UDRA ELIGIBLE PROJECT - Project Evaluation Criteria 2017-2019

The goal of the UDRA funds as defined by the UDRA Business Plan is to revitalize the UDRA area through qualifying projects that can be evaluated and tracked by indicators that are, “readily available, measurable over time and meaningful to the intended principle elements that promote progress consistent with the Spokane County Comprehensive Plan.” While many qualifying projects will increase taxable property values and sales tax (proxy for economic development), the return on investment (ROI) rate and additional criteria below should help prioritize UDRA investments. The following are definitions and standards for UDRA project evaluation criteria.

Primary Criteria:

- Investments must meet all relevant city ordinances and state standards regarding Tax Increment Financing (TIF) investments.
- To maximize revitalization and continued UDRA/UDPDA investments, projects must be rated as ‘Highly Recommend’ in at least three (3) of the five (5) criteria including at least one (1) ROI criteria.
- ROI calculations will be based on start of occupancy and proof of performance.
- ROI - UDPDA: project produces rent, fees or other revenue to the UDPDA to fund future projects.
- ROI - UDRA: project directly or indirectly increases taxable property values or sales tax within the UDRA.

Secondary Criteria: Used when a project may not yet demonstrate its full potential under the primary criteria.

- Enhances an established/expected development but would not change the likelihood of the development itself.
- Catalyzes redevelopment that would take more than 10 years to initiate or fully realize.
- Supports one of the 19 core planning principles that otherwise would be left unaddressed by private or municipal developments.

<table>
<thead>
<tr>
<th>Rating Level</th>
<th>Primary Criteria</th>
<th>Secondary Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HR</strong></td>
<td>Projected UDPDA ROI of 100% or more within 15 years of investment</td>
<td>Projected UDRA ROI of 200% or more within 3 years of investment from surrounding properties</td>
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<tr>
<td><strong>R</strong></td>
<td>Projected UDPDA ROI of 100% or more within 20 years of investment</td>
<td>Projected UDRA ROI of 100% or more within 3 years of investment from surrounding properties</td>
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<tr>
<td><strong>NR</strong></td>
<td>There would be little to no increase in revenue to the UDPDA from the project</td>
<td>There would be little to no increase in revenue to the UDRA from surrounding properties</td>
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