ORDINANCE NO. 98-78

APPROVAL OF RULES GOVERNING PARTICIPATION AND PREFERENCE BY OWNERS, OPERATORS OF BUSINESSES AND TENANTS WITHIN A REDEVELOPMENT OR ECONOMIC DEVELOPMENT PROJECT AREA ADOPTED BY THE REDEVELOPMENT AGENCY OF LOGAN CITY.

PREAMBLE

To approve the Rules Governing Participation and Preference by Owners, Operators of Businesses and Tenants as adopted by the Redevelopment Agency of Logan City.


BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF LOGAN CITY, STATE OF UTAH, AS FOLLOWS:

That the Rules Governing Participation and Preference by Owners, Operators of Businesses and Tenants of the Redevelopment Agency of Logan City for a redevelopment or economic development project area adopted by the Redevelopment Agency be and the same are hereby approved pursuant to law.

EFFECTIVENESS:

This ordinance shall take effect immediately upon the first publication and the filing of a copy thereof with the City Recorder.


ATTEST:

Karen S. Borg, Chair

MAYOR'S APPROVAL:

Douglas E. Thompson

Date: 10/7/98

City Recorder
REDEVELOPMENT AGENCY OF LOGAN CITY

RULES GOVERNING PARTICIPATION

AND PREFERENCES

BY

OWNERS, OPERATORS OF BUSINESSES, AND TENANTS

IN

REDEVELOPMENT AND ECONOMIC DEVELOPMENT PROJECTS

ADOPTED BY THE AGENCY

Adopted by Agency Board on the 30th day of September 1998
PARTICIPATION RULES

I. [§ 100] GENERAL

A. [§ 101] Purpose. These rules are promulgated by the Redevelopment Agency of Logan, Utah, (hereinafter the "Agency") to provide for reasonable participation in the redevelopment of property in Project Areas adopted by the Agency (hereinafter the "Project Area") by owners, operators of businesses, tenants, and other persons and entities holding interests in property within the Project Area, and to set forth the procedures governing such participation and preferences.

B. [§ 102] Participants. Persons or entities holding interests in property within the Project Area shall have a reasonable opportunity to become "participants" in the Plan, in contrast to "developers," whose interests in the Project Area are acquired solely from the Agency without having held other interests in the Project Area.

C. [§ 103] Priorities and Preferences. The Agency shall extend priorities to persons or entities holding interests in property in the Project area, to have the opportunity to continue in, or, if the Agency acquires the land of the owner or the land with which the person or entity's interest is associated, to re-enter the Project Area if such persons or entities otherwise meet the requirements for participation in the Redevelopment Project (hereinafter the "Redevelopment Project") prescribed in a Redevelopment Plan adopted by the Agency (hereinafter the "Redevelopment Plan") and in these Rules. Priorities are opportunities conferred on participants to be given reasonable priority over developers with respect to any aspect of the redevelopment of the Project Area under the Redevelopment Plan.

II. [§ 200] TYPES OF PARTICIPATION AVAILABLE

A. [§ 201] General. The Agency shall permit owners and tenants within the Project Area to be given the opportunity to participate in the redevelopment of the Project Area by:

(a) Owners retaining, maintaining, and, if necessary, rehabilitating all or portions of their properties;

(b) Owners acquiring adjacent or other properties in the project area;
(c) Owners selling all or portions of their improvements to the Agency, retaining the land, and developing their properties;

(d) Owners selling all or portions of their properties to the Agency and purchasing other properties in the project area;

(e) Owners selling all or portions of their properties to the Agency and obtaining preferences to re-enter the project area;

(f) Tenants having opportunities to become owners of property in the project area, subject to the opportunities of owners of property in the project area; or

(g) Other methods approved by the Agency.

B. [§ 202] Remaining in Substantially the Same Location. Participation may consist of persons or entities with property interests in the Project Area remaining in substantially the same location either by retaining all or portions of the property, or by purchasing all or portions of the property and purchasing adjacent property from the Agency. Persons or entities which participate in the same location may be required to rehabilitate or demolish all or part of their existing buildings or the Agency may acquire improvements only, then remove or demolish the improvements, and permit the participants to develop the land.

C. [§ 203] Exchanges. Participation may consist of the Agency buying land and improvements from existing owners, and offering other parcels for purchase by such participants.

D. [§ 204] Preferences. Participation may consist of obtaining participants' preferences to re-enter the Project Area.

E. [§ 205] Other Forms of Participation. The Agency may allow such other forms of participation by persons or entities holding interests in property within the Project Area as are necessary and appropriate to advance the purposes of the Redevelopment Plan and are consonant with Utah laws.

III. [§ 300] PRIORITIES AND PREFERENCES

A. [§ 301] Priorities and Preferences. The Agency shall extend reasonable preferences to persons or
entities holding interests within the Project area to participate in the Redevelopment Project, subject to the requirements prescribed in the Redevelopment Plan and these Rules. The Agency may structure priorities and preferences in any manner it deems necessary to further the ends of the Redevelopment Plan and which is consonant with its obligation to extend reasonable priorities and preferences to participants.

B. [§ 302] Participants and Developers. In view of the priorities and preferences, the Agency is obligated to extend to participants over developers, participants shall have first claim to opportunities to participate in any and all phases of the Redevelopment Project, and shall be given priority over developers unless the Agency determines that the interested participants are not capable or qualified to undertake the aspect of the Redevelopment Project in question. If no participants are interested in undertaking a particular aspect of the Redevelopment Project, the Agency is free to allow developers to take advantage of the opportunity.

C. [§ 303] Factors Limiting Participation Opportunities in General. Participation in the redevelopment of the Project Area by as many owners, tenants and other interest holders as possible is desired. However, participation opportunities shall necessarily be subject to and limited by such factors as the following:

1. Removal, relocation and/or installation of public utilities and public facilities.
2. The elimination and changing of some land uses.
3. The realignment, abandonment, widening or opening of public streets and rights-of-way.
4. The ability of participants to finance acquisition and development in accordance with the Redevelopment Plan.
5. Reduction in the total number of individual parcels in the Project Area.
6. The assembly and development of areas for public and/or private development in accordance with the Redevelopment Plan.
7. Change in orientation and character of the Project Area.
D. [§ 304] Factors Affecting Priorities and Preferences of Participants. If conflicts develop among participants desiring to participate in the Redevelopment Plan with respect to particular sites or land uses, the Agency is authorized to establish reasonable priorities and preferences among the parties and to determine a solution by consideration of such factors as:

1. Length of time in the area.
2. Accommodation of as many participants as possible.
3. Ability to perform.
4. Similar land use to similar land uses.
5. Conformity with intent and purpose of the Redevelopment Plan.
6. Any other factors the Agency deems relevant in the particular circumstances.

E. [§ 305] Participation by Joint Entities. To the extent feasible, opportunities to participate may be exercised by entities formed by two or more persons, or entities which join together in partnerships, corporations, or other joint entities for the purpose of participating in the Redevelopment Project. So long as one of the persons or entities joining in the joint entity is a participant, the joint entity may be treated as a participant.

IV. [§ 400] PARTICIPATION PROCEDURE

A. [§ 401] Participation Agreements. The Agency is authorized to enter into participation agreements with all participants in the Redevelopment Project. Such agreements may relate to properties not purchased or not to be purchased by the Agency. Each agreement will contain provisions necessary to insure that the participation proposal will be carried out, and that the subject property will be developed or used in accordance with the conditions, restrictions, rules and regulations of the Redevelopment Plan and the agreement. Each agreement will require the participant to join in the recordation of such documents as the Agency may require in order to insure such development and use. Participation agreements will be effective only if approved by the Agency.

B. [§ 402] Statements of Interest. Before making offers to purchase property in the Project Area, the
Agency shall notify the persons or entities holding interests in any such properties by certified mail, return receipt requested, that the Agency is considering the acquisition of such property. The Agency shall include a form entitled "Statement of Interest in Participating" with the notification. Within 30 days of receipt of such notification, any owner interested in participating in the Redevelopment Project shall file a "Statement of Interest in Participating" with the Executive Director of the Agency. Any person or entity holding an interest in property within the Project Area may also submit such a statement at any time before such notification.

The notice letter shall inform the party to whom it is directed that failure to file a written Statement of Interest will result in waiver of the party's opportunity to participate on a priority or preferred basis in the Redevelopment Project. The Agency may disregard any Statements of Interest received after the expiration of the 30-day period.

The Agency shall consider such Statements as are submitted on time and seek to develop reasonable participation for those submitting such Statements whether to stay in place, to move to another location, to obtain priorities and preferences to re-enter the Project Area, etc.

V. [§ 500] ENFORCEMENT

In the event property is not developed, maintained, rehabilitated, or used in conformance with the Redevelopment Plan or a Participation Agreement, the Agency is authorized to (1) purchase the property, (2) purchase any interest in the property sufficient to obtain conformance, or (3) take any other appropriate action sufficient to obtain such conformance.

VI. [§ 600] AMENDMENTS OF OWNER PARTICIPATION RULES

The Agency may amend these rules at any meeting two weeks after publication of one notice in a newspaper of general circulation in the City of Logan at least seven days after written notice has been given to all members of the Agency's Governing Board. The effective date of any amendment shall be the date on which it is approved by the Agency or on such other date as the Agency may specify in approving the Amendment.
VII. [§ 700] EFFECTIVE DATE

These participation rules shall take effect on the date of adoption of an Ordinance by the City Council of Logan City adopting a Redevelopment Plan for the Project Area as defined in Section 103 herein.