Ent 025425 Bk 75 Pg 382
Date: 20-JUL-2011 9:33:27AM
Fee: None
Filed By: CF
KERI PALLESEN, Recorder
DAGGETT COUNTY
For: DAGGETT COUNTY

DAGGETT COUNTY, UTAH

RESOLUTION NO. 11-08

A RESOLUTION APPROVING AN INTERLOCAL AGREEMENT BETWEEN DAGGETT COUNTY AND THE DAGGETT COUNTY REDEVELOPMENT AGENCY REGARDING A LOAN TO ASSIST THE AGENCY IN FUNDING ADMINISTRATION EXPENSES AND IN THE PLANNING, UNDERTAKING, CONSTRUCTION OR OPERATION OF URBAN RENEWAL, ECONOMIC DEVELOPMENT, OR COMMUNITY DEVELOPMENT PROJECTS WITHIN THE COUNTY.

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 Daggett County Redevelopment Agency (the "Agency") and Daggett County, Utah, (the "City") are "public agencies" for purposes of the Act; and

WHEREAS after careful analysis and consideration of relevant information, and as authorized under UCA §17C-1-207(1)(a)(viii), the County desires to enter into an interlocal agreement (the "Agreement") with the Agency whereby the County agrees to loan money to the Agency to assist the Agency in funding administration expenses and in the planning, undertaking, construction or operation of urban renewal, economic development, or community development projects within the County;

NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATIVE BODY OF DAGGETT COUNTY, UTAH as follows:

1. The Agreement, substantially in the form attached hereto as **EXHIBIT A,** is approved and shall be executed for and on behalf of the County by the Chair and attested by the County Clerk. The Agreement approved hereby is approved with such minor additions, modifications, deletions or other changes as may be deemed necessary or appropriate and approved by the Chair, whose execution thereof on behalf of the Chair shall conclusively establish such necessity, appropriateness and approval with respect to all such additions, modifications, deletions and/or other changes incorporated therein.

2. Pursuant to Section 11-13-202.5 of the Act, the Agreement has been submitted to legal counsel of the County for review and approval as to form and legality.

3. Pursuant to Section 11-13-209 of the Act and upon full execution of the Agreement, a duly executed original counterpart thereof shall be filed immediately with the County Recorder, the keeper of records of the County.

4. This Resolution shall take effect upon adoption.

APPROVED AND ADOPTED by the Daggett County Commission this June 1, 2011.

COUNTY CLERK
DAGGETT COUNTY
STATE OF UTAH

Chair

County Clerk

Ent 025425 Bk 0075 Pg 0383

EXHIBIT A

AGREEMENT

EXHIBIT A

Interlocal Agreement

THIS INTERLOCAL AGREEMENT is entered into as of this June 1, 2011, by and between the **DAGGETT COUNTY REDEVELOPMENT AGENCY** (the **"AGENCY"**) and **DAGGETT COUNTY, UTAH** (the **"COUNTY"**) (collectively, the "Parties").

A. **WHEREAS** the County created the Agency which currently operates under the Utah Limited Purpose Local Government Entities – Community Development and Renewal Agencies Act, Title 17C of the Utah Code (the "**Act**"), and the Agency is authorized under the Act to conduct urban renewal, economic development, and community development activities within the County, as contemplated by the Act; and

B. **WHEREAS** redevelopment agency expenses, including operation costs, staff salaries, and sums for the purchase and redevelopment of project areas, are generally funded from tax increments derived from the increase in taxable value of lands within project areas; and

C. **WHEREAS** tax increment revenues are currently unavailable or insufficient to meet all Agency expenses;

D. **WHEREAS** the County desires to loan up to $900,000.00 to the Agency, as needed, to assist the Agency in the planning, undertaking, construction, or operation of urban renewal, economic development, or community development projects within the County; and

E. **WHEREAS** UCA §17C-1-207(1)(a)(viii) authorizes the County to lend, grant, or contribute funds to the Agency for an urban renewal, economic development, or community development project; and

F. **WHEREAS** UCA §11-13-215 further authorizes the County to share its tax and other revenues with the Agency; 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. **Loan Agreement.** The County hereby loans to the Agency up to $900,000.00, as needed, bearing simple interest at the annual rate of 5.0%. The County may fund up to $900,000.00 as a loan using any County funds legally available to the County. The purpose of the loan is to assist the Agency in funding administrative expenses and in the planning, undertaking, construction, or operation of urban renewal, economic development, or community development projects within the County.

2. **Promise to Repay.** The Agency hereby promises to repay the full amount up to $900,000.00 loaned, plus simple interest accruing annually at the rate of 5.0%. The Agency will repay the loan using tax increment revenues collected from urban renewal, economic development, or community development projects planned and carried out by the Agency or with other monies available to the Agency. Interest will begin to accrue beginning with the first year that the Agency receives tax increment from an urban renewal, economic development, or community development project. The Agency's obligation to repay the loan, including interest, is conditional upon the Agency actually receiving sufficient tax increment from one or more urban renewal, economic development, or community development projects to cover the amount due. The Agency is under no obligation to repay any amount that exceeds revenues actually derived from all urban renewal, economic development, and community development projects. If the Agency does not create an urban renewal, economic development, or community development within ten years of the date of this Agreement then the Agency must return the unspent portion of the loan to the County, but the Agency is under no obligation to repay the amount spent preparing for potential urban renewal, economic development, or community development projects during that time. Agency payments will apply first to outstanding principal, and then after full repayment of the principal amount, to accrued and outstanding interest.

3. **Authorized Uses of Loan Amount.** As provided under UCA §17C-4-207(1)(a)(viii), the Parties agree that the Agency may use the loan funds for administration of the Agency and for costs associated with the planning, undertaking, construction, or operation of urban renewal, economic development, or community development projects within the County.

4. **No Third Party Beneficiary.** Nothing in this Agreement creates any rights in or obligations in favor of any person or entity not a party to this Agreement.

5. **Due Diligence.** Each of the Parties acknowledges for itself that it has performed its own review, investigation, and due diligence regarding the relevant facts and law upon which this Agreement is based, and each Party relies upon its own understanding of the relevant law, facts, information, and representations, after having completed its own due diligence and investigation.

6. **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 date of full execution of this Agreement by both Parties and shall continue through the date on which full payment of the Loan Amount has been repaid to the County.

f. This Agreement does not create an interlocal entity.

7. **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.

8. **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.

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

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

11. **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.

12. **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.

13. **Incorporation of Recitals.** The recitals set forth above are hereby incorporated by reference as part of this Agreement.

[Signature Pages to Follow — Remainder of Page Intentionally Blank]

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

DAGGETT COUNTY
REDEVELOPMENT AGENCY

Chair

The Daggett County Redevelopment Agency

ATTEST:

Secretary

Attorney Review for the Agency:

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

J. Craig Smith, *Agency Counsel*

ADDITIONAL SIGNATURE PAGE TO INTERLOCAL AGREEMENT

DAGGETT COUNTY, UTAH

Chair

COUNTY CLERK
DAGGETT COUNTY
STATE OF UTAH

ATTEST:

County Clerk

Attorney Review for the County:

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

Jonathan Stearmer, *County Attorney*