

CLEARFIELD COMMUNITY DEVELOPMENT AND RENEWAL AGENCY (CDRA)
SPECIAL SESSION AND
CLEARFIELD CITY COUNCIL REGULAR AND WORK SESSIONS
July 26, 2011

City Council Chambers
55 South State Street
Third Floor
Clearfield, Utah

Mission Statement: To provide leadership in advancing core community values; sustain safety, security and health; and provide progressive, caring and effective services. We take pride in building a community where individuals, families and businesses can develop and thrive.

6:00 P.M. CDRA SPECIAL SESSION

CALL TO ORDER:

Chair Murray

PUBLIC HEARING:

1. CONSIDERATION OF THE DRAFT PROJECT PLAN AND DRAFT PROJECT AREA BUDGET FOR THE ATK ECONOMIC DEVELOPMENT PROJECT AREA

BACKGROUND: This ATK Economic Development Project Area and its subsequent Draft Project Area Plan and Budget contemplate and facilitate the expansion of the ATK aerospace division located in Clearfield City. ATK is a nationally renowned aerospace firm and anticipates that the expansion of this division within Clearfield City would create an estimated 800 new jobs for the Davis County area, many of which would exceed the average salary for the County. Notice of the proposed project area has been provided to the required affected entities. It was also published in the Standard Examiner in its entirety on July 11, 2011.

RECOMMENDATION: Receive public comment.

SCHEDULED ITEMS:

2. CONSIDER APPROVAL OF THE CLEARFIELD COMMUNITY DEVELOPMENT AND RENEWAL AGENCY (CDRA) MINUTES FROM THE JUNE 28, 2011 REGULAR SESSION
3. CONSIDER APPROVAL OF RESOLUTION 2011R-05 APPROVING THE OFFICIAL ECONOMIC DEVELOPMENT PROJECT AREA PLAN FOR THE ATK ECONOMIC DEVELOPMENT AREA
4. CONSIDER APPROVAL OF RESOLUTION 2011R-06 APPROVING THE PROPOSED DRAFT OF THE ECONOMIC DEVELOPMENT PROJECT AREA BUDGET FOR THE ATK ECONOMIC DEVELOPMENT PROJECT AREA
5. CONSIDER APPROVAL OF RESOLUTION 2011R-07 AUTHORIZING A NEW OFFICIAL CORPORATE SEAL FOR THE CDRA

*****ADJOURN CDRA SPECIAL SESSION AND IMMEDIATELY FOLLOWING RECONVENE AS THE CITY COUNCIL IN A REGULAR SESSION *****

REGULAR SESSION

CALL TO ORDER:

Mayor Wood

OPENING CEREMONY:

Councilmember Murray

APPROVAL OF MINUTES:

June 14, 2011 – Work Session

June 21, 2011 – Special Session

June 21, 2011 – Work Session

June 28, 2011 – Regular Session

June 28, 2011 – Work Session

July 8, 2011 – Work Session

PRESENTATION:

1. **SPECIAL RECOGNITION TO LINDSAY CHRISTENSEN AS A CLEARFIELD HOMETOWN HERO**

BACKGROUND: Lindsay Christensen has been nominated by her uncle Chad Cox as a Hometown Hero for the life saving skills she demonstrated during a home emergency.

SCHEDULED ITEMS:

2. **CITIZEN COMMENTS**

3. **CONSIDER APPROVAL OF ORDINANCE 2011-07 ADOPTING THE ATK ECONOMIC DEVELOPMENT PROJECT AREA PLAN, AS APPROVED BY THE CLEARFIELD COMMUNITY DEVELOPMENT AND RENEWAL AGENCY (CDRA), AS THE OFFICIAL ECONOMIC DEVELOPMENT PROJECT AREA PLAN FOR THE ATK ECONOMIC DEVELOPMENT PROJECT AREA AND DIRECTING THAT NOTICE OF THE ADOPTION BE GIVEN AS REQUIRED BY STATUTE**

BACKGROUND: Clearfield City can best serve the needs of its residents and business owners by continuing to foster and support quality economic development within its borders by embracing and encouraging the City's manufacturing heritage. Alliant Techsystems Inc. ("ATK") is making a substantial investment in Clearfield by expanding their current operations here which will result in a significant number of new jobs in the community and the City has agreed to assist with incentivizing ATK for its investment in Clearfield. This Ordinance formally adopts the economic development project area plan for the ATK Economic Development Project Area as approved by the Board of the Clearfield Community Development and Renewal Agency (CDRA) and pursuant to Title 17C, Chapter 3 of the Utah Code.

RECOMMENDATION: Approve of Ordinance 2011-07 adopting the ATK Economic Development Project Area Plan, as approved by the Clearfield Community Development and Renewal Agency (CDRA), as the official Economic Development Project Area Plan for the ATK Economic Development Project Area and directing that notice of the adoption be given as required by statute and authorize the Mayor's signature to any necessary documents.

4. **APPOINT ERIC HOWES AS THE COMMUNITY SERVICES DIRECTOR**

5. CONSIDER APPROVAL OF THE AWARD OF BID FOR ROADWAY STRIPING AND MARKING SERVICES

BACKGROUND: The City received bids from three contractors to provide services for all striping and markings on the City's roadways. Public Works staff has reviewed the bids and recommends awarding the bid of Interstate Barricades with a bid amount of \$14,951.

RECOMMENDATION: Award the bid for roadway striping and marking services for City roadways to Interstate Barricades, and approve funding of \$14,951, bid amount with a contingency of \$1,500, for a total project cost of \$16,451 and authorize the Mayor's signature to any necessary documents.

6. DISCUSSION AND CONSIDERATION OF THE APPROVAL OF RESOLUTION 2011R-13 AUTHORIZING AN INTERLOCAL COOPERATION AGREEMENT WITH LAYTON CITY FOR CLEARFIELD TO PROVIDE CULINARY WATER AND STORM WATER DRAINAGE UTILITY SERVICES FOR NES LAYTON BUILDING (1700 NORTH 2200 WEST, LAYTON, UTAH)

BACKGROUND: On May 31, 2011, the Community Development and Public Works departments received a formal request from Layton City for the consideration of providing culinary water and storm drain utility services to NES Layton Building. Given the current locations of Layton City systems and infrastructure, it becomes cost prohibitive for Layton to serve the property with all the essential utilities at this time, specifically the water and storm drain.

RECOMMENDATION: Approve Resolution 2011R-13 authorizing an Interlocal Cooperation Agreement with Layton City to provide culinary water and storm water drainage utility services to NES Layton Building located at 1700 North 2200 West, Layton, and authorize the Mayor's signature to any necessary documents.

7. CONSIDER APPROVAL OF RESOLUTION 2011R-14 AUTHORIZING A NEW OFFICIAL CORPORATE SEAL FOR THE CITY

BACKGROUND: The City Council recently adopted a new logo to better reflect its support of Hill Air Force Base and its related industries as well as the tremendous manufacturing presence in the City. The City's current official corporate seal incorporates the old logo so it has become necessary to design and approve a new official corporate seal.

RECOMMENDATION: Approve Resolution 2011R-14 authorizing a new official corporate seal for the City and authorize the Mayor's signature to any necessary documents.

****ADJOURN REGULAR SESSION AND RECONVENE IN A WORK SESSION****

WORK SESSION IMMEDIATELY FOLLOWING THE SPECIAL SESSION

Discussion on Boundary Adjustments with Syracuse City
Discussion on the Community Development Block Grant (CDBG)
Down Payment Assistance Guidelines
Update on the Park Village Amended Plat

(**TENTATIVE**) The Council will consider a motion to enter into a Closed Session for the purpose of a strategy session to discuss pending or reasonably imminent litigation (Utah Code Ann. §52-4-205)

****COUNCIL MEETING ADJOURN****

Dated this 22nd day of July, 2011.

/s/Nancy R. Dean, City Recorder

The City of Clearfield, in accordance with the ‘Americans with Disabilities Act’ provides accommodations and auxiliary communicative aids and services for all those citizens needing assistance. Persons requesting these accommodations for City sponsored public meetings, service programs or events should call Nancy Dean at 525-2714, giving her 48-hour notice.

DRAFT

Economic Development Plan for the ATK Economic Development Project Area

This Economic Development Plan (this "Plan") for the ATK Economic Development Project Area ("Project Area") has been prepared by the consulting firm of RS Contract Management, LLC, for the Clearfield City Urban Renewal Agency (the "Agency") under the Utah Limited Purpose Local Government Entities – Community Development and Renewal Agencies Act, Title 17C of the Utah Code, as amended (the "Act"), and under the provisions of the Utah Constitution, the United States Constitution, and all applicable local laws and ordinances.

INTRODUCTION

This ATK Economic Development Project Area Plan contemplates and will facilitate the expansion of the ATK aerospace division located in Clearfield City. ATK is a nationally renowned aerospace firm. ATK anticipates that the expansion of the division within Clearfield City would create an estimated 800 new jobs for the Davis County area, many of which would exceed the average salary for the County. The expansion will include the leasing of a 615,000 Sq. Ft. building, known as the Prologis building, and expansion of existing facilities within the Freeport Center. ATK has received incentives from the Governor's Office of Economic Development based on the anticipated capital investment and creation of jobs, subject to participation by the local entity, Clearfield City. Given the current employment benefits that ATK already provides within the city, as well as the potential new jobs that will be created by the expansion; the City and Agency have determined to work with ATK as described in this plan.

This Economic Development Plan (a) sets forth the rationale behind the Project and the anticipated benefits Clearfield City and its residents, and (b) to those ends, creates the necessary local-government framework necessary for the contemplated development. Ultimately, the City and the Agency desire to promote ATK's growth and expansion in order to retain a valued corporate citizen within the City, and provide employment opportunities for its citizens.

1. DEFINITIONS

As used in this Plan:

1.1 “Act” means Title 17C of the Utah Code Annotated (“UCA”) 1953, as amended: the Utah Limited Purpose Local Government Entities – Community Development and Renewal Agencies Act, as amended, or such successor law or act that may from time to time be enacted.

1.2 “Agency” means the Clearfield City Community Development and Renewal Agency created and operating pursuant to UCA 17C-1-201 as its predecessor or successor statutes, as designated by the Clearfield City to act as a community development and renewal agency.

1.3 “Agency Board” or “Board” means the governing body of the Clearfield City Community Development and Renewal Agency.

1.4 “Base Taxable Value” has the same meaning that it bears in the Act (UCA 17C-1-102(6)). “Base Taxable Value” is synonymous with “Base Year Taxable Value”, “Base Year Value”, and “Base Value”.

1.5 “Base Tax Amount” means a sum equal to the tax revenue arising from the Project Area during the Base Year, which is calculated as the product of the Base Taxable Value and the certified tax rate in effect during the Base Year.

1.6 “Base Year” means the Tax Year during which the Project Area Budget is approved pursuant to UCA 17C-1-102 (6)(a).

1.7 “Bond” means any bonds, notes, interim certificates, or other obligations issued by an agency.

1.8 “City” means the Clearfield City, a political subdivision of the State of Utah.

1.9 “County” means Davis County, a political subdivision of the State of Utah.

1.10 “Comprehensive General Plan” or “General Plan” means the general plan adopted by the City under the provisions of UCA 10-9a-401.

1.11 "Economic Development" means to promote the creation or retention of public or private jobs within the state through planning, design, development, construction, rehabilitation, business relocation, or any combination of these, within part of all of a project area; and the provisions of office, industrial, manufacturing, warehousing, distribution, public parking, or other facilities, or other improvements that benefit the state or a community.

1.12 "Economic Development Plan" means a project area plan, as defined by UCA 17C-1-102(35) of the Act, designed to foster economic development, as defined in UCA 17C-1-102(16) of the Act, developed by the Agency and adopted by ordinance of the governing body of the City to guide and control economic development undertakings in a specific project area.

1.13 "Governing Body" means (a) in reference to the Clearfield City Community Development and Renewal Agency, the Board of the Clearfield City Renewal Agency, or, (b) if used in reference to Clearfield City, it means the City Council or the City of Clearfield.

1.14 "Project Area" means the ATK Economic Development Project Area, as selected by resolution of the Agency.

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

1.16 "Taxing Entities" means the public entities, including the state, any county, and city, any school district, special district, or other public body, which levy property taxes on any parcel or parcels of property located within the Project Area.

1.17 "Taxing Entity Committee" means the committee established for the Project Area pursuant to provisions of the Act.

1.18 "Tax Increment" means that portion of the levied taxes each year in excess of the base tax amount, which excess amount is paid into a special fund of the Agency, pursuant to UCA 17C-1-102(44)(a) and Part 4 of UCA Chapter 17C-1, as amended.

1.19 "Tax Year" means the 12 month period between sequential tax role equalizations (November 1st through October 31st) of the following year, e.g., the Nov. 1, 2010-Oct. 31, 2011 tax year).

2. THE PROJECT AREA BOUNDARIES

The project Area is located entirely in the Clearfield City and comprises approximately 96 acres. The Boundaries of the Project Area are delineated in the property description and map included as Exhibits A & B.

3. DEMOGRAPHICS & PROJECT EFFECT

3.1 LAND USES

The Project Area is approximately 96 acres. The area includes five major parcels of property. The parcels are under the ownership of two owners, Prologis First US Properties LP, and Freeport Center Associates. The parcels are currently or may be in the future, leased by ATK aerospace structures.

Development and use within the Project Area will be governed by the City's General Plan, and officially adopted zoning ordinances, that may be amended from time to time. The current general plan and zoning map allows for the industrial/commercial uses to be developed within the Project Area. The current zoning within the Project Area requires no amendment to fit the uses planned for the area outlined in this Plan.

3.2 PRINCIAL STREET LAYOUT

The Project Area is bounded by 700 South on the North and Antelope Drive or 1700 South Street on the South. No streets run through the Project Area.

3.3 POPULATION DENSITY

There are no residential units within the Project Area, and no residential units are contemplated under this Plan. The intent of the Agency under this Project Area Plan is for the Project Area to eventually contain only industrial or commercial buildings.

3.4 BUILDING INTENSITIES

The Project Area contains 5 buildings, which are currently used and leased by ATK. The total estimated square footage of the buildings being renovated and expanded is 1,192,225. It is anticipated that these buildings will continued to be leased by ATK, and renovated as needed to accommodate the new capital investment and equipment required for expansion. It is possible that additional expansion, including new construction may occur within the Project Area.

3.5 SOCIAL CONDITIONS

There are no residents currently located within the Project Area, therefore, no meaningful demographics would be available to describe the social conditions in the Project Area. The current industrial use will remain within the Project Area.

4. ECONOMIC DEVELOPMENT STANDARDS

The applicable Economic Development standards within the Project Area are the relevant and appropriate elements of the City's Comprehensive General Plan, the requirements of the applicable zoning as set forth in the City's planning and zoning provisions, all other applicable building codes and ordinances of the City, and all relevant provisions of State law. The proposed development will result in additional economic development through new jobs, increased property tax, and productive use of a vacant building.

5. SATISFACTION OF ECONOMIC DEVELOPMENT POLICIES

As defined by the Act and this Plan, economic development is the promotion, creation, or retention of jobs within the state through planning, design, development, construction, rehabilitation, or business relocation within a project area, as well as the provisions of office, industrial, manufacturing, warehousing, distribution, parking, public, or other facilities, or other improvements that benefit the state or the local community.

The purposes of the economic development statutes parallel the City's own fiscal and demographic objectives. The City seeks to increase both the quality of employment and the number of jobs available within its boundaries so as to improve both opportunity and quality of life for all of its citizens. The proposed expansion by ATK will provide exactly the types of business growth and job opportunities the Agency and City desire to promote.

6. TECHNIQUES TO ACHIEVE THE PURPOSES OF THE COMMUNITY DEVELOPMENT AND RENEWAL ACT, AND THIS PLAN.

The Agency will meet the purpose of the Community Development and Renewal Act, and this plan by implementing of the following objectives:

6.1 Acquisition of Real Property

The Agency may acquire, but is not required to acquire, real property located in the Project Area, by gift, devise, exchange, purchase, or any other lawful method. The Agency is authorized to acquire any other interest in real property less than fee title such as leasehold interests, easements, and rights of way. The Agency shall not acquire real property without the consent of the owner. At the present time, the Agency does not anticipate it will acquire any real property in the Project Area.

6.2 Acquisition of Personal Property

Generally personal property shall not be acquired. However, where necessary in the execution of this plan, the Agency is authorized to acquire personal property in the Project Area by any lawful means.

6.3 Cooperation with the Community and Public Bodies

The Community and certain public bodies are authorized by state law to aid and cooperate, with or without consideration, in the planning, undertaking, construction, operation or implementation of this project. The Agency shall seek the aid and cooperation of such public bodies in order to accomplish the purposes of Community Development and the highest public good, including approval of the Project Area Budget.

6.4 Property Management

During such time that property, if any, in the Project Area is owned by the Agency, such property shall be under the management and control of the Agency. Such property may be rented or leased by the Agency pending its disposition for Economic Development.

6.5 Property Disposition and Development

The Agency is authorized to demolish and clear buildings, structures, and other improvements from any real property in the Project Area as necessary to carry out the purposes of this Economic Development Plan. The Agency is authorized to install and construct, or to cause to be installed and constructed, public improvements, public facilities, and public utilities, within and without the Project Area, not prohibited by law which are necessary to carry out this Economic Development Plan; and in accordance with the terms and conditions of any existing agreements with the private developers and the approved Project Area budget and interlocal agreements. The Agency is authorized to prepare or to cause to be prepared as building sites any real property in the Project Area. The Agency is also

authorized to rehabilitate or to cause to be rehabilitated any building or structures that may remain in the Project Area.

For the purposes of this plan, the Agency is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed or trust, or otherwise dispose of any interest in real property. The Agency is authorized to dispose of real property by leases or sales by negotiation with or without public bidding. All real property acquired by the Agency in the Project Area shall be sold or leased to public or private persons or entities for development for the uses permitted in the Plan. Real property may be conveyed by the Agency to the City or any other public body without charge. The Agency shall reserve such controls in the disposition and development documents as may be necessary to prevent transfer, retention or use of property for speculative purposes and to insure that the development is carried out pursuant to this Economic Development Plan. All purchasers or lessees of property shall be made obligated to use the property for the purposes designated in this Economic Development Plan, to begin and complete development of property within a period of time, which the Agency fixes as reasonable, and to comply with other conditions which the Agency deems necessary to carry out the purposes of this plan.

6.6. Development

The objectives of the Economic Development Plan are to be accomplished through Agency encouragement of, and assistance to, private enterprise in carrying out economic development activities control and review. To provide adequate safeguards to ensure that the provisions of this Economic Development Plan will be carried out, any real property sold, leased or conveyed by the Agency, as well as any property subject to participation agreements, shall be made subject to the provisions of this Economic Development Plan by leases, deeds, contracts, agreements, declarations of restrictions, provisions of the City ordinance, conditional use permits, or other means. Where appropriate, as determined by the Agency, such documents or portions there of shall be recorded in the Office of the County Recorder. The leases, deeds, contracts, agreements, and declarations of restrictions may contain restrictions, covenants, covenants running with land, rights of reverter, conditions subsequent, equitable servitudes, or any other provisions necessary to carry out this Economic Development Plan.

To the extent now or hereafter permitted by law, the Agency is authorized to pay for, develop, or construct any building, facility, structure, or other improvement either within or without the Project Area for itself or for any public body or public

entity to the extent that such improvement would be of benefit to the Project Area. During the period of development in the Project Area, the Agency shall insure that the provisions of this Economic Development Plan and of other documents formulated by the Agency pursuant to this Economic Development Plan are being observed, and that development in the Project Area is proceeding in accordance with development documents and time schedules. Plans for economic development by owners or developers, both public and private, may be submitted to the City for approval and architectural review. All economic development must conform to this Plan and all applicable federal, state and local laws. For the purpose of this Plan the Agency is authorized to sell, lease, exchange, transfer, assign, pledge, encumber, and otherwise dispose of personal property.

7. PLANNING CRITERIA

In order to provide developers maximum flexibility in the development of land located within the Project Area, and to encourage and obtain the highest quality design and development, specific development controls for the land uses identified above are not set forth herein. Each development proposal may be considered subject to: (1) appropriate elements of the City's general plan; (2) the planning and zoning code of the City; (3) other applicable building codes and ordinances of the City; (4) appropriate review and recommendation by the City; (5) approval by the Agency to ensure that the development is consistent with this Economic Development Plan; and (6) any existing agreements.

8. REVIEW OF COMMUNITY DEVELOPMENT PROPOSALS

Each development proposal by a developer shall be accompanied by site plans, development data and other appropriate material that clearly describes the extent of the economic development proposed, including land coverage, setbacks, heights and bulk proposed, off-street parking and loading to be provided, use of public transportation, and any other data determined to be necessary or requested by the City, or Agency.

9. PLAN RESTRICTIONS

9.1 Eminent Domain

This Economic Development Project Area Plan does not allow the Agency to acquire real property through the use of eminent domain.

9.2 Tax Increment

Use of tax increment is subject to approval of the Agency's Project Area Budget by two-thirds of the Taxing Entity Committee.

10. JOB CREATION

The Plan contemplates the expansion of the ATK facility which will result in significant job creation for Clearfield City and Davis County. It is anticipated that the proposed expansion will result in an estimated 800 new jobs; significantly, the anticipated average salary for these jobs will be above the County's current average salary. These high paying jobs are obviously desirable to the City and the Agency.

11. PROPOSED METHOD OF FINANCING

11.1 Authorization

The Agency is authorized to finance this project with financial assistance from the Taxing Entities, property tax increments which accrue within the Project Area, interest income, Agency bonds, or any other available source of revenue.

The Agency is authorized to obtain advances, to borrow funds and to create indebtedness in carrying out this Plan. The principal and interest on such advances, funds, and indebtedness may be paid from tax increments or any other funds available to the Agency. The Agency is authorized to issue bonds, if appropriate and feasible, sufficient to finance all or any part of the project.

11.2 Tax Increment

Briefly stated, the tax increments that will be available under this Plan are determined in the following manner. After the Plan is adopted, the total taxable value of property within the Project Area is determined using the taxable values shown on the last equalized assessment roll prior to the adoption of the Plan. For purposes of this Plan, the base year value last equalized shall be January 1, 2010. This provides a base figure. To the extent the taxable values of property within the Project Area increase above this base figure, application of prevailing tax rates to the increased property value above the base figure yields "tax increments." These tax increments arise only with respect to property located in the Project Area. Other Taxing Entities continue to be entitled to receive the tax revenue that result from application of prevailing tax rates up to the base figure of taxable property value. In accordance with law, the Agency will prepare a Project Budget outlining the expense and revenue for this project. Once adopted by the Agency, the Agency will be required to obtain the consent of the available Taxing Entity Committee before the Agency is allowed to take any portion of the available tax increment.

11.3 Collection Period

The applicable length of time or number of years for which the Agency is to be paid tax increment shall be measured from the first tax year which the Agency accepts tax increment from the Project Area. Tax Increment may not be paid to the Agency for a tax year prior to the tax year following the effective date of the Project Area Plan. Notwithstanding, the actual number of years will be determined by the Project Area Budget as approved by the Taxing Entity Committee.

Pursuant to the Community Development and Renewal Act, taxes levied upon taxable property within the Project Area each year by or for the benefit of the State of Utah and the Taxing Entities after the effective date of the ordinance approving this Plan shall be paid to the Agency in accordance with the terms and conditions of the approved Project Area Budget.

11.4 City Funding or Loans

Operating capital for administration and developer participation of this project has been and may be provided by the City until adequate tax increments or other funds are available or sufficiently assured to repay the loans and/or to permit borrowing adequate working capital from sources other than Clearfield City. Advances and loans from the City or the Redevelopment Agency may bear a reasonable rate of interest.

12. PROVISIONS FOR AMENDING THE COMMUNITY DEVELOPMENT PLAN

This Plan may be amended or modified any time by the Agency by means of the procedures established in the act, its successor statutes, or any other procedure established by law.

13. BASIS FOR SELECTION OF PROJECT AREA

The ATK Economic Development Project Area was selected by the Agency as that area within the limits of Clearfield City having an immediate opportunity to strengthen the economic base of the Community through the investment of private capital into a new project which will provide new jobs and broaden the tax base of the Community. Boundaries of the Project Area were determined by the Agency after a review of the area by members of the Agency Board, staff, and consultants. In addition, the Project Area is being created to assist in providing a local incentive required for the incentive offer to ATK by the State of Utah. The Project Area is the logical expansion area around the existing ATK facilities. With the economic incentive offered by the Agency, ATK will create economic growth for the Community.

14. NECESSARY AND APPROPRIATE ANALYSIS

Authority to take action or enter into agreements under this Plan shall be vested exclusively in the Agency's Governing Board. The Agency's Governing Board shall be authorized to delegate this authority pursuant to resolutions approved by the Board. The administration and enforcement of this Plan and any documents implementing this Plan shall be performed by the Agency and/or the City.

The provisions of this Plan or other documents entered into pursuant to this Plan may also be enforced by court litigation instituted by either the Agency or the City. Such remedies may include, but are not limited to, specific performance, damages, re-entry, injunctions, or any other remedies appropriate to the purposes of this Plan. In addition, agreements or any recorded provisions which are expressly for the benefit of owners of property in the Project Area may be enforced by such owners.

The particulars of any contemplated development will be set out in a participation agreement between the Agency and the participant requesting assistance.

Before any future development agreement or participation agreement under the Plan may be entered into and/or executed by the Agency, the Agency may hold a public hearing on the proposed agreement. The Agency may prepare or require the developer/participant to prepare a feasibility analysis and a necessary and appropriate analysis with respect to all new projects being proposed and with respect to the ongoing feasibility of the overall Project being implemented pursuant to this Plan. The purpose of this provision is to assure that the feasibility, necessity, appropriateness, the nature, extent of, and need for any public subsidy or other assistance, and the likely public benefit of new projects is reviewed on their own merits and in the context of implementing this Plan as a whole before any particular projects are approved, thereby assuring that substantial and effective measures are being taken, or have been taken, that are reasonably designed to mitigate any harm, damage or disadvantage as may be suffered as a result of development within the Project Area by owners of property, or tenants within the Project Area.

15 DESCRIPTION OF ANY TAX INCENTIVES OFFERED TO PRIVATE ENTITIES

The following generally describes tax or other incentives which the Agency intends to offer within the Project Area to developers or participants, as incentives to construct needed infrastructure and to develop the property within the Project Area:

1. The Agency intends to use the tax increment approved by agreement with the Taxing Entities for public infrastructure improvements, certain off-site improvement and other improvements as approved by the Agency.
2. Payments made to the developer/participants pursuant to agreements between the developer and the City or Agency.
3. Expenditures approved and outlined in the adopted Project Area Budget.

Except where the Agency issues Bonds or otherwise borrows or receives funds, the Agency expects to pay the City or developer or participants for the agreed amount in the agreed upon time frame to the extent of the tax increment funds are received and available.

Currently the Agency anticipates working with the dominant tenant within the Project Area, which is ATK. Given the economic benefit that ATK provides the City, through job creation and capital investment, it makes sense for the Agency to encourage and promote ATK's growth.

16. BENEFIT ANALYSIS

The benefit analysis is attached hereto as Exhibit C

17. PROJECT AREA BUDGET

The Project Area Budget is attached hereto as Exhibit D

EXHIBIT A

LEGAL DESCRIPTION

EXHIBIT A

THE ATK ECONOMIC DEVELOPMENT PROJECT AREA SHALL CONSIST OF THE FOLLOWING AREAS:

1) LAND SERIAL ID 12-066-0026, 1051 S INDUSTRIAL PKWY

A PT OF SEC 12, T4N-R2W; SLM: BEG AT A PT ON E'LY R/W OF D&RGW RR CO AT A PT N 89°48'24"W 797.03 FT ALG 1/4 SEC LN FR CEN OF SD SEC 12, TH N 34°41'43" W ALG SD E'LY R/W LN PAR WITH & 33 FT DISTANT NE'LY AT RIGHT ANGLE FR CEN LN OF MAIN TRACK OF SD RR CO, AS NOW CONSTR, A DIST OF 1588.60 FT TO SW COR OF PPTY CONV TO CLEARFIELD CITY IN 518-736; TH ALG S LN OF SD PPTY, N 55°18'17"E 954.03 FT TO A PT 8.5 FT NE'LY FR CEN LN OF LEAD TRACT A-28; TH 5 COURSES PAR & 8.5 FT NE'LY ALG SD TRACT AS FOLLS; S 16°24'40"E 50.54 FT ALG ARC OF A 5712.65 FT RAD CUR TO LEFT, 67.44 FT (LC BEARS S 16°44'57"E 67.44 FT) S 17°05'15"E 432.22 FT ALG ARC OF A 450.78 FT RAD CUR TO LEFT 138.44 FT (LC BEARS S 25°53'07"E 137.89 FT) & S 34°41'E 263.66 FT; TH S 79°41'E 59.39 FT TH S 33°05'24"E 359.15 FT; TH S 35°56'10" E 457.12 FT; TH S 10°19' W 59.39 FT TO A PT 8.5 FT NE'LY OF SD TRACK; TH S 34°41' E 51.96 FT PAR & 8.5 FT NE'LY OF SD TRACK; TH S 55°18'17" W A DIST OF 765.92 FT TO A PT ON E'LY R/W LN OF D&RG RR CO; TH N 34°41'43" W ALG SD LN 287.41 FT TO POB. LESS TO 743-304. REMAINDER 33.77 ACRES.

2) LAND SERIAL ID 12-066-0045, 1201 S INDUSTRIAL PKWY

A PARCEL OF LAND SIT IN SEC 12-T4N-R2W, SLM, MORE PART'LY DESC AS FOLLOWS: BEG AT A PT ON THE NE'LY R/W LN OF THE D&RGW RR COMPANY, AT A PT 797.03 FT N 89°48'24" W ALG THE 1/4 SEC LN & 287.41 FT S 34°41'43" E FR THE CEN OF SD SEC 12, SD PT BEING THE MOST S'LY COR OF THAT CERT PARCEL OF LAND HERETOFORE CONV BY NATIONAL DISTRIBUTION SYSTEMS TO FREEPORT INDUSTRIAL CENTER BY SW DEED DATED JULY 29, 1975 RECORDED OCTOBER 25, 1979 IN BK 798 PG 372; TH ALG THE S'LY LN OF SD CONV PARCEL, N 55°18'17" E A DIST OF 434.80 FT; TH S 34°46'20" E ALG THE NE'LY LN OF AN EXISTING BLDG A DIST OF 885.50 FT; TH S 55°22'12" W A DIST OF 436.18 FT TO PT ON THE NE'LY R/W LN OF SD D&RGW RR COMPANY; TH N 34°41'00" W A DIST OF 885.00 FT TO THE POB. CONT. 8.847 ACRES. TOGETHER WITH & SUBJ TO DESC RIGHTS OF WAY.

3) LAND SERIAL ID 12-066-0049

A PT OF SEC 12-T4N-R2W SLM; BEG AT A PT 797.03 FT N 89°48'24" W ALG THE 1/4 SEC LINE; 287.41 FT S 34°41'43" E & 434.80 FT N 55°18'17" E FR THE CENTER OF SD SEC 12; RUN TH N 55°18'17" E 330.48 FT TO THE W'LY LINE OF THE OREGON SHORT LINE RR PPTY; TH TWO (2) COURSES ALG SD W'LY LINE AS FOLLOWS: S 34°41' E 530.71 FT & S 29°57' E 406.02 FT TO THE NE COR OF THE AMERICOLD CORP PPTY; TH S 55°22'12" W 731.78 FT ALG THE N'LY LINE OF SD PPTY TO THE E'LY LINE OF THE D&RG WESTERN RR PPTY; TH N 34°41' W 49.50 FT ALG SD E'LY LINE; TH N 55°22'12" E 436.18 FT TO THE E'LY EDGE OF AN EXIST BLDG EXTENDED; TH N 34°46'20" W 885.50 FT ALG SD BLDG & BLDG EXTENDED TO THE POB. CONT. 7.44 ACRES.

4) FREEPORT BUILDINGS A-15 B-14 C-14 D-14

BEING A PART OF THE WEST HALF OF SECTION 12, TOWNSHIP 4 NORTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN AND MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF THE PARCEL CONTAINING BUILDING E-14 SAID CORNER BEING N00°10'19"E 3185.34 FEET, ALONG THE SECTION LINE, S89°49'41"E 226.88 FEET AND N58°00'00"E 240.50 FEET FROM THE CORNER COMMON TO SECTIONS 11, 12, 13 AND 14; AND RUNNING: THENCE S32°00'00"E 158.10 FEET TO A FENCE LINE; THENCE S58°00'00"W, ALONG SAID FENCE LINE, 240.50 FEET; THENCE S32°00'00"E 2098.70 FEET; THENCE S40°31'22"E 548.54 FEET; THENCE N50°16'17"E 235.71 FEET; THENCE S39°43'43"E 233.42 FEET; THENCE N62°20'03"E 65.49 FEET; THENCE N49°49'30"E 366.91 FEET, TO A POINT 10 FEET WESTERLY OF THE CENTERLINE OF A RAILROAD SPUR;

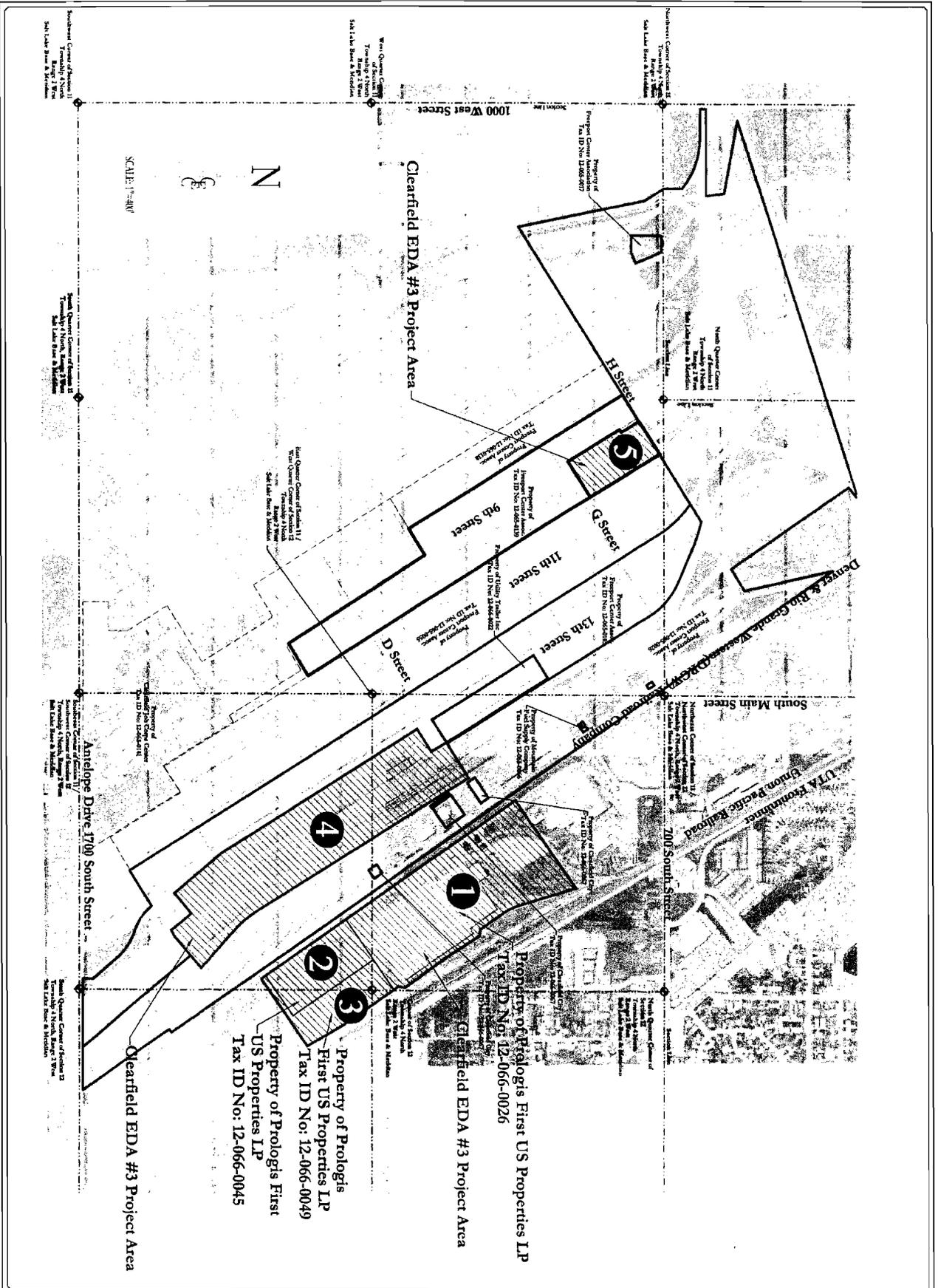
THENCE ALONG A LINE 10 FEET WESTERLY OF THE CENTERLINE OF SAID SPUR THE FOLLOWING TWO (2) COURSES: 1)THENCE N48°44'08"W 434.48 FEET, 2)THENCE ALONG THE ARC OF A 1025.00 FOOT RADIUS CURVE TO THE RIGHT A DISTANCE OF 303.55 FEET (LONG CHORD BEARS N40°15'05"W 302.44 FEET); THENCE N31°46'03"W 2236.29 FEET; THENCE S58°00'00"W 615.29 FEET, TO THE POINT OF BEGINNING. CONTAINS: 1,746,630 SQ. FT. OR 40.10 ACRES.

5) FREEPORT BUILDING H-10

BEING A PART OF THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 4 NORTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN. BEGINNING AT A POINT WHICH IS NORTH 4907.49 FEET, WEST 2668.77 FEET AND N58°02'10"E 276.03 FEET FROM CORNER COMMON TO SECTIONS 11, 12, 13, & 14; AND RUNNING, THENCE N58°02'10"E 347.53 FEET, TO THE NORTHEASTERLY CORNER OF PARCEL #6; THENCE S31°58'30"E, ALONG THE NORTHEASTERLY LINE OF SAID PARCEL, 736.89 FEET; THENCE S58°02'10"W 379.72 FEET; THENCE N31°58'30"W , ALONG THE NORTHEASTERLY LINE OF BUILDING H-9, 544.37 FEET; THENCE N58°01'30"E 32.19 FEET, TO THE WESTERLY EDGE OF A SIDEWALK, THENCE N31°58'30"W, ALONG SAID WESTERLY EDGE OF SIDEWALK AND BEYOND, 192.52 FEET, TO THE POINT OF BEGINNING. CONTAINS: 273,615 SQ. FT. OR 6.28 ACRES.

EXHIBIT B

MAP



DATE: 12-06-02
 DRAWN: JLS
 CHECKED: NSM, RT
 SHEET: 1 of 1

PROJECT LOCATION:
ATK FREEPORT
CLEARFIELD CITY, UTAH
 TITLE:
CLEARFIELD EDA #3 PROJECT AREA

NO.	DATE	BY	REVISIONS

CIVIL ENGINEERING
 CONSULTANTS, PLLC
 801 SOUTH 1000 WEST
 SALT LAKE CITY, UT 84143

EXHIBIT C

BENEFIT ANALYSIS

Benefit Analysis
ATK Economic Development Project Area

Section 17C-3-103 (2) requires that each Economic Development Plan undertake an analysis of the benefit of any financial assistance or other public subsidy proposed to be provided by the Agency. The analysis is to include the following factors.

- 1) An evaluation of the reasonableness of the costs of the economic development;
- 2) efforts the Agency of developer has made or will make to maximize private investment,
- 3) the rationale for the use of tax increment, including an analysis of whether the proposed development might reasonably be expected to occur in the foreseeable future solely through private investment;
- 4) an estimate of the total amount of tax increment that will be expended in undertaking the economic development and the length of time for which it will be expanded and
 - a) the beneficial influences upon the tax base of the community;
 - b) the associated business and economic activity likely to be stimulated; and
 - c) the number of jobs or employment anticipated to be generated or preserved

I. An Evaluation of the Reasonableness of the Costs of Economic Development

A. Proposed Economic Development Costs

Total available tax increment- 20 years (100%)	\$57,068,520
Pass through to other taxing agencies (69%)	\$39,093,931
Amount requested for Agency use (31%)	\$17,974,587
1. Project area expenditures (90%)	\$16,177,128
2. Administration (10%)	\$1,797,485

The requested increment from the Agency is 31% of the estimated total amount of tax increment to be generated from the private investment. This would pass through to the taxing entities 69% of the new property tax revenue generated by the new development.

A review of other approved Community Development and Renewal Agency projects within Davis County indicates that a higher percentage of participation has been approved. The request for the ATK is reasonable, and a significant portion of the anticipated new revenue will remain for the taxing entities.

The Agency is using 90% of the requested tax increment to pay for project area expenditures. The largest portion of the incentive (80%) is being used to leverage the private capital investment that creates the new property tax. The participation is reasonable when compared to the anticipated private investment that produces the expected \$57 million in property tax revenues over the 20 year period of time.

II. Efforts the Agency Has Made or Will Make to Maximize Private Investment

The anticipated private investment over the 20 year period of time will be over \$100 million. This will include both investment in real property improvements and in personal property improvements. The investment will create an estimated \$57,068,520 in new property tax revenues.

The requested participation amount by the Agency to attract the private investment and the new job growth is \$17,974,587; this represents a ratio of 3 to 1. For every dollar of tax increment requested there would be three dollars of private investment. ATK is requesting the economic development incentive in order to support the project, in order for the project to be economically viable. Without the provision of economic development incentives the project would not be located in Utah, and the new investment and job creation would be lost. The incentive appears to be a catalyst for the private investment.

III. Rationale For Use of Tax Increment Financing, Including an Analysis of Whether the Proposed Development Might Reasonably be Expected to Occur in the Foreseeable Future Solely Through Private Investment.

Due to the large capital investment, required return on the private investment, the requirement of the State of Utah for the local entity to participate in the development, and the need to be competitive, tax increment participation is required. The proposed incentive is being used in order for the company's project to be economically viable.

It is not reasonable to assume a company that will invest a significant private investment and create high paying jobs, without a private/public partnership. Without the provision of economic development incentives the project would not be able to move forward and the company would consider moving the

investments and jobs to a state willing to participate in a private/public partnership for economic development.

IV. An Estimate of the Total Amount and Length of Time that the Tax Increment Financing Will be Required to Undertake the Economic Development Proposed.

The Clearfield City Community Development and Renewal Agency has prepared a project area plan that allows for a portion of the tax increment to be generated within the project area, to be diverted to the Agency. The plan and project area budget includes the following information:

Base Year: 2010

Project Period: 20 Years

Estimated Length of Time of Tax Increment: 20 Years

Estimated Length of Time for Capital Investment: 20 Years

The company anticipates to begin installation of equipment and remodeling of existing buildings in the 4th quarter of 2010, and will continue to invest over a 20 year period of time.

The Agency is requesting up to 75% of the tax increment for a period of 20 years or until the development incentive of \$14,185,000 is paid. An analysis of the investment information provided by ATK indicates the incentive could be paid back within 12 years at the requested 75% participation. Should the private investment meet the investment schedule, the project area length of time would be reduced and 100% of the increment would be delivered to the taxing entities. This would result in a participation rate of 69% diversion to the taxing entities and 31% to the Agency.

V. Description of the Number of Jobs or Employment Anticipated to be Generated as a Result of the Economic Development.

It is anticipated the project investment and expansion will produce 802 new jobs over the 20 year period. The average wage rate will exceed 125% of the Davis COunty wage for each year, for 2010 this wage rate is \$35,831. It is estimated over 50% of the jobs will be created within the first 5 years of the expansion program.

VI. A Description of the Associated Business and Economic Activity to be Stimulated by the Economic Development.

It is anticipated that the ATK facility will indirectly purchase local goods and services related to their operations from local or regional suppliers. This will likely increase employment opportunities in the related businesses of maintenance and repair, packaging supplies, office and printing services, warehousing, transportation, and delivery services. This represents a major economic development impact on the region and State of Utah.

Associated business and economic activity or the "indirect" and "induced" business impacts of a project or facility are often referred to as multiplier effects; since they can make the overall economic impacts substantially larger than the direct effects alone.

Employment multipliers are estimates of the effect specific projects or policies have on local spending and employment. Thus the impact on employment and spending created by the proposed ATK development may be estimated for:

- the direct impact for the jobs produced by the business itself
- indirect effects occur to industries that supply the primary business
- induced effects that result from household spending of the additional income received from the new job increase salary of a new job.

Direct- Jobs to be provided by development		802
Indirect impact on other basic employment	16%	129
Total Direct and Indirect jobs		932
Induced new jobs	1.70	158
Total employment increase from development		1,090

It is anticipated that indirect jobs are likely to be created by the ATK development, these include new construction jobs, and employment opportunities in the related businesses that services ATK. These jobs will also be paid at less of a wage than those jobs to be generated by the ATK development. The new induced impact or multiplier jobs will be regionally located.

The assumption that the new workers and capital can be attracted (providing for the multiplier effect) is a reasonable assumption for local areas that are not enjoying full employment. The multiplier values for most industries are generally around 2.5-3.5 for national impacts, 2.0-2.5 for state impacts, and 1.5-2.0 for local area impacts. The impact selected for this development is based on the current unemployment rate for the city, the type of direct jobs to be created, the wage rate of the direct jobs, and the type of industry.

This employment is directly dependent on the schedule of the ATK development. If build out is delayed or extended, employment will also be delayed and possibly reduced.

The anticipated value of the direct and indirect value of the estimated jobs to be created, for purchasing the supplies and services within the economy is \$62,766,592 for the direct jobs and \$10,283,497 for the indirect jobs.

Total direct employees	802
Total direct wages	\$62,766,592
Total indirect employees	287
Average Davis Co wage 2015	\$35,831
Total indirect wages	\$10,283,497
Total business and economic activity	\$73,050,089

VII. A Description of the Beneficial Influences Upon the Tax Base of the Community as a Result of the Economic Development Within the Project Area.

The economic development project area will improve the tax base of all taxing entities that currently levy a certified tax rate on property located within the project area. The estimated value of the increased property tax is as follows, and is based on a 2010 certified tax rate.

Davis County School District	\$30,405,219
Davis County	\$9,004,524
Clearfield City	\$6,612,431
North Davis Fire	\$5,100,286
North Davis Sewer	\$3,259,227
Weber Basin Water	\$ 803,060
Davis County Mosquito	\$ 397,258
County Library	\$1,486,515
TOTAL	\$57,068,520

The formation of the economic development project area will temporarily divert a portion of the increase property taxes to the Clearfield City Community Development Renewal Agency. This can only be accomplished if approved by the Taxing Entity Committee. If the proposed budget is approved the following amounts would be temporarily diverted to the Agency.

Davis County School District	\$9,576,000
Davis County	\$2,836,110
Clearfield City	\$2,082,684
North Davis Fire	\$1,606,412
North Davis Sewer	\$1,026,543
Weber Basin Water	\$ 252,936
Davis County Mosquito	\$ 125,123
County Library	\$ 468,200
TOTAL	\$17,974,587

If approved this diversion would result in 31% of the increase, resulting from the development being passed through to the Agency for use in stimulating the economic growth. This would leave 69% or \$39,093,931 of new property tax value for the taxing entities

	<u>Total</u>	<u>Diversion</u>	<u>Balance</u>
Davis County School Dist.	\$30,405,219	\$9,576,100	\$20,828,639
Davis County	\$9,004,524	\$2,836,110	\$6,148,413
Clearfield City	\$6,612,431	\$2,082,684	\$4,529,746
North Davis Fire	\$5,100,286	\$1,606,412	\$3,493,874
North Davis Sewer	\$3,259,227	\$1,026,543	\$2,232,685

Weber Basin Water	\$ 803,060	\$ 252,936	\$ 550,124
Davis Co. Mosquito	\$ 397,258	\$ 125,123	\$ 272,135
County Library	\$1,486,515	\$ 468,200	\$1,018,315
TOTAL	\$57,068,520	\$17,974,587	\$39,093,931

In addition to an increase in property tax revenue for all taxing entities, Clearfield City will see gains in sales tax from the indirect and direct wage increase, and some gain in its franchise tax revenue from the development and location of ATK in the prologis building and the expansion of its facilities at Freeport.

VIII. Sufficient Development Data to Identify a Multi-Year Budget for the Proposed Economic Development Plan and the Income Stream for Projected "New" Tax Increment.

The property tax scheduled, prepared in section 7 above, indicates sufficient project revenue will be provided by the proposed development to cover the incentive and other proposed expenses outlined in the project area budget. A summary of the expenditures are as follows:

Development incentive	\$14,185,227
Public improvements	\$1,991,901
Administrative fee	\$1,797,587
TOTAL	\$17,974,587

A copy of the multi-year tax increments projections, and development absorption schedule is attached to this analysis.

IX. Analysis of Amortization Schedule, Showing Ability of Agency to Pay Any Bonds That May be Issued.

No bonds will be issued by the Agency, that would require an amortization schedule.

X. Analysis of the "Risk" to the Community Development Agency and Other Taxing Entities

Risk analysis is a systematic approach for describing and/or calculating risk generally involves the identification of undesired events, and the causes and consequences of these events. Essentially it involves trying to anticipate what can go wrong, why, and what can be done if it does happen.

Risk arises out of uncertainty. It is the exposure to the possibility of such things as economic or financial loss, gain, or delay. The concept of risk has two elements, the likelihood of something happening and the consequence if it happens.

For the purpose in the Benefit Analysis, the risk is confined to the financial risk associated with the proposed ATK development. The risks have been identified by the consultant, and have been evaluated to determine the likelihood. Consequences, and level of risk with each potential event to further assess the relative priority of each event. The following matrix identifies the risks.

Risk Event	Likelihood Rating	Potential Economic Impact To City	Adequacy of Existing Risk Reduction Measures	Consequence Rating	Level of Financial Risk to City	Level of Risk to Taxing Entities
EDA is not established and no facility is built	Low	Significant	Good	Significant	Low	None
EDA is established and no facility is built	Low	Significant	Good	Significant	Low	None
EDA is established and facility is partially built	Low	Significant	Good	Significant	Low	None
EDA is established and facility is built, but does not produce anticipated value within 20 years	Moderate	High	Good	Significant	Low	Low
EDA is established and facility is built and operates over 20 years	High	High	Good	Significant	Low	Low

For purposes in the risk analysis, the consultant used the following "industry standard" definition of risks:

- Severe risk- Must be managed by senior management with a detailed plan;
- High risk- Detailed research and management planning required at senior levels;
- Major risk- Senior management attention is needed;
- Significant risk- Management responsibility must be specified;

- Moderate risk- Manage by specific monitoring or response procedures;
- Low risk- Manage by routine procedures; and
- Trivial risk- Unlikely to need specific application of resources.

Risk Analysis Conclusion:

The risk to the Community Development and Renewal Agency, and the other taxing entities is minimal. If ATK invests in the necessary buildings and improvements but then closes or moves, there would be impact due to the loss of jobs, and loss of property tax increment for any equipment that may not be attached to any building. However, with the loss there would still be a gain due to the improvements to buildings. The incentive is performance based, meaning it has to be produced each year, by the required investment being made by the company. The Agency will protect itself and the other Taxing Entities by requiring the investment and jobs to be created each year, before the incentive is given.

If the project proceeds as planned, the Agency and other taxing entities will receive an excellent return on their investment due to new revenues and the maintenance of a significant number of well paying jobs.

Conclusion of Benefit Analysis:

The following has been determined by the consultant:

- The Economic Development Project Area- The proposed development by ATK meets the requirements set forth in Sections 17C-3-103 (1.) (I), 17C-3-103 (2) and 17C-1-102 (16) Utah Code Annotated 1953 as amended, which was enacted to encourage economic growth, development, and create new jobs for the State of Utah.
- The proposed project meets the detailed Benefit Analysis requirements as set forth in the Code, as of the date the project area was adopted.
- The proposed ATK economic development project is being built, and is contingent on tax increment being provided by the Clearfield Community Development and Renewal Agency.
- The analysis has evaluated the reasonableness of the economic development costs and finds that the costs are reasonable for the type of development proposed. The private investment has been maximized, and the incentive is reasonable and protected.

There are substantial economic benefits associated with the proposed economic development project, including the following;

- Creation of 802 new jobs. The majority of these jobs will be recruited locally. The average salary of the new jobs being created is 218% above the 2010 average job wage for Davis County.
- Provides an expected increase in direct purchases in Clearfield City and the Davis County Area.
- Encouragement of economic development in order for an existing private employer to expand their operation and offer higher paying jobs.
- Complements existing businesses and industries located within the Freeport Industrial Park.
- Provides an increase in wage rates within the County that will result in a higher spending rate and increase income tax for the State of Utah.

EXHIBIT D

PROJECT AREA BUDGET

ATK Economic Development Project Project Area Budget

The purpose of the Project Area Budget is to provide the financial framework necessary to implement the project are plan. The following information will detail the sources and uses of tax increment needed to understand the mechanics of the Project Area Budget.

Basic Year Value- The Base Year Value, including real and personal property is estimated to be \$81,056,000

Participation Amount and Time

The Agency is requesting 75% of the tax increment generated within the project area for 20 years or until the developer incentive has been paid, whichever comes first.

Projected Tax Increment Revenue- Total Generation

The total amount of tax increment to be generated within the proposed project area over a 20 year period of time is estimated to be \$57,068,520, or \$51,607,221 NPV. Based on 2010 certified tax rates the following is the estimated tax increment to be generated for the taxing entities within the ATK Economic Development Project Area.

<u>Entity</u>	<u>Total Amount</u>
Davis County	\$9,004,524
Davis School District	\$30,405,219
Clearfield City	\$6,612,431
Weber Basin Water	\$ 803,060
North Davis Sewer	\$3,259,227
North Davis Fire	\$5,100,286
Davis County Mosquito	\$ 397,258
County Library	\$1,486,515
TOTAL	\$57,068,520

Use of Tax Increment

The Agency will utilize \$17,974,587 of the estimated property tax increment to implement the Project Area Plan. The majority of the tax increment will be used to provide development incentives to ATK. Other uses of the tax increment include on and offsite public infrastructure to accommodate development in the Project Area. The Agency is requesting a ten percent (10%) administration fee.

<u>Uses</u>	<u>Percent</u>	<u>Amount</u>
Developer Incentive Fund	80%	\$14,185,227
Public Infrastructure	10%	\$1,991,901
Administrative Fee	10%	\$1,797,458

All taxing entities that receive property tax generated within the Project Area will share a portion of that increment generation with the Agency. The Agency is requesting 75% of all tax increment to be generated within the Project Area to be passed through to the Agency to participate in the uses detailed above. If approved, the following amounts of increment would be passed through by each taxing entity.

<u>Entity</u>	<u>Participation Amount</u>
Davis County	\$2,836,110
Davis School District	\$9,576,580
Clearfield City	\$2,082,684
Weber Basin Water	\$ 252,936
North Davis Sewer	\$1,026,543
North Davis Fire	\$1,606,412
Davis County Mosquito	\$ 125,123
County Library	\$ 468,200
TOTAL PASS THROUGH	\$17,974,587

Projected Tax Increment Available for Taxing Entities

All taxing entities will receive a portion of their respective property tax increment generated with the Project Area during the duration of the Budget, and all tax increment after the incentive and other uses have been paid to the Agency. The following are the estimated amounts of property tax increment to be available to the taxing entities.

<u>Entity</u>	<u>Available Tax Increment</u>
Davis County	\$6,168,413
Davis School District	\$20,828,639
Clearfield City	\$4,529,746
Weber Basin Water	\$ 550,124
North Davis Sewer	\$2,232,685
North Davis Fire	\$3,493,874
Davis County Mosquito	\$ 272,135
County Library	\$1,018,315
TOTAL	\$39,093,931

A multiyear projection of tax increment with development assumptions is included in Appendix A.

CLEARFIELD CITY COMMUNITY DEVELOPMENT AND RENEWAL AGENCY
MEETING MINUTES
7:00 P.M. REGULAR SESSION
June 28, 2011

(This meeting was held following the regularly scheduled City Council Meeting.)

PRESIDING:	Kathryn Murray	Chair
PRESENT:	Marilyn Fryer	Director
	Mark Shepherd	Director
	Doyle Sprague	Director
	Don Wood	Director
	Bruce Young	Director
STAFF PRESENT:	Adam Lenhard	Interim City Manager
	Brian Brower	City Attorney
	Greg Krusi	Police Chief
	Scott Hodge	Public Works Director
	Donna Russell	Acting Community Services Director
	Bob Wylie	Administrative Services Director
	Nancy Dean	City Recorder
	Kim Read	Deputy City Recorder
EXCUSED:	Valerie Claussen	Acting Community Development Director

VISITORS: Barbara Perry – Planning Commission, Bruce Perry, Darren Carpenter – Planning Commission, Joy Brown – American Legion, Angie & Ashley Burton

Chair Murray called the meeting to order at 7:50 p.m.

APPROVAL OF THE CLEARFIELD COMMUNITY DEVELOPMENT AND RENEWAL AGENCY (CDRA) MINUTES FROM THE JUNE 14, 2011 MEETING

Director Wood moved to approve the minutes from the June 14, 2011 Clearfield Community Development and Renewal Agency meeting, as written, seconded by Director Sprague. All voting AYE.

PUBLIC HEARING TO RE-OPEN AND CONSIDER AMENDMENTS TO THE CDRA 2010/2011 FISCAL YEAR BUDGET

State Law required a public hearing before the Board approved amendments to the CDRA budget. Bob Wylie, Administrative Services Director, presented amendments for the 2010/2011 fiscal year budget.

Chair Murray declared the Public Hearing open at 7:50 p.m.

Chair Murray asked for public comment.

There was no public comment.

Director Shepherd moved to close the public hearing at 7:51 p.m., seconded by Director Wood. All voting AYE.

APPROVAL OF RESOLUTION 2011R-03 AMENDING THE CDRA 2010/2011 FISCAL YEAR BUDGET

Bob Wylie, Administrative Services Director, explained and reviewed the proposed amendments to the 2010/2011 fiscal year budget.

Director Wood moved to approve Resolution 2011R-03 adopting amendments to the CDRA 2010/2011 fiscal year budget and authorize the Chair's signature to any necessary documents, seconded by Director Fryer. The motion carried upon the following vote: Voting AYE – Directors Fryer, Shepherd, Sprague, Wood and Young. Voting NAY – None.

APPROVAL OF RESOLUTION 2011-04 ADOPTING THE CDRA 2011/2012 FISCAL YEAR BUDGET

The Board held a public hearing on the proposed CDRA budget on June 14, 2011. Utah Code required cities to hold a public hearing relating to the approval of the upcoming fiscal year budget. City staff had prepared and submitted to the Board a balanced final budget for fiscal year 2011/2012 which would begin July 1, 2011 and end June 30, 2012.

Director Sprague moved to approve Resolution 2011R-04 adopting the CDRA 2011/2012 fiscal year budget and authorize the Chair's signature to any necessary documents, seconded by Director Young. The motion carried upon the following vote: Voting AYE – Directors Fryer, Shepherd, Sprague, Wood and Young. Voting NAY – None.

There being no further business to come before the Community Development and Renewal Agency, **Director Wood moved to adjourn as the Community Development and Renewal Agency and reconvene as the City Council in a closed session at 7:54 p.m., seconded by Director Shepherd. The motion carried upon the following vote: Voting AYE – Directors Fryer, Shepherd, Sprague, Wood and Young. Voting NAY – None.**

CLEARFIELD COMMUNITY DEVELOPMENT AND RENEWAL AGENCY

RESOLUTION 2011R-05

A RESOLUTION APPROVING THE OFFICIAL ECONOMIC DEVELOPMENT PROJECT AREA PLAN FOR THE ATK ECONOMIC DEVELOPMENT PROJECT AREA.

WHEREAS, pursuant to the provisions of the Utah Community Development and Renewal Agencies Act (the “Act”) as set forth in Title 17C, Chapter 3 of the Utah Code, the Clearfield Community Development Renewal Agency (the “Agency”) adopted a resolution authorizing the preparation of the Draft Project Area Plan for ATK Economic Development Project Area (the “Draft Plan” and “Project Area” respectively); and

WHEREAS, the Draft Plan having been prepared for the Project Area pursuant to the Act, the Agency held a duly noticed public hearing to allow public comment on the Draft Plan as to whether it should be revised, approved, or rejected and to receive all written and hear all oral objections to the Draft Plan; and

WHEREAS, having received and heard all comments on and objections to the Draft Plan submitted for its consideration, the Agency having reviewed any such comments and objections to the Draft Plan it has received;

NOW THEREFORE BE IT RESOLVED BY THE CLEARFIELD COMMUNITY DEVELOPMENT RENEWAL AGENCY AS FOLLOWS:

SECTION 1 LEGAL DESCRIPTION.

The legal description and map of the Project Area are attached as Attachment No. 1 and Attachment No. 2, and are incorporated herein by this reference.

SECTION 2 AGENCY PURPOSES AND INTENT WITH RESPECT TO THE PROJECT AREA.

2.1 To satisfy the purposes of the Act, as defined herein, by encouraging, prompting, and providing for economic development within the Project Area, including specifically the promotion of job creation therein, as well as the provision of other improvements that benefit the community;

2.2 To facilitate the growth and expansion of the facilities for one of the City’s largest employers, Alliant Techsystems Inc. (“ATK”), which provides hundreds of high quality, high paying jobs within the City, and will provide hundreds of additional jobs as contemplated in the Project Area Plan.

2.3 To increase the tax base of the City in order to improve both the economic opportunities and quality of life for all its citizens; and

2.4 To take any and all additional steps which may be appropriate or necessary to promote or further the aim of improving the Project Area and the surrounding community.

SECTION 3 DESIGNATION, APPROVAL, AND INCORPORATION OF THE PLAN.

3.1 The Draft Plan for the ATK Economic Development Project Area, attached hereto as Attachment #3, and incorporated herein by this reference is hereby designated as the Official Economic Development Project Area Plan for the ATK Economic Development Project Area (the “Official Plan”).

3.2 The Agency hereby officially approves the Official Plan for the ATK Economic Development Project Area.

SECTION 4 REQUIRED FINDINGS

4.1 The Official Plan serves the public purpose of encouraging, promoting and providing for economic development within the Project Area as authorized by law.

4.2 Implementation of the Official Plan will benefit residents of the City, as each project undertaken will be subject to the public benefit analysis (as set forth in Utah Code Ann. § 17C-3-103(2)) which is included in the Official Plan.

4.3 The adoption and execution of the Official Plan is economically sound and feasible.

4.4 The Official Plan conforms to the Clearfield City General Plan.

4.5 Implementation of the Official Plan will promote the public peace, health, safety, and welfare of Clearfield’s community.

SECTION 5 SUBMISSION OF THE OFFICIAL PLAN TO THE CITY COUNCIL FOR ADOPTION BY ORDINANCE.

5.1 Pursuant to Utah Code Ann. § 17C-3-106, the Agency Board hereby submits the Official Plan to Clearfield City Council (the “City Council”) for review and adoption.

SECTION 6 RECORDING AND TRANSMITTAL.

6.1 Pursuant to Utah Code Ann. § 17C-3-107, the Agency staff is hereby directed to make the approved Official Plan available to the general public at its offices during normal business hours.

6.2 Pursuant to Utah Code Ann. § 17C-3-108, the Agency staff is hereby directed and authorized to take the following actions within 30 days after adoption of the Official Plan by the City Council:

- a. record with the Davis County Recorder a document containing a description of the land within the Project Area, a statement that the Official Plan for the Project Area has been adopted, and the date of its adoption by the City Council;
- b. transmit a copy of the description of the land within the Project Area and an accurate map or plat indicating the boundaries of the Project Area to the Automated Geographic Reference Center created under § 63F-1-506 of the Utah Code;
- c. transmit a copy of the description of the land within the Project Area, a copy of the City Council ordinance adopting the Official Plan, and a map or plat indicating the boundaries of the Project Area to each of the following: (1) the Davis County Auditor, Assessor, Recorder, Attorney and Surveyor; (2) the officer or officers performing the function of auditor or assessor for each taxing entity, if any, that does not use the county assessment roll or collect its taxes through the county; (3) the legislative body or governing board of each taxing entity; (4) the State Tax Commission; and (5) the State Board of Education; and
- d. In conjunction with the City Staff, publish or cause to be published the notice required pursuant to Utah Code Ann. § 17C-3-107.

SECTION 7 EXECUTION OF THE PLAN

7.1 Following adoption of the Official Plan by the City Council, the Agency shall proceed to carry out the Official Plan.

7.2 The Agency Staff is hereby directed and authorized to take all such actions as necessary to effectuate the purpose and aims of this resolution.

SECTION 8 EFFECTIVE DATE

8.1 This Resolution shall take effect upon its adoption.

APPROVED AND ADOPTED by the CDRA Board on July 26, 2011.

Attest:

CLEARFIELD COMMUNITY DEVELOPMENT
AND RENEWAL AGENCY

Nancy Dean, Secretary

Kathryn Murray, Chair

CLEARFIELD COMMUNITY DEVELOPMENT AND RENEWAL AGENCY

RESOLUTION 2011R-06

A RESOLUTION APPROVING THE DRAFT ECONOMIC DEVELOPMENT PROJECT AREA BUDGET FOR THE ATK ECONOMIC DEVELOPMENT PROJECT AREA.

Whereas; pursuant to the provisions of the Utah Community Development and Renewal Agencies Act (the "Act") the Clearfield Community Development Renewal Agency (the "Agency") adopted a resolution authorizing the preparation of the Draft Project Area Budget for the ATK Economic Development Project Area (the "Draft Budget" and "Project Area" respectively); and

Whereas, the Draft Budget having been prepared for the Project Area, the Agency held a duly noticed public hearing to allow public comment on the Draft Budget as to whether it should be revised, approved, or rejected; and to receive all written and hear all oral objections to the Draft Budget; and

Whereas, the Agency anticipates that the Taxing Entity Committee ("TEC") will consent to the Draft Budget as required by Utah Code Ann. § 17C-3-204; and

Whereas, having received and heard all commentary on and objections if any to the Draft Budget submitted for its consideration, the Agency has passed upon such objections and/or has made such modifications or amendments to the Draft Budget as it deems appropriate, if any.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF THE CLEARFIELD CITY COMMUNITY DEVELOPMENT RENEWAL AGENCY AS FOLLOWS:

1. The Draft Budget, a substantially final copy which is attached hereto as Exhibit A, and incorporated herein by this reference, is approved and adopted as the official Draft Budget of the ATK Economic Development Project Area.
2. After adoption of this Resolution, the Agency staff is authorized to obtain the consent of the TEC for the Draft Budget and if, in order to obtain that consent changes become necessary, the Agency staff is authorized to make any required changes to the Draft Budget, including administrative fees, developer incentive amounts and length of time, and use of increment for other development projects within the Project Area.
3. This Resolution shall take effect upon its adoption

Approved and adopted on July 26, 2011

Kathryn Murray, Chair

ATTEST:

Nancy Dean, City Recorder

CLEARFIELD COMMUNITY DEVELOPMENT AND
RENEWAL AGENCY RESOLUTION 2011R-07

A RESOLUTION ADOPTING A NEW OFFICIAL CORPORATE SEAL FOR
THE CLEARFIELD COMMUNITY DEVELOPMENT AND RENEWAL
AGENCY (CDRA)

WHEREAS, on April 12, 2011, the Clearfield City Council approved Resolution 2011R-04 adopting a new official logo; and

WHEREAS, Clearfield City Corporation has traditionally used a City Logo to assist in efforts to market and brand the City to residents and businesses; and

WHEREAS, the Clearfield City Council desires to update the City's Logo to better reflect the City's support of Hill Air Force Base and its related industries as well as the tremendous manufacturing presence located in the City; and

WHEREAS, the Clearfield Community Development and Renewal Agency (CDRA) was established by the Clearfield City Council and operates as an economic development tool for the City;

NOW THEREFORE BE IT RESOLVED, by the Clearfield Community Development and Renewal Agency (CDRA) Board that:

1. The Official Corporate Seal of the Clearfield Community Development and Renewal Agency (CDRA) be changed and adopted to become that seal that appears on this document.
2. That this seal be affixed and used by the CDRA as its official seal of record.
3. That the seal be in the custody and care of the City Recorder and used only, and as specified, by Utah Law, Code and Custom.

Passed and adopted at the Community Development and Renewal Agency Board meeting held on July 26, 2011.

Dated this 26th day of July, 2011.

ATTEST

CLEARFIELD COMMUNITY DEVELOPMENT
AND RENEWAL AGENCY

Nancy R. Dean, Secretary

Kathryn Murray, Chair

VOTE OF THE BOARD

AYE:

NAY:

CLEARFIELD CITY COUNCIL MEETING MINUTES
7:00 P.M. WORK SESSION
June 14, 2011

PRESIDING:	Don Wood	Mayor
PRESENT:	Marilyn Fryer Doyle Sprague Bruce Young	Councilmember Councilmember Councilmember
EXCUSED:	Kathryn Murray Mark Shepherd	Councilmember Councilmember
STAFF PRESENT:	Adam Lenhard Brian Brower Valerie Claussen Mike Stenquist Donna Russell Steve Guy Jessica Hardy Nancy Dean Kim Read	Interim City Manager City Attorney Acting Community Development Director Assistant Police Chief Acting Community Services Director City Treasurer Accounting Technician City Recorder Deputy City Recorder
EXCUSED:	Bob Wylie Greg Krusi	Administrative Services Director Police Chief

VISITORS: Mike LeBaron

Mayor Wood called the meeting to order at 6:07 p.m.

DISCUSSION ON THE AWARD OF PROPOSAL FOR THE POLE CAMERA PROJECT

Mike Stenquist, Assistant Police Chief, reminded the Council the Police Department had been the recipient of grant funds from the Bureau of Justice to be used for a pole camera surveillance system throughout the City. He reported the City solicited proposals for the pole camera project and explained the process used by the committee to rank the bids. He announced staff was prepared to recommend the proposal submitted by AlphaCorp, as the recipient of the project. He mentioned this was the same company which had created Sandy City's system and distributed the scoring sheet to the Council. He commented negotiations were continuing to take place with AlphaCorp.

Mayor Wood clarified the Council would be awarding the proposal to AlphaCorp. Nancy Dean, City Recorder, explained the difference between awarding a bid and awarding a proposal to the Council. Mr. Stenquist added there remained a lot of work which would need to be completed specific to location and negotiations with utility companies. He continued other negotiations would also be needed to transpire specific to each designated location. He indicated the City

might have to scale back the scope of the project by the elimination of 2-3 less sites which would leave the City with twelve or thirteen. He mentioned the City had been able to salvage three poles from Central Park during the construction process of the new Wasatch Elementary which would recognize a small savings. He expressed his opinion the AlphaCorp proposal provided the best solution for the City now and in the future. He asked if the Council had any questions.

Mayor Wood asked if the intended camera for the skate park would be in addition to or if it would replacement what was currently in place. Mr. Stenquist responded the camera would be replaced with the new surveillance system as it would be able to pan around the park, better night vision and better close-up features.

Councilmember Fryer inquired if the City experienced significant vandalism at the skate park. Mr. Stenquist responded vandalism had been experienced at that location but didn't believe it to be excessive. He mentioned the Fisher Park concession stand had experienced vandalism and reported a camera would be used at that location to deter future vandalism.

DISCUSSION ON THE AWARD OF BID FOR THE PARKING LOT ASPHALT PROJECT

Donna Russell, Acting Community Services Director, stated the City recently solicited bids for crack patch and slurry seal coat for three City parking lots. She mentioned there had been some discrepancy regarding the sizes of the parking lots and reported the lowest responsible had been submitted by Nickel Creek Construction. She stated the parking lot of the City building would not be overlaid because a storm drain would be installed with the construction of the new Wasatch Elementary. Adam Lenhard, Interim City Manager, clarified the bid included the completion of a slurry seal at a later date. She reported the project would need to be completed by June 30 as it was a 2011 fiscal year expenditure. Steve Guy, City Treasurer, explained how the funds would be set aside to complete the project at a later date.

DISCUSSION ON CERTIFIED TAX RATE AND 2011/2012 FISCAL YEAR BUDGET

Adam Lenhard, Interim City Manager, stated the City had finally received the Certified Tax Rate from the County. He informed the Council the City's current tax rate was .001548 consisting of the two components; the General Purpose Fund and the Interest & Sinking Fund. He announced the tax rate received from the County was the same at .001548.

He reported staff was recommending the City maintain the revenue which had been appropriated during the budget process. He continued if the City adopted the budget with the rate submitted by the County, revenues would actually decrease by approximately \$280,000. Mr. Lenhard distributed and reviewed handouts illustrating the difference between adopting the County's rate or maintaining the revenue. He mentioned the amount of property tax funds had significantly decreased in the City. He explained the options for the Council to consider: Accept the rates submitted by the County and adjust revenues and expenditures by \$280,000; accept the General

Operations rate submitted by the County and raise the Interest and Sinking Fund rate to match the projected revenue. He pointed out the overall tax would increase, but no truth in taxation was required because of the voter authorization in the 1998 G.O. Bond. He estimated that increase would result in a tax increase of approximately \$24.00 per year on a \$235,000 home. The last option would be to increase the General Operations rate above the County's certified tax rate and the Interest and Sinking Fund above the voter approved limit and hold the truth in taxation public hearing. He reiterated staffs' recommendation was to maintain the revenue by accepting the General Operations rate submitted by the County and adjusting the Interest rate.

Mr. Lenhard explained how the County accounted for the City's collection rate of property taxes and stated if the City held a Truth in Taxation public hearing to recover the uncollected portion of property taxes it was anticipated to recover approximately \$14,000. He questioned whether that would be worth the costs of noticing and conducting a Truth in Taxation public hearing.

Mayor Wood expressed his opinion if the value of the home had decreased from the previous year he questioned if there would be any increase in real dollar value to the residents. He explained if the value of a home is valued less than a home in a neighboring community, the tax rate would have to be higher in Clearfield in order to collect the revenue to provide the same services. He requested the Council's input and a discussion took place with the Council directing staff to increase the Interest and Shrinking Fund within allowable parameters eliminating the need for a Truth in Taxation.

Mr. Lenhard pointed out the Truth in Taxation had been scheduled with the County for a later date but pointed out there was no problem with cancelling that public hearing.

Steve Guy, City Treasurer, also distributed a hand out reflecting the property tax as a whole for Clearfield residents illustrating the other taxing entities' rates. Mr. Guy reviewed the handout with the Council. He pointed out he had calculated the potential tax increase on the average home in the City and reviewed with the Council the possible options and consequences associated with each. Mayor Wood pointed out the decrease in property values for commercial property would be more significant than residential because they were taxed at one hundred percent of the value.

DISCUSSION ON AN ADDITION TO THE WATER CAPITAL IMPROVEMENT PROJECTS

Scott Hodge, Public Works Director, distributed a handout and explained he had analyzed the road projects which would be completed during this construction season and reported with the recent bid figures, he estimated there would be a surplus of approximately \$300,000 of appropriated funds for road projects. He reviewed the current projects with the Council and reported on the identified new projects. He explained during the previous year 525 North had experienced three waterline breaks in that small section of road. He mentioned there was a

problem with the soil conditions in that area which corrodes the underground pipe. He stated there was a need for the waterline to be replaced which could be completed for a cost of \$200,000.

He reported the other identified project would be for the installation of a pressure regulator station on 1000 West just south of 200 South. He stated the Meadow Park subdivision experienced water pressure difficulties in addition to the Westwood subdivision. He commented the installation of a PRV station would regulate the water pressure for both subdivisions.

He reiterated both of these projects had been identified as Capital Improvement Projects and reported funding was available from the water bond. He pointed out the new waterline would be replaced with plastic pipe to avoid future corrosion with the soil conditions. The Council was in agreement with completion of the projects.

The meeting adjourned at 6:57 p.m.

CLEARFIELD CITY COUNCIL MEETING MINUTES
6:00 P.M. SPECIAL SESSION
June 21, 2010

PRESIDING:	Don Wood	Mayor
PRESENT:	Marilyn Fryer	Councilmember
	Kathryn Murray	Councilmember
	Mark Shepherd	Councilmember
	Bruce Young	Councilmember
EXCUSED:	Doyle Sprague	Councilmember
STAFF PRESENT:	Adam Lenhard	Interim City Manager
	Brian Brower	City Attorney
	Valerie Claussen	Acting Community Development Director
	Scott Hodge	Public Works Director
	Greg Krusi	Asst. Police Chief
	Donna Russell	Acting Community Services Director
	Bob Wylie	Administrative Services Director
	Steve Guy	City Treasurer
	Jessica Hardy	Accounting Technician
	Nancy Dean	City Recorder
	Kim Read	Deputy City Recorder

Mayor Wood called the meeting to order at 6:01 p.m.

APPROVAL OF RESOLUTION 2011R-08 SETTING THE CERTIFIED TAX RATE AND
RESOLUTION 2011R-09 ADOPTING THE FISCAL YEAR 2011/2012 BUDGET

The Clearfield City Council held a public hearing regarding the proposed budget on June 14, 2011. Utah Code required cities to hold a public hearing relating to the approval of the upcoming fiscal year budget. City staff had prepared and submitted to the Council a balanced final budget for fiscal year 2011/2012 which would begin July 1, 2011 and end on June 30, 2012.

Councilmember Shepherd inquired if a Truth in Taxation public hearing would be required. Adam Lenhard, Interim City Manager, responded the Council had decided against that during a work session. He explained there was some latitude within the debt portion of the certified tax rate which would not require Truth in Taxation. He continued when the G.O. Bond was originally approved taxpayers authorized the revenue to a certain limit and the City would not be exceeding that amount. A discussion took place.

Councilmember Young moved to approve Resolution 2011R-08 setting the certified tax rate and Resolution 2011R-09 adopting the fiscal year budget for 2011/2012 and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Shepherd.

Councilmember Fryer arrived at 6:05 p.m.

Donna Russell, Acting Community Services Director, and Greg Krusi, Police Chief, arrived at 6:05 p.m.

The motion carried upon the following vote: Voting AYE – Councilmembers Fryer, Murray, Shepherd and Young. Voting NAY – None. Councilmember Sprague was not present for the vote.

Councilmember Shepherd moved to adjourn the special session and reconvene in a work session at 6:06 p.m., seconded by Councilmember Murray. All Voting AYE.

DRAFT

CLEARFIELD CITY COUNCIL MEETING MINUTES
6:00 P.M. WORK SESSION
June 21, 2011

PRESIDING:	Don Wood	Mayor
PRESENT:	Marilyn Fryer	Councilmember
	Kathryn Murray	Councilmember
	Mark Shepherd	Councilmember
	Bruce Young	Councilmember
EXCUSED:	Doyle Sprague	Councilmember
STAFF PRESENT:	Adam Lenhard	Interim City Manager
	Brian Brower	City Attorney
	Valerie Claussen	Acting Community Development Director
	Scott Hodge	Public Works Director
	Kim Dabb	Operations Officer
	Greg Krusi	Police Chief
	Donna Russell	Acting Community Services Director
	Bob Wylie	Administrative Services Director
	Steve Guy	City Treasurer
	Summer Palmer	Human Resource Manager
	Nancy Dean	City Recorder
	Kim Read	Deputy City Recorder

VISITORS: Mike LeBaron

Mayor Wood called the meeting to order at 6:15 p.m.

YOUTH CITY COUNCIL INTERVIEWS

The City Council interviewed Brooklyn Veazie, Sabrina Thomas and Jamie Tenderholt for consideration for the Youth City Council.

The Council took a break at 6:34 p.m.

The Council reconvened at 6:44 p.m.

DISCUSSION ON PLANNING COMMISSION VACANCY

Valerie Claussen, Acting Community Development Director, reported Planning Commission Chair Peterson was recommending Barbara Perry to fill the vacancy created by Commissioner Carpenter's resignation. She continued Ms. Perry was currently serving as an alternate member of the Planning Commission. She stated she was originally appointed in July 2010 and was

recently reappointed for a five year term. She commented her attendance had been consistent and had continued to show a great interest and effort in preparing for the meetings. She mentioned the other options which could be considered; appointing the other alternate, Brandon Stanger or opening the vacancy for a new individual to serve. She expressed her opinion there was an advantage to appointing an alternate as they were familiar with the function of the Planning Commission. The Council discussed all options. The Council concurred with Chair Peterson's recommendation and directed staff to proceed with the appointment for the next agenda.

DISCUSSION ON AMENDED SUBDIVISION PLAT FOR COMMERCIAL PROPERTY LOCATED AT 772 EAST 700 SOUTH

Valerie Claussen, Acting Community Development Director, explained four lots would be combined into one to accommodate a strip center with one main anchor tenant and other inline shops. She stated the amended plat provides the building would not be built over multiple properties and also would assist with the recordation of the sewer line easement which runs through the property. She announced For Your Kitchen would be the main tenant in the development.

DISCUSSION ON THE DAVIS SCHOOL DISTRICT AGREEMENT REGARDING THE WASATCH ELEMENTARY REBUILD

Valerie Claussen, Acting Community Development Director, explained the agreement specifically addressed the property exchange of the City's Central Park. She reviewed the handout with the Council and emphasized the exchange of parcels is identical with both parcels the size of 2.152 acres. She pointed out Section 5 specifically outlines the construction responsibilities for the properties. Davis School District would be responsible for the demolition and re-construction of both parcels. She mentioned correct legal descriptions were included in the Quit Claim Deeds.

Councilmember Fryer inquired if the School District would be replacing the brick fireplace. Ms. Claussen commented a pavilion would be replaced and there would be an amenity area which would be included in conjunction with the exchange of the City Park.

Ms. Claussen left the meeting at 6:56 p.m.

DISCUSSION ON SEXUAL HARASSMENT TRAINING

Mayor Wood explained all City employees had been required to complete an online sexual harassment training and announced Summer Palmer, Human Resource Manager, was present to review the training with the Council.

Summer Palmer, Human Resource Manager, reported on the online training completed by all part and full time City employees. She stated each employee had received a copy of the City's

harassment policy which had been updated in January 2011 and provided a copy to each councilmember. She continued the employees viewed two forty five minute videos and completed a quiz following each. She reviewed the City's current policy with the Council.

Brian Brower, City Attorney, shared a specific example from a Davis County City in which an employee had brought suit against a supervisor for harassment and commented there was significant liability attached to the situation and emphasized the seriousness of the matter. He stated the City would want to do everything it could to encourage a professional environment for its employees and residents.

Ms. Palmer expressed her opinion requiring and compensating the City employees for completing the training would be worth the expense if it avoided future issues. She reported this is often a first time job for many of the employees hired at the Aquatic Center and/or Recreation and they needed to understand the acceptable standard for being employed by the City. A discussion took place specific to employees in Recreation and the Aquatic Center.

Mayor Wood stated any future councilmembers would receive training during their orientation. He suggested the policy be provided to Councilmember Sprague and request he sign something reflecting he was familiar with the new policy.

Councilmember Murray asked how Human Resources determined whether the complaint was legitimate. Ms. Palmer referred to the policy which stated the City would promptly investigate any claim and reviewed the process with the Council. She assured the Council the process was effective and briefly shared an example. She pointed unsubstantiated claims would not be placed in an employee's Human Resource file, but rather would be placed in an investigation file. Mr. Brower emphasized the policy placed an affirmative obligation upon all employees to report any harassment whether it focused upon them or another employee.

Councilmember Murray commented employees should not try to buffer or remedy a situation when witnessing harassment; but rather should follow procedure and report it. Ms. Palmer agreed and explained how by not reporting the harassment to Human Resources a habitual offender could be allowed to harass employees in other departments and the organization could not address the widespread issue.

Ms. Palmer left the meeting at 7:12 p.m.

DISCUSSION ON RE-OPENING THE 2010/2011 FISCAL YEAR BUDGET

Steve Guy, City Treasurer, distributed a handout reflecting items which would be addressed in re-opening the budget. He directed the Council to the information and reviewed the listed items. He inquired if the Council had any questions which needed to be addressed. A discussion took place regarding the itemized list.

Scott Hodge, Public Works Director, and Kim Dabb, Operations Manager arrived at 7:20 p.m. Bob Wylie, Administrative Services Director, and Mr. Guy left the meeting at 7:22 p.m.

DISCUSSION ON CHIP SEAL ROAD IMPROVEMENT PROJECTS

Scott Hodge, Public Works Director, distributed a handout which identified street improvement projects and reviewed it with the Council. He explained the red on the map reflected roads which needed an overlay and rebuilds and green streets on the map reflected those identified which needed a chip seal. He was proposing to include the overlay project with the 200 South road project bid and the chip seal road project in a separate bid to be completed in the next budget year.

He explained some of the issues with Utah Department of Transportation (UDOT) and Questar Gas regarding the 200 South road project and stated work was moving along to complete the project as soon as possible. He indicated UDOT was also working hard to complete their infrastructure work in conjunction with the SR 193 extension project so they would not have to dig in the new road. He commented road bond funds were appropriated to complete the project this construction season and if the delays with the UDOT and Questar could not be worked out, the City would need to complete the road and allow it to be dug into at a later date. He was hopeful that scenario would not occur.

Mayor Wood inquired about the slurry seal project previously completed on 1000 West. Kim Dabb, Operations Manager, commented the slurry seal on that street did not have the desired result and therefore the chip seal was needed at this time. Mr. Dabb explained the difference between the two processes and expressed his opinion the cost to chip seal to extend the life of the road was well worth its cost.

Councilmember Murray inquired about the repair on 800 North. Mr. Hodge explained the project would begin at 1000 West and extend east to the overpass. He mentioned the City was attempting to coordinate with Clinton City as half of the road belonged to them. The Council expressed its directive for Mr. Hodge to proceed with the proposed road projects.

DISCUSSION ON RAILROAD CROSSING AGREEMENTS RELATING TO THE SR 193 EXTENSION PROJECT

Scott Hodge, Public Works Director, explained in conjunction with the SR 193 extension project the City was required to relocate its utilities, which require boring under the railroad track lines. He stated these agreements with Union Pacific would be coming to the Council in the near future. He commented the utilities consisted of water, sewer, storm drain and irrigation pipe lines. Brian Brower, City Attorney, commented there were eight agreements with UTA (Utah Transit Authority) and estimated a similar number could be expected from Union Pacific. Mr.

Brower stated UTA considered the City's requested changes and indicated they had readily agreed and reported the City was waiting to receive the contracts with the approved changes. He stated the City was requesting the same changes to the Union Pacific agreements when the 300 North crossing was completed. He indicated they had not been as willing to agree to the City's requests and reported the standard language reflected favorable to the railroad. He reviewed the specific language with the Council and remarked an agreement had not been reached at this point.

DISCUSSION ON YOUTH CITY COUNCIL APPLICANTS

Councilmember Young explained it was the original intent to limit the size of the Youth City Council (YCC) this next year. He continued after completing the interviews of interested applicants he was proposing to allow the YCC the opportunity to organize themselves in a manner which could accommodate more participants. He believed this would allow participants to serve on committees. He reported there would be a total number of 21 which was only one more than from the previous year. Nancy Dean, City Recorder, pointed out the City also used committees and concurred with the idea.

Councilmember Shepherd inquired how the designations would take place. Councilmember Young suggested a requirement that those serving as councilmembers would need to have served on the YCC for at least one year. A discussion occurred as to how individuals were designated to specific positions on the YCC. Councilmember Young explained the YCC had previously discussed the implementation of a point system to determine the Mayor and Mayor Pro Tem.

Councilmember Murray inquired how many participants were returning from last year. Councilmember Young responded there might be more returning participants than there were council positions.

A discussion took place regarding the City Council's desired results from the Youth City Council. The Council also discussed those interviewed, answers from the submitted questions, in addition to different ideas and ways which could make the YCC experience more beneficial.

Councilmember Young reported the YCC had assembled by-laws but a copy had not yet been forwarded to him. Brian Brower, City Attorney, suggested a form be required for participants and parents to sign releasing the City of from any liability. Mayor Wood also requested participation requirements be included.

The meeting adjourned at 8:02 p.m.

CLEARFIELD CITY COUNCIL MEETING MINUTES
7:00 P.M. REGULAR SESSION
June 28, 2011

PRESIDING: Don Wood Mayor

PRESENT: Marilyn Fryer Councilmember
Kathryn Murray Councilmember
Mark Shepherd Councilmember
Doyle Sprague Councilmember
Bruce Young Councilmember

STAFF PRESENT: Adam Lenhard Interim City Manager
Brian Brower City Attorney
Greg Krusi Police Chief
Scott Hodge Public Works Director
Donna Russell Acting Community Services Director
Bob Wylie Administrative Services Director
Nancy Dean City Recorder
Kim Read Deputy City Recorder

EXCUSED: Valerie Claussen Acting Community Development Director

VISITORS: Barbara Perry – Planning Commission, Bruce Perry, Darren Carpenter – Planning Commission, Joy Brown – American Legion, Angie & Ashley Burton

Mayor Wood informed the citizens present that if they would like to comment during Citizen Comments or the Public Hearings there were forms to fill out by the door.

Councilmember Fryer conducted the Opening Ceremony.

APPROVAL OF THE MINUTES FROM THE APRIL 20, 2011 WORK SESSION, THE MAY 10, 2011 WORK SESSION, THE MAY 24, 2011 WORK SESSION, THE JUNE 8, 2011 WORK SESSION AND THE JUNE 14, 2011 REGULAR SESSION

Councilmember Fryer moved to approve the minutes from the April 20, 2011 work session, the May 10, 2011 work session, the May 24, 2011 work session, the June 8, 2011 work session and the June 14, 2011 regular session as written, seconded by Councilmember Murray. All voting AYE.

PRESENTATION TO DARREN CARPENTER FOR HIS SERVICE AS A MEMBER OF THE PLANNING COMMISSION

Darren Carpenter had served the City as a member of the Planning Commission and recently submitted a letter of resignation. The Mayor and City Council desired to recognize Mr. Carpenter for his service to the City.

Councilmember Sprague stated he had spent several years working with Darren Carpenter on the Planning Commission and indicated he would personally miss that working relationship. He expressed appreciation to Mr. Carpenter for his service to the City and commented he had done an excellent job in serving on the Planning Commission. He presented Mr. Carpenter with a framed certificate of appreciation on behalf of the City Council.

PUBLIC HEARING TO CONSIDER FSP 1105-0001, AN AMENDED SUBDIVISION PLAT, TO MERGE FOUR PARCELS INTO ONE PARCEL FOR THE TYTON CENTER SITE LOCATED ON 700 SOUTH

This item was a request by Corey Malan, on behalf of Kent Teichert, for an Amended Subdivision Plat to merge four parcels, approximately 0.98 acres total, into one parcel for the purposes of developing a commercial center. This site was located at 772 East 700 South (TINs: 12-068-0005 through 12-068-0008) and the property was in the C-2 (Commercial) zoning district. The Planning Commission held a public hearing on June 15, 2011 and recommended approval.

Adam Lenhard, Interim City Manager, explained the history of the property and reiterated four lots would be merged into one with the development.

Mayor Wood declared the Public Hearing open at 7:11 p.m.

Mayor Wood asked for public comment.

There was no public comment.

Councilmember Sprague moved to close the public hearing at 7:12 p.m., seconded by Councilmember Fryer. All voting AYE.

PUBLIC HEARING TO RE-OPEN AND CONSIDER AMENDING THE 2010/2011 FISCAL YEAR BUDGET

State Law required a public hearing before the City Council approved amendments to the City budget. Bob Wylie, Administrative Services Director, will be presenting amendments for the 2010/2011 fiscal year budget.

Mayor Wood declared the Public Hearing open at 7:13 p.m.

Mayor Wood asked for public comment.

There was no public comment.

Councilmember Shepherd moved to close the public hearing at 7:14 p.m., seconded by Councilmember Young. All voting AYE.

CITIZEN COMMENTS

There were no citizen comments.

APPROVAL OF A PLANNING COMMISSION APPOINTMENT

The Planning Commission currently had one vacancy. The Council discussed the issue during a work session on June 21, 2011.

Councilmember Sprague announced it was the Mayor's recommendation to appoint Barbara Perry to fill the vacancy on the Planning Commission for a term expiring in February 2014. He stated she was currently serving as an alternate member on the Planning Commission. He acknowledged Ms. Perry's attendance at the meeting.

Councilmember Murray pointed out Ms. Perry had just been re-appointed as an alternate member on the Planning Commission and inquired if she was going to be appointed to only fill the remaining term of Mr. Carpenter's vacancy.

Kim Read, Deputy City Recorder, responded she would indeed fill the remaining term of the vacancy.

Councilmember Murray moved to approve Mayor Wood's appointment of Barbara Perry, current alternate member of the Planning Commission, to fill the vacancy on the Planning Commission with a term expiring February 2014 and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Fryer. All voting AYE.

Mayor Wood expressed appreciation to Ms. Perry for her service to the City.

Mayor Wood suggested combining agenda items number six, seven and eight in one motion for approval. Brian Brower, City Attorney, suggested item number six be addressed separately as he believed an argument could be made a public hearing should be held by the City Council prior to the disposition of the property even though an exchange would be taking place. He suggested the public hearing and approval for agenda item number six take place during the next City Council meeting.

Mr. Brower reminded the Council an ordinance had been adopted which specified any parcel of property valued over \$75,000 was of significance and estimated the dollar value of said property would probably be well over that amount. He continued another argument which could be made as to why the public hearing was not required was due to the fact an exchange of 2.152 acres of property was being traded for 2.152 acres of property. Mayor Wood pointed out the exchange also included new improvements being completed by the School District which would be an enhancement to the property received by the City.

Mr. Brower read from the State Code regarding the need for a public hearing prior to disposing of property. He inquired about the public hearings conducted during Planning Commission meetings. Councilmember Sprague clarified public hearings were held during Planning Commission meetings. Mayor Wood expressed his opinion the City wasn't actually disposing of property; rather, an exchange was taking place. Mr. Brower commented the City could argue it had granted the opportunity for the public to voice their opinion during the Planning Commission public hearings. Mayor Wood concluded a public hearing should be conducted during a City Council meeting to avoid any deception. Mr. Brower apologized for the oversight and suggested the agenda item be tabled.

Nancy Dean, City Recorder, revealed a public hearing took place during the June 14, 2011 City Council meeting; however, it was to consider the amended subdivision plat to merge and re-subdivide two parcels for the School District's new Wasatch Elementary School site. Mayor Wood recounted during that public hearing it was emphasized an exchange of parcels would occur. Ms. Dean remarked the public hearing was not noticed as a disposition of property. Councilmember Sprague expressed concern about tabling the item to allow for a public hearing delaying the project. Ms. Dean read from the background of the supporting documentation provided for the June 14, 2011 meeting.

Ms. Dean continued to research the notice from that meeting.

APPROVAL OF FSP 1105-0001, AN AMENDED SUBDIVISION PLAT, TO MERGE FOUR PARCELS INTO ONE PARCEL FOR THE TYTON CENTER SITE LOCATED ON 700 SOUTH AND APPROVAL OF THE CHRISSAM MEADOWS PHASE 5 SUBDIVISION FINAL ACCEPTANCE AND RELEASE OF ESCROW

In accordance with Title 12, Chapter 9, of the Clearfield City Code, the city engineer had completed the final inspection of the ChrisSam Meadows Phase 5 Subdivision and found all improvements to have been installed correctly. The warranty period had expired and the city engineer recommended final acceptance of the improvements for perpetual maintenance and a release of the escrow by the City Council.

Councilmember Shepherd moved to approve FSP 1105-0001, an Amended Subdivision Plat, to merge four parcels into one parcel for the Tyton Center site located on 700 South

and to approve the ChrisSam Meadows Phase 5 Subdivision final acceptance and release of escrow and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Young. All voting AYE.

APPROVAL OF TWO CHANGE ORDERS TO THE CONTRACT WITH POSITIVE POWER FOR LIGHTING PROJECTS FUNDED BY THE AMERICAN RECOVERY AND REINVESTMENT ACT ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT

The City received funds from the American Recovery and Reinvestment Act Energy Efficiency and Conservation Block Grant to upgrade the energy systems in some of its existing buildings. Positive Power was the contractor working on the lighting upgrades and found it necessary to include work that was not authorized in the original contract. The company submitted two change orders in order to complete all the necessary work.

Mayor Wood commented information was provided in the agenda packet explaining the change orders and pointed most of the changes allowed for dual switching opportunities. Councilmember Young inquired about those issues being missed in the initial survey. Mayor Wood believed there was some oversight in the original survey. Donna Russell, Acting Community Services Director, responded the original survey overlooked the dual switches.

Councilmember Young moved to approve amendments to the contract with Positive Power for lighting upgrades through Change Order Number One in the amount of \$1,380 and Change Order Number Two with a Not To Exceed amount of \$1,262 and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Fryer. All voting AYE.

Mayor Wood inquired if Mr. Brower had additional information regarding agenda item number six. Mr. Brower responded the notice didn't explicitly refer to an exchange of property; however, the posted agenda did. He believed it was specifically referenced and based on the previous discussion believed an argument could be made as to whether the City was divesting itself of an asset. He stated he was now comfortable with the City Council proceeding and taking action on agenda item number six and believed the public had been given the opportunity to be heard regarding the property exchange. He apologized for the confusion during the meeting.

APPROVAL OF THE PROPERTY EXCHANGE AGREEMENT WITH THE DAVIS SCHOOL DISTRICT RELATING TO THE RECONSTRUCTION OF WASATCH ELEMENTARY SCHOOL

This agreement specifically addressed the property exchange of the City's Central Park to the Davis School District and a portion of the Wasatch Elementary School site to the City for the new location of Central Park. The exchange was identical with both parcels a size of 2.152 acres.

The Davis School District would be responsible for the demolition and the reconstruction of both parcels.

Councilmember Sprague moved to approve the Property Exchange Agreement with the Davis School District and its accompanying Quit Claim Deeds making possible the reconstruction of Wasatch Elementary School and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Shepherd. All voting AYE.

Mayor Wood suggested agenda items number 10, 11 and 12 be combined in one motion for approval. Mr. Brower pointed out agenda item number 12, specific to agreements with Union Pacific (UP), allowed for some latitude during the negotiation process. He reminded the Council this had been previously reviewed during a work session and clarified the City was requesting some changes from the standard UP contract. He continued the requests were the same changes which UP had allowed on a previous railroad crossing agreement/permit. He pointed out the City was working with a different contract administrator for this agreement and stated approval had not yet been granted. He stated although the requests were reasonable and would be advantageous to the City; it would not be prudent to allow the requests to delay the project preventing work to begin this construction season. He clarified the recommendation was for the Council to approve the agreements as is, recognizing if UP was agreeable to proposed changes, the Council was also granting permission to make the necessary changes to the contract.

Ms. Dean clarified the Utah Transit Authority (UTA) contracts had been approved by (UTA) as they were presented to the Council in their packets.

Mayor Wood proposed combining approval of agenda items 10 and 11.

APPROVAL OF AN AGREEMENT WITH THE UTAH TRANSIT AUTHORITY (UTA) REGARDING THE CONSTRUCTION, OPERATION AND MAINTENANCE OF A 12-INCH SANITARY SEWER LINE IN CONNECTION WITH THE 200 SOUTH ROADWAY PROJECT AND APPROVAL OF AGREEMENTS WITH THE UTAH TRANSIT AUTHORITY (UTA) REGARDING THE RELOCATION OF UTILITY LINES ALONG 700 SOUTH IN PREPARATION FOR THE CONSTRUCTION OF THE SR (STATE ROAD) 193 EXTENSION PROJECT

The City was ready to begin work on the 200 South Roadway project which would include the replacement of City utility lines along the street. The project included the construction of a new 12-inch sanitary sewer line which would pass through the Utah Transit Authority's (UTA's) right-of-way. The construction of that sewer line would make it necessary to enter into an agreement with the UTA to allow for the construction, operation and maintenance of said sewer line.

The Utah Department of Transportation (UDOT) was preparing for the construction of the SR (State Road) 193 Extension project. There were utility lines along 700 South which needed to be relocated in connection with the expansion and UDOT had asked the City to manage that portion of the project. Relocating the utility lines required the City to work in the Utah Transit Authority (UTA) right-of-way. These agreements authorized the construction, operation and maintenance of the affected utility lines.

Councilmember Young moved to approve the Utah Transit Authority (UTA) Contract Number DR/D/2240/P authorizing the construction, operation and maintenance of a 12-inch sanitary sewer through its Right of Way along 200 South and to approve the Utah Transit Authority (UTA) Contract Numbers SO/D/2227/P, DR/D/2232/P, SO/D/2220/P, SO/D/2219/P, SO/D/2221/P and SO/D/2218/P and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Fryer. All voting AYE.

APPROVAL OF AGREEMENTS WITH THE UNION PACIFIC RAILROAD REGARDING THE RELOCATION OF UTILITY LINES ALONG 700 SOUTH IN PREPARATION FOR THE CONSTRUCTION OF THE SR (STATE ROAD) 193 EXTENSION PROJECT

The Utah Department of Transportation (UDOT) was preparing for the construction of the SR (State Road) 193 Extension project. There were utility lines along 700 South which needed to be relocated in connection with the expansion and UDOT had asked the City to manage that portion of the project. Relocating the utility lines required the City to work in the Union Pacific Railroad right-of-way. These agreements authorized the construction, operation and maintenance of the affected utility lines.

Councilmember Shepherd moved to approve the Union Pacific Railroad Agreement Numbers 02664-15, 02664-28, 02664-24, 02664-26 and 0262274 with authorization for the City Attorney to negotiate any changes deemed necessary to protect the City's interest in the project and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Sprague. All voting AYE.

APPROVAL OF RESOLUTION 2011R-10 PERMITTING THE CLEARFIELD CITY POLICE DEPARTMENT TO DISPOSE OF UNCLAIMED PROPERTY

The Clearfield City Police Department periodically was required to dispose of unclaimed property. These 23 bicycles had not been claimed after attempting to find the lawful owner(s). In the past, the Council had approved unclaimed bicycles to be donated to charities. Deseret Industries and the Davis County Children's Justice Center are presently the only two groups that would accept the bicycles from the Police Department.

Councilmember Fryer moved to approve Resolution 2011R-10 permitting the Clearfield City Police Department to dispose of unclaimed property by donation to the Deseret Industries and/or the Davis County Children's Justice Center and authorize the Mayor's

signature to any necessary documents, seconded by Councilmember Young. The motion carried upon the following vote: Voting AYE – Councilmembers Fryer, Murray, Shepherd, Sprague and Young. Voting NAY – None.

APPROVAL OF RESOLUTION 2011R-12 ACTING AS THE GOVERNING AUTHORITY OF THE NORTH DAVIS FIRE DISTRICT ADOPTING AND CERTIFYING ITS TAX RATE FOR THE 2011 TAXABLE YEAR

The Clearfield City Council acted as the governing authority for the North Davis Fire District (NDFD). The Administrative Control Board of the NDFD desired to establish a certified tax rate of 0.001316 for the 2011 taxable year for the purpose of funding operating expenses and capital improvements and to provide fire protection, emergency medical and ambulance services and consolidated 911 and emergency dispatch services.

Councilmember Murray stated although the rate appears to be higher than last year, this was the rate received from the County. Councilmember Shepherd explained the NDFD took a significant hit specific to re-evaluated properties.

Councilmember Fryer moved to approve Resolution 2011R-12 acting as the governing authority of the North Davis Fire District (NDFD) and adopting and certifying a tax rate of 0.001316 for the Fire District 2011 taxable year and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Sprague. The motion carried upon the following vote: Voting AYE – Councilmembers Fryer, Murray, Shepherd, Sprague and Young. Voting NAY – None.

APPROVAL OF RESOLUTION 2011R-11 ADOPTING AMENDMENTS TO THE 2010/2011 FISCAL YEAR BUDGET

Bob Wylie, Administrative Services Director, presented and explained the proposed amendments to the budget.

Councilmember Young moved to approve Resolution 2011R-11 adopting amendments to the 2010/2011 fiscal year budget and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Fryer. The motion carried upon the following vote: Voting AYE – Councilmembers Fryer, Murray, Shepherd, Sprague and Young. Voting NAY – None.

COMMUNICATION ITEMS:

Mayor Wood – nothing to report.

Councilmember Fryer – nothing to report.

Councilmember Murray – reminded the Council work would begin on the float for the Fourth of July parade on Saturday, July 2, 2011, at 8:00 a.m. and requested the councilmembers bring hammers, staple guns, scissors, pencils, etc. She reported the theme for the float was “Gone Fishin’.” She stated Mayor Wood would be participating with the construction of the Council’s float this year. She invited the councilmembers’ children and grandchildren to ride on the float during the Fourth of July parade.

Councilmember Shepherd – nothing to report.

Councilmember Sprague – nothing to report.

Councilmember Young – nothing to report.

Adam Lenhard, Interim City Manager – announced a dinner social activity with one of the Community Services Director finalists was scheduled for Saturday, July 2, 2011, at 4:30 p.m. at the same location as the social activity which took place on Monday, June 27, 2011.

STAFFS’ REPORTS:

Nancy Dean, City Recorder

1. Informed the Council no meetings were scheduled for Tuesday, July 5, 2011 and July 12, 2011.
2. Reported Declaration of Candidacy begins Friday, July 1, 2011 and would continue through Friday, July 15, 2011.

Councilmember Young moved to adjourn as the City Council and reconvene as the Community Development and Renewal Agency at 7:49 p.m., seconded by Councilmember Sprague. All voting AYE.

The minutes for the CDRA are in a separate location

CLEARFIELD CITY COUNCIL MEETING MINUTES
6:30 P.M. WORK SESSION
June 28, 2011

PRESIDING:	Don Wood	Mayor
PRESENT:	Marilyn Fryer	Councilmember
	Kathryn Murray	Councilmember
	Mark Shepherd	Councilmember
	Doyle Sprague	Councilmember
	Bruce Young	Councilmember
STAFF PRESENT:	Adam Lenhard	Interim City Manager
	Brian Brower	City Attorney
	Nancy Dean	City Recorder
	Kim Read	Deputy City Recorder

VISITORS: There were no visitors.

Mayor Wood called the meeting to order at 6:35 p.m.

Councilmember Shepherd moved to adjourn to a Closed Session for the purpose of a strategy session to discuss the purchase, exchange, or lease of real property. Utah Code Ann. § 52-4-204 and §52-4-205(1)(d), seconded by Councilmember Murray. The motion carried upon the following vote: Voting AYE – Councilmembers Fryer, Murray, Shepherd, Sprague and Young. Voting NO – None.

The minutes for the closed session are kept in a separate location.

CLEARFIELD CITY COUNCIL MEETING MINUTES
10:00 A.M. WORK SESSION
July 8, 2011

PRESIDING:	Don Wood	Mayor
PRESENT:	Marilyn Fryer Kathryn Murray Mark Shepherd Bruce Young	Councilmember Councilmember Councilmember Councilmember
EXCUSED:	Doyle Sprague	Councilmember
STAFF PRESENT:	Adam Lenhard Kim Read	Interim City Manager Deputy City Recorder
EXCUSED:	Brian Brower Nancy Dean	City Attorney City Recorder

VISITORS: There were no visitors.

Mayor Wood called the meeting to order at 10:06 a.m.

Councilmember Fryer moved to adjourn to a Closed Session for the purpose of discussing the character, professional competence, or physical or mental health of an individual. Utah Code Ann. § 52-4-204 and §52-4-205(1)(a), seconded by Councilmember Young. The motion carried upon the following vote: Voting AYE – Councilmembers Fryer, Murray, Shepherd and Young. Voting NO – None. Councilmember Sprague was not present for the vote.

The minutes for the closed session are kept in a separate location.

Subject: Clearfield City: One of your upstanding citizens...

To: Don Wood <don.wood@clearfieldcity.org>

This is an enquiry e-mail via <http://www.clearfieldcity.org> from:

Chad Cox <coxrc@westinghouse.com>

Mr. Mayor,

I just wanted to drop you a line and let you know of one of the upstanding citizens of your community.

On the morning of 1/25, my sister (Cami Cox) was bathing/showing and had a seizure. My Neice (Lindsay Christensen) responded to the sound and found her mother face down in the water. She immediately drained the water from the tub so she wouldn't drown. She then called for assistance from her mother's boyfriend who didn't know what to do.

Lindsay then proceeded to call her grandparents and then 911. She was able to answer all the medical questions asked by EMS. EMS responded and found Cami had hit her head on the faucet of the tub and had bite her tongue severly. She was taken to Davis Hospital were she was treated and released.

I would like to recognize Lindsay for her heroic efforts in saving her mothers life. It takes an amazing person to step up and do what she did. We have worked with Lindsay from the time she was very young to recognize situations that warrant making a call to 911. We would sit around the table and propose situations (some absurd, some valid) to teach her. Our phase to help her remember how to use a cell phone to call was "911 green phone" (since the "green phone" icon is commonly the call button on a cell phone)

Thank you for your consideration,

Chad Cox

coxrc@westinghouse.com

801-452-1287

cc Todd Richardson - Davis County Sheriff



June 9, 2011

Ms. Lindsay Christensen
546 East 450 South #D
Clearfield, UT 84015

Dear Ms. Christensen:

It is with pleasure that we send this letter to notify you that you have been nominated by your uncle Chad Cox to be recognized as a "Clearfield Hometown Hero." A Clearfield Hometown Hero is someone that goes above and beyond the call of duty as a Clearfield citizen, and your family and community feel that you fit this description.

Our mayor, Don Wood would like to present you with a Hometown Hero Recognition certificate at a City Council meeting either on June 28, July 12 or August 9, 7:00 pm, City Municipal Building, 55 S. State Street. The presentation is usually done at the beginning of the City Council meeting. You are welcome to bring any friends and family with you to this presentation.

Could you call me at the number below and let me know which date works best for you to be presented with your Hometown Hero certificate? If, for some reason, you would prefer not to receive the certificate at the City Council meeting let me know and we can mail you your certificate.

I look forward to speaking with you soon,



Marliss Scott
Public Relations - Marketing
Clearfield City
(801)525-2796
mscott@clearfieldcity.org

cc D. Wood
K. Read

CLEARFIELD CITY ORDINANCE 2011-07

AN ORDINANCE ADOPTING THE ATK ECONOMIC DEVELOPMENT PROJECT AREA PLAN, AS APPROVED BY THE CLEARFIELD COMMUNITY DEVELOPMENT AND RENEWAL AGENCY, AS THE OFFICIAL ECONOMIC DEVELOPMENT PROJECT AREA PLAN FOR THE ATK ECONOMIC DEVELOPMENT PROJECT AREA AND DIRECTING THAT NOTICE OF THE ADOPTION BE GIVEN AS REQUIRED BY STATUTE.

PREAMBLE: Clearfield City can best serve the needs of its residents and business owners by continuing to foster and support quality economic development within its borders by embracing and encouraging the City's manufacturing heritage. Alliant Techsystems Inc. ("ATK") is making a substantial investment in Clearfield by expanding their current operations here which will result in a significant number of new jobs in the community and the City has agreed to assist with incentivizing ATK for its investment in Clearfield. This Ordinance formally adopts the economic development project area plan for the ATK Economic Development Project Area as approved by the Board of the Clearfield Community Development and Renewal Agency and pursuant to Title 17C, Chapter 3 of the Utah Code.

RECITALS

WHEREAS, the Clearfield Community Development and Renewal Agency (the "Agency") having prepared a Draft Project Area Plan (the "Draft Plan") for the ATK Economic Development Project Area pursuant to the Utah Community Development and Renewal Agencies Act (the "Act") as set forth in Title 17C, Chapter 3 of the Utah Code, and having held the required public hearing on the Draft Plan, has adopted on this same date the Draft Plan as the official Economic Development Project Area Plan for the ATK Economic Development Project Area; and

WHEREAS, § 17C-3-106 of the Act mandates that before an economic development project area plan approved by an agency may take effect, it must be adopted by ordinance of the legislative body of the community that created the agency; and

WHEREAS, the Act also requires that certain notice is to be given by the community legislative body upon its adoption of an economic development project area plan;

ENACTMENT

BE IT THEREFORE ORDAINED BY THE CLEARFIELD CITY COUNCIL that:

1. The Clearfield City Council hereby adopts and designates the ATK Economic Development Project Area Plan, as approved by the Agency, as the official Economic Development Project Area Plan for the ATK Economic Development Project Area (the "Official Plan") as shown and described on the map and legal description attached hereto as Attachment #1, and Attachment #2, and incorporated herein by this reference;

2. City staff is hereby authorized and directed to publish or cause to be published the notice required by Utah Code Ann. § 17C-3-107, substantially in the form attached hereto as Attachment #3, whereupon the Official Plan shall become effective pursuant to Utah Code Ann. § 17C-3-107; and
3. Pursuant to Utah Code Ann. § 17C-3-107, the Agency may proceed to carry out the Official Plan as soon as it becomes effective.

EFFECTIVE DATE: This ordinance takes effect immediately upon publication and recording.

DATED this 26th day of July, 2011.

ATTEST:

Nancy Dean, City Recorder

Mayor Don Wood

DRAFT

Economic Development Plan for the ATK Economic Development Project Area

This Economic Development Plan (this "Plan") for the ATK Economic Development Project Area ("Project Area") has been prepared by the consulting firm of RS Contract Management, LLC, for the Clearfield City Urban Renewal Agency (the "Agency") under the Utah Limited Purpose Local Government Entities – Community Development and Renewal Agencies Act, Title 17C of the Utah Code, as amended (the "Act"), and under the provisions of the Utah Constitution, the United States Constitution, and all applicable local laws and ordinances.

INTRODUCTION

This ATK Economic Development Project Area Plan contemplates and will facilitate the expansion of the ATK aerospace division located in Clearfield City. ATK is a nationally renowned aerospace firm. ATK anticipates that the expansion of the division within Clearfield City would create an estimated 800 new jobs for the Davis County area, many of which would exceed the average salary for the County. The expansion will include the leasing of a 615,000 Sq. Ft. building, known as the Prologis building, and expansion of existing facilities within the Freeport Center. ATK has received incentives from the Governor's Office of Economic Development based on the anticipated capital investment and creation of jobs, subject to participation by the local entity, Clearfield City. Given the current employment benefits that ATK already provides within the city, as well as the potential new jobs that will be created by the expansion; the City and Agency have determined to work with ATK as described in this plan.

This Economic Development Plan (a) sets forth the rationale behind the Project and the anticipated benefits Clearfield City and its residents, and (b) to those ends, creates the necessary local-government framework necessary for the contemplated development. Ultimately, the City and the Agency desire to promote ATK's growth and expansion in order to retain a valued corporate citizen within the City, and provide employment opportunities for its citizens.

1. DEFINITIONS

As used in this Plan:

1.1 “Act” means Title 17C of the Utah Code Annotated (“UCA”) 1953, as amended: the Utah Limited Purpose Local Government Entities – Community Development and Renewal Agencies Act, as amended, or such successor law or act that may from time to time be enacted.

1.2 “Agency” means the Clearfield City Community Development and Renewal Agency created and operating pursuant to UCA 17C-1-201 as its predecessor or successor statutes, as designated by the Clearfield City to act as a community development and renewal agency.

1.3 “Agency Board” or “Board” means the governing body of the Clearfield City Community Development and Renewal Agency.

1.4 “Base Taxable Value” has the same meaning that it bears in the Act (UCA 17C-1-102(6)). “Base Taxable Value” is synonymous with “Base Year Taxable Value”, “Base Year Value”, and “Base Value”.

1.5 “Base Tax Amount” means a sum equal to the tax revenue arising from the Project Area during the Base Year, which is calculated as the product of the Base Taxable Value and the certified tax rate in effect during the Base Year.

1.6 “Base Year” means the Tax Year during which the Project Area Budget is approved pursuant to UCA 17C-1-102 (6)(a).

1.7 “Bond” means any bonds, notes, interim certificates, or other obligations issued by an agency.

1.8 “City” means the Clearfield City, a political subdivision of the State of Utah.

1.9 “County” means Davis County, a political subdivision of the State of Utah.

1.10 “Comprehensive General Plan” or “General Plan” means the general plan adopted by the City under the provisions of UCA 10-9a-401.

1.11 "Economic Development" means to promote the creation or retention of public or private jobs within the state through planning, design, development, construction, rehabilitation, business relocation, or any combination of these, within part of all of a project area; and the provisions of office, industrial, manufacturing, warehousing, distribution, public parking, or other facilities, or other improvements that benefit the state or a community.

1.12 "Economic Development Plan" means a project area plan, as defined by UCA 17C-1-102(35) of the Act, designed to foster economic development, as defined in UCA 17C-1-102(16) of the Act, developed by the Agency and adopted by ordinance of the governing body of the City to guide and control economic development undertakings in a specific project area.

1.13 "Governing Body" means (a) in reference to the Clearfield City Community Development and Renewal Agency, the Board of the Clearfield City Renewal Agency, or, (b) if used in reference to Clearfield City, it means the City Council or the City of Clearfield.

1.14 "Project Area" means the ATK Economic Development Project Area, as selected by resolution of the Agency.

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

1.16 "Taxing Entities" means the public entities, including the state, any county, and city, any school district, special district, or other public body, which levy property taxes on any parcel or parcels of property located within the Project Area.

1.17 "Taxing Entity Committee" means the committee established for the Project Area pursuant to provisions of the Act.

1.18 "Tax Increment" means that portion of the levied taxes each year in excess of the base tax amount, which excess amount is paid into a special fund of the Agency, pursuant to UCA 17C-1-102(44)(a) and Part 4 of UCA Chapter 17C-1, as amended.

1.19 "Tax Year" means the 12 month period between sequential tax role equalizations (November 1st through October 31st) of the following year, e.g., the Nov. 1, 2010-Oct. 31, 2011 tax year).

2. THE PROJECT AREA BOUNDARIES

The project Area is located entirely in the Clearfield City and comprises approximately 96 acres. The Boundaries of the Project Area are delineated in the property description and map included as Exhibits A & B.

3. DEMOGRAPHICS & PROJECT EFFECT

3.1 LAND USES

The Project Area is approximately 96 acres. The area includes five major parcels of property. The parcels are under the ownership of two owners, Prologis First US Properties LP, and Freeport Center Associates. The parcels are currently or may be in the future, leased by ATK aerospace structures.

Development and use within the Project Area will be governed by the City's General Plan, and officially adopted zoning ordinances, that may be amended from time to time. The current general plan and zoning map allows for the industrial/commercial uses to be developed within the Project Area. The current zoning within the Project Area requires no amendment to fit the uses planned for the area outlined in this Plan.

3.2 PRINCIAL STREET LAYOUT

The Project Area is bounded by 700 South on the North and Antelope Drive or 1700 South Street on the South. No streets run through the Project Area.

3.3 POPULATION DENSITY

There are no residential units within the Project Area, and no residential units are contemplated under this Plan. The intent of the Agency under this Project Area Plan is for the Project Area to eventually contain only industrial or commercial buildings.

3.4 BUILDING INTENSITIES

The Project Area contains 5 buildings, which are currently used and leased by ATK. The total estimated square footage of the buildings being renovated and expanded is 1,192,225. It is anticipated that these buildings will continued to be leased by ATK, and renovated as needed to accommodate the new capital investment and equipment required for expansion. It is possible that additional expansion, including new construction may occur within the Project Area.

3.5 SOCIAL CONDITIONS

There are no residents currently located within the Project Area, therefore, no meaningful demographics would be available to describe the social conditions in the Project Area. The current industrial use will remain within the Project Area.

4. ECONOMIC DEVELOPMENT STANDARDS

The applicable Economic Development standards within the Project Area are the relevant and appropriate elements of the City's Comprehensive General Plan, the requirements of the applicable zoning as set forth in the City's planning and zoning provisions, all other applicable building codes and ordinances of the City, and all relevant provisions of State law. The proposed development will result in additional economic development through new jobs, increased property tax, and productive use of a vacant building.

5. SATISFACTION OF ECONOMIC DEVELOPMENT POLICIES

As defined by the Act and this Plan, economic development is the promotion, creation, or retention of jobs within the state through planning, design, development, construction, rehabilitation, or business relocation within a project area, as well as the provisions of office, industrial, manufacturing, warehousing, distribution, parking, public, or other facilities, or other improvements that benefit the state or the local community.

The purposes of the economic development statutes parallel the City's own fiscal and demographic objectives. The City seeks to increase both the quality of employment and the number of jobs available within its boundaries so as to improve both opportunity and quality of life for all of its citizens. The proposed expansion by ATK will provide exactly the types of business growth and job opportunities the Agency and City desire to promote.

6. TECHNIQUES TO ACHIEVE THE PURPOSES OF THE COMMUNITY DEVELOPMENT AND RENEWAL ACT, AND THIS PLAN.

The Agency will meet the purpose of the Community Development and Renewal Act, and this plan by implementing of the following objectives:

6.1 Acquisition of Real Property

The Agency may acquire, but is not required to acquire, real property located in the Project Area, by gift, devise, exchange, purchase, or any other lawful method. The Agency is authorized to acquire any other interest in real property less than fee title such as leasehold interests, easements, and rights of way. The Agency shall not acquire real property without the consent of the owner. At the present time, the Agency does not anticipate it will acquire any real property in the Project Area.

6.2 Acquisition of Personal Property

Generally personal property shall not be acquired. However, where necessary in the execution of this plan, the Agency is authorized to acquire personal property in the Project Area by any lawful means.

6.3 Cooperation with the Community and Public Bodies

The Community and certain public bodies are authorized by state law to aid and cooperate, with or without consideration, in the planning, undertaking, construction, operation or implementation of this project. The Agency shall seek the aid and cooperation of such public bodies in order to accomplish the purposes of Community Development and the highest public good, including approval of the Project Area Budget.

6.4 Property Management

During such time that property, if any, in the Project Area is owned by the Agency, such property shall be under the management and control of the Agency. Such property may be rented or leased by the Agency pending its disposition for Economic Development.

6.5 Property Disposition and Development

The Agency is authorized to demolish and clear buildings, structures, and other improvements from any real property in the Project Area as necessary to carry out the purposes of this Economic Development Plan. The Agency is authorized to install and construct, or to cause to be installed and constructed, public improvements, public facilities, and public utilities, within and without the Project Area, not prohibited by law which are necessary to carry out this Economic Development Plan; and in accordance with the terms and conditions of any existing agreements with the private developers and the approved Project Area budget and interlocal agreements. The Agency is authorized to prepare or to cause to be prepared as building sites any real property in the Project Area. The Agency is also

authorized to rehabilitate or to cause to be rehabilitated any building or structures that may remain in the Project Area.

For the purposes of this plan, the Agency is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed or trust, or otherwise dispose of any interest in real property. The Agency is authorized to dispose of real property by leases or sales by negotiation with or without public bidding. All real property acquired by the Agency in the Project Area shall be sold or leased to public or private persons or entities for development for the uses permitted in the Plan. Real property may be conveyed by the Agency to the City or any other public body without charge. The Agency shall reserve such controls in the disposition and development documents as may be necessary to prevent transfer, retention or use of property for speculative purposes and to insure that the development is carried out pursuant to this Economic Development Plan. All purchasers or lessees of property shall be made obligated to use the property for the purposes designated in this Economic Development Plan, to begin and complete development of property within a period of time, which the Agency fixes as reasonable, and to comply with other conditions which the Agency deems necessary to carry out the purposes of this plan.

6.6. Development

The objectives of the Economic Development Plan are to be accomplished through Agency encouragement of, and assistance to, private enterprise in carrying out economic development activities control and review. To provide adequate safeguards to ensure that the provisions of this Economic Development Plan will be carried out, any real property sold, leased or conveyed by the Agency, as well as any property subject to participation agreements, shall be made subject to the provisions of this Economic Development Plan by leases, deeds, contracts, agreements, declarations of restrictions, provisions of the City ordinance, conditional use permits, or other means. Where appropriate, as determined by the Agency, such documents or portions there of shall be recorded in the Office of the County Recorder. The leases, deeds, contracts, agreements, and declarations of restrictions may contain restrictions, covenants, covenants running with land, rights of reverter, conditions subsequent, equitable servitudes, or any other provisions necessary to carry out this Economic Development Plan.

To the extent now or hereafter permitted by law, the Agency is authorized to pay for, develop, or construct any building, facility, structure, or other improvement either within or without the Project Area for itself or for any public body or public

entity to the extent that such improvement would be of benefit to the Project Area. During the period of development in the Project Area, the Agency shall insure that the provisions of this Economic Development Plan and of other documents formulated by the Agency pursuant to this Economic Development Plan are being observed, and that development in the Project Area is proceeding in accordance with development documents and time schedules. Plans for economic development by owners or developers, both public and private, may be submitted to the City for approval and architectural review. All economic development must conform to this Plan and all applicable federal, state and local laws. For the purpose of this Plan the Agency is authorized to sell, lease, exchange, transfer, assign, pledge, encumber, and otherwise dispose of personal property.

7. PLANNING CRITERIA

In order to provide developers maximum flexibility in the development of land located within the Project Area, and to encourage and obtain the highest quality design and development, specific development controls for the land uses identified above are not set forth herein. Each development proposal may be considered subject to: (1) appropriate elements of the City's general plan; (2) the planning and zoning code of the City; (3) other applicable building codes and ordinances of the City; (4) appropriate review and recommendation by the City; (5) approval by the Agency to ensure that the development is consistent with this Economic Development Plan; and (6) any existing agreements.

8. REVIEW OF COMMUNITY DEVELOPMENT PROPOSALS

Each development proposal by a developer shall be accompanied by site plans, development data and other appropriate material that clearly describes the extent of the economic development proposed, including land coverage, setbacks, heights and bulk proposed, off-street parking and loading to be provided, use of public transportation, and any other data determined to be necessary or requested by the City, or Agency.

9. PLAN RESTRICTIONS

9.1 Eminent Domain

This Economic Development Project Area Plan does not allow the Agency to acquire real property through the use of eminent domain.

9.2 Tax Increment

Use of tax increment is subject to approval of the Agency's Project Area Budget by two-thirds of the Taxing Entity Committee.

10. JOB CREATION

The Plan contemplates the expansion of the ATK facility which will result in significant job creation for Clearfield City and Davis County. It is anticipated that the proposed expansion will result in an estimated 800 new jobs; significantly, the anticipated average salary for these jobs will be above the County's current average salary. These high paying jobs are obviously desirable to the City and the Agency.

11. PROPOSED METHOD OF FINANCING

11.1 Authorization

The Agency is authorized to finance this project with financial assistance from the Taxing Entities, property tax increments which accrue within the Project Area, interest income, Agency bonds, or any other available source of revenue.

The Agency is authorized to obtain advances, to borrow funds and to create indebtedness in carrying out this Plan. The principal and interest on such advances, funds, and indebtedness may be paid from tax increments or any other funds available to the Agency. The Agency is authorized to issue bonds, if appropriate and feasible, sufficient to finance all or any part of the project.

11.2 Tax Increment

Briefly stated, the tax increments that will be available under this Plan are determined in the following manner. After the Plan is adopted, the total taxable value of property within the Project Area is determined using the taxable values shown on the last equalized assessment roll prior to the adoption of the Plan. For purposes of this Plan, the base year value last equalized shall be January 1, 2010. This provides a base figure. To the extent the taxable values of property within the Project Area increase above this base figure, application of prevailing tax rates to the increased property value above the base figure yields "tax increments." These tax increments arise only with respect to property located in the Project Area. Other Taxing Entities continue to be entitled to receive the tax revenue that result from application of prevailing tax rates up to the base figure of taxable property value. In accordance with law, the Agency will prepare a Project Budget outlining the expense and revenue for this project. Once adopted by the Agency, the Agency will be required to obtain the consent of the available Taxing Entity Committee before the Agency is allowed to take any portion of the available tax increment.

11.3 Collection Period

The applicable length of time or number of years for which the Agency is to be paid tax increment shall be measured from the first tax year which the Agency accepts tax increment from the Project Area. Tax Increment may not be paid to the Agency for a tax year prior to the tax year following the effective date of the Project Area Plan. Notwithstanding, the actual number of years will be determined by the Project Area Budget as approved by the Taxing Entity Committee.

Pursuant to the Community Development and Renewal Act, taxes levied upon taxable property within the Project Area each year by or for the benefit of the State of Utah and the Taxing Entities after the effective date of the ordinance approving this Plan shall be paid to the Agency in accordance with the terms and conditions of the approved Project Area Budget.

11.4 City Funding or Loans

Operating capital for administration and developer participation of this project has been and may be provided by the City until adequate tax increments or other funds are available or sufficiently assured to repay the loans and/or to permit borrowing adequate working capital from sources other than Clearfield City. Advances and loans from the City or the Redevelopment Agency may bear a reasonable rate of interest.

12. PROVISIONS FOR AMENDING THE COMMUNITY DEVELOPMENT PLAN

This Plan may be amended or modified any time by the Agency by means of the procedures established in the act, its successor statutes, or any other procedure established by law.

13. BASIS FOR SELECTION OF PROJECT AREA

The ATK Economic Development Project Area was selected by the Agency as that area within the limits of Clearfield City having an immediate opportunity to strengthen the economic base of the Community through the investment of private capital into a new project which will provide new jobs and broaden the tax base of the Community. Boundaries of the Project Area were determined by the Agency after a review of the area by members of the Agency Board, staff, and consultants. In addition, the Project Area is being created to assist in providing a local incentive required for the incentive offer to ATK by the State of Utah. The Project Area is the logical expansion area around the existing ATK facilities. With the economic incentive offered by the Agency, ATK will create economic growth for the Community.

14. NECESSARY AND APPROPRIATE ANALYSIS

Authority to take action or enter into agreements under this Plan shall be vested exclusively in the Agency's Governing Board. The Agency's Governing Board shall be authorized to delegate this authority pursuant to resolutions approved by the Board. The administration and enforcement of this Plan and any documents implementing this Plan shall be performed by the Agency and/or the City.

The provisions of this Plan or other documents entered into pursuant to this Plan may also be enforced by court litigation instituted by either the Agency or the City. Such remedies may include, but are not limited to, specific performance, damages, re-entry, injunctions, or any other remedies appropriate to the purposes of this Plan. In addition, agreements or any recorded provisions which are expressly for the benefit of owners of property in the Project Area may be enforced by such owners.

The particulars of any contemplated development will be set out in a participation agreement between the Agency and the participant requesting assistance.

Before any future development agreement or participation agreement under the Plan may be entered into and/or executed by the Agency, the Agency may hold a public hearing on the proposed agreement. The Agency may prepare or require the developer/participant to prepare a feasibility analysis and a necessary and appropriate analysis with respect to all new projects being proposed and with respect to the ongoing feasibility of the overall Project being implemented pursuant to this Plan. The purpose of this provision is to assure that the feasibility, necessity, appropriateness, the nature, extent of, and need for any public subsidy or other assistance, and the likely public benefit of new projects is reviewed on their own merits and in the context of implementing this Plan as a whole before any particular projects are approved, thereby assuring that substantial and effective measures are being taken, or have been taken, that are reasonably designed to mitigate any harm, damage or disadvantage as may be suffered as a result of development within the Project Area by owners of property, or tenants within the Project Area.

15 DESCRIPTION OF ANY TAX INCENTIVES OFFERED TO PRIVATE ENTITIES

The following generally describes tax or other incentives which the Agency intends to offer within the Project Area to developers or participants, as incentives to construct needed infrastructure and to develop the property within the Project Area:

1. The Agency intends to use the tax increment approved by agreement with the Taxing Entities for public infrastructure improvements, certain off-site improvement and other improvements as approved by the Agency.
2. Payments made to the developer/participants pursuant to agreements between the developer and the City or Agency.
3. Expenditures approved and outlined in the adopted Project Area Budget.

Except where the Agency issues Bonds or otherwise borrows or receives funds, the Agency expects to pay the City or developer or participants for the agreed amount in the agreed upon time frame to the extent of the tax increment funds are received and available.

Currently the Agency anticipates working with the dominant tenant within the Project Area, which is ATK. Given the economic benefit that ATK provides the City, through job creation and capital investment, it makes sense for the Agency to encourage and promote ATK's growth.

16. BENEFIT ANALYSIS

The benefit analysis is attached hereto as Exhibit C

17. PROJECT AREA BUDGET

The Project Area Budget is attached hereto as Exhibit D

EXHIBIT A

LEGAL DESCRIPTION

EXHIBIT A

THE ATK ECONOMIC DEVELOPMENT PROJECT AREA SHALL CONSIST OF THE FOLLOWING AREAS:

1) LAND SERIAL ID 12-066-0026, 1051 S INDUSTRIAL PKWY

A PT OF SEC 12, T4N-R2W; SLM: BEG AT A PT ON E'LY R/W OF D&RGW RR CO AT A PT N 89°48'24"W 797.03 FT ALG 1/4 SEC LN FR CEN OF SD SEC 12, TH N 34°41'43" W ALG SD E'LY R/W LN PAR WITH & 33 FT DISTANT NE'LY AT RIGHT ANGLE FR CEN LN OF MAIN TRACK OF SD RR CO, AS NOW CONSTR, A DIST OF 1588.60 FT TO SW COR OF PPTY CONV TO CLEARFIELD CITY IN 518-736; TH ALG S LN OF SD PPTY, N 55°18'17"E 954.03 FT TO A PT 8.5 FT NE'LY FR CEN LN OF LEAD TRACT A-28; TH 5 COURSES PAR & 8.5 FT NE'LY ALG SD TRACT AS FOLLS; S 16°24'40"E 50.54 FT ALG ARC OF A 5712.65 FT RAD CUR TO LEFT, 67.44 FT (LC BEARS S 16°44'57"E 67.44 FT) S 17°05'15"E 432.22 FT ALG ARC OF A 450.78 FT RAD CUR TO LEFT 138.44 FT (LC BEARS S 25°53'07"E 137.89 FT) & S 34°41'E 263.66 FT; TH S 79°41'E 59.39 FT TH S 33°05'24"E 359.15 FT; TH S 35°56'10" E 457.12 FT; TH S 10°19' W 59.39 FT TO A PT 8.5 FT NE'LY OF SD TRACK; TH S 34°41' E 51.96 FT PAR & 8.5 FT NE'LY OF SD TRACK; TH S 55°18'17" W A DIST OF 765.92 FT TO A PT ON E'LY R/W LN OF D&RG RR CO; TH N 34°41'43" W ALG SD LN 287.41 FT TO POB. LESS TO 743-304. REMAINDER 33.77 ACRES.

2) LAND SERIAL ID 12-066-0045, 1201 S INDUSTRIAL PKWY

A PARCEL OF LAND SIT IN SEC 12-T4N-R2W, SLM, MORE PART'LY DESC AS FOLLOWS: BEG AT A PT ON THE NE'LY R/W LN OF THE D&RGW RR COMPANY, AT A PT 797.03 FT N 89°48'24" W ALG THE 1/4 SEC LN & 287.41 FT S 34°41'43" E FR THE CEN OF SD SEC 12, SD PT BEING THE MOST S'LY COR OF THAT CERT PARCEL OF LAND HERETOFORE CONV BY NATIONAL DISTRIBUTION SYSTEMS TO FREEPORT INDUSTRIAL CENTER BY SW DEED DATED JULY 29, 1975 RECORDED OCTOBER 25, 1979 IN BK 798 PG 372; TH ALG THE S'LY LN OF SD CONV PARCEL, N 55°18'17" E A DIST OF 434.80 FT; TH S 34°46'20" E ALG THE NE'LY LN OF AN EXISTING BLDG A DIST OF 885.50 FT; TH S 55°22'12" W A DIST OF 436.18 FT TO PT ON THE NE'LY R/W LN OF SD D&RGW RR COMPANY; TH N 34°41'00" W A DIST OF 885.00 FT TO THE POB. CONT. 8.847 ACRES. TOGETHER WITH & SUBJ TO DESC RIGHTS OF WAY.

3) LAND SERIAL ID 12-066-0049

A PT OF SEC 12-T4N-R2W SLM; BEG AT A PT 797.03 FT N 89°48'24" W ALG THE 1/4 SEC LINE; 287.41 FT S 34°41'43" E & 434.80 FT N 55°18'17" E FR THE CENTER OF SD SEC 12; RUN TH N 55°18'17" E 330.48 FT TO THE W'LY LINE OF THE OREGON SHORT LINE RR PPTY; TH TWO (2) COURSES ALG SD W'LY LINE AS FOLLOWS: S 34°41' E 530.71 FT & S 29°57' E 406.02 FT TO THE NE COR OF THE AMERICOLD CORP PPTY; TH S 55°22'12" W 731.78 FT ALG THE N'LY LINE OF SD PPTY TO THE E'LY LINE OF THE D&RG WESTERN RR PPTY; TH N 34°41' W 49.50 FT ALG SD E'LY LINE; TH N 55°22'12" E 436.18 FT TO THE E'LY EDGE OF AN EXIST BLDG EXTENDED; TH N 34°46'20" W 885.50 FT ALG SD BLDG & BLDG EXTENDED TO THE POB. CONT. 7.44 ACRES.

4) FREEPORT BUILDINGS A-15 B-14 C-14 D-14

BEING A PART OF THE WEST HALF OF SECTION 12, TOWNSHIP 4 NORTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN AND MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF THE PARCEL CONTAINING BUILDING E-14 SAID CORNER BEING N00°10'19"E 3185.34 FEET, ALONG THE SECTION LINE, S89°49'41"E 226.88 FEET AND N58°00'00"E 240.50 FEET FROM THE CORNER COMMON TO SECTIONS 11, 12, 13 AND 14; AND RUNNING: THENCE S32°00'00"E 158.10 FEET TO A FENCE LINE; THENCE S58°00'00"W, ALONG SAID FENCE LINE, 240.50 FEET; THENCE S32°00'00"E 2098.70 FEET; THENCE S40°31'22"E 548.54 FEET; THENCE N50°16'17"E 235.71 FEET; THENCE S39°43'43"E 233.42 FEET; THENCE N62°20'03"E 65.49 FEET; THENCE N49°49'30"E 366.91 FEET, TO A POINT 10 FEET WESTERLY OF THE CENTERLINE OF A RAILROAD SPUR;

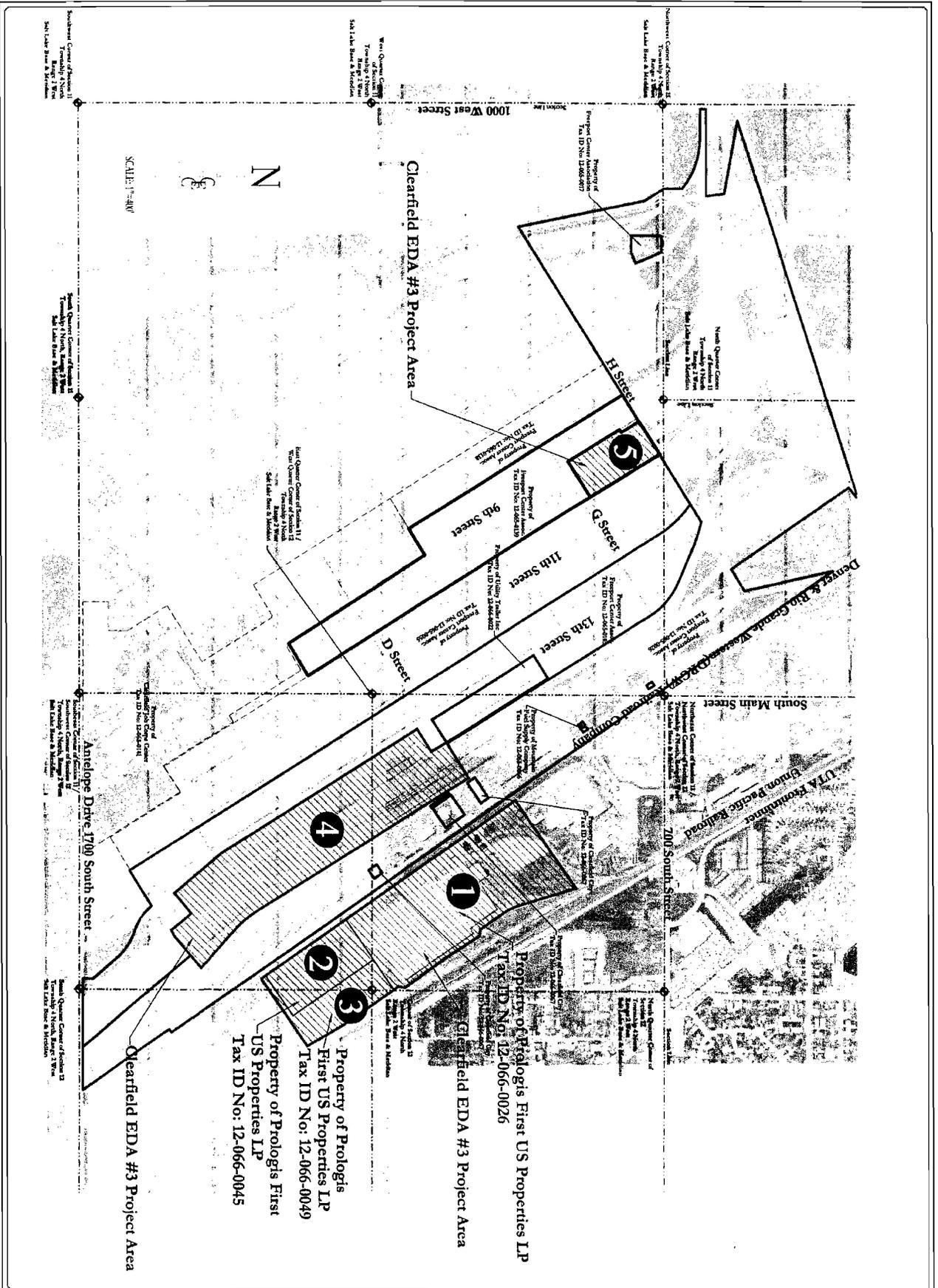
THENCE ALONG A LINE 10 FEET WESTERLY OF THE CENTERLINE OF SAID SPUR THE FOLLOWING TWO (2) COURSES: 1)THENCE N48°44'08"W 434.48 FEET, 2)THENCE ALONG THE ARC OF A 1025.00 FOOT RADIUS CURVE TO THE RIGHT A DISTANCE OF 303.55 FEET (LONG CHORD BEARS N40°15'05"W 302.44 FEET); THENCE N31°46'03"W 2236.29 FEET; THENCE S58°00'00"W 615.29 FEET, TO THE POINT OF BEGINNING. CONTAINS: 1,746,630 SQ. FT. OR 40.10 ACRES.

5) FREEPORT BUILDING H-10

BEING A PART OF THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 4 NORTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN. BEGINNING AT A POINT WHICH IS NORTH 4907.49 FEET, WEST 2668.77 FEET AND N58°02'10"E 276.03 FEET FROM CORNER COMMON TO SECTIONS 11, 12, 13, & 14; AND RUNNING, THENCE N58°02'10"E 347.53 FEET, TO THE NORTHEASTERLY CORNER OF PARCEL #6; THENCE S31°58'30"E, ALONG THE NORTHEASTERLY LINE OF SAID PARCEL, 736.89 FEET; THENCE S58°02'10"W 379.72 FEET; THENCE N31°58'30"W , ALONG THE NORTHEASTERLY LINE OF BUILDING H-9, 544.37 FEET; THENCE N58°01'30"E 32.19 FEET, TO THE WESTERLY EDGE OF A SIDEWALK, THENCE N31°58'30"W, ALONG SAID WESTERLY EDGE OF SIDEWALK AND BEYOND, 192.52 FEET, TO THE POINT OF BEGINNING. CONTAINS: 273,615 SQ. FT. OR 6.28 ACRES.

EXHIBIT B

MAP



SCALE: 1"=400'

N

PROJECT LOCATION
ATK FREEPORT
CLEARFIELD CITY, UTAH
 SHEET: 1 of 1

CLIENT: CLEARFIELD CITY
 PROJECT NUMBER: CC10011
 DATE: ~oct001.dwg

PROJECT LOCATION
ATK FREEPORT
CLEARFIELD CITY, UTAH
 SHEET: 1 of 1

NO.	DATE	BY	REVISIONS

DATE: 12/01/2011
 DRAWN: JLS
 CHECKED: NSM, RT

CIVIL ENGINEERING
 CONSULTANTS, PLLC
 815 SOUTH 1000 WEST
 SALT LAKE CITY, UT 84111

EXHIBIT C

BENEFIT ANALYSIS

Benefit Analysis
ATK Economic Development Project Area

Section 17C-3-103 (2) requires that each Economic Development Plan undertake an analysis of the benefit of any financial assistance or other public subsidy proposed to be provided by the Agency. The analysis is to include the following factors.

- 1) An evaluation of the reasonableness of the costs of the economic development;
- 2) efforts the Agency of developer has made or will make to maximize private investment,
- 3) the rationale for the use of tax increment, including an analysis of whether the proposed development might reasonably be expected to occur in the foreseeable future solely through private investment;
- 4) an estimate of the total amount of tax increment that will be expended in undertaking the economic development and the length of time for which it will be expanded and
 - a) the beneficial influences upon the tax base of the community;
 - b) the associated business and economic activity likely to be stimulated; and
 - c) the number of jobs or employment anticipated to be generated or preserved

I. An Evaluation of the Reasonableness of the Costs of Economic Development

A. Proposed Economic Development Costs

Total available tax increment- 20 years (100%)	\$57,068,520
Pass through to other taxing agencies (69%)	\$39,093,931
Amount requested for Agency use (31%)	\$17,974,587
1. Project area expenditures (90%)	\$16,177,128
2. Administration (10%)	\$1,797,485

The requested increment from the Agency is 31% of the estimated total amount of tax increment to be generated from the private investment. This would pass through to the taxing entities 69% of the new property tax revenue generated by the new development.

A review of other approved Community Development and Renewal Agency projects within Davis County indicates that a higher percentage of participation has been approved. The request for the ATK is reasonable, and a significant portion of the anticipated new revenue will remain for the taxing entities.

The Agency is using 90% of the requested tax increment to pay for project area expenditures. The largest portion of the incentive (80%) is being used to leverage the private capital investment that creates the new property tax. The participation is reasonable when compared to the anticipated private investment that produces the expected \$57 million in property tax revenues over the 20 year period of time.

II. Efforts the Agency Has Made or Will Make to Maximize Private Investment

The anticipated private investment over the 20 year period of time will be over \$100 million. This will include both investment in real property improvements and in personal property improvements. The investment will create an estimated \$57,068,520 in new property tax revenues.

The requested participation amount by the Agency to attract the private investment and the new job growth is \$17,974,587; this represents a ratio of 3 to 1. For every dollar of tax increment requested there would be three dollars of private investment. ATK is requesting the economic development incentive in order to support the project, in order for the project to be economically viable. Without the provision of economic development incentives the project would not be located in Utah, and the new investment and job creation would be lost. The incentive appears to be a catalyst for the private investment.

III. Rationale For Use of Tax Increment Financing, Including an Analysis of Whether the Proposed Development Might Reasonably be Expected to Occur in the Foreseeable Future Solely Through Private Investment.

Due to the large capital investment, required return on the private investment, the requirement of the State of Utah for the local entity to participate in the development, and the need to be competitive, tax increment participation is required. The proposed incentive is being used in order for the company's project to be economically viable.

It is not reasonable to assume a company that will invest a significant private investment and create high paying jobs, without a private/public partnership. Without the provision of economic development incentives the project would not be able to move forward and the company would consider moving the

investments and jobs to a state willing to participate in a private/public partnership for economic development.

IV. An Estimate of the Total Amount and Length of Time that the Tax Increment Financing Will be Required to Undertake the Economic Development Proposed.

The Clearfield City Community Development and Renewal Agency has prepared a project area plan that allows for a portion of the tax increment to be generated within the project area, to be diverted to the Agency. The plan and project area budget includes the following information:

Base Year: 2010

Project Period: 20 Years

Estimated Length of Time of Tax Increment: 20 Years

Estimated Length of Time for Capital Investment: 20 Years

The company anticipates to begin installation of equipment and remodeling of existing buildings in the 4th quarter of 2010, and will continue to invest over a 20 year period of time.

The Agency is requesting up to 75% of the tax increment for a period of 20 years or until the development incentive of \$14,185,000 is paid. An analysis of the investment information provided by ATK indicates the incentive could be paid back within 12 years at the requested 75% participation. Should the private investment meet the investment schedule, the project area length of time would be reduced and 100% of the increment would be delivered to the taxing entities. This would result in a participation rate of 69% diversion to the taxing entities and 31% to the Agency.

V. Description of the Number of Jobs or Employment Anticipated to be Generated as a Result of the Economic Development.

It is anticipated the project investment and expansion will produce 802 new jobs over the 20 year period. The average wage rate will exceed 125% of the Davis COunty wage for each year, for 2010 this wage rate is \$35,831. It is estimated over 50% of the jobs will be created within the first 5 years of the expansion program.

VI. A Description of the Associated Business and Economic Activity to be Stimulated by the Economic Development.

It is anticipated that the ATK facility will indirectly purchase local goods and services related to their operations from local or regional suppliers. This will likely increase employment opportunities in the related businesses of maintenance and repair, packaging supplies, office and printing services, warehousing, transportation, and delivery services. This represents a major economic development impact on the region and State of Utah.

Associated business and economic activity or the "indirect" and "induced" business impacts of a project or facility are often referred to as multiplier effects; since they can make the overall economic impacts substantially larger than the direct effects alone.

Employment multipliers are estimates of the effect specific projects or policies have on local spending and employment. Thus the impact on employment and spending created by the proposed ATK development may be estimated for:

- the direct impact for the jobs produced by the business itself
- indirect effects occur to industries that supply the primary business
- induced effects that result from household spending of the additional income received from the new job increase salary of a new job.

Direct- Jobs to be provided by development		802
Indirect impact on other basic employment	16%	129
Total Direct and Indirect jobs		932
Induced new jobs	1.70	158
Total employment increase from development		1,090

It is anticipated that indirect jobs are likely to be created by the ATK development, these include new construction jobs, and employment opportunities in the related businesses that services ATK. These jobs will also be paid at less of a wage than those jobs to be generated by the ATK development. The new induced impact or multiplier jobs will be regionally located.

The assumption that the new workers and capital can be attracted (providing for the multiplier effect) is a reasonable assumption for local areas that are not enjoying full employment. The multiplier values for most industries are generally around 2.5-3.5 for national impacts, 2.0-2.5 for state impacts, and 1.5-2.0 for local area impacts. The impact selected for this development is based on the current unemployment rate for the city, the type of direct jobs to be created, the wage rate of the direct jobs, and the type of industry.

This employment is directly dependent on the schedule of the ATK development. If build out is delayed or extended, employment will also be delayed and possibly reduced.

The anticipated value of the direct and indirect value of the estimated jobs to be created, for purchasing the supplies and services within the economy is \$62,766,592 for the direct jobs and \$10,283,497 for the indirect jobs.

Total direct employees	802
Total direct wages	\$62,766,592
Total indirect employees	287
Average Davis Co wage 2015	\$35,831
Total indirect wages	\$10,283,497
Total business and economic activity	\$73,050,089

VII. A Description of the Beneficial Influences Upon the Tax Base of the Community as a Result of the Economic Development Within the Project Area.

The economic development project area will improve the tax base of all taxing entities that currently levy a certified tax rate on property located within the project area. The estimated value of the increased property tax is as follows, and is based on a 2010 certified tax rate.

Davis County School District	\$30,405,219
Davis County	\$9,004,524
Clearfield City	\$6,612,431
North Davis Fire	\$5,100,286
North Davis Sewer	\$3,259,227
Weber Basin Water	\$ 803,060
Davis County Mosquito	\$ 397,258
County Library	\$1,486,515
TOTAL	\$57,068,520

The formation of the economic development project area will temporarily divert a portion of the increase property taxes to the Clearfield City Community Development Renewal Agency. This can only be accomplished if approved by the Taxing Entity Committee. If the proposed budget is approved the following amounts would be temporarily diverted to the Agency.

Davis County School District	\$9,576,000
Davis County	\$2,836,110
Clearfield City	\$2,082,684
North Davis Fire	\$1,606,412
North Davis Sewer	\$1,026,543
Weber Basin Water	\$ 252,936
Davis County Mosquito	\$ 125,123
County Library	\$ 468,200
TOTAL	\$17,974,587

If approved this diversion would result in 31% of the increase, resulting from the development being passed through to the Agency for use in stimulating the economic growth. This would leave 69% or \$39,093,931 of new property tax value for the taxing entities

	<u>Total</u>	<u>Diversion</u>	<u>Balance</u>
Davis County School Dist.	\$30,405,219	\$9,576,100	\$20,828,639
Davis County	\$9,004,524	\$2,836,110	\$6,148,413
Clearfield City	\$6,612,431	\$2,082,684	\$4,529,746
North Davis Fire	\$5,100,286	\$1,606,412	\$3,493,874
North Davis Sewer	\$3,259,227	\$1,026,543	\$2,232,685

Weber Basin Water	\$ 803,060	\$ 252,936	\$ 550,124
Davis Co. Mosquito	\$ 397,258	\$ 125,123	\$ 272,135
County Library	\$1,486,515	\$ 468,200	\$1,018,315
TOTAL	\$57,068,520	\$17,974,587	\$39,093,931

In addition to an increase in property tax revenue for all taxing entities, Clearfield City will see gains in sales tax from the indirect and direct wage increase, and some gain in its franchise tax revenue from the development and location of ATK in the prologis building and the expansion of its facilities at Freeport.

VIII. Sufficient Development Data to Identify a Multi-Year Budget for the Proposed Economic Development Plan and the Income Stream for Projected "New" Tax Increment.

The property tax scheduled, prepared in section 7 above, indicates sufficient project revenue will be provided by the proposed development to cover the incentive and other proposed expenses outlined in the project area budget. A summary of the expenditures are as follows:

Development incentive	\$14,185,227
Public improvements	\$1,991,901
Administrative fee	\$1,797,587
TOTAL	\$17,974,587

A copy of the multi-year tax increments projections, and development absorption schedule is attached to this analysis.

IX. Analysis of Amortization Schedule, Showing Ability of Agency to Pay Any Bonds That May be Issued.

No bonds will be issued by the Agency, that would require an amortization schedule.

X. Analysis of the "Risk" to the Community Development Agency and Other Taxing Entities

Risk analysis is a systematic approach for describing and/or calculating risk generally involves the identification of undesired events, and the causes and consequences of these events. Essentially it involves trying to anticipate what can go wrong, why, and what can be done if it does happen.

Risk arises out of uncertainty. It is the exposure to the possibility of such things as economic or financial loss, gain, or delay. The concept of risk has two elements, the likelihood of something happening and the consequence if it happens.

For the purpose in the Benefit Analysis, the risk is confined to the financial risk associated with the proposed ATK development. The risks have been identified by the consultant, and have been evaluated to determine the likelihood. Consequences, and level of risk with each potential event to further assess the relative priority of each event. The following matrix identifies the risks.

Risk Event	Likelihood Rating	Potential Economic Impact To City	Adequacy of Existing Risk Reduction Measures	Consequence Rating	Level of Financial Risk to City	Level of Risk to Taxing Entities
EDA is not established and no facility is built	Low	Significant	Good	Significant	Low	None
EDA is established and no facility is built	Low	Significant	Good	Significant	Low	None
EDA is established and facility is partially built	Low	Significant	Good	Significant	Low	None
EDA is established and facility is built, but does not produce anticipated value within 20 years	Moderate	High	Good	Significant	Low	Low
EDA is established and facility is built and operates over 20 years	High	High	Good	Significant	Low	Low

For purposes in the risk analysis, the consultant used the following "industry standard" definition of risks:

- Severe risk- Must be managed by senior management with a detailed plan;
- High risk- Detailed research and management planning required at senior levels;
- Major risk- Senior management attention is needed;
- Significant risk- Management responsibility must be specified;

- Moderate risk- Manage by specific monitoring or response procedures;
- Low risk- Manage by routine procedures; and
- Trivial risk- Unlikely to need specific application of resources.

Risk Analysis Conclusion:

The risk to the Community Development and Renewal Agency, and the other taxing entities is minimal. If ATK invests in the necessary buildings and improvements but then closes or moves, there would be impact due to the loss of jobs, and loss of property tax increment for any equipment that may not be attached to any building. However, with the loss there would still be a gain due to the improvements to buildings. The incentive is performance based, meaning it has to be produced each year, by the required investment being made by the company. The Agency will protect itself and the other Taxing Entities by requiring the investment and jobs to be created each year, before the incentive is given.

If the project proceeds as planned, the Agency and other taxing entities will receive an excellent return on their investment due to new revenues and the maintenance of a significant number of well paying jobs.

Conclusion of Benefit Analysis:

The following has been determined by the consultant:

- The Economic Development Project Area- The proposed development by ATK meets the requirements set forth in Sections 17C-3-103 (1.) (I), 17C-3-103 (2) and 17C-1-102 (16) Utah Code Annotated 1953 as amended, which was enacted to encourage economic growth, development, and create new jobs for the State of Utah.
- The proposed project meets the detailed Benefit Analysis requirements as set forth in the Code, as of the date the project area was adopted.
- The proposed ATK economic development project is being built, and is contingent on tax increment being provided by the Clearfield Community Development and Renewal Agency.
- The analysis has evaluated the reasonableness of the economic development costs and finds that the costs are reasonable for the type of development proposed. The private investment has been maximized, and the incentive is reasonable and protected.

There are substantial economic benefits associated with the proposed economic development project, including the following;

- Creation of 802 new jobs. The majority of these jobs will be recruited locally. The average salary of the new jobs being created is 218% above the 2010 average job wage for Davis County.
- Provides an expected increase in direct purchases in Clearfield City and the Davis County Area.
- Encouragement of economic development in order for an existing private employer to expand their operation and offer higher paying jobs.
- Complements existing businesses and industries located within the Freeport Industrial Park.
- Provides an increase in wage rates within the County that will result in a higher spending rate and increase income tax for the State of Utah.

EXHIBIT D

PROJECT AREA BUDGET

ATK Economic Development Project Project Area Budget

The purpose of the Project Area Budget is to provide the financial framework necessary to implement the project are plan. The following information will detail the sources and uses of tax increment needed to understand the mechanics of the Project Area Budget.

Basic Year Value- The Base Year Value, including real and personal property is estimated to be \$81,056,000

Participation Amount and Time

The Agency is requesting 75% of the tax increment generated within the project area for 20 years or until the developer incentive has been paid, whichever comes first.

Projected Tax Increment Revenue- Total Generation

The total amount of tax increment to be generated within the proposed project area over a 20 year period of time is estimated to be \$57,068,520, or \$51,607,221 NPV. Based on 2010 certified tax rates the following is the estimated tax increment to be generated for the taxing entities within the ATK Economic Development Project Area.

<u>Entity</u>	<u>Total Amount</u>
Davis County	\$9,004,524
Davis School District	\$30,405,219
Clearfield City	\$6,612,431
Weber Basin Water	\$ 803,060
North Davis Sewer	\$3,259,227
North Davis Fire	\$5,100,286
Davis County Mosquito	\$ 397,258
County Library	\$1,486,515
TOTAL	\$57,068,520

Use of Tax Increment

The Agency will utilize \$17,974,587 of the estimated property tax increment to implement the Project Area Plan. The majority of the tax increment will be used to provide development incentives to ATK. Other uses of the tax increment include on and offsite public infrastructure to accommodate development in the Project Area. The Agency is requesting a ten percent (10%) administration fee.

<u>Uses</u>	<u>Percent</u>	<u>Amount</u>
Developer Incentive Fund	80%	\$14,185,227
Public Infrastructure	10%	\$1,991,901
Administrative Fee	10%	\$1,797,458

All taxing entities that receive property tax generated within the Project Area will share a portion of that increment generation with the Agency. The Agency is requesting 75% of all tax increment to be generated within the Project Area to be passed through to the Agency to participate in the uses detailed above. If approved, the following amounts of increment would be passed through by each taxing entity.

<u>Entity</u>	<u>Participation Amount</u>
Davis County	\$2,836,110
Davis School District	\$9,576,580
Clearfield City	\$2,082,684
Weber Basin Water	\$ 252,936
North Davis Sewer	\$1,026,543
North Davis Fire	\$1,606,412
Davis County Mosquito	\$ 125,123
County Library	\$ 468,200
TOTAL PASS THROUGH	\$17,974,587

Projected Tax Increment Available for Taxing Entities

All taxing entities will receive a portion of their respective property tax increment generated with the Project Area during the duration of the Budget, and all tax increment after the incentive and other uses have been paid to the Agency. The following are the estimated amounts of property tax increment to be available to the taxing entities.

<u>Entity</u>	<u>Available Tax Increment</u>
Davis County	\$6,168,413
Davis School District	\$20,828,639
Clearfield City	\$4,529,746
Weber Basin Water	\$ 550,124
North Davis Sewer	\$2,232,685
North Davis Fire	\$3,493,874
Davis County Mosquito	\$ 272,135
County Library	\$1,018,315
TOTAL	\$39,093,931

A multiyear projection of tax increment with development assumptions is included in Appendix A.

Bid #2011B-06 - Clearfield Road Striping 2011

Creation Date **Jun 22, 2011**

End Date **Jul 12, 2011 2:00:00 PM MDT**

Start Date **Jun 24, 2011 12:41:25 PM MDT**

Awarded Date **Not Yet Awarded**

2011B-06--01-01 Clearfield City Road Striping 2011					
Supplier	Unit Price	Qty/Unit	Total Price	Attch.	Docs
Interstate Barricades	First Offer - \$0.00	1 / each	\$0.00		
Product Code: Agency Notes:			Supplier Product Code: Supplier Notes:		
MOUNTAIN WEST STRIPING	First Offer - \$0.08	1 / each	\$0.08		
Product Code: Agency Notes:			Supplier Product Code: Supplier Notes: we can give you a lump sum price when we know the quantity's. I have tried to call and have not had any returned phone calls.		
Morgan Pavement	First Offer - \$20,858.00	1 / each	\$20,858.00		
Product Code: Agency Notes:			Supplier Product Code: Supplier Notes:		
all star striping	First Offer - \$31,754.00	1 / each	\$31,754.00		
Product Code: Agency Notes:			Supplier Product Code: Supplier Notes:		

Supplier Totals

Interstate Barricades		\$0.00
Bid Contact Brett Ferrin jenna@interstatebarricades.com Ph 801-546-0220	Address 858 N. McCormick Way Layton, UT 84041	
Bid Notes See attached estimate for pricing.	Agency Notes:	Supplier Notes: See attached estimate for pricing.
MOUNTAIN WEST STRIPING		\$0.08
Bid Contact Justin Woudenberg justin@utahbarricade.com Ph 801-977-0841	Address 3180 SOUTH REDWOOD ROAD WEST VALLEY, UT 84119	
Agency Notes:	Supplier Notes:	
Morgan Pavement		\$20,858.00
Bid Contact Tres Smith tsmith@morganpavement.com Ph 801-544-5947 Fax 801-416-8061	Address P.O. Box 190 Clearfield, UT, UT 84098	
Agency Notes:	Supplier Notes:	
all star striping		\$31,754.00
Bid Contact ben rogers ben@allstarstriping.com Ph 801-755-8587 Fax 801-399-2299	Address po box 3225 ogden, UT 84409	
Agency Notes:	Supplier Notes:	

**All bids/proposals submitted for the designated project are reflected on this tabulation sheet. However, the listing of the bid/proposal on this tabulation sheet shall not be construed as a comment on the responsiveness of such bid/proposal or as any indication that the agency accepts such bid/proposal as being responsive. The agency will make a determination as to the responsiveness of the vendor responses submitted based upon compliance with all applicable laws, purchasing guidelines and project documents, including but not limited to the project specifications and contract documents. The agency will notify the successful vendor upon award of the contract and, as according to the law, all bid/proposal responses received will be available for inspection at that time.



INTERSTATE BARRICADES

858 N. McCormick Way Layton, UT 84041
(801) 546-0220 | (801) 546-0233 fax
www.interstatebarricades.com

Estimate

Date	Estimate #
7/12/2011	4638

Name/Address:

Clearfeild City
Attn: Kim Dabb

Project:

Bid No 2011B-06
Clearfield Road Striping 2011

Estimator

Brandon Hardison

Item #	Work or Materials	Quantity	UoM	Unit Price	Total
1	4" Pavement Marking Paint	112,000	LF	0.073	8,176.00
2	Pavement Marking Paint (Stop Bars, Crosswalk-12 Inch)	2,200	LF	1.00	2,200.00
3	Pavement Message Paint	305	Each	15.00	4,575.00
<p>NOTES:</p> <ul style="list-style-type: none"> -Quantities are based on what was billed last year. City to be billed for actual amount of product put down. -Messages to be billed Each as per UDOT standard measurement and payment. -Follow Truck with early warner system included in bid pricing for mainline striping. -Due to National paint shortages, completion of work to be based on availability of paint & glass beads from manufacturers. Contact us as soon as possible for scheduling of project and availability of product. -50 degrees and rising temperatures required for permanent paint application as per manufacturer's recommendations. 					

Total**\$14,951.00**

CLEARFIELD CITY RESOLUTION 2011R-13

A RESOLUTION APPROVING AN INTERLOCAL COOPERATIVE AGREEMENT BETWEEN LAYTON CITY AND CLEARFIELD CITY CULINARY WATER AND STORM WATER DRAINAGE UTILTIY SERVICES FOR NEW LAYTON BUILDING (1700 NORTH 2200 WEST, LAYTON, UT)

WHEREAS, Layton has a proposed development known as NES Layton Building, which is contiguous to the common boundary with Clearfield; and

WHEREAS, Layton does not have all the necessary utilities available to the development, namely culinary water and storm water drainage; and

WHEREAS, Layton and Clearfield are desirous of cooperating in providing necessary utilities along and near the common boundaries; and

WHEREAS, because of the availability of culinary water and storm water drainage facilities, it is more economical and convenient for the NES Layton Building property in Layton to be serviced through Clearfield rather than Layton at the present time, and it is not expedient for Layton to develop these utilities at this time; and

WHEREAS, an Interlocal Cooperation Agreement is necessary to govern the terms and conditions under which Clearfield will provide the maintenance and oversight of said utilities; and

WHEREAS, the Clearfield City Council has reviewed the attached Interlocal Cooperation Agreement and finds that it is able to cooperate with Layton to provide said utilities.

NOW THEREFORE BE IT RESOLVED, by the Clearfield City Council, that the attached Interlocal Cooperation Agreement is approved and the Mayor is hereby authorized to execute the agreement.

DATED this 25th day of May, 2010.

CLEARFIELD CITY CORPORATION

Donald W. Wood, Mayor

ATTEST:

Nancy R. Dean, City Recorder

VOTE OF THE COUNCIL

AYE:

NAY:



CITY COUNCIL

STAFF REPORT

AGENDA
ITEM #

TO: Honorable Mayor and Council

FROM: Valerie Claussen, MPA, AICP
Acting Community Development Director
vclaussen@clearfieldcity.org (801) 525-2785

MEETING DATE: July 26, 2011

SUBJECT: Discussion and Possible Action on an Interlocal Agreement with Layton City to provide storm drain and culinary water services for a property located at 1626 N 2200 West in Layton (TIN: 10-041-0025), referred to as the NES Layton project.

RECOMMENDATION

Move to **approve** the interlocal agreement with Layton for the NES Layton project and authorize the Mayor's signature to any necessary documents.

PROJECT SUMMARY

Project Information	
Project Name	NES Layton
Site Location	1626 N 2200 West, Layton, UT
Tax ID Numbers	10-041-0025
Applicant	Layton City Public Works/Engineering Steve Jackson
Owner	Troy Salmon Salmon HVAC
Proposed Actions	Inter-local Agreement for culinary water and storm drain utility services
Gross Site Area	1.70 acres (74,153 SF)
Proposed Building Size	5,400 square feet

Vicinity Map



BACKGROUND

The site is located at the Clearfield-Layton city boundary south of 1700 South (Antelope Drive) and on the east side of 1000 East/2200 West (Layton). The railroad runs along the eastern side of the triangular shaped parcel and directly across the street to the west is Demetro Drive, one of the entrances to the Chelemes Farm Subdivision.

On May 31, 2011 the Community Development and Public Works Departments received a formal request from Layton City for the consideration of providing culinary water and storm drain utility services to this development. Given current locations of Layton City systems and infrastructure, it becomes cost prohibitive to serve the property at this time, with all the essential utilities, specifically the water and storm drain.

In the following weeks the City coordinated civil improvement plan reviews with Layton. Layton completed a review to assure they would be able to approve what was proposed, and then

Clearfield was provided the opportunity for a review. The review consisted of the same process with the same standards imposed as any other Site Plan request that lies within the City's jurisdiction. Layton then proceeded to a second review of the revisions Clearfield required, and at this point in time, both cities have approved the civil improvement plans. In addition, Layton City has included Clearfield on discussions with the applicant and will continue with the coordination of inspections at the time of construction and the hook-ups to the City's systems.

An inter-local agreement would have to be entered to be able to provide Clearfield City utility services to the property located in Layton city limits.

DISCUSSION

Interlocal Agreement

Public Works, Community Development and the City Attorney have all reviewed the interlocal agreement (*See Attachment 1: Interlocal Agreement*). Although the agreement is between Layton and Clearfield cities, it does include items that must also be addressed by the developer. They have been included to provide a detailed record of what the City's expectations are as this is the opportunity for Clearfield to do so. In addition to Layton approval and signature of the Interlocal Agreement, they will be processing agreements (i.e. Development Agreement) they deem necessary for the further enforcement of the development of this property with the developer.

The major items addressed in the Interlocal Agreement are the culinary water services and the storm drain. Water services are considered "temporary" as that at the time Layton water services are available the property owner, at his expense will hook-up to Layton water services. Storm drain services are not temporary, as determined through the reviews and discussion the regional storm drain system, whether in Clearfield or Layton, it eventually ends up in the same place and would be unnecessary to hook-up to Layton in the future.

Some concerns with the fashion in which the second phase will be developed were raised through the course of the Site Plan review. One measure to address this was by requesting the developer to install a six foot high vinyl fence for screening prior to the issuance of a certificate of occupancy. This is indicated on Layton City's approved plans. For further assurances, the interlocal agreement also states that Clearfield reserves the right for Site Plan review at the time of the second phase being developed to verify capacity, and if upgrades are required, it is at the expense of the developer. The escrow for improvements is held with Layton City, however, the inspections and final releases will continue to be coordinated, just as the civil improvement plans were.

ATTACHMENTS

1. Interlocal Agreement
2. Site Plan

INTERLOCAL COOPERATIVE AGREEMENT

for

Utility Services at NES Layton Building (1700 North 2200 West, Layton, UT)

This agreement is entered into this _____ day of _____, 2011, by and between Layton City, a Utah municipal corporation, hereafter referred to as “Layton” and Clearfield City, a Utah municipal corporation, hereafter referred to as “Clearfield.”

WHEREAS, Layton has a proposed development known as NES Layton Building, which is contiguous to the common boundary with Clearfield; and

WHEREAS, Layton does not have all the necessary utilities available to the development, namely culinary water and storm water drainage, and Clearfield agrees that they will provide these two utilities; and

WHEREAS, Layton and Clearfield are desirous of cooperating in providing necessary utilities along and near the common boundaries; and

WHEREAS, because of the availability of culinary water and storm water drainage facilities, it is more economical and convenient for the NES Layton Building property in Layton to be serviced through Clearfield rather than Layton at the present time, and it is not expedient for Layton to develop these utilities at this time; and

WHEREAS, pursuant to the authority and provisions of the Interlocal Cooperation Act, Title 11, Chapter 13 of the Utah Code Annotated, Layton City and Clearfield City are willing to cooperate in planning for and implementing a method for efficiently providing storm water collection and culinary water services, and provide for the maintenance and oversight of said utilities.

NOW, THEREFORE, the parties agree as follows:

1. **Culinary Water Service.** NES Layton Building, located at 1700 North 2200 West, and as shown on Exhibit “A” (parcel ID no. 10-041-0025) will be allowed by Clearfield to connect to the Clearfield Culinary water system for the purpose of providing domestic water service, which includes water for fire protection. The water shall be metered as required by Clearfield and the costs thereof shall be paid to Clearfield by NES Layton Building. The developer’s Engineer and Layton City will determine the size requirements of the culinary water service line so as to provide the necessary volume of water for the domestic service as well as fire protection, subject to review and final approval by Clearfield City.

If it is determined that culinary water system improvements are necessary to provide adequate domestic and fire service, the costs of those improvements shall be at the expense of NES Layton Building and not Layton or Clearfield. Clearfield may also require that any fire lines be metered. Clearfield will exercise its same standard of care for the maintenance of its facilities servicing this property.

At the time when Layton culinary water service becomes available to the property, the property owners, at their own expense shall connect to Layton City culinary water system. Clearfield City shall inspect to verify that appropriate disconnection and capping for the Clearfield lines have occurred. At the time of connection, the property owner is responsible to pay Clearfield City, based on a one-inch meter, \$265 for the meter and an estimated amount of \$9,556 for culinary water impact fees, and will be responsible for the payment of Clearfield City's monthly culinary water utility fees.

2. **Fire Protection.** Layton shall provide fire protection to NES Layton Building. Therefore, the Layton City Fire Department shall determine the placement of all fire hydrants on the site. Layton City Fire shall also determine the required fire flow for the development. Clearfield will evaluate their system's capacity to deliver the required fire flow by use of computer model. The necessary on-site fire flow testing will be conducted by a licensed engineer and all costs associated with any testing, evaluation, or system improvements necessary to provide the required flow shall be at the expense of NES Layton Building.
3. **Storm Drainage.** Clearfield will allow NES Layton Building to connect to the Clearfield storm drainage system. Clearfield will be responsible to determine the allowable volume of storm water discharge. Clearfield will also determine the required on-site storm water detention. Clearfield will exercise its same standard of care for the maintenance of its facilities servicing this property. At the time of connection, the property owner is responsible to pay the Clearfield City storm water utility impact fee, based on the site area of 74,153 square feet (with 30% reduction) an estimated amount of \$27,525.90, and will be responsible for the payment of Clearfield City's monthly storm water utility fees.
4. **Future Development.** Connection of utility services is limited to the parcel identified on Exhibit "A" only. Clearfield City reserves the right for site plan review of the second phase at time of development, to ensure the utility services will be sufficient to serve this phase. Should the second phase development cause an increase in services to the extent that system upgrades are required (as determined by Clearfield) to accommodate the proposal, any such improvements shall be at the property owner's expense and the anticipated increase in demand shall be subject to Clearfield's impact fees then in effect.
5. **Conditions for Utility Connection.** Prior to utility connection, all application, project review, and impact fees shall be paid in full and the property owner must establish an account for utility services with Clearfield. Additionally, fencing as shown on construction documents, including the approved site plan, shall be installed prior to Layton issuing a certificate of occupancy for the building.
6. **Terms.** This Agreement shall remain in effect for Fifty (50) years. It may be modified at any time by written agreement of the parties. This Agreement may be renewed at any time upon written agreement by the parties.

Executed on the day and date above.

LAYTON CITY

CLEARFIELD CITY

Mayor

Mayor

ATTEST:

ATTEST:

Reviewed and approved as to proper form
and compliance with applicable law.

Reviewed and approved as to proper form
and compliance with applicable law.

City Attorney

City Attorney



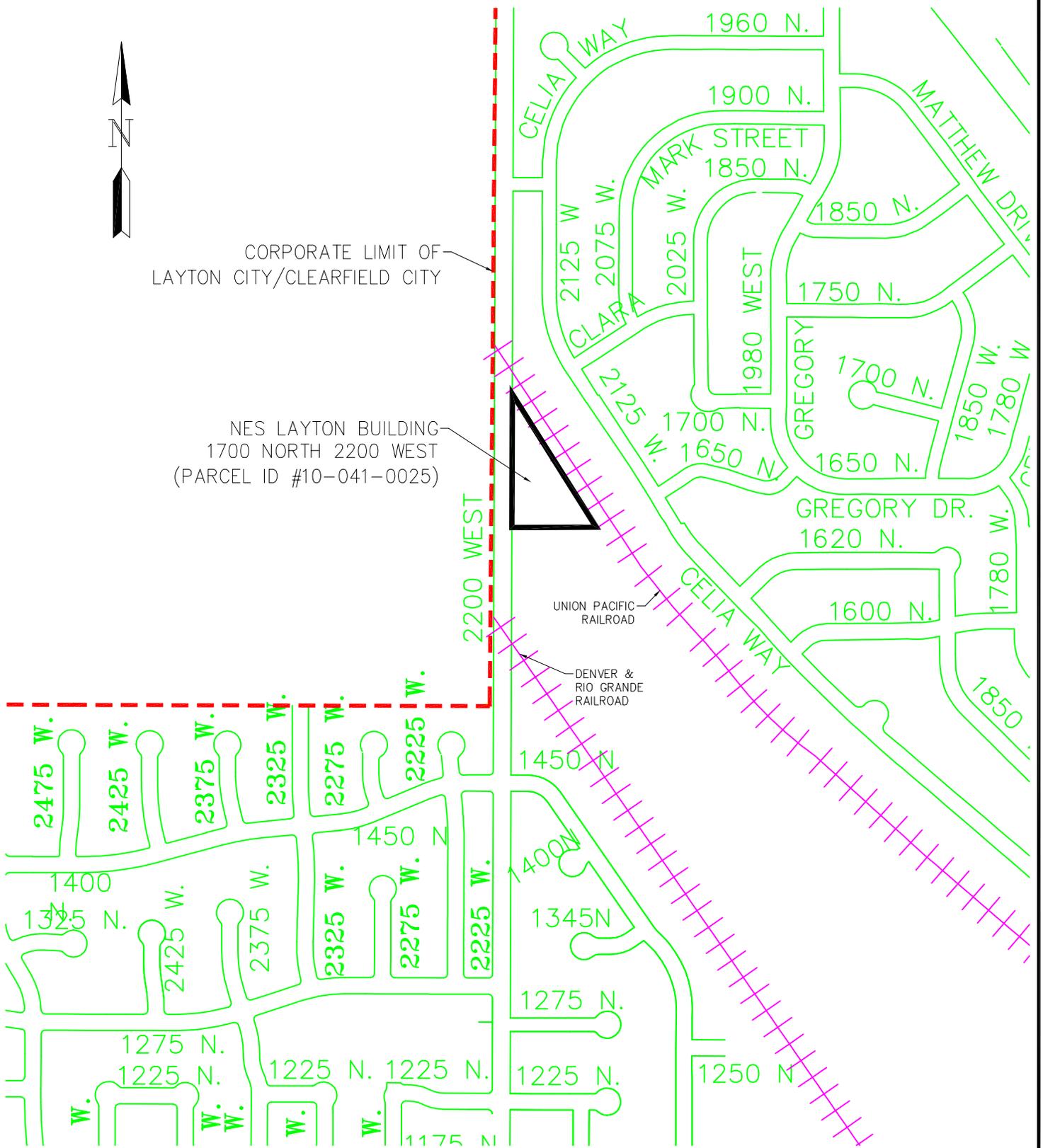
CORPORATE LIMIT OF
LAYTON CITY/CLEARFIELD CITY

NES LAYTON BUILDING
1700 NORTH 2200 WEST
(PARCEL ID #10-041-0025)

2200 WEST

UNION PACIFIC
RAILROAD

DENVER &
RIO GRANDE
RAILROAD



REVISION	BY	DATE

DESIGNED BY	DATE	HORIZONTAL SCALE
DRAWN BY	DATE	VERTICAL SCALE
APPROVED BY	DATE	VIEW NAME

1" = 500'

ATTACHMENT A
NES LAYTON BUILDING
1700 NORTH 2200 WEST, LAYTON, UT

DRAWING #
1
OF
1

CLEARFIELD CITY RESOLUTION 2011R-14

A RESOLUTION ADOPTING A NEW OFFICIAL CORPORATE SEAL FOR CLEARFIELD CITY

WHEREAS, Clearfield City Corporation has traditionally used a City Logo to assist in efforts to market and brand the City to residents and businesses; and

WHEREAS, the Clearfield City Council adopted 2011R-04 on April 12, 2011, updating and approving the use of a new City logo; and

WHEREAS, the Clearfield's official corporate seal currently encompasses the old City logo;

NOW THEREFORE BE IT RESOLVED, by the Clearfield City Council that:

1. The Official Corporate Seal of Clearfield City be changed and adopted to become that seal that appears on this document.
2. That this seal be affixed and used by the City as its official corporate seal of record.
3. That the seal be in the custody and care of the City Recorder and used only, and as specified, by Utah Law, Code and Custom.

Passed and adopted at the Clearfield City Council meeting held on July 26, 2011.

Dated this 26th day of July, 2011.

ATTEST

CLEARFIELD CITY CORPORATION

Nancy R. Dean, City Recorder

Don Wood, Mayor

VOTE OF THE BOARD

AYE:

NAY:



Clearfield City's Down Payment Assistance Program

Administered by Davis Community Housing Authority

July 2011

The Davis Community Housing Authority (DCHA) will be administering Clearfield City's Down Payment Assistance (CCDP) funds. This program is a federally funded grant program that will assist qualified first time home buyers with a maximum grant amount of ~~\$5,000~~ \$3,000 to assist with closing costs or down payment. The home must be a detached single-family dwelling; townhomes, condominiums, and other attached multiple-family residences are not eligible. The home must be located in Clearfield City and must be owner occupied.

Applicants must be at or below the applicable income limits and be first time home buyers. Definition of a first time home buyer is an individual, and his or her spouse who have not owned a home during the 3-year period ending on the date of purchase of property. The term first-time home buyer also includes a displaced homemaker or a single parent who has only owned a home with a spouse.

Applicants who meet the necessary qualifications will receive their grant on a first come, first serve basis. In order to qualify, the applicant must complete all requirements as outlined in the application instructions.

These funds will be given out on a 3 to 1 match. Example: Applicant will provide \$500.00 of their money and the CCDP will contribute \$1,500.00.

The maximum amount that can be obtained from the CCDP is ~~\$5,000.00~~ \$3,000.00.

Repayment requirements: Any funds received through this program will be forgiven at a declining rate over a seven-year residency requirement period. During the required time of residency, 10% for each year of residency will be forgiven over a period of six years with the remaining 40% balance credited after the full seven years of residency is completed. To receive these credits, Buyer(s) will be required to provide proof of residency in the form of utility billings and property tax notices for each year. No credit will be awarded without proof of residency as described above.

The applicant must complete a Housing and Urban Development (HUD) approved homebuyer education class and provide a certificate of completion.

An applicant must receive an approved fixed-rate FHA, VA, or conventional loan. The applicant's Title Company or closing agent must be willing to execute and provide the DCHA with all the real estate documents. A list of instructions will be provided to the agency responsible for conducting the closing transaction. It is the applicant's responsibility to ensure that all documents are properly prepared and forwarded to the DCHA in a timely manner.

The grant provided through this program shall be repaid, to Clearfield City, by the buyer(s), as described above, if the buyer(s) sell, exchange, transfer title, obtain a second mortgage, or decide to refinance for any reason. All grants are non-assumable and no subordinations subsequent to initial financing. **Clearfield City must hold second priority trust deed on the property.** Exceptions: under some circumstances the home owner may qualify for refinancing, with prior authorization from the Clearfield City CDBG Coordinator.

A Visual Assessment must be completed by the DCHA on all homes for health and safety concerns, and for Lead Based Paint concerns for homes built prior to 1978, as outlined in "Attachment A", if the home was built prior to 1978 a representative from DCHA shall perform a Visual Assessment to determine whether there are deteriorated paint surfaces present that could be a potential hazard to occupants. If potential hazardous Lead Based Paint conditions exist, the Seller and/or Buyer must take actions to remove the

hazardous conditions, pursuant to HUD guidelines. The Visual Assessment is required by the federal government in order to alert homebuyers to potential health and safety concerns as well as potential lead-based paint dangers prior to the closing. Federal funds may be withheld if certain problems exist and the seller and/or buyer do not wish to mitigate them. The seller or buyer, however, is free to complete the transaction without federal assistance. The homebuyer is encouraged to have a professional inspection regardless of the visual assessment conducted by the DCHA. The visual assessment is not intended to determine the nature and extent of health and safety problems, nor does it determine if unseen problems exist in the home.

Clearfield City's Down Payment Assistance Eligibility Criteria

1. Complete all of the attached CCDP application instructions.
2. Applicant(s) must meet Income Eligibility for his/her household size. Applicant must have yearly combined household income equal to or less than the following. DCHA will use current income documents provided at the time of application to determine income eligibility.

<u>Household Size</u>	<u>Maximum Yearly Income</u>
1 Person	\$39,550
2 Person	\$45,200
3 Person	\$50,850
4 Person	\$56,500
5 Person	\$61,050
6 Person	\$65,550
7 Person	\$70,100
8 Person	\$74,600

(The Above figures represent 80% Area Median Income Limits (AMI) FY 2011 and are subject to change)

3. Applicant(s) must be a U. S. Citizen or Resident Alien and be 18 years of age or older.
4. Must be a first-time homebuyer. A first-time home buyer is an individual, and his or her spouse who have not owned a home during the 3-year period ending on the date of purchase of property. The term first-time home buyer also includes a displaced homemaker or a single parent who has only owned a home with a spouse. The home shall also be owner occupied.
5. Eligible Boundaries: Within Clearfield City.
6. Eligible properties must be zoned for residential use only and are limited to a detached single-family dwelling; townhomes, condominiums, and other attached multiple-family residences are not eligible.
7. Applicant must contribute a minimum \$500.00 of their own money towards the down payment or closing costs. Grant amount from the CCDP shall not exceed ~~\$5,000~~ \$3,000. These funds will be given out on a 3 to 1 ratio.

Any funds received from this program must be applied to the down payment and/or closing costs. Any funds received through this program will need to be repaid to Clearfield City if the owner moves within 7 years of the date of closing. During the required time of residency, 10% for each year of residency will be forgiven over a period of six years with the remaining 40% balance credited after the full seven years of residency is completed. To receive these credits, Buyer(s) will be required to provide proof of residency in the form of utility billings and property tax notices for each year. No credit will be awarded without proof of residency as described above.

8. The purchase of said property must not lead to the displacement of any individual other than the seller and his/her immediate family.
9. Applicant must secure a fixed rate FHA, VA, or conventional financing for property purchase.
10. Real property must not exceed FHA mortgage limits for 2009 which is \$397,500.
11. A Visual Assessment must be completed by the DCHA on all homes for health and safety concerns and for Lead Based Paint concerns for homes built prior to 1978.
12. Applicant must complete a HUD approved home buyer education course and obtain a homebuyer certificate of course completion. (See attached list of approved courses)

SIGNATURES

Davis Community Housing Authority

Signature of DCHA Representative

Date

Mary Swanstrom

Name of DCHA Representative

Homebuyer(s)

Buyer Signature

Date

Buyer Name (Please Print)

Buyer Signature

Date

Buyer Name (Please Print)

Address of Property to be Purchased:

Address

Clearfield, UT 84015

City, State, Zip

Clearfield City's Down Payment Assistance
Applicant Instructions

1. An applicant will be considered for the CCDP Program once they have entered into a contract with the seller and have submitted the following to the DCHA:
 - A. Completed and signed CCDP Application.
 - B. Seller Affidavit attesting that purchasing the selected property does not lead to displacement of any current tenants.
 - C. Copy of applicant's Real Estate Purchase Contract with Seller.
 - D. Copy of previous year's tax return and four most current pay stubs and verification for any other source of income for applicant/co-applicant and any family member 18 years or older. If an applicant/co-applicant did not file a previous year's tax return, they must submit a letter stating why there was no tax return filed for the previous year.
 - E. Signed and notarized First Time Homebuyer's Affidavit.
 - F. Identification Documentation; a copy of birth certificate, passport, naturalization certificate, or resident alien card and valid Utah driver's license or identification card.
 - G. Signed Program Summary Page.
 - H. Signed Original Letter of Commitment.
 - I. Declaration of US Citizenship or Resident Alien form.
 - J. Completed Visual Assessment form.

2. Upon receipt, review and approval of the above, the DCHA upon request, will issue a Letter of Commitment. The applicant must also submit the following documents:
 - A. A copy of the Preliminary Title Report stating property appears free and clear for sale to Applicant.
 - B. The completed Lender Affidavit which states the lender agrees to the terms of the CCDP Program.
 - C. The completed Preliminary Credit Approval form from the Lender, stating that the Applicant has received preliminary credit approval and information regarding verification of current income.
 - D. Copy of Real Estate Appraisal.
 - E. Homebuyer Education Certificate from a HUD approved course or counseling agency.

NOTE: The DCHA must be informed of any participation by a co-owner, co-borrower or co-signer that will be participating in the purchase of the home whose name does not appear on the initial DCHA application. This must be done in writing, including name, relationship to applicant, and in what capacity they will be participating in the purchase. The DCHA must be informed and approve of their participation before closing.

A representative of the DCHA must perform a Visual Assessment for the presence of health and safety concerns, and the presence of potential lead-based paint dangers in homes built prior to 1978. If any potentially hazardous lead based paint conditions exist, they must be mitigated (responsibility of Seller and/or Buyer) before the DCHA can approve. The procedure outlined in "Attachment A" must be followed.

3. Upon acceptance of the required documents, the DCHA will issue a check made payable to the Title Company, to be disbursed according to a letter of instruction. The DCHA must be notified at least 10 working days prior to the date of closing. After closing, the escrow agent is to return to the DCHA all the completed documents described in the Letter of Instruction to the Escrow Agent. These documents include:
- A. Promissory Note - This document states that the Applicant agrees to repay Clearfield City the grant amount if they should move, sell or refinance the property. Please note that the City will not subordinate to second mortgages.
 - B. Trust Deed - This document states Clearfield City is a beneficiary whereby Clearfield City has a lien on the purchased property until the grant is repaid.
 - C. Notice of Default - This document states that the first mortgage holder will notify Clearfield City if and when the Applicant defaults on payments and property goes to foreclosure.
 - D. Copy of the final Title Report or copy of Title Insurance policy issued to Buyer.

If you have any questions or concerns regarding the application process, please call Mary Swanstrom at (801) 939-9198.

MAIL OR DELIVER DOCUMENTS TO:

OR

EMAIL TO:

Davis Community Housing Authority
P.O. Box 328
352 South 200 West Suite 1
Farmington, Utah 84025

dchamswanstrom@xmission.com

DECLARATION OF U.S. CITIZENSHIP OR RESIDENT ALIEN

HOUSEHOLD MEMBERS			
NAME	DATE OF BIRTH	RELATIONSHIP	UNITED STATES CITIZEN?
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO

Buyer Name Signature Date

Buyer Name Signature Date

WARNING: Title 18, Section 1001 of the US code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.

**CLEARFIELD CITY'S DOWN PAYMENT ASSISTANCE PROGRAM
LETTER OF COMMITMENT FROM DCHA**

Whereas _____ have/has provided the following:
Buyer(s)

1. A completed Clearfield City grant application.
2. A copy of an executed purchase agreement for the purchase of a single family dwelling located within the eligible area.
3. A signed and notarized Seller Affidavit.
4. A copy of applicant's previous year's tax return and current pay stubs.
5. A signed and notarized First-Time Homebuyer Affidavit.
6. Documentation of Citizenship Status and Age.

And whereas the Davis Community Housing Authority has reviewed the application and found it to meet all program requirements, the Grantee hereby acknowledges application for a grant of \$ _____ and agrees to adhere to the requirements and procedures specified in this letter. Signature of the closing documents for the purchase, including the Grantor's Trust Deed and Promissory Note, will constitute the Grantee's acceptance of the grant on the terms specified in this Letter of Commitment.

COMMITMENT

Subject to the Grantee's following all procedures described in this Letter of Commitment, and fulfilling all requirements described herein, and upon the execution of the Trust Deed, Promissory Note, Notice of Default and obtaining the execution of the Lender's Affidavit, the Grantor hereby agrees to provide a grant of \$ _____ to the undersigned Grantee(s), and acknowledges that said property is located at:

_____	Clearfield	Utah	84015
Address	City	State	Zip

This commitment of grant funds shall terminate forty-five (45) days from the date of the Letter of Commitment.

REQUIREMENTS

1. Buyer shall have a period of forty-five (45) days from the date of the Letter of Commitment to close on the property. A fixed-rate FHA, VA or other conventional first mortgage financing shall be allowed. There shall be no seller financing.
2. After receiving this Letter of Commitment and before any funds can be released, the buyer(s) shall provide to the DCHA:
 - a. A copy of a preliminary title report covering the property listed above.

IF THIS IS TO BE A SPLIT CLOSING WITH TITLE COMPANIES, THE DAVIS COMMUNITY HOUSING AUTHORITY MUST BE GIVEN THE INFORMATION FOR BOTH THE SELLER'S AND THE BUYER'S TITLE COMPANIES.
 - b. Preliminary credit approval from the lender and verification of current household income reflecting applicant's total household income does not exceed eligibility criteria.
 - c. An executed Lender's Affidavit.
 - d. A copy of the appraisal for the property to be purchased.
3. After receipt of the above listed documents, our office will require 10 business days before funds can be issued.
4. Before funds can be released the DCHA must complete a Visual Assessment of the home for the presence of lead based paint dangers in homes built prior to 1978.
5. At the time of closing the Buyer will be required to sign a Visual Assessment Disclaimer acknowledging that the DCHA accepts no responsibility for any problems disclosed or not disclosed in their Visual Assessment Report.
6. At the time of closing, title must be vested in fee simple interest of the buyer(s), and the Trust Deed and Notice of Default securing the interest of Clearfield City is properly recorded. **Clearfield City must hold second priority trust deed on the property.**
7. Buyer(s) must provide at least \$ _____ of personal funds toward the purchase price or closing costs.
8. The grant provided by Clearfield City to the buyer(s) must be used by the buyer(s) for down payment and/or closing costs only.
9. If the buyer(s) sell, exchange, transfer title, obtain a second mortgage, or cease using the purchased property as their primary residence, the grant funds provided shall be repaid to Clearfield City, based on the agreement.
10. The grant shall be disbursed at time of closing and duly recorded on the closing settlement statement. These funds shall only be disbursed after the Promissory Note, Trust Deed, Request for Notice of Default, and Visual Assessment Disclaimer Affidavit are executed and notarized.
11. The residence to be purchased must be zoned for residential use only and is limited to a detached single-family dwelling; townhomes, condominiums, and other attached multiple-family residences are not eligible.

- 12. The buyer(s) must occupy the property to be acquired as the buyer(s)' primary personal residence
- 13. No Member of the Board of Directors, staff member of the DCHA or Clearfield City shall have any interest in the transaction with the buyer(s).

SIGNATURES

Davis Community Housing Authority

Jan Winborg
Executive Director

Date

Mary Swanstrom
Rehab Specialist

Date

Homebuyer(s)

Buyer Signature

Date

Buyer (Print Name)

Buyer Signature

Date

Buyer (Print Name)

Property Street Address

Clearfield, Utah 84015

City, State, Zip code

CLEARFIELD CITY'S DOWN PAYMENT ASSISTANCE
VISUAL ASSESSMENT FORM

Applicant:

Please provide the information listed below. A representative of the DCHA must perform a Visual Assessment for the presence of health and safety concerns, and the presence of potential lead-based paint dangers in homes built prior to 1978. **Year home was built** _____ .

Applicant is aware that a Davis Community Housing Authority representative will be contacting them or their realtor to make arrangements to inspect the home. The inspection should take place at least a week prior to the closing date.

Address of home to be purchased:

Street
Clearfield, UT 84015

City

Estimated Closing Date:

Applicant's Name:

Telephone #'s:

Home _____
Work _____
Cell _____

Name of Homebuyer's Realtor:

Company Name:

Telephone #'s:

Home _____
Work _____
Cell _____

Name of Seller's Realtor:

Company Name:

Telephone #'s:

Home _____
Work _____
Cell _____

DATE: _____

PRELIMINARY CREDIT APPROVAL

To: Davis Community Housing Authority
P.O. Box 328, 352 South 200 West Suite 1
Farmington, Utah 84025

Re: _____ Date: _____
Buyer's Name(s)

The above named individual(s) has/have received preliminary credit approval to purchase a home located at:
_____ Clearfield Utah _____
Address City State

The appraised value of the home is: \$ _____ Not Available at this time

The current household income for the above referenced Buyer(s), has been verified and the total gross annual household income has been calculated to be: \$ _____

The buyer (s) will provide \$ _____ of his/her own money toward the purchase of the above home.

This preliminary credit approval is contingent on the Buyer(s) meeting all requirements of our lending institution for closing. The anticipated closing date is _____.

The buyer(s) above will be receiving the following type of loan interest rate:

Type of Loan: FHA VA Conventional Loan Interest rate _____

Buyer's Title Company: _____ Phone _____
_____ Address City State Zip

Seller's Title Company: _____ Phone _____

Lending Officer Signature

Name of Lending Institution

Lending Officer - Print Name

Address

Telephone

City Zip

HUD Approved Homebuyer Education Courses

Online Homebuyer Course

Offered by Utah State University Extension at
this web site:

<http://extension.usu.edu/cooperative/hbe/>

You will have to pay \$15 to receive the certificate of completion.

Community Development Corporation of Utah

501 East 1700 South
Salt Lake City, Utah 84105
Phone: 801-994-7222 ext.104
Toll Free: 866-994-7222
Website: www.slcdc.org

Utah State Extension

21 South State South Building Room 1200
Salt Lake City, Utah 84111
Phone: 801-468-3179

Salt Lake Community Action Program

764 South 200 West
Salt Lake City, Utah 84101
Phone: 801-359-2444

Salt Lake Neighborhood Housing Services,

622 West 500 North
Salt Lake City, Utah 84116
Phone: 801-539-1593
Website: www.slnhs.org

Your Community Connection

2261 Adams Avenue
Ogden, Utah 84401
Phone: 801-394-9456

Community Action Services

815 South 200 West, Suite 100
Provo, Utah 84601
Phone: 801-373-8200

Utah State University-Family Life Center

493 North 700 East
Logan, Utah 84321-423
Phone: 435-797-7224
Website: www.usu.edu

Cedar City Housing Authority

364 South 100 East
Cedar City, Utah 84720
Phone: 435-586-8462

Color Country Community Housing, Inc.

139 North 100th West
St. George, Utah 84770
Phone: 435-673-3131 ext. 10
Toll Free: 877-673-3166
Email: ccchi@infowest.com
Website: www.ccchi.net

ATTACHMENT A

Lead Based Paint Procedures

New regulations from the Department of Housing and Urban Development (HUD: 24 CFR Part 35 subpart K) require increased activities concerning possible lead based paint hazards in homes built before 1978. The primary reason why HUD and its grantees are addressing lead based paint hazards is to protect families and children. When deteriorated lead based paint surfaces are present, children under the age of 6 are in danger of being poisoned through the ingestion or inhalation of lead based paint dust, paint chips and/or lead based paint contaminated soil around the exterior of the home.

The following procedures are required for all homes built prior to 1978 before down payment assistance to a family purchasing such a home can be approved.

1- Notification

- a. Pamphlet and Disclosure.
- b. Notice of Lead Hazard Evaluation or Presumption, if applicable.
- c. Notice of Lead Hazard Reduction Activity.

This printed information will be part of the initial application packet.

2- Lead Hazard Evaluation

- a. Visual Assessment.

A visual assessment will be performed by DCHA personnel to determine whether there are deteriorated paint surfaces that could constitute a hazard to the occupants. Potentially hazardous paint surfaces are defined as more than 2 square feet of deteriorated surface on the interior of a home and more than 20 square feet of deteriorated surface on the exterior of a home. The cost to mitigate lead based paint problems will be the responsibility of the seller and/or buyer.

3- Lead Hazard Reduction

- a. Paint stabilization
- b. Safe Work Practices
- c. Clearance

If a home fails the Visual Assessment, the deteriorated surfaces must be repaired and stabilized. This work must be performed by a State of Utah Certified Lead Based Paint Contractor using Safe Work Practices as required by HUD, the EPA and OSHA. Following the completion of Paint Stabilization, a Clearance Test must be completed by a Certified Lead Based Paint Inspector or Risk Assessor to verify that the stabilization work has been successful and that the home is clean of hazardous residues.

The home seller could choose to have the home tested to determine whether lead based paint is present. The DCHA will accept this test report if it is performed by a Certified Lead Based Paint Inspector or Risk Assessor following HUD guidelines. The cost for private testing will be solely the responsibility of the seller.

FILE CHECK LIST

√ - boxes below for submitted documents

INITIAL APPLICATION

Application	Real Estate Purchase Contract
Latest Year Tax Return	Visual Assessment Form
Current Check Stubs	Declaration of US Citizenship/Resident Alien
Other Income	Copy of Birth Certificates
Seller's Affidavit	Copy of Picture ID
First Time Homebuyer Affidavit	Homebuyer Education Certificate
Program Summary Signature page	
Letter of Commitment with buyer signature(s)	Co-Signer Documentation (if applicable)

SUPPORT DOCUMENTS

Preliminary Credit Approval	To be completed by Housing Authority
Lender Affidavit	
Preliminary Title Report	Visual Inspection
Copy of Appraisal	Environmental Review
	Property Tax Evaluation
	Lead Based Paint Pamphlet Given to Buyer
	Confirmation of lead-based paint pamphlet
	Year Home Built _____ Verified _____