

PROJECT AREA PLAN FORT PIERCE COMMUNITY DEVELOPMENT AREA #2 (CDA)

REDEVELOPMENT AGENCY OF THE CITY OF
ST. GEORGE, UTAH



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Definitions

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

"Act" shall mean and include the Limited Purpose Local Government Entities – Community Development and Renewal Agencies Act in Title 17C, Chapters 1 through 4, 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 Redevelopment Agency of the City of St. George, which is a separate body corporate and politic created by the City pursuant to the Act.

"Base taxable value" shall mean the agreed value specified in a resolution or interlocal agreement under Subsection 17C-4-201(2) from which tax increment will be collected.

"Base taxable year" shall mean the Tax Year during which the Project Area Budget is approved pursuant to Subsection 17C-1-102 (6), which shall be January 1, 2014.

"City" or "Community" shall mean the City of St. George.

"Legislative body" shall mean the City Council of St. George which is the legislative body of the Community.

"Plan Hearing" shall mean the public hearing on the draft Project Area Plan required under Subsection 17C-4-102.

"Project Area" shall mean the geographic area described in the Project Area Plan or draft Project Area Plan where the community development set forth in this Project Area Plan or draft Project Area Plan takes place or is proposed to take place (Exhibit A & B).

"Project Area Budget" shall mean the multi-year projection of annual or cumulative revenues, other expenses and other fiscal matters pertaining to the Project Area that includes:

- ☞ the base taxable value of property in 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 the Project Area plan;
- ☞ the tax increment expected to be used to cover the cost of administering the 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” shall mean the written plan that, after its effective date, guides and controls the community development 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.

“Taxes” includes all levies on an ad valorem basis upon land, real property, personal property, or any other property, tangible or intangible.

“Taxing Entity” shall mean any public entity that levies a tax on any property within the Project Area.

“Tax Increment” shall mean the difference between the amount of property tax revenues generated each tax year by all taxing entities from the Project Area using the current assessed value of the property and the amount of property tax revenues that would be generated from the same area using the base taxable value of the property.

“Tax Increment Period” shall mean the period of time in which the taxing entities from the Project Area consent that a portion of their tax increment from the Project Area be used to fund the objectives outlined in the Project Area Plan.

“Tax Year” shall mean the 12-month period between sequential tax roll equalizations (November 1st-October 31st) of the following year, e.g., the November 1, 2013-October 31, 2014 tax year.

Introduction

The Redevelopment Agency of the City of St. George (“Agency”), following a thorough consideration of the needs and desires of the City of St. George (the “City”) and its residents, as well as the City’s capacity for new development, has carefully crafted this draft Project Area Plan (the “Plan”) for the Fort Pierce Community Development Project Area #2 (the “Project Area”). This Plan is the end result of a comprehensive evaluation of the types of appropriate land-uses and economic development for the land encompassed by the Project Area which lies within the Fort Pierce Industrial Park and runs along Commerce Drive. The Plan is intended 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. It is the purpose of this Plan to clearly set forth the aims and objectives of development, scope, financing mechanism, and value to the residents of the City and other taxing districts.

The Project Area is being undertaken as a community development project area pursuant to certain provisions of Chapters 1 and 4 of the Utah Limited Purpose Local Governmental Entities -- Community Development and Renewal Agencies 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.

Resolution Authorizing the Preparation of a Draft Community Development Project Area Plan

Pursuant to the provisions of §17C-4-101 of the Act, the governing body of the Agency adopted a resolution authorizing the preparation of a draft community development project area plan on **August 21, 2014**.

Utah Code
§17C-4-102

Recitals of Prerequisites for Adopting a Community Development Project Area Plan

In order to adopt a community development project area plan, the agency shall;

- ☐ Pursuant to the provisions of §17C-4-102(2)(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-4-102 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-4-102 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.

UTAH CODE
§17C-4-103(1)

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 Project Area is located within the Fort Pierce Industrial Park located within the City’s southern boundaries. There are no agricultural, forest or mining uses in the Project Area. The Project Area is comprised of approximately 12 lots within the Industrial park, equaling 57.04 acres of property.

As delineated in the office of the Washington County Recorder, the Project Area encompasses all of the parcels detailed in **Exhibit C**.

UTAH CODE
§17C-4-103(2)

General Statement of Land Uses, Layout of Principal Streets, Population Densities, Building Densities and How They Will be Affected by the Project Area

General Land Uses

A significant amount of property within the Project Area consists of vacant and underutilized property not generating full beneficial tax base to the City or other taxing entities. Table 1 summarizes the approximate acreage of existing land uses by land use type.

TABLE 1: LAND USES

Type	Acres	% of Area
Industrial	21.63	38%
Vacant	35.41	62%
Total	57.04	100%

Current M-I zoning allows the contemplated uses which include industrial, like manufacturing, and other commercial uses. 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.

Layout of Principal Streets

The principal streets within the Project Area are **Commerce Drive** and **Quality Drive**. The Project Area map, provided in **Exhibit B**, shows the principal streets in the area. The Commerce Drive and Quality Drive intersection is the gateway to the Project Area and all improvements along these streets are anticipated to spur development within all parts of the Project Area.

Population Densities

Currently, there is no residential development within the Project Area.

Building Densities

Building densities may increase as potential future development could include multi-story structures. Also, the intent of this plan is to promote greater economic utilization of the land area, which currently has over 35 acres of undeveloped land.

Impact of Community Development on Land Use, Layout of Principal Streets, and Population Densities

Community development activities within the Project Area will mostly consist of development and economic enhancement of underutilized areas. The types of land uses will include: industrial, manufacturing, and commercial. In order to promote the development of the Project Area, the Agency, along with property owners, developers, and/or businesses will need to construct infrastructure improvements that create better utilization of land.

Land Use – The City adopted an ordinance that created special site development standards for the Fort Pierce Industrial Park. The additional special standards included: (i) loading dock requirements; (ii) landscaping provisions; (iii) building height specifications; and (iv) additional prohibited uses.

Layout of Principal Streets – It is not anticipated that the community development of the Project Area will alter the layout of principal streets in the area.

Population Densities – The Project Area will not include any residential development, thus the population density will not increase.



UTAH CODE
§17C-4-103(3)

Standards Guiding the Community Development

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 proposed General Plan; the Zoning Ordinance of the City, including adopted Design Guidelines pertaining to the area; institutional controls, deed restrictions if the property is acquired and resold by the RDA, other applicable building codes and ordinances of the City; and, as required by ordinance or agreement, review and recommendation of the Planning Commission and approval by the Agency.

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, including land coverage, setbacks, height and massing of buildings, off-street parking and loading, use of public transportation, and any other data determined to be necessary or requested by the Agency or the City.

The general standards that will guide community development within the Project Area, adopted from the City's proposed General Plan are as follows:

Business attraction and expansion.

St. George City staff and community leaders should focus their marketing and recruitment efforts on a few "high yield" targets that will make a significant difference to the local economy.

Recruit, retain, and expand employers.

St. George encourages existing firms to grow and expand their business operations, and focus business attraction efforts on established firms within the region that may need larger facilities or a new location within the region.

UTAH CODE
§17C-4-103(4)

How the Purposes of this Title Will Be Attained By Community Development

It is the intent of the Agency, with the assistance and participation of private developers and property owners, to facilitate new quality development and improve existing private and public structures and spaces. This enhancement to the overall living environment and the restoration of economic vitality to the Project Area will benefit the community, the City, the County, and the State.



UTAH CODE
§17C-4-103(5)

Conformance of the Proposed Development to the Community's General Plan

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

UTAH CODE
§17C-4-103(6)

Describe any Specific Project or Projects that are the object of the Proposed Community Development

The primary objectives of the community development area include: 1) assisting in the relocation of a manufacturing company to the Fort Pierce Industrial Park. This company will create at least 25 new high paying jobs with an average yearly wage of \$63,880; and 2) aiding a local company in relocating to the Fort Pierce Industrial Park, where they will add a manufacturing component to their current operation. This user will employ approximately 60 employees in their new facility. The overall intent and objective of this Project Area Plan is to further promote the expansion of industrial, manufacturing and commercial enterprises within the Project Area. This will be accomplished in part through the extension of public infrastructure improvements and job creation incentives.

UTAH CODE
§17C-4-103(7)

Method of Selection of Private Developers to undertake the Community Development and Identification of Developers Currently Involved in the Process

The City and Agency will select or approve such 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. 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, EDC Utah, and/or from other such references.

The City and Agency will ensure that all development conforms to this plan and is approved by the City. 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 developer. Such a review may include a series of studies and reviews including reviews of the Developers financial statements, third-party verification of benefit of the development to the City, appraisal reports, etc.

Any participation between the Agency and developers and property owners shall be by an approved agreement.

UTAH CODE
§17C-4-103(8)

Reason for Selection of the Project Area

The Fort Pierce Industrial Park creates an opportunity to accommodate new industrial and manufacturing businesses in the St. George area. These businesses will create new high paying jobs and increase the tax base to the City, County, and State of Utah. The proposed Project Area is intended to provide a means for the City to meet the goals outlined in the General Plan.

UTAH CODE
§17C-4-103(9)

Description of Physical, Social and Economic Conditions Existing in the Project Area

Physical Conditions

The Project Area consists of approximately 57 acres of relatively flat, publicly and privately owned land as shown on the Project Area map. There is minimal landscaping surrounding the commercial, industrial or office buildings. There are very little streetscapes or pedestrian-oriented lighting in the Project Area.

Social Conditions

The Project Area experiences a lack of social connectivity and vitality. There are no residential units. There are currently no parks, libraries, or other social gathering places in the Project Area. The lack of sidewalks on some streets and walking trails discourages foot traffic and access within the area. There is nominal human activity in the Project Area outside of business hours.

Economic Conditions

The Project Area is within the Fort Pierce Industrial Park, which has helped improve the existing economic base of the City. One of the objectives of this Project Area Plan includes providing incentives to property owners to sale, lease, or develop the existing vacant parcels of property, which will expand the economic base of the City, County and State of Utah.



UTAH CODE
§17C-4-103(10)

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 job-oriented incentives, desirable Project Area improvements, and other items as 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 period which the Agency deems to be appropriate under the circumstances.

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

- ☞ Foster and accelerate economic development;
- ☞ Stimulate job development;
- ☞ Promote the use of transit and the walkability of the area;
- ☞ Make needed infrastructure improvements to roads, street lighting, water, storm water, sewer, and parks and open space;
- ☞ Assist with property acquisition and/or land assembly; and
- ☞ Provide attractive development for high-quality commercial/industrial 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 period for each taxing entity.

UTAH CODE
§17C-4-103(11)

Anticipated Public Benefit to be Derived from the Community Development

UTAH CODE
§17C-4-103(11)(a)

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 and job growth. The increased revenues will come from the property values associated with new construction in the area, as well as increased land values that may occur, over time, in the area generally. Property values include land, buildings and personal property (machines, equipment, etc.).

It is estimated that the development of the Project Area will result in a minimum of approximately 85 new jobs. These jobs will likely result in an average monthly wage



of approximately \$2,540.¹ Job growth in the Project Area will result in increased wages, increasing local purchases and benefiting existing businesses in the area. Job growth will also result in increased income taxes paid. Additionally, business growth will generate corporate income taxes.

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.

UTAH CODE
§17C-4-103(11)(b)

The Associated Business and Economic Activity Likely to be Stimulated

Other business and economic activity likely to be stimulated includes increased spending by new and existing residents within the City and 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.

Business will likely make purchases that may eventually result in increased employment opportunities in areas such as the following: office equipment, furniture and furnishings, office supplies, computer equipment, communication, security, transportation and delivery services, maintenance, repair and janitorial services, packaging supplies, and office and printing services.

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).

¹ Utah Department of Workforce Services, Average Monthly Nonfarm Wage, Washington County, 2013



EXHIBIT A: Legal Description of Fort Pierce CDA #2

Commencing at the Northwest Quarter Corner of Section 20, Township 43 South, Range 15 West, Salt Lake Base & Meridian; thence 875.60 feet S 88°45'22" E along the section line, and 160.30 feet S 01°14'38" W to the POINT OF BEGINNING, said point also being on the Northerly line of Commerce Drive, as shown on the "Commerce Drive Extension" Dedication Plat, according to official plat thereof on file and of record in the Washington County Recorder's Office as Entry No. 828420; thence S 47°15'29" W, a distance of 1460.99 feet more or less to a point of curve to the right having a radius of 990.49 feet and a central angle of 07°44'40"; thence southwesterly along the arc a distance of 133.88 feet more or less; thence S 41°23'29" E, a distance of 66.07 feet more or less; thence S 42°44'31" E, a distance of 324.13 feet more or less; thence S 59°49'11" W, a distance of 755.47 feet more or less; thence S 42°23'28" W, a distance of 192.89 feet more or less; thence N 50°30'13" W, a distance of 319.43 feet more or less; thence N 50°31'07" W, a distance of 66.00 feet more or less to the point of curve of a non tangent curve to the right, of which the radius point lies S 50°31'07" E, a radial distance of 1,000.00 feet; thence northeasterly along the arc, through a central angle of 06°38'26", a distance of 115.90 feet more or less; thence N 45°46'09" W, a distance of 160.01 feet more or less to a point of curve to the left having a radius of 3,066.00 feet and a central angle of 05°05'44"; thence northwesterly along the arc a distance of 272.68 feet more or less; thence N 50°51'53" W, a distance of 889.75 feet more or less; thence N 55°38'13" E, a distance of 45.06 feet more or less; thence N 43°57'59" E, a distance of 653.25 feet more or less; thence S 45°07'03" E, a distance of 430.38 feet more or less; thence S 82°57'28" E, a distance of 500.45 feet more or less; thence N 54°35'35" E, a distance of 528.51 feet more or less; thence N 61°03'35" E, a distance of 582.54 feet more or less; thence N 06°54'20" W, a distance of 345.90 feet more or less; thence N 41°26'40" E, a distance of 200.93 feet more or less; thence N 66°15'02" E, a distance of 98.29 feet more or less; thence S 42°43'56" E, a distance of 750.72 feet more or less to the POINT OF BEGINNING.

Containing 2,485,014.05 square feet or 57.0481 acres, more or less.

The intent of this legal description is to include all of Lots 73, 74A, 74B, 75, 76, 77, 78, 79, 124, 127, and 128 into the Fort Pierce CDA #2

EXHIBIT B: Project Area Map

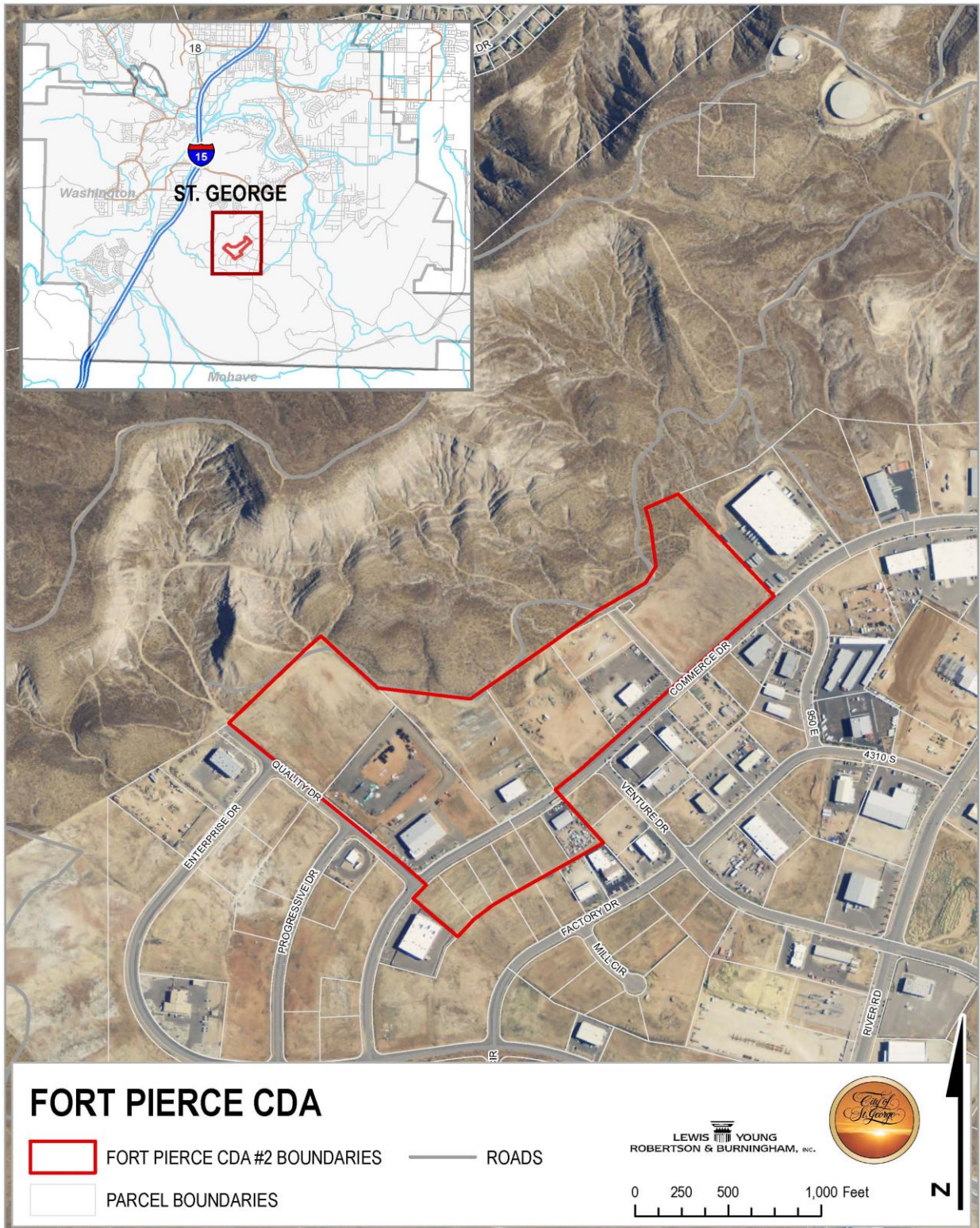




EXHIBIT C: Parcel List

Taxable Property Schedule (2013)				
Parcel_ID	Owner	Acres	Taxable Value	Tax District
SG-5-3-19-111	TAC HOLDINGS LLC	1.81	197,100	8
SG-5-3-20-450	TAC HOLDINGS LLC	3.26	757,700	8
SG-5-3-19-112	MCSTG Partners LLC	10.00	2,269,800	8
SG-5-3-19-1102	Bristle Barn LLC	6.56	661,500	8
SG-5-3-19-120	STS Leasing LLC	7.12	1,040,300	8
SG-5-3-19-129	Guthrie LLC	1.19	129,500	8
SG-5-3-19-128	Kurt & Linda Johnson	1.07	116,200	8
SG-5-3-19-132	Competitive Excavation Inc	1.12	121,500	8
SG-5-3-19-121	E&B Holdings LC	1.25	307,600	8
SG-5-3-17-1101	Utah School & Trust Lands ²	22.45	-	8
SG-5-3-20-4412	Fort Pierce Leasing LC	0.09	5,000	8
SG-5-3-19-131	Competitive Excavation Inc	1.12	121,500	8
Total		57.04	5,727,700	

² The 22.45 acres is currently part of the Utah School & Trust Lands (SITLA) “parent parcel”, and is thus tax exempt. As value added businesses locate on the conceptual lots owned by SITLA, the lot will be reduced from SITLA’s “parent parcel” and given its own tax I.D. number.