

RESOLUTION NO. R-64-2026

A RESOLUTION OF EAGLE MOUNTAIN CITY, UTAH, APPROVING AN INTERLOCAL COOPERATION AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF EAGLE MOUNTAIN CITY AND EAGLE MOUNTAIN CITY FOR THE COLLECTION AND REMITTANCE OF INCREMENTAL SALES TAX 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 sales 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 City Council of Eagle Mountain City:

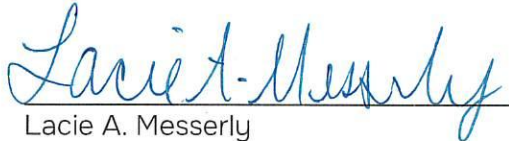
1. The Interlocal Cooperation Agreement between the Agency and the Taxing Entity, substantially in the form attached hereto as Exhibit A (the "Interlocal Agreement"), is approved in final form, and shall be executed for and on behalf of the Agency by the Chair of the Agency Board.
2. Pursuant to Section 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 City Council of Eagle Mountain City, this 18th day of August, 2026.


Jared R. Gray, Mayor

ATTEST:


Lacie A. Messerly
City Recorder



CERTIFICATION

The above Resolution was adopted by the City Council 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



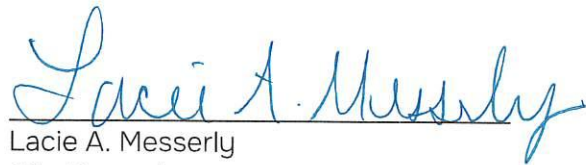

Lacie A. Messerly
City Recorder

EXHIBIT A

INTERLOCAL COOPERATION AGREEMENT

August THIS INTERLOCAL COOPERATION AGREEMENT is made and entered into this 18 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:

Laruit A. Messing
City Recorder

Approved as to form:

[Signature]
Attorney for City

By: [Signature]
Its Mayor



Agency: EAGLE MOUNTAIN REDEVELOPMENT AGENCY

Attest:

By: [Signature]
Its: Chair

Lacey T. Messing
Secretary

Approved as to form:

[Signature]
Attorney for Agency



EXHIBIT "A"
to
INTERLOCAL AGREEMENT
Map and Legal Description of Project

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



EXHIBIT “B”
To
INTERLOCAL AGREEMENT
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



Mid-Valley Commercial
Approximately 53 acres

EXHIBIT C: LAYOUT OF STREETS



EXHIBIT “C”
To
INTERLOCAL AGREEMENT
Project Area Budget



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

The purpose of the Project Area Budget is to provide the financial framework necessary to implement 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

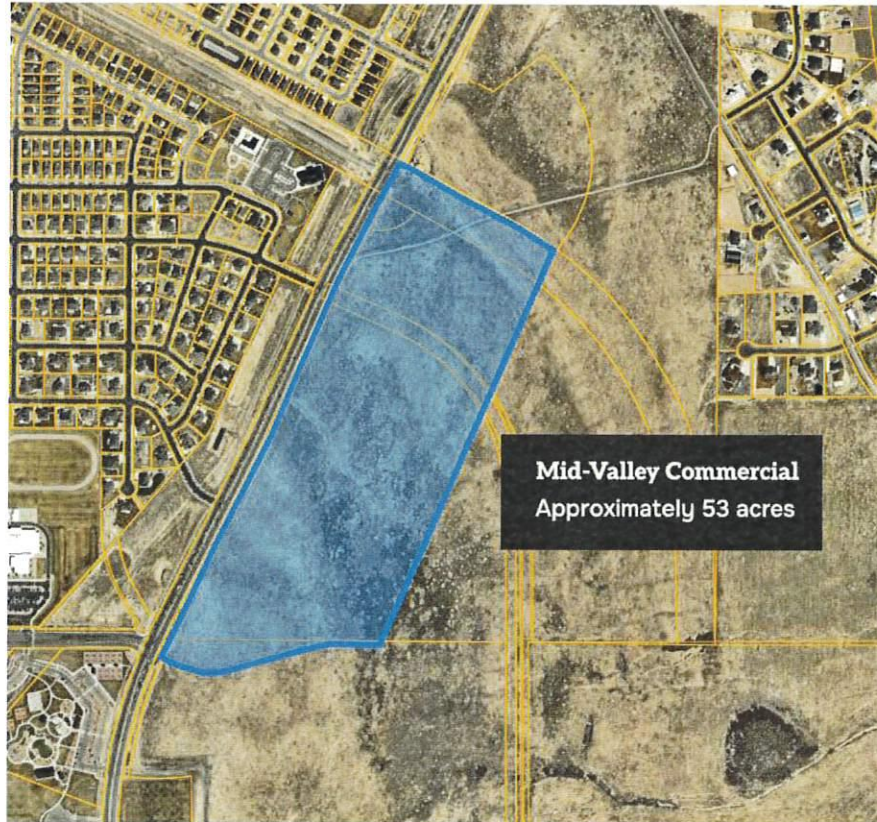


EXHIBIT B: MULTI-YEAR BUDGET

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	1,058,096	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 Agreement 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	TOTALS	NPV
SALES TAX & INCREMENT ANALYSIS													
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	26,998,357	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	\$26,998,357	\$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	162,824	166,690	170,857	175,128	179,506	183,994	2,690,836	1,575,127
IDA 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	\$26,998,357	\$15,751,273
REMAINING TAX REVENUES FOR TAXING ENTITIES													
Eagle Mountain		1,205,421	1,235,557	1,266,446	1,298,107	1,330,560	1,363,824	1,397,919	1,432,887	1,468,689	1,505,406	22,015,928	12,887,406

