

REDEVELOPMENT AGENCY (RDA) ANNUAL REPORT



FLSmith Inc. Campus: 68,000 sq. ft Expansion



Savage Office Complex: 79,455 sq. ft. of Office Space

INTRODUCTION

The Midvale City Redevelopment Agency (“Agency”) is pleased to present this RDA Annual Report. Agency staff have prepared this report, which fulfills the requirements outlined in Utah Code 17C-1-603. The report provides information relating to the Agency’s three project areas, including the Bingham Junction Redevelopment Area, Jordan Bluffs Redevelopment Area, and the Main Street Community Development Area. Although this year has been difficult and full of uncertainties due to the COVID-19 pandemic, the Agency has been successful in its efforts to support development and growth within Midvale City.

The first of the Agency’s five values is “Transparent and Engaged: We take pride in all of our decisions, actions, work products, and results. We provide residents and shareholders adequate information that is clear, concise, and accessible.” Agency staff strive for their values to shape their efforts and for the results to reflect their values.

REDEVELOPMENT AGENCY



"Rooftops at 78 Hundred" Multifamily Residential - 131 Units.

Staff

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Executive Director
Kane Loader, City Manager

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BINGHAM JUNCTION HISTORY



Signage for the Shops at "Riverwalk"

The Bingham Junction Project Area encompasses 390 acres in the northwest corner of the City. It is bound by the Midvale City boundary to the north, 700 West/Holden Street to the east, 7800 South to the south and the Jordan River to the west. Historically, the property consisted of several smelters that processed ore from Bingham Canyon, Kennecott Copper, and other mines. The smelter activities provided an economic benefit for the region that stimulated the growth of Midvale. However, the operations led to contamination and the property being designated as a Superfund site. The Environmental Protection Agency oversaw major remediation of the property and the placement of institutional controls to manage future development which has since removed it from the National Priorities List. The collaborative efforts of Midvale City, private developers and the Redevelopment Agency have turned this former brownfield site into a successful model for redevelopment. Over the course of the past 14 years, the Bingham Junction project area has gone from a vacant brownfield site with an assessed value of \$3,800,000 to a complete mixed-use neighborhood with an assessed value of approximately \$690,000,000. The site continues to attract new development, and it is anticipated that the value of the project area will continue to increase as the result of new commercial growth.

BINGHAM JUNCTION FINANCIAL REPORT

Change in Margin Value

Base year: 2004

Base Taxable Value: \$3,899,414

2019 Assessed Value: \$802,979,260

2020 Estimated Assessed Value: \$871,703,550

Percent Change in Marginal Value:

Marginal Change (2014-2020): 2,254.7%

Annual Marginal Change (2019-2020): 8.5%

Tax Increment Revenue Historical Receipts of Project Area Funds Per

Tax Year:

2009: \$1,097,874 2015: \$3,816,394

2010: \$1,560,202 2016: \$4,658,617

2011: \$1,804,470 2017: \$6,168,040

2012: \$2,073,445 2018: \$6,501,445

2013: \$2,463,319 2019: \$7,431,373

2014: \$3,185,596

Description of Development

Developed Acreage: 371

Undeveloped Acreage: 18.59

Residential Development:

Single-Family: 22 acres (5.65% of overall acreage)

Multi-Family: 77 acres (19.79% of overall acreage)

Total Number of Housing Units: 2,352 (25.44% of overall acreage)

Project Area Budget

The project Area will generate 100% of project area funds; whereas, 20% is remitted back to the taxing entities and 80% is retained by the Agency.

Collection Period: 2009-2034

Number of years remaining: 14

Authorized funds to be received by the Agency for 2020: \$2,594,695

Agency's project area funds for 2021: \$2,782,723

Authorized Administrative Costs per 17C-1-409(1):

Percentage: 4.4%

Dollar Amount: \$2.8M

Growth Contributors

The completion of R&R BBQ and the beginning of construction of an additional parking garage on the CHG campus has contributed to the relative growth in assessed value.

Taxing Entity Marginal Revenue

Taxing Entity	2019 Marginal Revenue (20%)	2004-2020 Marginal Revenue (20%)
Salt Lake County	\$266,771	\$1,701,671
Canyons School District	\$956,544	\$4,960,965
Midvale City	\$152,859	\$888,361
South Salt Lake Valley Mosquito Abatement	\$1,937	\$14,612
Jordan Valley Water Conservancy District	\$52,841	\$290,791
Central Water Conservancy District	\$54,952	\$298,784
Unified Fire Service Area	\$241,345	\$1,234,064
Salt Lake County Library	\$73,939	\$447,434
Jordan/Canyons School District Debt Service Area	\$67,993	\$506,168

BINGHAM JUNCTION

FINANCIAL REPORT Continued

Project Area Revenues: Received & Projected

Each entity contributes 80% of the tax increment for 25 years to the Bingham Junction Project Area without a cap on how much the Agency may collect. The table below shows revenues and projected revenues.

Taxing Entity	Received TY2009-2019	Projected TY2020	Projected TY2021-33	Total TY2009-33
Salt Lake County	\$6,806,685	\$1,062,217	\$15,247,302	\$22,636,618
Canyons School District	\$19,843,860	\$3,857,063	\$55,365,137	\$77,688,335
Midvale City	\$3,553,446	\$608,316	\$8,731,900	\$12,407,209
South Salt Lake Valley Mosquito Abatement	\$58,448	\$7,693	\$110,431	\$168,969
Jordan Valley Water Conservancy District	\$1,163,165	\$210,465	\$3,021,064	\$4,315,405
Central Water Conservancy District	\$1,195,137	\$219,807	\$3,155,158	\$4,489,618
Unified Fire Service Area	\$4,936,257	\$959,457	\$13,772,265	\$19,667,980
Salt Lake County Library	\$1,789,736	\$294,541	\$4,227,912	\$6,199,859
Jordan/Canyons School District Debt Service Area	\$2,024,671	\$268,165	\$3,849,293	\$6,020,513
Total	\$41,371,405	\$7,487,724	\$107,480,462	\$153,594,506



"Canyon Crossing" Multifamily Residential at Riverwalk - 180 Units

JORDAN BLUFFS HISTORY

For nearly 80 years, the Sharon Steel site was the heart of industry in Midvale. When ore processing and milling ended on the site in 1971 nearly 10% of Midvale was rendered unusable. Now, following 15 years of careful work on the part of the Redevelopment Agency of Midvale City, Environmental Protection Agency, and the Utah department of Environmental Quality, Jordan Bluffs is on the verge of a rebirth that will make it the center of growth and industry in Midvale. In 2015, the RDA entered into an Option to Purchase Agreement with the owners of Jordan Bluffs. During the option period, the Agency publicly marketed the site for private acquisition and development. At the conclusion of this process, the Agency entered into a Purchase Agreement with Gardner Jordan Bluffs, L.C., which purchased the property in 2017. Gardner Jordan Bluffs commenced construction of the backbone infrastructure in 2018, which included an extension of Bingham Junction Boulevard. Vertical construction commenced in 2018 with the Wasatch residential development.



Large Scale Master Plan: Phase 1 Proposed 4-Story Stacked Units

JORDAN BLUFFS FINANCIAL REPORT

Change in Margin Value

Base year: 2004

Base Taxable Value: \$3,516,366

2019 Assessed Value: \$17,689,300

2020 Estimated Assessed Value: \$76,375,300

Percent Change in Marginal Value:

Marginal Change (2004-2020): 2,072%

Annual Marginal Change (2019-2020): 331.8%

Description of Development

Developed Acreage: 40

Undeveloped Acreage: 225

Percentage of Residential Development:

Planned: 23%

Total Number of Housing Units:

Current Units: 564

Planned Units: 1260

Project Area Budget

The project Area will generate 100% of project area funds; whereas, 20% is remitted back to the taxing entities and 80% is retained by the Agency.

Collection Period: 2021-2046*

Number of years remaining: 25

Authorized funds to be received by the Agency for 2020: N/A

Agency's project area funds for 2021: \$1,120,000

Authorized Administrative Costs per 17C-1-409(1):

Percentage: 4.4%

Dollar Amount: \$4.4M

Growth Contributors

Over the last year the project area has seen the completion of several apartment/condo buildings, the completion of infrastructure, the beginning construction of new residential units, and the groundbreaking of the Zions Corporation project.

Project Area Revenues: Received & Projected

Each entity contributes 80% of the tax increment for 25 years to the Jordan Bluffs Project Area without a cap on how much the Agency may collect. According to the project area budget adopted by the Agency and approved by the Taxing Entity Committee, The Project Area is triggered to begin distributing property tax increment once the incremental value reaches \$130,000,000 (\$80M in commercial and \$50M in residential). The Agency estimates that this will occur in TY2022. The table below shows revenues and projected revenues.

Taxing Entity	Received to Date	Projected TY2020	Projected TY2021-46	Total TY2021-46
Salt Lake County	\$0	\$0	\$12,932,632	\$12,932,632
Canyons School District	\$0	\$0	\$46,960,239	\$46,960,239
Midvale City	\$0	\$0	\$7,406,324	\$7,406,324
South Salt Lake Valley Mosquito Abatement	\$0	\$0	\$93,666	\$93,666
Jordan Valley Water Conservancy District	\$0	\$0	\$2,562,441	\$2,562,441
Central Water Conservancy District	\$0	\$0	\$2,676,178	\$2,676,178
Unified Fire Service Area	\$0	\$0	\$11,681,518	\$11,681,518
Salt Lake County Library	\$0	\$0	\$3,586,079	\$3,586,079
Jordan/Canyons School District Debt Service Area	\$0	\$0	\$3,264,938	\$3,264,938
Total	\$0	\$0	\$91,164,015	\$91,164,015

JORDAN BLUFFS

2020 PROJECT AGREEMENTS

Gardner Jordan Bluffs First Amendment to Tax Increment Reimbursement Agreement

The Agency originally entered into a tax increment reimbursement agreement (TIRA) with Gardner Jordan Bluffs (Gardner) for the redevelopment of approximately 265 acres located in the Jordan Bluffs Project Area. The project area is intended to be a mixed-use development, with more than 1,000,000 square feet of office, data center, retail/hospitality, and residential components. Gardner Jordan Bluffs subsequently sold a portion of the property to Zions Bancorporation. The TIRA was intended to restructure the original agreement to allow for a reduction in the property size owned by Gardner Jordan Bluffs, and to reduce the reimbursement cap and base values by proportional values based on the sale of a part of the property.



Gardner Jordan Bluffs Industrial Master Plan

Zions Tax Increment Reimbursement Agreement

The Agency entered into a Tax Increment Reimbursement Agreement with Zions Bancorporation for the development of a new banking technological campus in the north-west portion of the Jordan Bluffs Project Area. The development will include 400,000 square foot of commercial office space and an accompanying parking structure on a 19.5-acre site. The official groundbreaking for the site took place in August 2020. Work is intended to commence in September 2020.



Zions Proposed Banking Campus: Parking



Zions Proposed Banking Campus: Aerial View



Zions Proposed Banking Campus: Street View

MAIN STREET HISTORY

Midvale City, formerly known as Bingham Junction, was established at an important railroad crossing and became a center of mining industries. From 1871 to 1987 several different companies operated a number of smelters, refineries, and mills just west of Main Street. These operations processed copper, lead, zinc, arsenic, silver, and cadmium from ores that originated from mines in both the Bingham and Little Cottonwood canyons. The Main Street neighborhood sprang up directly adjacent to these extensive ore industries and became the thriving downtown of Midvale City. Since the height of Midvale's mining industry, the Main Street neighborhood has faced significant challenges. Main Street is no longer the commercial and social center of the City. It was incrementally isolated by the construction of I-15, freight and commuter railways, and the contaminated land left behind by the smelters. Recent changes have added new value and activity to the neighborhoods around Main Street. The large Bingham Junction commercial and residential development on the previously contaminated smelter land, the TRAX light rail commuter station, and new multi-family residential buildings in the area, including City Hall, have given the neighborhood momentum for improvement. Recent planning efforts are guiding this momentum to produce a thriving town center type of neighborhood.



Main Street Retail Space



Midvale Main Street Theater



East Side of Main Street, North of 1st Ave.

MAIN STREET FINANCIAL REPORT

Change in Margin Value

Base year: 2019

Base Taxable Value: \$58,774,598

2019 Assessed Value: \$58,774,598

2020 Estimated Assessed Value: \$60,537,836

Percent Change in Marginal Value:

Marginal Change (2019-2020): N/A

Annual Marginal Change (2019-2020): N/A

Description of Development

Developed Acreage: 79.62 acres

Undeveloped Acreage: 0.43 acres

Percentage of Residential Development: 36%

Total Number of Housing Units:

Single-Family: 181 parcels

Multi-Family: 13 parcels

Project Area Budget

Proposed: RDA to receive 60% of project area funds for a period of 20 years with a cap of \$15.5M or \$27M under the contingency budget. Collection

Period: 20 Years

Number of years remaining: 20*

Authorized funds to be received by the Agency for 2020: N/A

Agency's project area funds for 2021: \$0

Authorized Administrative Costs per 17C-1-409(1):

Percentage: 3%

Dollar Amount: \$457K

Growth Contributors

Although over the past year the Main Street Project Area has not hosted new development, some buildings have been undergoing remodeling projects.

Project Area Revenues: Received & Projected

According to the Interlocal Cooperation Agreements the Agency will propose to all the local taxing districts, each entity will contribute 60% of the tax increment for 20 years to the Main Street Project Area with a cap of \$15.5M on funds the Agency may collect. The table below shows revenues based on the increment values projected from the budget multiplied by the TY2019 rates.

Taxing Entity	Received to Date	Projected TY2020	Projected TY2021-46	Total TY2021-46
Salt Lake County	\$0	\$0	\$2,162,354	\$2,162,354
Canyons School District	\$0	\$0	\$7,851,817	\$7,851,817
Midvale City	\$0	\$0	\$1,238,348	\$1,238,348
South Salt Lake Valley Mosquito Abatement	\$0	\$0	\$15,661	\$15,661
Jordan Valley Water Conservancy District	\$0	\$0	\$428,444	\$428,444
Central Water Conservancy District	\$0	\$0	\$447,461	\$447,461
Unified Fire Service Area	\$0	\$0	\$1,953,166	\$1,953,166
Salt Lake County Library	\$0	\$0	\$599,597	\$599,597
Jordan/Canyons School District Debt Service Area	\$0	\$0	\$545,902	\$545,902
Total	\$0	\$0	\$15,242,750	\$15,242,750

MAIN STREET

Proposed Plan

While the Main Street Project Area has seen little new construction, there have been several remodeling efforts taking place along the neighborhood. On the City side, the Main Street Small Area Plan's goals are well underway with the completion and adoption of the Form Based Code in early 2020, initial meetings held between RDA Staff and street stakeholders, infrastructure and building surveys, and initial analysis being conducted into introducing Arts related development into the area. In addition, The Agency adopted a project area budget on October 6, 2020 and the City and Agency entered an Interlocal Cooperation Agreement. The Agency is now working with the other local taxing entities to enter into Interlocal Cooperation Agreements with the Agency. The area incorporates Midvale's historic Main Street, as well as the surrounding residential and commercial areas. The RDA's goal in creating this project area is to strengthen this part of the community by stabilizing the housing stock, upgrading infrastructure, improving parking, and adding new commercial uses through rehabilitation of existing buildings and new development. The Agency hopes to achieve these things by implementing property improvement programs for both commercial and residential properties, investing in street improvements, and property acquisition. The Agency is currently implementing the objectives set forth in the Small Area Master Plan for Main Street which includes the goals and objectives to help facilitate the redevelopment and revitalization of the area.



Main Street Proposed Mixed Use Design. Theoretical



Main Street Proposed Mixed Use Design. Theoretical



Main Street Proposed Mixed Use Design. Theoretical

Housing

Citywide Housing

The Redevelopment Agency of Midvale City is charged with leading the City's housing related efforts through the establishment of policies and the administration programs, including the preparation and implementation of the Midvale City Housing Plan and the Neighborhood Housing Improvement Program. The Agency has assumed the lead role in housing policy and development, because it is the primary funding source for moderate- to low-income housing in Midvale. These housing funds are primarily generated by a 20% housing set-aside in the Bingham Junction Project Area. The Jordan Bluffs Project Area also has a housing set-aside requirement and is anticipated to begin generating housing funds when the project area begins collecting tax increment within the next two years.



Riverwalk Apartment Homes - 256 Units



Florentine Villas, Apartment Complex - 214 Units

Midvale Housing Plan

In 2018, the Agency began preparing a five-year Housing Plan for Midvale City (Plan). The Plan is based on the housing goals outlined in the 2016 General Plan. The Plan was approved and adopted as an amendment to the Midvale City General Plan by the Midvale City Council in December 2019 and is currently in its early implementation stages. The Plan incorporates current data, best practices, and public input from over 500 community members and stakeholders to establish objectives and strategies for addressing Midvale's housing challenges. Midvale's population is projected to grow by 16,000 people by the year 2040 – an almost 50% increase in its current population. This growth will put an increased pressure on Midvale's housing market, a market that is currently experiencing difficulties, including housing tenure issues, the quality of housing stock, and a shortage of affordable housing. The Housing Plan aims to address these challenges and pave a way forward for Midvale's current and future populations as we grow into the future.