

# 2015

## ANNUAL REPORT

### OREM CITY REDEVELOPMENT AGENCY, UT

IN COMPLIANCE WITH UTAH CODE SECTION 17C-1-603 AND 17C-1-402(9)(b)



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## Table of Contents

<b>EXECUTIVE SUMMARY .....</b>	<b>4</b>
INTRODUCTION .....	4
OVERVIEW OF THE REDEVELOPMENT AGENCY .....	5
SUMMARY OF REQUESTED FUNDS .....	6
GENERAL OVERVIEW OF ALL PROJECT AREAS .....	7
<b>SECTION 1: OVERVIEW OF THE RDA 85-01 AREA .....</b>	<b>9</b>
SOURCES OF FUNDS.....	9
USES OF FUNDS.....	10
DEVELOPER INCENTIVE PAYMENTS.....	10
DEBT SERVICE PAYMENTS .....	10
PROJECT AREA REPORTING AND ACCOUNTABILITY.....	11
FORECASTED PROJECT AREA BUDGET UPDATE.....	12
OTHER ISSUES .....	12
PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS.....	12
<b>SECTION 2: OVERVIEW OF THE 85-02 PROJECT AREA .....</b>	<b>17</b>
SOURCES OF FUNDS.....	18
USES OF FUNDS.....	18
DEBT SERVICE PAYMENTS .....	18
PROJECT AREA REPORTING AND ACCOUNTABILITY.....	19
FORECASTED PROJECT AREA BUDGET UPDATE.....	20
OTHER ISSUES .....	20
PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS.....	20
<b>SECTION 3: OVERVIEW OF THE 85-03A PROJECT AREA.....</b>	<b>25</b>
SOURCES OF FUNDS.....	25
USES OF FUNDS.....	26
DEBT SERVICE PAYMENTS .....	26
PROJECT AREA REPORTING AND ACCOUNTABILITY.....	27
NOTABLE DEVELOPMENT AND FUTURE PROJECTS .....	28
FORECASTED PROJECT AREA BUDGET UPDATE.....	28
OTHER ISSUES .....	28
PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS.....	29
<b>SECTION 4: OVERVIEW OF THE 85-03B PROJECT AREA.....</b>	<b>34</b>
SOURCES OF FUNDS.....	35
USES OF FUNDS.....	35
DEBT SERVICE PAYMENTS .....	35
PROJECT AREA REPORTING AND ACCOUNTABILITY.....	36
BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES.....	36
NOTABLE DEVELOPMENT AND FUTURE PROJECTS .....	37



FORECASTED PROJECT AREA BUDGET UPDATE.....	37
OTHER ISSUES .....	37
PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS.....	38
<b>SECTION 5: OVERVIEW OF THE 85-04 PROJECT AREA .....</b>	<b>43</b>
SOURCES OF FUNDS.....	44
USES OF FUNDS.....	44
PROJECT AREA REPORTING AND ACCOUNTABILITY.....	44
BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES.....	45
NOTABLE DEVELOPMENT AND FUTURE PROJECTS .....	45
FORECASTED PROJECT AREA BUDGET UPDATE.....	45
OTHER ISSUES .....	46
PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS.....	46
<b>SECTION 6: OVERVIEW OF THE 87-10 PROJECT AREA .....</b>	<b>51</b>
SOURCES OF FUNDS.....	52
USES OF FUNDS.....	52
PROJECT AREA REPORTING AND ACCOUNTABILITY.....	53
NOTABLE DEVELOPMENT AND FUTURE PROJECTS .....	54
FORECASTED PROJECT AREA BUDGET UPDATE.....	54
OTHER ISSUES .....	55
PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS.....	55
<b>SECTION 7: OVERVIEW OF THE 90-08 PROJECT AREA .....</b>	<b>60</b>
SOURCES OF FUNDS.....	61
USES OF FUNDS.....	61
PROJECT AREA REPORTING AND ACCOUNTABILITY.....	62
NOTABLE DEVELOPMENT AND FUTURE PROJECTS .....	63
FORECASTED PROJECT AREA BUDGET UPDATE.....	63
OTHER ISSUES .....	63
PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS.....	64
EXHIBIT A: OREM PROJECT AREA MAPS .....	69



# EXECUTIVE SUMMARY

## INTRODUCTION

Lewis Young Robertson & Burningham, Inc (“LYRB”) has been retained by the Orem City Redevelopment Agency (the “Agency”) to assist with the management of the Agency’s seven project areas (**RDA 85-01, RDA 85-02, RDA 85-03A, RDA 85-03B, RDA 85-04, RDA 87-10, and RDA 90-08**). LYRB has compiled the various creation and related documents associated with the project areas, generated annual and multi-year budgets, and created a proprietary Excel-based software package to manage the Agency’s project areas in the future.

The purpose of this report, in part, is to fulfill the requirements of Utah Code section 17C-1-402(9)(b) and 17C-1-603 – Agency Report. As new reporting requirements were adopted in legislation and became effective in 2011, this report facilitates the RDA’s compliance with the new code, providing the data necessary to fulfill the Agency Report requirements. This section of Utah Code mandates that the Agency provide an annual report to the county auditor, the State Tax Commission, the State Board of Education, as well as each of the taxing entities that levy a tax on property from which the Agency collects tax increment. The taxing entities involved in the various project areas of the Agency, to which this report is being provided, are summarized in the table below.

Table I.1: RDA Taxing Entities

RDA TAXING ENTITIES	
Jamie Davidson	Orem City
Ryan Clark	Orem City
Burt Harvey	Utah County
Rob Smith	Alpine School District
Gene Shawcroft	Central Utah Water Conservancy District
JoAnne Dubois	Central Utah Water Conservancy District
Glade Gillman	Orem Metropolitan Water District
Natalie Grange	Utah State Board of Education
Lorraine Austin	Utah State Board of Education
Barry Conover	Utah State Tax Commission

This report also fulfills the reporting requirements described in UC 17C-1-402(9)(b), allowing the report to be used in place of an annual taxing entity committee meeting. This annual report is for informational purposes and is intended to provide an overview of each project area that lies within the boundaries of the RDA, including descriptions of each project area, significant activities, project timelines, actual and estimated tax increment collections, and any other information pertinent to the taxing entities.

Provided in this report is an overview of the **RDA 85-01, RDA 85-02, RDA 85-03A, RDA 85-03B, RDA 85-04, RDA 87-10, and RDA 90-08** including summaries of the current and projected budgets, sources and uses of tax increment funds, project area growth statistics, and identification of certain concerns/needs.

## OVERVIEW OF THE REDEVELOPMENT AGENCY

The Orem City Redevelopment Agency was created by the Orem City Council in accordance with the provision of the Utah Neighborhood Development Act, UCA 17A-2-1201, 17A-2-1202, and 17A-2-1203, and continues to operate under Title 17C of Utah Code (UCA 17C).

UCA 17C has expanded the ability of the Redevelopment Agencies, allowing the creation of various types of Project Areas, including Community Development Area (CDA), Urban Renewal Area (URA), and Economic Development Area (EDA). A CDA differs from an Urban Renewal Area (URA) and an Economic Development Area (EDA) in that it is meant to encourage, promote, or provide for development, but does not require the vote, approval, or governance of a taxing entity committee. Various taxing entities can elect to participate on an individual basis through interlocal agreements. In comparison, an EDA is intended to create jobs or economic opportunity and requires a taxing entity committee. A URA is meant to initiate or intensify development of a blighted or under-used area. In the case of a URA, blight finding is required, limited use of eminent domain is allowed, and a taxing entity committee is required. Currently, the Agency has seven active Project Areas.

## AUTHORITIES AND POWERS OF THE AGENCY

The authority of the Agency is directed by UCA Title 17C.  
17C-1-202

- I. A community development and renewal agency may:
  - ☞ Sue and be sued;
  - ☞ Enter into contracts generally;
  - ☞ Buy, obtain an option upon, or otherwise acquire an interest in real or personal property;
  - ☞ Sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real or personal property;
  - ☞ Enter into a lease agreement on real or personal property, either as lessee or lessor;
  - ☞ Provide for urban renewal, economic development, and community development as provided in this title;
  - ☞ Receive tax increment as provided in this title;
  - ☞ If disposing of or leasing land, retain controls or establish restrictions and covenants running with the land consistent with the project area plan;
  - ☞ Accept financial or other assistance from any public or private source for the agency's activities, powers, and duties, and expend any funds so received for any of the purposes of this title;
  - ☞ Borrow money or accept financial or other assistance from the federal government, a public entity, or any other source for any of the purposes of this title and comply with any conditions of the loan or assistance;
  - ☞ Issue bonds to finance the undertaking of any urban renewal, economic development, or community development or for any of the agency's other purposes, including:
    - Reimbursing an advance made by the agency or by a public entity or the federal government to the agency;
    - Refunding bonds to pay or retire bonds previously issued by the agency; and
    - Refunding bonds to pay or retire bonds previously issued by the community that created the agency for expenses associated with an urban renewal, economic development, or community development project; and
  - ☞ Transact other business and exercise all other powers provided for in this title.



## GOVERNING BOARD OF TRUSTEES AND STAFF MEMBERS

Table I.2: Board of Trustees

GOVERNING BOARD OF TRUSTEES		
Richard F. Brunst, Jr.	Chair	Orem City Mayor
Margaret Black	Board Member	Orem City Council Member
Hans V. Andersen	Board Member	Orem City Council Member
Tom Macdonald	Board Member	Orem City Council Member
Mark Seastrand	Board Member	Orem City Council Member
David Spencer	Board Member	Orem City Council Member
Brent Sumner	Board Member	Orem City Council Member

Table I.3: Administration & Staff Members

ADMINISTRATION & STAFF MEMBERS		
Jaime Davidson	Executive Director	Orem City Manager
Ryan L. Clark	Economic Development Division Manager	
Jennifer Sisoutham	Economic Development Secretary	

## SUMMARY OF REQUESTED FUNDS

The Agency **requests all funds it is legally entitled to receive**, and estimates those funds according to the chart below. Per UC 17C-1-603(3), these projected figures are provided for informational purposes only, and do not alter the amount of tax increment that this Agency is entitled to collect. **The Agency requests all tax increment legally available from each of the Agency's project areas described below**; however these estimates should in no way be interpreted or applied as a limitation upon the amount the Agency is entitled to receive under applicable statute(s), project area budget(s), and/or interlocal cooperation agreements.

Table I.4: Estimate of Tax Increment

ESTIMATE OF TAX INCREMENT TO BE PAID TO THE AGENCY		
	Tax Year 2015 (Ending Dec. 31, 2015)	Tax Year 2016 (Beginning Jan. 1, 2016)
Property Tax Increment		
RDA 90-08	\$194,268	\$166,516
Total Revenue	\$194,268	\$166,516



Table I.5: Estimate of Haircut Increment

ESTIMATE OF HAIRCUT TO BE PAID TO THE AGENCY		
	Tax Year 2015 (Ending Dec. 31, 2015)	Tax Year 2016 (Beginning Jan. 1, 2016)
Haircut Increment		
RDA 85-01	\$416,762	\$416,762
RDA 85-02	\$186,624	\$186,624
RDA 85-03A	\$210,631	\$210,631
RDA 85-03B	\$322,419	\$322,419
RDA 85-04	\$102,754	\$102,754
RDA 87-10	\$117,378	\$117,378
RDA 90-08	\$22,139	\$29,519
<b>Total Revenue</b>	<b>\$1,378,707</b>	<b>\$1,386,087</b>

## GENERAL OVERVIEW OF ALL PROJECT AREAS

Table I.5: Combined Budget

COMBINED BUDGET – ALL PROJECT AREAS		
REVENUES	FY 2015 TOTALS	REMAINING LIFE*
Property Tax Increment		
RDA 85-01	\$915,183	\$915,183
RDA 87-10	\$206,184	\$206,184
RDA-90-08	\$180,729	\$1,207,576
Haircut Increment		
RDA 85-01	\$168,539	\$3,085,876
RDA 85-02	\$185,171	\$1,304,914
RDA 85-03A	\$219,333	\$1,483,121
RDA 85-03B	\$319,731	\$2,254,244
RDA 85-04	\$92,731	\$709,254
RDA 87-10	\$37,970	\$847,765
RDA 90-08	\$21,396	\$412,524
<b>Total</b>	<b>\$2,346,967</b>	<b>\$12,426,641</b>
EXPENDITURES	FY 2015 TOTALS	REMAINING LIFE*
Project Area Administration		
RDA 85-03B	\$165,000	\$1,155,000
RDA 85-04	\$50,000	\$350,000
RDA 90-08	\$100,000	\$1,645,000
Development Incentive Payments		
RDA 85-01	\$869,424	\$869,424
RDA 85-03A	\$75,000	\$450,000
RDA 87-10	\$220,000	\$220,000
Debt Service Payments		
RDA 85-01	\$174,671	\$3,146,788
RDA 85-02	\$185,171	\$1,002,153
RDA 85-03A	\$292,438	\$2,611,167
RDA 85-03B	\$387,328	\$2,453,996



RDA 85-04	\$-	\$59,362
RDA 87-10	\$54,447	\$663,419
RDA 90-08	\$4,288	\$269,488
Miscellaneous Expenditures		
RDA 85-01	\$5,000	\$5,000
RDA 85-02	\$5,000	\$5,000
RDA 85-03A	\$16,400	\$16,400
RDA 87-10	\$5,000	\$489,268
RDA 90-08	\$5,000	\$79,505
Contribution to (Use of Fund) Balance		
RDA 85-01	\$35,085	(\$19,696)
RDA 85-02	(\$402)	\$302,359
RDA 85-03A	(\$145,662)	(\$1,575,604)
RDA 85-03B	(\$199,379)	(\$1,375,533)
RDA 85-04	\$43,463	\$300,624
RDA 87-10	(\$33,715)	(\$317,160)
RDA 90-08	\$95,407	(\$317,323)
Interest (Revenue)		
RDA 85-01	(\$458)	(\$458)
RDA 85-02	(\$4,598)	(\$4,598)
RDA 85-03A	(\$18,842)	(\$18,842)
RDA 85-03B	(\$33,218)	(\$33,218)
RDA 85-04	(\$732)	(\$732)
RDA 87-10	(\$1,578)	(\$1,578)
RDA 90-08	(\$2,570)	(\$2,570)
Total Expenditures	\$2,346,967	\$12,426,641

\* Remaining Life includes 2015 totals

# SECTION 1: OVERVIEW OF THE RDA 85-01 AREA

Table 2.1: Project Area Overview

OVERVIEW				
<u>Type</u> RDA	<u>Acreage</u> 100	<u>Purpose</u> Commercial Development	<u>Taxing District</u> 090	<u>Tax Rate</u> 0.011186
<u>Creation Year</u> FY 1985	<u>Base Year</u> FY 1985	<u>Term</u> 32 Years	<u>Trigger Year</u> FY 1991	<u>Expiration Year</u> FY 2022
<u>Base Value</u> \$1,472,221	<u>TY 2014 Value</u> \$142,175,248	<u>Increase</u> 9,557%	<u>FY 2015 Increment</u> \$1,083,722	<u>Remaining Years</u> 7 Years



The 85-01 Project Area was created in March 1985 and is governed by the (a) “Westside Redevelopment Project No. 85-01 Redevelopment Plan” This document and the associated ordinances and resolutions define the duration and use of property tax generated within the Project Area as well as conditions and obligations by the Agency and each participating taxing entity. As the 85-01 Project Area was created prior to 1993, a taxing entity committee was not established for this project Area.

The Project Area is currently intended to draw property tax increment beginning with the taxes collected in 1990 and remitted to the Agency in 1991 and continue for 25 years through and including taxes collected in 2014 and paid to the Agency in 2015. On August 28, 2001, the Agency adopted a resolution (RDA-R-01-0004-000) solidifying its desire to trigger the extension option for all seven RDA project areas, including this RDA. This action extends the receipt of haircut revenues through and including taxes collected in 2021 and paid to the Agency in 2022. Note that haircut revenues will not include participation from the school district’s portion of the tax rate. RDA 85-01 is located along 1200 South between the western City boundary and Geneva Road.

## SOURCES OF FUNDS

Table 2.2: Sources of Funds

2015 SOURCES OF FUNDS	
Property Tax Increment	\$915,183
Haircut Increment	\$168,539
<b>Total Sources of Funds</b>	<b>\$1,083,722</b>

Table 2.3: Tax Increment Levels

TAX INCREMENT LEVELS		
Years	% of Tax Increment	% of Haircut
1991-1995	100%	0%
1996-2000	80%	20%
2001-2005	75%	25%
2006-2010	70%	30%
2011-2015	60%	40%
2016-2022	0%	100%

## USES OF FUNDS

Table 2.4: Uses of Funds

2015 USES OF FUNDS	
Developer Incentive Payments	\$869,424
Debt Service (Haircut Eligible)	\$174,671
Miscellaneous Expenditures	\$5,000
Redevelopment Activities	\$35,085
Interest (Revenue)	(\$458)
<b>Total Uses of Funds</b>	<b>\$1,083,722</b>

## DEVELOPER INCENTIVE PAYMENTS

In 1988, the Agency entered into a developer agreement with Orem Tek, in which the RDA would reimburse the developer a portion of the costs related to the redevelopment of the Project Area. In FY 2015 the Agency paid \$869,424 to the developer. The agreement lasts until the Project Area sunsets.

Table 2.5: Developer Incentive Payment

2015 DEVELOPER INCENTIVE PAYMENT	
Orem Tek Payment	\$869,424
<b>Total 2015 Tax Increment to Developer</b>	<b>\$869,424</b>

## DEBT SERVICE PAYMENTS

In 2002, Orem City issued \$12,175,000 in Sales Tax Revenue Bonds, Series 2002 to fund various recreational facilities and uses throughout the City. As per Utah State Code Title 17C-1-403, the Agency is using the haircut proceeds from all qualified Project Areas to repay the City for the Sales Tax Revenue debt service expenditures. In FY 2015, the 85-01 Project Areas portion of the debt service was \$174,671.

Table 2.6 Debt Service Payments

2015 DEBT SERVICE PAYMENTS	
2002 Sales Tax Revenue Bond Payment	\$174,671



Total Debt Service Payments

\$174,671

## PROJECT AREA REPORTING AND ACCOUNTABILITY

### COMPARISON OF FORECASTED AND ACTUAL TAX INCREMENT

Table 2.7: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	ACTUAL	FORECASTED	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2015	\$1,083,722	\$1,025,504	105%

### RELATIVE GROWTH IN ASSESSED VALUE

Table 2.8: Growth in Assessed Value

GROWTH IN ASSESSED VALUE	CURRENT YEAR	COMPARISON YEAR	GROWTH RATE	AAGR
ASSESSED VALUES IN PROJECT AREA				
Annual Growth In Project Area (2014 vs. 2013)	\$142,175,248	\$132,226,110	7.52%	7.52%
Lifetime Growth in Project Area (2014 vs. Base)	\$142,175,248	\$1,472,221	9,557%	17.07%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2014 vs. 2013)	\$4,534,129,407	\$4,287,504,710	5.75%	5.75%
Lifetime Growth in Orem City (2014 vs. 1996 <sup>1</sup> )	\$4,534,129,407	\$2,173,320,362	108.63%	4.17%

### BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 2.9: Benefits to Taxing Entities

BENEFITS TO TAXING ENTITIES
*Job Creation
*Increased Property Tax Revenues - 100% of tax increment received by entities after 2022
*Higher Growth Rate in Tax Base Compared to Non-RDA Areas

Currently the only taxing entity receiving increment is the School District. Annual property tax increment (above the base amount) currently being returned to the School District is 2,767% above what would have been realized if assessed values in the Project Area had remained at base year levels for all the taxing entities. Lifetime property tax increment (above the base amount) received by the School District is 995% above what would have been realized based on base year levels for all the taxing entities. This number will increase significantly when the Project Area expires in 2022, and all of the taxing entities receive the benefit of the 6,580% increase in annual tax increment.

<sup>1</sup> LYRB used 1996 as a reference point, as it is the earliest year of reliable information available.

Table 2.10: Growth in Property Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET REVENUES	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
<b>TAX INCREMENT FROM PROJECT AREA</b>				
Fiscal Year 2015	NA	\$1,083,722	\$16,468	6,580%
Lifetime Revenue (FY 1991-2015)	NA	\$10,920,544	\$385,757	2,831%
<b>PASS THROUGH INCREMENT (ABOVE BASE)</b>				
Fiscal Year 2015	NA	\$455,653	\$16,468	2,767%
Lifetime Revenue (FY 1991-2015)	NA	\$3,837,482	\$385,757	995%

## NOTABLE DEVELOPMENT AND FUTURE PROJECTS

-  Blendtec
-  US Synthetic Corporation
-  Mountainland Applied Technology College
-  PowerStream Technology
-  Utah College of Dental Hygiene
-  The REDX - Real Estate Data X-Change

## FORECASTED PROJECT AREA BUDGET UPDATE

The multi-year budget attached to this document and summarized below displays revenue in the fiscal year received rather than the calendar year collected.

Table 2.11: Project Area Budget

PROJECT AREA BUDGET	2016-2022	
	TOTALS	NPV @5%
<b>REVENUES</b>		
Haircut Increment	\$2,917,337	\$2,411,543
Total Revenue	\$2,917,337	\$2,411,543
<b>EXPENDITURES</b>		
Debt Service	\$2,972,117	\$2,444,746
Contribution to (Use of Fund) Balance	(\$54,780)	(\$33,204)
Total Expenditures	\$2,917,117	\$2,411,543

## OTHER ISSUES

There are no major areas of concern within the 85-01 Project Area and according to records reviewed, all parties are meeting their respective obligations related to this Project Area.

## PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS

The following four sheets represent the FY 2015, FY 2016, FY 2017, and the full multi-year budget from 2002 to 2022 for the 85-01 Project Area.



# Orem RDA 85-01

## 2015 Annual Budget

	Tax Year	Yr. 25
	Payment Year	2014
		2015
<b>ASSESSED VALUATION</b>		
TAXABLE VALUATION		
Real Property		69,390,800
Personal Property		72,553,864
Centrally Assessed		230,584
Total Assessed Value		142,175,248
<b>Less: Base Year Value</b>		<b>(1,472,221)</b>
Incremental Assessed Value		140,703,027
<b>TAX INCREMENT ANALYSIS</b>		
Tax Rate		
Utah County		0.001149
Alpine School District		0.008096
Orem City		0.001716
Orem Metropolitan Water District		0.000036
Central Utah Water Conservancy		0.000422
Less State Assessing & Collecting		(0.000013)
Less Local Assessing & Collecting		(0.000220)
Total Tax Rate		0.011186
<b>PROJECT AREA BUDGET</b>		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		60%
Total Tax Increment Received		915,183
Percent of Tax Increment for Haircut		40%
Total Haircut Received		168,539
<b>TOTAL DISTRIBUTION</b>		<b>1,083,722</b>
EXPENDITURES		
RDA Admin		-
Developer Reimbursement (Orem Tek)		869,424
Developer Reimbursement (US Synthetics)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Recreation Facilities)		174,671
Misc. Expenditures		5,000
Interest Revenue		(458)
Redevelopment Activities		35,085
<b>TOTAL EXPENDITURES</b>		<b>1,083,722</b>



## Orem RDA 85-01 2016 Annual Budget

	Tax Year	Yr. 26
Payment Year	2015	2016
<b>ASSESSED VALUATION</b>		
TAXABLE VALUATION		
Real Property	69,390,800	
Personal Property	72,553,864	
Centrally Assessed	230,584	
Total Assessed Value	142,175,248	
<b>Less: Base Year Value</b>		<b>(1,472,221)</b>
Incremental Assessed Value		140,703,027
<b>TAX INCREMENT ANALYSIS</b>		
Tax Rate		
Utah County	0.001098	
Alpine School District	0.008177	
Orem City	0.001652	
Orem Metropolitan Water District	0.000035	
Central Utah Water Conservancy	0.000405	
Less State Assessing & Collecting	(0.000012)	
Less Local Assessing & Collecting	(0.000216)	
Total Tax Rate		0.011139
<b>PROJECT AREA BUDGET</b>		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		416,762
<b>TOTAL DISTRIBUTION</b>		<b>416,762</b>
EXPENDITURES		
RDA Admin		-
Developer Reimbursement (Orem Tek)		-
Developer Reimbursement (US Synthetics)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Recreation Facilities)	409,705	
Misc. Expenditures		-
Interest Revenue		-
Redevelopment Activities	7,057	
<b>TOTAL EXPENDITURES</b>		<b>416,762</b>



## Orem RDA 85-01 2017 Annual Budget

	Tax Year	
	Payment Year	
		Yr. 27
		2016
		2017
<b>ASSESSED VALUATION</b>		
TAXABLE VALUATION		
Real Property		69,390,800
Personal Property		72,553,864
Centrally Assessed		230,584
Total Assessed Value		142,175,248
<b>Less: Base Year Value</b>		<b>(1,472,221)</b>
Incremental Assessed Value		140,703,027
<b>TAX INCREMENT ANALYSIS</b>		
Tax Rate		
Utah County		0.001098
Alpine School District		0.008177
Orem City		0.001652
Orem Metropolitan Water District		0.000035
Central Utah Water Conservancy		0.000405
Less State Assessing & Collecting		(0.000012)
Less Local Assessing & Collecting		(0.000216)
Total Tax Rate		0.011139
<b>PROJECT AREA BUDGET</b>		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		416,762
<b>TOTAL DISTRIBUTION</b>		<b>416,762</b>
EXPENDITURES		
RDA Admin		-
Developer Reimbursement (Orem Tek)		-
Developer Reimbursement (US Synthetics)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Recreation Facilities)		409,705
Misc. Expenditures		-
Interest Revenue		-
Redevelopment Activities		7,057
<b>TOTAL EXPENDITURES</b>		<b>416,762</b>



# Orem RDA 85-01

Ongoing Budget  
Multi-Year Project Area Budget Projections



Tax Year Payment Year	Base	13	14	15	16	17	18	19	20	21	22	23	24	<==== HISTORIC		Projected =====>		OPTIONAL EXTENTION OF HAIRCUT INCREMENT						TOTALS	NPV @ 5%					
	1985	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022								
<b>REVENUES</b>																														
<b>TAXABLE VALUATION:</b>																														
Locally Assessed Real		33,623,419	34,528,570	34,166,654	34,433,854	43,183,225	48,396,387	64,111,720	67,465,875		61,105,654	67,213,246	70,438,016	69,390,800	69,390,800	69,390,800	69,390,800	69,390,800	69,390,800	69,390,800	69,390,800	69,390,800	69,390,800							
Personal Property		11,637,118	11,117,080	11,003,021	12,307,166	17,362,769	16,085,325	33,427,794	43,727,365		49,011,897	52,420,042	61,532,649	72,553,864	72,553,864	72,553,864	72,553,864	72,553,864	72,553,864	72,553,864	72,553,864	72,553,864	72,553,864	72,553,864						
Centrally Assessed		350,065	360,153	329,073	349,943	313,758	284,587	313,946	233,485		185,855	195,309	255,445	230,584	230,584	230,584	230,584	230,584	230,584	230,584	230,584	230,584	230,584	230,584	230,584					
Total Assessed Value		45,610,602	46,005,803	45,498,748	47,090,963	60,859,752	64,766,299	97,853,460	111,426,725	-	110,303,406	119,828,597	132,226,110	142,175,248	142,175,248	142,175,248	142,175,248	142,175,248	142,175,248	142,175,248	142,175,248	142,175,248	142,175,248	142,175,248	142,175,248					
Less: Base Year Value		(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)		(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)					
<b>Total Incremental Assessed Value</b>		<b>\$ 44,138,381</b>	<b>\$ 44,533,582</b>	<b>\$ 44,026,527</b>	<b>\$ 45,618,742</b>	<b>\$ 59,387,531</b>	<b>\$ 63,294,078</b>	<b>\$ 96,381,239</b>	<b>\$ 109,954,504</b>	<b>\$ -</b>	<b>\$ 108,831,185</b>	<b>\$ 118,356,376</b>	<b>\$ 130,753,889</b>	<b>\$ 140,703,027</b>	<b>\$ 140,703,027</b>	<b>\$ 140,703,027</b>	<b>\$ 140,703,027</b>	<b>\$ 140,703,027</b>	<b>\$ 140,703,027</b>	<b>\$ 140,703,027</b>	<b>\$ 140,703,027</b>									
<b>Real Property/Centrally Assessed Tax Rate:</b>																														
Total Tax Rate		-	0.011034	0.011380	0.010349	0.010406	0.009787	0.009763	0.010530	0.011524	0.012309	0.012371	0.011857	0.011186	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139					
Actual Tax Rate Used by County in TIF Calculation		0.010063	0.010409	0.011740	0.010558	0.010395	0.008745	0.009663	0.010448		0.012309	0.012371	0.011857	0.011186																
Actual Tax Rate Used by County in HAIRCUT Calculation		0.003458	0.003508	0.003621	0.003459	0.003512	0.002850	0.002706	0.002907		0.003497	0.003543	0.003362	0.003090																
<b>Percent of Tax Increment for Project</b>																														
		75%	75%	75%	70%	70%	70%	70%	70%	60%	60%	60%	60%	60%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%			
<b>Percent of Tax Increment for Haircut</b>																														
		25%	25%	25%	30%	30%	30%	30%	30%	40%	40%	40%	40%	40%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%			
<b>TAX INCREMENT REVENUES</b>																														
Property Tax Increment		\$ 333,350	\$ 347,663	\$ 325,898	\$ 331,583	\$ 421,085	\$ 376,529	\$ 757,726	\$ 758,821	\$ 727,009	\$ 803,762	\$ 878,512	\$ 930,209	\$ 944,342	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,742,137	\$ 4,121,698		
Less Current Year Uncollected		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (48,885)	\$ (27,031)	\$ (69,462)	\$ (29,159)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (174,537)	\$ (55,660)		
Plus Prior Years Late Collections		-	-	-	-	-	-	-	-	-	49,663	11,760	44,747	-	-	-	-	-	-	-	-	-	-	-	-	\$ 106,170	\$ 34,680			
<b>Total Tax Increment Received by Agency</b>		<b>\$ 333,350</b>	<b>\$ 347,663</b>	<b>\$ 325,898</b>	<b>\$ 331,583</b>	<b>\$ 421,085</b>	<b>\$ 376,529</b>	<b>\$ 757,726</b>	<b>\$ 758,821</b>	<b>\$ 727,009</b>	<b>\$ 804,540</b>	<b>\$ 863,241</b>	<b>\$ 905,494</b>	<b>\$ 915,183</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,673,770</b>	<b>\$ 4,100,718</b>		
<b>HAIRCUT REVENUES</b>																														
Haircut Increment		\$ 38,226	\$ 39,056	\$ 33,506	\$ 45,492	\$ 60,700	\$ 52,852	\$ 93,441	\$ 90,530	\$ 136,732	\$ 152,233	\$ 167,735	\$ 175,838	\$ 173,909	\$ 416,762	\$ 416,762	\$ 416,762	\$ 416,762	\$ 416,762	\$ 416,762	\$ 416,762	\$ 416,762	\$ 416,762	\$ 416,762	\$ 416,762	\$ 416,762	\$ 416,762	\$ 416,762	\$ 4,177,586	\$ 1,170,239
Less Current Year Uncollected		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (9,259)	\$ (5,161)	\$ (33,130)	\$ (5,370)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (52,920)	\$ (16,704)		
Plus Prior Years Late Collections		-	-	-	-	-	-	-	-	-	8,732	2,187	28,525	-	-	-	-	-	-	-	-	-	-	-	-	\$ 39,445	\$ 12,542			
<b>Total Haircut Received by Agency</b>		<b>\$ 38,226</b>	<b>\$ 39,056</b>	<b>\$ 33,506</b>	<b>\$ 45,492</b>	<b>\$ 60,700</b>	<b>\$ 52,852</b>	<b>\$ 93,441</b>	<b>\$ 90,530</b>	<b>\$ 136,732</b>	<b>\$ 151,707</b>	<b>\$ 164,761</b>	<b>\$ 171,233</b>	<b>\$ 168,539</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 4,164,111</b>	<b>\$ 1,166,077</b>	
<b>TOTAL REVENUES RECEIVED</b>		<b>\$ 371,576</b>	<b>\$ 386,719</b>	<b>\$ 359,404</b>	<b>\$ 377,075</b>	<b>\$ 481,785</b>	<b>\$ 429,381</b>	<b>\$ 851,167</b>	<b>\$ 849,351</b>	<b>\$ 863,741</b>	<b>\$ 956,246</b>	<b>\$ 1,028,002</b>	<b>\$ 1,076,728</b>	<b>\$ 1,083,722</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 13,837,881</b>	<b>\$ 5,266,795</b>			
<b>PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)</b>																														
Estimated Total Pass Through Increment		\$ 72,891	\$ 76,832	\$ 75,127	\$ 96,615	\$ 119,765	\$ 108,517	\$ 231,298	\$ 234,679	\$ 347,941	\$ 383,357	\$ 436,185	\$ 473,621	\$ 490,182	\$ 1,150,529	\$ 1,150,529	\$ 1,150,529	\$ 1,150,529	\$ 1,150,529	\$ 1,150,529	\$ 1,150,529	\$ 1,150,529	\$ 1,150,529	\$ 1,150,529	\$ 1,150,529	\$ 11,692,572	\$ 3,394,683			
<b>EXPENDITURES</b>																														
Project Area Budget and Uses of Funds																														
RDA Admin		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 37,689		
Developer Reimbursement (Orem Tek)		316,682	330,279	309,603	315,004	400,031	357,703	719,839	720,880	690,659	764,313	820,079	860,220	869,424	-	-	-	-	-	-	-	-	-	-	-	-	\$ 9,190,082	\$ 3,895,682		
Developer Reimbursement (US Synthetics)		-	-	-	-	-	-	-	-	-	33,333	33,333	33,333	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 100,000	\$ 39,605		
Developer Reimbursement (Fund 45 Lakeside Park)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 60,623	\$ 41,032			
Debt Service (Haircut Recreation Facilities)		38,226	39,056	33,506	62,071	81,754	71,679	131,328	90,530	136,732	151,707	164,761	171,233	174,671	409,705	409,705	409,705	409,705	409,705	409,705	409,705	409,705	409,705	409,705	409,705	409,705	409,705	\$ 4,215,187	\$ 1,453,047	
Optional Reimbursement Road Fund for 2003 Overlay Project (Business Park)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	104,182	\$ 104,182	\$ 26,576		
Misc. Expenditures		-	56,073	-	-	-	-	-	-	-	-	-	-	-	5,000	-	-	-	-	-	-	-	-	-	-	-	\$ 68,710	\$ 42,528		
Interest Revenue		-	-	-	-	-	-	-	-	(622)	(1,132)	(744)	(143)	(458)	-	-	-	-	-	-	-	-	-	-	-	\$ (3,099)	\$ (1,254)			
Redevelopment Activities		16,668	(38,690)	16,295	-	-	-	-	37,941	36,972	8,025	10,573	(87,915)	35,085	7,057	7,057	7,057	7,057	7,057	7,057	7,057	7,057	7,057	7,057	7,057	\$ 2,196	\$ 22,520			
<b>Total Uses</b>		<b>\$ 371,576</b>	<b>\$ 386,719</b>	<b>\$ 359,404</b>	<b>\$ 377,075</b>	<b>\$ 481,785</b>	<b>\$ 429,381</b>	<b>\$ 851,167</b>	<b>\$ 849,351</b>	<b>\$ 863,741</b>	<b>\$ 956,246</b>	<b>\$ 1,028,002</b>	<b>\$ 1,076,728</b>	<b>\$ 1,083,722</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 416,762</b>	<b>\$ 13,837,881</b>	<b>\$ 5,266,795</b>			

## SECTION 2: OVERVIEW OF THE 85-02 PROJECT AREA

Table 3.1: Project Area Overview

OVERVIEW				
<u>Type</u> RDA	<u>Acreage</u> 100	<u>Purpose</u> Research & Technology Park	<u>Taxing District</u> 090	<u>Tax Rate</u> 0.003090
<u>Creation Year</u> FY 1985	<u>Base Year</u> FY 1985	<u>Term</u> 32 Years	<u>Trigger Year</u> FY 1990	<u>Expiration Year</u> FY 2021
<u>Base Value</u> \$7,333,972	<u>TY 2014 Value</u> \$70,340,000	<u>Increase</u> 859%	<u>FY 2015 Increment</u> \$185,171	<u>Remaining Years</u> 6 Years



The 85-02 Project Area was created in May 1985 and is governed by the (a) “Redevelopment Plan #85-02” This document and the associated ordinances and resolutions define the duration and use of property tax generated within the Project Area as well as conditions and obligations by the Agency and each participating taxing entity. As the 85-02 Project Area was created prior to 1993, a taxing entity committee was not established for this project Area.

The Project Area is currently intended to draw property tax increment beginning with the taxes collected in 1989 and remitted to the Agency in 1990 and continue for 25 years through and including taxes collected in 2013 and paid to the Agency in 2014. On August 28, 2001, the Agency adopted a resolution (RDA-R-01-0004-000) solidifying its desire to trigger the extension option for all seven RDA project areas, including this RDA. This action extends the receipt of haircut revenues through and including taxes collected in 2020 and paid to the Agency in 2021. Note that haircut revenues will not include participation from the school district’s portion of the tax rate. The original purpose of the 85-02 Project Area was to establish a research and technology park, and to convert the property into a more economically productive area. RDA 85-02 is generally located on the west side of 800 East between 1600 North and 1200 North.



## SOURCES OF FUNDS

Table 3.2: Sources of Funds

2015 SOURCES OF FUNDS	
Haircut Increment	\$185,171
<b>Total Sources of Funds</b>	<b>\$185,171</b>

Table 3.3: Tax Increment Levels

TAX INCREMENT LEVELS		
Years	% of Tax Increment	% of Haircut
1990-1994	100%	0%
1995-1999	80%	20%
2000-2004	75%	25%
2005-2009	70%	30%
2010-2014	60%	40%
2015-2021	0%	100%

## USES OF FUNDS

Table 3.4: Uses of Funds

2015 USES OF FUNDS	
Debt Service Payments	\$185,171
Miscellaneous Expenditures	\$5,000
Contribution to (Use of Fund) Balance	(\$4,598)
Interest (Revenue)	(\$402)
<b>Total Uses of Funds</b>	<b>\$185,171</b>

## DEBT SERVICE PAYMENTS

In 2002, Orem City issued \$12,175,000 in Sales Tax Revenue Bonds, Series 2002 to fund various recreational facilities and uses throughout the City. As per Utah State Code Title 17C-1-403, the Agency is using the haircut proceeds from all qualified Project Areas to repay the City for the Sales Tax Revenue debt service expenditures. In FY 2015, the 85-02 Project Area's portion of the debt service was \$185,171.

Table 3.5: Debt Service Payments

2015 DEBT SERVICE PAYMENTS	
Series 2002 Sales Tax Revenue Bond Payment	\$185,171
<b>Total Debt Service Payments</b>	<b>\$185,171</b>



## PROJECT AREA REPORTING AND ACCOUNTABILITY

### COMPARISON OF FORECASTED AND ACTUAL TAX INCREMENT

Table 3.6: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2015	\$194,244	\$185,171	95%

### RELATIVE GROWTH IN ASSESSED VALUE

Table 3.7: Growth in Assessed Value

GROWTH IN ASSESSED VALUE	CURRENT YEAR	COMPARISON YEAR	GROWTH RATE	AAGR
<b>ASSESSED VALUES IN PROJECT AREA</b>				
Annual Growth in Project Area (2014 vs. 2013)	\$70,340,000	\$69,444,854	1.29%	1.29%
Lifetime Growth in Project Area (2014 vs. Base)	\$70,340,000	\$7,333,972	859%	8.1%
<b>ASSESSED VALUES IN OREM CITY</b>				
Annual Growth in Orem City (2014 vs. 2013)	\$4,534,129,407	\$4,287,504,710	5.75%	5.75%
Lifetime Growth in Orem City (2014 vs. 1996)	\$4,534,129,407	\$2,173,320,362	108.63%	4.17%

### BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 3.8: Benefits to Taxing Entities

BENEFITS TO TAXING ENTITIES
*Job Creation
*Increased Property Tax Revenues upon expiration of Project Area
*Significantly higher growth in tax base compared to non-incentivized areas

Currently the only taxing entity receiving increment is the School District. Annual property tax increment (above the base amount) currently being returned to the School District is 7,523% above what would have been realized if assessed values in the Project Area had remained at base year levels for all the taxing entities. Lifetime property tax increment (above the base amount) received by the School District is 298% above what would have been realized based on base year levels for all the taxing entities. This number will increase significantly when the Project Area expires in 2021, and all of the taxing entities receive the benefit of the 817% increase in annual tax increment.

Table 3.9: Growth in Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
TAX INCREMENT FROM PROJECT AREA				
Fiscal Year 2015	NA	\$185,171	\$22,662	817%



Lifetime Revenue (FY 1990-2015)	NA	\$14,889,086	\$2,068,818	719%
<b>PASS THROUGH INCREMENT (ABOVE BASE)</b>				
Fiscal Year 2015	NA	\$704,785	\$22,662	7,523%
Lifetime Revenue (FY 1990-2015)	NA	\$6,180,515	\$2,068,818	298%

## NOTABLE DEVELOPMENT AND FUTURE PROJECTS

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li> Wayfair.com</li> <li> Canyon Park Technology Center</li> <li> Fishbowl Inventory</li> <li> Service Repair Solutions</li> </ul> | <ul style="list-style-type: none"> <li> National Link Inc.</li> <li> Opinion Outpost</li> <li> Moduslink Corporation</li> <li> Unicity International</li> </ul> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

## FORECASTED PROJECT AREA BUDGET UPDATE

The multi-year budget attached to this document and summarized below displays revenue in the fiscal year received rather than the calendar year collected.

Table 3.10: Project Area Budget

PROJECT AREA BUDGET		2016-2021	
<b>REVENUES</b>		<b>TOTALS</b>	<b>NPV @5%</b>
Haircut Increment		\$1,119,743	\$947,245
Total Revenue		\$1,119,743	\$947,245
<b>EXPENDITURES</b>		<b>TOTALS</b>	<b>NPV @5%</b>
Debt Service Payment		\$816,982	\$699,379
Redevelopment Activities		\$302,761	\$247,866
Total Expenditures		\$1,119,743	\$947,245

## OTHER ISSUES

LYRB has not identified any major areas of concern with the 85-02 Project Area and believes that, according to the records reviewed, all parties are meeting their respective obligations related to this Project Area.

## PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS

The following four sheets represent the FY 2015, FY 2016, FY 2017 and multi-year budget from 2003 to 2021.



## OREM RDA 85-02

### 2015 Annual Budget

	Tax Year	
	Payment Year	
		Yr. 26
		2014
		2015
<b>ASSESSED VALUATION</b>		
TAXABLE VALUATION		
Real Property		69,826,655
Personal Property		-
Centrally Assessed		513,345
Total Assessed Value		70,340,000
<b>Less: Base Year Value</b>		<b>(7,333,972)</b>
Incremental Assessed Value		63,006,028
<b>TAX INCREMENT ANALYSIS</b>		
Tax Rate		
Utah County		0.001149
Alpine School District		0.008096
Orem City		0.001716
Orem Metropolitan Water District		0.000036
Central Utah Water Conservancy		0.000422
Less State Assessing & Collecting		(0.000013)
Less Local Assessing & Collecting		(0.000220)
Total Tax Rate		0.011186
<b>PROJECT AREA BUDGET</b>		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		185,171
<b>TOTAL DISTRIBUTION</b>		<b>185,171</b>
EXPENDITURES		
RDA Admin		-
Land Sales Revenue		-
Loan Repayments to City		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		185,171
Misc. Expenditures		5,000
Interest Revenue		(4,598)
Redevelopment Activities		(402)
<b>TOTAL EXPENDITURES</b>		<b>185,171</b>



## OREM RDA 85-02

### 2016 Annual Budget

	Tax Year	
	Payment Year	
		Yr. 27
		2015
		2016
<b>ASSESSED VALUATION</b>		
<b>TAXABLE VALUATION</b>		
Real Property		69,826,655
Personal Property		-
Centrally Assessed		513,345
Total Assessed Value		70,340,000
<b>Less: Base Year Value</b>		<b>(7,333,972)</b>
Incremental Assessed Value		63,006,028
<b>TAX INCREMENT ANALYSIS</b>		
<b>Tax Rate</b>		
Utah County		0.001098
Alpine School District		0.008177
Orem City		0.001652
Orem Metropolitan Water District		0.000035
Central Utah Water Conservancy		0.000405
Less State Assessing & Collecting		(0.000012)
Less Local Assessing & Collecting		(0.000216)
Total Tax Rate		0.011139
<b>PROJECT AREA BUDGET</b>		
<b>TAX INCREMENT REVENUES</b>		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		186,624
<b>TOTAL DISTRIBUTION</b>		<b>186,624</b>
<b>EXPENDITURES</b>		
RDA Admin		-
Land Sales Revenue		-
Loan Repayments to City		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		185,171
Misc. Expenditures		-
Interest Revenue		-
Redevelopment Activities		1,453
<b>TOTAL EXPENDITURES</b>		<b>186,624</b>



## OREM RDA 85-02

### 2017 Annual Budget

	Tax Year	
	Payment Year	
		Yr. 28
		2016
		2017
<b>ASSESSED VALUATION</b>		
TAXABLE VALUATION		
Real Property		69,826,655
Personal Property		-
Centrally Assessed		513,345
Total Assessed Value		70,340,000
<b>Less: Base Year Value</b>		<b>(7,333,972)</b>
Incremental Assessed Value		63,006,028
<b>TAX INCREMENT ANALYSIS</b>		
Tax Rate		
Utah County		0.001098
Alpine School District		0.008177
Orem City		0.001652
Orem Metropolitan Water District		0.000035
Central Utah Water Conservancy		0.000405
Less State Assessing & Collecting		(0.000012)
Less Local Assessing & Collecting		(0.000216)
Total Tax Rate		0.011139
<b>PROJECT AREA BUDGET</b>		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		186,624
<b>TOTAL DISTRIBUTION</b>		<b>186,624</b>
EXPENDITURES		
RDA Admin		-
Land Sales Revenue		-
Loan Repayments to City		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		185,171
Misc. Expenditures		-
Interest Revenue		-
Redevelopment Activities		1,453
<b>TOTAL EXPENDITURES</b>		<b>186,624</b>



# Orem RDA 85-02

Ongoing Budget  
Multi-Year Project Area Budget Projections



Tax Year Payment Year	Base 1984	14 2002	15 2003	16 2004	17 2005	18 2006	19 2007	20 2008	21 2009	22 2010	23 2011	24 2012	25 2013	26 2014	27 2015	28 2016	29 2017	30 2018	31 2019	32 2020	2021
<b>REVENUES</b>																					
<b>TAXABLE VALUATION:</b>																					
Locally Assessed Real		72,193,186	63,072,532	54,768,534	54,477,584	58,775,344	66,528,090	79,973,290	74,236,976		68,956,463	67,892,927	68,930,202	69,826,655	69,826,655	69,826,655	69,826,655	69,826,655	69,826,655	69,826,655	69,826,655
Personal Property		8,082,236	5,164,541	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Centrally Assessed		211,870	196,439	173,940	259,537	98,074	116,875	151,681	161,738		460,912	483,023	514,652	513,345	513,345	513,345	513,345	513,345	513,345	513,345	513,345
Total Assessed Value		80,487,292	68,433,512	54,942,474	54,737,121	58,873,418	66,644,965	80,124,971	74,398,714	-	69,417,375	68,375,950	69,444,854	70,340,000	70,340,000	70,340,000	70,340,000	70,340,000	70,340,000	70,340,000	70,340,000
Less: Base Year Value	(7,333,972)	7,333,972	(7,333,972)	(7,333,972)	(7,333,972)	(7,333,972)	(7,333,972)	(7,333,972)	(7,333,972)	(7,333,972)	(7,333,972)	(7,333,972)	(7,333,972)	(7,333,972)	(7,333,972)	(7,333,972)	(7,333,972)	(7,333,972)	(7,333,972)	(7,333,972)	(7,333,972)
<b>Total Incremental Assessed Value</b>		<b>\$ 87,821,264</b>	<b>\$ 61,099,540</b>	<b>\$ 47,608,502</b>	<b>\$ 47,403,149</b>	<b>\$ 51,539,446</b>	<b>\$ 59,310,993</b>	<b>\$ 72,790,999</b>	<b>\$ 67,064,742</b>	<b>\$ -</b>	<b>\$ 62,083,403</b>	<b>\$ 61,041,978</b>	<b>\$ 62,110,882</b>	<b>\$ 63,006,028</b>							
<b>Real Property/Centrally Assessed Tax Rate:</b>																					
Actual Tax Rate Used by County in TIF Calculation		0.010063	0.010409	0.011740	0.010558	0.010395	0.008745	0.009663	0.020448		0.012309	0.012371	0.011857								
Actual Tax Rate Used by County in HAIRCUT Calculation		0.003458	0.003508	0.003621	0.003459	0.003512	0.002850	0.002706	0.002907		0.003497	0.003543	0.003362	0.003090							
<b>Percent of Tax Increment for Project</b>																					
Percent of Tax Increment for Project		75%	75%	70%	70%	70%	70%	70%	60%	60%	60%	60%	60%	0%	0%	0%	0%	0%	0%	0%	0%
Percent of Tax Increment for Haircut		25%	25%	30%	30%	30%	30%	30%	40%	40%	40%	40%	40%	100%	100%	100%	100%	100%	100%	100%	100%
<b>TAX INCREMENT REVENUES</b>																					
Property Tax Increment	\$ -	\$ 315,000	\$ 315,000	\$ 343,370	\$ 380,226	\$ 349,560	\$ 490,725	\$ 421,591	\$ 545,500	\$ 458,511	\$ 453,090	\$ 441,869	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,717,132
Less Current Year Uncollected	-	-	-	-	-	-	-	-	-	(23,069)	(20,776)	(18,732)	-	-	-	-	-	-	-	-	(62,577)
Plus Prior Years Late Collections	-	-	-	-	-	-	-	-	-	9	-	1,232	-	-	-	-	-	-	-	-	1,241
<b>Total Tax Increment Received by Agency</b>	<b>\$ -</b>	<b>\$ 315,000</b>	<b>\$ 315,000</b>	<b>\$ 343,370</b>	<b>\$ 380,226</b>	<b>\$ 349,560</b>	<b>\$ 490,725</b>	<b>\$ 421,591</b>	<b>\$ 545,500</b>	<b>\$ 435,451</b>	<b>\$ 432,314</b>	<b>\$ 424,369</b>	<b>\$ -</b>	<b>\$ 13,655,796</b>							
<b>HAIRCUT REVENUES</b>																					
Haircut Increment	\$ 231,893	\$ 103,466	\$ 74,178	\$ 48,212	\$ 55,024	\$ 48,832	\$ 58,895	\$ 78,116	\$ 104,265	\$ 86,842	\$ 86,509	\$ 83,527	\$ 194,689	\$ 186,624	\$ 186,624	\$ 186,624	\$ 186,624	\$ 186,624	\$ 186,624	\$ 186,624	\$ 2,374,191
Less Current Year Uncollected	-	-	-	-	-	-	-	-	-	(4,369)	(3,967)	(3,541)	(9,518)	-	-	-	-	-	-	-	(21,395)
Plus Prior Years Late Collections	-	-	-	-	-	-	-	-	-	2	-	235	-	-	-	-	-	-	-	-	237
<b>Total Haircut Received by Agency</b>	<b>\$ 231,893</b>	<b>\$ 103,466</b>	<b>\$ 74,178</b>	<b>\$ 48,212</b>	<b>\$ 55,024</b>	<b>\$ 48,832</b>	<b>\$ 58,895</b>	<b>\$ 78,116</b>	<b>\$ 104,265</b>	<b>\$ 82,475</b>	<b>\$ 82,542</b>	<b>\$ 80,221</b>	<b>\$ 185,171</b>	<b>\$ 186,624</b>	<b>\$ 2,353,033</b>						
<b>TOTAL REVENUES RECEIVED</b>	<b>\$ 231,893</b>	<b>\$ 418,466</b>	<b>\$ 389,178</b>	<b>\$ 391,582</b>	<b>\$ 435,250</b>	<b>\$ 398,392</b>	<b>\$ 549,620</b>	<b>\$ 499,707</b>	<b>\$ 649,766</b>	<b>\$ 517,926</b>	<b>\$ 514,856</b>	<b>\$ 504,590</b>	<b>\$ 185,171</b>	<b>\$ 186,624</b>	<b>\$ 16,008,829</b>						
<b>PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)</b>																					
Estimated Total Pass Through Increment	\$ 883,745	\$ 320,985	\$ 243,924	\$ 157,113	\$ 107,930	\$ 100,979	\$ 151,416	\$ 202,945	\$ 259,401	\$ 328,732	\$ 322,837	\$ 311,844	\$ 704,785	\$ 701,824	\$ 701,824	\$ 701,824	\$ 701,824	\$ 701,824	\$ 701,824	\$ 701,824	\$ 10,391,460
<b>EXPENDITURES</b>																					
<b>Project Area Budget and Uses of Funds</b>																					
RDA Admin	\$ -	\$ 315,000	\$ 315,000	\$ 315,000	\$ 273,000	\$ 315,000	\$ 315,000	\$ 221,591	\$ 315,000	\$ 315,000	\$ 315,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,014,591
Debt Service (Haircut Eligible)	231,893	103,466	74,178	76,582	162,250	83,392	234,620	78,116	296,496	250,179	108,262	146,470	185,171	185,171	185,171	185,171	-	-	-	-	2,586,588
Optional Reimbursement to Road Fund for Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	261,469	261,469
Misc. Expenditures	-	915	-	-	-	-	-	-	-	-	-	-	5,000	-	-	-	-	-	-	-	120,915
Interest Revenue	-	-	-	-	-	-	-	(1,636)	(2,222)	(1,955)	(4,261)	(4,598)	-	-	-	-	-	-	-	-	(14,672)
Redevelopment Activities	-	(915)	-	-	-	-	-	200,000	39,905	(45,031)	93,548	362,382	(402)	1,453	1,453	1,453	186,624	186,624	(74,845)	953,164	387,851
<b>Total Uses</b>	<b>\$ 231,893</b>	<b>\$ 418,466</b>	<b>\$ 389,178</b>	<b>\$ 391,582</b>	<b>\$ 435,250</b>	<b>\$ 398,392</b>	<b>\$ 549,620</b>	<b>\$ 499,707</b>	<b>\$ 649,766</b>	<b>\$ 517,926</b>	<b>\$ 514,856</b>	<b>\$ 504,590</b>	<b>\$ 185,171</b>	<b>\$ 186,624</b>	<b>\$ 16,008,829</b>						

## SECTION 3: OVERVIEW OF THE 85-03A PROJECT AREA

Table 4.1: Project Area Overview

OVERVIEW				
<u>Type</u> RDA	<u>Acreage</u> 99.98	<u>Purpose</u> Commercial Development	<u>Taxing District</u> 090	<u>Tax Rate</u> 0.003090
<u>Creation Year</u> FY 1985	<u>Base Year</u> FY 1985	<u>Term</u> 32 Years	<u>Trigger Year</u> FY 1990	<u>Expiration Year</u> FY 2021
<u>Base Value</u> \$30,552,708	<u>TY 2014 Value</u> \$101,663,871	<u>Increase</u> 232%	<u>FY 2015 Increment</u> \$219,333	<u>Remaining Years</u> 6 Years



The 85-03A Project Area was created in December 1985 and is governed by the (a) “Redevelopment Plan #85-03-A” This document and the associated ordinances and resolutions define the duration and use of property tax generated within the Project Area as well as conditions and obligations by the Agency and each participating taxing entity. As the 85-03A Project Area was created prior to 1993, a taxing entity committee was not established for this project Area.

The Project Area is currently intended to draw property tax increment beginning with the taxes collected in 1989 and remitted to the Agency in 1990 and continue for 25 years through and including taxes collected in 2013 and paid to the Agency in 2014. On August 28, 2001, the Agency adopted a resolution (RDA-R-01-0004-000) solidifying its desire to trigger the extension option for all seven RDA project areas, including this RDA. This action extends the receipt of haircut revenues through and including taxes collected in 2020 and paid to the Agency in 2021. Note that haircut revenues will not include participation from the school district’s portion of the tax rate. The original purpose of the 85-03A Project Area was to establish an attractive entryway into the City, and to convert the property into a more economically productive area. RDA 85-03A is generally located along University Parkway between 250 West and 800 East.

### SOURCES OF FUNDS

Table 4.2: Sources of Funds

2015 SOURCES OF FUNDS	
Haircut Increment	\$219,333
Total Sources of Funds	\$219,333

Table 4.3: Tax Increment Levels

TAX INCREMENT LEVELS		
Years	% of Tax Increment	% of Haircut
1990-1994	100%	0%
1995-1999	80%	20%
2000-2004	75%	25%
2005-2009	70%	30%
2010-2014	60%	40%
2015-2021	0%	100%

## USES OF FUNDS

Table 4.4: Uses of Funds

2015 USES OF FUNDS	
Developer Incentive Payment	\$75,000
Debt Service Payments	\$292,438
Miscellaneous Expenditures	\$16,400
Contribution to (Use of Fund) Balance	(\$145,662)
Interest (Revenue)	(\$18,842)
Total Uses of Funds	\$219,333

## DEVELOPER INCENTIVE PAYMENTS

In 2009, the Agency entered into an agreement with MLP Orem, LLC in which the Agency would remit to the developer tax increment over a period of 8 years. The payment was based off of the amount of sales tax that was generated by the car dealership built by the developer. This payment is dependent on the continuous operation of the dealership and the creation and maintaining of 20 full time jobs. For FY 2015 the Agency paid the developer \$75,000.

Table 4.5: Developer Incentive Payments

2015 DEVELOPER INCENTIVE PAYMENTS	
MLP Orem, LLC Payment	\$75,000
Total Developer Incentive Payment	\$75,000

## DEBT SERVICE PAYMENTS

In 2002, Orem City issued \$12,175,000 in Sales Tax Revenue Bonds, Series 2002 to fund various recreational facilities and uses throughout the City. As per Utah State Code Title 17C-1-403, the Agency is using the haircut proceeds from all qualified Project Areas to repay the City for the Sales Tax Revenue debt service expenditures. In FY 2015, the 85-03A Project Area's portion of the debt service was \$185,171.

Table 4.6: Debt Service Payments

2015 DEBT SERVICE PAYMENTS	
Series 2002 Sales Tax Revenue Bond Payment	\$292,438
Total Debt Service Payments	\$292,438

## PROJECT AREA REPORTING AND ACCOUNTABILITY

### COMPARISON OF FORECASTED AND ACTUAL TAX INCREMENT

Table 4.7: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2015	\$218,882	\$219,333	100.2%

### RELATIVE GROWTH IN ASSESSED VALUE

Table 4.8: Growth in Assessed Value

GROWTH IN ASSESSED VALUE	CURRENT YEAR	COMPARISON YEAR	GROWTH RATE	AAGR
ASSESSED VALUES IN PROJECT AREA				
Annual Growth in Project Area (2014 vs. 2013)	\$101,663,871	\$98,071,207	3.66%	3.66%
Lifetime Growth in Project Area (2014 vs. Base)	\$101,663,871	\$30,552,708	232%	4.23%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2014 vs. 2013)	\$4,534,129,407	\$4,287,504,710	5.75%	5.75%
Lifetime Growth in Orem City (2014 vs. 1996)	\$4,534,129,407	\$2,173,320,362	108.63%	4.17%

### BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 4.9: Benefits to Taxing Entities

BENEFITS TO TAXING ENTITIES
*Increased Property Tax Revenues upon Expiration of Project Area
*Increased Sales Tax Revenues

### GROWTH IN PROPERTY TAX INCREMENT

Currently the only taxing entity receiving increment is the School District. Annual property tax increment (above the base amount) currently being returned to the School District is 610% above what would have been realized if assessed values in the Project Area had remained at base year levels for all the taxing entities. Lifetime property tax increment (above the base amount) received by the School District is 137% above what would have been realized based on base year levels for all the taxing

entities. This number will increase significantly when the Project Area expires in 2021, and all of the taxing entities receive the benefit of the 232% increase in annual tax increment.

Table 4.10: Growth in Property Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
<b>TAX INCREMENT FROM PROJECT AREA</b>				
Fiscal Year 2015	NA	\$219,333	\$94,408	232%
Lifetime Revenue (FY 1990-2015)	NA	\$8,739,069	\$2,687,538	325%
<b>PASS THROUGH TAX INCREMENT (ABOVE BASE)</b>				
Fiscal Year 2015	NA	\$576,116	\$94,408	610%
Lifetime Revenue (FY 1990-2015)	NA	\$3,683,909	\$2,687,538	137%

## NOTABLE DEVELOPMENT AND FUTURE PROJECTS

-  Dick's Sporting Goods Store
-  Lowe's
-  In & Out Burger

-  Orem Mazda
-  Ken Garff Volkswagen

## FORECASTED PROJECT AREA BUDGET UPDATE

The multi-year budget attached to this document and summarized below displays revenue in the fiscal year received rather than the calendar year collected.

Table 4.11: Project Area Budget

PROJECT AREA BUDGET	2016-2021	
	TOTALS	NPV @5%
<b>REVENUES</b>		
Haircut Increment	\$1,263,788	\$1,069,099
Total Revenue	\$1,263,788	\$1,069,099
<b>EXPENDITURES</b>		
Developer Incentive Payments	\$375,000	\$340,406
Debt Service Payments	\$2,318,729	\$1,843,685
Contribution to (Use of Fund) Balance	(\$1,429,942)	(\$1,114,992)
Total Expenditures	\$1,263,788	\$1,069,099

## OTHER ISSUES

LYRB has not identified any major areas of concern with the 85-03A Project Area and believes that, according to the records reviewed, all parties are meeting their respective obligations related to this Project Area.



## **PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS**

The following four sheets represent the FY 2015, FY 2016, FY 2017 and full multi-year budgets from 2003 to 2021.



Orem 85-03A  
2015 Annual Budget

	Yr. 26
Tax Year	2014
Payment Year	2015
<b>ASSESSED VALUATION</b>	
TAXABLE VALUATION	
Real Property	98,532,680
Personal Property	1,468,014
Centrally Assessed	1,663,177
Total Assessed Value	101,663,871
<b>Less: Base Year Value</b>	<b>(30,552,708)</b>
Incremental Assessed Value	71,111,163
<b>TAX INCREMENT ANALYSIS</b>	
Tax Rate	
Utah County	0.001149
Alpine School District	0.008096
Orem City	0.001716
Orem Metropolitan Water District	0.000036
Central Utah Water Conservancy	0.000422
Less State Assessing & Collecting	(0.000013)
Less Local Assessing & Collecting	(0.000220)
Total Tax Rate	0.011186
<b>PROJECT AREA BUDGET</b>	
TAX INCREMENT REVENUES	
Percent of Tax Increment for Project	0%
Total Tax Increment Received	-
Percent of Tax Increment for Haircut	100%
Total Haircut Received	219,333
<b>TOTAL DISTRIBUTION</b>	<b>219,333</b>
EXPENDITURES	
RDA Admin	-
Loan Repayments to City	-
Developer Reimbursement (University Square)	-
Developer Reimbursement (Eagle Hardware)	-
Developer Reimbursement (Mazda Orem)	75,000
Developer Reimbursement (Fund 45 Lakeside Park)	-
Debt Service (Haircut Eligible)	292,438
Misc. Expenditures	16,400
Land Sales Revenues	-
Sales Tax Revenues from City	-
Intrest Revenue	(18,842)
Redevelopment Activities	(145,662)
<b>TOTAL EXPENDITURES</b>	<b>219,333</b>



Orem 85-03A  
2016 Annual Budget

	Yr. 27
Tax Year	2015
Payment Year	2016
<b>ASSESSED VALUATION</b>	
TAXABLE VALUATION	
Real Property	98,532,680
Personal Property	1,468,014
Centrally Assessed	1,663,177
Total Assessed Value	101,663,871
<b>Less: Base Year Value</b>	<b>(30,552,708)</b>
Incremental Assessed Value	71,111,163
<b>TAX INCREMENT ANALYSIS</b>	
Tax Rate	
Utah County	0.001098
Alpine School District	0.008177
Orem City	0.001652
Orem Metropolitan Water District	0.000035
Central Utah Water Conservancy	0.000405
Less State Assessing & Collecting	(0.000012)
Less Local Assessing & Collecting	(0.000216)
Total Tax Rate	0.011139
<b>PROJECT AREA BUDGET</b>	
TAX INCREMENT REVENUES	
Percent of Tax Increment for Project	0%
Total Tax Increment Received	-
Percent of Tax Increment for Haircut	100%
Total Haircut Received	210,631
<b>TOTAL DISTRIBUTION</b>	<b>210,631</b>
EXPENDITURES	
RDA Admin	-
Loan Repayments to City	-
Developer Reimbursement (University Square)	-
Developer Reimbursement (Eagle Hardware)	-
Developer Reimbursement (Mazda Orem)	125,000
Developer Reimbursement (Fund 45 Lakeside Park)	-
Debt Service (Haircut Eligible)	280,000
Misc. Expenditures	-
Land Sales Revenues	-
Sales Tax Revenues from City	-
Intrest Revenue	-
Redevelopment Activities	(194,369)
<b>TOTAL EXPENDITURES</b>	<b>210,631</b>



Orem 85-03A  
2017 Annual Budget

	Yr. 28
Tax Year	2016
Payment Year	2017
<b>ASSESSED VALUATION</b>	
TAXABLE VALUATION	
Real Property	98,532,680
Personal Property	1,468,014
Centrally Assessed	1,663,177
Total Assessed Value	101,663,871
<b>Less: Base Year Value</b>	<b>(30,552,708)</b>
Incremental Assessed Value	71,111,163
<b>TAX INCREMENT ANALYSIS</b>	
Tax Rate	
Utah County	0.001098
Alpine School District	0.008177
Orem City	0.001652
Orem Metropolitan Water District	0.000035
Central Utah Water Conservancy	0.000405
Less State Assessing & Collecting	(0.000012)
Less Local Assessing & Collecting	(0.000216)
Total Tax Rate	0.011139
<b>PROJECT AREA BUDGET</b>	
TAX INCREMENT REVENUES	
Percent of Tax Increment for Project	0%
Total Tax Increment Received	-
Percent of Tax Increment for Haircut	100%
Total Haircut Received	210,631
<b>TOTAL DISTRIBUTION</b>	<b>210,631</b>
EXPENDITURES	
RDA Admin	-
Loan Repayments to City	-
Developer Reimbursement (University Square)	-
Developer Reimbursement (Eagle Hardware)	-
Developer Reimbursement (Mazda Orem)	125,000
Developer Reimbursement (Fund 45 Lakeside Park)	-
Debt Service (Haircut Eligible)	200,000
Misc. Expenditures	-
Land Sales Revenues	-
Sales Tax Revenues from City	-
Intrest Revenue	-
Redevelopment Activities	(114,369)
<b>TOTAL EXPENDITURES</b>	<b>210,631</b>



# Orem RDA 85-03A

Ongoing Budget  
Multi-Year Project Area Budget Projections



Tax Year Payment Year	Base	14	15	16	17	18	19	20	21	22	23	24	25	<=== HISTORIC					PROJECTED =====>					TOTALS	NPV @ 5%
	1985	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021				
<b>REVENUES</b>																									
<b>TAXABLE VALUATION:</b>																									
Locally Assessed Real		84,396,819	85,000,854	85,356,847	84,883,001	82,968,968	99,890,330	117,197,995	109,196,057		95,378,870	95,127,260	95,215,585	98,532,680	98,532,680	98,532,680	98,532,680	98,532,680	98,532,680	98,532,680	98,532,680	98,532,680			
Personal Property		851,101	1,945,955	2,170,549	2,204,141	2,047,262	1,691,640	1,570,072	1,617,373		1,181,726	1,355,557	1,392,408	1,468,014	1,468,014	1,468,014	1,468,014	1,468,014	1,468,014	1,468,014	1,468,014	1,468,014	1,468,014		
Centrally Assessed		1,039,196	793,137	676,705	672,452	619,883	843,648	848,702	796,808		762,321	922,517	1,463,214	1,663,177	1,663,177	1,663,177	1,663,177	1,663,177	1,663,177	1,663,177	1,663,177	1,663,177	1,663,177		
Total Assessed Value		86,287,116	87,739,946	88,204,101	87,759,594	85,636,113	102,425,618	119,616,769	111,610,238	-	97,322,917	97,405,334	98,071,207	101,663,871	101,663,871	101,663,871	101,663,871	101,663,871	101,663,871	101,663,871	101,663,871	101,663,871	101,663,871		
Less: Base Year Value	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)		
<b>Total Incremental Assessed Value</b>		<b>\$ 55,734,408</b>	<b>\$ 57,187,238</b>	<b>\$ 57,651,393</b>	<b>\$ 57,206,886</b>	<b>\$ 55,083,405</b>	<b>\$ 71,872,910</b>	<b>\$ 89,064,061</b>	<b>\$ 81,057,530</b>	<b>\$ -</b>	<b>\$ 66,770,209</b>	<b>\$ 66,852,626</b>	<b>\$ 67,518,499</b>	<b>\$ 71,111,163</b>											
<b>Real Property/Centrally Assessed Tax Rate:</b>																									
Total Tax Rate		-	0.011034	0.011380	0.010349	0.010406	0.009787	0.009763	0.010530	0.011524	0.012309	0.012371	0.011857	0.011186	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139		
Actual Tax Rate Used by County in TIF Calculation		0.010063	0.010409	0.011740	0.010558	0.010395	0.008745	0.009663	0.010448		0.012309	0.012371	0.011857												
Actual Tax Rate Used by County in HAIRCUT Calculation		0.003458	0.003508	0.003621	0.003459	0.003512	0.002850	0.002706	0.002907		0.003497	0.003543	0.003362	0.003090											
Percent of Tax Increment for Project		75%	75%	70%	70%	70%	70%	70%	60%	60%	60%	60%	60%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%		
Percent of Tax Increment for Haircut		25%	25%	30%	30%	30%	30%	30%	40%	40%	40%	40%	40%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		
<b>TAX INCREMENT REVENUES</b>																									
Property Tax Increment		\$ 420,641	\$ 106,000	\$ 250,000	\$ 392,771	\$ 396,818	\$ 437,480	\$ 532,546	\$ 527,698	\$ 520,086	\$ 493,125	\$ 496,220	\$ 480,340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,470,140	\$ 3,445,327
Less Current Year Uncollected		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (18,241)	\$ (6,535)	\$ (1,353)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (26,129)	\$ (8,365)
Plus Prior Years Late Collections		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,237	\$ 15,004	\$ 5,818	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,059	\$ 14,261	
<b>Total Tax Increment Received by Agency</b>		<b>\$ 420,641</b>	<b>\$ 106,000</b>	<b>\$ 250,000</b>	<b>\$ 392,771</b>	<b>\$ 396,818</b>	<b>\$ 437,480</b>	<b>\$ 532,546</b>	<b>\$ 527,698</b>	<b>\$ 520,086</b>	<b>\$ 499,121</b>	<b>\$ 504,689</b>	<b>\$ 484,805</b>	<b>\$ -</b>	<b>\$ 7,489,070</b>	<b>\$ 3,451,223</b>									
<b>HAIRCUT REVENUES</b>																									
Haircut Increment		\$ 48,877	\$ 154,748	\$ 112,931	\$ 55,169	\$ 57,446	\$ 61,130	\$ 63,934	\$ 95,342	\$ 99,360	\$ 93,398	\$ 94,744	\$ 90,799	\$ 219,733	\$ 210,631	\$ 210,631	\$ 210,631	\$ 210,631	\$ 210,631	\$ 210,631	\$ 210,631	\$ 210,631	\$ 210,631	\$ 2,511,398	\$ 764,344
Less Current Year Uncollected		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,455)	\$ (1,248)	\$ (255)	\$ (400)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5,358)	\$ (1,700)
Plus Prior Years Late Collections		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,930	\$ 2,714	\$ 1,102	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,746	\$ 2,446	
<b>Total Haircut Received by Agency</b>		<b>\$ 48,877</b>	<b>\$ 154,748</b>	<b>\$ 112,931</b>	<b>\$ 55,169</b>	<b>\$ 57,446</b>	<b>\$ 61,130</b>	<b>\$ 63,934</b>	<b>\$ 95,342</b>	<b>\$ 99,360</b>	<b>\$ 93,874</b>	<b>\$ 96,210</b>	<b>\$ 91,645</b>	<b>\$ 219,333</b>	<b>\$ 210,631</b>	<b>\$ 2,513,786</b>	<b>\$ 765,090</b>								
<b>TOTAL REVENUES RECEIVED</b>		<b>\$ 469,519</b>	<b>\$ 260,748</b>	<b>\$ 362,931</b>	<b>\$ 447,940</b>	<b>\$ 454,264</b>	<b>\$ 498,609</b>	<b>\$ 596,480</b>	<b>\$ 623,039</b>	<b>\$ 619,446</b>	<b>\$ 592,995</b>	<b>\$ 600,899</b>	<b>\$ 576,450</b>	<b>\$ 219,333</b>	<b>\$ 210,631</b>	<b>\$ 10,002,856</b>	<b>\$ 4,216,314</b>								
<b>PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)</b>																									
Estimated Total Pass Through Increment		\$ 91,336	\$ 334,514	\$ 313,896	\$ 156,050	\$ 118,328	\$ 126,362	\$ 164,300	\$ 256,457	\$ 247,364	\$ 228,880	\$ 226,135	\$ 224,117	\$ 576,116	\$ 581,476	\$ 581,476	\$ 581,476	\$ 581,476	\$ 581,476	\$ 581,476	\$ 581,476	\$ 581,476	\$ 7,172,765	\$ 2,329,552	
<b>EXPENDITURES</b>																									
<b>Project Area Budget and Uses of Funds</b>																									
RDA Admin		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	
Loan Repayments to City		420,642	203,767	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 3,146,550	\$ 1,863,377	
Developer Reimbursement (Mazda Orem)		-	-	-	-	-	-	-	-	39,877	41,053	54,847	53,947	75,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	\$ 639,724	\$ 168,346	
Debt Service (Haircut Eligible)		48,877	154,748	351,248	47,940	57,446	284,368	63,934	295,342	99,360	93,874	96,210	91,645	292,438	280,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	\$ 2,657,430	\$ 881,652	
Misc. Expenditures		-	-	-	25,058	114,462	850,766	-	-	-	3,539	-	-	16,400	-	-	-	-	-	-	-	-	\$ 2,326,817	\$ 1,272,965	
Reimbursement to General Fund for Sales Tax Revenue Loan		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 1,638,729	\$ 327,537	
Interest Revenue		-	-	-	-	-	-	-	-	(9,674)	(21,651)	(16,071)	(18,401)	(18,842)	-	-	-	-	-	-	-	-	\$ (84,640)	\$ (24,831)	
Redevelopment Activities		(0)	(97,767)	11,683	374,942	282,356	(636,525)	532,546	327,698	489,883	476,180	465,914	449,260	(145,662)	(194,369)	(114,369)	(114,369)	(114,369)	210,631	210,631	(1,428,098)	\$ 1,234,569	\$ 920,899		
<b>Total Uses</b>		<b>\$ 469,519</b>	<b>\$ 260,748</b>	<b>\$ 362,931</b>	<b>\$ 447,940</b>	<b>\$ 454,264</b>	<b>\$ 498,609</b>	<b>\$ 596,480</b>	<b>\$ 623,039</b>	<b>\$ 619,446</b>	<b>\$ 592,995</b>	<b>\$ 600,899</b>	<b>\$ 576,450</b>	<b>\$ 219,333</b>	<b>\$ 210,631</b>	<b>\$ 10,002,856</b>	<b>\$ 4,015,537</b>								

# SECTION 4: OVERVIEW OF THE 85-03B PROJECT AREA

Table 5.1: Project Area Overview

OVERVIEW				
<u>Type</u> RDA	<u>Acreage</u> 87.90	<u>Purpose</u> Commercial Development	<u>Taxing District</u> 090	<u>Tax Rate</u> 0.003090
<u>Creation Year</u> FY 1985	<u>Base Year</u> FY 1985	<u>Term</u> 32 Years	<u>Trigger Year</u> FY 1990	<u>Expiration Year</u> FY 2021
<u>Base Value</u> \$6,854,457	<u>TY 2014 Value</u> \$115,706,212	<u>Increase</u> 1,588%	<u>FY 2015 Increment</u> \$319,731	<u>Remaining Life</u> 6 Years



The 85-03B Project Area was created in December 1985 and is governed by the (a) “Redevelopment Plan #85-03-B” This document and the associated ordinances and resolutions define the duration and use of property tax generated within the Project Area as well as conditions and obligations by the Agency and each participating taxing entity. As the 85-03B Project Area was created prior to 1993, a taxing entity committee was not established for this project Area.

The Project Area is currently intended to draw property tax increment beginning with the taxes collected in 1989 and remitted to the Agency in 1990 and continue for 25 years through and including taxes collected in 2013 and paid to the Agency in 2014. On August 28, 2001, the Agency adopted a resolution (RDA-R-01-0004-000) solidifying its desire to trigger the extension option for all seven RDA project areas, including this RDA. This action extends the receipt of haircut revenues through and including taxes collected in 2020 and paid to the Agency in 2021. Note that haircut revenues will not include participation from the school district’s portion of the tax rate. The original purpose of the 85-03B Project Area was to establish an attractive entryway into the City, and to convert the property into a more economically productive area. RDA 85-03B is generally located along University Parkway between I-15 and 250 West.



## SOURCES OF FUNDS

Table 5.2: Sources of Funds

2015 SOURCES OF FUNDS	
Haircut Increment	\$319,731
<b>Total Sources of Funds</b>	<b>\$319,731</b>

Table 5.3: Tax Increment Levels

TAX INCREMENT LEVELS		
Years	% of Tax Increment	% of Haircut
1990-1994	100%	0%
1995-1999	80%	20%
2000-2004	75%	25%
2005-2009	70%	30%
2010-2014	60%	40%
2015-2021	0%	100%

## USES OF FUNDS

Table 5.4: Uses of Funds

2015 USES OF FUNDS	
RDA Administration	\$165,000
Debt Service	\$84,716
Contribution to (Use of Fund) Balance	(\$199,379)
Interest (Revenue)	(\$33,218)
<b>Total Uses of Funds</b>	<b>\$319,731</b>

## DEBT SERVICE PAYMENTS

In 2002, Orem City issued \$12,175,000 in Sales Tax Revenue Bonds, Series 2002 to fund various recreational facilities and uses throughout the City. As per Utah State Code Title 17C-1-403, the Agency is using the haircut proceeds from all qualified Project Areas to repay the City for the Sales Tax Revenue debt service expenditures. In FY 2015, the 85-03B Project Area's portion of the debt service was \$387,328.

Table 5.5: Debt Service Payments

2015 DEBT SERVICE PAYMENTS	
Series 2002 Sales Tax Revenue Bond Payment	\$387,328
<b>Total Debt Service Payments</b>	<b>\$387,328</b>

## PROJECT AREA REPORTING AND ACCOUNTABILITY

### COMPARISON OF FORECASTED AND ACTUAL TAX INCREMENT

Table 5.6: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2015	\$338,807	\$319,731	94%

### RELATIVE GROWTH IN ASSESSED VALUE

Table 5.7: Growth in Assessed Value

GROWTH IN ASSESSED VALUE	CURRENT YEAR	COMPARISON YEAR	GROWTH RATE	AAGR
<b>ASSESSED VALUES IN PROJECT AREA</b>				
Annual Growth in Project Area (2014 vs. 2013)	\$115,706,212	\$111,705,020	3.58%	3.58%
Lifetime Growth in Project Area (2014 vs. Base)	\$115,706,212	\$6,854,457	1,588%	10.24%
<b>ASSESSED VALUES IN OREM CITY</b>				
Annual Growth in Orem City (2014 vs. 2013)	\$4,534,129,407	\$4,287,504,710	5.75%	5.75%
Lifetime Growth in Orem City (2014 vs. 1996)	\$4,534,129,407	\$2,173,320,362	108.63%	4.17%

## BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 5.8: Benefits to Taxing Entities

BENEFITS TO TAXING ENTITIES
*Increased Property Tax Revenues upon Expiration of Project Area
*Increased Sales Tax Revenues

### GROWTH IN PROPERTY TAX INCREMENT

Currently the only taxing entity receiving increment is the School District. Annual property tax increment (above the base amount) currently being returned to the School District is 1,171% above what would have been realized if assessed values in the Project Area had remained at base year levels for all the taxing entities. Lifetime property tax increment (above the base amount) received by the School District is 374% above what would have been realized based on base year levels for all the taxing entities. This number will increase significantly when the Project Area expires in 2021, and all of the taxing entities receive the benefit of the 417% increase in annual tax increment.

Table 5.9: Growth in Property Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
<b>TAX INCREMENT FROM PROJECT AREA</b>				
Fiscal Year 2015	NA	\$319,731	\$76,674	417%
Lifetime Revenue (FY 1990-2015)	NA	\$10,529,226	\$1,865,564	564%
<b>PASS THROUGH TAX INCREMENT (ABOVE BASE)</b>				
Fiscal Year 2015	NA	\$897,885	\$76,674	1,171%
Lifetime Revenue (FY 1990-2015)	NA	\$6,979,408	\$1,865,564	374%

## NOTABLE DEVELOPMENT AND FUTURE PROJECTS

- 🏪 Wal-Mart
- 🏪 Ross
- 🏪 Hampton Inn
- 🏪 La Quinto Inn & Suites
- 🏪 Ken Garff Nissan
- 🏪 Hobby Lobby
- 🏪 IHOP

## FORECASTED PROJECT AREA BUDGET UPDATE

The multi-year budget attached to this document and summarized below displays revenue in the fiscal year received rather than the calendar year collected.

Table 5.10: Project Area Budget

FORECASTED PROJECT AREA BUDGET	2016-2021	
	TOTALS	NPV @5%
<b>REVENUES</b>		
Haircut Increment	\$1,934,513	\$1,636,499
Total Revenue	\$1,934,513	\$1,636,499
<b>EXPENDITURES</b>		
RDA Administration	\$990,000	\$837,489
Debt Service Payments	\$2,066,668	\$1,697,122
Contribution to (Use of Fund) Balance	(\$1,122,155)	(\$898,112)
Total Expenditures	\$1,934,513	\$1,636,499

## OTHER ISSUES

LYRB has not identified any major areas of concern with the 85-03B Project Area and believes that, according to the records reviewed, all parties are meeting their respective obligations related to this Project Area.



## **PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS**

The following four sheets represent the FY 2015, FY 2016, FY 2017 and projected multi-year budgets from 2003 to 2021.



# Orem RDA 85-03B

## 2015 Annual Budget

	Tax Year	Yr. 26
	Payment Year	2014
		2015
<b>ASSESSED VALUATION</b>		
<b>TAXABLE VALUATION</b>		
Real Property		115,326,240
Personal Property		-
Centrally Assessed		379,972
Total Assessed Value		115,706,212
<b>Less: Base Year Value</b>		<b>(6,854,457)</b>
Incremental Assessed Value		108,851,755
<b>TAX INCREMENT ANALYSIS</b>		
<b>Tax Rate</b>		
Utah County		0.001149
Alpine School District		0.008096
Orem City		0.001716
Orem Metropolitan Water District		0.000036
Central Utah Water Conservancy		0.000422
Less State Assessing & Collecting		(0.000013)
Less Local Assessing & Collecting		(0.000220)
Total Tax Rate		0.011186
<b>PROJECT AREA BUDGET</b>		
<b>TAX INCREMENT REVENUES</b>		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		319,731
<b>TOTAL DISTRIBUTION</b>		<b>319,731</b>
<b>EXPENDITURES</b>		
RDA Admin		165,000
Developer Reimbursement (Walmart)		-
Developer Reimbursement (Lake Point)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		387,328
Misc. Expenditures		-
Sales Tax Revenue from City		-
Interest Revenue		(33,218)
Redevelopment Activities		(199,379)
<b>TOTAL EXPENDITURES</b>		<b>319,731</b>



# Orem RDA 85-03B

## 2016 Annual Budget

	Tax Year	Yr. 27
	Payment Year	2015
		2016
<b>ASSESSED VALUATION</b>		
<b>TAXABLE VALUATION</b>		
Real Property		115,326,240
Personal Property		-
Centrally Assessed		379,972
Total Assessed Value		115,706,212
<b>Less: Base Year Value</b>		<b>(6,854,457)</b>
Incremental Assessed Value		108,851,755
<b>TAX INCREMENT ANALYSIS</b>		
<b>Tax Rate</b>		
Utah County		0.001098
Alpine School District		0.008177
Orem City		0.001652
Orem Metropolitan Water District		0.000035
Central Utah Water Conservancy		0.000405
Less State Assessing & Collecting		(0.000012)
Less Local Assessing & Collecting		(0.000216)
Total Tax Rate		0.011139
<b>PROJECT AREA BUDGET</b>		
<b>TAX INCREMENT REVENUES</b>		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		322,419
<b>TOTAL DISTRIBUTION</b>		<b>322,419</b>
<b>EXPENDITURES</b>		
RDA Admin		165,000
Developer Reimbursement (Walmart)		-
Developer Reimbursement (Lake Point)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		319,731
Misc. Expenditures		-
Sales Tax Revenue from City		-
Interest Revenue		-
Redevelopment Activities		(162,312)
<b>TOTAL EXPENDITURES</b>		<b>322,419</b>



# Orem RDA 85-03B

2017 Annual Budget

	Yr. 28
Tax Year	2016
Payment Year	2017
<b>ASSESSED VALUATION</b>	
<b>TAXABLE VALUATION</b>	
Real Property	115,326,240
Personal Property	-
Centrally Assessed	379,972
Total Assessed Value	115,706,212
<b>Less: Base Year Value</b>	<b>(6,854,457)</b>
Incremental Assessed Value	108,851,755
<b>TAX INCREMENT ANALYSIS</b>	
Tax Rate	
Utah County	0.001098
Alpine School District	0.008177
Orem City	0.001652
Orem Metropolitan Water District	0.000035
Central Utah Water Conservancy	0.000405
Less State Assessing & Collecting	(0.000012)
Less Local Assessing & Collecting	(0.000216)
Total Tax Rate	0.011139
<b>PROJECT AREA BUDGET</b>	
<b>TAX INCREMENT REVENUES</b>	
Percent of Tax Increment for Project	0%
Total Tax Increment Received	-
Percent of Tax Increment for Haircut	100%
Total Haircut Received	322,419
<b>TOTAL DISTRIBUTION</b>	<b>322,419</b>
<b>EXPENDITURES</b>	
RDA Admin	165,000
Developer Reimbursement (Walmart)	-
Developer Reimbursement (Lake Point)	-
Developer Reimbursement (Fund 45 Lakeside Park)	-
Debt Service (Haircut Eligible)	319,731
Misc. Expenditures	-
Sales Tax Revenue from City	-
Interest Revenue	-
Redevelopment Activities	(162,312)
<b>TOTAL EXPENDITURES</b>	<b>322,419</b>



# Orem RDA 85-03B

Ongoing Budget  
Multi-Year Project Area Budget Projections



Tax Year Payment Year	Base	14	15	16	17	18	19	20	21	22	23	24	25	<=== HISTORIC					PROJECTED ===>					TOTALS	NPV @ 5%
	1985	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021				
<b>REVENUES</b>																									
<b>TAXABLE VALUATION:</b>																									
Locally Assessed Real		88,059,635	85,382,097	85,591,789	86,643,147	91,294,087	101,459,810	128,292,052	119,579,035		110,069,020	111,798,570	111,230,655	115,326,240	115,326,240	115,326,240	115,326,240	115,326,240	115,326,240	115,326,240	115,326,240				
Personal Property		-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-				
Centrally Assessed		447,648	647,298	732,617	733,590	661,184	790,716	726,684	692,080		436,664	457,648	474,365	379,972	379,972	379,972	379,972	379,972	379,972	379,972	379,972				
Total Assessed Value		88,507,283	86,029,395	86,324,406	87,376,737	91,955,271	102,250,526	129,018,736	120,271,115		110,505,684	112,256,218	111,705,020	115,706,212	115,706,212	115,706,212	115,706,212	115,706,212	115,706,212	115,706,212	115,706,212				
Less: Base Year Value	(6,854,457)	(6,854,457)	(6,854,457)	(6,854,457)	(6,854,457)	(6,854,457)	(6,854,457)	(6,854,457)	(6,854,457)		(6,854,457)	(6,854,457)	(6,854,457)	(6,854,457)	(6,854,457)	(6,854,457)	(6,854,457)	(6,854,457)	(6,854,457)	(6,854,457)	(6,854,457)				
<b>Total Incremental Assessed Value</b>		<b>\$ 81,652,826</b>	<b>\$ 79,174,938</b>	<b>\$ 79,469,949</b>	<b>\$ 80,522,280</b>	<b>\$ 85,100,814</b>	<b>\$ 95,396,069</b>	<b>\$ 122,164,279</b>	<b>\$ 113,416,658</b>	<b>\$ -</b>	<b>\$ 103,651,227</b>	<b>\$ 105,401,761</b>	<b>\$ 104,850,563</b>	<b>\$ 108,851,755</b>											
<b>Real Property/Centrally Assessed Tax Rate:</b>																									
Actual Tax Rate Used by County in TIF Calculation		0.010063	0.010490	0.011740	0.010558	0.010395	0.008745	0.009663	0.010448		0.012309	0.012371	0.011857												
Actual Tax Rate Used by County in HAIRCUT Calculation		0.003458	0.003508	0.003621	0.003459	0.003512	0.002850	0.002706	0.002907		0.003497	0.003543	0.003362	0.003090											
Percent of Tax Increment for Project		75%	75%	70%	70%	70%	70%	70%	60%	60%	60%	60%	60%	0%	0%	0%	0%	0%	0%	0%	0%				
Percent of Tax Increment for Haircut		25%	25%	30%	30%	30%	30%	30%	40%	40%	40%	40%	40%	100%	100%	100%	100%	100%	100%	100%	100%				
<b>TAX INCREMENT REVENUES</b>																									
Property Tax Increment	\$	-	\$ 463,395	\$ 375,000	\$ 556,996	\$ 674,323	\$ 524,606	\$ 859,090	\$ 685,573	\$ 764,191	\$ 765,506	\$ 782,355	\$ 745,928	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,196,963	\$ 3,740,254		
Less Current Year Uncollected											\$ (10,667)	\$ (5,579)	\$ (13,307)								\$ (29,553)	\$ (26,714)			
Plus Prior Years Late Collections											25,937	469	1,711								\$ 28,116	\$ 26,605			
<b>Total Tax Increment Received by Agency</b>	<b>\$</b>	<b>-</b>	<b>\$ 463,395</b>	<b>\$ 375,000</b>	<b>\$ 556,996</b>	<b>\$ 674,323</b>	<b>\$ 524,606</b>	<b>\$ 859,090</b>	<b>\$ 685,573</b>	<b>\$ 764,191</b>	<b>\$ 780,775</b>	<b>\$ 777,246</b>	<b>\$ 734,332</b>	<b>\$ -</b>	<b>\$ 7,195,527</b>	<b>\$ 3,740,217</b>									
<b>HAIRCUT REVENUES</b>																									
Haircut Increment	\$	194,905	\$ 130,337	\$ 151,039	\$ 78,215	\$ 97,100	\$ 73,350	\$ 104,515	\$ 127,027	\$ 145,273	\$ 144,987	\$ 149,375	\$ 141,003	\$ 336,352	\$ 322,419	\$ 322,419	\$ 322,419	\$ 322,419	\$ 322,419	\$ 322,419	\$ 322,419	\$ 3,807,992	\$ 1,158,479		
Less Current Year Uncollected											\$ (2,020)	\$ (1,065)	\$ (2,516)	\$ (16,621)							\$ (22,222)	\$ (18,738)			
Plus Prior Years Late Collections											4,923	89	327								\$ 5,338	\$ 5,051			
<b>Total Haircut Received by Agency</b>	<b>\$</b>	<b>194,905</b>	<b>\$ 130,337</b>	<b>\$ 151,039</b>	<b>\$ 78,215</b>	<b>\$ 97,100</b>	<b>\$ 73,350</b>	<b>\$ 104,515</b>	<b>\$ 127,027</b>	<b>\$ 145,273</b>	<b>\$ 147,890</b>	<b>\$ 148,399</b>	<b>\$ 138,814</b>	<b>\$ 319,731</b>	<b>\$ 322,419</b>	<b>\$ 3,791,108</b>	<b>\$ 1,153,800</b>								
<b>TOTAL REVENUES RECEIVED</b>	<b>\$</b>	<b>194,905</b>	<b>\$ 593,733</b>	<b>\$ 526,039</b>	<b>\$ 635,211</b>	<b>\$ 771,423</b>	<b>\$ 597,956</b>	<b>\$ 963,605</b>	<b>\$ 812,600</b>	<b>\$ 909,464</b>	<b>\$ 928,665</b>	<b>\$ 925,645</b>	<b>\$ 873,145</b>	<b>\$ 319,731</b>	<b>\$ 322,419</b>	<b>\$ 12,463,740</b>	<b>\$ 4,894,017</b>								
<b>PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)</b>																									
Estimated Total Pass Through Increment	\$	626,767	\$ 236,813	\$ 406,938	\$ 160,498	\$ 191,896	\$ 151,481	\$ 263,667	\$ 330,022	\$ 364,188	\$ 347,178	\$ 378,281	\$ 370,068	\$ 897,885	\$ 890,081	\$ 890,081	\$ 890,081	\$ 890,081	\$ 890,081	\$ 890,081	\$ 890,081	\$ 12,319,892	\$ 4,347,766		
<b>EXPENDITURES</b>																									
Project Area Budget and Uses of Funds																									
RDA Admin		-	-	-	-	-	-	-	-	-	-	-	115,000	165,000	165,000	165,000	165,000	165,000	165,000	165,000	165,000	\$ 1,270,000	\$ 315,901		
Debt Service (Haircut Eligible)		194,905	193,733	351,039	308,871	259,096	73,350	104,515	127,027	145,273	147,890	148,399	183,814	387,328	319,731	319,731	319,731	-	-	-	\$ 3,584,433	\$ 1,260,792			
Reimbursement to General Fund for Haircut Eligible Expenses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	908,863	\$ 908,863	\$ 190,740		
Misc. Expenditures		140,385	464,001	1,015	168,580	378,805	34,739	70	-	-	-	500,198	48,343	-	-	-	-	-	-	-	-	\$ 2,111,971	\$ 981,453		
Reimbursement to General Fund for Sales Tax Revenue Loan		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	106,600	\$ 106,600	\$ 22,372		
Optional Reimbursement to General Fund for Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	92,012	\$ 92,012	\$ 19,310		
Interest Revenue		-	-	-	-	-	-	-	(21,846)	(45,968)	(29,395)	(32,055)	(33,218)	-	-	-	-	-	-	-	-	\$ (162,482)	\$ (50,356)		
Redevelopment Activities		(140,385)	(64,001)	173,985	157,759	133,522	489,866	859,021	685,573	786,037	826,743	306,442	558,043	(199,379)	(162,312)	(162,312)	(162,312)	(162,312)	157,419	157,419	(950,056)	\$ 3,573,790	\$ 1,479,487		
<b>Total Uses</b>	<b>\$</b>	<b>194,905</b>	<b>\$ 593,733</b>	<b>\$ 526,039</b>	<b>\$ 635,211</b>	<b>\$ 771,423</b>	<b>\$ 597,956</b>	<b>\$ 963,605</b>	<b>\$ 812,600</b>	<b>\$ 909,464</b>	<b>\$ 928,665</b>	<b>\$ 925,645</b>	<b>\$ 873,145</b>	<b>\$ 319,731</b>	<b>\$ 322,419</b>	<b>\$ 12,463,740</b>	<b>\$ 4,894,017</b>								

## SECTION 5: OVERVIEW OF THE 85-04 PROJECT AREA

Table 6.1: Project Area Overview

OVERVIEW				
<b>Type</b> RDA	<b>Acres</b> 78.56	<b>Purpose</b> Commercial & Recreational Development	<b>Taxing District</b> 090	<b>Tax Rate</b> 0.003090
<b>Creation Year</b> FY 1986	<b>Base Year</b> FY 1986	<b>Term</b> 32 Years	<b>Trigger Year</b> FY 1990	<b>Expiration Year</b> FY 2021
<b>Base Value</b> \$18,801,179	<b>TY 2014 Value</b> \$53,491,855	<b>Increase</b> 185%	<b>FY 2015 Increment</b> \$92,731	<b>Remaining Life</b> 6 Years



The 85-04 Project Area was created in September 1986 and is governed by the (a) “Redevelopment Plan for Redevelopment Project No. 85-04” This document and the associated ordinances and resolutions define the duration and use of property tax generated within the Project Area as well as conditions and obligations by the Agency and each participating taxing entity. As the 85-04 Project Area was created prior to 1993, a taxing entity committee was not established for this project Area.

The Project Area is currently intended to draw property tax increment beginning with the taxes collected in 1989 and remitted to the Agency in 1990 and continue for 25 years through and including taxes collected in 2013 and paid to the Agency in 2014. On August 28, 2001, the Agency adopted a resolution (RDA-R-01-0004-000) solidifying its desire to trigger the extension option for all seven RDA project areas, including this RDA. This action extends the receipt of haircut revenues through and including taxes collected in 2020 and paid to the Agency in 2021. Note that haircut revenues will not include participation from the school district’s portion of the tax rate. The original purpose of the 85-04 Project Area was to convert the property into a more economically productive area and encourage owners of property within the Project Area to appropriately develop and beautify their properties. RDA 85-04 is located generally along State Street between 400 South and 900 South.



## SOURCES OF FUNDS

Table 6.2: Sources of Funds

2015 SOURCES OF FUNDS	
Haircut Increment	\$92,731
<b>Total Sources of Funds</b>	<b>\$92,731</b>

Table 6.3: Tax Increment Levels

TAX INCREMENT LEVELS		
Years	% of Tax Increment	% of Haircut
1990-1994	100%	0%
1995-1999	80%	20%
2000-2004	75%	25%
2005-2009	70%	30%
2010-2014	60%	40%
2015-2021	0%	100%

## USES OF FUNDS

Table 6.4: Uses of Funds

2015 USES OF FUNDS	
RDA Administration	\$50,000
Interest (Revenue)	(\$732)
Redevelopment Activities	\$43,463
<b>Total Uses of Funds</b>	<b>\$92,731</b>

## PROJECT AREA REPORTING AND ACCOUNTABILITY

### COMPARISON OF FORECASTED AND ACTUAL TAX INCREMENT

Table 6.5: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
<b>TAX INCREMENT GENERATED IN PROJECT AREA</b>			
Property Tax Increment – FY 2015	\$106,488	\$92,731	87%

### RELATIVE GROWTH IN ASSESSED VALUE

Table 6.6: Growth in Assessed Value

GROWTH IN ASSESSED VALUE	CURRENT YEAR	COMPARISON YEAR	GROWTH RATE	AAGR
<b>ASSESSED VALUES IN PROJECT AREA</b>				
Annual Growth in Project Area (2014 vs. 2013)	\$53,491,855	\$49,962,299	7.06%	7.06%
Lifetime Growth in Project Area (2014 vs. Base)	\$53,491,855	\$18,801,179	184.51%	3.67%

ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2014 vs. 2013)	\$4,534,129,407	\$4,287,504,710	5.75%	5.75%
Lifetime Growth in Orem City (2014 vs. 1996)	\$4,534,129,407	\$2,173,320,362	108.63%	4.17%

## BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 6.7: Benefits to Taxing Entities

BENEFITS TO TAXING ENTITIES	
*Increased Property Tax Revenues upon Expiration of Project Area	
*Increased Sales Tax Revenues	

### GROWTH IN PROPERTY TAX INCREMENT

Currently the only taxing entity receiving increment is the School District. Annual property tax increment (above the base amount) currently being returned to the School District is 508% above what would have been realized if assessed values in the Project Area had remained at base year levels for all the taxing entities. Lifetime property tax increment (above the base amount) received by the School District is 114% above what would have been realized based on base year levels for all the taxing entities. This number will increase significantly when the Project Area expires in 2021, and all of the taxing entities receive the benefit of the 158% increase in annual tax increment.

Table 6.8: Growth in Property Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
<b>TAX INCREMENT FROM PROJECT AREA</b>				
Fiscal Year 2015	NA	\$91,731	\$58,096	158%
Lifetime Revenue (FY 1990-2015)	NA	\$2,942,960	\$2,105,619	140%
<b>PASS THROUGH TAX INCREMENT (ABOVE BASE)</b>				
Fiscal Year 2015	NA	\$295,319	\$58,096	508%
Lifetime Revenue (FY 1990-2015)	NA	\$2,389,937	\$2,105,619	114%

## NOTABLE DEVELOPMENT AND FUTURE PROJECTS

-  Scera Park and Theater
-  Good Earth Natural Foods

-  Wingers
-  Law Offices

## FORECASTED PROJECT AREA BUDGET UPDATE

The multi-year budget attached to this document and summarized below displays revenue in the fiscal year received rather than the calendar year collected.

Table 6.9: Project Area Budget

FORECASTED PROJECT AREA BUDGET	2016-2021	
	TOTALS	NPV @5%
<b>REVENUES</b>		
Haircut Increment	\$616,523	\$521,547
Total Revenue	\$616,523	\$521,547
<b>EXPENDITURES</b>		
RDA Administration	\$300,000	\$253,785
Debt Service	\$59,362	\$44,297
Redevelopment Activities	\$257,161	\$223,465
Total Expenditures	\$616,523	\$521,547

## OTHER ISSUES

LYRB has not identified any major areas of concern with the Union Heights Project Area and believes that, according to the records reviewed, all parties are meeting their respective obligations related to this Project Area.

## PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS

The following four sheets represent the FY 2015, FY 2016, FY 2017 and projected multi-year budgets from 2003 to 2021.



## OREM RDA 85-04

### 2015 Annual Budget

	Tax Year	
	Payment Year	
		Yr. 26
		2014
		2015
<b>ASSESSED VALUATION</b>		
TAXABLE VALUATION		
Real Property		53,082,570
Personal Property		-
Centrally Assessed		409,285
Total Assessed Value		53,491,855
<b>Less: Base Year Value</b>		<b>(18,801,179)</b>
Incremental Assessed Value		34,690,676
<b>TAX INCREMENT ANALYSIS</b>		
Tax Rate		
Utah County		0.001149
Alpine School District		0.008096
Orem City		0.001716
Orem Metropolitan Water District		0.000036
Central Utah Water Conservancy		0.000422
Less State Assessing & Collecting		(0.000013)
Less Local Assessing & Collecting		(0.000220)
Total Tax Rate		0.011186
<b>PROJECT AREA BUDGET</b>		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		92,731
<b>TOTAL DISTRIBUTION</b>		<b>92,731</b>
EXPENDITURES		
RDA Admin		50,000
Developer Reimbursement (Carter Const.)		-
Developer Reimbursement (Village East Assoc.)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		-
Misc. Expenditures		-
Interest Revenue		(732)
Redevelopment Activities		43,463
<b>TOTAL EXPENDITURES</b>		<b>92,731</b>



## OREM RDA 85-04

### 2016 Annual Budget

	Tax Year	
	Payment Year	
		Yr. 27
		2015
		2016
<b>ASSESSED VALUATION</b>		
TAXABLE VALUATION		
Real Property		53,082,570
Personal Property		-
Centrally Assessed		409,285
Total Assessed Value		53,491,855
<b>Less: Base Year Value</b>		<b>(18,801,179)</b>
Incremental Assessed Value		34,690,676
<b>TAX INCREMENT ANALYSIS</b>		
Tax Rate		
Utah County		0.001098
Alpine School District		0.008177
Orem City		0.001652
Orem Metropolitan Water District		0.000035
Central Utah Water Conservancy		0.000405
Less State Assessing & Collecting		(0.000012)
Less Local Assessing & Collecting		(0.000216)
Total Tax Rate		0.011139
<b>PROJECT AREA BUDGET</b>		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		102,754
<b>TOTAL DISTRIBUTION</b>		<b>102,754</b>
EXPENDITURES		
RDA Admin		50,000
Developer Reimbursement (Carter Const.)		-
Developer Reimbursement (Village East Assoc.)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		-
Misc. Expenditures		-
Interest Revenue		-
Redevelopment Activities		52,754
<b>TOTAL EXPENDITURES</b>		<b>102,754</b>



## OREM RDA 85-04

### 2017 Annual Budget

	Tax Year	Yr. 28
	Payment Year	
<b>ASSESSED VALUATION</b>		
<b>TAXABLE VALUATION</b>		
Real Property		53,082,570
Personal Property		-
Centrally Assessed		409,285
Total Assessed Value		53,491,855
<b>Less: Base Year Value</b>		
Incremental Assessed Value		34,690,676
<b>TAX INCREMENT ANALYSIS</b>		
<b>Tax Rate</b>		
Utah County		0.001098
Alpine School District		0.008177
Orem City		0.001652
Orem Metropolitan Water District		0.000035
Central Utah Water Conservancy		0.000405
Less State Assessing & Collecting		(0.000012)
Less Local Assessing & Collecting		(0.000216)
Total Tax Rate		0.011139
<b>PROJECT AREA BUDGET</b>		
<b>TAX INCREMENT REVENUES</b>		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		102,754
<b>TOTAL DISTRIBUTION</b>		
		<b>102,754</b>
<b>EXPENDITURES</b>		
RDA Admin		50,000
Developer Reimbursement (Carter Const.)		-
Developer Reimbursement (Village East Assoc.)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		-
Misc. Expenditures		-
Interest Revenue		-
Redevelopment Activities		52,754
<b>TOTAL EXPENDITURES</b>		
		<b>102,754</b>



# Orem RDA 85-04

Ongoing Budget  
Multi-Year Project Area Budget Projections

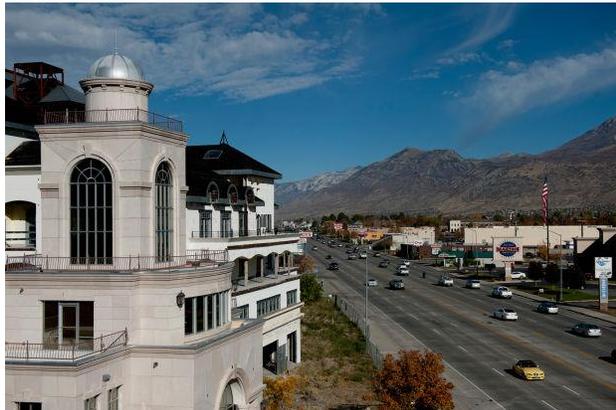


Tax Year Payment Year	Base	14	15	16	17	18	19	20	21	22	23	24	25	<=== HISTORIC		PROJECTED =====>					TOTALS	NPV @ 5%	
	1985	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020			2021
<b>REVENUES</b>																							
<b>TAXABLE VALUATION:</b>																							
Locally Assessed Real Personal Property		40,182,964	40,326,872	40,840,757	40,692,311	41,124,558	46,351,606	52,297,230	52,710,764		50,287,225	49,913,960	49,488,424	53,082,570	53,082,570	53,082,570	53,082,570	53,082,570	53,082,570	53,082,570	53,082,570		
Centrally Assessed		1,740,252	1,416,793	1,117,619	1,161,985	592,954	629,579	510,251	549,184		425,010	441,248	473,875	409,285	409,285	409,285	409,285	409,285	409,285	409,285	409,285		
Total Assessed Value		41,923,216	41,743,665	41,958,376	41,854,296	41,717,512	46,981,185	52,807,481	53,259,948		50,712,235	50,355,208	49,962,299	53,491,855	53,491,855	53,491,855	53,491,855	53,491,855	53,491,855	53,491,855	53,491,855		
Less: Base Year Value	(18,801,179)	(18,801,179)	(18,801,179)	(18,801,179)	(18,801,179)	(18,801,179)	(18,801,179)	(18,801,179)	(18,801,179)		(18,801,179)	(18,801,179)	(18,801,179)	(18,801,179)	(18,801,179)	(18,801,179)	(18,801,179)	(18,801,179)	(18,801,179)	(18,801,179)	(18,801,179)		
<b>Total Incremental Assessed Value</b>		<b>\$ 23,122,037</b>	<b>\$ 22,942,486</b>	<b>\$ 23,157,197</b>	<b>\$ 23,053,117</b>	<b>\$ 22,916,333</b>	<b>\$ 28,180,006</b>	<b>\$ 34,006,302</b>	<b>\$ 34,458,769</b>	<b>\$ -</b>	<b>\$ 31,911,056</b>	<b>\$ 31,554,029</b>	<b>\$ 31,161,120</b>	<b>\$ 34,690,676</b>									
<b>Real Property/Centrally Assessed Tax Rate:</b>																							
Total Tax Rate		-	0.011392	0.011740	0.011601	0.010406	0.009787	0.009763	0.010530	0.011524	0.012309	0.012371	0.011857	0.011186	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139		
Actual Tax Rate Used by County in TIF Calculation		0.010063			0.010558	0.010395	0.008745	0.009663	0.010448		0.012309	0.012371	0.011857										
Actual Tax Rate Used by County in HAIRCUT Calculation		0.003458			0.003459	0.003512	0.002850	0.002706	0.002907		0.003497	0.003543	0.003362	0.003090									
Percent of Tax Increment for Project		75%	75%	70%	70%	70%	70%	70%	60%	60%	60%	60%	60%	0%	0%	0%	0%	0%	0%	0%	0%		
Percent of Tax Increment for Haircut		25%	25%	30%	30%	30%	30%	30%	40%	40%	40%	40%	40%	100%	100%	100%	100%	100%	100%	100%	100%		
<b>TAX INCREMENT REVENUES</b>																							
Property Tax Increment		\$ -	\$ -	\$ 100,000	\$ 138,014	\$ 194,498	\$ 197,238	\$ 205,745	\$ 219,629	\$ 258,027	\$ 235,676	\$ 234,213	\$ 221,686	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,408,323	\$ 990,365
Less Current Year Uncollected		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (37,532)	\$ (63,833)	\$ (38,127)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (139,493)	\$ (43,271)
Plus Prior Years Late Collections		-	-	-	-	-	-	-	-	-	7,204	27,541	59,882	-	-	-	-	-	-	-	-	\$ 94,628	\$ 28,569
<b>Total Tax Increment Received by Agency</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ 138,014</b>	<b>\$ 194,498</b>	<b>\$ 197,238</b>	<b>\$ 205,745</b>	<b>\$ 219,629</b>	<b>\$ 258,027</b>	<b>\$ 205,348</b>	<b>\$ 197,921</b>	<b>\$ 243,441</b>	<b>\$ -</b>	<b>\$ 2,363,458</b>	<b>\$ 975,662</b>							
<b>HAIRCUT REVENUES</b>																							
Haircut Increment		\$ 79,956	\$ 75,274	\$ 21,508	\$ 19,436	\$ 27,860	\$ 27,662	\$ 24,848	\$ 38,770	\$ 48,931	\$ 44,637	\$ 44,718	\$ 41,905	\$ 107,194	\$ 102,754	\$ 102,754	\$ 102,754	\$ 102,754	\$ 102,754	\$ 102,754	\$ 102,754	\$ 1,219,223	\$ 375,056
Less Current Year Uncollected		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7,109)	\$ (12,188)	\$ (7,207)	\$ (14,463)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (40,967)	\$ (12,289)
Plus Prior Years Late Collections		-	-	-	-	-	-	-	-	-	1,148	5,208	11,413	-	-	-	-	-	-	-	-	\$ 17,769	\$ 5,359
<b>Total Haircut Received by Agency</b>		<b>\$ 79,956</b>	<b>\$ 75,274</b>	<b>\$ 21,508</b>	<b>\$ 19,436</b>	<b>\$ 27,860</b>	<b>\$ 27,662</b>	<b>\$ 24,848</b>	<b>\$ 38,770</b>	<b>\$ 48,931</b>	<b>\$ 38,676</b>	<b>\$ 37,739</b>	<b>\$ 46,111</b>	<b>\$ 92,731</b>	<b>\$ 102,754</b>	<b>\$ 1,196,025</b>	<b>\$ 368,126</b>						
<b>TOTAL REVENUES RECEIVED</b>		<b>\$ 79,956</b>	<b>\$ 75,274</b>	<b>\$ 121,508</b>	<b>\$ 157,449</b>	<b>\$ 222,358</b>	<b>\$ 224,901</b>	<b>\$ 230,593</b>	<b>\$ 258,399</b>	<b>\$ 306,959</b>	<b>\$ 244,024</b>	<b>\$ 235,660</b>	<b>\$ 289,553</b>	<b>\$ 92,731</b>	<b>\$ 102,754</b>	<b>\$ 3,559,483</b>	<b>\$ 1,343,788</b>						
<b>PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)</b>																							
Estimated Total Pass Through Increment		\$ 152,721	\$ 186,087	\$ 150,357	\$ 109,990	\$ 16,109	\$ 50,897	\$ 63,328	\$ 107,650	\$ 123,087	\$ 148,769	\$ 154,695	\$ 79,925	\$ 295,319	\$ 283,666	\$ 283,666	\$ 283,666	\$ 283,666	\$ 283,666	\$ 283,666	\$ 283,666	\$ 4,091,931	\$ 1,465,007
<b>EXPENDITURES</b>																							
<b>Project Area Budget and Uses of Funds</b>																							
RDA Admin		\$ -	\$ -	\$ -	\$ -	\$ 42,000	\$ -	\$ -	\$ 93,409	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 485,409	\$ 136,417
Debt Service (Haircut Eligible)		79,956	75,274	21,508	202,000	235,808	224,901	230,593	164,990	306,958	201,736	235,660	289,552	-	-	-	-	-	-	-	-	\$ 2,268,936	\$ 836,879
Optional Reimbursement to Water Fund 2001 400 S Waterline Change Order #5		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	59,362	\$ 59,362	\$ 12,458
Misc. Expenditures		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 340,783	\$ 211,137
Interest Revenue		-	-	-	-	-	-	-	-	(92)	(644)	(385)	(375)	(732)	-	-	-	-	-	-	-	\$ (2,227)	\$ (677)
Redevelopment Activities		-	-	100,000	(44,551)	(55,449)	-	-	-	92	42,932	385	375	43,463	52,754	52,754	52,754	52,754	52,754	52,754	(6,608)	\$ 357,820	\$ 113,511
<b>Total Uses</b>		<b>\$ 79,956</b>	<b>\$ 75,274</b>	<b>\$ 121,508</b>	<b>\$ 157,449</b>	<b>\$ 222,358</b>	<b>\$ 224,901</b>	<b>\$ 230,593</b>	<b>\$ 258,399</b>	<b>\$ 306,959</b>	<b>\$ 244,024</b>	<b>\$ 235,660</b>	<b>\$ 289,553</b>	<b>\$ 92,731</b>	<b>\$ 102,754</b>	<b>\$ 3,559,483</b>	<b>\$ 1,343,788</b>						

## SECTION 6: OVERVIEW OF THE 87-10 PROJECT AREA

Table 7.1: Project Area Overview

OVERVIEW				
<u>Type</u> RDA	<u>Acreage</u> NA	<u>Purpose</u> Commercial Development	<u>Taxing District</u> 090	<u>Tax Rate</u> 0.011186
<u>Creation Year</u> FY 1988	<u>Base Year</u> FY 1988	<u>Term</u> 32 Years	<u>Trigger Year</u> FY 1991	<u>Expiration Year</u> FY 2022
<u>Base Value</u> \$32,815,215	<u>TY 2014 Value</u> \$67,928,121	<u>Increase</u> 107%	<u>FY 2015 Increment</u> \$244,154	<u>Remaining Life</u> 7 Years



The 87-10 Project Area was created in February 1988 and is governed by the (a) “Amended Redevelopment Plan for Amended Redevelopment Project No. 87-10”, adopted by the City in August 1989. This document and the associated ordinances and resolutions define the duration and use of property tax generated within the Project Area as well as conditions and obligations by the Agency and each participating taxing entity. As the 87-10 Project Area was created prior to 1993, a taxing entity committee was not established for this project Area.

The Project Area is currently intended to draw property tax increment beginning with the taxes collected in 1990 and remitted to the Agency in 1991 and continue for 25 years through and including taxes collected in 2014 and paid to the Agency in 2015. On August 28, 2001, the Agency adopted a resolution (RDA-R-01-0004-000) solidifying its desire to trigger the extension option for all seven RDA project areas, including this RDA. This action extends the receipt of haircut revenues through and including taxes collected in 2021 and paid to the Agency in 2022. Note that haircut revenues will not include participation from the school district’s portion of the tax rate. The original purpose of the 87-10 Project Area was to convert the property into a more economically productive area, encourage owners of property within the Project Area to appropriately develop and beautify their properties and take the steps necessary to promote the aim of improving the Project Area and preventing further deterioration within the area. RDA 87-10 is located generally along State Street between 400 North and 400 South.

## SOURCES OF FUNDS

Table 7.2: Sources of Funds

2015 SOURCES OF FUNDS	
Property Tax Increment	\$206,184
Haircut Increment	\$37,970
<b>Total Sources of Funds</b>	<b>\$244,154</b>

Table 7.3: Tax Increment Levels

TAX INCREMENT LEVELS		
Years	% of Tax Increment	% of Haircut
1991-1995	100%	0%
1996-2000	80%	20%
2001-2005	75%	25%
2006-2010	70%	30%
2011-2015	60%	40%
2016-2022	0%	100%

## USES OF FUNDS

Table 7.4: Uses of Funds

2015 USES OF FUNDS	
Debt Service Payments	\$54,447
Developer Incentive Payments	\$220,000
Miscellaneous Expenditures	\$5,000
Interest (Revenue)	(\$1,578)
Contribution to (Use of Fund) Balance	(\$33,715)
<b>Total Uses of Funds</b>	<b>\$244,154</b>

## DEBT SERVICE PAYMENTS

In 2002, Orem City issued \$12,175,000 in Sales Tax Revenue Bonds, Series 2002 to fund various recreational facilities and uses throughout the City. As per Utah State Code Title 17C-1-403, the Agency is using the haircut proceeds from all qualified Project Areas to repay the City for the Sales Tax Revenue debt service expenditures. In FY 2015, the 87-10 Project Area's portion of the debt service was \$54,447.

Table 7.5: Debt Service Payments

2015 DEBT SERVICE PAYMENTS	
Series 2002 Sales Tax Revenue Bond Payment	\$54,447
<b>Total Debt Service Payments</b>	<b>\$54,447</b>

## DEVELOPER INCENTIVE PAYMENTS

In 1989, the Agency entered into a developer agreement with Boyer Orem Associates, in which the RDA would reimburse the developer a portion of the costs related to the redevelopment of at least 220,000 square feet of new retail shell space and its associated infrastructure within the Project Area on or before January 1, 1991. The agreement states that the Agency will pay the developer an annual payment of 95% of the tax increment generated off of the property up to \$220,000 for a period of twenty-four years. In FY 2015 the Agency paid \$220,000 to the developer. FY 2015 was the final year of payment to the developer.

Table 7.6: Developer Incentive Payments

2015 DEVELOPER INCENTIVE PAYMENTS	
Boyer Orem Associates Payment	\$220,000
Total Developer Incentive Payment	\$220,000

## PROJECT AREA REPORTING AND ACCOUNTABILITY

### COMPARISON OF FORECASTED AND ACTUAL TAX INCREMENT

Table 7.7: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2015	\$275,208	\$244,154	89%

### RELATIVE GROWTH IN ASSESSED VALUE

Table 7.8: Growth in Assessed Value

GROWTH IN ASSESSED VALUE	CURRENT YEAR	COMPARISON YEAR	GROWTH RATE	AAGR
ASSESSED VALUES IN PROJECT AREA				
Annual Growth in Project Area (2014 vs. 2013)	\$67,443,036	\$65,566,698	3.6%	3.6%
Lifetime Growth in Project Area (2014 vs. Base)	\$67,443,036	\$32,815,215	107%	2.54%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2014 vs. 2013)	\$4,534,129,407	\$4,287,504,710	5.75%	5.75%
Lifetime Growth in Orem City (2014 vs. 1996)	\$4,534,129,407	\$2,173,320,362	108.63%	4.17%



## BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 7.10: Benefits to Taxing Entities

BENEFITS TO TAXING ENTITIES	
*Increased Property Tax Revenues upon Expiration of Project Area	
*Increased Sales Tax Revenues	

## GROWTH IN PROPERTY TAX INCREMENT

Currently the only taxing entity receiving increment is the School District. Annual property tax increment (above the base amount) currently being returned to the School District is 39% above what would have been realized if assessed values in the Project Area had remained at base year levels for all the taxing entities. Lifetime property tax increment (above the base amount) received by the School District is 23% above what would have been realized based on base year levels for all the taxing entities. This number will increase significantly when the Project Area expires in 2022, and all of the taxing entities receive the benefit of the 67% increase in annual tax increment.

Table 7.11: Growth in Property Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
<b>TAX INCREMENT FROM PROJECT AREA</b>				
Fiscal Year 2015	NA	\$244,154	\$367,071	67%
Lifetime Revenue (FY 1991-2015)	NA	\$5,764,280	\$7,108,571	81%
<b>PASS THROUGH TAX INCREMENT (ABOVE BASE)</b>				
Fiscal Year 2015	NA	\$143,193	\$367,071	39%
Lifetime Revenue (FY 1991-2015)	NA	\$1,612,772	\$7,108,571	23%

## NOTABLE DEVELOPMENT AND FUTURE PROJECTS

-  Smith's
-  FedEx
-  Zupa's

-  Pizzeria Seven Twelve
-  Classic Skating & Fun Center
-  Midtown 360

## FORECASTED PROJECT AREA BUDGET UPDATE

The multi-year budget attached to this document and summarized below displays revenue in the fiscal year received rather than the calendar year collected.



Table 7.12: Project Area Budget

PROJECT AREA BUDGET	2016-2022	
	TOTALS	NPV @5%
<b>REVENUES</b>		
Haircut Increment	\$809,795	\$667,907
Total Revenue	\$809,795	\$667,907
<b>EXPENDITURES</b>		
Debt Service Payments	\$608,972	\$553,025
Miscellaneous Expenditures	\$484,268	\$344,160
Contribution to (Use of Fund) Balance	(\$283,445)	(\$229,278)
Total Expenditures	\$809,795	\$667,907

## OTHER ISSUES

LYRB has not identified any other major areas of concern with the 87-10 Project Area and believes that, according to the records reviewed, all parties are meeting their respective obligations related to this Project Area.

## PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS

The following four sheets represent the FY 2015, FY 2016, FY 2017 and full multi-year budgets from 2003 to 2022.



# OREM RDA 87-10

## 2015 Annual Budget

	Tax Year	
	Payment Year	
		Yr. 25
		2014
		2015
<b>ASSESSED VALUATION</b>		
TAXABLE VALUATION		
Real Property		65,853,703
Personal Property		1,053,189
Centrally Assessed		536,144
Total Assessed Value		67,443,036
<b>Less: Base Year Value</b>		<b>(32,815,215)</b>
Incremental Assessed Value		34,627,821
<b>TAX INCREMENT ANALYSIS</b>		
Tax Rate		
Utah County		0.001149
Alpine School District		0.008096
Orem City		0.001716
Orem Metropolitan Water District		0.000036
Central Utah Water Conservancy		0.000422
Less State Assessing & Collecting		(0.000013)
Less Local Assessing & Collecting		(0.000220)
Total Tax Rate		0.011186
<b>PROJECT AREA BUDGET</b>		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		60%
Total Tax Increment Received		206,184
Percent of Tax Increment for Haircut		40%
Total Haircut Received		37,970
<b>TOTAL DISTRIBUTION</b>		<b>244,154</b>
EXPENDITURES		
RDA Admin		-
Developer Reimbursement (Boyer)		220,000
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		54,447
Misc. Expenditures		5,000
Sales Tax Revenue from City		-
Interest Revenue		(1,578)
Redevelopment Activities		(33,715)
<b>TOTAL EXPENDITURES</b>		<b>244,154</b>



# OREM RDA 87-10

## 2016 Annual Budget

	Tax Year	Yr. 26
	Payment Year	2015
		2016
<b>ASSESSED VALUATION</b>		
TAXABLE VALUATION		
Real Property		66,853,703
Personal Property		1,053,189
Centrally Assessed		536,144
Total Assessed Value		68,443,036
<b>Less: Base Year Value</b>		<b>(32,815,215)</b>
Incremental Assessed Value		35,627,821
<b>TAX INCREMENT ANALYSIS</b>		
Tax Rate		
Utah County		0.001098
Alpine School District		0.008177
Orem City		0.001652
Orem Metropolitan Water District		0.000035
Central Utah Water Conservancy		0.000405
Less State Assessing & Collecting		(0.000012)
Less Local Assessing & Collecting		(0.000216)
Total Tax Rate		0.011139
<b>PROJECT AREA BUDGET</b>		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		105,530
<b>TOTAL DISTRIBUTION</b>		<b>105,530</b>
EXPENDITURES		
RDA Admin		-
Developer Reimbursement (Boyer)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		102,243
Reimbursement to General Fund for Haircut Eligible Expenses		200,000
Misc. Expenditures		-
Sales Tax Revenue from City		-
Interest Revenue		-
Redevelopment Activities		(196,713)
<b>TOTAL EXPENDITURES</b>		<b>105,530</b>



# OREM RDA 87-10

## 2017 Annual Budget

	Yr. 27
Tax Year	2016
Payment Year	2017
<b>ASSESSED VALUATION</b>	
TAXABLE VALUATION	
Real Property	70,853,703
Personal Property	1,053,189
Centrally Assessed	536,144
Total Assessed Value	72,443,036
<b>Less: Base Year Value</b>	<b>(32,815,215)</b>
Incremental Assessed Value	39,627,821
<b>TAX INCREMENT ANALYSIS</b>	
Tax Rate	
Utah County	0.001098
Alpine School District	0.008177
Orem City	0.001652
Orem Metropolitan Water District	0.000035
Central Utah Water Conservancy	0.000405
Less State Assessing & Collecting	(0.000012)
Less Local Assessing & Collecting	(0.000216)
Total Tax Rate	0.011139
<b>PROJECT AREA BUDGET</b>	
TAX INCREMENT REVENUES	
Percent of Tax Increment for Project	0%
Total Tax Increment Received	-
Percent of Tax Increment for Haircut	100%
Total Haircut Received	117,378
<b>TOTAL DISTRIBUTION</b>	<b>117,378</b>
EXPENDITURES	
RDA Admin	-
Developer Reimbursement (Boyer)	-
Developer Reimbursement (Fund 45 Lakeside Park)	-
Debt Service (Haircut Eligible)	102,243
Reimbursement to General Fund for Haircut Eligible Expenses	-
Misc. Expenditures	-
Sales Tax Revenue from City	-
Interest Revenue	-
Redevelopment Activities	15,135
<b>TOTAL EXPENDITURES</b>	<b>117,378</b>



# Orem RDA 87-10

Ongoing Budget  
Multi-Year Project Area Budget Projections



	Base 1988	13 2002	14 2003	15 2004	16 2005	17 2006	18 2007	19 2008	20 2009	21 2010	22 2011	23 2012	24 2013	<===== HISTORIC		PROJECTED =====>						TOTALS			
														25 2014	26 2015	27 2016	28 2017	29 2018	30 2019	31 2020	32 2021		32 2022		
Tax Year	1988	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022			
Payment Year		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022				
<b>REVENUES</b>																									
<b>TAXABLE VALUATION</b>																									
Locally Assessed Real		60,169,835	60,012,073	60,935,887	59,183,587	59,035,469	81,828,972	88,152,042	84,731,845		76,667,202	68,377,878	63,977,365	65,853,703	66,853,703	70,853,703	70,853,703	70,853,703	70,853,703	70,853,703	70,853,703	70,853,703			
Personal Property		1,641,167	1,921,505	1,430,424	1,361,072	1,400,043	1,146,447	1,080,493	998,294		1,115,062	1,119,176	1,053,189	1,053,189	1,053,189	1,053,189	1,053,189	1,053,189	1,053,189	1,053,189	1,053,189	1,053,189	1,053,189		
Centrally Assessed		1,093,347	1,040,457	4,068,815	4,114,958	3,985,085	3,944,451	4,160,736	4,562,578		465,767	554,324	536,144	536,144	536,144	536,144	536,144	536,144	536,144	536,144	536,144	536,144	536,144		
Total Assessed Value		62,904,349	62,974,035	66,435,126	64,659,617	64,420,597	86,919,870	93,393,271	90,292,717		78,248,031	70,051,378	65,566,698	67,443,036	68,443,036	72,443,036	72,443,036	72,443,036	72,443,036	72,443,036	72,443,036	72,443,036	72,443,036		
Less: Base Year Value	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)		
<b>Total Incremental Assessed Value</b>		<b>\$ 30,089,134</b>	<b>\$ 30,158,820</b>	<b>\$ 33,619,911</b>	<b>\$ 31,844,402</b>	<b>\$ 31,605,382</b>	<b>\$ 54,104,655</b>	<b>\$ 60,578,056</b>	<b>\$ 57,477,502</b>	<b>\$ -</b>	<b>\$ 45,432,816</b>	<b>\$ 37,236,163</b>	<b>\$ 32,751,483</b>	<b>\$ 34,627,821</b>	<b>\$ 35,627,821</b>	<b>\$ 39,627,821</b>									
<b>Real Property/Centrally Assessed Tax Rate:</b>																									
Total Tax Rate		-	0.011034	0.011380	0.010349	0.010406	0.009787	0.009763	0.010530	0.011524	0.012309	0.012371	0.011857	0.011186	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139		
Actual Tax Rate Used by County in TIF Calculation		0.010063	0.010409	0.011740	0.010558	0.010395	0.008745	0.009663	0.010448		0.012309	0.012371	0.011857	0.011186											
Actual Tax Rate Used by County in HAIRCUT Calculation		0.003458	0.003508	0.003621	0.003459	0.003512	0.002850	0.002706	0.002907		0.003497	0.003543	0.003362	0.003090											
<b>Percent of Tax Increment for Project</b>			75%	75%	75%	70%	70%	70%	70%	70%	60%	60%	60%	60%	60%	0%	0%	0%	0%	0%	0%	0%	0%		
<b>Percent of Tax Increment for Haircut</b>			25%	25%	25%	30%	30%	30%	30%	30%	40%	40%	40%	40%	40%	100%	100%	100%	100%	100%	100%	100%	100%		
<b>TAX INCREMENT REVENUES</b>																									
Property Tax Increment	\$	227,090	235,442	187,980	217,067	259,318	223,328	299,542	260,389	243,030	335,540	276,389	233,001	232,408	-	-	-	-	-	-	-	-	-	5,153,841	2,632,895
Less Current Year Uncollected		-	-	-	-	-	-	-	-	-	(132,342)	(20,867)	(21,042)	(26,224)	-	-	-	-	-	-	-	-	-	(200,475)	(66,303)
Plus Prior Years Late Collections		-	-	-	-	-	-	-	-	-	13,349	272,458	26,564	-	-	-	-	-	-	-	-	-	-	312,372	101,505
<b>Total Tax Increment Received by Agency</b>	<b>\$</b>	<b>227,090</b>	<b>235,442</b>	<b>187,980</b>	<b>217,067</b>	<b>259,318</b>	<b>223,328</b>	<b>299,542</b>	<b>260,389</b>	<b>243,030</b>	<b>216,546</b>	<b>527,981</b>	<b>238,523</b>	<b>206,184</b>	<b>-</b>	<b>5,265,737</b>	<b>2,668,096</b>								
<b>HAIRCUT REVENUES</b>																									
Haircut Increment	\$	26,486	26,449	19,326	29,054	37,329	31,256	36,067	31,112	44,267	63,551	52,771	44,044	42,800	105,530	117,378	117,378	117,378	117,378	117,378	117,378	117,378	117,378	1,294,307	383,609
Less Current Year Uncollected		-	-	-	-	-	-	-	-	-	(25,066)	(3,984)	(3,978)	(4,830)	-	-	-	-	-	-	-	-	-	(37,857)	(12,525)
Plus Prior Years Late Collections		-	-	-	-	-	-	-	-	-	2,527	44,896	4,465	-	-	-	-	-	-	-	-	-	-	51,888	16,865
<b>Total Haircut Received by Agency</b>	<b>\$</b>	<b>26,486</b>	<b>26,449</b>	<b>19,326</b>	<b>29,054</b>	<b>37,329</b>	<b>31,256</b>	<b>36,067</b>	<b>31,112</b>	<b>44,267</b>	<b>41,013</b>	<b>93,683</b>	<b>44,532</b>	<b>37,970</b>	<b>105,530</b>	<b>117,378</b>	<b>1,308,338</b>	<b>387,948</b>							
<b>TOTAL REVENUES RECEIVED</b>	<b>\$</b>	<b>253,576</b>	<b>261,892</b>	<b>207,306</b>	<b>246,120</b>	<b>296,647</b>	<b>254,584</b>	<b>335,609</b>	<b>291,500</b>	<b>287,296</b>	<b>257,559</b>	<b>621,664</b>	<b>283,054</b>	<b>244,154</b>	<b>105,530</b>	<b>117,378</b>	<b>6,574,075</b>	<b>3,056,045</b>							
<b>PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)</b>																									
Estimated Total Pass Through Increment	\$	49,211	52,032	43,333	63,975	73,807	64,456	92,308	80,483	117,753	103,351	258,304	105,280	143,193	291,329	324,037	324,037	324,037	324,037	324,037	324,037	324,037	324,037	3,848,321	1,238,999
<b>EXPENDITURES</b>																									
<b>Project Area Budget and Uses of Funds</b>																									
RDA Admin	\$	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Developer Reimbursement (Boyer)		220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	-	-	-	-	-	-	-	-	-	5,280,678	2,891,628
Developer Reimbursement (Fund 45 Lakeside Park)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36,024	20,060
Debt Service (Haircut Eligible)		33,576	41,892	19,326	26,120	76,647	34,584	115,609	47,673	67,296	41,013	93,683	44,532	54,447	102,243	102,243	102,243	102,243	102,243	102,243	102,243	102,243	102,243	1,105,369	377,379
Reimbursement to General Fund for Haircut Eligible Expenses		-	-	-	-	-	-	-	-	-	-	-	-	-	200,000	-	-	-	-	-	-	-	-	200,000	56,248
Misc. Expenditures		-	8,083	-	-	-	-	-	-	-	-	-	-	5,000	-	-	-	-	-	-	-	-	-	484,268	84,706
Sales Tax Revenue from City		-	-	(32,021)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(573,534)	(435,805)
Reimbursement to General Fund for Sales Tax Revenue Loan		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Revenue		-	-	-	-	-	-	-	-	(383)	(609)	(2,466)	(2,520)	(1,578)	-	-	-	-	-	-	-	-	-	(7,556)	(2,396)
Redevelopment Activities		-	(8,083)	-	(0)	-	-	-	23,828	383	(2,845)	310,446	21,043	(33,715)	(196,713)	15,135	15,135	15,135	117,378	117,378	117,378	117,378	(366,890)	67,715	64,225
<b>Total Uses</b>	<b>\$</b>	<b>253,576</b>	<b>261,892</b>	<b>207,306</b>	<b>246,120</b>	<b>296,647</b>	<b>254,584</b>	<b>335,609</b>	<b>291,500</b>	<b>287,296</b>	<b>257,559</b>	<b>621,664</b>	<b>283,054</b>	<b>244,154</b>	<b>105,530</b>	<b>117,378</b>	<b>6,574,075</b>	<b>3,056,045</b>							

## SECTION 7: OVERVIEW OF THE 90-08 PROJECT AREA

Table 8.1: Project Area Overview

OVERVIEW				
<u>Type</u> RDA	<u>Acreege</u> NA	<u>Purpose</u> Commercial Development	<u>Taxing District</u> 090	<u>Tax Rate</u> 0.011186
<u>Creation Year</u> FY 1990	<u>Base Year</u> FY 1990	<u>Term</u> 32 Years <sup>2</sup>	<u>Trigger Year</u> FY 1993	<u>Expiration Year</u> FY 2024
<u>Base Value</u> \$11,172,447	<u>TY 2014 Value</u> \$36,073,581	<u>Increase</u> 222%	<u>FY 2015 Increment</u> \$202,125	<u>Remaining Life</u> 9 Years



The 90-08 Project Area was created in May 1990 and is governed by the (a) “Redevelopment Plan for Redevelopment Project No. 90-08”. This document and the associated ordinances and resolutions define the duration and use of property tax generated within the Project Area as well as conditions and obligations by the Agency and each participating taxing entity. As the 90-08 Project Area was created prior to 1993, a taxing entity committee was not established for this project Area.

The Project Area drew its first property tax increment beginning with the taxes collected in 1992 and remitted to the Agency in 1993. Historically, 100% of the tax increment was paid to the Agency for TY 1992 and TY 1993 and then no additional increment was remitted to the Agency until the taxes collected in 2001 and remitted in 2002. The increment received for TY 2001 was at the 80% participation level, which continued for five years. Payments in the project area are anticipated to follow the normal pattern (seen in the chart below) through the last year of 60% increment, which will be the taxes collected in 2020 and remitted to the Agency in 2021.

On August 28, 2001, the Agency adopted a resolution (RDA-R-01-0004-000) solidifying its desire to trigger the extension option for all seven RDA project areas, including this RDA. Because the first year of tax increment was TY 1992, there will only be three years of additional tax increment (haircut) at 100% before the maximum window of 32 years is met. Note that haircut revenues will not include participation from the school district’s portion of the tax rate. The original purpose of the 90-08 Project Area was to convert the property into a more economically productive area, encourage owners of property within the Project Area to appropriately develop and beautify their properties and take the steps necessary to promote the aim of improving the Project Area and preventing further deterioration within the area. RDA 90-08 is generally located on the east side of State Street between 1200 North and 500 North.

<sup>2</sup> The actual term of tax increment financing will be 28 years, as no increment was taken for a period of time.

## SOURCES OF FUNDS

Table 8.2: Sources of Funds

2015 SOURCES OF FUNDS	
Property Tax Increment	\$180,729
Haircut Increment	\$21,396
<b>Total Sources of Funds</b>	<b>\$202,125</b>

Table 4.3: Tax Increment Levels

TAX INCREMENT LEVELS		
Years	% of Tax Increment	% of Haircut
1993-2001 <sup>3</sup>	100%	0%
2002-2006	80%	20%
2007-2011	75%	25%
2012-2016	70%	30%
2017-2021	60%	40%
2022-2024	0%	100%

## USES OF FUNDS

Table 8.4: Uses of Funds

2015 USES OF FUNDS	
RDA Administration	\$100,000
Debt Service Payment	\$4,288
Miscellaneous Expenditures	\$5,000
Interest (Revenue)	(\$2,570)
Redevelopment Activity	\$95,407
<b>Total Uses of Funds</b>	<b>\$202,125</b>

## DEBT SERVICE PAYMENTS

In 2002, Orem City issued \$12,175,000 in Sales Tax Revenue Bonds, Series 2002 to fund various recreational facilities and uses throughout the City. As per Utah State Code Title 17C-1-403, the Agency is using the haircut proceeds from all qualified Project Areas to repay the City for the Sales Tax Revenue debt service expenditures. In FY 2015, the 90-08 Project Area's portion of the debt service was \$4,288.

<sup>3</sup> FY 1995 – 2001 had no increment, increment restarted in FY 2002 at 80%. The regular pattern continues from there. But, this means the 32<sup>nd</sup> year of increment for haircut purposes will be FY 2024 and there will only be three years of 100% haircut instead of the typical seven years.



Table 8.5: Debt Service Payments

2015 DEBT SERVICE PAYMENTS	
Series 2002 Sales Tax Revenue Bond Payment	\$4,288
Total Debt Service Payments	\$4,288

## PROJECT AREA REPORTING AND ACCOUNTABILITY

### COMPARISON OF FORECASTED AND ACTUAL TAX INCREMENT

Table 8.6: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2015	\$353,016	\$202,125	57%

### RELATIVE GROWTH IN ASSESSED VALUE

Table 8.7: Growth in Assessed Value

GROWTH IN ASSESSED VALUE	CURRENT YEAR	COMPARISON YEAR	GROWTH RATE	AAGR
ASSESSED VALUES IN PROJECT AREA				
Annual Growth in Project Area (2014 vs. 2013)	\$36,073,581	\$34,561,036	4.38%	4.38%
Lifetime Growth in Project Area (2014 vs. Base)	\$36,073,581	\$11,172,447	222%	5.01%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2014 vs. 2013)	\$4,534,129,407	\$4,287,504,710	5.75%	5.75%
Lifetime Growth in Orem City (2014 vs. 1996)	\$4,534,129,407	\$2,173,320,362	108.63%	4.17%

### BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 8.8: Benefits to Taxing Entities

BENEFITS TO TAXING ENTITIES
*Increased Property Tax Revenues upon Expiration of Project Area
*Increased Sales Tax Revenues

### GROWTH IN PROPERTY TAX INCREMENT

Currently the only taxing entity receiving increment is the School District. Annual property tax increment (above the base amount) currently being returned to the School District is 61% above what would have been realized if assessed values in the Project Area had remained at base year levels for all the taxing entities. Lifetime property tax increment (above the base amount) received by the School District is 124% above what would have been realized based on base year levels for all the taxing



entities. This number will increase significantly when the Project Area expires in 2024, and all of the taxing entities receive the benefit of the 161% increase in annual tax increment.

Table 8.9: Growth in Property Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
<b>TAX INCREMENT FROM PROJECT AREA</b>				
Fiscal Year 2015	NA	\$202,125	\$124,975	161%
Lifetime Revenue (FY 1993-2015)	NA	\$2,535,139	\$1,569,558	162%
<b>PASS THROUGH TAX INCREMENT (ABOVE BASE)</b>				
Fiscal Year 2015	NA	\$76,572	\$124,975	61%
Lifetime Revenue (FY 1993-2015)	NA	\$1,951,971	\$1,569,558	124%

## NOTABLE DEVELOPMENT AND FUTURE PROJECTS

-  Macy's
  -  O'Reilly Auto Parts
  -  Orem Quick Lube
-  Arby's
  -  Aspen Art & Frame

## FORECASTED PROJECT AREA BUDGET UPDATE

The multi-year budget attached to this document and summarized below displays revenue in the fiscal year received rather than the calendar year collected.

Table 8.10: Project Area Budget

PROJECT AREA BUDGET	2016-2024	
	TOTALS	NPV @5%
<b>REVENUES</b>		
Property Tax Increment	\$1,026,847	\$871,614
Haircut Increment	\$391,128	\$292,768
Total Revenue	\$1,417,975	\$1,164,382
<b>EXPENDITURES</b>		
RDA Administration	\$1,545,000	\$1,147,690
Debt Service	\$339,705	\$236,499
Contribution to (Use of Fund) Balance	(\$466,730)	(\$219,807)
Total Expenditures	\$1,417,975	\$1,164,382

## OTHER ISSUES

LYRB has not identified any other major areas of concern with the 90-08 Project Area and believes that, according to the records reviewed, all parties are meeting their respective obligations related to this Project Area.



## **PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS**

The following four sheets represent the FY 2015, FY 2016, FY 2017 and full multi-year budgets from 2003 to 2024.



# Orem RDA 90-08

## 2015 Annual Budget

	Tax Year Payment Year	Yr. 19
	2014	2015
<b>ASSESSED VALUATION</b>		
TAXABLE VALUATION		
Real Property		35,788,895
Personal Property		-
Centrally Assessed		298,373
Total Assessed Value		36,087,268
<b>Less: Base Year Value</b>		<b>(11,172,447)</b>
Incremental Assessed Value		24,914,821
<b>TAX INCREMENT ANALYSIS</b>		
Tax Rate		
Utah County		0.001149
Alpine School District		0.008096
Orem City		0.001716
Orem Metropolitan Water District		0.000036
Central Utah Water Conservancy		0.000422
Less State Assessing & Collecting		(0.000013)
Less Local Assessing & Collecting		(0.000220)
Total Tax Rate		0.011186
<b>PROJECT AREA BUDGET</b>		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		70%
Total Tax Increment Received		180,729
Percent of Tax Increment for Haircut		30%
Total Haircut Received		21,396
<b>TOTAL DISTRIBUTION</b>		<b>202,125</b>
EXPENDITURES		
RDA Admin		100,000
Developer Reimbursement (Woodbury Amsource)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		4,288
Misc. Expenditures		-
Interest Revenue		(2,570)
Redevelopment Activities		95,407
<b>TOTAL EXPENDITURES</b>		<b>202,125</b>



# Orem RDA 90-08

## 2016 Annual Budget

	Tax Year Payment Year	Yr. 20
	2015	2016
<b>ASSESSED VALUATION</b>		
TAXABLE VALUATION		
Real Property		35,788,895
Personal Property		-
Centrally Assessed		298,373
Total Assessed Value		36,087,268
<b>Less: Base Year Value</b>		<b>(11,172,447)</b>
Incremental Assessed Value		24,914,821
<b>TAX INCREMENT ANALYSIS</b>		
Tax Rate		
Utah County		0.001098
Alpine School District		0.008177
Orem City		0.001652
Orem Metropolitan Water District		0.000035
Central Utah Water Conservancy		0.000405
Less State Assessing & Collecting		(0.000012)
Less Local Assessing & Collecting		(0.000216)
Total Tax Rate		0.011139
<b>PROJECT AREA BUDGET</b>		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		70%
Total Tax Increment Received		194,268
Percent of Tax Increment for Haircut		30%
Total Haircut Received		22,139
<b>TOTAL DISTRIBUTION</b>		<b>216,408</b>
EXPENDITURES		
RDA Admin		100,000
Developer Reimbursement (Woodbury Amsource)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		-
Misc. Expenditures		-
Interest Revenue		-
Redevelopment Activities		116,408
<b>TOTAL EXPENDITURES</b>		<b>216,408</b>



# Orem RDA 90-08

## 2017 Annual Budget

	Tax Year	Yr. 21
	Payment Year	
<b>ASSESSED VALUATION</b>		
TAXABLE VALUATION		
Real Property		35,788,895
Personal Property		-
Centrally Assessed		298,373
Total Assessed Value		36,087,268
<b>Less: Base Year Value</b>		<b>(11,172,447)</b>
Incremental Assessed Value		24,914,821
<b>TAX INCREMENT ANALYSIS</b>		
Tax Rate		
Utah County		0.001098
Alpine School District		0.008177
Orem City		0.001652
Orem Metropolitan Water District		0.000035
Central Utah Water Conservancy		0.000405
Less State Assessing & Collecting		(0.000012)
Less Local Assessing & Collecting		(0.000216)
Total Tax Rate		0.011139
<b>PROJECT AREA BUDGET</b>		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		60%
Total Tax Increment Received		166,516
Percent of Tax Increment for Haircut		40%
Total Haircut Received		29,519
<b>TOTAL DISTRIBUTION</b>		<b>196,035</b>
EXPENDITURES		
RDA Admin		100,000
Developer Reimbursement (Woodbury Amsource)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		-
Misc. Expenditures		-
Interest Revenue		-
Redevelopment Activitites		96,035
<b>TOTAL EXPENDITURES</b>		<b>196,035</b>



# Orem RDA 90-08

Ongoing Budget

Multi-Year Project Area Budget Projections



Tax Year Payment Year	Base	7	8	9	10	11	12	13	14	15	16	17	←===== HISTORIC				PROJECTED =====>				OPTIONAL EXTENSION OF HAIRCUT				TOTALS	NPV @ 5%				
	1989	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024						
<b>REVENUES</b>																														
<b>TAXABLE VALUATION:</b>																														
Locally Assessed Real Personal Property		26,859,404	26,860,314	28,113,532	28,359,561	28,535,294	33,179,830	38,257,540	39,651,180		34,961,620	34,265,976	35,676,115	35,788,895	35,788,895	35,788,895	35,788,895	35,788,895	35,788,895	35,788,895	35,788,895	35,788,895	35,788,895	35,788,895	35,788,895					
Centrally Assessed		489,140	460,087	454,240	443,541	378,632	358,406	351,434	380,626		305,806	295,060	397,466	298,373	298,373	298,373	298,373	298,373	298,373	298,373	298,373	298,373	298,373	298,373	298,373	298,373				
Total Assessed Value		27,348,544	27,320,401	28,567,772	28,803,102	28,913,926	33,538,236	38,608,974	40,031,806		35,267,426	34,561,036	36,073,581	36,087,268	36,087,268	36,087,268	36,087,268	36,087,268	36,087,268	36,087,268	36,087,268	36,087,268	36,087,268	36,087,268	36,087,268	36,087,268				
Less: Base Year Value	(11,172,447)	(11,172,447)	(11,172,447)	(11,172,447)	(11,172,447)	(11,172,447)	(11,172,447)	(11,172,447)	(11,172,447)		(11,172,447)	(11,172,447)	(11,172,447)	(11,172,447)	(11,172,447)	(11,172,447)	(11,172,447)	(11,172,447)	(11,172,447)	(11,172,447)	(11,172,447)	(11,172,447)	(11,172,447)	(11,172,447)	(11,172,447)					
<b>Total Incremental Assessed Value</b>	<b>\$</b>	<b>16,176,097</b>	<b>\$ 16,147,954</b>	<b>\$ 17,395,325</b>	<b>\$ 17,630,655</b>	<b>\$ 17,741,479</b>	<b>\$ 22,365,789</b>	<b>\$ 27,436,527</b>	<b>\$ 28,859,359</b>	<b>\$ -</b>	<b>\$ 24,094,979</b>	<b>\$ 23,388,589</b>	<b>\$ 24,901,134</b>	<b>\$ 24,914,821</b>	<b>\$ 24,914,821</b>	<b>\$ 24,914,821</b>	<b>\$ 24,914,821</b>	<b>\$ 24,914,821</b>												
<b>Real Property/Centrally Assessed Tax Rate:</b>																														
Total Tax Rate		-	0.011034	0.011380	0.010349	0.010406	0.009787	0.009763	0.010530	0.011524	0.012309	0.012371	0.011857	0.011186	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139				
Actual Tax Rate Used by County in TIF Calculation		0.010063	0.010409	0.011740	0.010558	0.010395	0.008745	0.009663	0.010448		0.012309	0.012371	0.011857	0.011186																
Actual Tax Rate Used by County in HAIRCUT Calculation		0.003458	0.003508	0.003621	0.003459	0.003512	0.002850	0.002706	0.002907		0.003497	0.003543	0.003362	0.003090																
<b>Percent of Tax Increment for Project</b>		80%	80%	80%	80%	75%	75%	75%	75%	75%	70%	70%	70%	70%	70%	60%	60%	60%	60%	60%	0%	0%	0%							
<b>Percent of Tax Increment for Haircut</b>		20%	20%	20%	20%	25%	25%	25%	25%	25%	30%	30%	30%	30%	30%	40%	40%	40%	40%	40%	100%	100%	100%							
<b>TAX INCREMENT REVENUES</b>																														
Property Tax Increment	\$	-	\$ -	\$ 75,000	\$ 156,551	\$ 120,954	\$ 156,002	\$ 187,288	\$ 219,363	\$ 249,764	\$ 207,610	\$ 202,538	\$ 206,677	\$ 195,088	\$ 194,268	\$ 166,516	\$ 166,516	\$ 166,516	\$ 166,516	\$ 166,516	\$ 166,516	\$ 166,516	\$ 166,516	\$ 166,516	\$ 166,516	\$ 166,516	\$ 3,278,355	\$ 1,303,105		
Less Current Year Uncollected											\$ (13,785)	\$ (19,760)	\$ (18,964)	\$ (14,359)													\$ (66,868)	\$ (59,247)		
Plus Prior Years Late Collections											24	4,854	13,259														\$ 18,137	\$ 15,879		
<b>Total Tax Increment Received by Agency</b>	<b>\$</b>	<b>-</b>	<b>\$ -</b>	<b>\$ 75,000</b>	<b>\$ 156,551</b>	<b>\$ 120,954</b>	<b>\$ 156,002</b>	<b>\$ 187,288</b>	<b>\$ 219,363</b>	<b>\$ 249,764</b>	<b>\$ 193,848</b>	<b>\$ 187,633</b>	<b>\$ 200,971</b>	<b>\$ 180,729</b>	<b>\$ 194,268</b>	<b>\$ 166,516</b>	<b>\$ 166,516</b>	<b>\$ 166,516</b>	<b>\$ 166,516</b>	<b>\$ 166,516</b>	<b>\$ 166,516</b>	<b>\$ 3,229,624</b>	<b>\$ 1,285,943</b>							
<b>HAIRCUT REVENUES</b>																														
Haircut Increment	\$	55,937	\$ 52,737	\$ 26,195	\$ 12,865	\$ 13,621	\$ 16,724	\$ 17,615	\$ 20,417	\$ 23,791	\$ 25,278	\$ 24,860	\$ 25,115	\$ 23,096	\$ 22,139	\$ 29,519	\$ 29,519	\$ 29,519	\$ 29,519	\$ 29,519	\$ 29,519	\$ 29,519	\$ 29,519	\$ 29,519	\$ 29,519	\$ 29,519	\$ 73,798	\$ 252,130		
Less Current Year Uncollected											\$ (1,678)	\$ (2,425)	\$ (2,305)	\$ (1,700)													\$ (8,109)	\$ (7,188)		
Plus Prior Years Late Collections											2	591	1,627														\$ 2,220	\$ 1,944		
<b>Total Haircut Received by Agency</b>	<b>\$</b>	<b>55,937</b>	<b>\$ 52,737</b>	<b>\$ 26,195</b>	<b>\$ 12,865</b>	<b>\$ 13,621</b>	<b>\$ 16,724</b>	<b>\$ 17,615</b>	<b>\$ 20,417</b>	<b>\$ 23,791</b>	<b>\$ 23,602</b>	<b>\$ 23,025</b>	<b>\$ 24,438</b>	<b>\$ 21,396</b>	<b>\$ 22,139</b>	<b>\$ 29,519</b>	<b>\$ 29,519</b>	<b>\$ 29,519</b>	<b>\$ 29,519</b>	<b>\$ 29,519</b>	<b>\$ 29,519</b>	<b>\$ 73,798</b>	<b>\$ 250,054</b>							
<b>TOTAL REVENUES RECEIVED</b>	<b>\$</b>	<b>55,937</b>	<b>\$ 52,737</b>	<b>\$ 101,195</b>	<b>\$ 169,416</b>	<b>\$ 134,575</b>	<b>\$ 172,726</b>	<b>\$ 204,902</b>	<b>\$ 239,780</b>	<b>\$ 273,555</b>	<b>\$ 217,450</b>	<b>\$ 210,658</b>	<b>\$ 225,409</b>	<b>\$ 202,125</b>	<b>\$ 216,408</b>	<b>\$ 196,035</b>	<b>\$ 196,035</b>	<b>\$ 196,035</b>	<b>\$ 196,035</b>	<b>\$ 196,035</b>	<b>\$ 196,035</b>	<b>\$ 3,953,114</b>	<b>\$ 1,535,997</b>							
<b>PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)</b>																														
Estimated Total Pass Through Increment	\$	106,843	\$ 115,347	\$ 103,026	\$ 16,729	\$ 26,697	\$ 35,277	\$ 44,815	\$ 52,704	\$ 59,464	\$ 79,135	\$ 78,682	\$ 69,844	\$ 76,572	\$ 61,119	\$ 81,491	\$ 81,491	\$ 81,491	\$ 81,491	\$ 81,491	\$ 81,491	\$ 81,491	\$ 81,491	\$ 81,491	\$ 81,491	\$ 81,491	\$ 203,728	\$ 1,457,705		
<b>EXPENDITURES</b>																														
<b>Project Area Budget and Uses of Funds</b>																														
RDA Admin	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 315,000	\$ 495,570		
Developer Reimbursement (Woodbury Amsource)																											\$ 50,000	\$ 47,619		
Developer Reimbursement (Fund 45 Lakeside Park)																											\$ 130,232	\$ 76,144		
Debt Service (Haircut Eligible)		55,937	52,737	26,195	54,416	60,000	172,726	58,446	239,780	23,791	194,259	170,707	172,925	4,288	-	-	-	-	-	-	-	-	-	-	-	-	\$ 1,551,406	\$ 573,660		
Optional Reimbursement to Road Fund 2001 800 N State St. Traffic Signal														5,000													\$ 79,505	\$ 16,442		
Misc. Expenditures			59,412		100,417	66,838		243,776																			\$ 505,474	\$ 236,199		
Interest Revenue										(1,715)	(3,168)	(2,168)	(835)	(2,570)													\$ (10,456)	\$ (3,593)		
Redevelopment Activities			(59,412)	75,000	14,583	7,737		(97,320)		251,479	26,360	42,119	(46,881)	95,407	116,408	96,035	96,035	96,035	96,035	96,035	96,035	96,035	96,035	96,035	96,035	(241,202)	(506,402)	(315,707)	\$ (228,278)	\$ 23,597
<b>Total Uses</b>	<b>\$</b>	<b>55,937</b>	<b>\$ 52,737</b>	<b>\$ 101,195</b>	<b>\$ 169,416</b>	<b>\$ 134,575</b>	<b>\$ 172,726</b>	<b>\$ 204,902</b>	<b>\$ 239,780</b>	<b>\$ 273,555</b>	<b>\$ 217,450</b>	<b>\$ 210,658</b>	<b>\$ 225,409</b>	<b>\$ 202,125</b>	<b>\$ 216,408</b>	<b>\$ 196,035</b>	<b>\$ 196,035</b>	<b>\$ 196,035</b>	<b>\$ 196,035</b>	<b>\$ 196,035</b>	<b>\$ 196,035</b>	<b>\$ 3,953,114</b>	<b>\$ 1,462,854</b>							

# EXHIBIT A: OREM PROJECT AREA MAPS

