



Five Year Consolidated Plan
July 1, 2010 to June 30, 2015
AMENDMENT #2

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INTRODUCTION

The current Ogden City Five Year Consolidated Plan July 1, 2010 – June 30, 2015 (ConPlan) was submitted to the United States Department of Housing and Urban Development (HUD) in 2010. Since that time, additional priority needs have been identified and strategies to address identified needs have been developed. In order to incorporate additional priority needs and the proposed uses of Community Development Block Grant (CDBG) and HOME Investment Partnerships Grant (HOME) funds, an Amendment to the Consolidated Plan and Annual Action Plan is required.

The purpose of this document is to amend the ConPlan to include a HUD Section 108 Loan as a funding source for the Ogden Business Exchange Project; and to amend the Annual Action Plan for July 1, 2013 to June 30, 2014 (AAP), which includes an update to the AAP budget for the fiscal year and proposes the removal of the Section 108 Loan Debt Service (Eccles Hotel loan) and the addition of the Ogden Business Exchange Project to the AAP and AAP Budget for the current year.

CONSOLIDATED PLAN - JULY 1, 2010 TO JUNE 30, 2015 (CONPLAN) AMENDMENT #2

Amendment #2 to the Consolidated Plan includes the addition of the Ogden Business Exchange Project, an eligible CDBG economic development activity providing permanent full-time equivalent jobs for low- and moderate income persons, and a HUD Section 108 loan as a funding source for the Project.

CONPLAN PROJECT ADDED & SECTION 108 LOAN FUNDING

OGDEN BUSINESS EXCHANGE PROJECT

The City proposes to use CDBG HUD Section 108 Loan funds as development financing for the Ogden Business Exchange Project, which includes the acquisition and development of approximately 3,062,286 square feet of commercial, manufacturing and light industrial space and CDBG entitlement funds to include slum and blight removal. The Project Area is located in the Trackline Economic Development Area (EDA) and was previously used as a stockyard and livestock exchange. The stockyards and livestock exchange buildings are no longer used for those purposes. Some of the buildings are currently used as storage and some are vacant. Properties are owned by multiple owners with mixed land uses between commercial/industrial and residential. The City does not anticipate removal or addition to the approximately 1,000,000 square feet of existing residential space in the project area during Ogden Business Exchange Project Phase IA. The principal streets for the project area are 24th Street, Exchange Road and B Avenue, see Appendix A – Trackline Economic Development Area Map. The Ogden Business Exchange Project develops the stockyards and surrounding parcels into a business / light manufacturing /commercial park.

The Business Development Division proposes to submit an application for a \$3,340,000 HUD Section 108 Loan Guarantee for the Ogden Business Exchange Project to improve under-utilized and/or vacant properties in the Project area for the development of a business / light manufacturing /commercial park. The Ogden Business Exchange Project is expected to create and estimated 100 - 500 permanent full-time equivalent (FTE) jobs to be made available to individuals with incomes at 80% or less of Area Median Family Income as established by HUD. Planned uses of CDBG Entitlement funds include acquisition, demolition, pre-development, environmental review and/or development. The basic objectives of the activity are to:

- Create permanent FTE jobs and short term (construction) jobs made available to low and moderate income persons,
- Eliminate environmental deficiencies, which include irregular lot subdivision, improper drainage, overcrowding, or underutilization of real properties,
- Provide upgraded public infrastructure,
- Attract businesses that can be successful in the Ogden market, and
- Provide for strengthening property and income tax base.

In order to accomplish these objectives, the City would enter into purchase agreements with the remaining property owners, and then assemble and subdivide the land for the development of business, manufacturing, light industrial and flex space, See Appendix B – Preliminary Conceptual Phasing Plan map.

The Business Development Division will administer this activity. CDBG Entitlement funds will be used for acquisition, demolition, and other various activities under the Community Development Block Grant (CDBG) program specified at 24 CFR 570.203. CDBG Section 108 funding will be used for various eligible activities of CDBG program specified at 24 CFR 570.200 and 24 CFR 570.700, which may include acquisition, pre-development, development, environmental remediation and/or demolition. The City would also use CDBG Section 108 funds for infrastructure improvements to replace the existing aged and deficient infrastructure, which does not support future development. Activities funded with federal funds are subject to all specified federal requirements, including Davis Bacon wage rates on construction projects.

The City will improve the properties for the purpose of making the space available to desirable developers and businesses that will create jobs made available to low and moderate income residents. The overarching objective of the Ogden Business Exchange Project is to overcome the obstacles that are presently preventing development of the land and to create new jobs available to low to moderate income persons and that will support the local economy. The Ogden Business Exchange Project is added to the ConPlan as described in Appendix C.

SUMMARY

The purpose of this document is to describe the City's intent to identify the Ogden Business Exchange Project located in the Trackline EDA Project Area as an economic development job creation activity to be included in Ogden City's Five Year Consolidated Plan (2010-2015) and HUD Section 108 Loan Guarantee funding of \$3,340,000 for the Ogden Business Exchange Project; and to amend the Annual Action Plan for July 1, 2013 to June 30, 2014 (AAP FY2014). AAP FY2014 Amendment #1 proposes two program changes, and proposes to update the budget for the fiscal year. This Amendment to the ConPlan and AAP FY2014 will allow Ogden City to better accomplish its community development goals and strategies that improve the quality of life for Ogden residents.

FISCAL IMPACT

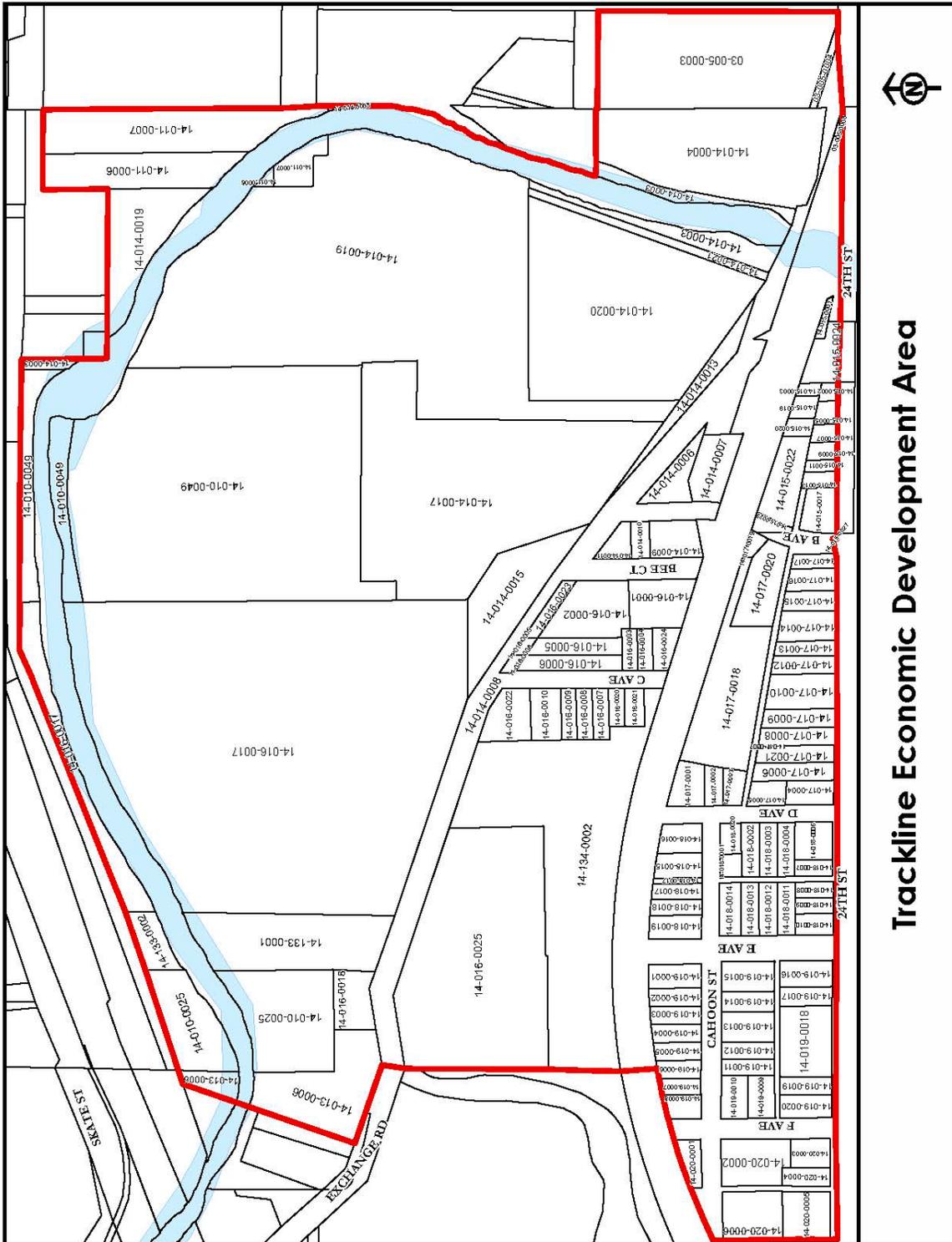
The Business Development Division proposes to borrow \$3,340,000 CDBG funds from U.S. Department of Housing and Urban Development (HUD) through the HUD Section 108 Loan Guarantee Program for the Ogden Business Exchange Project (located in Trackline EDA). The loan will have a 20 year repayment period interest only payments in years 2014 and 2015 and beginning in the year 2016 interest and principal payments and a balloon payment in the final year, 2033; see the HUD Section 108 Loan application - Ogden Business Exchange Project for details. The City proposes to repay the loan through tax revenues that the Ogden Business Exchange will generate from redevelopment activities on the site under the Trackline EDA (tax increment financing proceeds). The Section 108 program requires the City to guarantee the loan with future CDBG Entitlement dollars. The City pledges its future Community Development Block Grant (CDBG) funds as a guarantee over the 20 year life of the loan.

The total change to the Annual Action Plan Budget is an \$4,124,244 increase in funding with changes in sources and uses as identified in Amendment #1.

APPENDIX A

OGDEN BUSINESS EXCHANGE PROJECT SITE

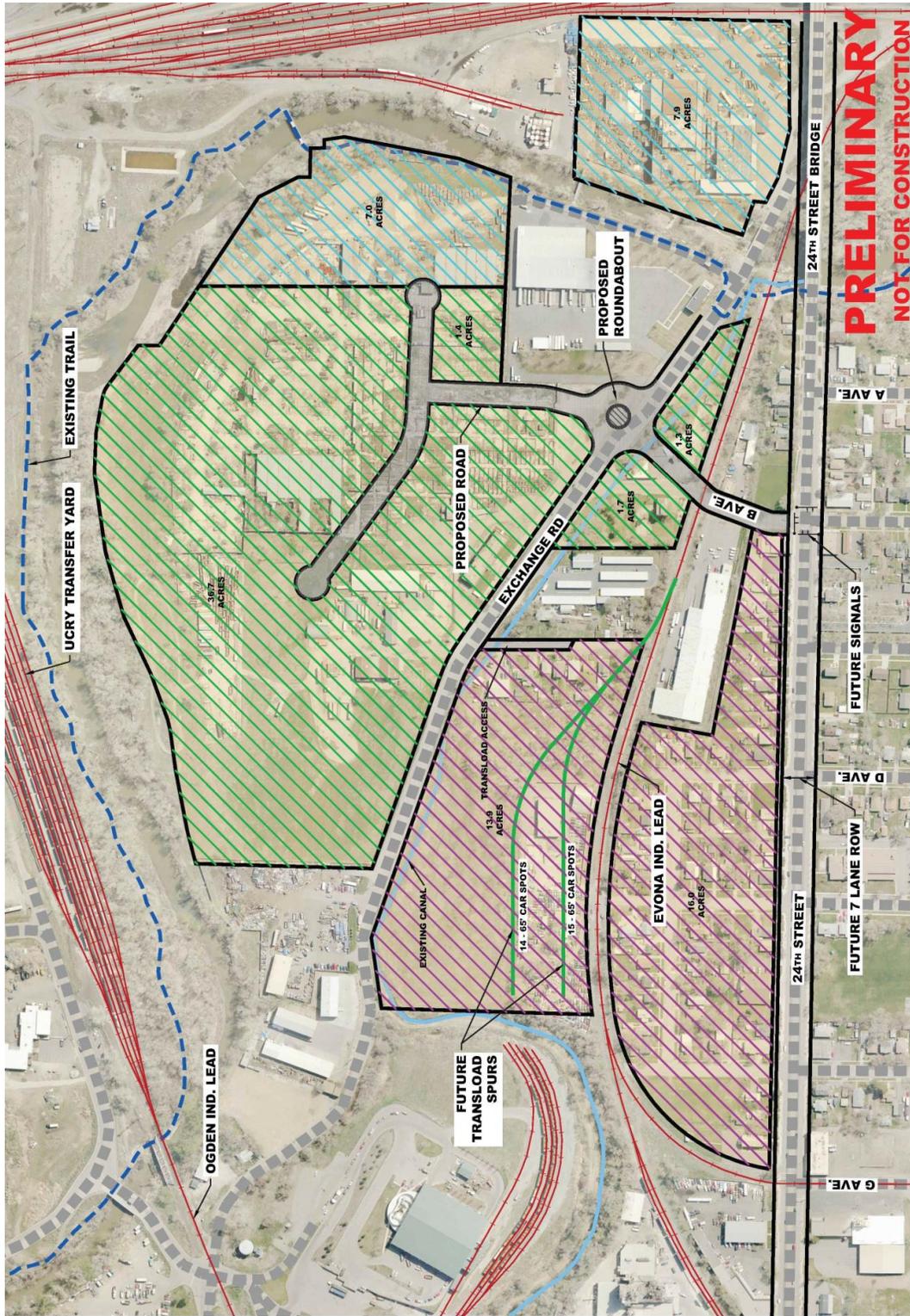
TRACKLINE ECONOMIC DEVELOPMENT AREA



APPENDIX B

OGDEN BUSINESS EXCHANGE PROJECT (TRACKLINE EDA)

PRELIMINARY CONCEPTUAL PHASING PLAN



APPENDIX C

(To be inserted in Ogden City's Five Year Consolidated Plan 2010-2015 after page 103)

Priority Objective #6 – JOB CREATION

Increase economic opportunities through the creation or retention of permanent jobs.

6.1 Small Business Loan Program – Direct financial assistance to businesses. The growth of small businesses to create jobs is needed to expand the economic base in the NRSA. Available funding is not sufficient to meet the needs of those requesting financial assistance to start-up or grow a business in the NRSA. The area lacks lenders willing to risk lending to NRSA business owners or potential NRSA business owners. The Small Business Loan program provides a maximum of \$90,000 of CDBG in lower-than-market interest rate loans. The program targets assisting businesses located in the NRSA's Central Business District.

6.2 Loan Loss Guaranty Program – Direct financial assistance to businesses. It will allow larger loan amounts than under the current Small Business Loan Program. The Loan Loss Guaranty program will magnify job creation by creating greater loan capacity. It will begin to offset decreasing amounts available through the existing program also.

6.3 Ogden Business Exchange Project - The Ogden Business Exchange Project will include the use of CDBG entitlement and HUD Section 108 loan funds for the acquisition and development of under-utilized and/or vacant properties and infrastructure improvements for the development of approximately 3,062,286 square feet of business, manufacturing and industrial, commercial park. The Ogden Business Exchange Project that will create an estimated 100 - 500 permanent full-time equivalent (FTE) jobs to be made available to individuals with incomes at 80% or less of Area Median Family Income as established by HUD and jobs are expected to be created beginning in 2016. CDBG Entitlement will include slum and blight removal activities.

Priority Objective #6: Job Creation				
#	HUD Goal	Strategy	Outcome	Funding
6.1	3	Small Business Loan Program: Direct financial assistance to for-profit businesses to create permanent full-time jobs	<ul style="list-style-type: none"> Reduce unemployment Increase Ogden's economic base Attract economic growth 	<ul style="list-style-type: none"> CDBG Leverage private resources
6.2	3	Loan Loss Guaranty Program: Direct financial assistance to for-profit businesses to create FTE Jobs. The program allows for lending larger amounts and leverages CDBG to increase lending capacity through bank participation.	<ul style="list-style-type: none"> Create jobs with a minimum of federal funds Participation with banks and Ogden Reinvestment Corporation to expand funding opportunities and to share the risk. Provide new funding streams to fill the gap for businesses turned down by traditional banks. 	<ul style="list-style-type: none"> CDBG Leverage private resources
6.3	3	Ogden Business Exchange: Acquisition and/or development of under-utilized properties for the development of a commercial /light industrial park.	<ul style="list-style-type: none"> Assembly of land into reasonably-sized parcels necessary for economic development Improve aged and deficient infrastructure Create permanent jobs Remove slum and blight conditions Attract businesses to improve the City's economic base 	<ul style="list-style-type: none"> CDBG Section 108 Loan Leverage Private resources

#	Expected Units of Accomplishment	Year 1	Year 2	Year 3	Year 4	Year 5	Aggregate
6.1	Full-time Equivalent jobs created/retained	8	8	8	8	8	40
6.2	Full-time Equivalent jobs Created/retained	-	24	66			90
6.3	Full-time Equivalent jobs Created						