INTERLOCAL COOPERATION AGREEMENT

This INTERLOCAL COOPERATION AGREEMENT (the "**Agreement**") is entered as of January __, 2025 (the "**Effective Date**") by and between the **REDEVELOPMENT AGENCY OF SANDY CITY**, a Utah political subdivision (the "**Agency**"), and **SANDY CITY**, a Utah municipal corporation (the "**City**") (collectively, the "**Parties**").

RECITALS

A. **WHEREAS**, the Agency was created and continues to operate under the provisions of the Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Title 17C of the Utah Code Ann., as amended and/or its predecessor statutes (the "**Act**");

B. **WHEREAS**, under the Interlocal Cooperation Act, Title 11, Chapter 13 of the Utah Code Ann., as amended (the "**ILA Act**"), the parties have the authority to enter into this Agreement;

C. **WHEREAS**, on September 22, 2025, and pursuant to The Housing and Transit Reinvestment Zone Act, Title 63N, Chapter 3, Part 6 of the Utah Code Ann., as amended (the "**HTRZ Act**"), the Housing and Transit Reinvestment Zone Committee (the "**HTRZ Committee**") approved the City's Sandy Cairns Housing and Transit Reinvestment Zone Proposal (the "**HTRZ Proposal**"), a copy of which is attached as **Exhibit A**;

D. **WHEREAS**, under the HTRZ Proposal, the City supports a transit-oriented development in the HTRZ with a high density of affordable housing, mixed uses, and public gathering spaces, which will be accessible to a range of incomes;

E. **WHEREAS**, by submitting the HTRZ Proposal for review and approval by the HTRZ Committee, the City determined that it is in their best interest to provide certain financial support using property tax increment (as defined in the HTRZ Act, hereinafter, "**Tax Increment**") from participating taxing entities, as outlined in the HTRZ Act. The taxing entities that are participating include the City, Salt Lake County, Canyons School District, South Salt Lake Valley Mosquito Abatement District, Jordan Basin Improvement District (South Valley Sewer District), Crescent Cemetery Maintenance District, Metropolitan Water District – Sandy City, and Central Utah Water Conservancy District (individually, "**Taxing Entity**", and collectively, "**Taxing Entities**"); and

F. **WHEREAS,** the City anticipates using Tax Increment created within the HTRZ to assist in development as set forth in the HTRZ Proposal; and

G. **WHEREAS**, to utilize Tax Increment in the HTRZ, the HTRZ Act requires that the City and Agency enter into an interlocal agreement to set forth the terms under which the City will convey the Tax Increment to the Agency consistent with the approval of the HTRZ Committee and meeting the requirements of the HTRZ 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 by each Party hereto, the Parties hereby agree as follows:

1. **Tax Increment**. The tax increment provisions shall be as follows:

    a. Amount of Tax Increment. The City hereby agrees that the Agency shall receive all Tax Increment generated in the HTRZ, which is estimated to be eighty percent (80%) of the Tax Increment, as permitted by the HTRZ Act and consistent with the HTRZ Proposal as approved by the HTRZ Committee and state law.

    b. Tax Increment Collection Period. The Tax Increment collection period shall be in three phases. Each phase shall be for 25 consecutive years on each parcel within a triggered phase. All phases must be within a 45-year period as permitted by the HTRZ Act, to use consistent with the HTRZ Proposal as approved by the HTRZ Committee and state law.

    c. Triggering of Tax Increment. The parties acknowledge that the Tax Increment collection period(s) shall be triggered when the City provides notice of the commencement of the collection of Tax Increment as detailed in the HTRZ Act. The Tax Increment distributed from the HTRZ to the City is not the revenue of the City. The City will trigger each Tax Increment collection period upon request by the Agency's Executive Director.

    d. Salt Lake County Authorization to Pay Tax Increment. The City hereby authorizes and directs Salt Lake County officials and personnel to pay directly to the Agency all amounts due to the City under this Agreement.

2. **No Independent Duty**. The City shall only be responsible to remit to the Agency only Tax Increment actually received by the City. The City shall have no independent duty to pay any amount to the Agency other than the Tax Increment actually received by the City.

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

4. **Further Assurance.** Each of the Parties hereto agree 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.

5. **Duration**. This Agreement shall terminate after the final payment of Tax Increment to the Agency.

6. **Interlocal Cooperation Act**. In satisfaction of the requirement of the ILA 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 ILA Act.

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

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 ILA Act.

d. Except as otherwise specifically specified in this Agreement, each Party shall be responsible for its own costs for any action taken pursuant to this Agreement, and for any financing of such costs.

e. No separate legal entity is created by the terms of this Agreement. The Executive Director of the Agency is hereby designated the administrator for all purposes of the ILA Act, pursuant to Section 11-13-207 of the ILA Act.

f. Following the execution of this Agreement by both Parties, the Agency shall, on behalf of both parties, cause to be published notice regarding this Agreement pursuant to Section 11-13-219 of the ILA Act.

[Remainder of Page Intentionally Blank – Signature Page to Follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day specified above.

REDEVELOPMENT AGENCY OF SANDY CITY

_____
Executive Director

Attest:

_____
Secretary

Attorney Review for Redevelopment Agency:

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

_____
Attorney for the Agency

SANDY CITY

_____
Mayor

Attest:

_____
City Recorder

Attorney Review for City:

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

_____
Attorney for the City

EXHIBIT A: Sandy Cairns Housing and Transit Reinvestment Zone Proposal