s).** The Agency is authorized to enter into one or more participation agreements with one or more participants which may provide for the payment of certain amounts of Tax Revenue (to the extent such Tax Revenue is actually paid to and received by the Agency from year to year) to the participant(s) conditional upon the participant(s)'s meeting of certain performance measures as outlined in said agreement. Such agreement shall be consistent with the terms and conditions of this Agreement, shall require as a condition of the payment to the participant(s) that the respective participant or its approved successors in title as owners of all current and subsequent parcels within the Project Area, as outlined in Exhibit "A" (the "Property"), shall pay any and all taxes and assessments which shall be assessed against the Property in accordance with levies made by applicable municipal entities in accordance with the laws of the state of Utah applicable to such levies, and such other performance measures as the Agency may deem appropriate.

5. **Payment Trigger.** The first year of payment of Tax Revenue from the City to the Agency shall be determined by the Agency. The Project Area automatically triggers the collection of Tax Revenue when the first business opens and completes its first transaction with a customer. The Agency shall be entitled to receive Tax Revenue for a period of twenty (20) full calendar years commencing with the year after the Agency delivers a Trigger Notice.

6. **Total Payment to Agency.** The City shall remit to the Agency 55% of its annual sales tax revenue distribution generated from within the Project Area; provided, however, that the total amount of such Tax Revenue generated for the Agency for the use of all approved activities including redevelopment activities, meeting the CRA housing requirement, and RDA administration costs, does not exceed a net present value of $15,751,273.

7. **Sales Tax Increase.** The Sales and Use Tax Revenue payable under this Agreement shall be calculated using the City's applicable sales and use tax rate in effect when each taxable transaction occurs. Accordingly, any increase or decrease in that rate during the Project Area Funds Collection Period shall be reflected in the calculation. Only Sales and Use Tax Revenue actually distributed to and received by the City shall be included.

8. **Use of Grant Monies.** Additionally, the City shall distribute to the project developers no more than $2,270,000 of grant monies received from Utah County for the purpose of paying a portion of the cost of development of Old Airport Road, east of Pony Express Parkway. These grant monies are in addition to and exclusive of any payment to the Agency or the project developers in accordance with any other section of this Agreement.

9. **Allocation of Arbitrage Monies.** The City shall allocate arbitrage monies, interest earned on a previous road bond, to the project toward completion of Lake Mountain Corridor, east of Pony Express Parkway. These monies shall be distributed to the developer who will be developing the road. These arbitrage monies are in addition to and exclusive of any payment of any monies to the Agency or the project developers in accordance with any other section of this Agreement.

10. **Timeline to Perform.** The developer shall begin construction of the infrastructure improvements in the project area within eight months after the effective date.

11. **No Independent Duty.** The City shall be responsible to remit to the Agency only Tax Revenue actually received by the Utah State Tax Commission acting as the tax collecting agency for the City. The City shall have no independent duty to pay any amount to the Agency other than the Tax Revenue actually received by the Utah State Tax Commission, on behalf of the City on an annual basis.

12. **Authority to Bind.** Each individual executing this Agreement represents and warrants that such person is authorized to do so, and, that upon executing this Agreement, this Agreement shall be binding and enforceable in accordance with its terms upon the party for whom such person is acting.

13. **Further Documents and Acts.** Each of the parties hereto agrees to cooperate in good faith with the others, and to execute and deliver such further documents and perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement.

14. **Notices.** Any notice, request, demand, consent, approval or other communication required or permitted hereunder or by law shall be validly given or made only if in writing and delivered to an officer or duly authorized representative of the other party in person or by Federal Express, private commercial delivery or courier service for next business day delivery, or by United States mail, duly certified or registered (return receipt requested), postage prepaid, and addressed to the party for whom intended, as follows:

If to City:
Eagle Mountain City
Attn: City Council
1650 E. Stagecoach Run
Eagle Mountain, UT 84005
Phone: (801) 789-6603

If to Agency:
Eagle Mountain Redevelopment Agency
Attn: Agency Board
1650 E. Stagecoach Run
Eagle Mountain, UT 84005
Phone: (801) 789-6603

Any party may from time to time, by written notice to the others as provided above, designate a different address which shall be substituted for that specified above. Notice sent by mail shall be deemed served or delivered seventy-two (72) hours after mailing. Notice by any other method shall be deemed served or delivered upon actual receipt at the address or facsimile number listed above. Delivery of courtesy copies noted above shall be as a courtesy only and failure of any party to give or receive a courtesy copy shall not be deemed to be a failure to provide notice otherwise properly delivered to a party to this Agreement.

15. **Entire Agreement.** This Agreement is the final expression of and contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior understandings with respect thereto. This Agreement may not be modified, changed, supplemented or terminated, nor may any obligations hereunder be waived, except by written instrument signed by the party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein. This Agreement and its exhibits constitute the entire agreement between the parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understandings of the parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

16. **No Third Party Benefit.** The parties do not intend to confer any benefit hereunder on any person, firm or corporation other than the parties hereto. There are no intended third party beneficiaries to this Agreement.

17. **Construction.** Headings at the beginning of each paragraph and subparagraph are solely for the convenience of the parties and are not a part of the Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. Unless otherwise indicated, all references to paragraphs and subparagraphs are to this Agreement. In the event the date on which any of the parties is required to take any action under the terms of this Agreement is not a business day, the action shall be taken on the next succeeding business day.

18. **Partial Invalidity.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law.

19. **Amendments.** No addition to or modification of any provision contained in this Agreement shall be effective unless fully set forth in writing executed by each of the parties hereto.

20. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

21. **Waivers.** No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

22. **Governing Law.** This Agreement and the exhibits attached hereto shall be governed by and construed under the laws of the State of Utah. In the event of any dispute hereunder, it is agreed that the sole and exclusive venue shall be in a court of competent jurisdiction in Utah County, Utah, and the parties hereto agree to submit to the jurisdiction of such court.

23. **Declaration of Invalidity**. In the event that a court of competent jurisdiction declares that the City cannot pay and/or that the Agency cannot receive payments of the Tax Revenue, declares that the Agency cannot pay the Tax Revenue to developers, or takes any other action which has the effect of eliminating or reducing the payments of Tax Revenue received by the Agency, the Agency's obligation to pay the Tax Revenue to developers shall be reduced or eliminated accordingly, the Agency, and the City shall take such steps as are reasonably required to not permit the payment and/or receipt of the Tax Revenue to be declared invalid.

24. **No Separate Legal Entity.** No separate legal entity is created by this Agreement.

25. **Duration.** This Agreement shall terminate after the twentieth year following the trigger as described in section 5: Payment Trigger.

26. **Assignment.** No party may assign its rights, duties or obligations under this Agreement without the prior written consent first being obtained from all parties. Notwithstanding the foregoing, such consent shall not be unreasonably withheld or delayed so long as the assignee thereof shall be reasonably expected to be able to perform the duties and obligations being assigned.

27. **Termination.** Upon any termination of this Agreement resulting from the uncured default of any party, the order of any court of competent jurisdiction or termination as a result of any legislative action requiring such termination, then any funds held by the Agency and for which the Agency shall not be required to disburse to developers in accordance with the agreements which govern such disbursement, then such funds shall be returned to the party originally remitting same to the Agency and upon such return this Agreement shall be deemed terminated and of no further force or effect.

28. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:

a. This Agreement has been, on or prior to the date hereof, authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Cooperation Act;

b. This Agreement has been, on or prior to the date hereof, reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5(3) of the Cooperation Act;

c. A duly executed original counterpart of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Section 11-13-209 of the Cooperation Act;

d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act, pursuant to Section 11-13-207 of the Cooperation Act; and

e. Should a party to this Agreement desire to terminate this Agreement, in part or in whole, each party to the Agreement must adopt, by resolution, an amended Interlocal Cooperation Agreement stating the reasons for such termination. Any such amended Interlocal Cooperation Agreement must be in harmony with any development/participation agreement(s) entered into by the Agency as described in this Agreement.

f. Immediately after execution of this Agreement by both Parties, the Agency shall, on behalf of both parties, cause to be published notice regarding this Agreement pursuant to Section 11-13-219 of the Cooperation Act.

g. This Agreement makes no provision for the parties acquiring, holding and disposing of real and personal property used in the joint undertaking as such action is not contemplated as part of this Agreement nor part of the undertaking. Any such provision would be outside the parameters of the current undertaking. However, to the extent that this Agreement may be construed as providing for the acquisition, holding or disposing of real and/or personal property, all such property shall be owned by the Agency upon termination of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day specified above.

City: EAGLE MOUNTAIN CITY

Attest: By: ______________________________

Its: Mayor

____
City Recorder

Approved as to form:

____
Attorney for City

Agency: EAGLE MOUNTAIN REDEVELOPMENT AGENCY

Attest: By: ______________________________

Its: Chair

Secretary

Approved as to form:

Attorney for Agency

EXHIBIT "A"
to
INTERLOCAL AGREEMENT

Map and Legal Description of Project

EXHIBIT “B”
To
INTERLOCAL AGREEMENT

Project Area Plan

EXHIBIT "C"
To
INTERLOCAL AGREEMENT

Project Area Budget

	EAGLE MOUNTAIN CITY **REDEVELOPMENT AGENCY BOARD MEETING** **AUGUST 18, 2026**
TITLE:	RESOLUTION - A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving the Mid-Valley CRA Participation Agreement between the Redevelopment Agency of Eagle Mountain City, Eagle Mountain City, and Terra Smith's Eagle Mountain, LLC.
ITEM TYPE:	Resolution
FISCAL IMPACT:	Up to $15,751,273
APPLICANT:	

CURRENT GENERAL PLAN DESIGNATION & ZONE	ACREAGE
	Approximately 53 Acres

PUBLIC HEARING
No

PREPARED BY
Evan Berrett, Economic Development Director

PRESENTED BY
Evan Berrett

RECOMMENDATION:
Staff recommends the City Council approve a Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving the Mid-Valley CRA Participation Agreement between the Redevelopment Agency of Eagle Mountain City, Eagle Mountain City, and Terra Smith's Eagle Mountain, LLC.

BACKGROUND:
The Mid-Valley CRA covers approximately 53 acres currently under review for commercial retail development. The proposed resolution sets terms and conditions for the distribution and use of project area funds and satisfies any other obligations any or all parties participating in the Mid-Valley CRA have agreed to through negotiations.

ITEMS FOR CONSIDERATION:

PLANNING COMMISSION ACTION/RECOMMENDATION:

ATTACHMENTS:
1. Resolution
2. Participation Agreement

RESOLUTION NO. R-   -2026

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF EAGLE MOUNTAIN CITY, UTAH, APPROVING THE MID-VALLEY CRA PARTICIPATION AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF EAGLE MOUNTAIN CITY AND TERRA SMITH'S FOOD AND DRUG CENTERS, INC

PREAMBLE

WHEREAS, the Eagle Mountain Redevelopment Agency (the "Agency") created the Mid-Valley Community Reinvestment Project Area (the "Project Area") and adopted a Community Reinvestment Project Area Plan for the Project Area for the purposes of facilitation development and job growth within the Project Area; and

WHEREAS, the Agency has been working with Terra Smith's Eagle Mountain, LLC (the "Participant"), to develop a grocery and general merchandise store within the Project Area that will create a significant economic benefit within the Project Area; and

WHEREAS, after careful analysis and consideration of relevant information, the Agency desires to enter into a Participation Agreement with the Participant whereby the Agency agrees to pay to the Participant a portion of the tax increment generated by the development within the Project Area as provided in the Participation Agreement attached hereto as Exhibit A (the "Participation Agreement").

NOW THEREFORE, BE IT RESOLVED by the governing board of the Redevelopment Agency of Eagle Mountain City, as follows:

1. The Participation Agreement, substantially in the form attached hereto as Exhibit A, is approved and shall be executed for and on behalf of the Agency by the Chair and Secretary of the Agency Board.

2. This Resolution shall take effect upon adoption.

ADOPTED by the governing board of the Redevelopment Agency of Eagle Mountain City, this 18th day of August, 2026.

EAGLE MOUNTAIN CITY, UTAH

____
Jared R. Gray, Board Chair

ATTEST:

____
Abby Ivory, Executive Director

CERTIFICATION

The above Resolution was adopted by the Redevelopment Agency of Eagle Mountain City, Utah, on the 18th day of August, 2026.

Those voting yes:	Those voting no:	Those excused:	Those abstaining:
☐ Melissa Clark	☐ Melissa Clark	☐ Melissa Clark	☐ Melissa Clark
☐ Zachory Huish	☐ Zachory Huish	☐ Zachory Huish	☐ Zachory Huish
☐ Craig Whiting	☐ Craig Whiting	☐ Craig Whiting	☐ Craig Whiting
☐ Rich Wood	☐ Rich Wood	☐ Rich Wood	☐ Rich Wood
☐ Brett Wright	☐ Brett Wright	☐ Brett Wright	☐ Brett Wright

____

Abby Ivory, Executive Director

Exhibit A

CRA Participation Agreement

between

The Redevelopment Agency of the City of Eagle Mountain

and

Eagle Mountain City

and

Terra Smith's Eagle Mountain, LLC

August 18, 2026

CRA Participation Agreement

The Redevelopment Agency of the City of Eagle Mountain, a political subdivision of the State of Utah (the **"Agency"**), Eagle Mountain City, a municipal corporation and political subdivision of the State of Utah ("The **"City"**), and Terra Smith's Eagle Mountain, LLC, a Delaware limited liability company (the **"Participant"**, and with the City and Agency, may be referred to herein collectively as **"Parties"** or individually as a **"Party"**), agree as follows as of August 18, 2026 (the **"Effective Date"**):

1. SUBJECT OF AGREEMENT

1.1 Purpose of the Agreement

The purpose of this CRA Participation Agreement (the **"Agreement"**) is (a) to implement the Mid-Valley Community Reinvestment Project Area Plan (the **"Project Area Plan"**) adopted by the Agency, by providing for the potential development of a regional commercial center consisting of real and personal property which may include a building or group of buildings for the construction, maintenance, use and/or operation of retail operations, including but not limited to grocery and general merchandise stores, restaurants, financial institutions, fuel centers, service businesses, and more (each a "Building" and collectively the "Buildings"), as well as certain accessory uses or buildings located on the Project Area (as defined below) and other related or associated uses, buildings, or structures (collectively, the **"Project"**) on approximately 53 acres of land, as more particularly described below, located in Eagle Mountain City, Utah, comprising the Mid-Valley Community Reinvestment Project Area (the **"Project Area"**), and (b) to specify the terms and conditions pursuant to which the Agency and the Participant will cooperate in bringing about this objective, including the funds the Agency will provide to assist in the development of the Project Area. The fulfillment of this Agreement is vital to and in the best interests of the City and the health, safety, and welfare of its residents, and in accord with public purposes and will provide a benefit to the City and its residents. This Agreement is carried out pursuant to the Limited Purpose Local Government Entities — Community Reinvestment Agency, Title 17C of the Utah Code Annotated, in effect when the Project Area Plan was adopted (the **"Reinvestment Act"**).

1.2 The Project Area Plan

The Agency adopted Resolution No. R-06-2025 on September 16, 2025, which authorized the preparation of a draft community reinvestment project area plan. This Agreement is subject to the provisions of the Project Area Plan, as approved and adopted on _____, 2026, by the City Council of the City, in Ordinance No. ____ (the **"Ordinance"**), in accordance with Section 17C-5-104 of the Reinvestment Act. The Project Area Plan and the Ordinance are attached hereto as **Exhibit A** and **Exhibit B**, respectively.

1.3 **The Project Area**

The Project Area is located within the boundaries of the city. The exact boundaries of the Project Area are specifically and legally described in **Exhibit C** attached hereto. The Project Area is shown on the Project Area Map which is attached hereto as **Exhibit D.** If requested by the Participant, the Agency agrees to cooperate and take such action as is necessary under the Reinvestment Act to expand the Project Area to include any real property within the municipal limits of the City that is adjacent and contiguous to the Project Area (or that is separated from the Project Area only by roads, public rights of way, easements or similar land rights or uses) that the Participant or an affiliate of the Participant may from time to time acquire following the Effective Date.

1.4 **The Project Area Budget**

Pursuant to the Reinvestment Act, a Project Area Budget has been adopted by the Agency for the Project Area (the **"Project Area Budget"**). A copy of the Project Area Budget is attached hereto as **Exhibit E**.

1.5 **Interlocal Agreements**

On or before the Effective Date, the Agency has entered into a separate interlocal agreement (the **"Interlocal Agreement"**) with the City, a copy of which is attached hereto as **Exhibit F**.

1.6 **Parties to the Agreement**

(a) Agency

The Agency is a public body, corporate and politic, exercising governmental functions and powers, and organized and existing under the Reinvestment Act. The physical delivery address of the Agency for purposes of this Agreement is: Redevelopment Agency of the City of Eagle Mountain, 2565 North Pony Express Parkway, Eagle Mountain, Utah 84005, Attention: Evan Berrett. The electronic mail address of the Agency for purposes of this Agreement is: eberrett@eaglemountain.gov.

(b) City

The City is a municipal corporation and political subdivision of the State of Utah. The physical delivery address of the City for purposes of this Agreement is: Eagle Mountain City, 1650 Stagecoach Run, Eagle Mountain, Utah 84005, Attention: City Recorder. The electronic mail address of the City for purposes of this Agreement is: recorder@eaglemountain.gov.

(c) The Participant

The Participant is Terra Smith's Eagle Mountain, LLC. The physical delivery address of the Participant for the purposes of this Agreement is: Terra Smith's Eagle Mountain, LLC, c/o The Kroger Co., 1014 Vine Street Cincinnati, OH 45202 Attn: Law Department, Jennifer Gothard. The electronic mail address of the Participant for purposes of this Agreement is: jennifer.gothard@kroger.com.

1.7 No Additional Approvals. Upon the approval of this Agreement by the Agency, and the expiration of all statutory notice and contest periods, no additional legislative action is required for the Agency to perform its obligations hereunder.

2. ASSIGNMENT

Except as permitted by Section 2.1 hereof, the Participant agrees for itself and any successor in interest that during the term of this Agreement the Participant shall not assign or transfer or attempt to assign or transfer all or any part of its obligations under this Agreement without the prior written consent of the other Parties, which consent shall not be unreasonably withheld, conditioned, or delayed.

2.1 Permissible Transfers.

Notwithstanding the provisions of this Agreement to the contrary, the Participant shall not be required to obtain the other Parties' consent, and the other Parties shall not be permitted to terminate this Agreement, in connection with the following transfers or the assignment of the Agreement pursuant to the following transfers: (a) the sale, exchange, issuance or redemption of any stock of the Participant or its parent that is listed on a public exchange; (b) transfers of less than a controlling interest in the Participant or its parent; (c) transfers of interests in either the Project or the Participant to an affiliate of the Participant; (d) changes in the organizational form of the Participant; (e) a transfer of the operational responsibilities of the Project to a third party; (f) a transfer of the fee simple ownership of the Project so long as the Participant or its affiliate continues to maintain a leasehold interest in the Project; (g) subletting or licensing of the Project; (h) a sale and lease back or similar financing transaction of the Project; (i) or the granting of any lien, security interest, or other encumbrance upon the Project or the interests of the Participant in the Project. In addition, the Participant may transfer real and personal property in the Project Area and retain the Participant's rights to receive Tax Increment (as defined below) under this Agreement.

2.2 Continuing Obligations

Except as otherwise provided herein, and except for a transfer or assignment of this Agreement which has been consented to by the City and the Agency, no assignment or transfer of this Agreement, any part hereof, any right herein, or approval hereof, by the City and the Agency shall be deemed to relieve the Participant from any obligation under this Agreement. Upon the approval by the Agency of an assignment of this Agreement, the assigning Participant will be relieved of all obligations under this Agreement arising from and after the date of such assignment and the City and the Agency shall look solely to the assignee for performance of the obligations under this Agreement from and after the date of such assignment. All of the terms, covenants, and conditions of this Agreement shall be binding upon and shall inure to the benefit of the Participant and its permitted successors and assigns.

3. FINANCING OF THE DEVELOPMENT OF THE PROJECT AREA

3.1 Nature of Participant's Obligations

The Participant shall have the right to improve the Project Area by developing, at its own initial expense to be reimbursed in accordance with this Agreement, the Project pursuant to and in accordance with that certain Development Agreement, dated as of the Effective Date, between the City and the Participant (as amended, restated, supplemented or otherwise modified from time to time,) (the **"Development Agreement"**) or as otherwise permitted by applicable law. If Participant chooses to develop the Project, it shall have the following obligations:

(a) Participant shall construct Old Airport Road from Pony Express Parkway running along the frontage of the project as a 5-lane roadway with curb and gutter on both sides, sidewalk on the project side only, and a 2' wide median from Pony Express Parkway back to the second access into the project. The road shall include a single left turn lane and a single right turn lane at Pony Express Parkway. The road shall also include the appropriate utilities such as water, sewer and storm drain per the City's Master Plans. The road shall include right turn deceleration lanes into each drive approach. The road improvements shall include modifying the traffic signal at Pony Express Parkway all as shown on Exhibit B of the Development Agreement.

(b) Participant shall construct Mid Valley Road from Pony Express Parkway running along the frontage of the project as a 5-lane roadway with curb and gutter on both sides, sidewalk on the project side only, and a 2' wide concrete median from Pony Express Parkway back to the second access into the project. The road shall include a dual left turn lane and a single right turn lane at Pony Express Parkway. The road shall also include the appropriate utilities such as water, sewer and storm drain per the City's Master Plans. The road shall include right turn deceleration lanes into each drive approach. The road improvements shall include modifying the traffic signal at Pony Express Parkway all as shown on Exhibit B of the Development Agreement.

(c) Participant shall construct a third northbound auxiliary lane on Pony Express Parkway along the project frontage to act as a deceleration and acceleration lane. Participant shall modify and/or remove the medians along Pony Express Parkway to add left turn lanes in the project accesses as shown on Exhibit B of the Development Agreement. Participant shall construct a traffic signal at the middle access into the project. The center access will have dual left turn lanes exiting the project onto Pony Express Parkway.

3.2 Responsibility for Development Plans and Permits

In the event the Participant elects to develop the Project Area, the Participant, but not the Agency, shall be responsible for preparing and completing any plans for the acquisition and construction of the Project.

3.3 Nature of City's Obligations

The City shall reimburse Participant, or its designee, for its expenses related to its obligations in Section 3.1 of this Agreement in the manner set forth in the Development Agreement (the **"Reimbursement"**). The Parties intend that the Reimbursement fully and completely reimburse Participant for all costs expended in fulfilling Participant's obligations in Section 3.1. Participant shall not be obligated to expend Participant's own unreimbursed funds, nor make payments on or shortfalls into the TIF Bond (defined below). The Reimbursement shall not exceed Participant's actual costs expended to complete Participant's obligations herein. To fund the Reimbursement, the City shall have the following obligations:

(a) The City shall distribute to the Participant, or its designee, up to $2,270,000 of grant monies received from Utah County for the purpose of paying a portion of the cost of development of Old Airport Road, east of Pony Express Parkway ("**Grant Monies**"). The City shall place these Grant Monies in escrow as provided for in the Development Agreement and use them to reimburse the Participant for eligible expenses.

(b) The City shall allocate up to $1,000,000 in arbitrage monies, interest earned on a previous road bond ("**Arbitrage Monies**"). These Arbitrage Monies shall be placed in escrow as provided for in the Development Agreement and distributed to the Participant, or its designee as reimbursements for eligible expenses.

(c) The City shall bond for the remaining anticipated costs and place the monies in escrow as provided for in the Development Agreement (the **"TIF Bond"**). The amount of the TIF Bond shall be such amount that, when added to the amount of available Grant Monies and amount of available Arbitrage Monies, shall equal no less than a net present value of $12,454,325.35 to cover anticipated and estimated reimbursement costs.

(d) To fund the TIF Bond payments, the City shall remit to the Agency 55% of its annual sales tax revenue distribution generated from within the Project Area (the **"Tax Revenue"**)The estimated total amount of such Tax Revenue generated for the Agency for the use of all approved activities including redevelopment activities, meeting the CRA housing requirement, and RDA administration costs, is expected to reach a net present value of $15,751,273. It is anticipated that it will take up to twenty (20) years to retire the TIF Bond. If the Tax Revenue is greater than currently projected, the City may retire the TIF Bond early. Upon retirement of the TIF Bond, the City's duty to remit the Tax Revenue shall cease.

4. TAX INCREMENT

4.1 <u>Tax Increment Reimbursement</u>

The Project Area Plan will be funded in part by tax increment pursuant to the provisions of the Reinvestment Act. Under the Reinvestment Act, the Interlocal Agreements and the Project Area Budget, the Agency is entitled to receive specified portions of the Tax Increment (as defined below) generated by and within the Project Area (collectively, the **"Project Area Funds"**) over an initial period of up to twenty (20) full calendar years commencing with the Trigger Year (as defined below) (the **"Increment Period"**). In accordance with the Project Area Budget and the Interlocal Agreement, the Agency shall begin to receive the Project Area Funds generated in the Trigger Year. Project Area Funds are to be paid into a separate account of the Agency used solely for repayment of the TIF Bond and other uses permissible hereunder and in accordance with the Reinvestment Act and shall be applied for the purposes described in the Project Area Plan, the Project Area Budget, the Interlocal Agreement and this Agreement. The Agency, at the City's request subject to the availability of Project Area Funds, may retire the TIF Bond early. Upon retirement of the TIF Bond, the Agency's entitlement to receive specified portions of the Tax Increment shall cease and the Increment Period shall end.

For purposes of this Agreement, the following terms shall have the following corresponding meaning:

(a) **"<u>Affordable Housing</u>"** has the meaning set forth in the Reinvestment Act;

(b) **"<u>Affordable Housing Funds</u>"** means ten percent (10%) (the **"Maximum Affordable Housing Percentage"**) of the Project Area Funds, provided, however, if a change in law reduces the percentage of Project Area Funds the Agency is required to allocate to Affordable Housing, the Maximum Affordable Housing Percentage shall, from and after the effective date of such change in law, be automatically reduced to the minimum percentage required by such change in the law;

(c) **"<u>Base Tax Amount</u>"** shall for each Phase be the sales and use tax revenue generated by sales attributable to the Base Taxable Value for all property included within the Project Area;

(d) **"<u>Base Taxable Value</u>"** shall be equal to the total sales and use tax collections from business activity within the project area boundaries during the year 2025 (which is currently estimated to be $0, but is subject to final adjustment and verification by the Agency);

(e) **"<u>Net Project Area Funds</u>"** means the Project Area Funds less the Affordable Housing Funds and the Agency Expenses and Initial Agency Costs (as defined in section 4.2);

(f) **"<u>Tax Increment</u>"** means annual sales tax revenue distribution generated from within the Project Area in excess of the Base Amount;

(g) **"<u>Taxes</u>"** shall mean the local option of the sales and use tax levied on sales within the Project Area in accordance with the Local Sales and Use Tax Act and Chapter 3.05 of the Eagle Mountain Municipal Code;

(h) **"<u>Trigger Date</u>"** means the date when the first business within the Project Area opens and completes its first transaction with a customer; and

(i) **"<u>Trigger Year</u>"** means the calendar year immediately after the calendar year in which the Trigger Date occurs.

In consideration for the Participant's election to construct the Project, which will promote the creation or retention of jobs within the City and State of Utah, and will provide a public benefit to the City and its residents and the City's willingness to provide funding for the infrastructure improvements outlined in Section 3.1, the Agency agrees to pay to the City, subject to the terms (including any applicable limitations) of the Interlocal Agreement as of the Effective Date, (the **"Tax Increment Reimbursement"**) the Net Project Area Funds, which are generally attributable to fifty-five percent (55%) of the Tax Increment during the Increment Period. The Tax Increment Reimbursement will be paid by the Agency in periodic installments within thirty (30) calendar days after the receipt by the Agency of each portion of the Project Area Funds generated. The Agency agrees to promptly provide, and in all events within ten (10) days of the Trigger Date, written notice of the occurrence of such Trigger Date to the City in accordance with the terms of the Interlocal Agreement.

4.2 <u>Agency Expenses</u>

The Parties acknowledge and agree that the Agency has no other funds or revenue other than Project Area Funds it receives, and that the Agency utilizes resources provided by the City to operate the Agency. Accordingly, the Agency may pay to the City 0.5% of the sum of 55% for each year to cover the Agency's out of pocket legal, administrative, and overhead costs and expenses incurred by the Agency in administering or defending the Project Area and the Project Area Plan (the "**Agency Expenses**"). In addition, the Agency may reimburse the City for the all third party fees and costs (including reasonable legal fees, financial advisor fees, administrative fees and overhead costs and expenses) related to the establishment of the Project Area, the Project Area Plan, the infrastructure (roads, water, sewer and electric infrastructure) for the Project Area, development agreements, interlocal agreements, and other related agreements related to the Project Area, and this Agreement in an amount not to exceed $40,000 (the "**Initial Agency Costs**").

4.3 Conditions Precedent to Payment of the Tax Increment Reimbursement

In addition to the conditions stated elsewhere in this Agreement, the Agency shall have no obligation to make payment hereunder to the City until the following conditions precedent are satisfied: (a) the Participant has constructed and received a temporary certificate of occupancy for one (1) Building within the Project Area; and (b) the Agency has actually received payment of a portion of the Project Area Funds. The Participant shall begin construction of the infrastructure improvements in the project area within eight months of this agreement being signed.

4.4 Payment of Taxes

The Participant understands and agrees that the primary source of Project Area Funds is the payment of the Taxes within the Project Area. Nothing herein contained, however, shall be deemed to prohibit the Participant from contesting the validity or amount of any tax assessment, encumbrance, or lien, or to limit the remedies available to the Participant in respect thereto.

4.5 Reduction or Elimination of Property Area Funds

In the event that the provisions of Utah law which govern the payment of Project Area Funds to the Agency are changed or amended so as to reduce or eliminate the amount paid to the Agency, the Agency's obligation to pay the Project Area Funds to the City hereunder shall be accordingly reduced or eliminated. The Parties specifically reserve and do not waive hereunder any right it may have to challenge any law change that would reduce or eliminate the payment of Project Area Funds to the Agency. The Parties acknowledge, understand, and agree that the Agency is under no obligation to challenge a change in law that reduces or eliminates the payment of Project Area Funds to the Agency; provided, the Agency will not oppose either other Party, and, if requested by either other Party, the Agency will cooperate with the other Party, if the other Party challenges a change in the law that reduces or eliminates the payment of Project Area Funds to the Agency. The Parties agree that the Agency may utilize funds from the Net Project Area Funds as necessary to pay for such cooperation. For purposes of this Section 4.5 and Section 4.6 below, the Agency's agreement to cooperate means the Agency agrees to (i) defend against any legal action seeking specific performance, declaratory relief or injunctive relief, (ii) set court dates at the earliest practicable date(s), (iii) testify on behalf of the other Parties, (iv) to provide information and data necessary to defend against such action, (v) affirmatively support the actions of the other Parties and (vi) not cause delay in the prosecution/defense of the action, provided such cooperation shall not require any Party to waive any rights against the other Party.

4.6 Declaration of Invalidity

In the event a court of competent jurisdiction after final adjudication (by the highest court to which the matter may be appealed) (i) declares that the Agency cannot receive Project Area Funds or reimburse the City from Project Area Funds as provided in this Agreement, (ii) invalidates the Project Area, or (iii) takes any other action which eliminates or reduces the amount Project Area Funds paid to the Agency, the Agency's obligation to pay the Tax Increment Reimbursement to the Participant hereunder shall be accordingly reduced or eliminated. The Parties specifically reserve and do not waive hereunder any right it may have to challenge a ruling, decision or order by any court that would reduce or eliminate the payment of Project Area Funds to the Agency. The Parties acknowledge, understand, and agree that the Agency is under no obligation to challenge a ruling, decision or order by any court that reduces or eliminates the payment of Project Area Funds to the Agency; provided, the Agency will not oppose the other Parties and, if requested by the other Parties, will cooperate with the other Parties if the other Parties challenge a ruling by any court. The Parties agree that Agency may utilize funds from the Net Project Area Funds as necessary to pay for such cooperation. Additionally, if any court invalidates the Project Area Plan or Project Area Budget as a result of a procedural defect, the Agency shall take such actions as are necessary to correct such procedural defect and adopt the Project Area Plan and Project Area Budget.

4.7 New Taxes

The Agency agrees that if any Taxes, other than special assessments assessed against all property within an assessment district in accordance with the special benefits conferred upon the property and not in excess of such benefits as provided for under applicable law, but including levies, imposts, franchise fees or taxes, duties, deductions, withholdings, and similar charges, are enacted during the term of this Agreement and by applicable law are allowed to be used as Project Area Funds (the **"New Taxes"**), the Agency shall seek to amend the Interlocal Agreements to include such New Taxes and the Agency shall make an economic development payment to the Participant equal to all such New Taxes for the duration of the term of this Agreement to the fullest extent the Agency is legally able to do so pursuant to the Reinvestment Act. The Agency shall not consent to an amendment or modification of any existing Taxes so as to cause them to first become applicable to the Project Area or the Participant (including without limitation any materials purchased for use in connection with the construction, repair, replacement or replenishment of any materials or equipment used for the Project (collectively, **"Equipment"**) after the Effective Date, and if existing Taxes are so amended or modified, the Agency shall seek to amend the Interlocal Agreements to include such Taxes and will make economic development payments equal to all such Taxes to the Participant to the fullest extent the Agency is legally able to do so. The Agency will not consent to any increase in the applicable rate, as of the Effective Date, of any Tax affecting the Project Area unless such increase is pursuant to, and in proportion with, an across-the-board increase in all rates for such Tax.

5. DEVELOPMENT OF THE PROJECT AREA

If and to the extent the Participant elects to develop the Project Area, the Participant agrees to develop, or cause to be developed, the Project Area as permitted by the Development Agreement; provided, a breach of the Development Agreement shall not constitute a default hereunder.

6. DEFAULTS, REMEDIES AND TERMINATION

6.1 Default

If any Party fails to perform or delays performance of any term or provision of this Agreement or any representation or warranty made herein proves to be false or misleading in any material respect when made, such conduct shall constitute a default hereunder. The Party in default must commence to cure, correct, or remedy such failure or delay and shall complete such cure, correction, or remedy within the periods provided in Section 6.3 hereof.

6.2 Notice

If a default under this Agreement occurs, a non-defaulting Party shall give written notice of the default (a **"Default Notice"**) to the Party in default, specifying the nature of the default. Failure or delay in giving a Default Notice shall not constitute a waiver of any default or operate as a waiver of any rights or remedies of a non-defaulting Party; but the non-defaulting Party shall have no right to exercise any remedy hereunder without delivering the Default Notice as provided herein. Delays by any Party in asserting any right or remedy hereunder shall not deprive any Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

6.3 Cure Period

A non-defaulting Party shall have no right to exercise a right or remedy hereunder unless the subject default continues uncured for a period of one hundred eighty (180) days after delivery of the Default Notice with respect thereto or, where the default is of a nature which cannot be cured within such one hundred eighty (180) day period, the defaulting Party fails to commence such cure within one hundred eighty (180) days and to diligently proceed to complete the same. A default which can be cured by the payment of money is understood and agreed to be among the types of defaults which can be cured within one hundred eighty (180) days. Notwithstanding the foregoing, with respect to any default arising with respect to a non-monetary obligation of a Party hereunder, a non-defaulting Party shall have no right to exercise a right or remedy hereunder unless and until the defaulting Party fails to fully rectify and cure the default within one hundred and eighty (180) days after final adjudication (by the highest court to which the matter may be appealed) that the defaulting Party is in default under this Agreement (or, where the default is of a nature which cannot be cured within such one hundred eighty (180) day period, the defaulting party fails to commence such cure within one hundred eighty (180) days, if reasonably possible, and to diligently proceed to complete the same).

6.4 Rights and Remedies

Upon the occurrence and during the continuance of an event of default beyond all applicable notice and cure periods hereunder (an **"Event of Default"**) by the Agency, the Participant sole and exclusive remedy under this Agreement for a default by the Agency shall be specific performance of the rights granted in this Agreement and Agency's obligations under this Agreement. Upon the occurrence and during the continuance of an Event of Default by the Participant, the Agency may terminate this Agreement and, if the Agency has actual damages (excluding any consequential, punitive, or special damages) as a result of such Event of Default the Agency may seek to recover such damages in an amount not to exceed the amount of the Tax Increment Reimbursement actually received by the Participant. Such rights and remedies are cumulative, and the exercise of one or more of such rights or remedies shall not preclude the exercise, at the same or different times, of any other rights or remedies for the Event of Default or any other Event of Default by the defaulting Party.

6.5 Legal Actions

6.5.1 Venue

All legal actions by any Party for claims arising under or related to this Agreement must be instituted in the Fourth Judicial District Court for the State of Utah, unless they involve a case with mandatory federal jurisdiction, in which case they must be instituted in the United States District Court for the District of Utah.

6.5.2 Services of Process

Service of process on the Agency shall be made by personal service upon the Executive Director of the Agency with a copy to the Eagle Mountain City, c/o City Recorder, 1650 E. Stagecoach Run Eagle Mountain, UT 84005, or in such other manner as may be provided by law.

Service of process on the City shall be made by personal service upon the City Recorder, 1650 E. Stagecoach Run Eagle Mountain, UT 84005, or in such other manner as may be provided by law.

Service of process on the Participant shall be made by personal service upon its Registered Agent, or in such other manner as may be provided by law. The Participant's

Registered Agent is ____________. The Participant shall notify the Agency of any change in its Registered Agent by delivering written notice to the Agency.

6.5.3 **Applicable Law**

The laws of the State of Utah shall govern the interpretation and enforcement of this Agreement.

6.5.4 **Waiver of Jury Trial.**

Each Party hereto hereby irrevocably waives any and all rights it may have to demand that any action, proceeding or counterclaim arising out of or in any way related to this Agreement be tried by jury. This waiver extends to any and all rights to demand a trial by jury arising from any source, including but not limited to the Constitution of the United States, the Constitution of any state, common law or any applicable statute or regulation. Each Party hereby acknowledges that it is knowingly and voluntarily waiving the right to demand trial by jury.

7. GENERAL PROVISIONS

7.1 **Notices, Demands, and Communications among the Parties**

Notices, demands, and communications between the Parties shall be sufficiently given if (a) personally delivered or if dispatched by registered or certified mail, postage prepaid, return receipt requested, or an overnight commercial delivery service to the principal offices of the Party, as designated in Section 1.6 hereof; or (b) electronic mail, as designated in Section 1.6 hereof. Any Party hereto may change its address specified for notices herein by designating a new address by notice in accordance with this Section. All such notices and other communications shall be effective if delivered by overnight courier service, upon the first business day after the date deposited with such courier service for overnight (next-day) delivery or, if mailed, upon the third business day after the date deposited into the mail or, if delivered by hand, upon delivery or if provided via electronic mail upon (i) acknowledgment of receipt by reply electronic mail or (ii) through means of an electronic "read receipt" confirmation to the sender that the designated electronic mail address provided herein as the principal contact for the relevant Party has read the electronic mail.

7.2 **Severability**

In the event that any condition, covenant or other provision herein contained is held to be invalid or void by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect any other condition, covenant or provision herein contained unless such severance shall have a material effect on the terms of this Agreement. If such condition, covenant, or other provision shall be deemed invalid due to its scope, all other provisions shall be deemed valid to the extent of the scope or breadth permitted by law.

7.3 Nonliability of Agency Officials and Employees

No member, director, officer, agent, employee, or consultant of the Agency or City shall be personally liable to the Participant, or any successor in interest, in the event of any default or breach by the Agency or for any amount which may become due to the Participant or its successors or on any obligations under the terms of this Agreement. No member, director, officer, agent, employee, or consultant of the Participant shall be personally liable to the Agency or the City, or any successor in interest, in the event of any default or breach by the Participant or for any amount which may become due to the Agency or City or their successors or on any obligations under the terms of this Agreement.

7.4 Enforced Delay: Extension of Time and Performance

In addition to the specific provisions of this Agreement, no Party shall be deemed to be in default hereunder when its fails to perform or delays performance of any non-monetary obligations under this Agreement to the extent due to war, insurrection, strikes, lock-outs, riots, public disturbances, floods, earthquakes, fires, casualties, acts of God, acts of a public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, newly enacted governmental restrictions unusually severe weather, inability to secure necessary labor, materials or tools, acts or failure to act of the Agency or City (with respect to the Participant only) or any other public or governmental entity. An extension of time to perform shall be granted as a result of any of the foregoing causes, which extension shall be for the period of the forced delay and shall run from the time of the commencement of the cause, if notice is sent by the Party claiming such extension to the other Party within thirty (30) days of actual knowledge of the commencement of the cause. Time of performance under this Agreement may also be extended in writing by the Parties by mutual agreement.

7.5 Approvals

Whenever the consent or approval is required of any Party hereunder, such consent or approval shall not be unreasonably withheld, delayed, or conditioned except as otherwise specifically provided herein, and shall be in writing.

7.6 Time of the Essence

Time shall be of the essence of this Agreement.

7.7 Interpretation

The Parties hereto agree that they intend by this Agreement to create only the contractual relationship established herein, and that no provision hereof, or act of either Party hereunder, shall ever be construed as creating the relationship of principal and agent, or a partnership, or a joint venture or enterprise among the Parties hereto.

7.8 No Third-Party Beneficiaries

It is understood and agreed that this Agreement shall not create in any Party hereto any independent duties, liabilities, agreements, or rights to or with any third party, nor does this Agreement contemplate or intend that any of the benefits hereunder should accrue to any third party.

7.9 Effect and Duration of Covenants; Term of Agreement

The covenants contained in this Agreement shall, without regard to technical classification and designation, bind the Participant and the Agency and any of their respective successors in interest. The covenants contained in this Agreement shall inure to the benefit of and in favor of the Parties and to their respective successors and assigns during the term of this Agreement. Except as otherwise provided herein, the term of this Agreement shall run from the Effective Date until the expiration of the last Increment Period, provided, the Parties shall continue to have the right to seek to enforce, or commence proceeding to enforce, any obligations of the other Party that arose prior to the termination of this Agreement.

8. ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS

8.1 This Agreement may be executed in duplicate originals, each of which shall be deemed an original. This Agreement, including all Exhibits hereto, constitutes the entire understanding and agreement of the Parties with respect to the matters set forth herein. All Exhibits attached hereto are hereby incorporated herein by reference and are made a part hereof as though fully set forth herein.

8.2 When executed by all Parties, this Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between or among the Parties with respect to all or any part of the Project Area and the development thereof.

8.3 All waivers of the provisions of this Agreement must be in writing. This Agreement and any provisions hereof may be amended only by mutual written agreement by the Parties.

8.4 Each Party hereto hereby represents and warrants unto the other as of the Effective Date that (i) this Agreement has been duly authorized by such Party and when executed and delivered will constitute the valid, legal and binding agreement and obligation of such Party enforceable against such Party in accordance with the terms hereof, and (ii) each person signing on behalf of such Party has been duly authorized by the governing body or board of such Party to bind such Party to the terms and conditions hereof.

8.5 In the event any litigation ensues with respect to the rights, duties and obligations of the Parties under this Agreement, the unsuccessful Party in any such action or proceeding shall pay for all costs, expenses, and reasonable attorney's fees incurred by the prevailing party in enforcing the covenants and agreements of this Agreement. The term "prevailing party," as used herein, shall include, without limitation, a Party who obtains legal counsel and (a) brings action against the other Party by reason of the other Party's breach or default and obtains substantially the relief sought, whether by compromise, settlement or judgment or (b) defends an action against brought by the other Party and the other Party fails to obtain substantially the relief sought, whether by compromise, settlement or judgment.

9. MORTGAGEE PROTECTIONS; ESTOPPEL

9.1 The Parties hereto agree that this Agreement shall not prevent or limit the Participant from encumbering the Project or any estate or interest therein, portion thereof, or any improvement thereon, in any manner whatsoever by one or more mortgages, deeds of trust, sale and leaseback, or other form of secured financing **("Mortgage")** with respect to the construction, development, use or operation of the Project and parts thereof. The Agency acknowledges that the lender(s) providing such Mortgages may require certain interpretations and modifications to this Agreement and the Agency agrees, upon request, from time to time, to meet with the Participant and representatives of such lender(s) to negotiate in good faith any such request for interpretation or modification. The Agency will not unreasonably withhold its consent to any such requested interpretation or modification, provided such interpretation or modification is consistent with the intent and purposes of this Agreement.

9.2 Notwithstanding any of the provisions of this Agreement to the contrary, the holder of a Mortgage (a **"Mortgagee")** shall not have any obligation or duty pursuant to the terms set forth in this Agreement to perform the obligations of the Participant or other affirmative covenants of the Participant hereunder, or to guarantee such performance.

9.3 The Mortgagee of any Mortgage or deed of trust encumbering the Project, or any part or interest thereof, that has submitted a request in writing to the Agency in the manner specified herein for giving notices shall be entitled to receive written notification from the Agency of any notice of non-compliance by the Participant in the performance of the Participant's obligations under this Agreement. If the Agency timely receives a request from a Mortgagee requesting a copy of any notice of non-compliance given to the Participant under the terms of this Agreement, the Agency shall provide a copy of that notice to the Mortgagee within ten (10) days of sending the notice of non-compliance to the Participant. The Mortgagee shall have the right, but not the obligation, to cure the noncompliance for a period of one hundred twenty (120) days after the Mortgagee receives such written notice.

9.4 If this Agreement is terminated as to any portion of the Project by reason of (i) any Event of Default or (ii) as a result of a bankruptcy proceeding of the Participant, or if this

Agreement is disaffirmed by a receiver, liquidator, or trustee for the Participant or its property, the Agency, if requested by any Mortgagee, shall negotiate in good faith with such Mortgagee for a new CRA Participation Agreement for the Project as to such portion of the Project with the most senior Mortgagee requesting such new agreement. At any time, and from time to time, the Participant may deliver written notice to the Agency, and the Agency may deliver written notice to the Participant, requesting that such Party certify in writing that, to the knowledge of the certifying Party (i) this Agreement is in full force and effect and a binding obligation of the Parties, (ii) this Agreement has not been amended, or if amended, the identity of each amendment, (iii) the requesting Party is not then in breach of this Agreement, or if in breach, a description of each such breach, and (iv) any other factual matters reasonably requested (an **"Estoppel Certificate"**). The Executive Director of the Agency shall be authorized to execute, on behalf of the Agency, any Estoppel Certificate requested by the Participant which complies with this Section 9.5 within fifteen (15) days of a written request for such Estoppel Certificate. The Agency's failure to furnish an Estoppel Certificate within fifteen (15) days after request therefor shall be conclusively presumed that: (a) this Agreement is in full force and effect without modification in accordance with the terms set forth in the request; and (b) that there are no breaches or defaults on the part of the Participant. The Agency acknowledges that an Estoppel Certificate may be relied upon by transferees or successors in interest to the Participant and by Mortgagees holding an interest in the Property.

10. CONFIDENTIALITY

10.1 The Parties acknowledge and agree that this Agreement shall become a public record under Utah law, and that discussion regarding this Agreement shall take place before the City Council and the Agency board in open session. The City and the Agency covenant that they will hold all information obtained by it, or any person employed by or representing either the City or the Agency, related to the Participant's business in strictest confidence and the City and the Agency covenant not to disclose, divulge or otherwise communicate in any manner to any person or entity, other than to those parties necessary to verify compliance with this Agreement, provided that such parties are likewise under reasonable confidentiality obligations and not subject to public disclosure unless otherwise required by applicable laws.

10.2 The Participant may designate any trade secrets or confidential business information included in any report or other writing delivered to the Agency and the City pursuant to or in connection with this Agreement by any method intended to clearly set apart the specific material that the Participant claims to be either its trade secrets or confidential business information that, if released, would give an advantage to competitors of the Participant and serve no public purpose (such information, collectively, **"Confidential Business Information"**). The Agency and the City shall redact or delete from any records it makes available for inspection or of which it provides copies any material designated by the

Participant as Confidential Business Information. Promptly following the City or Agency's receipt of any request to provide copies of public records relating to this Agreement or the Project or for inspection of the same by any third party, the City or Agency shall give written notice and a copy of such request to the Participant. The City and Agency shall not allow inspection or provide copies of any such records until the Agency shall have had not less than ten (10) business days excluding the day of receipt to determine whether to contest the right of any party to inspect or receive copies of the records or to inspect such records without redaction of the Confidential Business Information. Any such action to enjoin the release of Confidential Business Information may be brought in the name of the Participant, the City, or the Agency. The costs, damages, if any, and attorneys' fees in any proceeding commenced by the Participant or at its request by the City or Agency to prevent or enjoin the release of Confidential Business Information in any public records relating to this Agreement or the Project shall be borne by the Participant.

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this CRA Participation Agreement to be effective as of the Effective Date.

AGENCY:

THE REDEVELOPMENT AGENCY OF THE CITY OF EAGLE MOUNTAIN

By: ____________________________________

Its: Chairperson

ATTEST:

By: ______________________________

Executive Director

CITY:

EAGLE MOUNTAIN CITY

By: ____________________________________

Its: Mayor

ATTEST:

By: _____________________________

City Recorder

PARTICIPANT:

TERRA SMITH'S EAGLE MOUNTAIN, LLC, a Delaware limited liability company By:

____

Its:

EXHIBIT “A”
to
PARTICIPATION AGREEMENT

Project Area Plan

EXHIBIT “B”
to
PARTICIPATION AGREEMENT

Ordinance

EXHIBIT “C”
to
PARTICIPATION AGREEMENT

Legal Description of Project Area

EXHIBIT "D"
to
PARTICIPATION AGREEMENT

Project Area Map

EXHIBIT "F"
to
PARTICIPATION AGREEMENT

Interlocal Cooperation Agreement between Agency and City