



Lehi Redevelopment Agency of Lehi Meeting Agenda January 24, 2023

7:00 PM - Lehi City Council Chambers, (153 N. 100 E., Lehi, UT 84043)

1. Welcome and Roll Call

Regular Agenda

2. Alpine Highway EDA Extension Plan
 - a. Public Hearing
 - b. Consideration of Resolution #R2023-01 adopting the official Project Area Plan for the Alpine Highway Economic Development Project Area.
[RDA Resolution adopting EDA Plan Marlin.docx](#)
[Apline Highway EDA Extension Plan Draft .docx](#)
3. Alpine Highway EDA Extension Budget
 - a. Public Hearing
 - b. Consideration of Resolution #2023-02 adopting the official Project Area Budget for the Alpine Highway Economic Development Project Area.
[RDA Resolution adopting EDA Budget Marlin.docx](#)
[Alpine Highway EDA Extension Budget Draft ASL EDITS \(2023-01-17\) \(LE036-004\) \(002\).pdf](#)
4. Consideration of Resolution #R2023-03 adopting an Interlocal Agreement with Lehi City for the Alpine Highway EDA.
[Res R2023-03.docx](#)
[Interlocal Agreement With Lehi City and RDA Alpine Highway EDA Marlin.doc](#)
5. Consideration of Resolution #R2023-04 adopting an Interlocal Agreement with Utah County for the Alpine Highway EDA
[Res R2023-04.docx](#)
[Interlocal Agreement With Utah County and RDA Alpine Highway EDA Marlin.doc](#)
6. Consideration of Resolution #R2023-05 adopting an Interlocal Agreement with Alpine School District for the Alpine Highway EDA.
[Res R-2023-05.docx](#)

[Interlocal Agreement With Alpine School District and RDA Alpine Highway EDA Marlin.doc](#)

7. Consideration of Resolution #2023-06 approving an amended Development Agreement between the Redevelopment Agency of Lehi and Texas Instruments.

[EDA Agreement Third Amendment DRAFT 1_5_2022.docx](#)

8. Adjournment

- Public is invited to attend all Redevelopment Agency of Lehi Meetings
- In compliance with the Americans with Disabilities Act, persons in need of special accommodations should contact the City Recorder at 385-201-2269
- This agenda has been properly posted and a copy provided to the local news media.

Redevelopment Agency of Lehi Agenda Item Report

Meeting Date: January 24, 2023

Submitted By: Teisha Wilson

Submitting Department:

Item Type: Resolution

Agenda Section: Regular Agenda

Subject:

Alpine Highway EDA Extension Plan

a. Public Hearing

b. Consideration of Resolution #R2023-01 adopting the official Project Area Plan for the Alpine Highway Economic Development Project Area.

Suggested Action:

Attachments:

[RDA Resolution adopting EDA Plan Marlin.docx](#)

[Apline Highway EDA Extension Plan Draft .docx](#)

REDEVELOPMENT AGENCY OF LEHI CITY, UTAH

RESOLUTION #

**RESOLUTION OF THE REDEVELOPMENT AGENCY OF LEHI CITY, UTAH
("RDA") ADOPTING THE OFFICIAL PROJECT AREA PLAN FOR ALPINE
HIGHWAY ECONOMIC DEVELOPMENT PROJECT AREA; DATED
JANUARY 22ND, 2023**

WHEREAS, the Redevelopment Agency of Lehi City (the "Agency") was created to transact the business and exercise the powers provided for in the current Limited Purpose Local Government Entities – Community Reinvestment Agency Act, Title 17C of the Utah Code Ann. 1953, as amended (the "Act"); and

WHEREAS, Lehi City has a planning commission and has adopted a general plan pursuant to applicable law; and

WHEREAS, the Agency by Resolution has authorized the preparation of a draft project area plan as provided in Section 17C-3-101.5(1) of the act, and the Plan has been prepared as provided in Section 17C-3-103 of the Act; and,

WHEREAS, pursuant to Section 17C-5-103 of the Act, the Agency has (a) prepared a draft Alpine Highway Economic Development Project Area Plan (the "Project Area Plan" or "Plan") and (b) made the draft Project Area Plan available to the public at the Agency's offices during normal business hours for 30 days prior to the date of adoption of the Plan; and,

WHEREAS, the Agency has provided notice of the Plan public hearing in compliance with Sections 17C-1-805, 806, and 808; and,

WHEREAS, the Agency has held a public hearing on the draft Project Area Plan and at that public hearing (a) allowed public comment on the draft Project Area Plan and on whether the draft Project Area Plan should be revised, approved or rejected, and (b) received all written and heard all oral objections to the draft Project Area Plan; and

WHEREAS, after holding the public hearing the Agency considered the oral and written objections to the draft Project Area Plan, and whether to revise, approve or reject the draft Project Area Plan; and

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF LEHI CITY:

Section I. Adoption of Project Area Plan. It has become necessary and desirable to adopt the draft Project Area Plan entitled, "Alpine Highway Economic Development Project Area Plan," dated January 22nd, 2023. The Project Area Plan is hereby designated as the official

Project Area Plan for the Alpine Highway Economic Development Project Area. The draft Project Area Plan, in the form attached hereto as **EXHIBIT C**, and together with any changes to the draft Project Area Plan as may be indicated in the minutes of this meeting (if any), the Agency hereby officially adopts the Project Area Plan by Resolution and shall submit the Project Area Plan, together with a copy of this Resolution, to the City Council of Lehi City requesting that the Project Area Plan be adopted by ordinance of the legislative body of the City in accordance with the provisions of the Act.

Section 2. Legal Description of the Project Area Boundaries. The legal description of the boundaries of the Project Area covered by the Project Area Plan is attached hereto and incorporated herein as **Exhibit A**. A map of the Project Area is attached and incorporated herein as **Exhibit B**.

Section 3. Agency's Purposes and Intent. The Agency's purposes and intent with respect to the Project Area are to accomplish the following:

- A. Provide essential governmental services to the Project Area by providing a mechanism to develop public infrastructure within or to serve the Project Area.
- B. Encourage and accomplish appropriate private development and community development activities within the Project Area.
- C. To enhance employment & income opportunities for community residents.
- D. To improve access to goods and services for residents.
- E. To increase and diversify the tax base, thus increasing the resources available for performing governmental services while minimizing tax rates.

Section 4. Project Area Plan Incorporated by Reference. The Project Area Plan, together with any supporting documents, in the form attached as **Exhibit C**, and together with any changes to the draft Project Area Plan as may be indicated in the minutes of this meeting (if any), is hereby incorporated herein by reference, and made a part of this Resolution. Copies of the Project Area Plan shall be filed and maintained in the office of the Agency and the City Recorder for public inspection.

Section 5. Agency Board Findings. The Agency Board hereby determines and finds as follows:

The adoption of the Project Area Plan will:

- A. Satisfy a public purpose by, among other things, encouraging and accomplishing appropriate community development, economic development and reinvestment activities within the Project Area;

B. Provide a public benefit in the form of, among other things, increased development activity within the boundaries of the Agency, including in particular within the Project Area that is desirable and will enhance the tax base of all taxing entities within the project Area:

C. Be economically sound and feasible; in that the revenue needed for the implementation of the Project Area Plan will come from incremental property taxes generated by new private development within the Project Area, all as further shown and supported by the analysis contained in the Project Area Plan;

D. Conform to Lehi City's general plan in that; among other things, the Project Area Plan provides that all development in the Project Area is to be in accordance with the City's zoning ordinances and requirements, and the development activities contemplated by the Project Area Plan are in harmony with the City's general plan; and,

E. Promote the public peace, health, safety and welfare of the citizens of Lehi City.

Section 6. Acquisition of Property. Pursuant to this Project Area Plan the Agency may acquire (but is not required to acquire) property in the Project Area by negotiation, gift, devise, exchange, purchase, or other lawful method, but not by eminent domain (condemnation) except from an Agency board member or officer with their consent. Pursuant to this Project Area Plan the Agency is authorized to acquire (but is not required to acquire) any other interest in real property in the Project Area less than fee title such as leasehold interests, easements, rights of way, etc. by negotiation, gift, devise, exchange, purchase or other lawful method, but not by eminent domain (condemnation) except from an Agency board member or officer with their consent.

Section 7. Financing. Subject to any limitations required by currently existing law (unless a limitation is subsequently eliminated), this Resolution hereby specifically incorporates all of the provisions of the Act that authorize or permit the Agency to receive funding for the Project Area and that authorize the various uses of such funding by the Agency, and to the extent greater (or more beneficial to the Agency) authorization for receipt of funding by the Agency or use thereof by the Agency is provided by any amendment of the Act or by any successor provision, law or act, those are also specifically incorporated herein. It is the intent of this Resolution that the Agency shall have the broadest authorization and permission for receipt of and use of sales tax, tax increment and other funding as is authorized by law, whether by existing or amended provisions of law. This Resolution also incorporates the specific provisions relating to funding of community reinvestment project areas permitted by Chapter 5 of the Act.

Section 8. Effective Date of Resolution. This Resolution shall take effect immediately upon adoption, and pursuant to the provisions of the Act, the Project Area Plan shall become effective upon adoption by Ordinance of the legislative body of Lehi City.

IN WITNESS WHEREOF, the Redevelopment Agency of Lehi City has approved,

passed and adopted this Resolution this 22nd day of January 2023.

REDEVELOPMENT AGENCY OF LEHI CITY

Mark Johnson, Chair

ATTEST:

Jason Walker, Executive Director

EXHIBIT "A"
**LEGAL DESCRIPTION OF THE ALPINE HIGHWAY ECONOMIC
DEVELOPMENT PROJECT AREA**

Existing Area #1 Description

Legal Description: COM N 447.44 FT & E 525.08 FT FR S 1/4 COR. SEC. 28, T4S, R1E, SLB&M.; N 7 DEG 36' 13" W 561.63 FT; N 57 DEG 40' 47" E 197.97 FT; N 32 DEG 19' 13" W 130 FT; N 57 DEG 40' 50" E 470 FT; N 32 DEG 19' 13" W 292.14 FT; N 57 DEG 40' 47" E 927.5 FT; N 14 DEG 38' 7" W 470.87 FT; N 75 DEG 21' 53" E 850 FT; S 14 DEG 38' 7" E 393.2 FT; S 74 DEG 14' 9" E 895.77 FT; S 15 DEG 45' 51" W 356.2 FT; S 74 DEG 14' 9" E 434.88 FT; S 15 DEG 45' 51" W 1123.8 FT; N 74 DEG 14' 9" W 945.26 FT; S 81 DEG 45' 51" W 494.18 FT; S 57 DEG 45' 51" W 643.51 FT; S 81 DEG 48' 12" W 794.6 FT TO BEG. AREA 99.853 AC.

Expansion Area #2 Description

Legal Description: COM S 1080.18 FT & E 479.62 FT FR S 1/4 COR. SEC. 28, T4S, R1E, SLB&M.; N 4 DEG 2' 40" W 2637.03 FT; N 83 DEG 28' 20" E 283.68 FT; N 53 DEG 5' 33" E 1215.71 FT; S 14 DEG 38' 7" E 102.07 FT; S 57 DEG 40' 48" W 927.49 FT; S 32 DEG 19' 14" E 292.14 FT; S 57 DEG 40' 52" W 470 FT; S 32 DEG 19' 14" E 130 FT; S 57 DEG 40' 48" W 197.97 FT; S 7 DEG 36' 14" E 561.63 FT; N 81 DEG 48' 11" E 794.59 FT; N 57 DEG 45' 50" E 643.51 FT; N 81 DEG 45' 50" E 494.19 FT; S 74 DEG 14' 11" E 945.25 FT; N 15 DEG 45' 51" E 1123.8 FT; N 74 DEG 14' 7" W 434.88 FT; N 15 DEG 45' 51" E 356.12 FT; N 74 DEG 14' 7" W 895.76 FT; N 14 DEG 38' 6" W 393.2 FT; N 75 DEG 21' 19" E 132.09 FT; S 7 DEG 33' 50" E 420.33 FT; S 74 DEG 14' 9" E 1731.39 FT; S 1 DEG 24' 45" W 3123.32 FT; S 89 DEG 42' 0" W 238.35 FT; N 80 DEG 51' 23" W 438.82 FT; S 89 DEG 42' 0" W 2581.54 FT; S 77 DEG 58' 28" W 239.83 FT; N 85 DEG 20' 33" W 82.17 FT TO BEG. AREA 182.835 AC.

EXHIBIT "B"
**BOUNDARY MAP OF THE ALPINE HIGHWAY ECONOMIC
DEVELOPMENT PROJECT AREA**



EXHIBIT “C”
ALPINE HIGHWAY ECONOMIC DEVELOPMENT PROJECT AREA PLAN

ALPINE HIGHWAY ECONOMIC DEVELOPMENT PROJECT AREA PLAN
EXPANSION

December 10th, 2022



LEHI CITY REDEVELOPMENT AGENCY

Prepared by Marlin Eldred, Economic Development Director, Lehi City

Table of Contents

Section 1: Introduction	2
Section 2: Definitions.....	2
Section 3: Description of the Community Reinvestment Project Area (17C-3-103(1)(a)).....	4
Section 4: Project Area Characteristics and How They Will be Affected by Project Area Development (17C-3-103(1)(b))	4
Section 5: Standards That Will Guide Community Development (17C-3-103 (1)(c))	6
Section 6: How the Purposes of the Act Will be Attained (17C-3-103 (1)(d))	6
Section 7: How the Plan is Consistent With the City's General Plan (17C-3-103 (1)(e))	8
Section 8: Describe how the project area development will create jobs (17C-3-103(1)(f))	
Section 9: Description of the Specific Projects That Are the Object of the Proposed Community Development (17C-3-103 (1)(g)).....	9
Section 10: Ways in Which Private Developers Will be Selected to Undertake the Community Development (17C-3-103 (1)(h)).....	9
Section 11: Reasons for the Selection of the Project Area (17C-3-103 (1)(i))	10
Section 12: Descriptions of the physical, social, and economic Conditions Existing in the Area (17C-3-103 (1)(j))	
Section 13: Descriptions of tax Incentives Offered to Private Entities For Locating Facilities in the Project Area (17C-3-103 (1)(k)).....	10
Section 14: Result of the Public Benefit Analysis Performed by the Agency (17C-3-103 (1)(l))	11
Section 15: Other Information (17C-3-103 (1)(o)).....	111
APPENDIX A - Project Area Map	13
APPENDIX B – Project Area Legal Description	14
APPENDIX D – Public Benefit Analysis	15
APPENDIX E – Schedule 1 Budget for Benefit Analysis.....	23

Section 1: Introduction

The Lehi City Redevelopment Agency (the “Agency”) is looking at expanding the Alpine Highway Economic Development Area as an opportunity for growth in both personal and real property tax and have prepared the following plan (“Plan”). This Plan has been prepared in compliance with Utah State Code 17C and considers the economic impacts of commercial, retail, industrial and housing development as it relates to a return on investment for the community while also providing a return on the investment made by the development community. The current property encompassed by the Economic Development Area (“EDA”) is a combination of vacant land and an existing 1M square foot semiconductor 300MM Chip Manufacturing Plant. This project was started in 1995 under Micron and was purchased by Texas Instruments in Oct 2020. The purpose of this plan is to examine the opportunity to build a second fabrication plant and contemplate extending the existing incentives for both existing and new construction. The vacant land around the existing facility is not the highest and best use of the property for real and personal property and sales and use tax generation. The goal of the EDA was to incentivize the construction and utilization of the exiting plant and analyze the opportunity to extend the EDA for the contemplated new construction and to create a mechanism to fulfill the public infrastructure obligations that the new development will require of Lehi City. The taxing entities in preliminary discussions has shown a desire to extend the EDA because it is in the best interest of its residents to grow the personal and real property and corporate income tax. The purpose of this plan is to evaluate the opportunity for the time frame extension and incorporation of 40 more acres into the Alpine Highway Project by breaking out how the EDA will work, mechanisms used for incentives and a return on investment for the community and taxing entities.

This plan follows Utah Code Annotated (UCA) Title 17C Chapters 1 and 3 (Utah Limited Purpose Local Government Entities – Community Reinvestment Agency Act). Requirements of the Act include notice and hearing obligations. The Agency must show that these requirements have been met in order to complete the EDA. Where this EDA was enacted in 1995, it will require the approval of the Taxing Entity Committee (TEC). All applicable state laws will be followed in convening a TEC meeting to include public notices.

This document is prepared in good faith as a current reasonable estimate of the economic impact of this project. Fundamental economic and other circumstances may influence the actual impact. With these assumptions, the information contained within this report represents the reasonable expectations of the project. The Agency makes no guarantee that the projections contained in this Plan document or in the Budget for the Project Area accurately reflect the future development within the Project Area. Further, the Agency specifically reserves all powers granted to it under the Act, as amended; this Plan shall not be interpreted to limit or restrict the powers of the agency as granted by the Act.

Section 2: Definitions

As used in the Plan:

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

2.2 “Agency” means the Lehi City Redevelopment Agency, created and operated pursuant to UCA 17C-1-101 and its predecessor or successor status, as designated by Lehi City to act as the redevelopment agency.

2.3 “Agency Board” means the governing body of the Agency.

2.4 “Base Taxable Value” has the same meaning as in the Act (UCA 17C-1-102(8)). “Base Taxable Value” is synonymous with “Base Year Taxable Value”, “Base Year Value”, and “Base Value”.

2.5 “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.

2.6 “Base Year” means the year of the Base Taxable Value as will be set in the interlocal agreements with the Agency as contemplated by UCA 17C-1-102(9)(d).

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

2.8 “City” means Lehi City, a political subdivision of the State of Utah.

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

2.10 “Community Reinvestment” means development activities within a community, including the encouragement, promotion or provisions of development as provided for in the Act.

2.11 “Economic Development Project Area Plan” means a project area plan adopted under Chapter 3, Part 1, Economic Development Project Area Plan.

2.12 “Governing Body” means (a) in reference to the Lehi City Redevelopment Agency; the Board of the Agency, or (b) if used in reference to Lehi City, City Council of Lehi City.

2.13 “Project Area” means the Alpine Highway Economic Development Project Area, per resolution of the Lehi City Redevelopment Agency.

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

2.15 “Taxing Entity Committee” means a committee of 2 representatives from Lehi City, Alpine School District, Utah County and 1 State School Board Representative and 1 at large representing the other taxing districts. The TEC is comprised of 8 members in total.

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

2.17 “Tax Increment” means that portion of the taxes levied 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(60)(a) and Part 5 of UCA Chapter 17C-1, as amended.

2.18 “Tax Year Real and Personal Property” means the 12 month period between sequential tax role equalizations (November 1st through October 31st) of the following year, e.g., the Nov 1, 2021 – Oct 31, 2022 tax year.

2.19 “Tax Year Sales Tax” means the 12 month period between January 1st through December 31st of the previous year, e.g., January 1, 2021 – December 31, 2021 tax year.

Section 3: Boundary Description and Map of the Community Reinvestment Project Area (17C-3-103(1)(a))

The project area is entirely located within the legal boundaries of Lehi City. It is directly North of Timpanogos Highway and 4000 North. The property encompasses approximately 99.85 acres of land as recorded in the Utah County Recorder’s office. The proposed extension will encompass approximately 40 acres that is contiguous to the existing property in the EDA.

The proposed new Project Area encompasses two parcels as outlined on the map attached hereto as APPENDIX A (the “Project Area Map”). Both properties are owned by Texas Instruments.

A legal description of the Project Area is attached as APPENDIX B.

Section 4: Project Area Characteristics and How They Will be Affected by Project Area Development (17C-3-103(1)(b))

Land Uses in the Project Area

The existing Project Area is currently zoned Technical/Manufacturing (TM) designation. The proposed expansion area falls within the same TM designation. The general plan shows the property as Technical/Manufacturing. The city zoning and general plan are both in alignment as to the land designation and desired buildout. Per Lehi City Development Code, Chapter 5 Zoning Districts, Table 05-

020-O, “The Technology and Manufacturing (T-M) District is to provide for and encourage the development of well-planned and designed technological and manufacturing parks. These areas are characterized by uses such as research, development, manufacturing, fabrication, processing, storage, warehousing and wholesale distribution. These areas are to be located in proximity to adequate transportation facilities and infrastructure so that the needs of these users may be met in an efficient manner with consideration to adjoining uses.” The current zoning allows the current and anticipated expanded use to be permitted within the zone. All contemplated new development must follow proper planning and zoning ordinances and requirements and be approved by Lehi City after being duly-noticed in a public meeting. All intended uses are permitted uses within the EDA area.

Layout of Principal Streets in the Project Area

The area is just North of Timpanogos Highway off Flash Drive. The entrance into the industrial park has its own on and off exit on Timpanogos Highway. This leads to a current road system that allows access to multiple employee and visitor parking lots. The new expansion will require more road infrastructure to be installed for the intended growth of employment and to create a continuous flow of traffic. With the expansion it will also require more warehouse, storage and dock space for storage, loading and offloading of raw goods and finished product. This will require more roads to be constructed within the industrial park.

Population in the Project Area

As of the 2020 Department of Workforce Services census information, Lehi has a population of 75,907. According to the State of Utah, Lehi City has grown 4.6% from 2017 to 2018 according to the United States Census. Currently there is one 1M square foot existing building on the site. The expansion opportunity will require another 1M Square Foot facility to be built with 350K+ square feet of clean room space. It's anticipated that an additional 800 employees will be hired. There are no single or multifamily homes on the property site and none are intended or contemplated. The intended development on the property site has no impact on existing or future homes in Lehi City from a development perspective.

Building Intensities in the Project Area

Development in the Project Area was and will be required to follow all planning and zoning ordinances as they currently exist or that might be amended in the future to include design and development standards. The proposed Project Area will contain one more industrial building. The two buildings combined in square footage will be over 2M square feet. This will encompass approximately 140+ acres.

Section 5: Standards That Will Guide Project Area Development (17C-3-103(c))

Development Objectives

The Agency and the City want the Project Area to develop into an industrial park with large investment in personal and real property. The existing facility is valued at \$850M. When the existing facility is re-tooled it's anticipated that the assessed value will be \$1.1B. It's also anticipated that when the new facility is completed and completely tooled it will also have an evaluation of \$3.2B making the total evaluation of the industrial park at \$4.3B in assessed value. It is the City's and residents' desire to see the Project Area developed in such a manner as it will bring significant tax revenue to the taxing entities and continue to be an employer of choice.

Design Objectives

The property is zoned as technical manufacturing with all proposed uses being permitted. The developer will be held to the highest standards per the City general plan, planning and zoning ordinances, and other applicable building codes and ordinances of the City. Texas Instruments has always showcased all their plants as centers of excellence. It's anticipated this facility will be developed to a higher standard than required by code. The industrial space will be built in a manner comparable to what is already developed in the surrounding area and/or to a higher standard.

All proposed development will be submitted to the City via the normal development approval process, which includes site plans containing development data and any other appropriate material describing the development, land coverage, setbacks, heights, off-street parking to be provided, and any other information as deemed appropriate by the City.

Approvals

The Agency has the right to approve any and all design and construction plans for any development within the Project Area to ensure any and all development within the Project Area is consistent with the Project Area Plan. The Agency will not require standards above city code.

Section 6: How the Purposes of the Act Will be Attained (17C-3-103(d))

Title 17C of the Utah Code contains the following definition of Project Area Development:

“Project area development” means activity within a project area that, as determined by the board, encourages, promotes, or provides development or redevelopment for the purpose of implementing a project area plan, including:

- (a) promoting, creating, or retaining public or private jobs within the state or a community;
- (b) providing office, manufacturing, warehousing, distribution, parking, or other facilities or improvements;

- (c) planning, designing, demolishing, clearing, constructing, rehabilitating, or remediating environmental issues;
- (d) providing residential, commercial, industrial, public, or other structures or spaces, including recreational and other facilities incidental or appurtenant to the structures or spaces;
- (e) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating existing structures;
- (f) providing open space, including streets or other public grounds or space around buildings;
- (g) providing public or private buildings, infrastructure, structures, or improvements;
- (h) relocating a business;
- (i) improving public or private recreation areas or other public grounds;
- (j) eliminating a development impediment or the cause of a development impediment;
- (k) redevelopment as defined under the law in effect before May 1, 2006; or
- (l) any activity described in Subsections (47)(a) through (k) outside of a project area that the board determines to be a benefit to the project area.

(Utah Code § 17C-1-102(48)).

The creation of the Project Area furthers the attainment of the purposes of Title 17C by addressing the following objectives:

Provision of development that enhances economic and quality of life basis. The Project and Project Area will provide numerous economic and community benefits including the creation of 800 new full-time equivalent jobs ("FTE") within Lehi City, and the generation of a significant amount of new personal and real property tax revenues for the City and all taxing entities.

Stimulation of associated business and economic activity by the development. This Project will meaningfully enhance the City's tax base as well as all other taxing entities through personal and real property. The direct and indirect impact provided by the creation of new jobs to the existing local economy will be significant. Local businesses that will benefit include hotels, restaurants, suppliers and vendors servicing new facilities in the Project Area. Texas Instruments and 300MM Fabrication Plants draw secondary and tertiary businesses to include suppliers, maintenance, tooling and fabrication, distribution chain and more.

The Project will achieve the following:

1. Enhance employment and income opportunities for community residents by offering employment opportunities within the Alpine Highway Economic Development area.
2. Increase the diversity of the tax base and increase the resources available for performing governmental services.

3. Encourage and support the efficient use of undeveloped land within Lehi City.
4. Support and encourage appropriate public and private development efforts in the community.

Section 7: How the Plan is Consistent With the City's General Plan (17C-3-103(e))

This Plan and the development contemplated within the Project Area does conform to the City General Plan, Land Use Regulations and the Lehi City Development Code. The current Lehi City Zoning Map shows the development being designated as technical manufacturing. The Lehi City Planning and Zoning Ordinance calls out the project area as technical manufacturing zoning. The ordinance defines the technical manufacturing zone as: "Is to provide for and encourage the development of well planned and designed technology and manufacturing parks. These areas are characterized by uses such as research, development, manufacturing, fabrication, processing, storage, warehousing, and wholesale distribution. These areas are to be located in proximity to adequate transportation facilities and infrastructure so that the needs of these users may be met in an efficient manner with consideration to adjoining uses." The current industrial park is located along Timpanogos Highway which is a main connector to I-15 with access to anywhere in the United States. The park is also located within 40 minutes of the Salt Lake International and Inland Port Authority. The Alpine Highway EDA Plan is aligned with the current zoning maps, Lehi City General Plan and Lehi City Planning and Zoning Ordinances for this project.

Section 8: Describe How The Project Area Development Will Create Jobs in The Project Area (17C-3-103(f))

The project will create construction, part time and full time jobs. It's anticipated that there will be over 1,200 construction jobs created for 2 – 3 years while the new plant is being built. Construction jobs will range from concrete workers, steel framers, roofers, etc. These workers are needed to build the shell and internal wall structures. Workers will be needed to install all the tracking systems in the clean rooms, facilitate installation of equipment for the fiber wafers, build out electronic monitoring system, etc. These jobs will range from general contract labor to special design and installation engineers. Once the plant is operational it's anticipate that there will be 800 new employees hired. These jobs will pay an average of \$110,000 per year salary with benefits, stock options in company, 401K, and bonus potential. The current owner has been hiring new employees for the existing plant to get it fully operational. It's anticipated that they will continue the relationship with Utah Valley University in educating material handlers and other technicians for the plant. Alpine School District has also shown an interest in working with them to create internships for high school students as well as promoting the technical skilled jobs needed for the future.

Section 9: Describe How The Project Area Development Will Eliminate or Reduce any Development Impediment in The Project Area (17C-3-103(g))

The project area is considered green belt or raw land where the new plant will be built. There is currently a 1M square foot facility located in the project area that has been upgraded and is in current use. It's anticipated this plant will be in production for another 50 years. The existing plant has put in a lot of the infrastructure needed for a new plant expansion. The previous land use was for farming. There are no known impediments to the land that would require an impediment determination.

Section 10: Description of the Specific Projects That Are the Object of the Proposed Reinvestment Project Area Development (17C-3-103(h))

Based on the land owner representations, the proposed use will be to maintain the existing 300MM fabrication facility and build a new 1M square foot facility with approx. 350K square feet of clean room space. This proposed use meets the objectives of the Agency, Lehi City, The Lehi City General Plan and current zoning ordinances for development and financial participation. This development will facilitate upgraded water and sewer extension, storm water retention, electrical upgrade and regional road improvements. Lehi City is working with the company to explore the opportunity to utilize the plant water discharge as a secondary water source. This will reduce the overall discharge charges as well as provide a secondary water solution for Lehi City. Personal and real property tax generation is desired by all taxing entities as this will create a sustainable tax base. This project will be an employer of choice in the State of Utah, generating income tax at the state level.

Section 11: Ways in Which Private Developers Will be Selected to Undertake the Community Development (17C-3-103(i))

The project area was created in 1995 to incentivize Micron to build a 300MM fabrication facility in Lehi. The incentive was re-negotiated in 2008 with a 20 year extension. In 2020 Micron sold the facility and adjoining property. The purpose of this plan is to incentivize the new company in building a second 300MM fabrication facility on their property. There are less than 60 business entities in the world who have the technology and funding to build a facility of this nature. Because of this opportunity, Lehi City wants to work with this project.

The Agency and City will ensure that all development conforms to the Project Area Plan and is approved by the City. All development opportunities will need to be vetted by the City and will include development plans and financial information to support the viability and sustainability of the project and the developer to fulfill all obligations that could or will be required. This process could or will include City

staff and or third party sources to review financial statements, verify the benefit of the development to the City, engineering, appraisal reports, etc.

Any participation between the Agency and TI shall be by an approved written agreement such as an Agreement to Develop Land (ADL). The Agency will utilize Tax Increment Financing as the incentive tool to help attract the plant expansion. It is for this purpose that the company and the Agency are contemplating extending the existing EDA timeframe and boundaries.

Section 12: Reasons for the Selection of the Project Area (17C-3-103(j))

The Alpine Highway EDA was originally selected by the RDA as an area that showed great growth opportunity as a 300MM fabrication plant. Texas Instruments is going to build a 300MM fabrication plant somewhere in the United States. Utah is one of three states currently being considered for the new plant. In order to be competitive with other states, Lehi and the State of Utah are providing incentives for this project. The Alpine Highway EDA was created to spur/incentivize 300MM chip fabrication plants. An extension of the existing EDA would further the intended use of the property and fabrication facilities. The Alpine Highway Economic Development Project Area was selected by the Agency as an area that shows high potential for growth and tax generation.

Section 13: Descriptions of Conditions Existing in the Area (17C-3-103(k))

The Existing Project Area consists of approximately 100 acres as shown in the Project Area Map. The expanded area will encompass another 40 acres making the total project area 140 acres. The Agency wants to encourage the new development, utilizing infrastructure improvements and other reimbursable costs through the RDA as the incentive that is needed to facilitate the development. The expanded EDA area will grow the tax base of all taxing entities and the economy to provide greater funding sources to continue to meet the demand and services of its residents. The property currently has one 1M square foot facility on the property to include surface parking and internal road infrastructure. Micron installed infrastructure down SR-92 to include sewer and storm drain. With the plant expansion, there will need to be additional public and private infrastructure installed. All the remaining property is vacant and will be used as a buffer for the facility. Road infrastructure will need to upgrade as well to include transit and the highway systems.

Section 14: Descriptions of Some Incentives Offered to Developer(s) or Land Owner(s) For Locating Facilities in the Project Area (17C-3-103(l))

The following describes incentives the Agency intends to offer within the Project Area to Texas Instruments to improve and develop the property within the Project Area.

1. The Agency intends to utilize personal and real property tax generated from the development that is approved by a Taxing Entity Committee for payment of required infrastructure improvements, and other expenditures as allowed by the Act and approved by the Agency.
2. The company will receive the Tax Increment Financing as negotiated by an Agreement to Develop Land and as approved and outlined in the adopted Project Area Budget and as allowed by the Act.

All incentives and payments to Texas Instruments will be on a post-performance basis and will be offered only according to the terms of a written Agreement that adequately protects the Agency and the taxing entities by ensuring performance by the participant prior to the payment of any reimbursement or incentive from the agency to the participant. Subject to the provisions of the Act, the Agency may agree to pay for eligible development costs and other items from such tax revenues for the period of time the Agency and the taxing entities may deem appropriate under the circumstances.

Section 15: Result of the Public Benefit Analysis Performed by the Agency (17C-3-103(m))

The public benefit analysis required by UCA § 17C-3-103(l) is described in greater detail in Appendix D, attached hereto. In summary, the Agency's public benefit analysis found that the creation of the Project Area, the provision of certain incentives, and other agency activities as described in this Plan and allowed by the Act will provide significant public benefits to the Project Area and the greater Lehi City area.

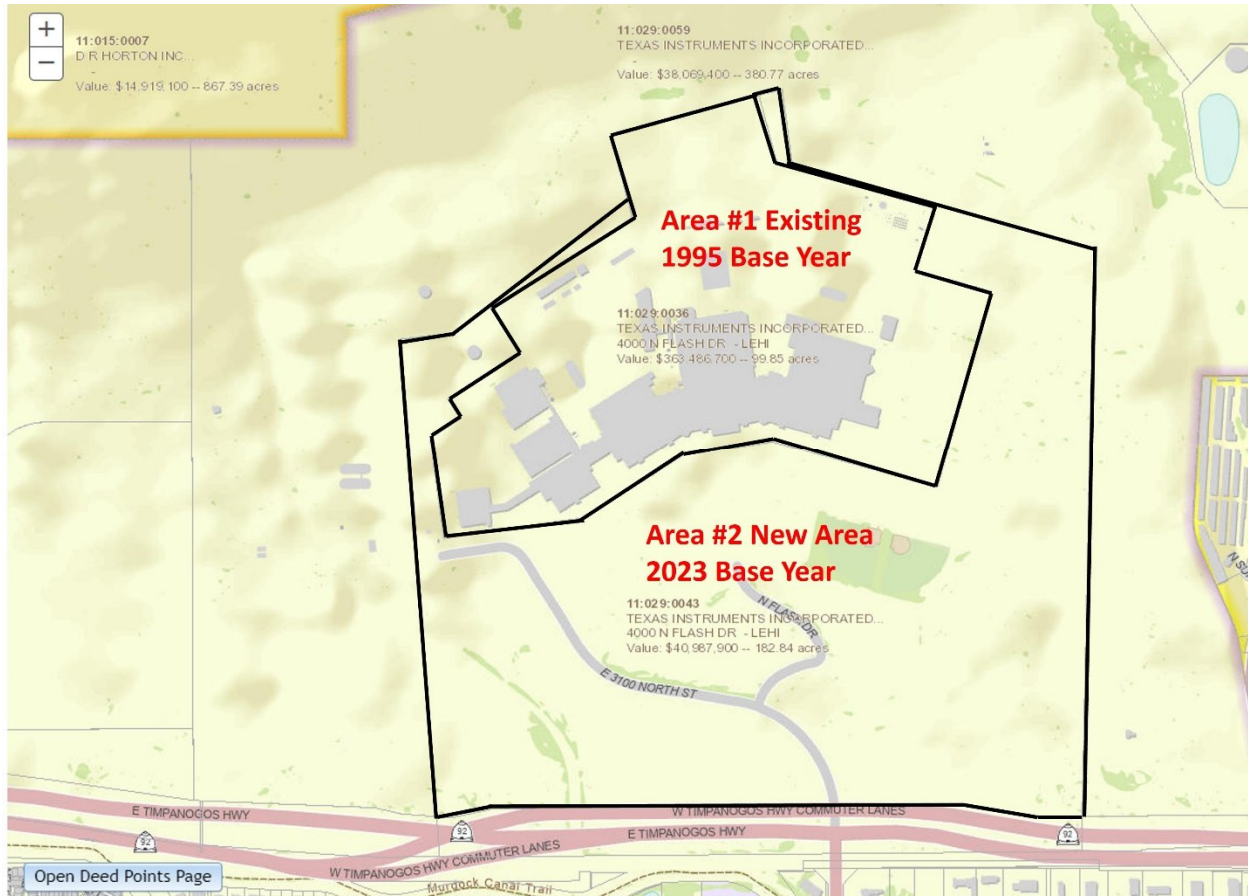
Section 16: Other Information (17C-3-103(n))

There are no existing buildings or uses in the community reinvestment project area that are included in, or eligible for inclusion in, the National Register of Historic Places or the State Register.

Section 17: EDA Expansion Subject to Taxing Entity Committee or Interlocal Agreements (17C-3-103(o))

The Project Area will be subject to a Taxing Entity Committee in order to obtain funding for project area development. The RDA will convene a TEC meeting per Title 17C to include all public noticing and ensuring TEC members are appointed to the board. Upon approval, disapprove or approve with modifications, the RDA will take appropriate action.

APPENDIX A - Project Area Map



APPENDIX B – Project Area Legal Description

This description is for the expansion of the Alpine Highway EDA

Existing Area #1 Description

Legal Description: COM N 447.44 FT & E 525.08 FT FR S 1/4 COR. SEC. 28, T4S, R1E, SLB&M.; N 7 DEG 36' 13" W 561.63 FT; N 57 DEG 40' 47" E 197.97 FT; N 32 DEG 19' 13" W 130 FT; N 57 DEG 40' 50" E 470 FT; N 32 DEG 19' 13" W 292.14 FT; N 57 DEG 40' 47" E 927.5 FT; N 14 DEG 38' 7" W 470.87 FT; N 75 DEG 21' 53" E 850 FT; S 14 DEG 38' 7" E 393.2 FT; S 74 DEG 14' 9" E 895.77 FT; S 15 DEG 45' 51" W 356.2 FT; S 74 DEG 14' 9" E 434.88 FT; S 15 DEG 45' 51" W 1123.8 FT; N 74 DEG 14' 9" W 945.26 FT; S 81 DEG 45' 51" W 494.18 FT; S 57 DEG 45' 51" W 643.51 FT; S 81 DEG 48' 12" W 794.6 FT TO BEG. AREA 99.853 AC.

Expansion Area #2 Description

Legal Description: COM S 1080.18 FT & E 479.62 FT FR S 1/4 COR. SEC. 28, T4S, R1E, SLB&M.; N 4 DEG 2' 40" W 2637.03 FT; N 83 DEG 28' 20" E 283.68 FT; N 53 DEG 5' 33" E 1215.71 FT; S 14 DEG 38' 7" E 102.07 FT; S 57 DEG 40' 48" W 927.49 FT; S 32 DEG 19' 14" E 292.14 FT; S 57 DEG 40' 52" W 470 FT; S 32 DEG 19' 14" E 130 FT; S 57 DEG 40' 48" W 197.97 FT; S 7 DEG 36' 14" E 561.63 FT; N 81 DEG 48' 11" E 794.59 FT; N 57 DEG 45' 50" E 643.51 FT; N 81 DEG 45' 50" E 494.19 FT; S 74 DEG 14' 11" E 945.25 FT; N 15 DEG 45' 51" E 1123.8 FT; N 74 DEG 14' 7" W 434.88 FT; N 15 DEG 45' 51" E 356.12 FT; N 74 DEG 14' 7" W 895.76 FT; N 14 DEG 38' 6" W 393.2 FT; N 75 DEG 21' 19" E 132.09 FT; S 7 DEG 33' 50" E 420.33 FT; S 74 DEG 14' 9" E 1731.39 FT; S 1 DEG 24' 45" W 3123.32 FT; S 89 DEG 42' 0" W 238.35 FT; N 80 DEG 51' 23" W 438.82 FT; S 89 DEG 42' 0" W 2581.54 FT; S 77 DEG 58' 28" W 239.83 FT; N 85 DEG 20' 33" W 82.17 FT TO BEG. AREA 182.835 AC.

APPENDIX D – Public Benefit Analysis

Benefit Analysis of the Proposed Meadow Pointe Community Reinvestment Area

The following benefit analysis is presented to meet the requirement of Utah Code (17C-5-105(12)). The analysis is an adaptation of previous requirements which provides an in-depth analysis.

The analysis shall consider

- (a) A reasonableness of the costs of the proposed project area development
- (b) Efforts that have been taken or will be taken to maximize private investment
- (c) The rationale for use of project area funds, including an analysis of whether the development might occur in the foreseeable future solely through private investment
- (d) An estimate of the total of project area funds to be spent on the project area development and the length of time the funds will be spent
- (e) The anticipated public benefit derived from the proposed project area development including;
- (f) The beneficial influences on the community's tax base
- (g) The associated business and economic activity the proposed project area development will stimulate
- (h) The number of jobs or employment anticipated to be generated or preserved

The following is the public benefit analysis showing the benefit to be derived from the financial assistance and any other public assistance provided to Texas Instruments for the proposed development in the Project Area. This is intended to provide a framework for the Agency to make critical decisions and show whether it is good policy and in the interest of Lehi City Redevelopment Agency to invest agency funds in the Project Area. This document is prepared in good faith as an estimate of the economic impact of this project. Market conditions and unforeseen forces could influence the project in a favorable or unfavorable way. The information contained herein is considered to be an accurate accounting and reasonable expectations of the project.

Introduction of Project

The benefit analysis analyzes the potential increment generated through personal and real property tax revenue for the project area. It identifies the net benefit or loss to the Agency and Lehi City. The proposed project includes Existing 100 Acres and Expanded 40 acres to be developed. Currently there is a 1M Square foot 300MM Fabrication Facility with 462K square feet of clean room and an anticipated expansion of 1M square feet of 300MM Fabrication Facility with 350K square feet of clean room space. This development is consistent with the Lehi City General Plan and Planning and Zoning Ordinances. This

development is intended to serve Lehi City and State of Utah residents in providing needed job centers, for the area. The overall benefit and investment brought to the project includes greater personal and real property tax levies, higher and better use of vacant land and public infrastructure. Per Utah State Code 17C-3-202 there will not be a 20% set aside for low to moderate income housing and or projects that will benefit low to moderate income housing. The original budget was approved in 1995 and a request will be made of the TEC committee to waive the 20% set aside.

This analysis contemplates private investment in the proposed project area to be estimated at \$7.5B billion to \$11.2B billion. This is the anticipated cost with equipment for the new fabrication facility. The existing facility has already received over \$2B billion in new equipment and upgrades since the existing facility was purchased in 2021. The overall new taxable personal and real property value will be approximately \$2,387,580,065 at stabilization. Stabilization is considered the point where the plants are completely filled with tooling equipment and all space has been built out. New equipment will be needed as part of the maintenance process but this takes into account depreciation on the equipment. It's anticipated \$18,842,871 average will be generated on an annual basis with \$644,646,617 million being generated over the 30 years of which the company would receive \$451,252,632 million. The economic benefit resulting from the construction of the project includes; both short term and long term employment opportunities, local purchases of goods and services by local residents and employees constructing the development, purchase of utilities and increased tax revenue to the state and local governments. This report identifies the potential tax revenue that may be generated from an increase in personal and real property value resulting from the development.

Project Development Overview

It is proposed the Economic Development Area be expanded and extended for another 30 years for the purpose of developing a new Fabrication Facility and to be competitive against other state incentives. It is anticipated that the expansion of the Alpine Highway EDA will contribute greatly to the economic well-being of the community through personal and real property tax generation.

The project area is currently zoned Technical Manufacturing by the Planning and Zoning Ordinances and Technical Manufacturing on the General Plan. Technical Manufacturing promotes the use of manufacturing to create technology. The existing and new fabrication plants embody this zoning designation.

Capital Investment Projections for Personal and Real Property.

The Project Area currently resides in a Technical Manufacturing zone and was vacant land when the development was proposed in 1995. The current base value is \$505,973 which generates \$3,993.00 in taxes annually. The base year is set for 1995. (Note: The Agency will only request participation for personal or real property taxes from taxing entities.) The Alpine Highway Economic Development Project Area is anticipated to have a base value of \$2,387,580,065 average at full buildout. Per the Community

Reinvestment Agency Act, the Lehi City Redevelopment Agency is authorized to provide funding for the Project Area Plan through 2/3 majority vote of the Taxing Entity Committee of the property taxes generated within the Project Area. The Agency must follow the Taxing Entity Committees decision on how much the RDA will receive from each taxing entity. The RDA will enter into an Agreement to Develop Land (ADL) with Texas Instruments that will determine how much of the funding they will receive. Per Utah State Code, the agency will request the TEC waive the 20% set aside for low to moderate income housing.

Personal and real property tax may help pay for infrastructure costs associated with the Project Area and be utilized as a direct incentive to Texas Instruments. The estimated future personal and real property tax increment cash flows are projected in additional detail in Schedule 1 attached as Appendix E.

Evaluation of Reasonableness of Economic Development Costs

It is anticipated that an estimated \$18,842,718 will be generated annually in Personal and Real Property. Of which the company would get %70 (13,189,947) with 30% (\$5,652,834) being split between Lehi City and Alpine School District at 44%, Utah County at 12% and nothing to the other taxing entities. This would equate to a total budget for personal and real property of approx. \$644,646,617 over 30 years. It is reasonably expected the company will invest \$7B - \$11B in the project to complete the new fabrication facility and annually for inventory and parts. Between Lehi City and the development community there will be over \$40,000,000 invested in infrastructure costs to include extension of utilities within and without the development and road improvements. Costs will be covered by State of Utah, UDOT, UTA, Texas Instruments and through the EDA TIF.

The proposed uses of the funds have been reviewed to evaluate their “reasonableness” of the costs of the proposed project area development. The development pro forma is based on building development market standards as reported in industry publications and contains costs that are considered reasonable for a development of this scale and scope.

Efforts to Maximize Private Development

Private investment must, to the extent possible be maximized. The total private investment in the project area is estimated at over \$7.5B. Upon completion it is anticipated the taxable value of the project area will grow to over \$4.4B with stabilization at \$2.3B. The difference between investment in the project area and taxable value is due to infrastructure improvements, equipment evaluation and current land assessed value.

The use of tax increment financing can serve as a catalyst or incentive to accelerate private investment and development in an area that would otherwise develop to a lower use or tax generator. If there is no private sector investment, there will be no tax increment financing generated for the project area. It is this private investment that allows public agencies to leverage the increase in tax revenues to construct

needed public infrastructure. Leveraging compares the dollar amount privately invested into the project area compared to the dollar amount of tax increment the agency pledges to the project. The leverage ratio of private to public monies in the Project Area exceeds 25.7 to 1. The leverage ratio, which should be achieved by an economic development project like this one is indeterminate. However, federal economic development programs such as the Small Business Administration require leverage ratios of 3:1 or 5:1 based on the program and the former Urban Development Action Grant shows an overall leverage ratio of 6:1. The leveraging ratio of 25.7:1 is favorable compared to other similar economic development programs.

Rational for use of project area funds, including an analysis of whether the proposed project area development might reasonably occur in the foreseeable future solely through private investment.

In 2008 the Redevelopment Agency entered into a second agreement for Micron plant to be brought to full capacity. This has transpired and the RDA has currently paid out approx. \$85M in TIF. The company is currently looking at multiple sites through the United States for a new 300MM fabrication facility. The Lehi site is being considered for another fabrication plant. To be competitive, The State of Utah, and all other taxing entities need to put forth an attractive incentive package. The United States Government has enacted the Chips legislation which is design to onshore chip manufacturing back to the United States. This incentive is designed to help companies build and expand in the US. The company will be putting in a package to go after this funding and it will be utilized to help build the new plant. Development of the proposed project area will only occur if there is an attractive incentive package.

But for the economic development incentive being considered it is reasonable to assume that this development might not reasonably occur in the foreseeable future. With the fabrication plants costing so much money, Texas Instruments is being very strategic in location as only a handful will be built in the US.

An estimate of the total amount of project area funds that the Agency intends to spend on project area development and length of time over which the project area funds will be spent

It is anticipated that an estimated \$644,646,617 of personal and real property increment will be expended over 30 years to undertake the development of the project area. This plan contemplates extending the existing 2008 agreement for another 30 years starting in 2023. This would extend the current facility and include the new facility. The agency will ask the TEC to waive the 20% set aside for Low to Moderate Housing. The agency will not be collecting an administration fee for this area. The EDA will be based on a 30-year limit or a maximum value has been obtained.

Increment New Taxes Resulting from the Proposed Development

The Public Investment in the project is expected to create an environment that will produce private investment in constructing a new 300MM fabrication facility and will result in increment tax revenues to all taxing entities. As a result of the development it is anticipated that the Project Area will produce an estimated total gross revenue between personal and real property tax of \$644,646,617 over a 30-year period. The following is a schedule of personal and real property to the taxing entities. Per the existing agreement, Alpine School District and Lehi City each get 44% of the 30% with Utah County getting the remaining 12%. All other taxing entities get nothing.

Total Increment Value Generated for Taxing Entities

<i>Taxing Entity</i>	<i>Length</i>	<i>Percentage</i>	<i>Sales Tax</i>	<i>Property Tax</i>
Utah County	30 Years	30%		\$ 23,207,278.00
Alpine School District	30 Years	30%		\$ 85,093,353.00
Lehi City	30 Years	30%		\$ 85,093,353.00
Water Conservancy Districts	30 Years	30%		\$ 00.00
Total Taxes			\$00.00	\$ 193,393,985.00

The proposed budget only analyzes personal and real property tax, it does not include an analysis of sales and use tax, franchise, transient room or any other tax revenue that may or may not be generated in the project area.

The Associated Business and Economic Activity Likely to be Stimulated;

The public investment of Tax Increment is expected to stimulate the following economic activity:

Short Term Construction and Employment

For purposes of this analysis we are assuming a range of 1,200 – 2,000 construction workers on site at any one given time. Average wage for a general laborer construction worker is \$17.21 per hour or \$35,808 (Utah Department of Workforce Services Data) per year. Total estimated payroll during the 3-year construction period is \$129M - \$215M. This equates to approximately 22% of the total overall costs. National averages range between 30% - 35% of total construction costs. It is safe to assume based on the multiplier and national average ranges, the estimated number of workers and payroll is accurate. The remaining 78% of the construction costs will be used for infrastructure, clean room space, materials and overhead.

It is reasonable to expect that construction workers will spend a typical portion of their wages in Lehi City for food, clothing, recreation, transportation and housing which will generate sales and use tax as well as

personal and real property tax revenue. There is no way to determine how much of the building materials will be purchased from within Lehi City but it is reasonable to expect that most material will come from within the state therefore providing sales tax revenue to the state and local economies.

Direct Employment

Texas Instruments is anticipating hiring 800 new employees for the new facility. The average wage is \$110,000. This is comprised of a base wage and then opportunities for bonus, profit sharing, incentives for patents, longevity with the company and more. The pay scale and incentives is such to attract and retain talent within the company. These wages are higher than the average household income in Lehi.

Direct Purchases of Supplies and Services

During the development phase, it's anticipated Texas Instruments will utilize Utah companies to source goods and materials for building. While this is not a requirement, the rationalization is they will get better pricing by purchasing local. Upon completion, goods and services will be purchased to maintain the facility. This includes office supplies, janitorial equipment, food services, etc. It is induced there will be a direct and in-direct impact to the local economy through job and income generation and wages being spent in the local economy. Direct jobs also create secondary or support jobs that are viewed by a multiplier or the multiplier effect. The multiplier number shows the economic impact to an area is much larger than just the direct jobs or impact created. Semiconductor plants also have secondary and tertiary companies who locate near a main company to provide services. This creates an economic cluster for an area. This is desirable in the State of Utah as it expands the economic base in higher wage jobs.

Impact on Other Taxing Entities

Under the current EDA development agreement signed 2008 the Redevelopment Agency receives 100% of the tax increment financing. The RDA by agreement then sends 70% of the proceeds to Micron now Texas Instruments. Of the remaining 30%, 44% goes to the Alpine School District and Lehi City with the remaining 12% going to Utah County. All other taxing entities receive no taxes. It's proposed that a request is made of the Taxing Entity Committee to just renew the agreement for another 30 years to include the existing facility and all new development. Because this EDA was created in 1995 it falls under the Taxing Entity Committee. The TEC will vote on the plan and budget and if approved by 2/3 majority vote every taxing entity is bound by that decision. This process circumvents the need to enter into Interlocal Agreements with each taxing entity and sets the same length, percentage and cap amounts. Based on current budget projections and keeping the same percentages for the 30 years, the overall budget is \$644,646,617. Of this, the company would receive \$451,252,632, Alpine School District and Lehi City would each receive \$ 85,093,353, Utah County would receive \$23,207,278, Central Utah Water Conservancy District, North Utah County Water Conservation District, Lehi Metropolitan Water Conservancy District and Traverse Special Service District would receive no funds for the 30 years.

Conclusion

Lehi City Redevelopment Agency is proposing the TEC approve the extension of the existing contract for another 30 years with all other terms remaining the same. This will be the largest incentive the Lehi RDA has put forth for any company. The Lehi facility is competing against at least three other states for the new fabrication facility. There will only be so many fabrication facilities in the United States. There will be winner and loser states. This is an opportunity to help Utah become a major player in the semiconductor fabrication facilities. It is also anticipated that the entire project area will employ over 1,600 employees with higher than average wages for the area. This project is a winner for all taxing entities from income tax to the state to personal and real property to the other taxing entities. Once this project area closes out, it will generate a windfall of taxes for future generations. It will also enhance community safety, prosperity, peace, order and convenience to the community by taking vacant land and utilizing it to a higher and better use.

The Agency seeks to utilize the tax increment as an incentive to reimburse infrastructure costs for the development project and as an incentive to compete against other states. The development would most likely not occur if not for the infrastructure improvement/incentive and the new fabrication facility will not be built and the property would remain vacant producing no personal and real property tax.

The incentive given must be weighed against the value received on a project by project basis over the life of the project. As previously stated, there will be additional economic development that increases the tax base and/or tangible and quantifiable benefits to the City as a result of this development.

In determining whether the appropriation/reimbursement is necessary to accomplish the goals of economic development, job creation and preservation, growth of tax revenues and other public purposes, the Agency should consider what would be paid every year in return for the development of the Project Area and generation of new tax revenues.

The economic benefits to the Alpine Highway Economic Development Area include:

- Total investment estimated at \$7.5B - \$11.2B to include infrastructure, building costs, clean room space, tooling equipment, additional storage space and other costs associated with development.
- Short term construction employment of 1,200 – 2,000 workers with an estimated payroll of \$129M – \$215M. This is wage and doesn't take into account any spending or needed consultation on site.
- New direct employment of approximately 800 full and part-time jobs as well as retaining 800 full and part-time jobs.
- Multiplier effect of additional jobs created in the City as support services for the direct employment.
- Purchases of goods or services from local vendors during and after construction

- Immediate new growth in the tax revenues due to land being developed from vacant lot to new 300MM Semiconductor Fabrication Plant.
- A continued economic and commercial diversification of Lehi City and the state.

Without extending the Alpine Highway Economic Development Area and providing tax increment assistance to Texas Instruments this development will not occur. The coverage of infrastructure costs and incentive are intended to attract the new semiconductor fabrication facility. The alternative is that the fabrication facility locates to another state and we lose any future opportunity.

The Alpine Highway Economic Development Area meets all the requirements as set forth in Utah Code title: 17C-3-103 regarding the proposed Project Area. The Alpine Highway Economic Development Area in Lehi City will provide a beneficial influence upon the tax base of the City, will stimulate business and associated economic activity, promote the public peace, health, safety and welfare of Lehi City.

There are substantial economic benefits associated with the personal and real property tax increment investment to Lehi City and all other taxing entities in extending the Alpine Highway Economic Development Project Area.

Schedule 1

APPENDIX E

Alpine Highway EDA Extension 2022												
	Year											
Increment Property Tax	Payment Year											
	2023	-2	2024	-1	2025	0	2026	1	2027	2	2028	3
	Tax Year	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2030
Capital Investment (New Development):												
Personal Property												
Real Property												
Total Capital Investment												
Tax Rate (updated per call)	Average											
Current Base Value (Land on Real Property)	\$	253,366.55										
Total Assessed Value New Development (Personal Property)	\$	452,639,000.00										
Minus Base Year Value	\$	1,386,577,294.09										
	\$	1,818,962,927.54										
Total Increment Value	\$	14,355,255.42										
Total Increment Value Generated (prorated 2022 tax rate to the 0.009 Est Rate)												
Utah County	0.000744											
Alpine School Dist	0.000545											
Lehi City	0.001340											
Water Conservancy Districts Combined	0.000471											
Total Taxes	0.000900											
Property Tax Increment for Budget New Development												
Utah County												
Alpine School Dist												
Lehi City												
Water Conservancy Districts Combined												
Total Increment Taxes for the Budget												

APPENDIX E Schedule 1 Cont

	Year	7	8	9	10	11	12	13	14	15
Increment Property Tax	Payment Year	2032	2033	2034	2035	2036	2037	2038	2039	2040
	Tax Year	2031	2032	2033	2034	2035	2036	2037	2038	2039
Capital Investment (New Development):										
Personal property		\$ 1,850,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00
Real property		\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00
Total Capital Investment		\$ 1,852,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00
Tax Rate (updated per call)	Average	0.009000	0.009000	0.009000	0.009000	0.009000	0.009000	0.009000	0.009000	0.009000
Current Base Value (Land on Real Property)	\$ 253,366.55	\$ 253,366.55	\$ 253,366.55	\$ 253,366.55	\$ 253,366.55	\$ 253,366.55	\$ 253,366.55	\$ 253,366.55	\$ 253,366.55	\$ 253,366.55
Total Assessed Value New Development (Personal Property)	\$ 452,639,000.00	\$ 1,006,000,000.00	\$ 1,546,500,000.00	\$ 1,074,410,000.00	\$ 737,430,000.00	\$ 499,650,000.00	\$ 333,600,000.00	\$ 333,780,000.00	\$ 333,960,000.00	\$ 334,140,000.00
Total Assessed Value New Development (Real Property)	\$ 1,366,577,294.09	\$ 1,733,523,739.34	\$ 1,692,135,645.86	\$ 1,651,782,254.71	\$ 1,612,437,698.34	\$ 1,574,076,755.89	\$ 1,536,674,836.99	\$ 1,500,207,966.06	\$ 1,464,652,766.91	\$ 1,429,986,447.74
Minus Base Year Value	\$ 1,818,562,927.54	\$ 2,739,270,372.79	\$ 3,238,582,279.31	\$ 2,725,398,888.16	\$ 2,349,614,331.79	\$ 2,073,473,389.34	\$ 1,870,021,470.44	\$ 1,633,734,599.51	\$ 1,798,359,400.36	\$ 1,765,873,081.19
Total Increment Value	\$ 14,355,255.42	\$ 24,653,433.36	\$ 29,145,440.51	\$ 24,533,449.99	\$ 21,146,528.99	\$ 18,661,260.50	\$ 16,830,193.23	\$ 16,503,611.40	\$ 16,185,234.60	\$ 15,874,857.73
Total Increment Value Generated (prorated 2022 tax rate to the 0.009 Est Rate)										
Utah County	0.000744	\$ 2,038,017.16	\$ 2,409,356.42	\$ 2,028,098.53	\$ 1,748,113.06	\$ 1,542,664.20	\$ 1,391,255.97	\$ 1,364,298.54	\$ 1,337,979.39	\$ 1,312,321.57
Alpine School Dist	0.006445	\$ 17,654,597.55	\$ 20,871,373.79	\$ 17,568,676.13	\$ 15,143,264.37	\$ 13,363,535.99	\$ 12,052,288.38	\$ 11,818,419.49	\$ 11,590,426.34	\$ 11,368,162.01
Lehi City	0.001340	\$ 3,670,622.30	\$ 4,339,432.25	\$ 3,652,758.11	\$ 3,148,483.20	\$ 2,776,454.34	\$ 2,505,828.77	\$ 2,457,204.36	\$ 2,409,801.60	\$ 2,363,589.93
Water Conservancy Districts combined	0.000471	\$ 1,290,196.35	\$ 1,525,278.05	\$ 1,283,917.22	\$ 1,106,668.35	\$ 976,605.97	\$ 880,780.11	\$ 863,689.00	\$ 847,027.28	\$ 830,784.22
Total Taxes	0.009000	\$ 24,653,433.36	\$ 29,145,440.51	\$ 24,533,449.99	\$ 21,146,528.99	\$ 18,661,260.50	\$ 16,830,193.23	\$ 16,503,611.40	\$ 16,185,234.60	\$ 15,874,857.73
Property Tax Increment for Budget New Development										
Utah County		\$ 1,426,612.01	\$ 1,886,549.49	\$ 1,419,668.97	\$ 1,223,679.14	\$ 1,075,864.94	\$ 973,907.18	\$ 955,008.98	\$ 936,585.58	\$ 918,625.10
Alpine School Dist		\$ 12,358,218.29	\$ 14,609,961.65	\$ 12,298,073.29	\$ 10,600,285.06	\$ 9,354,475.20	\$ 8,436,601.86	\$ 8,272,893.65	\$ 8,113,298.43	\$ 7,957,713.41
Lehi City		\$ 2,569,435.61	\$ 3,037,602.58	\$ 2,556,930.68	\$ 2,203,938.24	\$ 1,944,918.04	\$ 1,754,080.14	\$ 1,720,043.05	\$ 1,686,861.12	\$ 1,654,512.95
Water Conservancy Districts combined		\$ 903,137.44	\$ 1,067,684.64	\$ 898,742.05	\$ 774,667.85	\$ 683,624.18	\$ 616,546.08	\$ 604,582.30	\$ 592,919.09	\$ 581,548.95
Total Increment Taxes for the Budget		\$ 17,257,403.35	\$ 20,401,808.36	\$ 17,173,415.00	\$ 14,800,570.29	\$ 13,062,882.35	\$ 11,781,135.26	\$ 11,552,527.98	\$ 11,329,664.22	\$ 11,112,400.41
		\$ 88,545,243.78	\$ 108,947,052.14	\$ 126,120,467.13	\$ 140,923,037.42	\$ 153,989,919.78	\$ 165,767,055.04	\$ 177,319,583.02	\$ 188,649,247.24	\$ 199,761,647.65

Schedule 1 Cont

25 | Page

APPENDIX E
Schedule 1 Cont[illegible]

APPENDIX E Schedule 1 Cont

Alpine Highway EDA Extension												
2022												
	Year	-2	-1	0	1	2	3	4	5	6		
Increment Property Tax	Payment Year	2023	2024	2025	2026	2027	2028	2029	2030	2031		
	Tax Year	2022	2023	2024	2025	2026	2027	2028	2029	2030		
Capital Investment (Current Site - Personal Property):		\$ 204,000,000.00	\$ 425,000,000.00	\$ 613,000,000.00	\$ 703,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00		
	Average											
Current Base Value	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00		
Total Assessed Value Current Development (Personal Property)	\$ 205,636,411.26	\$ 258,108,141.00	\$ 266,015,341.18	\$ 389,205,534.95	\$ 556,625,709.34	\$ 729,653,883.74	\$ 515,023,883.74	\$ 343,643,883.74	\$ 220,045,883.74	\$ 151,523,883.74		
Total Assessed Value Current Development (Real Property)	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00		
Minus Base Year Value	\$ 568,617,138.26	\$ 621,088,868.00	\$ 628,995,068.18	\$ 752,186,261.95	\$ 919,610,436.34	\$ 1,092,634,610.74	\$ 876,004,610.74	\$ 706,624,610.74	\$ 583,024,610.74	\$ 514,504,610.74		
Total Increment Value		\$ 5,589,799.81	\$ 5,660,964.61	\$ 6,769,676.36	\$ 8,276,493.93	\$ 9,833,711.50	\$ 7,884,041.50	\$ 6,359,621.50	\$ 5,247,221.50	\$ 4,630,541.50		
	Existing 70%	\$ 3,912,859.87	\$ 3,962,675.23	\$ 4,738,773.45	\$ 5,793,545.75	\$ 6,883,598.05	\$ 5,518,829.05	\$ 4,451,735.05	\$ 3,673,055.05	\$ 3,241,379.05		
Remaining Property Tax Revenue to Entities New Development												
Utah County	\$ -	\$ -	\$ -	\$ -	\$ 59,989.01	\$ 268,541.98	\$ 435,272.43	\$ 481,381.06	\$ 521,466.03	\$ 555,316.28		
Alpine School Dist	\$ -	\$ -	\$ -	\$ -	\$ 364,548.45	\$ 1,632,452.59	\$ 2,645,998.22	\$ 2,926,290.12	\$ 3,169,964.57	\$ 3,375,738.45		
Lehi City	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Water Conservancy Districts Combined	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Total remaining Taxes for the Trading Entities	\$ -	\$ -	\$ -	\$ -	\$ 789,065.91	\$ 3,933,447.16	\$ 5,727,268.88	\$ 6,333,961.90	\$ 6,861,395.17	\$ 7,906,793.19		
Remaining Property Tax Revenue to Entities Existing Development												
Utah County	\$ 127,447.44	\$ 123,069.99	\$ 154,348.62	\$ 188,704.06	\$ 224,208.62	\$ 179,756.15	\$ 144,999.37	\$ 119,656.05	\$ 105,576.35			
Alpine School Dist	\$ 774,746.25	\$ 784,609.70	\$ 938,277.14	\$ 1,147,122.06	\$ 1,362,952.41	\$ 1,092,728.15	\$ 881,443.54	\$ 727,264.90	\$ 641,793.05			
Lehi City	\$ 774,746.25	\$ 784,609.70	\$ 938,277.14	\$ 1,147,122.06	\$ 1,362,952.41	\$ 1,092,728.15	\$ 881,443.54	\$ 727,264.90	\$ 641,793.05			
Water Conservancy Districts Combined	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Total remaining Taxes for the Trading Entities	\$ 1,676,939.94	\$ 1,692,289.38	\$ 2,030,902.91	\$ 2,482,948.18	\$ 2,950,113.45	\$ 2,365,212.45	\$ 1,907,868.45	\$ 1,579,166.45	\$ 1,389,162.45			

Schedule 1 Cont

28 | Page

Schedule 1 Cont

29 | Page

APPENDIX E
Schedule 1 Cont

	Year	25	26	27	28	29	30		
Increment Property Tax	Payment Year	2050	2051	2052	2053	2054	2055		
	Tax Year	2049	2050	2051	2052	2053	2054		
Capital Investment (Current Site - Personal Property):		\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00		
Current Base Value	Average	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00		
Total Assessed Value Current Development (Personal Property)	\$	\$ 152,663,883.74	\$ 152,723,883.74	\$ 152,783,883.74	\$ 152,843,883.74	\$ 152,903,883.74	\$ 152,963,883.74	\$ 6,169,093,337.72	\$ 644,646,617.76
Total Assessed Value Current Development (Real Property)	\$	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00	\$ 10,904,601,000.00	
Milvus Base Year Value	\$	\$ 568,617,138.26	\$ 515,644,610.74	\$ 515,704,610.74	\$ 515,764,610.74	\$ 515,824,610.74	\$ 515,884,610.74	\$ 515,944,610.74	
Total Increment Value		\$ 4,640,801.50	\$ 4,641,341.50	\$ 4,641,881.50	\$ 4,642,421.50	\$ 4,642,961.50	\$ 4,643,501.50	\$ 153,526,627.33	
	Existing 70%	\$ 134,414,176.14	\$ 107,531,340.91	\$ 107,531,340.91	\$ 107,531,340.91	\$ 107,531,340.91	\$ 107,531,340.91	\$ 3,250,073.05	\$ 3,250,451.05
		\$ 3,248,561.05	\$ 3,248,939.05	\$ 3,249,317.05	\$ 3,249,695.05	\$ 3,250,073.05	\$ 3,250,451.05	\$ 107,468,639.13	\$ 46,057,988.20
								\$ 451,252,632.44	\$ 193,393,085.33
Remaining Property Tax Revenue to Entitles New Development									
Utah County		\$ 300,265.78	\$ 294,916.33	\$ 289,703.49	\$ 284,621.90	\$ 279,668.27	\$ 274,839.41	Total	Average 30 yrs
Alpine School Dist	\$	\$ 1,825,287.69	\$ 1,792,780.85	\$ 1,761,092.29	\$ 1,730,201.56	\$ 1,700,088.71	\$ 1,670,734.29	\$ 68,060,230.67	\$ 2,268,974.36
Lehi City	\$	\$ 1,825,287.69	\$ 1,792,780.85	\$ 1,761,092.29	\$ 1,730,201.56	\$ 1,700,088.71	\$ 1,670,734.29	\$ 68,060,230.67	\$ 2,268,974.36
Water Conservancy Districts Combined	\$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	
Total remaining Taxes for the Taxing Entities	\$	\$ 3,950,839.15	\$ 3,880,478.02	\$ 3,811,888.07	\$ 3,745,025.01	\$ 3,679,845.69	\$ 3,616,307.99	\$ 147,335,997.13	\$ 4,911,199.90
Remaining Property Tax Revenue to Entitles Existing Development									
Utah County		\$ 105,810.27	\$ 105,822.59	\$ 105,834.90	\$ 105,847.21	\$ 105,859.52	\$ 105,871.83	Total	Average 30 yrs
Alpine School Dist	\$	\$ 643,215.09	\$ 643,289.93	\$ 643,364.78	\$ 643,439.62	\$ 643,514.46	\$ 643,589.31	\$ 21,276,790.55	\$ 116,680.24
Lehi City	\$	\$ 643,215.09	\$ 643,289.93	\$ 643,364.78	\$ 643,439.62	\$ 643,514.46	\$ 643,589.31	\$ 21,276,790.55	\$ 709,293.02
Water Conservancy Districts Combined	\$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	
Total remaining Taxes for the Taxing Entities	\$	\$ 1,392,240.45	\$ 1,392,402.45	\$ 1,392,564.45	\$ 1,392,726.45	\$ 1,392,888.45	\$ 1,393,050.45	\$ 46,057,988.20	\$ 1,535,266.27

Redevelopment Agency of Lehi Agenda Item Report

Meeting Date: January 24, 2023

Submitted By: Teisha Wilson

Submitting Department:

Item Type: Resolution

Agenda Section: Regular Agenda

Subject:

Alpine Highway EDA Extension Budget

a. Public Hearing

b. Consideration of Resolution #2023-02 adopting the official Project Area Budget for the Alpine Highway Economic Development Project Area.

Suggested Action:

Attachments:

[RDA Resolution adopting EDA Budget Marlin.docx](#)

[Alpine Highway EDA Extension Budget Draft ASL EDITS \(2023-01-17\) \(LE036-004\) \(002\).pdf](#)

REDEVELOPMENT AGENCY OF LEHI CITY, UTAH

RESOLUTION #

**RESOLUTION OF THE REDEVELOPMENT AGENCY OF LEHI CITY, UTAH
("RDA") ADOPTING THE OFFICIAL PROJECT AREA BUDGET FOR ALPINE
HIGHWAY ECONOMIC DEVELOPMENT PROJECT AREA; DATED
JANUARY 22ND, 2023**

WHEREAS, the Redevelopment Agency of Lehi City (the "Agency") was created to transact the business and exercise the powers provided for in the current Limited Purpose Local Government Entities – Community Reinvestment Agency Act, Title 17C of the Utah Code Ann. 1953, as amended (the "Act"); and

WHEREAS, Lehi City has adopted a general Budget pursuant to applicable law; and

WHEREAS, the Agency has authorized the preparation of a draft project area budget as provided in Section 17C-3-201(1) of the act, and the Budget has been prepared as provided in Section 17C-3-201(2)(a) of the Act; and,

WHEREAS, pursuant to Section 17C-3-201(2)(a) of the Act, the Agency has (a) prepared a draft Alpine Highway Economic Development Project Area Budget (the "Project Area Budget" or "Budget") and (b) made the draft Project Area Budget available to the public at the Agency's offices during normal business hours for 30 days prior to the date of adoption of the Budget; and,

WHEREAS, the Agency has provided notice of the Budget public hearing in compliance with Sections 17C-1-805, 806, and 809;

WHEREAS, the Agency has held a public hearing on the draft Project Area Budget and at that public hearing (a) allowed public comment on the draft Project Area Budget and on whether the draft Project Area Budget should be revised, approved or rejected, and (b) received all written and heard all oral objections to the draft Project Area Budget; and

WHEREAS, after holding the public hearing the Agency considered the oral and written objections to the draft Project Area Budget, and whether to revise, approve or reject the draft Project Area Budget; and

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF LEHI CITY:

Section I. Adoption of Project Area Budget. It has become necessary and desirable to adopt the draft Project Area Budget entitled, "Alpine Highway Economic Development Area," dated January 22nd, 2023. The Project Area Budget is hereby designated as the official Project

Area Budget for the Alpine Highway Economic Development Project Area. The draft Project Area Budget, in the form attached hereto as **EXHIBIT C**, and together with any changes to the draft Project Area Budget as may be indicated in the minutes of this meeting (if any), the Agency hereby officially adopts the Project Area Budget by Resolution.

Section 2. Legal Description of the Project Area Boundaries. The legal description of the boundaries of the Project Area covered by the Project Area Budget is attached hereto and incorporated herein as **Exhibit A**. A map of the Project Area is attached and incorporated herein as **Exhibit B**.

Section 3. Agency's Purposes and Intent. The Agency's purposes and intent with respect to the Project Area are to accomplish the following:

- A. Provide essential governmental services to the Project Area by providing a mechanism to develop public infrastructure within or to serve the Project Area.
- B. Encourage and accomplish appropriate private development and community development activities within the Project Area.
- C. To enhance employment & income opportunities for community residents.
- D. To improve access to goods and services for residents.
- E. To increase and diversify the tax base, thus increasing the resources available for performing governmental services while minimizing tax rates.

Section 4. Project Area Budget Incorporated by Reference. The Project Area Budget, together with any supporting documents, in the form attached as **Exhibit C**, and together with any changes to the draft Project Area Budget as may be indicated in the minutes of this meeting (if any), is hereby incorporated herein by reference, and made a part of this Resolution. Copies of the Project Area Budget shall be filed and maintained in the office of the Agency and the City Recorder for public inspection.

Section 5. Agency Board Findings. The Agency Board hereby determines and finds as follows:

The adoption of the Project Area Budget will:

- A. Satisfy a public purpose by, among other things, encouraging and accomplishing appropriate community development, economic development and reinvestment activities within the Project Area;

B. Provide a public benefit in the form of, among other things, increased development activity within the boundaries of the Agency, including in particular within the Project Area, which is desirable and will enhance the tax base of all taxing entities within the project Area:

C. Be economically sound and feasible; in that the revenue needed for the implementation of the Project Area Budget will come from incremental property taxes generated by new private development within the Project Area, all as further shown and supported by the analysis contained in the Project Area Budget;

D. Conform to Lehi City's general Budget in that; among other things, the Project Area Budget provides that all development in the Project Area is to be in accordance with the City's zoning ordinances and requirements, and the development activities contemplated by the Project Area Budget are in harmony with the City's general Budget; and,

E. Promote the public peace, health, safety and welfare of the citizens of Lehi City.

Section 6. Acquisition of Property. Pursuant to this Project Area Budget the Agency may acquire (but is not required to acquire) property in the Project Area by negotiation, gift, devise, exchange, purchase, or other lawful method, but not by eminent domain (condemnation) except from an Agency board member or officer with their consent. Pursuant to this Project Area Budget the Agency is authorized to acquire (but is not required to acquire) any other interest in real property in the Project Area less than fee title such as leasehold interests, easements, rights of way, etc. by negotiation, gift, devise, exchange, purchase or other lawful method, but not by eminent domain (condemnation) except from an Agency board member or officer with their consent.

Section 7. Financing. Subject to any limitations required by currently existing law (unless a limitation is subsequently eliminated), this Resolution hereby specifically incorporates all of the provisions of the Act that authorize or permit the Agency to receive funding for the Project Area and that authorize the various uses of such funding by the Agency, and to the extent greater (or more beneficial to the Agency) authorization for receipt of funding by the Agency or use thereof by the Agency is provided by any amendment of the Act or by any successor provision, law or act, those are also specifically incorporated herein. It is the intent of this Resolution that the Agency shall have the broadest authorization and permission for receipt of and use of personal and real property, sales and use tax, tax increment and other funding as is authorized by law, whether by existing or amended provisions of law. This Resolution also incorporates the specific provisions relating to funding of community reinvestment project areas permitted by Chapter 3 of the Act.

Section 8. Effective Date of Resolution. This Resolution shall take effect immediately upon adoption, and pursuant to the provisions of the Act.

IN WITNESS WHEREOF, the Redevelopment Agency of Lehi City has approved, passed and adopted this Resolution this 22nd day of February, 2023.

REDEVELOPMENT AGENCY OF LEHI CITY

Mark Johnson, Chair

ATTEST:

Jason Walker, Executive Director

EXHIBIT “A”
LEGAL DESCRIPTION OF THE ALPINE HIGHWAY ECONOMIC DEVELOPMENT
PROJECT AREA

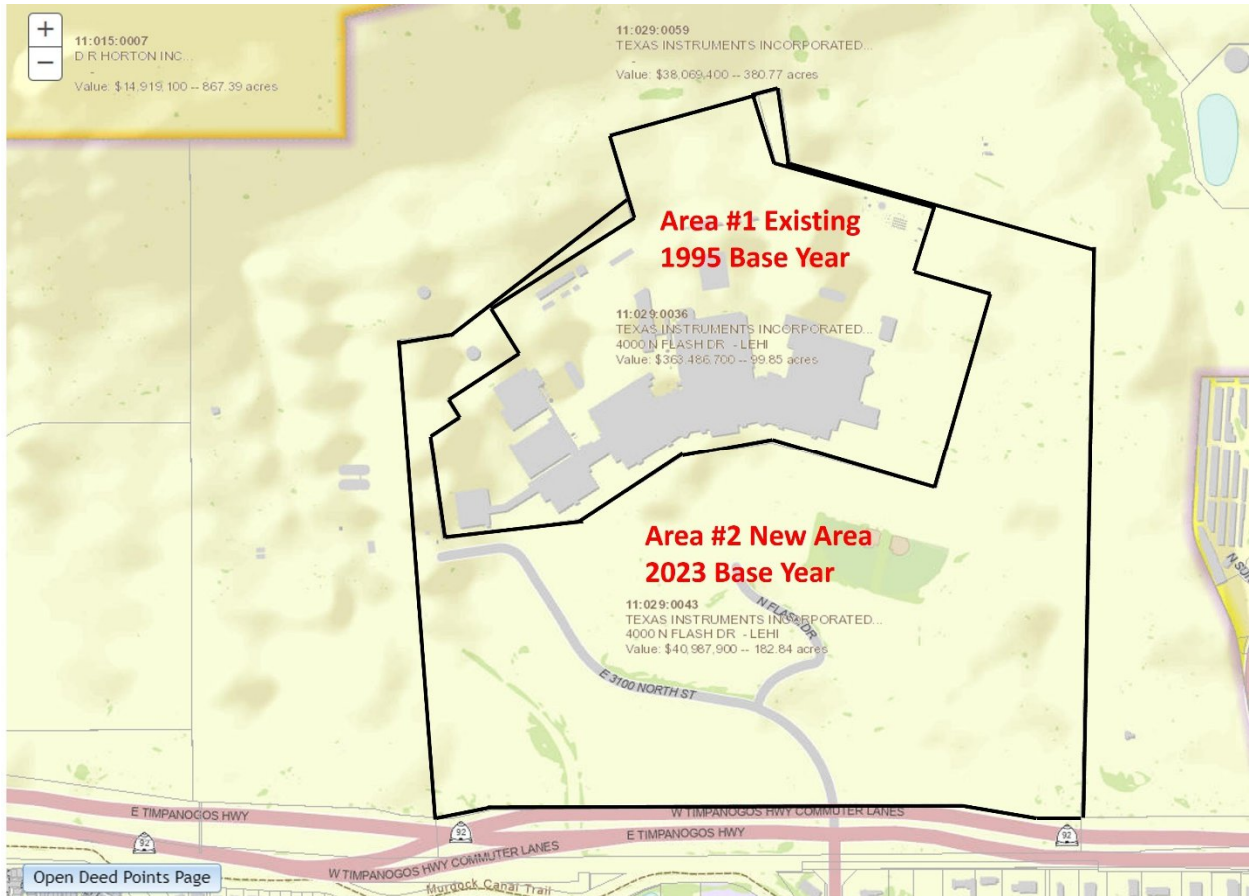


EXHIBIT "B"
**BOUNDARY MAP OF THE ALPINE HIGHWAY ECONOMIC DEVELOPMENT
PROJECT AREA**

Existing Area #1 Description

Legal Description: COM N 447.44 FT & E 525.08 FT FR S 1/4 COR. SEC. 28, T4S, R1E, SLB&M.; N 7 DEG 36' 13" W 561.63 FT; N 57 DEG 40' 47" E 197.97 FT; N 32 DEG 19' 13" W 130 FT; N 57 DEG 40' 50" E 470 FT; N 32 DEG 19' 13" W 292.14 FT; N 57 DEG 40' 47" E 927.5 FT; N 14 DEG 38' 7" W 470.87 FT; N 75 DEG 21' 53" E 850 FT; S 14 DEG 38' 7" E 393.2 FT; S 74 DEG 14' 9" E 895.77 FT; S 15 DEG 45' 51" W 356.2 FT; S 74 DEG 14' 9" E 434.88 FT; S 15 DEG 45' 51" W 1123.8 FT; N 74 DEG 14' 9" W 945.26 FT; S 81 DEG 45' 51" W 494.18 FT; S 57 DEG 45' 51" W 643.51 FT; S 81 DEG 48' 12" W 794.6 FT TO BEG. AREA 99.853 AC.

Expansion Area #2 Description

Legal Description: COM S 1080.18 FT & E 479.62 FT FR S 1/4 COR. SEC. 28, T4S, R1E, SLB&M.; N 4 DEG 2' 40" W 2637.03 FT; N 83 DEG 28' 20" E 283.68 FT; N 53 DEG 5' 33" E 1215.71 FT; S 14 DEG 38' 7" E 102.07 FT; S 57 DEG 40' 48" W 927.49 FT; S 32 DEG 19' 14" E 292.14 FT; S 57 DEG 40' 52" W 470 FT; S 32 DEG 19' 14" E 130 FT; S 57 DEG 40' 48" W 197.97 FT; S 7 DEG 36' 14" E 561.63 FT; N 81 DEG 48' 11" E 794.59 FT; N 57 DEG 45' 50" E 643.51 FT; N 81 DEG 45' 50" E 494.19 FT; S 74 DEG 14' 11" E 945.25 FT; N 15 DEG 45' 51" E 1123.8 FT; N 74 DEG 14' 7" W 434.88 FT; N 15 DEG 45' 51" E 356.12 FT; N 74 DEG 14' 7" W 895.76 FT; N 14 DEG 38' 6" W 393.2 FT; N 75 DEG 21' 19" E 132.09 FT; S 7 DEG 33' 50" E 420.33 FT; S 74 DEG 14' 9" E 1731.39 FT; S 1 DEG 24' 45" W 3123.32 FT; S 89 DEG 42' 0" W 238.35 FT; N 80 DEG 51' 23" W 438.82 FT; S 89 DEG 42' 0" W 2581.54 FT; S 77 DEG 58' 28" W 239.83 FT; N 85 DEG 20' 33" W 82.17 FT TO BEG. AREA 182.835 AC.

EXHIBIT “C”
ALPINE HIGHWAY ECONOMIC DEVELOPMENT PROJECT AREA BUDGET

DRAFT

ALPINE HIGHWAY ECONOMIC DEVELOPMENT PROJECT AREA BUDGET

_____, 2023



LEHI CITY REDEVELOPMENT AGENCY

Prepared by Marlin Eldred, Economic Development Director, Lehi City

Approved by the Lehi City Taxing Entity Committee on _____

Adopted by the Lehi City Redevelopment Agency on _____

Section 1: Introduction

Per Utah Code § 17C-3-201(2)(a), the Lehi City Redevelopment Agency (the “Agency”) is required to prepare a project area budget (“Budget”) for the Alpine Highway Economic Development Project Area (the “Project Area”). This Budget is based on projected development within the Project Area, which includes an existing semiconductor fabrication facility and a proposed new semiconductor fabrication facility. As development takes time to occur, the Budget takes into account the anticipated timing of the development. The purpose of this Budget is to set forth the Agency’s good-faith projections about the impact of development within the Project Area on the Agency and the benefits to the individual taxing entities. This budget will be presented to the Taxing Entity Committee for approval and then approval from the Lehi Redevelopment Agency.

This budget meets the requirements of the Utah Limited Purpose Local Government Entities – Community Reinvestment Agency Act (the “Act”). This Budget is prepared in good faith as a current reasonable estimate of the economic impact of projected development within the Project Area. Fundamental economic and other circumstances may influence the actual impact. With these assumptions, the information contained within this Budget represents the reasonable expectations of the Agency. The Agency makes no guarantee that the projections contained in this Budget for the Project Area accurately reflect the future development within the Project Area. Further, the Agency specifically reserves all powers granted to it under the Act, as amended; this Budget shall not be interpreted to limit or restrict the powers of the agency as granted by the Act. The actual amount of tax increment received by the Agency shall be governed by this Budget.

Section 2: Project Area History

The Project Area was created in 1995 and an original project area budget was adopted soon after, allowing the Agency to receive the tax increment generated by Micron’s development of a large semiconductor manufacturing facility. The original project area budget was amended for 2008, allowing the Agency to collect 100 percent of the tax increment generated in the Project Area in order to incentivize the development and help pay for significant infrastructure improvement within the Project Area.

The Project Area as originally created, and as currently existing, encompasses approximately 100 acres. Essentially the entire 100 acres is occupied by the existing manufacturing facility. The Micron facility has been shuttered for several years and was recently sold to Texas Instruments. Texas Instruments plans to renovate the existing facility and add significant facilities outside of the boundaries of the original Project Area. To accommodate this significant expansion and corresponding capital investment by Texas Instruments, the Agency is expanding the existing Project Area to include approximately 183 additional acres. This additional acreage surrounds the original Project Area on three sides and is also owned by Texas Instruments.

The Project Area Budget replaces and supersedes all prior project area budgets for the Project Area. This Budget includes the original ~100 acres in the Project Area (the “Original Area”) and the ~183 acres that are being added to the Project Area contemporaneously with the adoption and approval of this Budget (the “Additional Area”). As used in this Budget, the term “Project Area” refers to both the Original Area and the Additional Area.

Section 3: Base Taxable Value

For purposes of calculating the tax increment to be received by the Agency pursuant to this Budget, the base value of the taxable property within the Project Area is set separately for the Original Area and the Additional Area. The base value for the Original Area is the total assessed value of property within the Project Area for the 1995 tax year, which is estimated to be \$505,973. The base value for the Additional Area is the 2023 assessed value of the Additional Area, which is estimated to be \$40,987,900.

Section 4: Each Project Area Funds Collection Period

The project area funds collection period under this Budget begins on January 1, 2023 and ends on December 31, 2052 (the “Project Area Funds Collection Period”). In other words, the Agency shall receive project area funds generated by development within the Project Area for all periods up to and including 2052. No action by the Agency shall be required to begin (or “trigger”) collecting tax increment from this Project Area pursuant to this Budget.

Section 5: Project Area Funds to be Paid to the Agency

The Agency shall receive one hundred percent (100%) of the tax increment generated by the Project Area during the Project Area Funds Collection Period, subject to the terms set forth below:

1. The base value for purposes of calculating tax increment generated by the Original Area shall be the 1995 assessed value, as described in Section 3, above.
2. The base value for purposes of calculating tax increment generated by the Additional Area shall be the 2023 assessed value, as described in Section 3, above.
3. Of the project area funds received by the Agency pursuant to this Budget, seventy percent (70%) shall be used for project area development (as defined in the Act) and the remaining thirty percent (30%) shall be used as described in Section 6, below.
4. The Agency shall not make allocations to Agency administrative costs or affordable housing from the project area funds received by the Agency pursuant to this Budget.
5. Prior to distribution of any project area funds to the Agency pursuant to this Budget, Utah County may retain up to \$50,000 per year to cover the County’s costs administrative costs relating to this Budget and the Project Area.
6. This Budget does not set a maximum amount that the Agency is allowed to receive.

Section 6: The Projected Amount of Tax Increment to be Paid to Other Taxing Entities

Of the thirty percent that the Agency retains (as described in Section 5, #3, above), the Agency shall distribute said project area funds on an annual basis as follows:

- To Alpine School District – 44%
- To Lehi City – 44%
- To Utah County- 12%

To illustrate, if the Agency receives \$5,000,000 in project area funds for a given year, \$3,500,000 (or 70%) shall be used for project area development and \$1,500,000 shall be retained by the Agency. Of that

\$1,500,000, the Agency shall pay \$660,000 to Alpine School District (44%), pay \$660,000 to Lehi City (44%), and pay \$180,000 to Utah County.

Section 7: Projected Amount of Tax Increment to be Generated Within the Project Area

It is anticipated that the new construction within the Project Area will start in 2023. It is currently estimated that over a 30-year period, the tax increment to be generated by new and existing development within the Project Area will be approximately \$644 million -- approximately \$451 million from new development and \$193 million from the existing development. These projections are based on estimated taxable value of real and personal property in the Project Area of \$7.5 – 11.2 billion. The Agency's detailed financial projections are shown on the spreadsheet attached hereto as Exhibit A. Note that these financial projections are the Agency's estimates based on currently-available information and do not constitute guarantees of tax revenue generation or limits on the Agency's authorization to receive tax increment under this Budget.

Section 8: If the Area From Which Tax Increment is Collected is Less Than the Entire Community Reinvestment Project Area

The Agency is hereby authorized to collect tax increment from the entirety of the Project Area, including both the Original Area and the Additional Area.

Section 9: The Percentage and Maximum Cumulative Dollar Amount of Tax Increment the Agency is Authorized to Receive From the Community Reinvestment Project Area

As noted above, the Agency is authorized to receive 100 percent of the tax increment generated within the Project Area for the entirety of the Project Area Funds Collection Period. The total amount to be collected by the Agency is not subject to dollar limits.

Section 10: Sales and Use Tax Revenue

The Agency does not anticipate that development within the Project Area will generate a significant amount of sales or use tax revenues. This Budget does not allow the Agency to receive any portion of sales and use taxes generated within the Project Area.

Section 11: The Amount of Project Area Funds the Agency will use to Implement the Economic Development Project Area Plan

The Agency anticipates using all tax increment received by the Agency to implement the Project Area Plan and to encourage development within the Project Area. The Agency currently anticipates using that full amount for infrastructure needed to allow for development within the Project Area and business incentive. The anticipated infrastructure costs are shown below.

Improvements Needed to Implement the CRA Plan

Road, water, sewer, curb, gutter and sidewalk	\$ 40,000,000.00
Acquisition of Property	\$ 00.00
Incentive	\$ 604,646,617.00
Total Fund Uses	\$ 644,646,617.00

Section 12: The Amount of Project Area Funds That will be Used to Cover the Cost of Administering the Economic Development Project Area Plan

The agency anticipates that 100percent of the project area funds received by the Agency under this Budget will be used for project area development and for payments to other taxing entities, as described in Section 6, above. The Agency will not be taking an administrative fee for this project area.

Section 13: Other

The Agency does not own and does not anticipate purchasing property within the Project Area.

The distribution of Project Area Funds for this Project Area is governed by this Budget. However, nothing in this Budget shall be interpreted to limit the Agency's ability to enter into other agreements with any or all of the taxing entities as may be appropriate.

EXHIBIT A – Detailed Financial Projections

Alpine Highway EDA Extension 2022												
	Year	-2	-1	0	1	2	3	4	5	6		
Increment Property Tax	Payment Year	2023	2024	2025	2026	2027	2028	2029	2030	2031		
Capital Investment (New Development):	Tax Year	2022	2023	2024	2025	2026	2027	2028	2029	2030		
Personal property												
Real property												
Total Capital Investment												
Tax Rate (Updated per call)	Average											
Current Base Value (Land on Real Property)												
Total Assessed Value New Development (Personal Property)												
Total Assessed Value New Development (Real Property)												
Minus Base Year Value												
Total Increment Value												
Total Increment Value Generated (prorated 2022 tax rate to the 0.009 Est Rate)												
Utah County	0.000744											
Alpine School Dist	0.000445											
Lehi City	0.001340											
Water Conservancy Districts Combined	0.000471											
Total Taxes	0.000900											
Property Tax Increment for Budget New Development												
Utah County												
Alpine School Dist												
Lehi City												
Water Conservancy Districts Combined												
Total Increment Taxes for the Budget												

EXHIBIT A – Detailed Financial Projections Cont.

		Year	7	8	9	10	11	12	13	14	15
	Payment Year	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Increment Property Tax	Tax Year	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Capital Investment (New Development):											
Personal property		\$ 1,850,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00
Real property		\$ 2,000,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00
Total Capital Investment		\$ 1,852,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00
Tax Rate (updated per call)	Average	0.009000	0.009000	0.009000	0.009000	0.009000	0.009000	0.009000	0.009000	0.009000	0.009000
Current Base Value (Land on Real Property)		\$ 253,366.55	\$ 253,366.55	\$ 253,366.55	\$ 253,366.55	\$ 253,366.55	\$ 253,366.55	\$ 253,366.55	\$ 253,366.55	\$ 253,366.55	\$ 253,366.55
Total Assessed Value New Development (Personal Property)		\$ 452,639,000.00	\$ 1,006,000,000.00	\$ 1,346,500,000.00	\$ 1,074,410,000.00	\$ 737,430,000.00	\$ 499,650,000.00	\$ 333,600,000.00	\$ 333,780,000.00	\$ 333,960,000.00	\$ 334,140,000.00
Total Assessed Value New Development (Real Property)		\$ 1,366,577,294.09	\$ 1,733,523,739.34	\$ 1,692,135,645.86	\$ 1,651,782,254.71	\$ 1,612,437,698.34	\$ 1,574,076,755.89	\$ 1,536,674,836.99	\$ 1,500,207,966.06	\$ 1,464,652,766.91	\$ 1,429,986,447.74
Minus Base Year Value		\$ 1,818,962,927.54	\$ 2,739,270,372.79	\$ 3,238,382,279.31	\$ 2,725,938,888.16	\$ 2,349,614,331.79	\$ 2,073,473,389.94	\$ 1,870,021,470.44	\$ 1,833,724,999.51	\$ 1,798,359,400.36	\$ 1,763,872,081.19
Total Increment Value	\$ 14,355,255.42	\$ 24,653,433.36	\$ 29,146,440.51	\$ 24,533,449.99	\$ 21,146,528.99	\$ 18,661,260.50	\$ 16,530,193.23	\$ 16,503,611.40	\$ 16,185,234.60	\$ 15,874,857.73	\$ 15,564,447.74
Total Increment Value Generated (prorated 2022 tax rate to the 0.009 Eff Rate)		\$ 2,038,017.16	\$ 2,409,356.42	\$ 2,028,098.53	\$ 1,748,113.06	\$ 1,542,664.20	\$ 1,391,295.97	\$ 1,304,298.54	\$ 1,337,979.39	\$ 1,312,371.57	\$ 1,287,857.73
Utah County		\$ 2,038,017.16	\$ 2,409,356.42	\$ 2,028,098.53	\$ 1,748,113.06	\$ 1,542,664.20	\$ 1,391,295.97	\$ 1,304,298.54	\$ 1,337,979.39	\$ 1,312,371.57	\$ 1,287,857.73
Alpine School Dist		\$ 17,654,597.55	\$ 20,871,373.79	\$ 17,656,676.13	\$ 15,143,264.37	\$ 13,363,533.99	\$ 12,052,288.38	\$ 11,818,419.49	\$ 11,590,426.34	\$ 11,368,162.01	\$ 11,146,897.88
Lehi City		\$ 3,670,622.80	\$ 4,339,432.25	\$ 3,652,758.11	\$ 3,148,483.20	\$ 2,778,454.34	\$ 2,505,828.77	\$ 2,457,204.36	\$ 2,409,801.60	\$ 2,361,589.93	\$ 2,313,378.26
Water Conservancy Districts Combined		\$ 1,290,196.35	\$ 1,525,278.05	\$ 1,383,917.22	\$ 1,106,668.35	\$ 976,605.97	\$ 880,780.11	\$ 803,689.00	\$ 747,027.28	\$ 690,764.22	\$ 634,511.16
Total Taxes		\$ 24,653,433.36	\$ 29,146,440.51	\$ 24,533,449.99	\$ 21,146,528.99	\$ 18,661,260.50	\$ 16,530,193.23	\$ 16,503,611.40	\$ 16,185,234.60	\$ 15,874,857.73	\$ 15,564,447.74
Property Tax Increment for Budget New Development											
Utah County		\$ 1,426,612.01	\$ 1,686,549.49	\$ 1,419,668.97	\$ 1,223,679.14	\$ 1,079,864.94	\$ 973,907.18	\$ 955,006.98	\$ 936,585.38	\$ 918,163.78	\$ 899,742.18
Alpine School Dist		\$ 12,358,218.29	\$ 14,609,961.65	\$ 12,296,073.29	\$ 10,600,285.06	\$ 9,354,475.20	\$ 8,436,601.86	\$ 8,272,893.65	\$ 8,113,298.43	\$ 7,957,713.41	\$ 7,802,128.21
Lehi City		\$ 2,569,435.61	\$ 3,037,602.38	\$ 2,556,930.68	\$ 2,203,338.24	\$ 1,944,918.04	\$ 1,754,080.14	\$ 1,720,043.05	\$ 1,686,861.12	\$ 1,654,512.95	\$ 1,622,164.78
Water Conservancy Districts Combined		\$ 903,137.44	\$ 1,061,694.64	\$ 898,742.05	\$ 774,667.85	\$ 683,241.18	\$ 616,546.08	\$ 604,582.30	\$ 592,919.09	\$ 581,548.95	\$ 570,177.81
Total Increment Taxes for the Budget		\$ 17,257,403.35	\$ 20,407,808.36	\$ 17,173,415.00	\$ 14,802,570.29	\$ 13,062,882.35	\$ 11,781,135.26	\$ 11,552,527.98	\$ 11,329,664.22	\$ 11,112,400.41	\$ 10,895,164.75
		\$ 88,545,243.78	\$ 108,947,052.14	\$ 126,120,467.13	\$ 140,923,037.42	\$ 153,985,919.78	\$ 165,767,055.04	\$ 177,319,583.02	\$ 188,649,247.24	\$ 199,761,647.65	\$ 210,874,805.06

EXHIBIT A – Detailed Financial Projections Cont.

[illegible]

EXHIBIT A – Detailed Financial Projections Cont.

[illegible]

EXHIBIT A – Detailed Financial Projections Cont.

Alpine Highway EDA Extension												
2022												
	Year	-2	-1	0	1	2	3	4	5	6		
Increment Property Tax	Payment Year	2023	2024	2025	2026	2027	2028	2029	2030	2031		
	Tax Year	2022	2023	2024	2025	2026	2027	2028	2029	2030		
Capital Investment (Current Site - Personal Property):		\$ 204,000,000.00	\$ 425,000,000.00	\$ 613,000,000.00	\$ 763,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00		
	Average											
Current Base Value	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00		
Total Assessed Value Current Development (Personal Property)	\$ 205,636,411.26	\$ 258,108,141.00	\$ 266,015,341.18	\$ 389,205,534.95	\$ 556,629,709.34	\$ 729,653,883.74	\$ 513,023,883.74	\$ 343,643,883.74	\$ 220,043,883.74	\$ 151,523,883.74		
Total Assessed Value Current Development (Real Property)	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00	\$ 363,486,700.00		
Minus Base Year Value	\$ 568,617,138.26	\$ 621,088,668.00	\$ 628,996,068.18	\$ 752,186,261.95	\$ 919,610,438.34	\$ 1,092,634,610.74	\$ 876,004,610.74	\$ 706,624,610.74	\$ 583,024,610.74	\$ 514,504,610.74		
Total Increment Value		\$ 5,589,799.81	\$ 5,660,964.61	\$ 6,769,676.36	\$ 8,276,493.93	\$ 9,833,711.50	\$ 7,884,041.50	\$ 6,355,621.50	\$ 5,247,221.50	\$ 4,630,541.50		
	Existing 70%	\$ 3,912,859.87	\$ 3,962,675.23	\$ 4,738,773.45	\$ 5,793,545.75	\$ 6,883,598.05	\$ 5,518,829.05	\$ 4,451,735.05	\$ 3,673,055.05	\$ 3,241,379.05		
Remaining Property Tax Revenue to Entities New Development												
Utah County		\$ -	\$ -	\$ -	\$ 59,969.01	\$ 268,541.98	\$ 435,772.43	\$ 481,381.06	\$ 521,466.03	\$ 555,316.28		
Alpine School Dist		\$ -	\$ -	\$ -	\$ 364,548.45	\$ 1,632,452.59	\$ 2,645,998.22	\$ 2,926,250.12	\$ 3,169,964.57	\$ 3,375,738.45		
Lehi City		\$ -	\$ -	\$ -	\$ 364,548.45	\$ 1,632,452.59	\$ 2,645,998.22	\$ 2,926,250.12	\$ 3,169,964.57	\$ 3,375,738.45		
Water Conservancy Districts Combined		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Total remaining Taxes for the Taxing Entities		\$ -	\$ -	\$ -	\$ 789,065.91	\$ 3,533,447.16	\$ 5,727,268.88	\$ 6,333,961.30	\$ 6,861,395.17	\$ 7,206,793.19		
Remaining Property Tax Revenue to Entities Existing Development												
Utah County		\$ 127,447.44	\$ 129,069.99	\$ 154,348.62	\$ 188,704.06	\$ 224,208.62	\$ 179,756.15	\$ 144,999.37	\$ 119,636.65	\$ 105,576.35		
Alpine School Dist		\$ 774,746.25	\$ 784,609.70	\$ 938,277.14	\$ 1,147,122.06	\$ 1,362,952.41	\$ 1,092,728.15	\$ 881,443.54	\$ 727,264.90	\$ 641,793.05		
Lehi City		\$ 774,746.25	\$ 784,609.70	\$ 938,277.14	\$ 1,147,122.06	\$ 1,362,952.41	\$ 1,092,728.15	\$ 881,443.54	\$ 727,264.90	\$ 641,793.05		
Water Conservancy Districts Combined		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Total remaining Taxes for the Taxing Entities		\$ 1,676,939.94	\$ 1,698,289.38	\$ 2,030,902.91	\$ 2,482,948.18	\$ 2,950,113.45	\$ 2,365,212.45	\$ 1,907,886.45	\$ 1,574,166.45	\$ 1,389,162.45		

EXHIBIT A – Detailed Financial Projections Cont.

[illegible]

EXHIBIT A – Detailed Financial Projections Cont.

[illegible]

[illegible]

Redevelopment Agency of Lehi Agenda Item Report

Meeting Date: January 24, 2023

Submitted By: Teisha Wilson

Submitting Department:

Item Type: Resolution

Agenda Section: Regular Agenda

Subject:

Consideration of Resolution #R2023-03 adopting an Interlocal Agreement with Lehi City for the Alpine Highway EDA.

Suggested Action:

Attachments:

[Res R2023-03.docx](#)

[Interlocal Agreement With Lehi City and RDA Alpine Highway EDA Marlin.doc](#)

**LEHI REDEVELOPMENT AGENCY
RESOLUTION NO. R2023-03**

**A RESOLUTION APPROVING AN INTERLOCAL AGREEMENT WITH LEHI CITY
REGARDING THE ALPINE HIGHWAY ECONOMIC DEVELOPMENT PROJECT
AREA.**

WHEREAS, pursuant to the provisions of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the “**Act**”), public agencies, including political subdivisions of the State of Utah as therein defined, are authorized to enter into mutually advantageous agreements for joint and cooperative actions, including the sharing of tax and other revenues; and

WHEREAS, the Lehi City Redevelopment Agency (the “**Agency**”) and Lehi City (the “**Taxing Entity**”) are public agencies for purposes of the Act; and

WHEREAS, after careful analysis and consideration of relevant information, the Agency desires to enter into an Interlocal Agreement with Lehi City whereby the Taxing Entity consents to the Agency receiving and retaining, for an extended period of time, a portion of the tax increment produced by the Taxing Entity’s levy on real and personal property within the Alpine Highway Economic Development Project Area, to assist in the development and of the Project Area as provided in the Project Area Plan; and

WHEREAS, Section 11-13-202.5 of the Act requires that certain interlocal agreements be approved by resolution of the legislative body of a public agency.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE LEHI CITY REDEVELOPMENT AGENCY:

SECTION 1. Agreement Approval. The Interlocal Agreement, substantially in the form attached as EXHIBIT A, is approved and shall be executed by the Agency.

SECTION 2. Legal Review. As required by Section 11-13-202.5 of the Act, the Interlocal Agreement has been submitted to legal counsel of the Agency for review and approval as to form and legality.

SECTION 3. Filing with Records Keeper. As required by Section 11-13-209 of the Act and upon full execution of the Interlocal Agreement, an executed original counterpart of the Interlocal Agreement shall be filed immediately with the keeper of records of the Agency.

SECTION 5. Publishing of Notice. Upon full execution of the Interlocal Agreement, the Agency Secretary is directed to publish or cause to be published a notice of the Interlocal Agreement, in substantially the form attached as EXHIBIT B, as required by Section 11-13-219 of the Act and Section 17C-5-205 of the Utah Code, and to make a copy of the Interlocal Agreement

available for public inspection and copying at the Agency's offices during regular business hours for a period of at least 30 days following publication of the notice.

SECTION 4. Effective Date. This resolution shall become effective immediately upon passage.

PASSED AND ADOPTED BY THE BOARD OF THE LEHI CITY REDEVELOPMENT AGENCY ON THIS 22nd DAY OF JANUARY 2023.

Mark Johnson, Chair

Attest:

Jason Walker, Executive Director

EXHIBIT A
INTERLOCAL AGREEMENT

EXHIBIT B

NOTICE OF INTERLOCAL AGREEMENT BETWEEN THE LEHI CITY REDEVELOPMENT AGENCY AND LEHI CITY

Diversion of Property Tax for a Economic Development Project Area

The Lehi City Redevelopment Agency (the "**Agency**") and Lehi City, Utah jointly provide this notice of an Interlocal Agreement entered into by and between the Agency and Lehi City, in which Lehi City consents to the Agency receiving and retaining a portion of the tax increment generated within the Alpine Highway Economic Development Project Area for the purpose of facilitating development within the Project Area. The Interlocal Agreement is for 30 years with no budget cap amount. A copy of the Interlocal Agreement is and will be available for public inspection and copying at the Agency offices located at 153 North 100 East, Lehi, Utah 84043, between the hours of 8:00 am and 5:00 pm, Monday through Thursday and between the hours of 8:00am and 4:00pm, Friday, for a period of at least 30 days following the publication of this notice. During that 30-day period, any person in interest may contest the Interlocal Agreement, or the procedure used to adopt it, for failure to comply with any applicable statutory requirements. After that 30-Day Period, no person may contest the Interlocal Agreement for any cause.

**ALPINE HIGHWAY ECONOMIC DEVELOPMENT PROJECT AREA
INTERLOCAL AGREEMENT**

**by and between the
LEHI CITY REDEVELOPMENT AGENCY
and
LEH CITY**

THIS INTERLOCAL AGREEMENT is entered into as of this __ day of _____, 2023, by and between the **LEHI CITY REDEVELOPMENT AGENCY** (the “**Agency**”) and Lehi City (the “**Taxing Entity**”) (collectively, the “**Parties**”).

A. WHEREAS the Agency was created pursuant to the provisions of the Utah Redevelopment Law and the Agency continues to operate under the Limited Purpose Local Government Entities – Community Development and Renewal Agencies Act, Title 17C of the Utah Code (the “**Act**”), and is authorized thereunder to conduct urban renewal, economic development, and community reinvestment activities within the Lehi, Utah, as contemplated by the Act; and

B. WHEREAS the Agency created the Alpine Highway Economic Development Project Area (the “**Project Area**”) and adopted an Economic Development Project Area Plan for the Project Area, a copy of which is attached hereto as **EXHIBIT A** and incorporated herein by this reference (the “**Project Area Plan**”), which includes the legal description and a map of the Project Area, pursuant to which the Agency desires to encourage, promote and provide for the development of an existing and new 300MM computer chip manufacturing facility (the “**Project**”) in the Project Area; and

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

D. WHEREAS the Agency anticipates providing a portion of the tax increment (as defined in Utah Code Annotated (“**UCA**”) § 17C-1-102(47) (hereinafter “**Tax Increment**”), created by the Project, to assist in the development and completion of the Project as provided in the Project Area Plan; and

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

F. WHEREAS in order to facilitate development of the Project, the Taxing Entity Committee passed a resolution approving the Alpine Highway Economic Development Project Area Budget authorizing the Agency to receive 100% of the Taxing Entity’s share of Tax Increment generated by the Project Area.; and

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

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

1. **Taxing Entity’s Consent.**

a. Pursuant to Section 17C-3-206(3)(a) of the Act and Section 11-13-215 of the Cooperation Act, the Taxing Entity hereby agrees and consents that the Agency shall be paid 100% of the Taxing Entity’s collected share of the personal and real property tax from the Project Area (the “**Taxing Entity’s Share**”) for thirty (30) years, starting with tax year 2023 through 2053, with no cap amount. The Taxing Entity’s Share shall be used for the purposes set forth in UCA §17C-1-409(1) as reflected herein and in the Project Area Plan and shall be disbursed as specified herein. The calculation of annual Tax Increment shall be made using (a) the Taxing Entity’s tax levy rate during the year for which Tax Increment is to be paid, and (b) the 1995 base year taxable value of \$505,973 for the existing EDA and (c) the 2023 base year taxable value of \$37,699,500 for the expanded EDA as agreed to by the parties, which taxable value is subject to adjustment as required by law. Of the 100% of the taxing entity’s collected share of the personal and real property tax 30% will be distributed to Lehi City, Alpine School District and Utah County based on the following formula:

Lehi City	44% of the 30%
Alpine School District	44% of the 30%
Utah County	12% of the 30%

Utah County will receive an annual \$50,000 administrative fee that will be distributed to the county before the county remits the tax increment to the Redevelopment Agency.

b. Notwithstanding the foregoing, if the Agency receives in less than thirty (30) years Tax Increment from the Project Area sufficient to retire, pay, or otherwise satisfy all of the payment obligations of the Agency with regard to the Project, including but not limited to debt service on any bonds issued to finance Project costs or the maximum amount the Agency has agreed to contribute to (a) the cost of infrastructure and (b) the business park, the Agency will either (i) cease collecting the Taxing Entity’s Share under this Agreement, or (ii) renegotiate this Agreement with the Taxing Entity to provide for the payment of the Taxing Entity’s Share for the remainder of all or a portion of the originally contemplated 30-year term of this Agreement. It is the intent of the Parties that the payment and use of Tax Increment from the Project Area for eligible Project costs will not extend over a period longer than thirty (30) years.

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

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

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

5. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:

a. This Agreement shall be authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Cooperation Act;

b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney in behalf of each Party pursuant to and in accordance with the Section 11-13-202.5(3) of the Cooperation Act;

c. A duly executed original counterpart of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Section 11-13-209 of the Cooperation Act;

d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act, pursuant to Section 11-13-207 of the Cooperation Act;

e. The term of this Agreement shall commence on the publication of the notice required by Section 11-13-216 of the Cooperation Act and shall continue through the date on which all of the Taxing Entity's Share has been paid to and disbursed by the Agency as provided herein or the Agency ceases to receive such Tax Increment pursuant to Section 1.b. hereof.

f. Following the execution of this Agreement by both Parties, each Party shall cause a notice regarding this Agreement to be published in accordance with Section 11-13-219 of the Cooperation Act.

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

7. **Further Assurance.** Each of the Parties hereto agrees to cooperate in good faith with the other, to execute and deliver such further documents, to adopt any resolutions, to take any other

official action, and to perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement.

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

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

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

a. such holding or action shall be strictly construed;

b. such provision shall be fully severable;

c. this Agreement shall be construed and enforced as if such provision had never comprised a part hereof;

d. the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the invalid or unenforceable provision or by its severance from this Agreement; and

e. in lieu of such illegal, invalid, or unenforceable provision, the Parties hereto shall use commercially reasonable efforts to negotiate in good faith a substitute, legal, valid, and enforceable provision that most nearly effects the Parties' intent in entering into this Agreement.

11. **Authorization.** Each of the Parties hereto represents and warrants to the other that the warranting Party has taken all steps, including the publication of public notice where necessary, in order to authorize the execution, delivery, and performance of this Agreement by each such Party.

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

13. **Incorporation of Recitals.** The recitals set forth above, “A” through “H,” are hereby incorporated by reference as part of this Agreement.

14. **Time of the Essence.** Time shall be of the essence of this Agreement.

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

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

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

LEHI CITY REDEVELOPMENT AGENCY

By: _____
Name: Mark Johnson
Title: Chair, Redevelopment Agency

ATTEST:

By: _____
Name: Jason Walker
Title: Redevelopment Agency Administrator

Attorney Review for the Agency:

The undersigned, as counsel for the Lehi City Redevelopment Agency, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Attorney for the Lehi City Redevelopment
Agency

[Signatures continue on next page.]

ADDITIONAL SIGNATURES TO INTERLOCAL AGREEMENT

LEHI CITY

By: _____
Name: Mark Johnson
Title: Mayor

ATTEST:

Name: Teisha Wilson
Title: City Recorder

Attorney Review for the Taxing Entity:

The undersigned, as counsel for Lehi City, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Attorney for Lehi City

EXHIBIT A

Redevelopment Agency of Lehi Agenda Item Report

Meeting Date: January 24, 2023

Submitted By: Teisha Wilson

Submitting Department:

Item Type: Resolution

Agenda Section: Regular Agenda

Subject:

Consideration of Resolution #R2023-04 adopting an Interlocal Agreement with Utah County for the Alpine Highway EDA

Suggested Action:

Attachments:

[Res R2023-04.docx](#)

[Interlocal Agreement With Utah County and RDA Alpine Highway EDA Marlin.doc](#)

**LEHI REDEVELOPMENT AGENCY
RESOLUTION NO.**

**A RESOLUTION APPROVING AN INTERLOCAL AGREEMENT WITH UTAH
COUNTY REGARDING THE ALPINE HIGHWAY ECONOMIC DEVELOPMENT
PROJECT AREA.**

WHEREAS, pursuant to the provisions of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the “**Act**”), public agencies, including political subdivisions of the State of Utah as therein defined, are authorized to enter into mutually advantageous agreements for joint and cooperative actions, including the sharing of tax and other revenues; and

WHEREAS, the Lehi City Redevelopment Agency (the “**Agency**”) and Utah County (the “**Taxing Entity**”) are public agencies for purposes of the Act; and

WHEREAS, after careful analysis and consideration of relevant information, the Agency desires to enter into an Interlocal Agreement with Utah County whereby the Taxing Entity consents to the Agency receiving and retaining, for an extended period of time, a portion of the tax increment produced by the Taxing Entity’s levy on real and personal property within the Alpine Highway Economic Development Project Area, to assist in the development and of the Project Area as provided in the Project Area Plan; and

WHEREAS, Section 11-13-202.5 of the Act requires that certain interlocal agreements be approved by resolution of the legislative body of a public agency.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE LEHI CITY REDEVELOPMENT AGENCY:

SECTION 1. Agreement Approval. The Interlocal Agreement, substantially in the form attached as EXHIBIT A, is approved and shall be executed by the Agency.

SECTION 2. Legal Review. As required by Section 11-13-202.5 of the Act, the Interlocal Agreement has been submitted to legal counsel of the Agency for review and approval as to form and legality.

SECTION 3. Filing with Records Keeper. As required by Section 11-13-209 of the Act and upon full execution of the Interlocal Agreement, an executed original counterpart of the Interlocal Agreement shall be filed immediately with the keeper of records of the Agency.

SECTION 5. Publishing of Notice. Upon full execution of the Interlocal Agreement, the Agency Secretary is directed to publish or cause to be published a notice of the Interlocal Agreement, in substantially the form attached as EXHIBIT B, as required by Section 11-13-219 of the Act and Section 17C-5-205 of the Utah Code, and to make a copy of the Interlocal Agreement

available for public inspection and copying at the Agency's offices during regular business hours for a period of at least 30 days following publication of the notice.

SECTION 4. Effective Date. This resolution shall become effective immediately upon passage.

PASSED AND ADOPTED BY THE BOARD OF THE LEHI CITY REDEVELOPMENT AGENCY ON THIS 22nd DAY OF JANUARY 2023.

Mark Johnson, Chair

Attest:

Jason Walker, Executive Director

EXHIBIT A
INTERLOCAL AGREEMENT

EXHIBIT B

NOTICE OF INTERLOCAL AGREEMENT BETWEEN THE LEHI CITY REDEVELOPMENT AGENCY AND UTAH COUNTY

Diversion of Property Tax for an Economic Development Project Area

The Lehi City Redevelopment Agency (the "**Agency**") and Utah County, jointly provide this notice of an Interlocal Agreement entered into by and between the Agency and Utah County, in which Utah County consents to the Agency receiving and retaining a portion of the tax increment generated within the Alpine Highway Economic Development Project Area for the purpose of facilitating development within the Project Area. The Interlocal Agreement is for 30 years with no budget cap amount. A copy of the Interlocal Agreement is and will be available for public inspection and copying at the Agency offices located at 153 North 100 East, Lehi, Utah 84043, between the hours of 8:00 am and 5:00 pm, Monday through Thursday and between the hours of 8:00am and 4:00pm, Friday, for a period of at least 30 days following the publication of this notice. During that 30-day period, any person in interest may contest the Interlocal Agreement, or the procedure used to adopt it, for failure to comply with any applicable statutory requirements. After that 30-Day Period, no person may contest the Interlocal Agreement for any cause.

**ALPINE HIGHWAY ECONOMIC DEVELOPMENT PROJECT AREA
INTERLOCAL AGREEMENT**

**by and between the
LEHI CITY REDEVELOPMENT AGENCY
and
UTAH COUNTY**

THIS INTERLOCAL AGREEMENT is entered into as of this ___ day of _____, 2023, by and between the **LEHI CITY REDEVELOPMENT AGENCY** (the “**Agency**”) and Utah County (the “**Taxing Entity**”) (collectively, the “**Parties**”).

A. WHEREAS the Agency was created pursuant to the provisions of the Utah Redevelopment Law and the Agency continues to operate under the Limited Purpose Local Government Entities – Community Development and Renewal Agencies Act, Title 17C of the Utah Code (the “**Act**”), and is authorized thereunder to conduct urban renewal, economic development, and community reinvestment activities within the Lehi, Utah, as contemplated by the Act; and

B. WHEREAS the Agency created the Alpine Highway Economic Development Project Area (the “**Project Area**”) and adopted an Economic Development Project Area Plan for the Project Area, a copy of which is attached hereto as **EXHIBIT A** and incorporated herein by this reference (the “**Project Area Plan**”), which includes the legal description and a map of the Project Area, pursuant to which the Agency desires to encourage, promote and provide for the development of an existing and new 300MM computer chip manufacturing facility (the “**Project**”) in the Project Area; and

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

D. WHEREAS the Agency anticipates providing a portion of the tax increment (as defined in Utah Code Annotated (“**UCA**”) § 17C-1-102(47) (hereinafter “**Tax Increment**”), created by the Project, to assist in the development and completion of the Project as provided in the Project Area Plan; and

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

F. WHEREAS in order to facilitate development of the Project, the Taxing Entity Committee passed a resolution approving the Alpine Highway Economic Development Project Area Budget authorizing the Agency to receive 100% of the Taxing Entity’s share of Tax Increment generated by the Project Area.; and

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

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

1. **Taxing Entity’s Consent.**

a. Pursuant to Section 17C-3-206(3)(a) of the Act and Section 11-13-215 of the Cooperation Act, the Taxing Entity hereby agrees and consents that the Agency shall be paid 100% of the Taxing Entity’s collected share of the personal and real property tax from the Project Area (the “**Taxing Entity’s Share**”) for thirty (30) years, starting with tax year 2023 through 2053, with no cap amount. The Taxing Entity’s Share shall be used for the purposes set forth in UCA §17C-1-409(1) as reflected herein and in the Project Area Plan and shall be disbursed as specified herein. The calculation of annual Tax Increment shall be made using (a) the Taxing Entity’s tax levy rate during the year for which Tax Increment is to be paid, and (b) the 1995 base year taxable value of \$505,973 for the existing EDA and (c) the 2023 base year taxable value of \$37,699,500 for the expanded EDA as agreed to by the parties, which taxable value is subject to adjustment as required by law. Of the 100% of the taxing entity’s collected share of the personal and real property tax 30% will be distributed to Lehi City, Alpine School District and Utah County based on the following formula:

Lehi City	44% of the 30%
Alpine School District	44% of the 30%
Utah County	12% of the 30%

Utah County will receive an annual \$50,000 administrative fee that will be distributed to the county before the county remits the tax increment to the Redevelopment Agency.

b. Notwithstanding the foregoing, if the Agency receives in less than thirty (30) years Tax Increment from the Project Area sufficient to retire, pay, or otherwise satisfy all of the payment obligations of the Agency with regard to the Project, including but not limited to debt service on any bonds issued to finance Project costs or the maximum amount the Agency has agreed to contribute to (a) the cost of infrastructure and (b) the business park, the Agency will either (i) cease collecting the Taxing Entity’s Share under this Agreement, or (ii) renegotiate this Agreement with the Taxing Entity to provide for the payment of the Taxing Entity’s Share for the remainder of all or a portion of the originally contemplated 30-year term of this Agreement. It is the intent of the Parties that the payment and use of Tax Increment from the Project Area for eligible Project costs will not extend over a period longer than thirty (30) years.

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

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

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

5. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:

a. This Agreement shall be authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Cooperation Act;

b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney in behalf of each Party pursuant to and in accordance with the Section 11-13-202.5(3) of the Cooperation Act;

c. A duly executed original counterpart of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Section 11-13-209 of the Cooperation Act;

d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act, pursuant to Section 11-13-207 of the Cooperation Act;

e. The term of this Agreement shall commence on the publication of the notice required by Section 11-13-216 of the Cooperation Act and shall continue through the date on which all of the Taxing Entity's Share has been paid to and disbursed by the Agency as provided herein or the Agency ceases to receive such Tax Increment pursuant to Section 1.b. hereof.

f. Following the execution of this Agreement by both Parties, each Party shall cause a notice regarding this Agreement to be published in accordance with Section 11-13-219 of the Cooperation Act.

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

7. **Further Assurance.** Each of the Parties hereto agrees to cooperate in good faith with the other, to execute and deliver such further documents, to adopt any resolutions, to take any other

official action, and to perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement.

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

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

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

a. such holding or action shall be strictly construed;

b. such provision shall be fully severable;

c. this Agreement shall be construed and enforced as if such provision had never comprised a part hereof;

d. the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the invalid or unenforceable provision or by its severance from this Agreement; and

e. in lieu of such illegal, invalid, or unenforceable provision, the Parties hereto shall use commercially reasonable efforts to negotiate in good faith a substitute, legal, valid, and enforceable provision that most nearly effects the Parties' intent in entering into this Agreement.

11. **Authorization.** Each of the Parties hereto represents and warrants to the other that the warranting Party has taken all steps, including the publication of public notice where necessary, in order to authorize the execution, delivery, and performance of this Agreement by each such Party.

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

13. **Incorporation of Recitals.** The recitals set forth above, “A” through “H,” are hereby incorporated by reference as part of this Agreement.

14. **Time of the Essence.** Time shall be of the essence of this Agreement.

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

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

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

LEHI CITY REDEVELOPMENT AGENCY

By: _____
Name: Mark Johnson
Title: Chair, Redevelopment Agency

ATTEST:

By: _____
Name: Jason Walker
Title: Redevelopment Agency Administrator

Attorney Review for the Agency:

The undersigned, as counsel for the Lehi City Redevelopment Agency, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Attorney for the Lehi City Redevelopment
Agency

[Signatures continue on next page.]

ADDITIONAL SIGNATURES TO INTERLOCAL AGREEMENT

UTAH COUNTY

By: _____
Name: Amelia Powers Gardner
Title: Commission Chair

ATTEST:

Name:
Title:

Attorney Review for the Taxing Entity:

The undersigned, as counsel for Lehi City, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Attorney for Utah County

EXHIBIT A

Redevelopment Agency of Lehi Agenda Item Report

Meeting Date: January 24, 2023

Submitted By: Teisha Wilson

Submitting Department:

Item Type: Resolution

Agenda Section: Regular Agenda

Subject:

Consideration of Resolution #R2023-05 adopting an Interlocal Agreement with Alpine School District for the Alpine Highway EDA.

Suggested Action:

Attachments:

[Res R-2023-05.docx](#)

[Interlocal Agreement With Alpine School District and RDA Alpine Highway EDA Marlin.doc](#)

**LEHI REDEVELOPMENT AGENCY
RESOLUTION NO.**

**A RESOLUTION APPROVING AN INTERLOCAL AGREEMENT WITH ALPINE
SCHOOL DISTRICT REGARDING THE ALPINE HIGHWAY ECONOMIC
DEVELOPMENT PROJECT AREA.**

WHEREAS, pursuant to the provisions of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the “**Act**”), public agencies, including political subdivisions of the State of Utah as therein defined, are authorized to enter into mutually advantageous agreements for joint and cooperative actions, including the sharing of tax and other revenues; and

WHEREAS, the Lehi City Redevelopment Agency (the “**Agency**”) and Alpine School District (the “**Taxing Entity**”) are public agencies for purposes of the Act; and

WHEREAS, after careful analysis and consideration of relevant information, the Agency desires to enter into an Interlocal Agreement with Alpine School District whereby the Taxing Entity consents to the Agency receiving and retaining, for an extended period of time, a portion of the tax increment produced by the Taxing Entity’s levy on real and personal property within the Alpine Highway Economic Development Project Area, to assist in the development and of the Project Area as provided in the Project Area Plan; and

WHEREAS, Section 11-13-202.5 of the Act requires that certain interlocal agreements be approved by resolution of the legislative body of a public agency.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE LEHI CITY REDEVELOPMENT AGENCY:

SECTION 1. Agreement Approval. The Interlocal Agreement, substantially in the form attached as EXHIBIT A, is approved and shall be executed by the Agency.

SECTION 2. Legal Review. As required by Section 11-13-202.5 of the Act, the Interlocal Agreement has been submitted to legal counsel of the Agency for review and approval as to form and legality.

SECTION 3. Filing with Records Keeper. As required by Section 11-13-209 of the Act and upon full execution of the Interlocal Agreement, an executed original counterpart of the Interlocal Agreement shall be filed immediately with the keeper of records of the Agency.

SECTION 5. Publishing of Notice. Upon full execution of the Interlocal Agreement, the Agency Secretary is directed to publish or cause to be published a notice of the Interlocal Agreement, in substantially the form attached as EXHIBIT B, as required by Section 11-13-219 of the Act and Section 17C-5-205 of the Utah Code, and to make a copy of the Interlocal Agreement

available for public inspection and copying at the Agency's offices during regular business hours for a period of at least 30 days following publication of the notice.

SECTION 4. Effective Date. This resolution shall become effective immediately upon passage.

PASSED AND ADOPTED BY THE BOARD OF THE LEHI CITY REDEVELOPMENT AGENCY ON THIS 22nd DAY OF JANUARY 2023.

Mark Johnson, Chair

Attest:

Jason Walker, Executive Director

EXHIBIT A
INTERLOCAL AGREEMENT

EXHIBIT B

NOTICE OF INTERLOCAL AGREEMENT BETWEEN THE LEHI CITY REDEVELOPMENT AGENCY AND ALPINE SCHOOL DISTRICT

Diversion of Property Tax for an Economic Development Project Area

The Lehi City Redevelopment Agency (the "**Agency**") and Alpine School District, jointly provide this notice of an Interlocal Agreement entered into by and between the Agency and Alpine School District, in which Alpine School District consents to the Agency receiving and retaining a portion of the tax increment generated within the Alpine Highway Economic Development Project Area for the purpose of facilitating development within the Project Area. The Interlocal Agreement is for 30 years with no budget cap amount. A copy of the Interlocal Agreement is and will be available for public inspection and copying at the Agency offices located at 153 North 100 East, Lehi, Utah 84043, between the hours of 8:00 am and 5:00 pm, Monday through Thursday and between the hours of 8:00am and 4:00pm, Friday, for a period of at least 30 days following the publication of this notice. During that 30-day period, any person in interest may contest the Interlocal Agreement, or the procedure used to adopt it, for failure to comply with any applicable statutory requirements. After that 30-Day Period, no person may contest the Interlocal Agreement for any cause.

**ALPINE HIGHWAY ECONOMIC DEVELOPMENT PROJECT AREA
INTERLOCAL AGREEMENT**

**by and between the
LEHI CITY REDEVELOPMENT AGENCY
and
ALPINE SCHOOL DISTRICT**

THIS INTERLOCAL AGREEMENT is entered into as of this ___ day of _____, 2023, by and between the **LEHI CITY REDEVELOPMENT AGENCY** (the “**Agency**”) and Alpine School District (the “**Taxing Entity**”) (collectively, the “**Parties**”).

A. WHEREAS the Agency was created pursuant to the provisions of the Utah Redevelopment Law and the Agency continues to operate under the Limited Purpose Local Government Entities – Community Development and Renewal Agencies Act, Title 17C of the Utah Code (the “**Act**”), and is authorized thereunder to conduct urban renewal, economic development, and community reinvestment activities within the Lehi, Utah, as contemplated by the Act; and

B. WHEREAS the Agency created the Alpine Highway Economic Development Project Area (the “**Project Area**”) and adopted an Economic Development Project Area Plan for the Project Area, a copy of which is attached hereto as **EXHIBIT A** and incorporated herein by this reference (the “**Project Area Plan**”), which includes the legal description and a map of the Project Area, pursuant to which the Agency desires to encourage, promote and provide for the development of an existing and new 300MM computer chip manufacturing facility (the “**Project**”) in the Project Area; and

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

D. WHEREAS the Agency anticipates providing a portion of the tax increment (as defined in Utah Code Annotated (“**UCA**”) § 17C-1-102(47) (hereinafter “**Tax Increment**”), created by the Project, to assist in the development and completion of the Project as provided in the Project Area Plan; and

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

F. WHEREAS in order to facilitate development of the Project, the Taxing Entity Committee passed a resolution approving the Alpine Highway Economic Development Project Area Budget authorizing the Agency to receive 100% of the Taxing Entity’s share of Tax Increment generated by the Project Area.; and

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

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

1. **Taxing Entity’s Consent.**

a. Pursuant to Section 17C-3-206(3)(a) of the Act and Section 11-13-215 of the Cooperation Act, the Taxing Entity hereby agrees and consents that the Agency shall be paid 100% of the Taxing Entity’s collected share of the personal and real property tax from the Project Area (the “**Taxing Entity’s Share**”) for thirty (30) years, starting with tax year 2023 through 2053, with no cap amount. The Taxing Entity’s Share shall be used for the purposes set forth in UCA §17C-1-409(1) as reflected herein and in the Project Area Plan and shall be disbursed as specified herein. The calculation of annual Tax Increment shall be made using (a) the Taxing Entity’s tax levy rate during the year for which Tax Increment is to be paid, and (b) the 1995 base year taxable value of \$505,973 for the existing EDA and (c) the 2023 base year taxable value of \$37,699,500 for the expanded EDA as agreed to by the parties, which taxable value is subject to adjustment as required by law. Of the 100% of the taxing entity’s collected share of the personal and real property tax 30% will be distributed to Lehi City, Alpine School District and Utah County based on the following formula:

Lehi City	44% of the 30%
Alpine School District	44% of the 30%
Utah County	12% of the 30%

Utah County will receive an annual \$50,000 administrative fee that will be distributed to the county before the county remits the tax increment to the Redevelopment Agency.

b. Notwithstanding the foregoing, if the Agency receives in less than thirty (30) years Tax Increment from the Project Area sufficient to retire, pay, or otherwise satisfy all of the payment obligations of the Agency with regard to the Project, including but not limited to debt service on any bonds issued to finance Project costs or the maximum amount the Agency has agreed to contribute to (a) the cost of infrastructure and (b) the business park, the Agency will either (i) cease collecting the Taxing Entity’s Share under this Agreement, or (ii) renegotiate this Agreement with the Taxing Entity to provide for the payment of the Taxing Entity’s Share for the remainder of all or a portion of the originally contemplated 30-year term of this Agreement. It is the intent of the Parties that the payment and use of Tax Increment from the Project Area for eligible Project costs will not extend over a period longer than thirty (30) years.

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

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

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

5. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:

a. This Agreement shall be authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Cooperation Act;

b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney in behalf of each Party pursuant to and in accordance with the Section 11-13-202.5(3) of the Cooperation Act;

c. A duly executed original counterpart of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Section 11-13-209 of the Cooperation Act;

d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act, pursuant to Section 11-13-207 of the Cooperation Act;

e. The term of this Agreement shall commence on the publication of the notice required by Section 11-13-216 of the Cooperation Act and shall continue through the date on which all of the Taxing Entity's Share has been paid to and disbursed by the Agency as provided herein or the Agency ceases to receive such Tax Increment pursuant to Section 1.b. hereof.

f. Following the execution of this Agreement by both Parties, each Party shall cause a notice regarding this Agreement to be published in accordance with Section 11-13-219 of the Cooperation Act.

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

7. **Further Assurance.** Each of the Parties hereto agrees to cooperate in good faith with the other, to execute and deliver such further documents, to adopt any resolutions, to take any other

official action, and to perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement.

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

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

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

a. such holding or action shall be strictly construed;

b. such provision shall be fully severable;

c. this Agreement shall be construed and enforced as if such provision had never comprised a part hereof;

d. the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the invalid or unenforceable provision or by its severance from this Agreement; and

e. in lieu of such illegal, invalid, or unenforceable provision, the Parties hereto shall use commercially reasonable efforts to negotiate in good faith a substitute, legal, valid, and enforceable provision that most nearly effects the Parties' intent in entering into this Agreement.

11. **Authorization.** Each of the Parties hereto represents and warrants to the other that the warranting Party has taken all steps, including the publication of public notice where necessary, in order to authorize the execution, delivery, and performance of this Agreement by each such Party.

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

13. **Incorporation of Recitals.** The recitals set forth above, “A” through “H,” are hereby incorporated by reference as part of this Agreement.

14. **Time of the Essence.** Time shall be of the essence of this Agreement.

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

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

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

LEHI CITY REDEVELOPMENT AGENCY

By: _____
Name: Mark Johnson
Title: Chair, Redevelopment Agency

ATTEST:

By: _____
Name: Jason Walker
Title: Redevelopment Agency Administrator

Attorney Review for the Agency:

The undersigned, as counsel for the Lehi City Redevelopment Agency, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Attorney for the Lehi City Redevelopment
Agency

[Signatures continue on next page.]

ADDITIONAL SIGNATURES TO INTERLOCAL AGREEMENT

ALPINE SCHOOL DISTRICT

By: _____

Name:

Title: School Board Chairman

ATTEST:

Name:

Title:

Attorney Review for the Taxing Entity:

The undersigned, as counsel for Lehi City, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Attorney for Utah County

EXHIBIT A

Redevelopment Agency of Lehi Agenda Item Report

Meeting Date: January 24, 2023

Submitted By: Teisha Wilson

Submitting Department:

Item Type: Resolution

Agenda Section: Regular Agenda

Subject:

Consideration of Resolution #2023-06 approving an amended Development Agreement between the Redevelopment Agency of Lehi and Texas Instruments.

Suggested Action:

Attachments:

[EDA Agreement Third Amendment DRAFT 1_5_2022.docx](#)

THIRD AMENDMENT TO ECONOMIC DEVELOPMENT AGREEMENT

THIS THIRD AMENDMENT TO ECONOMIC DEVELOPMENT AGREEMENT (this “**Third Amendment**”) is entered into as of _____, 2023, by and between the Redevelopment Agency of Lehi City, a government entity organized under the laws of the State of Utah (which entity, together with any successor public entity designated by or pursuant to law, is referred to in this Third Amendment as the “**Agency**”), and Texas Instruments Incorporated, a Delaware Corporation (the “**Developer**”), successor-in-interest to Micron Technology, Inc. (“**Micron**”).

WHEREAS, the Agency and Micron entered into that certain original Economic Development Agreement, dated May 16, 1997, as amended on August 28, 2007 (the “First Amendment”) and July 13, 2014 (the “Second Amendment”) (collectively the “EDA”);

WHEREAS, the Developer took assignment of the EDA from Micron and controls all of the real property in the Project Area;

WHEREAS, under the EDA, as amended, the Tax Increment Term is scheduled to expire on December 31, 2028;

WHEREAS, the Agency and Developer desire to extend the Tax Increment Term, for a period of thirty (30) consecutive years commencing on January 1, 2024;

WHEREAS, the Agency and Developer desire to replace the terms of the EDA, as amended, with those contained herein; and

WHEREAS, the Agency and Developer desire to expand the Project Area to include 282.787 acres;

NOW, THEREFORE, the Agency and the Developer, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party hereto, agree as follows:

1. Amendment to the Agreement. This Third Amendment constitutes an amendment to the EDA. In the event of any conflict or inconsistency between the terms of this Third Amendment and the terms of the EDA, as amended, the terms of this Third Amendment shall control.

2. Effective Date. Unless otherwise indicated, all terms in this Third Amendment shall become effective on January 1, 2024. Until January 1, 2024 the EDA shall continue to apply, as amended, as it applied prior to the signing of this Third Amendment.

3. Definitions. Unless defined or modified herein, capitalized terms used in this Third Amendment shall have the meaning assigned in the EDA, as amended.

4. Amended Definitions.

4.1 All references to “Act” or any code sections thereof in the EDA, as amended, are hereby intended to refer to the Limited Purpose Local Government Entities – Community Reinvestment Agency Act, Title 17C, Chapters 1 through 5, Utah Code Annotated, as amended; the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated; and/or other applicable Utah law.

4.2 The terms “Agency Indebtedness,” “Agency Indebtedness to Developer,” “Agency Indebtedness to Governmental Entities,” “Improvements,” “Infrastructure Improvements” and “Interest” in Sections 1.2, 1.3, 1.4, 1.12, 1.13, 1.14 of the EDA are no longer applicable to the EDA.

4.3 The terms “Government Entity” or “Government Entities” means the City, the Agency, Alpine School District, and Utah County individually and collectively.

4.4 The term “Project Area” is amended to include the parcel of real property owned by the Developer and located in Lehi City, Utah County, Utah, legally described on the attached Exhibit “A” hereto and containing approximately 282.787 acres.

4.5 The term “Tax Increment Term” is amended to include a period of thirty (30) consecutive years commencing with the Tax Increment year beginning January 1, 2024.

5. Tax Increment. Sections 2, 3.1, 3.2(a), 3.3 & 3.4, 4, and 5 of the EDA, Section 3 of the First Amendment, and Sections 1 and 5 of the Second Amendment are replaced with the following: One hundred percent (100%) of the Tax Increment generated during any year of the Tax Increment Term shall be received by the Agency. Seventy percent (70%) of the Tax Increment received by the Agency shall be paid to the Developer. Thirty percent (30%) of the Tax Increment received by the Agency shall be paid to the Government Entities and allocated to each Government Entity as determined by the Governmental Entities.

6. Notices. The notice addresses in section 11.3 of the EDA are hereby amended as follows:

If to Developer:

Texas Instruments Incorporated
PO Box 660199
12500 TI Blvd
M/S 8658
Dallas, TX 75243
Telephone: (214) 479-6060
E-mail: tilegalnotices@list.ti.com

If to the Agency:

Redevelopment Agency of Lehi City
153 North 100 East
Lehi, UT 84043
Telephone: (801) 768-7100
E-mail: _____

THIRD AMENDMENT TO ECONOMIC DEVELOPMENT AGREEMENT

7. Ratification. Except as amended in this Third Amendment, all of the terms, conditions, agreements and provisions set forth in the EDA shall be and hereby are reaffirmed, ratified, confirmed and approved in their entirety and shall remain in full force and effect.

THE AGENCY AND DEVELOPER executed this Amendment on the respective dates set forth below, to be effective as of the date first set forth above.

DEVELOPER:

TEXAS INSTRUMENTS INCORPORATED

By:_____

Name: Rafael Lizardi

Title: Chief Financial Officer

Date: _____, 2023

AGENCY:

REDEVELOPMENT AGENCY OF LEHI CITY

By:_____

Name:_____

Title: Chair

Date: _____, 2023

By: _____

Name:_____

Title: Executive Director

Date: _____, 2022

THIRD AMENDMENT TO ECONOMIC DEVELOPMENT AGREEMENT

[Add Notary Info]

THIRD AMENDMENT TO ECONOMIC DEVELOPMENT AGREEMENT

Exhibit A
to
Third Amendment to Economic Development Agreement

Project Area Legal Description

THIRD AMENDMENT TO ECONOMIC DEVELOPMENT AGREEMENT