REDEVELOPMENT AGENCY OF MIDVALE CITY

RESOLUTION NO. 2016-09RDA

A RESOLUTION APPROVING THE INTERLOCAL AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF MIDVALE CITY AND MIDVALE CITY REGARDING THE MIDVALE MAIN STREET COMMUNITY DEVELOPMENT PROJECT AREA.

WHEREAS pursuant to the provisions of the Interlocal Cooperation Act, Title 11, Chapter 13, 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 Midvale City (the “Agency”) and Midvale City (the “City”) are “public agencies” for purposes of the Act; and

WHEREAS after careful analysis and consideration of relevant information, the Agency desires to enter into an interlocal agreement with the City (the “Interlocal Agreement”) whereby the City consents to the Agency receiving for an extended period of time a portion of the tax increment produced by the City’s levy on real and personal property within the Midvale Main Street Community Development Project Areas (the “Project Area”); and

WHEREAS Section 11-13-202.5 of the 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 REDEVELOPMENT AGENCY OF MIDVALE CITY AS FOLLOWS:

The Interlocal Agreement, substantially in the form attached hereto as EXHIBIT A is approved and shall be executed by the Agency.

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

3. Pursuant to Section 11-13-209 of the Act and upon full execution of the Interlocal Agreement, a duly executed original counterpart thereof shall be filed immediately with the keeper of records of the Agency.

4. This Resolution shall take effect upon adoption.
PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY OF MIDVALE CITY, STATE OF UTAH, this 24th day of December, 2016.

JoAnn B. Seghini  
Chief Administrative Officer

ATTEST:  
Rori L. Andreason, MMC  
Secretary

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<th>Voting by the Board</th>
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EXHIBIT A

Midvale City Interlocal Agreement
MIDVALE MAIN STREET
COMMUNITY DEVELOPMENT PROJECT AREA
INTERLOCAL AGREEMENT
by and between the
REDEVELOPMENT AGENCY OF MIDVALE CITY
and
MIDVALE CITY

THIS INTERLOCAL AGREEMENT is entered into as of this 16th day of December 2016, by and between the REDEVELOPMENT AGENCY OF MIDVALE CITY, a political subdivision of the State of Utah (the "Agency"), and MIDVALE CITY, a political subdivision of the State of Utah (the "Taxing Entity"). The Agency and the Taxing Entity may be referred to individually as a "Party" and collectively as the "Parties".

A. WHEREAS the Agency was created pursuant to the provisions of Utah redevelopment law, and continues to operate under the Limited Purpose Local Government Entities — Community Reinvestment Agency Act, Title 17C of the Utah Code (the "Act"), and is authorized thereunder to conduct urban renewal, economic development, community development, and community reinvestment activities within Midvale City, Utah, as contemplated by the Act; and

B. WHEREAS the Agency created the Midvale Main Street Community Development Project Area (the "Project Area") and adopted a community development project area plan for the Project Area (the "Project Area Plan"), a copy of which is attached hereto as EXHIBIT A and incorporated herein by this reference, which includes the legal description and a map of the Project Area, pursuant to which the Agency desires to encourage, promote and provide for development in the Project Area; and

C. WHEREAS the Taxing Entity and the Agency have determined that it is in the best interests of the Taxing Entity to provide certain financial assistance through the use of Tax Increment (as defined below) in connection with the development of the Project Area as set forth in the Project Area Plan; and

D. WHEREAS the Agency anticipates providing a portion of the tax increment (as defined in Utah Code Annotated ("UCA") § 17C-1-102(60) (hereinafter "Tax Increment")), created by development within the Project Area, to assist in the development of the Project Area as provided in the Project Area Plan; and
E. WHEREAS UCA § 17C-4-201(1) authorizes the Taxing Entity to consent to the payment to the Agency of a portion of the Taxing Entity’s share of Tax Increment generated from the Project Area for the purposes set forth therein; and

F. WHEREAS UCA § 11-13-215 further authorizes the Taxing Entity to share its tax and other revenues with the Agency; and

G. WHEREAS in order to facilitate development of the Project, the Taxing Entity desires to pay to the Agency a portion of the Taxing Entity’s share of Tax Increment generated by the Project Area in accordance with the terms of this Agreement; and

H. WHEREAS the provisions of applicable Utah State law shall govern this Agreement, including the Act and the Interlocal Cooperation Act, Title 11 Chapter 13 of the UCA, as amended (the “Cooperation Act”).

NOW, THEREFORE, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Tax Increment.**

   a. Pursuant to Section 17C-4-201(2)(b) of the Act and Section 11-13-215 of the Cooperation Act, the Taxing Entity hereby agrees and consents that the Agency shall be paid eighty percent (80%) of the Taxing Entity’s portion of the Tax Increment generated within the Project Area (the “Taxing Entity’s Share”) for 20 years, for tax years 2018 through 2037 (to be paid in 2038), inclusive. Each Taxing Entity’s Share shall be used for the purposes set forth in the Act and in the Project Area Plan and shall be disbursed as specified herein. The calculation of annual Tax Increment shall be made using (a) the Taxing Entity’s tax levy rate during the year for which Tax Increment is to be paid and (b) the base year value for purposes of calculating Tax Increment shall be the assessed combined assessed value of all property within the Project Area last equalized prior to the date of this Agreement, which taxable value is subject to adjustment as required by law.

   b. The total cumulative Taxing Entity’s Share paid to the Agency pursuant to this Agreement shall not exceed $2,000,000.00.

   c. The Taxing Entity hereby authorizes and directs Salt Lake County officials and personnel to pay directly to the Agency all amounts due to the Agency under this Agreement in accordance with UCA § 17C-4-203 for the periods described herein.

2. **Authorized Uses of Tax Increment.** The Parties agree that the Agency may apply the Tax Increment collected hereunder to encourage the development of the Project Area as deemed
appropriate by the Agency and contemplated in the Project Area Plan, including but not limited to the cost and maintenance of public infrastructure and other improvements located within or benefitting the Project Area, incentives to developers or participants within the project area, administrative, overhead, legal, and other operating expenses of the Agency, and any other purposes deemed appropriate by the Agency, all as authorized by the Act.

3. **No Third Party Beneficiary.** Nothing in this Agreement shall create or be read or interpreted to create any rights in or obligations in favor of any person or entity not a party to this Agreement. Except for the parties to this Agreement, no person or entity is an intended third party beneficiary under this Agreement.

4. **Due Diligence.** Each of the Parties acknowledges for itself that it has performed its own review, investigation, and due diligence regarding the relevant facts upon which this Agreement is based, including representations of the Agency concerning the Project and the Project's benefits to the community and to the Parties, and each Party relies upon its own understanding of the relevant law and facts, information, and representations, after having completed its own due diligence and investigation.

5. **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 shall be 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 shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney in behalf of each Party pursuant to and in accordance with the 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.

   e. The term of this Agreement shall commence on the publication of the notice required by Section 17C-4-202 of the Act and shall continue through the date on which all of the final payment of Tax Increment as described herein has been paid to the Agency as provided herein.
f. Following the execution of this Agreement by all Parties, the Agency shall cause a notice regarding this Agreement to be published on behalf of all parties in accordance with Section 11-13-219 of the Cooperation Act and Section 17C-4-202 of the Act.

6. **Modification and Amendment.** Any modification of or amendment to any provision contained herein shall be effective only if the modification or amendment is in writing and signed by all Parties. Any oral representation or modification concerning this Agreement shall be of no force or effect.

7. **Further Assurance.** Each of the Parties hereto agrees to cooperate in good faith with the others, to execute and deliver such further documents, to adopt any resolutions, to take any other official action, and to perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement.

8. **Governing Law.** This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Utah.

9. **Interpretation.** The terms “include,” “includes,” “including” when used herein shall be deemed in each case to be followed by the words “without limitation.”

10. **Severability.** If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction or as a result of future legislative action, and if the rights or obligations of any Party hereto under this Agreement will not be materially and adversely affected thereby,

    a. such holding or action shall be strictly construed;
    
    b. such provision shall be fully severable;
    
    c. this Agreement shall be construed and enforced as if such provision had never comprised a part hereof;
    
    d. the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the invalid or unenforceable provision or by its severance from this Agreement; and
    
    e. in lieu of such illegal, invalid, or unenforceable provision, the Parties hereto shall use commercially reasonable efforts to negotiate in good faith a substitute, legal, valid, and enforceable provision that most nearly effects the Parties' intent in entering into this Agreement.
11. **Authorization.** Each of the Parties hereto represents and warrants to the others that the warranting Party has taken all steps, including the publication of public notice where necessary, in order to authorize the execution, delivery, and performance of this Agreement by each such Party.

12. **Time of the Essence.** Time shall be of the essence in the performance of this Agreement.

13. **Incorporation of Recitals.** The recitals set forth above are hereby incorporated by reference as part of this Agreement.

14. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

15. **Incorporation of Exhibits.** The exhibits to this Agreement are hereby incorporated by reference as part of this Agreement.

ENTERED into as of the day and year first above written.

[Remainder of page intentionally left blank; signature pages to follow]
Attorney Review for the Agency:
The undersigned, as counsel for the Redevelopment Agency of Midvale City, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Adam S. Long
Attorney for the Redevelopment Agency of Midvale City
ADDITIONAL SIGNATURES TO INTERLOCAL AGREEMENT

MIDVALE CITY

By: [Signature]
Name: JoAnn B. Seghini
Title: Mayor

Attest:
By: [Signature]
Name: Rori L. Andreason
Title: City Recorder

Attorney Review for the Taxing Entity:
The undersigned, as attorney for Midvale City, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

[Signature]
Name: Lisa Garner
Attorney for Midvale City
REDEVELOPMENT AGENCY OF MIDVALE CITY

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4. This Resolution shall take effect upon adoption.
PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY OF MIDVALE CITY, STATE OF UTAH, this 17th day of December, 2016.

JoAnn B. Seghini  
Chief Administrative Officer

ATTEST:  
Rori L. Andreason, MMC  
Secretary

Voting by the Board:  

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