**POLICY—200.5—TAX INCREMENT FINANCING PROJECT AGREEMENTS**

**BOARD POLICY**

1. The Board of Education’s primary focus and responsibility is the education of students. The Board of Education values partnering with county and municipal entities and entering into formal agreements to develop school environments which strengthen neighborhoods and communities.

2. The Board of Education recognizes that county and municipal governmental entities within the District have a responsibility to appropriately plan for and encourage balanced development and/or redevelopment to sustain economic growth and establish a firm tax-base within their jurisdictions. The Board of Education acknowledges balanced development and/or redevelopment benefits the communities and students Canyons School District serves.

3. The Board recognizes it may be requested to participate in tax increment financing project agreements. The Board recognizes its responsibility to analyze the District’s participation and interest in tax increment financing projects for the benefit of the District and its students. The Board of Education is committed to reviewing considerations for tax increment financing project agreements prior to approval by the Board.

4. The Board authorizes the Superintendent and District Administration to develop administrative regulations consistent with this policy, subject to review and approval by the Board.

**ADMINISTRATIVE REGULATION—200.5-1:** (Definitions)

“**Tax Increment Financing**”: A public financing tool that is used as a subsidy for redevelopment by diverting a portion of tax revenue to help finance development and incentivize private development for project areas within a county or municipal jurisdiction. Project areas are created by municipal/city redevelopment agencies through the adoption of an ordinance or resolution by the local governing body or city council.
“Agency or "community reinvestment agency"": means a separate body corporate and politic, created under Section 17C-1-201.5 or as a redevelopment agency or community development and renewal agency under previous law: (a) that is a political subdivision of the state; (b) that is created to undertake or promote project area development as provided in this title; and (c) whose geographic boundaries are coterminous with: (i) for an agency created by a county, the unincorporated area of the county; and (ii) for an agency created by a municipality, the boundaries of the municipality.

**ADMINISTRATIVE REGULATION—200.5-2:**  (Review of a Tax Increment Financing Agreement)

1. A tax increment financing agreement will be reviewed by a Board of Education subcommittee prior to placement on a Board of Education Agenda for a First Reading.
2. A third party report will be prepared by an outside consultant selected by the District and paid for, up to $5000.00, by the entity (i.e., City), proposing the tax increment project. The report will include:
   2.1. An analysis of return on investment, including net present value calculations;
   2.2. An analysis of the impact of District participation versus non-participation; and
   2.3. An opinion regarding whether participation in the tax increment project is in the best interests of the District.
3. A tax increment financing agreement will receive three full readings prior to a vote by the Board of Education.

**ADMINISTRATIVE REGULATION—200.5-3:**  (Financial Considerations; Additional Considerations)

The Board of Education will review a list of considerations for approving a tax increment financing project.

**Financial Considerations** may include, but are not limited to:
- Project grows the commercial tax base within a portion of the District
- A dollar cap on the District contribution to the Project
- Project reflects a lower term (years of increment) for higher percent of increment given (e.g. 10 year term = 90%; 15 year term = 80%; 20 year term = 60%)
- Project increases the assessed valuation while minimizing impact on services required
- Project requests a higher percentage of increment contribution from the city than from the district
- Project has administrative fee lower than 3%
- Project provides the District additional financial benefit beyond what other taxing entities receive (e.g. land, dollars, percent increment, mitigation payment, etc.)
- Project must demonstrate current and future economic benefit for the District
- The District and municipality will collaborate on the housing set aside funds to benefit District and public employees.

**Additional Considerations** may include, but are not limited to:
- Project emphasizes multi-story office, industrial, and hotel development over retail
- Areas of the Project that the District participates in do not include any detached single family housing and transit-oriented housing
- Project triggers within three years of agreement
- Project creates high paying jobs, above Salt Lake County median
- Project provides partnerships opportunities for education
- Project has support of other taxing entities
- Term period of Project does not exceed 20 years
- Performance of the municipality's previous tax increment projects
- The likelihood of the Project's development without District participation

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<th>EXHIBITS</th>
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<td>REFERENCES</td>
<td>Utah Code 17C-1-101, et seq. Limited Purpose Local Government Entities - Community Reinvestment Agency Act</td>
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**CANYONS BOARD OF EDUCATION**

This online presentation is an electronic representation of the Canyons School District's currently adopted policy manual. It does not reflect updating activities in progress. The official, authoritative manual is available for inspection in the office of the Superintendent located at 9361 South 300 East Sandy, UT 84070.