

NIBLEY CITY



ECONOMIC DEVELOPMENT STRATEGIC PLAN

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SECTION 1: EXECUTIVE SUMMARY

The following report contains the economic development strategic plan for Nibley City. This study is intended to be a tool to assist policy makers to form and communicate their economic vision and philosophy. This plan is realistic and is based on sound economic principles. This analysis studies several key objectives the City should focus on to promote economic growth and sustainability. These objectives are:

1. **Promote Business Attraction and Recruitment;**
2. **Increase Economic Development Capability;**
3. **Identify and Promote Economic Development Sites;**
4. **Develop Industrial and Business Sites; and**
5. **Develop Sustainable Government Services and Resources.**

PROMOTE BUSINESS ATTRACTION AND RECRUITMENT

1. Develop targeted industry marketing campaigns. Target industries may include personal services (i.e. salons and beauty shops, laundry and cleaning services, pet supplies and services, etc.), health services (i.e. doctors offices, nursing and personal care facilities, local medical clinics, home healthcare services, etc.), eating and drinking places (i.e. fast food establishments, sit-down dining, etc.), and food stores (i.e. grocery stores, bakeries, markets, etc.).
2. Develop appropriate transportation infrastructure by incorporating economic districts into future Transportation Master Plan. Promote new signalization on 89/91 at 3200 South.

INCREASE ECONOMIC DEVELOPMENT CAPABILITY

1. Explore EDCUtah Membership and utilize EDCUtah's existing online Data Analysis Tools.
2. Capitalize on existing data resources and promote training in the use of available tools.
3. Facilitate local partnering by creating stakeholder groups and economic development committees to discuss local resources, initiatives and opportunities.

IDENTIFY AND PROMOTE ECONOMIC DEVELOPMENT SITES

1. Develop a specific land use plan for a "town center" district. This area should focus on neighborhood-scale retail emphasizing personal services and meeting local demand.
2. Develop a specific land use plan for a potential "gateway district" at 89/91 and 3200 South. This economic district should be focused on providing a destination for commercial developments that will increase market capture and reduce retail leakage.
3. Identify additional commercial districts and ensure appropriate mixed-use zoning is contemplated.
4. Preserve the rural feel of the community.
5. Utilize existing local development tools to promote economic growth within districts.

DEVELOP INDUSTRIAL AND BUSINESS SITES

1. Update the existing land-use plan and future land use plan to identify key areas for industrial development.
2. Work with EDCUtah to market existing and future sites.
3. Utilize existing local development tools to promote economic growth within districts.

DEVELOP SUSTAINABLE GOVERNMENT SERVICES AND RESOURCES

1. Ensure Utility Funds are Sustainable and have appropriate planning documents in place to handle future growth. This ensures that the City will have "shovel" ready sites that are appropriately planned for continued economic and residential growth. This also ensures the City maintains its credit worthiness, with access to as many funding sources as possible to develop necessary capital infrastructure.
2. Establish performance metrics regarding personnel expenditures relative to the total general fund budget. This will ensure the City has staff necessary to appropriate plan and manage continued growth.



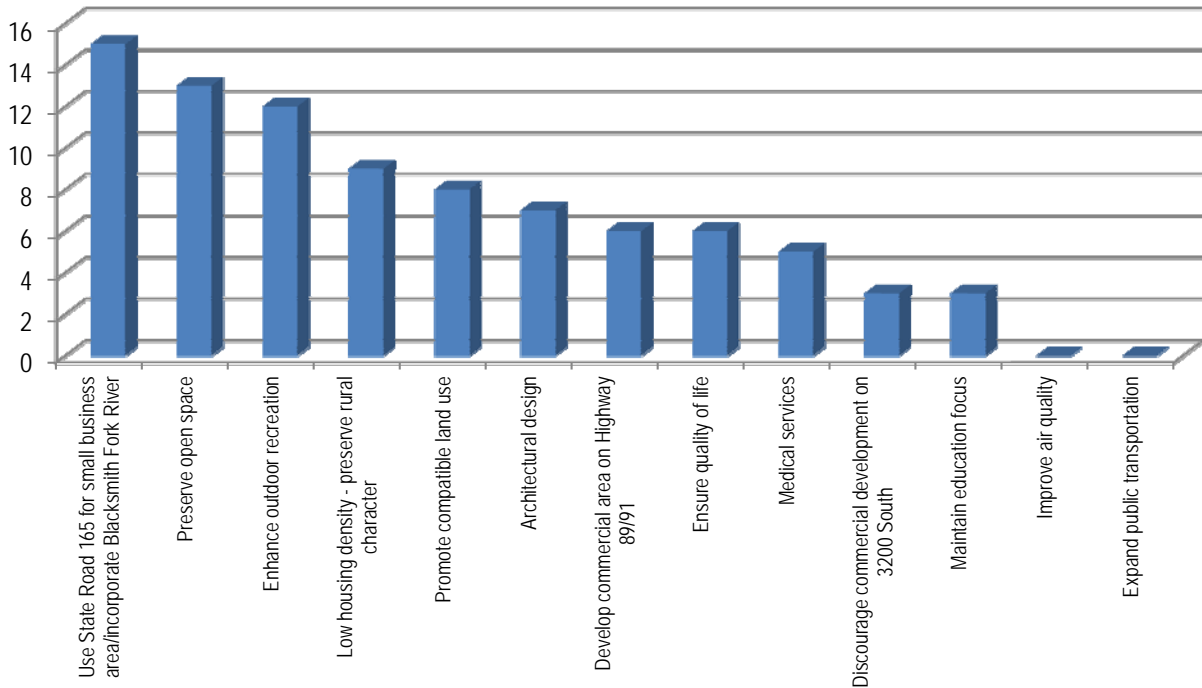
SECTION 2: COMMUNITY VISION

In July 2012 a visioning workshop was held with residents of Nibley City. During the workshop, priorities for the community were identified. These priorities are shown below in order of importance. The top two priorities for City residents are to promote development of small business activity along State Road 165 and to preserve open space and the rural character of the community.

TABLE 2.1: VISIONING WORKSHOP PRIORITIES

PRIORITIES IDENTIFIED BY RESIDENTS IN VISIONING WORKSHOP	
1	Use State Road 165 for small business area/incorporate Blacksmith Fork River
2	Preserve open space
3	Enhance outdoor recreation
4	Low housing density - preserve rural character
5	Promote compatible land use
6	Architectural design
7	Develop commercial area on Highway 89/91
8	Ensure quality of life
9	Medical services
10	Discourage commercial development on 3200 South
11	Maintain education focus
12	Improve air quality
13	Expand public transportation

FIGURE 2.1: VISIONING WORKSHOP PRIORITIES GRAPH





SECTION 3: OVERVIEW OF NIBLEY CITY

BACKGROUND

Nibley is a relatively small, but rapidly-growing community. Most households commute to work outside of the City, thus facilitating shopping near the workplace and outside of city boundaries. Currently, there are few retail choices and little commercial development in Nibley. However, with the rapid growth that is occurring in the area, as well as Nibley's strategic location in the center of Cache Valley, economic development opportunities are becoming more apparent, and should be a priority for the community in creating a sustainable economic base. Located between SR 91 and SR 165, the City is easily accessible and visible from all directions, and is well served by the transportation infrastructure in the Valley, thus providing some unique competitive advantages for development.

POPULATION GROWTH AND AGE DISTRIBUTION

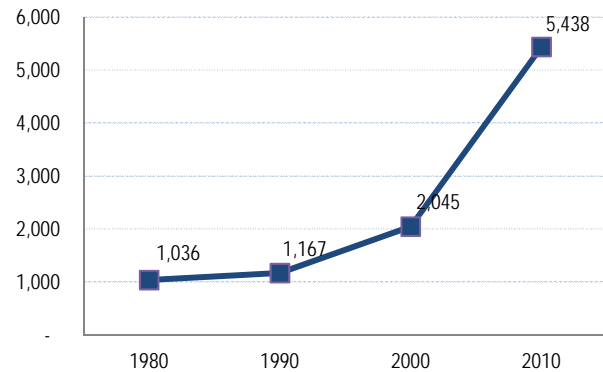
Table 3.1 and Figure 3.1 show the population growth for Nibley City. The City experienced significant growth from 2000 to 2010 growing from a population of 2,045 to a population of 5,438.

TABLE 3.1: CITY/COUNTY/STATE POPULATION DATA

YEAR	UTAH	CACHE COUNTY	NIBLEY	INCREASE
1930	507,847	27,424	na	
1940	550,310	29,797	na	0%
1950	688,862	33,536	304	0%
1960	890,627	35,788	333	10%
1970	1,059,273	42,331	367	10%
1980	1,461,037	57,176	1,036	182%
1990	1,722,850	70,183	1,167	13%
2000	2,233,169	91,391	2,045	75%
2010	2,763,885	112,656	5,438	166%

Source: U.S. Census Bureau, GOPB 2010 Census Brief, Cities and Counties of Utah (See p. 43)

FIGURE 3.1: NIBLEY POPULATION GROWTH



The population if Cache County is expected to continue to increase, reaching 139,227 by 2020 (a 23 percent increase).

TABLE 3.2: POPULATION GROWTH WITHIN CACHE COUNTY

	1990	2000	2010	2020	2030	2040	2050	2060
Cache County	70,550	91,873	113,273	139,227	168,137	196,559	232,468	273,817
% Change		30%	23%	23%	21%	17%	18%	18%

Source: Governor's Office of Planning and Budget, 2012 Estimates

According to the U.S. 2010 Census, the median age for Nibley City is approximately 24.8 years. This is slightly lower than the State's median age of 29.2 and much lower than the U.S. median age of 37.2. Table 3.3 shows the 2010 age distribution for Nibley City and Cache County. Approximately 39 percent of Nibley's population is under the age of 15, while only 27 percent of Cache County's population is under the age of 15.

TABLE 3.3: 2010 AGE DISTRIBUTION

AGE	NIBLEY	% OF TOTAL	CACHE COUNTY	% OF TOTAL
Total population	5,438	100.0%	112,656	100.0%
Under 5 years	738	13.6%	11,518	10.2%
5 to 9 years	801	14.7%	10,212	9.1%
10 to 14 years	568	10.4%	8,905	7.9%
15 to 19 years	381	7.0%	10,261	9.1%
20 to 24 years	239	4.4%	14,189	12.6%
25 to 29 years	457	8.4%	10,662	9.5%
30 to 34 years	577	10.6%	8,322	7.4%



AGE	NIBLEY	% OF TOTAL	CACHE COUNTY	% OF TOTAL
35 to 39 years	448	8.2%	6,221	5.5%
40 to 44 years	263	4.8%	5,180	4.6%
45 to 49 years	242	4.5%	5,228	4.6%
50 to 54 years	196	3.6%	5,195	4.6%
55 to 59 years	182	3.3%	4,634	4.1%
60 to 64 years	121	2.2%	3,435	3.0%
65 to 69 years	86	1.6%	2,594	2.3%
70 to 74 years	74	1.4%	2,094	1.9%
75 to 79 years	32	0.6%	1,576	1.4%
80 to 84 years	21	0.4%	1,239	1.1%
85 years and over	12	0.2%	1,191	1.1%

Source: Census 2010 DP-1, DP02 Tables

HOUSEHOLDS

As of the U.S. 2010 Census, Nibley City had a total of approximately 1,412 households, 63.9 percent of which had children under the age of 18. Of the 1,412 households, approximately 1,303 or 92 percent were owner-occupied while only 7.7 percent were renter-occupied.

TABLE 3.4: TOTAL HOUSEHOLDS

	NIBLEY	% OF TOTAL
Total households	1,412	100.0%
Family households (families) [7]	1,299	92.0%
With own children under 18 years	898	63.6%

Source: Census 2010 DP-1, DP02 Tables

TABLE 3.5: HOUSING TENURE

	NIBLEY	% OF TOTAL
Occupied housing units	1,412	100.0%
Owner-occupied housing units	1,303	92.3%
Population in owner-occupied housing units	5,051	
Renter-occupied housing units	109	7.7%
Population in renter-occupied housing units	387	

Source: Census 2010 DP-1, DP02 Tables

EDUCATIONAL ATTAINMENT

Approximately 94 percent of Nibley City's population 25 years and over have attained a high school degree or higher while nearly 37 percent have at least obtained a bachelor's degree. The educational attainment for Nibley City is slightly higher than that of Cache County.

TABLE 3.6: EDUCATIONAL ATTAINMENT

	NIBLEY	NIBLEY % OF TOTAL	CACHE COUNTY	CACHE COUNTY % OF TOTAL
Population 25 years and over	2,356	100.0%	58,088	100.0%
Less than 9th grade	60	2.5%	1,847	3.2%
9th to 12th grade, no diploma	82	3.5%	2,820	4.9%
High school graduate (includes equivalency)	455	19.3%	12,676	21.8%
Some college, no degree	661	28.1%	16,692	28.7%
Associate's degree	236	10.0%	5,001	8.6%
Bachelor's degree	582	24.7%	12,815	22.1%
Graduate or professional degree	280	11.9%	6,237	10.7%
Percent high school graduate or higher	94.0%			92.0%
Percent bachelor's degree or higher	36.6%			32.8%

Source: Census 2010 DP-1, DP02 Tables



EMPLOYMENT

Of the population 16 years and over and in the labor force in Nibley City, approximately 2.5 percent is unemployed. This is an impressive percent when compared to the percent unemployed for Cache County of 7.2 percent.

TABLE 3.7: EMPLOYMENT

	NIBLEY	% OF TOTAL	CACHE COUNTY	% OF TOTAL
Population 16 years and over	2,910	100.0%	81,288	100.0%
In labor force	2,184	75.1%	58,212	71.6%
Civilian labor force	2,184	75.1%	58,194	71.6%
Employed	2,129	73.2%	53,994	66.4%
Unemployed	55	1.9%	4,200	5.2%
Armed Forces	-	0.0%	18	0.0%
Not in labor force	726	24.9%	23,076	28.4%
Civilian labor force	2,184		58,194	
Percent Unemployed	2.5%		7.2%	

Source: Census 2010 DP-1, DP03 Table

INCOME CHARACTERISTICS

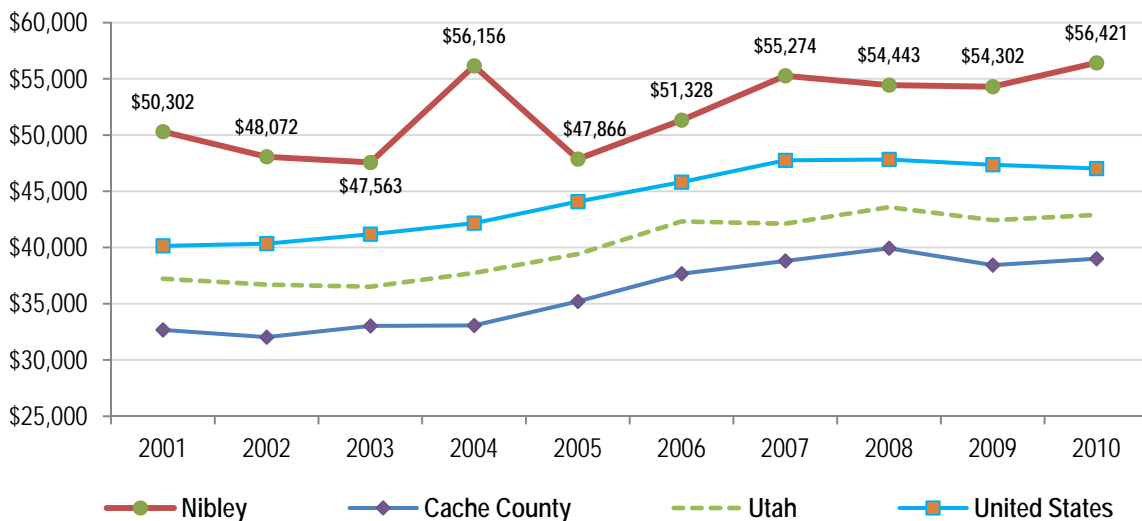
The household median adjusted gross income (MAGI) for Nibley City in 2010 was approximately \$56,421. This is much higher than the County's median of \$39,004 and also higher than the State and U.S. medians as shown in the table below. Figure 3.2 shows the fluctuation of MAGI for Nibley, Cache County, Utah, and the U.S. over a period of ten years.

TABLE 3.8: HOUSEHOLD MEDIAN ADJUSTED GROSS INCOME (MAGI)

YEAR	NIBLEY	CACHE COUNTY	UTAH	UNITED STATES
2001	\$50,302	\$32,672	\$37,221	\$40,148
2002	\$48,072	\$32,024	\$36,702	\$40,347
2003	\$47,563	\$33,025	\$36,506	\$41,185
2004	\$56,156	\$33,066	\$37,737	\$42,167
2005	\$47,866	\$35,200	\$39,418	\$44,082
2006	\$51,328	\$37,667	\$42,323	\$45,817
2007	\$55,274	\$38,805	\$42,124	\$47,752
2008	\$54,443	\$39,933	\$43,581	\$47,832
2009	\$54,302	\$38,436	\$42,430	\$47,361
2010	\$56,421	\$39,004	\$42,902	\$47,022

Source: U.S. Census Bureau (U.S. Data), Utah State Tax Commission (City, County, State)

FIGURE 3.2: HOUSEHOLD MEDIAN ADJUSTED GROSS INCOME





SECTION 4: GENERAL ECONOMIC ENVIRONMENT

NIBLEY'S ECONOMY

Economic development is important because the services cities provide rely heavily on tax revenue. A strong economy produces revenue to support services that would otherwise have to come directly from residents in the form of property taxes, utility taxes and fees. A strong economy also provides jobs and gives residents better access to goods and services.

Here are some numbers related to the current state of the economy in Nibley. In 2012, 158 business licenses were issued in Nibley – 136 were for home-based businesses and 22 were for commercial locations. In the past ten years, Nibley has experienced significant growth in both home-based and commercial businesses and the city anticipates continued growth as more people move into our wonderful city.

Those companies are important job creators too. They currently employ 259 employees, not counting the owners. Of those 259 employees, 146 are full-time and 113 are part-time. Also, of those employees, 226 are employed at commercial locations and 33 are employed by home-based businesses.

CACHE COUNTY'S ECONOMY

Despite the recession, Cache County has seen a significant amount of development. The following highlights some of the recent development as well as future development anticipated for the Valley.¹

- JBS USA Holdings Inc. will invest more the \$30 million in the development of a new expanded facility in Hyrum.
- FreeMotion Fitness has announced plans to relocate its corporate headquarters from Colorado Springs, Colorado to Logan, Utah.
- Thermo Fisher Scientific, Inc. constructed an \$11 million state-of-the art BioCenter manufacturing facility as the first of three phases to be completed in Logan.
- Schreiber Foods, a global leader in dairy products manufacturing, is expanding its facility near Smithfield.
- Wasatch Property Management's \$60 million Riverwoods project has entered its second phase of development. This project will help revitalize the city's southern end bring about additional development.
- The Bridgerland Applied Technology Campus now houses the Cache Business Resource Center, co-locating many of the common business services for small businesses and start-ups. The center provides temporary office space and mentoring to entrepreneurs.

Cache County has a low unemployment rate of five percent as of December 2010. The County is also a prime location for development due to the educational resources located in the area. The County is home to Utah State University (USU) and the Utah College of Applied Technology's Bridgerland Campus (BATC).

UTAH'S ECONOMY

In comparison to the national economy, Utah has fared relatively well during the recession. Utah was recently recognized by the Pew Center on the States as the "best managed state in the nation." Businesses yearn for a safe, stable, well managed and predictable place such as Utah to conduct business. While Utah has not been exempt from the impacts of the national economic recession, Utah's stable economy is evidenced by the fact that Utah has one of the lowest unemployment rates in the nation – 5.1 percent compared to 7.7 percent nationally.²

Average annual pay in Utah was \$39,811 in 2011; in comparison, average annual pay nationwide was \$50,606. A well-educated and young workforce, lower living costs, and lower annual pay are critical factors in making Utah an attractive place for companies to expand or locate. With a median age of 29.5 years, Utah has one of the youngest workforces in the nation. In fact, Utah has the youngest median age in the nation, largest household sizes, and has the fifth highest population growth rate in the United States.

¹ Economic Development Corporation of Utah (edcUTAH), Cache County, County Profile, 2012

² 2012 Economic Summary, Governor's Office of Management and Budget,
<http://www.governor.utah.gov/DEA/EconSummaries/EconomicSummary.pdf>



According to the Federal Housing Finance Agency (FHFA) House Price Appreciation Ranking, Utah's home prices were up 8.6 percent in the third quarter of 2012 from third quarter of 2011. This ranks Utah sixth in the nation. In many respects, such as home prices, and job losses, the impacts of the recession in Utah have been less severe than in other parts of the country.

NATIONAL ECONOMY

As of January 2013, economic indicators continue to reflect sustained moderate growth.³ Employment growth has continued at a steady pace above the long-term monthly average while the unemployment rate has remained at its lowest level in close to four years. Over the past year, inflation has been approximately 1.8 percent.

For new single-family homes, prices are up and close to the pre-recession peak, sales have risen, and inventory has continued to grow. Permits and starts have continued to climb, reaching four-year highs for both single-family and multifamily housing. Home mortgage rates have remained unchanged at 3.35 percent, the lowest monthly rate since record keeping began in 1971.

The apartment sector continues to be strong with vacancy rates dropping even further and rents climbing to all-time highs. Office and industrial space have continued to improve, although slowly, as vacancy rates have crept down and rents have crept up. Rents for retail space have continued to decline.

³Urban Land Institute: ULI Real Estate Business Barometer, January 2013



SECTION 5: NIBLEY CITY ECONOMIC SUSTAINABILITY

Developing a plan for sustainable economic development is an important process for communities. Sustainable communities are better prepared to survive the “ups” and “downs” of markets, recessions, inflationary periods, etc., because they have a solid and balanced tax base that is not overly reliant on one or two industries or revenue sources. Best practices include striving for a good balance of quality jobs, a variety of development types and industries, a strong property and sales tax base, up-to-date economic infrastructure (including transportation, communication and utilities), good education and skills training, and public amenities that create a vibrant community and quality of life for residents.

Economic development is conditioned upon several factors, many of which are outside the control of local governments (i.e. the timing of economic recessions or periods of high growth or the timing of residential development). However, change will occur and our population centers will continue to grow. Through proper planning, local governments can ensure that their communities remain vibrant and faithful to the vision of its residents. This analysis studies several key objectives the City should focus on to promote economic growth and sustainability. These objectives are:

1. **Promote Business Attraction and Recruitment;**
2. **Increase Economic Development Capability;**
3. **Identify and Promote Economic Development Sites;**
4. **Develop Industrial and Business Sites; and**
5. **Develop Sustainable Government Services and Resources.**

PROMOTE BUSINESS ATTRACTION AND RECRUITMENT

Business attraction and recruitment is necessary to increase the availability of jobs for new residents and to provide needed tax revenues to support infrastructure and services. Without a business plan, development and growth can occur haphazardly and result in unintended consequences. The following addresses the components of a business attraction and recruitment strategy that can be pursued by the City.

1. Develop Targeted Industry Marketing Campaigns.

The City should determine target industries and focus marketing efforts on attracting these types of businesses to the City. Target industries may include

- ☞ **Personal Services** (i.e. salons and beauty shops, laundry and cleaning services, pet supplies and services, etc.)
- ☞ **Health Services** (i.e. doctor's offices, nursing and personal care facilities, local medical clinics, home healthcare services, etc.)
- ☞ **Eating and Drinking Places** (i.e. fast food establishments, sit-down dining, etc.)
- ☞ **Food Stores** (i.e. grocery stores, bakeries, markets, etc.)

2. Develop Appropriate Transportation Infrastructure.

The City should update its Transportation Master Plan to consider economic districts and a town center overlay zone. The plan should promote new signalization on 89/91 at 3200 South. A key element of this plan and future land use plans should be centered on the development of a City “gateway” area at the intersection of 89/91 and 3200 South. This will create an identifiable destination for Nibley City and create an access point along the highway to capture traffic demand. Future transportation plans should identify and promote economic development sites

INCREASE ECONOMIC DEVELOPMENT CAPABILITY

The City's ability to promote sustainable economic development is related to its access to in-house resources and tools. As such, the City should focus on expanding existing staff capabilities and access to economic development resources. The City should also explore private and public partnerships that will meet the needs of the community. The following outlines several strategies to increase the City's economic development capabilities:



1. Explore EDCUtah Membership and utilize EDCUtah’s existing online Data Analysis Tools.

EDCUtah has several online data analysis tools to assist in business relocation, expansion or consolidation.

2. Capitalize on existing data resources and promote training in the use of available tools.

A key to sustainable economic growth is the development of local resources. The City should develop staff resources through education or expansion of personnel to incorporate economic development functions. The City should also seek out local partnerships with adjacent communities and explore partnerships with private recruitment companies. The City should utilize existing data sets and resources to promote economic development (See Appendix A).

3. Facilitate local partnering.

Nibley should seek out and support partnerships within the community. Community support opportunities may include:

- ☐ Meeting with commercial realtors, developers, contractors, and land owners to establish economic development committees; and,
- ☐ The creation of stakeholder groups and economic development committees to discuss local resources, initiatives and opportunities.

DEVELOPING ECONOMIC RESOURCES

With limited resources, communities may need to get creative regarding the development of economic tools and resources, especially when it comes to hiring on new staff. North Ogden recently solicited proposals from qualified Economic Development firms to assist the City in performing market analysis, retail recruiting, redevelopment planning, developer recruiting and qualifying, financial feasibility, project funding, public/private partnership development, long-range city financial planning, strategic planning, grant writing, job recruiting, and facilitating a community visioning process.

The City’s intent was to hire an independent contractor. This independent contractor would not receive employee benefits or compensation coverage from the City and no Internal Revenue Service withholding would be made from pay. The firm would provide an annual contractual amount of time to the City to assist in economic development projects. In this way, the City would avoid long-term operational obligations while increasing resources.

IDENTIFY AND PROMOTE ECONOMIC DEVELOPMENT SITES

Nibley currently has approximately 73 acres zoned for retail/office uses, but it is projected to be able to support 163 acres in the next 50 years according to recently published data as part of the Cache Corridor Study. Therefore, Nibley will need to identify more land for future commercial development – either in its existing boundaries or through future annexations. The City should update the existing land-use plan and future land use plan, focusing on the following elements:

1. Develop a specific land use plan for a Town Center district

Using the Town Center overlay zone, the City should develop a comprehensive land-use analysis and development plan for this area. This area should focus on neighborhood-scale retail focused on personal services and meeting local demand.

Table 5.1 shows the typical scale of retail development. A neighborhood retail center would be best suited to Nibley City due to its small population size.



TABLE 5.1: TYPICAL SCALE OF RETAIL DEVELOPMENT

TYPE OF CENTER	LEADING TENANT	TYPICAL GLA Sq FT	GENERAL RANGE IN GLA	USUAL MIN. SIZE (ACRES)	APPROXIMATE MINIMUM POPULATION SUPPORT REQUIRED
Neighborhood	Supermarket	60,000	30,000 – 100,000	3-10	3,000-40,000
Community	Supermarket, drugstore/pharmacy, discount department store, mixed apparel	180,000	100,000-400,000	10-30	40,000-150,000
Regional	One or two full-line department stores	600,000	300,000-900,000	10-60	150,000 or more
Super Regional	Three or more full-line department stores	1,000,000	600,000-2,000,000	15-100 or more	300,000 or more

Urban Land Institute, Retail Development, 4th ed.

EXAMPLES OF NEIGHBORHOOD SCALE RETAIL

The following highlights a number of successful neighborhood scale retail.

SODA ROW

SoDa Row (South Daybreak Row) is a village retail center that currently supports a variety of specialty shops centered on providing personal services to the community. SoDa Row is designed to be within walking or biking distance from any home in Daybreak.

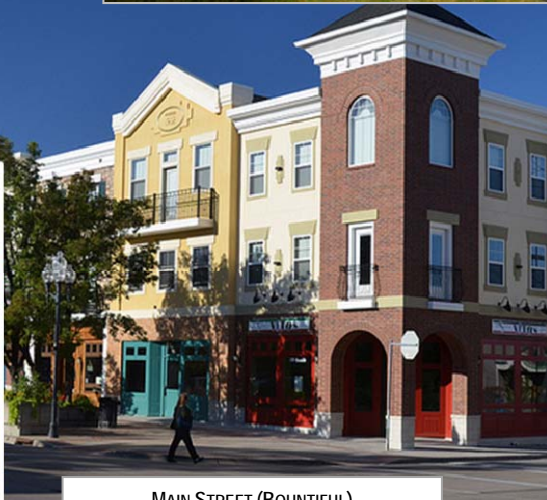
BOUNTIFUL MAIN STREET

A mixed-use development with neighborhood scale retail and residential development.

Development types:

-  Dining
-  Boutiques
-  Office
-  Clothing
-  Personal Services

SODA ROW (DAYBREAK, SOUTH JORDAN)



MAIN STREET (BOUNTIFUL)



KEY ELEMENTS OF A TOWN CENTER DEVELOPMENT

CENTER CORE

Centers should feature a core area that acts as the central gathering place for the center and surrounding communities. The core can accommodate the most intensive retail, employment, civic, and pedestrian activity. The design of streets and buildings in the core area should emphasize pedestrian comfort and visual interest.

COMMERCIAL ACTIVITIES WITHIN NEIGHBORHOOD CENTERS

A limited amount of local-serving commercial activity may be located in neighborhood centers around their core. Ideal neighborhood center retail uses include, but are not limited to, small grocery stores, cafes, restaurants, and personal services. Ideal locations for retail uses include corners and the edges of parks and other community spaces.

CIVIC BUILDINGS

Civic buildings should anchor many centers and typically be located in the core area. Where feasible, these will feature distinctive building details, entry features, and varying setbacks to provide a unique identity, with entrances facing onto public rights-of-way and parks.

GATHERING SPACES

Squares, greens, and plazas are gathering places that may provide visual relief and passive recreation. The overall design of the town and neighborhood centers should link these features in a sequence or network. A square or green is intended to act as the central feature of neighborhood centers, and should be surrounded by civic buildings and/or commercial or mixed-use buildings located in the center. They should be accessible to all, and connected by transit facilities. All community residents should be within walking distance of a public community space or park.

LIVE-WORK UNITS

Buildings and portions of buildings that combine commercial and residential uses within single units are encouraged throughout town and neighborhood centers. Good locations for individual live-work units are on the ground floor of residential buildings along connector and local streets. In neighborhood centers, good locations for live-work units are in the core area.

SCALE AND DENSITY TRANSITIONS

Transitions in scale and density within residential areas should be gradual. Sharp distinctions in scale and density on different sides of a street typically should be avoided. Identifiable edges should be defined by natural features, transitions in development density, and/or changes in building style, scale, and massing. For example, a transition can be created through the placement of an open space or civic feature such as a park or small civic building. Most residential areas should achieve appropriate densities to support walkable communities that can support transit and other key infrastructure investments.

2. Develop a specific land use plan for a potential "gateway district" at 89/91 and 3200 South.

The City should promote **highway retail** as traffic demand and population continues to increase. This type of development is focused around larger-scale development, including big box, motor vehicle sales, capitalizing on trip counts. Business services may also benefit in this area due to ease of access from surrounding areas.

3. Identify additional commercial districts and ensure appropriate mixed use zoning is contemplated.

Promote smaller-scale retail along **SR 165**. According to the visioning process, SR 165 was identified as a key area for this type of development. In addition, as an important roadway connection for the south end of Cache Valley, this area will continue to experience increases in traffic counts and corresponding demand.



4. Preserve the rural feel of the community.

Throughout the planning process, the City should ensure the preservation of the rural feel of the community through appropriate planning guidelines and the promotion of a mix of uses. These should include business clustering and creating mixed-use zones.

CLUSTERING OF BUSINESSES

Vibrant, effective, and growing economic business areas are usually small in scale. Businesses and industries thrive when clustered together into districts or smaller economic areas. Infrastructure costs are reduced when commercial and industrial businesses are located together, which results in up-front and long term savings for businesses and local governments. Districts that contain a mix of business types, all focused on a common market sector, also do well. Examples of these include entertainment districts where people can dine, shop, and attend an event; or a downtown area where people can work, take clients to lunch, and ship packages or make copies.

MIXED-USE WITHIN CENTERS

Centers should provide for a mix of uses and block types to create local, walkable connections between jobs, housing, and retail. Block types may include: (1) Mixed-use blocks that make up the core of each center and combine retail with housing or office uses; (2) Commercial blocks that contain primarily office or retail uses; (3) Residential blocks that contain a range of housing opportunities, including multi-family buildings, townhomes, live/work lofts, and/ or a variety of single-family opportunities (these blocks may contain incidental retail); or (4) Civic blocks that can contain a variety of public and civic buildings, including schools, churches, libraries, community centers, or parks.

5. Utilize existing local development tools to promote economic growth within districts.

The State currently has a tool to incentivize development through the Utah Community Development and Renewal Agencies Act (CDRA). The City should consider the establishment of one or more community development areas (CDAs) to promote the development of these areas (See Appendix B).

The development of economic districts will create areas for future development, conducive to the City's vision and objectives. An analysis of retail data shows the City is lagging in annual sales relative to its population. In 2011, Nibley City ranked 20th on a sales per capita basis. However, in 2012 the City rose to 16th as its sales per capita increased to \$85.79 (See Appendix C).

Economic districts should be focused on providing a destination for commercial developments that will increase market capture and reduce retail leakage. The City should continue to evaluate its market capture relative to its neighbors. This can be done through a sales leakage analysis.

RETAIL SALES LEAKAGE ANALYSIS

Sales gap or leakage data is the estimated amount of purchases made by residents outside of their community. The first step of a market or retail leakage analysis is to identify the primary market area – the area from which the store or shopping center draws most of its customers. The current and projected population, as well as employment base in the market area is then calculated.

Leakage demonstrates areas of opportunity – where communities can recapture some of their lost sales resulting from residents leaving the local area to make purchases. Sales leakage data is estimated by taking the actual purchases in a community and dividing by the number of households or population to determine the average spending per household and per capita. This represents purchases made within a community. This data is then compared with average per capita (or per household) purchases statewide. The difference is the leakage. Appendix C shows areas of estimated sales leakage per capita for Cache County.



A market share analysis can be conducted for individual store types or for retail centers. It shows the percentage of total sales in the larger market area that are being captured by a particular location or store. For example, if a community is only capturing ten percent of sales in a particular retail category, yet it represents 30 percent of the regional population, it may be able to capture additional sales.

DEVELOP INDUSTRIAL AND BUSINESS SITES

In addition to retail and commercial development, the City should identify and promote industrial sites within the Community. These generally serve as job centers and provide for income and the subsequent buy-in power of existing residents. To promote industrial development the City should focus on the following:

1. Update the existing land-use plan and future land use plan to identify key areas for industrial development.

Industrial sites often take large tracks of land. The City should work with land-owners and stakeholders to identify areas that can serve as job centers and industrial sites. The City should identify industrial/business districts and ensure appropriate zoning is contemplated.

2. Work with EDCUtah to market existing and future sites.

The City should work with EDCUtah to develop locations that may be suitable for the "sure site" database. **Utah SURE (Select Utah Real Estate) Sites** is a database of industrial, office building, and land sites designed to attract relocating and expanding businesses. The database is maintained by EDCUtah and includes some of the best site location opportunities in Utah.

3. Utilize existing local development tools to promote economic growth within districts.

The State currently has a tool to incentivize development through the Utah Community Development and Renewal Agencies Act (CDRA). The City should utilize economic development area (EDA) tools to promote existing and future job centers or industrial sites (**See Appendix B**). The City currently has an inactive industrial site that could be overlaid with an EDA. In addition, future development may benefit from these tools.

UTAH COMMUNITY DEVELOPMENT & RENEWAL AGENCIES ACT (CDRA)

Tax increment financing can be an attractive option to developers because it provides public assistance and funding for improvements, infrastructure, land write-downs, etc., in partnership with private investment in an area. The purpose is to encourage development to take place in areas that are deteriorating, to create jobs, or to assist with important community projects.

The main steps in establishing a tax increment area include:

- Formation of a Community Development and Renewal Agency (must only be created once by a community, not for each project)
- Creation of a project area plan and budget
- Approval of taxing entities

DEVELOP SUSTAINABLE GOVERNMENT SERVICES AND RESOURCES

A revenue analysis is one tool used to evaluate the economic sustainability of the City. It includes an analysis of general fund revenues to determine relative reliance on various revenue sources. Common revenue sources include property taxes, sales taxes, other taxes (such as energy, utilities, cable TV, etc.), building permits, other licenses and permits, intergovernmental revenue (i.e. Class C Road Funds, State Liquor Fund, etc.), charges for services, fines and forfeitures, and other miscellaneous revenues (i.e. interest earnings, rental of assets, etc.).



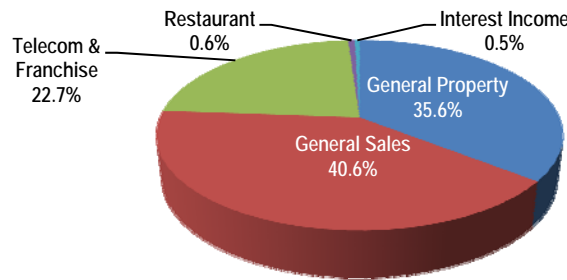
Table 5.2 shows Nibley City's General Fund Tax Revenues from 2005 to 2011. Figure 5.1 shows the make-up of the general fund tax revenues. The top three largest contributors to tax revenues are general sales, general property, and telecom & franchise taxes. This illustrates that the City does have a balance of revenue sources.

TABLE 5.2: GENERAL FUND TAX REVENUES

FISCAL YEAR	GENERAL PROPERTY	GENERAL SALES	TELECOM & FRANCHISE	RESTAURANT	INTEREST INCOME	TOTAL REVENUE
2005	\$174,779	\$188,477	\$133,406	\$2,489	\$34,892	\$534,043
2006	\$197,544	\$227,440	\$166,548	\$8,341	\$55,207	\$655,080
2007	\$233,962	\$319,129	\$163,902	\$41,517	\$52,967	\$811,477
2008	\$258,150	\$375,605	\$192,029	\$7,072	\$49,206	\$882,062
2009	\$336,018	\$389,270	\$197,454	\$0	\$41,837	\$964,579
2010*	\$344,780	\$1,023,561	\$197,894	\$6,576	\$4,296	\$1,577,107
2011	\$357,728	\$408,293	\$228,436	\$6,338	\$4,741	\$1,005,536

Source: Nibley City Audited Financial & Budget Statements

FIGURE 5.1: DISTRIBUTION OF 2011 GENERAL FUND TAX REVENUES



In 2011, total general fund revenues equaled approximately \$1.7 million. The distribution of this amount is shown in Figure 5.3. The majority of the total was from taxes, however, charges for services also made up a very large percentage of total revenue. Total revenue in 2011 was down from previous years due to a decrease in grants and contributions as well as a transfer of funds.

TABLE 5.3: GENERAL FUND

FISCAL YEAR	TAXES	CHARGES FOR SERVICES	GRANTS AND CONTRIBUTIONS	TRANSFERS IN	TOTAL REVENUE
2005	\$534,043	\$618,776	\$96,247	\$60,000	\$1,309,066
2006	\$655,080	\$656,249	\$115,807	\$96,000	\$1,523,136
2007	\$811,477	\$685,561	\$133,707	\$120,588	\$1,751,333
2008	\$882,062	\$667,583	\$371,536	-	\$1,921,181
2009	\$964,579	\$849,383	\$260,512	-	\$2,074,474
2010	\$1,577,107	\$1,104,452	\$329,776	\$85,000	\$3,096,335
2011	\$1,005,536	\$853,508	\$186,642	(\$350,000)	\$1,695,686

Source: Nibley City Audited Financial Statements

To ensure the City is providing sustainable government services, the City should focus on the following:

1. Ensure Utility Funds are Sustainable and have appropriate planning documents in place to handle future growth.

This ensures that the City will have "shovel" ready sites that are appropriately planned, for continued economic and residential growth. This also ensures the City maintains its credit worthiness, with access to as many funding sources as possible to develop necessary capital infrastructure. The City should complete comprehensive financial plans that evaluate the sustainability of all City utilities. These studies should be updated every five to ten years to ensure the City is appropriately planning for future growth.

2. Establish performance metrics regarding personnel expenditures relative to the total general fund budget.

This will ensure the City has necessary staff to appropriately plan and manage continued growth.



APPENDIX A: ECONOMIC DEVELOPMENT RESOURCES

The following table outlines resources that the City may access to develop a dataset for economic and development planning.

TABLE A.1: DATA RESOURCES

DATA RESOURCES	AGENCY	DESCRIPTION	USE	LINK/EXAMPLE
Land Use and Zoning Data	Cache County Planning Department	Land use and zoning data within the unincorporated County.	<ul style="list-style-type: none"> Land use data is used to highlight areas where developed land exists within commercial centers Identify shovel ready sites and supporting transportation infrastructure for marketing purposes 	http://www.cachecounty.org/planning-zoning/ Example: Land use analysis within economic districts
Traffic Data Patterns and Average Daily Trips (ADTs)	Utah Department of Transportation (UDOT)	Traffic data patterns and ADTs along major roadways and intersections throughout the County.	<ul style="list-style-type: none"> Evaluate traffic patterns to promote commercial development in high demand areas Identify areas where transit adjacent development may be successful Collect and analyze traffic data patterns, along with key demographic indicators like population and buying power, which will help the County market these areas 	www.udot.utah.gov/ Example: Traffic patterns in rural community
Sales Tax Data	Utah State Tax Commission	Sales tax data for the State. Information is aggregated each year based on retail categories and can be collected by City, County or zip code.	<ul style="list-style-type: none"> Used to analyze local spending patterns Detailed sales leakage analysis can be performed at the municipal level or for the County Used to illustrate market strengths and weakness Allow for focused marketing strategies on retail categories that may be lacking in specific areas 	http://tax.utah.gov/esu/ Example: Sales leakage analysis
Building Permit Data	Bureau of Economic and Business Research (BEBR)	Building permit data from all Cities and Counties within Utah. Includes number of permits by type and the associated value.	<ul style="list-style-type: none"> Good source of updating current population figures when combined with estimates of household size Helpful in understanding housing market demand 	http://www.bebr.utah.edu/ Example: South Jordan Housing (South Jordan)
State-wide GIS Data	The Utah Automated Geographic Reference Center (AGRC)	Clearinghouse of GIS data including transportation, municipal boundaries, soils, utilities, hydrology, etc.	<ul style="list-style-type: none"> Will provide base data for further economic analysis 	http://agrc.its.state.ut.us/
EDCUtah Data	The Economic Development Corporation of Utah (EDCUtah) periodically conducts updates of demographic data for counties throughout the state. These updates can be applied to local communities within their respective counties. EDCUtah also maintains a "Sure Site Database."			http://www.edcutah.org/



APPENDIX B: COMMUNITY DEVELOPMENT AND RENEWAL AGENCIES

Under Utah Code 17C "Limited Purpose Local Government Entities – Community Development and Renewal Agencies Act" (the "Act"), Utah's local governments have the authority to conduct economic development activities within their communities through their Redevelopment Agencies ("Agencies") (or if created more recently their Community Development and Renewal Agencies". Under the Act, Agencies are allowed to create three types of project areas in order to address specific economic development needs within their community. These three project area types are 1) Urban Renewal Project Areas ("URAs"), 2) Economic Development Project Areas ("EDAs"), and 3) Community Development Project Areas ("CDAs"). Each project area type is envisioned to address specific sets of circumstances and thus have different nuances, purposes, and abilities which will be addressed below.

Generally, however, all project areas function under a few basic principals which will first be addressed after which each type of project area will be more fully described.

GENERAL PROVISIONS

All types of project areas provide an ongoing funding mechanism from property and sometimes sales taxes within a geographic area designated as a project area. The basic premise of the project area is that a base year value is established at the beginning of the project area. The taxing entities continue to receive their respective property tax collections from that base year value. Any additional taxable value and the associated property taxes generated from development within the project are then made available to Agencies to conduct economic development within the project area. Taxing entities may agree to give up to 100% of their respective tax increment to the Agency for varying lengths of time as determined.

A project area of any type is created utilizing a project area plan which describes the purpose of the Agency in conducting economic development activities including the effects of development upon the community, the use of tax increment, the estimated benefit to the community, the means of selecting developers, any specified planning elements, etc. Generally, each type of project area also adopts a project area budget which defines in more detail the projected level of participation from each taxing entity, the proposed use of funds, and a multi-year projection of tax increment sources and uses.

Uses of tax increment are defined in the Act. Some of these uses include providing funds to upgrade private and public facilities, funding infrastructure improvements, purchasing land, providing development incentives, pledging funds to repay or secure bonds, etc.

The first step of redevelopment is the creation of a Redevelopment Agency by a local governmental entity. After the Agency is created, there are three types of redevelopment areas that can be formed by the local entity: Urban Renewal Area (URA); Economic Development Area (EDA); and Community Development Area (CDA).

A URA is formed in an area that has deteriorating properties, high criminal activity, excessive vacancies or abandoned buildings, potential environmental or health issues, etc. **An EDA** is formed in an area for the purpose of attracting new jobs to the area and **a CDA** is formed to encourage a wide range of community development projects. No power of eminent domain is given to EDA or CDA areas. Project area plans and budgets should be created for each project area in accordance with the requirements of Utah Code Title 17C – the Community Development and Renewal Agencies Act.

URBAN RENEWAL PROJECT AREA (URA)

An Agency can create a URA for the purpose of eliminating blight in a specific area. The Agency must conduct a blight study and make specific findings of blight as outlined in the Act which are quite strict. Some of the general criteria for blight include dilapidated buildings, noncompliant land and building uses, high vacancy, criminal activity, etc. Property owners have the opportunity to comment on blight conditions at a blight hearing.



The project area budget for a URA must be approved by a taxing entity committee ("TEC") which is composed of various members who levy a tax within the project area. The TEC must approve participation for all entities by a 2/3rds vote. URAs also have the ability to use eminent domain.

ECONOMIC DEVELOPMENT PROJECT AREA (EDA)

An EDA is often used by a community when focusing on development related to job growth. Generally, tax increment is only remitted to the Agency from non-retail uses. Like the URA, the project area budget must be approved by the TEC. An EDA does not have the use of eminent domain. An EDA is often used to assist a large project to locate in a community such the Procter and Gamble development in Box Elder County.

COMMUNITY DEVELOPMENT PROJECT AREA (CDA)

The CDA project area provides a great amount of flexibility in regard to sources and uses of funds and participation levels by taxing entities. A CDA can be used for most types of projects including mixed-use, retail, commercial, office, industrial, etc. The Agency has the ability to capture and utilize both sales and property tax increment. Rather than using a TEC to secure funding to the Agency, an Agency secures funds from taxing entities through individual interlocal agreements between the Agency and each individual taxing entity. CDAs have been utilized extensively in Utah since their creation several years ago including communities such as North Salt Lake, Centerville, Woods Cross, West Bountiful, Perry City, Sandy City, Eagle Mountain City, and Brian Head Town as well as others.

FUNDING

Public funding for projects in the redevelopment areas comes from tax increment. What is tax increment? Some people mistakenly assume that this means higher taxes. But it doesn't. Rather, it is the additional tax monies that are generated in a redevelopment area as a result of increased value from development in that particular area. Increment value is determined by calculating the difference between a baseline property value, set when the project area is established, and the additional property value from development. Tax increment from a project area is available for a specific number of years as agreed upon by the taxing entities. Therefore, timing becomes especially important in the creation of project areas in order to maximize the amount of increment generated and returned to development within the project area boundaries.

Tax increment funds (TIF) can be monetized (i.e., you can borrow against the future tax increment revenue streams in order to provide up-front funds to build infrastructure). Because TIF revenues are more risky and unpredictable compared to other revenue sources they generally carry a higher interest rate than GO or revenue bonds. Also, lenders prefer multiple years of revenue history and generally allow only \$0.33 - \$0.50 on the dollar of the increment generated to be monetized (or borrowed against).

For example, if a TIF area generates \$100,000 in tax increment revenues per year, only \$33,000 to \$50,000 of those funds can be used for annual debt repayment because the lenders require more excess funds, known as the debt service coverage ratio, for tax increment bonds than for other types of bonds that investors consider to be relatively less risky.

However, a community can choose to use other revenue sources as a security pledge to acquire the bond, and then use tax increment funds as a repayment source. If TIF funds fall short of repayment amounts, other pledged revenue sources must be used to make up the difference.

The amount of public assistance provided in TIF areas is generally based on a percentage of the property tax increment generated by a specific development within the project area. Tax increment dollars are often returned to the developer in the form of infrastructure development, land cost write-down, or other appropriate means.

One method that has been used to overcome the market challenges posed by direct tax increment financing is to use a Special Assessment Area (SAA) in conjunction with the use of tax increment. Special Assessment Areas are discussed in a following section. This provides a means to leverage the potential tax increment at an earlier stage in the development process. Under this structure, a CDRA is created and the developer/landowner enters into an Agreement to Develop Land (ADL) with the local government wherein the developer negotiates receipt of a portion of



the tax increment to be generated. Then, SAA bonds are issued and assessments on the benefited property of the developer/landowner provide security to the bonds noting that the property then serves as the ultimate security for the debt, not projected increment receipts. If the developers proceed with development and building in a timely fashion, they can utilize the increment received to make the assessment payments, although they are not pledging this stream of revenues.

CONCERNS

Public concerns about redevelopment projects are centered on three main issues. Education is needed to resolve these concerns. When property owners understand the true nature of redevelopment areas, they are generally enthusiastic about the opportunities RDA's offer.

1. **Blight.** The Utah Code uses the term "blight" to refer to properties with various characteristics, such as physical dilapidation, lack of code enforcement, etc. Property owners need to be assured that while blight factors are used to establish a project area, no individual properties are recorded as blighted on any official county records. An evaluation of properties, in terms of blight, is used solely to determine if the area, as a whole, qualifies as a redevelopment area.
2. **Tax Increment.** There is a common misunderstanding that tax increment means that property owners will pay more taxes. This is simply not the case. Tax rates do not change because of the creation of a redevelopment area. Rather, more taxes are generated in the area because of the increased development that occurs. It is the taxes that flow from additional development and therefore increased taxable value that constitute tax increment.
3. **Eminent Domain.** Property owners are often concerned that they will be forced to sell their property if they are in a redevelopment area. Utah law has set very restrictive requirements regarding when the power of eminent domain can and cannot be used (see sidebar figure).



APPENDIX C: ILLUSTRATION OF TAXABLE SALES CAPTURE WITHIN CACHE COUNTY

TABLE C.1: ANNUAL SALES TAX DISTRIBUTION FOR 2011

2011		LOCAL POP	FINAL DISTRIBUTION	PER CAPITA	RANK
3000	Cache County	6,651	\$752,254	\$113.10	5
3001	Amalga	488	\$48,900	\$100.21	9
3014	Clarkston	666	\$56,571	\$84.94	18
3017	Cornish	288	\$26,220	\$91.04	11
3032	Hyde Park	3,833	\$442,028	\$115.32	3
3033	Hyrum	7,609	\$804,035	\$105.67	7
3036	Lewiston	1,766	\$179,837	\$101.83	8
3038	Logan	48,174	\$7,640,189	\$158.60	2
3041	Mendon	1,282	\$112,116	\$87.45	15
3044	Millville	1,829	\$166,219	\$90.88	12
3047	Newton	789	\$68,977	\$87.42	16
3049	North Logan	8,269	\$1,584,819	\$191.66	1
3053	Paradise	904	\$80,302	\$88.83	14
3056	Providence	7,075	\$806,686	\$114.02	4
3059	Richmond	2,470	\$236,197	\$95.63	10
3060	River Heights	1,734	\$145,738	\$84.05	19
3062	Smithfield	9,495	\$1,033,195	\$108.81	6
3076	Wellsville	3,432	\$304,927	\$88.85	13
3081	Trenton	464	\$39,417	\$84.95	17
3098	Nibley	5,438	\$454,963	\$83.66	20
	Total	112,656	\$14,983,591	\$133.00	

TABLE C.2: ANNUAL SALES TAX DISTRIBUTION FOR 2012

2012 (THROUGH NOV)		LOCAL POP	FINAL DISTRIBUTION	PER CAPITA	RANK
3000	Cache County	6,774	\$651,126	\$96.12	9
3001	Amalga	497	\$54,043	\$108.74	5
3014	Clarkston	678	\$55,827	\$82.34	19
3017	Cornish	293	\$26,309	\$89.79	11
3032	Hyde Park	3,904	\$453,466	\$116.15	3
3033	Hyrum	7,751	\$750,290	\$96.80	8
3036	Lewiston	1,798	\$177,087	\$98.49	7
3038	Logan	49,010	\$7,559,984	\$154.25	2
3041	Mendon	1,306	\$111,001	\$84.99	17
3044	Millville	1,863	\$161,458	\$86.67	14
3047	Newton	803	\$69,069	\$86.01	15
3049	North Logan	8,425	\$1,562,022	\$185.40	1
3053	Paradise	922	\$81,060	\$87.92	13
3056	Providence	7,207	\$787,491	\$109.27	4
3059	Richmond	2,517	\$241,513	\$95.95	10
3060	River Heights	1,767	\$145,798	\$82.51	18
3062	Smithfield	9,674	\$1,027,796	\$106.24	6
3076	Wellsville	3,498	\$310,736	\$88.83	12
3081	Trenton	472	\$38,736	\$82.07	20
3098	Nibley	5,540	\$475,304	\$85.79	16
	Total	114,699	\$14,740,115	\$128.51	



APENDIX D: OTHER ECONOMIC DEVELOPMENT TOOLS

REVOLVING LOAN FUNDS

A revolving loan fund (RLF) is a source of money from which loans are made for small business development projects. A loan is made to a business and as repayments are made, funds become available for new loans to other businesses. The major purpose is to provide a source of financing, which may not otherwise be available within the community, for local, expanding, or start-up businesses. Often they are used to fill a financing gap in a business development project. A gap occurs when the business lacks the funds to meet the equity requirements of bank financing or needs a lower interest rate.

The source of capitalization (the funds used to create the RLF) may have regulations governing program design. For example, RLF's which are capitalized with Community Development Block Grant (CDBG) funds must follow the rules and regulations established by the U.S. Department of Housing and Urban Development (HUD) and must show some benefit to low- and moderate-income households.

Revolving loan funds have been used successfully in many communities to encourage façade and building renovations in commercial areas. Capitalization could potentially be obtained through CDBG funds.

Revolving Loan Fund Example, Salt Lake County:

Salt Lake County's Economic Development Revolving Loan Fund (EDRLF) has successfully funded a number of traditional and technology-based companies. These companies have expanded their operations, created new jobs, and made capital investments in the county. Without this non-traditional type of funding, these companies could not have reached their potential. The loan amounts range from \$50,000 to \$250,000 and are usually paid off within a five-year period. The average cost per job from companies who utilize the loan fund is \$2,500. This is considerably lower than the traditional economic development tools.

Since 2005, the County's EDRLF has created over 500 jobs and has had zero loan losses. Companies that have taken advantage of the loan fund now create over \$17 million in annual revenues.

Another financing avenue is the Microenterprise Loan Fund which handles smaller loans up to \$35,000. The county has contributed over \$600,000 to the fund to help small businesses who cannot get traditional loans. This fund has an average loan size of \$16,843, and creates about five jobs per loan.

SPECIAL ASSESSMENT AREA

Special assessment areas (SAA) are a legal mechanism to raise funds to enhance the maintenance and management of a particular section of a city or town. They are guided by the philosophy that the value of property is not driven solely by the investment made in an individual property, but rather that a major portion of property value is derived from how investors, businesses and visitors view the entire area as a business, retail and cultural center.

The purpose of an SAA is to create a sustainable funding system that makes possible the creation of multiyear plans and budgets. In an SAA, property owners and businesses cooperate to share the costs of solving common problems or realizing economic opportunities. Common activities funded through an SAA include: removal of litter and graffiti, clean sidewalks, shovel snow, cut grass, trim trees, plant flowers, increase security presence (uniformed), hospitality personnel, festivals and events, coordinate sales promotions, signage, market research, marketing to investors, planning and advocacy for parking, management organization, development of urban design guidelines, lighting guidelines, façade and storefront improvement programs, homeless assistance, street lighting, street furniture and public space improvements.

GRANTS FOR ECONOMIC DEVELOPMENT AND FAÇADE RENOVATION

For years the Utah Main Street program was involved with providing matching grant funds to individual business owners for façade renovation that restored buildings to their historical integrity. Many of these business owners



reported markedly increased sales from improvements to their building facades. They also reported that they were willing to pay off the improvements within a relatively short period of time. While these funds are no longer available in Utah, other national resources for community and economic development projects are as follows:

- ☞ Funding Sources for Community and Economic Development 2005/2006: A Guide to Current Sources for Local Programs and Projects. Westport, CT: Oryx Press (an imprint of Greenwood Publishing), 2005.
- ☞ National Guide to Funding for Community Development. New York: The Foundation Center, 1998. UPDATE

COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG)

CDBG funds are available to all portions of the County that fall within the CDBG Entitlement Area. As established by HUD, the purpose of the CDBG program is "To assist in developing viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income."⁴

The range of eligible activities for CDBG is very broad, but all projects must meet one of three national criteria:

1. Benefit low and moderate income residents
2. Elimination or prevention of slum and blight
3. Urgent health/welfare needs

CDBG funds could be a good source for establishing a revolving loan fund for neighborhood improvements in lower-income or blighted areas, assistance with job creation in low-income areas, and the development of infrastructure that benefits low-income households.

ECONOMIC DEVELOPMENT TAX INCREMENT FINANCING (EDTIF)/HB 11

Approved in 2005, EDTIF is a relatively new state incentive program created through the Governor's Office of Economic Development (GOED) that allows local governments to create economic development zones (EDZ) in order to encourage job creation and capital investment. New or existing employers creating new jobs or significant capital investment within these zones may apply for a partial rebate of taxes paid to the state. Qualifying companies must create new jobs paying at least the county median wage. The typical incentive range is a 15 percent tax rebate over five years. GOED requires that local communities also participate, generally through tax increment funds, in order for EDTIF funds to be used for a project in their area.

INDUSTRIAL ASSISTANCE FUND (IAF)

Companies expanding or relocating in Utah may receive incentive grants from the IAF. Criteria for urban areas includes jobs that pay at least 125 percent of the county median wage; creation of at least 50 new jobs; or a focus on biomedical, finance, technology, aerospace or corporate headquarters.

CUSTOM FIT

Custom Fit provides specialized training for companies to train their employees. This incentive subsidizes up to \$500 per trainee, with a maximum subsidy of \$100,000 per company.

UTAH HISTORIC PRESERVATION TAX CREDIT

The Utah Historic Preservation Tax Credit is a 20 percent nonrefundable tax credit for the rehabilitation of historic buildings which are used as owner-occupied residences or residential rentals. Twenty percent of all qualified rehabilitation costs may be deducted from taxes owed on your Utah income or corporate franchise tax.

Eligible buildings are those buildings listed in the National Register of Historic Places, which, after rehabilitation, are used as a residence(s). The credit is not available for any property used for commercial purposes including hotels or bed-and-breakfasts. (If the historic B&B is also owner-occupied, this portion of the rehabilitation may qualify.) The building does not need to be listed in the National Register at the beginning of the project, but a complete National

⁴ U.S. Department of Housing and Urban Development



Register nomination must be submitted when the project is finished. The property must be listed in the National Register within three years of the approval of the completed project. Staff of the Historic Preservation Office can evaluate the eligibility of your building and provide instructions on nomination requirements.

OTHER FINANCING TOOLS

RENEWABLE ENERGY DEVELOPMENT INCENTIVE (REDI)

- ☞ Post performance tax rebate (up to 100% of new state tax revenues) for renewable energy projects

SPECIAL ASSESSMENT BONDS

- ☞ Fund publicly owned infrastructure for project development; secured by the underlying land

TAX INCREMENT REVENUE BONDS

- ☞ Bonds secured by tax increment to development infrastructure; usually issued by the RDA and can be enhanced by an additional pledged security of the City (Sales Tax, Franchise Tax)

INDUSTRIAL DEVELOPMENT BONDS

- ☞ Bonds issued to specifically allowed manufacturing facilities on a tax-exempt basis; City acts as a conduit issuer (example: US Steel)

WAIVING OF DEVELOPMENT FEES

- ☞ The City has discretion (should usually be defined by policy) to waive development fees such as impact fees, connection fees, business license fees, planning fees, etc

PUBLIC/PRIVATE PARTNERSHIPS

PRIVATE LEASE PROGRAMS

- ☞ Private entities build projects and the local government leases back all or a portion of the facilities

PUBLIC LEASE PROGRAMS

- ☞ City purchases land and ground leases the land to private entities at or below market rates

BUSINESS INCUBATOR PROGRAMS

- ☞ City helps provide reduced rent space, incentive programs, etc for start-up businesses in the City. The City may also set up a revolving loan fund to provide a source of money for small business development projects.