

2016

ANNUAL REPORT

OREM CITY REDEVELOPMENT AGENCY
OREM, UT

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



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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, RDA 90-08**, and the **University Place CDA**). 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, RDA 90-08**, and **University Place CDA**, 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).

Originally, under UCA 17C, each project area created by a Redevelopment Agency was classified simply as a Redevelopment Area (RDA). In 1998 and 2006, UCA 17C was expanded to allow the creation of various types of project areas, including Community Development Area (CDA), Urban Renewal Area (URA), and Economic Development Area (EDA). In 2016, changes were made to UCA 17C putting an end to these three classifications. Going forward all project areas will again be lumped into one category and will be designated as Community Reinvestment Areas (CRA). The Agency currently has seven active project areas, all of which were created prior to 1993. The University Place project area will become active in the future and be classified as a CDA.

AUTHORITIES AND POWERS OF THE AGENCY

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

17C-1-202

- 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
Debbie Lauret	Board Member	Orem City Council Member
Sam Lentz	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 2016 (Ending Dec. 31, 2016)	Tax Year 2017 (Beginning Jan. 1, 2017)
Property Tax Increment		
RDA 90-08	\$178,980	\$178,980
Total Revenue	\$178,980	\$178,980



Table I.5: Estimate of Haircut Increment

ESTIMATE OF HAIRCUT INCREMENT TO BE PAID TO THE AGENCY		
	Tax Year 2016 (Ending Dec. 31, 2016)	Tax Year 2017 (Beginning Jan. 1, 2017)
Haircut Increment		
RDA 85-01	\$369,912	\$369,912
RDA 85-02	\$188,628	\$188,628
RDA 85-03A	\$231,519	\$231,519
RDA 85-03B	\$327,945	\$327,945
RDA 85-04	\$106,076	\$106,076
RDA 87-10	\$129,616	\$129,616
RDA 90-08	\$31,729	\$31,729
Total Revenue	\$1,385,425	\$1,385,425

GENERAL OVERVIEW OF ALL PROJECT AREAS

Table I.6: Combined Budget

COMBINED BUDGET – ALL PROJECT AREAS		
REVENUES	FY 2016 TOTALS	REMAINING LIFE*
Property Tax Increment		
RDA 85-01	-	-
RDA 85-02	\$61,256	\$61,256
RDA 85-03A	\$12	\$12
RDA 85-03B	-	-
RDA 85-04	\$26,081	\$26,081
RDA 87-10	\$47,539	\$47,539
RDA 90-08	\$236,058	\$1,130,956
Haircut Increment		
RDA 85-01	\$371,276	\$2,590,747
RDA 85-02	\$209,312	\$1,152,453
RDA 85-03A	\$208,313	\$1,365,909
RDA 85-03B	\$339,939	\$1,979,665
RDA 85-04	\$97,101	\$627,483
RDA 87-10	\$121,959	\$899,652
RDA 90-08	\$16,085	\$412,692
Total	\$1,734,931	\$10,294,446
EXPENDITURES	FY 2016 TOTALS	REMAINING LIFE*
Project Area Administration		
RDA 85-01	-	-
RDA 85-02	\$165,000	\$730,000
RDA 85-03A	-	\$165,000
RDA 85-03B	-	\$165,000
RDA 85-04	\$50,000	\$400,000
RDA 87-10	-	\$60,000
RDA 90-08	\$100,000	\$1,315,000



Development Incentive Payments		
RDA 85-01	-	-
RDA 85-02	-	-
RDA 85-03A	\$210,522	\$1,716,589
RDA 85-03B	-	\$908,863
RDA 85-04	-	-
RDA 87-10	-	\$200,000
RDA 90-08	-	-
Debt Service Payments		
RDA 85-01	\$371,276	\$2,590,747
RDA 85-02	\$504,907	\$882,164
RDA 85-03A	\$285,037	\$748,076
RDA 85-03B	-	\$655,891
RDA 85-04	-	-
RDA 87-10	\$121,959	\$510,805
RDA 90-08	-	\$265,200
Miscellaneous Expenditures		
RDA 85-01	\$3,060	\$107,242
RDA 85-02	-	\$261,469
RDA 85-03A	\$34,743	\$1,836,074
RDA 85-03B	\$1,657	\$200,269
RDA 85-04	-	\$241,911
RDA 87-10	-	\$484,268
RDA 90-08	-	-
Contribution to (Use of Fund) Balance		
RDA 85-01	(\$2,490)	(\$106,103)
RDA 85-02	(\$397,020)	(\$655,285)
RDA 85-03A	(\$300,333)	(\$3,056,528)
RDA 85-03B	\$384,809	\$142,696
RDA 85-04	\$74,814	\$14,917
RDA 87-10	\$51,327	(\$300,306)
RDA 90-08	\$155,619	(\$29,600)
Interest (Revenue)		
RDA 85-01	(\$570)	(\$1,139)
RDA 85-02	(\$2,319)	(\$4,638)
RDA 85-03A	(\$21,645)	(\$43,290)
RDA 85-03B	(\$46,527)	(\$93,054)
RDA 85-04	(\$1,632)	(\$3,265)
RDA 87-10	(\$3,788)	(\$7,576)
RDA 90-08	(\$3,476)	(\$6,952)
Total Expenditures	\$1,734,931	\$10,294,446

* Remaining Life includes FY 2016 totals

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

Table 2.1: Project Area Overview

OVERVIEW				
Type RDA	Acreage 100	Purpose Commercial Development	Taxing District 090	Tax Rate 0.011139
Creation Year FY 1985	Base Year FY 1985	Term 32 Years	Trigger Year FY 1991	Expiration Year FY 2022
Base Value \$1,472,221	TY 2015 Value \$126,358,017	Increase 8,483%	FY 2016 Increment \$371,276	Remaining Years 6 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 I200 South between the western City boundary and Geneva Road.



SOURCES OF FUNDS

Table 2.2: Sources of Funds

2016 SOURCES OF FUNDS	
Property Tax Increment	-
Haircut Increment	\$369,912
Current Year Uncollected	(\$60,532)
Prior Years Late Collection	\$61,896
Total Sources of Funds	\$371,276

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

2016 USES OF FUNDS	
Developer Incentive Payments	-
Debt Service (Haircut Eligible)	\$371,276
Miscellaneous Expenditures	\$3,060
Redevelopment Activities	(\$2,490)
Interest (Revenue)	(\$570)
Total Uses of Funds	\$371,276

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 2016, the 85-01 Project Areas portion of the debt service was \$371,276.

Table 2.5: Debt Service Payment

2016 DEBT SERVICE PAYMENTS	
2002 Sales Tax Revenue Bond Payment	\$371,276
Total Debt Service Payments	\$371,276



PROJECT AREA REPORTING AND ACCOUNTABILITY

COMPARISON OF FORECASTED AND ACTUAL TAX INCREMENT

Table 2.6: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	ACTUAL	FORECASTED	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2016	\$371,276	\$416,762	89%

RELATIVE GROWTH IN ASSESSED VALUE

Table 2.7: 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 (2015 vs. 2014)	\$126,358,017	\$142,175,248	(11%)	(11%)
Lifetime Growth in Project Area (2015 vs. Base)	\$126,358,017	\$1,472,221	8,483%	16%

ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2015 vs. 2014)	\$4,534,129,407	\$4287,504,710	6%	6%
Lifetime Growth in Orem City (2015 vs. 1997 ¹)	\$4,534,129,407	\$2,173,320,362	109%	2%

BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 2.8: 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 6,366% above what would have been realized if assessed values in the Project Area had remained at base year levels for all the taxing entities. The lifetime property tax increment will increase significantly when the Project Area expires in 2022, and all of the taxing entities receive the benefit of the 2,255% increase in annual tax increment.

¹ LYRB used 1997 as a reference point, as it is the earliest year of reliable information available. The AAGR is calculated using the base year 1985.



Table 2.9: Growth in Property Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET REVENUES	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
TAX INCREMENT FROM PROJECT AREA				
Fiscal Year 2015	NA	\$371,276	\$16,468	2,255%
PASS THROUGH INCREMENT (ABOVE BASE)				
Fiscal Year 2015	NA	\$1,048,300	\$16,468	6,366%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

1. Blendtec
2. US Synthetic Corporation
3. Mountainland Applied Technology College
4. PowerStream Technology
5. Utah College of Dental Hygiene
6. 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 2.10: Project Area Budget

PROJECT AREA BUDGET	FY 2017-2022	
	TOTALS	NPV@5%
REVENUES		
Haircut Increment	\$ 2,219,470	\$1,877,558
Total Revenue	\$ 2,219,470	\$1,877,558
EXPENDITURES		
Misc. Expenditures	\$104,182	\$89,489
Interest Revenue	(\$570)	(\$543)
Redevelopment Activities	(\$103,612)	(\$88,964)
Debt Service	\$2,219,470	\$1,877,558
Total Expenditures	\$2,219,470	\$1,877,558

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 2016, FY 2017, FY 2018, and the full multi-year budget from 2002 to 2022 for the 85-01 Project Area.



Orem RDA 85-01

2016 Annual Budget

	Tax Year Payment Year	Yr. 26
	2015	2016
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		70,625,600
Personal Property		55,482,631
Centrally Assessed		249,786
Total Assessed Value		126,358,017
Less: Base Year Value		(1,472,221)
Incremental Assessed Value		124,885,796
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.000216
Less Local Assessing & Collecting		0.000012
Total Tax Rate		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		371,276
TOTAL DISTRIBUTION		
371,276		
EXPENDITURES		
RDA Admin		-
Developer Reimbursement (Orem Tek)		-
Developer Reimbursement (US Synthetics)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Recreation Facilities)		371,276
Misc. Expenditures		3,060
Interest Revenue		(570)
Redevelopment Activities		(2,490)
TOTAL EXPENDITURES		371,276



Orem RDA 85-01

2017 Annual Budget

	Tax Year	Yr. 27
	Payment Year	2016
		2017
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		70,625,600
Personal Property		55,482,631
Centrally Assessed		249,786
Total Assessed Value		126,358,017
Less: Base Year Value		(1,472,221)
Incremental Assessed Value		124,885,796
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.000216
Less Local Assessing & Collecting		0.000012
Total Tax Rate		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		369,912
TOTAL DISTRIBUTION		
369,912		
EXPENDITURES		
RDA Admin		-
Developer Reimbursement (Orem Tek)		-
Developer Reimbursement (US Synthetics)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Recreation Facilities)		369,912
Misc. Expenditures		56,976
Interest Revenue		(570)
Redevelopment Activities		(56,406)
TOTAL EXPENDITURES		369,912



Orem RDA 85-01

2018 Annual Budget

	Tax Year Payment Year	Yr. 28
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		70,625,600
Personal Property		55,482,631
Centrally Assessed		249,786
Total Assessed Value		126,358,017
Less: Base Year Value		(1,472,221)
Incremental Assessed Value		124,885,796
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.000216
Less Local Assessing & Collecting		0.000012
Total Tax Rate		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		369,912
TOTAL DISTRIBUTION		
		369,912
EXPENDITURES		
RDA Admin		-
Developer Reimbursement (Orem Tek)		-
Developer Reimbursement (US Synthetics)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Recreation Facilities)		369,912
Misc. Expenditures		-
Interest Revenue		-
Redevelopment Activities		-
TOTAL EXPENDITURES		369,912



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	<===== HISTORIC		PROJECTED =====>			OPTIONAL EXTENSION 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		

REVENUES																												
TAXABLE VALUATION:																												
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	70,625,600	70,625,600	70,625,600	70,625,600	70,625,600	70,625,600	70,625,600	70,625,600						
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	55,482,631	55,482,631	55,482,631	55,482,631	55,482,631	55,482,631	55,482,631	55,482,631	55,482,631					
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	249,786	249,786	249,786	249,786	249,786	249,786	249,786	249,786	249,786					
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	126,358,017	126,358,017	126,358,017	126,358,017	126,358,017	126,358,017	126,358,017	126,358,017	126,358,017	126,358,017				
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)				
Total Incremental Assessed Value		\$ 44,138,381	\$ 44,533,582	\$ 44,026,527	\$ 45,618,742	\$ 59,387,531	\$ 63,294,078	\$ 96,381,239	\$ 109,954,504	\$ -	\$ 108,831,185	\$ 118,356,376	\$ 130,753,889	\$ 140,703,027	\$ 124,885,796													
Real Property/Centrally Assessed Tax Rate:																												
Utah County	-	0.001411	0.001425	0.000139	0.001262	0.001000	0.001105	0.001203	0.001294	0.001342	0.001324	0.001259	0.000916	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870			
Alpine School District	-	0.007884	0.008119	0.008082	0.006883	0.006937	0.007057	0.007541	0.008220	0.008812	0.008828	0.008699	0.008096	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177		
Orem City	-	0.001698	0.001800	0.002036	0.002045	0.001670	0.001578	0.001676	0.001739	0.001879	0.001921	0.001871	0.001716	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652		
Orem Metropolitan Water District	-	0.000041	0.000043	0.000043	0.000042	0.000035	0.000033	0.000035	0.000036	0.000039	0.000040	0.000039	0.000036	0.000036	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035		
Central Utah Water Conservancy	-	0.000358	0.000353	0.000400	0.000357	0.000302	0.000286	0.000400	0.000421	0.000436	0.000455	0.000446	0.000422	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405		
Less State Assessing & Collecting	-	(0.000181)	(0.000180)	(0.000173)	(0.000139)	(0.000121)	(0.000121)	(0.000142)	(0.000162)	(0.000172)	(0.000168)	(0.000158)	0.000220	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216		
Less Local Assessing & Collecting	-	(0.000177)	(0.000180)	(0.000178)	(0.000044)	(0.000036)	(0.000175)	(0.000183)	(0.000024)	(0.000027)	(0.000029)	(0.000095)	0.000013	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012		
Total Tax Rate	-	0.011034	0.011380	0.010349	0.010406	0.009787	0.009763	0.010530	0.011524	0.012309	0.012371	0.012061	0.011419	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367		
Actual Tax Rate Used by County in TIF Calculation		0.010063	0.010409	0.011740	0.010558	0.010395	0.009663	0.010448	0.012309	0.012371	0.012314	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	0.011139	0.011139		
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	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962		

Percent of Tax Increment for Project	75%	75%	75%	70%	70%	70%	70%	70%	60%	60%	60%	60%	60%	60%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%			
Percent of Tax Increment for Haircut	25%	25%	25%	30%	30%	30%	30%	30%	40%	40%	40%	40%	40%	40%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		

TAX INCREMENT REVENUES																												
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	\$ 966,062	\$ 944,342	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,777,990	\$ 4,132,815	
Less Current Year Uncollected	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (48,885)	\$ (27,031)	\$ (69,462)	\$ (29,159)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (174,536)	\$ (55,660)
Plus Prior Years Late Collections	-	-	-	-	-	-	-	-	-	49,663	11,760	44,747	-	-	-	-	-	-	-	-	-	-	-	-	-	106,170	34,680	
Total Tax Increment Received by Agency	\$ 333,350	\$ 347,663	\$ 325,898	\$ 331,583	\$ 421,085	\$ 376,529	\$ 757,726	\$ 758,821	\$ 727,009	\$ 804,540	\$ 863,241	\$ 941,347	\$ 915,183	\$ -	\$ 9,709,623	\$ 4,111,835												
HAIRCUT REVENUES																												
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	\$ 369,912	\$ 369,912	\$ 369,912	\$ 369,912	\$ 369,912	\$ 369,912	\$ 369,912	\$ 369,912	\$ 369,912	\$ 369,912	\$ 369,912	\$ 369,912	\$ 369,912	\$ 3,849,631	\$ 1,090,184
Less Current Year Uncollected	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (9,259)	\$ (5,161)	\$ (33,130)	\$ (5,370)	\$ (60,532)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (113,451)	\$ (33,728)
Plus Prior Years Late Collections	-	-	-	-	-	-	-	-	-	8,732	2,187	28,525	-	61,896	-	-	-	-	-	-	-	-	-	-	-	101,341	29,950	
Total Haircut Received by Agency	\$ 38,226	\$ 39,056	\$ 33,506	\$ 45,492	\$ 60,700	\$ 52,852	\$ 93,441	\$ 90,530	\$ 136,732	\$ 151,707	\$ 164,761	\$ 171,233	\$ 168,539	\$ 371,276	\$ 369,912	\$ 3,837,521	\$ 1,086,406											
TOTAL REVENUES RECEIVED	\$ 371,576	\$ 386,719	\$ 359,404	\$ 377,075	\$ 481,785	\$ 429,381	\$ 851,167	\$ 849,351	\$ 863,741	\$ 956,246	\$ 1,028,002	\$ 1,112,580	\$ 1,083,722	\$ 371,276	\$ 369,912	\$ 13,547,144	\$ 5,198,241											
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)																												
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	\$ 464,443	\$ 522,965	\$ 1,048,300	\$ 1,049,665	\$ 1,049,665	\$ 1,049,665	\$ 1,049,665	\$ 1,049,665	\$ 1,049,665	\$ 1,049,665	\$ 1,049,665	\$ 1,049,665	\$ 1,049,665	\$ 1,049,665	\$ 11,008,767	\$ 3,228,786	

EXPENDITURES																												
Project Area Budget and Uses of Funds																												
RDA Admin	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 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																

SECTION 2: OVERVIEW OF THE 85-02 PROJECT AREA

Table 2.1: Project Area Overview

OVERVIEW				
Type RDA	Acreage 100	Purpose Research & Technology Park	Taxing District 090	Tax Rate 0.011139
Creation Year FY 1985	Base Year FY 1985	Term 32 Years	Trigger Year FY 1990	Expiration Year FY 2021
Base Value \$7,333,972	TY 2015 Value \$71,016,720	Increase 868%	FY 2016 Increment \$270,568	Remaining Years 5 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 2.2: Sources of Funds

2016 SOURCES OF FUNDS	
Prior Year Increment Late Collection	\$61,256
Haircut Increment	\$188,628
Current Year Uncollected	(\$645)
Prior Years Late Collection	(\$21,328)
Total Sources of Funds	\$270,568

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

2016 USES OF FUNDS	
Debt Service Payments	\$504,907
RDA Administration	\$165,000
Redevelopment Activities	(\$397,020)
Interest (Revenue)	(\$2,319)
Total Uses of Funds	\$270,568

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 2016, the 85-02 Project Area's portion of the debt service was \$504,907.

Table 2.5: Debt Service Payments

2016 DEBT SERVICE PAYMENTS	
Series 2002 Sales Tax Revenue Bond Payment	\$504,907
Total Debt Service Payments	\$504,907



PROJECT AREA REPORTING AND ACCOUNTABILITY COMPARISON OF FORECASTED AND ACTUAL TAX INCREMENT

Table 2.6: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2016	\$186,624	\$270,568	145%

RELATIVE GROWTH IN ASSESSED VALUE

Table 2.7: 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 (2015 vs. 2014)	\$71,016,720	\$70,340,000	.96%	.96%
Lifetime Growth in Project Area (2015 vs. Base)	\$71,016,720	\$7,333,972	868%	7.9%

ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2015 vs. 2014)	\$4,534,129,407	\$4,287,504,710	5.75%	5.75%
Lifetime Growth in Orem City (2015 vs. 1997)	\$4,534,129,407	\$2,173,320,362	108.63%	2.5%

BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 2.8: 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 2,830% above what would have been realized if assessed values in the Project Area had remained at base year levels for all the taxing entities. The lifetime property tax increment will increase significantly when the Project Area expires in 2021, and all of the taxing entities receive the benefit of the 1194% increase in annual tax increment.



GROWTH IN PROPERTY TAX INCREMENT

Table 2.9: Growth in Property Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
TAX INCREMENT FROM PROJECT AREA				
Fiscal Year 2016	NA	\$270,568	\$22,662	1194%
PASS THROUGH TAX INCREMENT (ABOVE BASE)				
Fiscal Year 2015	NA	\$641,298	\$22,662	2,830%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

1. Wayfair.com
2. Canyon Park Technology Center
3. Fishbowl Inventory
4. Moduslink Corporation
5. Unicity International
6. Bluehost
7. Vivant Solar
8. KLAS

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 2.10: Project Area Budget

PROJECT AREA BUDGET	FY 2017-2021	
	TOTALS	NPV@5%
REVENUES		
Haircut Increment	\$943,141	\$816,662
Total Revenue	\$943,141	\$816,662
EXPENDITURES		
Debt Service	\$377,257	\$350,737
RDA Administration	\$565,000	\$485,528
Misc.	\$261,469	\$230,820
Interest Revenue	(\$2,319)	(\$2,209)
Redevelopment Activities	(\$258,265)	(\$225,095)
Total Expenditures	\$943,141	\$816,662

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 2016, FY 2017, FY 2018 and multi-year budget from 2003 to 2021.



OREM RDA 85-02

2016 Annual Budget

	Tax Year Payment Year	Yr. 27
	2015	2016
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		70,472,910
Personal Property		-
Centrally Assessed		543,810
Total Assessed Value		71,016,720
Less: Base Year Value		(7,333,972)
Incremental Assessed Value		63,682,748
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.000216
Less Local Assessing & Collecting		0.000012
Total Tax Rate		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		61,256
Percent of Tax Increment for Haircut		100%
Total Haircut Received		209,312
TOTAL DISTRIBUTION		270,568
EXPENDITURES		
RDA Admin		165,000
Land Sales Revenue		-
Loan Repayments to City		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		504,907
Misc. Expenditures		-
Interest Revenue		(2,319)
Redevelopment Activities		(397,020)
TOTAL EXPENDITURES		270,568



OREM RDA 85-02

2017 Annual Budget

	Tax Year Payment Year	Yr. 28
		2016
		2017
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		70,472,910
Personal Property		-
Centrally Assessed		543,810
Total Assessed Value		71,016,720
Less: Base Year Value		
Incremental Assessed Value		63,682,748
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.000216
Less Local Assessing & Collecting		0.000012
Total Tax Rate		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		188,628
TOTAL DISTRIBUTION		
188,628		
EXPENDITURES		
RDA Admin		-
Land Sales Revenue		-
Loan Repayments to City		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		188,628
Misc. Expenditures		153,698
Interest Revenue		(2,319)
Redevelopment Activities		(151,379)
TOTAL EXPENDITURES		
188,628		



OREM RDA 85-02

2018 Annual Budget

	Tax Year
	Payment Year
	Yr. 29
	2017
	2018
ASSESSED VALUATION	
TAXABLE VALUATION	
Real Property	70,472,910
Personal Property	-
Centrally Assessed	543,810
Total Assessed Value	71,016,720
Less: Base Year Value	(7,333,972)
Incremental Assessed Value	63,682,748
TAX INCREMENT ANALYSIS	
Tax Rate	
Utah County	0.000870
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	0.000216
Less Local Assessing & Collecting	0.000012
Total Tax Rate	0.011367
PROJECT AREA BUDGET	
TAX INCREMENT REVENUES	
Percent of Tax Increment for Project	0%
Total Tax Increment Received	-
Percent of Tax Increment for Haircut	100%
Total Haircut Received	188,628
TOTAL DISTRIBUTION	
188,628	
EXPENDITURES	
RDA Admin	-
Land Sales Revenue	-
Loan Repayments to City	-
Developer Reimbursement (Fund 45 Lakeside Park)	-
Debt Service (Haircut Eligible)	188,628
Misc. Expenditures	-
Interest Revenue	-
Redevelopment Activities	-
TOTAL EXPENDITURES	
188,628	



Orem RDA 85-02

Ongoing Budget
Multi-Year Project Area Budget Projections



Tax Year Payment Year	Base	14	15	16	17	18	19	20	21	22	23	HISTORIC		PROJECTED		OPTIONAL EXTENTION OF HAIRCUT INCREMENT										TOTALS	NPV @ 5%
	1984	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021						
REVENUES																											
TAXABLE VALUATION:																											
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	70,472,910	70,472,910	70,472,910	70,472,910	70,472,910	70,472,910	70,472,910						
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	543,810	543,810	543,810	543,810	543,810	543,810	543,810						
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	71,016,720	71,016,720	71,016,720	71,016,720	71,016,720	71,016,720	71,016,720						
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)						
Total Incremental Assessed Value		\$ 87,821,264	\$ 61,099,540	\$ 47,608,502	\$ 47,403,149	\$ 51,539,446	\$ 59,310,993	\$ 72,790,999	\$ 67,064,742	\$ -	\$ 62,083,403	\$ 61,041,978	\$ 62,110,882	\$ 63,006,028	\$ 63,682,748	\$ 63,682,748	\$ 63,682,748	\$ 63,682,748	\$ 63,682,748	\$ 63,682,748	\$ 63,682,748	\$ 63,682,748					
Real Property/Centrally Assessed Tax Rate:																											
Utah County		-	0.001411	0.001425	0.000139	0.001262	0.001000	0.001105	0.001203	0.001294	0.001342	0.001324	0.001259	0.000916	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870					
Alpine School District		-	0.007884	0.008119	0.008082	0.006883	0.006937	0.007057	0.007541	0.008220	0.008812	0.008828	0.008699	0.008096	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177					
Orem City		-	0.001698	0.001800	0.002036	0.002045	0.001670	0.001578	0.001676	0.001739	0.001879	0.001921	0.001871	0.001716	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652					
Orem Metropolitan Water District		-	0.000041	0.000043	0.000043	0.000042	0.000035	0.000033	0.000035	0.000036	0.000039	0.000040	0.000039	0.000036	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035					
Central Utah Water Conservancy		-	0.000358	0.000353	0.000400	0.000357	0.000302	0.000286	0.000400	0.000421	0.000436	0.000455	0.000446	0.000422	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405					
Less State Assessing & Collecting		-	(0.000181)	(0.000180)	(0.000173)	(0.000139)	(0.000121)	(0.000121)	(0.000142)	(0.000162)	(0.000172)	(0.000168)	(0.000158)	0.000220	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216					
Less Local Assessing & Collecting		-	(0.000177)	(0.000180)	(0.000178)	(0.000044)	(0.000036)	(0.000175)	(0.000183)	(0.000024)	(0.000027)	(0.000029)	(0.000095)	0.000013	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012					
Total Tax Rate		-	0.011034	0.011380	0.010349	0.010406	0.009787	0.010530	0.009787	0.011524	0.012309	0.012371	0.012061	0.011419	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367					
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	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 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	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962					
Percent of Tax Increment for Project			75%	75%	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%	40%	40%	40%	40%	40%	100%	100%	100%	100%	100%	100%	100%	100%						
TAX INCREMENT REVENUES																											
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	\$ 8,437,162				
Less Current Year Uncollected		-	-	-	-	-	-	-	-	-	(23,069)	(20,776)	(18,732)	-	-	-	-	-	-	-	-	(62,577)	(19,484)				
Plus Prior Years Late Collections		-	-	-	-	-	-	-	-	-	9	-	1,232	-	61,256	-	-	-	-	-	-	62,497	16,774				
Total Tax Increment Received by Agency	\$	-	\$ 315,000	\$ 315,000	\$ 343,370	\$ 380,226	\$ 349,560	\$ 490,725	\$ 421,591	\$ 545,500	\$ 435,451	\$ 432,314	\$ 424,369	\$ -	\$ 61,256	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,717,052	\$ 8,434,452				
HAIRCUT REVENUES																											
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	\$ 188,628	\$ 188,628	\$ 188,628	\$ 188,628	\$ 188,628	\$ 188,628	\$ 188,628	\$ 2,386,218	\$ 753,757				
Less Current Year Uncollected		-	-	-	-	-	-	-	-	-	(4,369)	(3,967)	(3,541)	(9,518)	(645)	-	-	-	-	-	-	(22,040)	(6,548)				
Plus Prior Years Late Collections		-	-	-	-	-	-	-	-	-	2	-	235	-	21,328	-	-	-	-	-	-	21,565	5,783				
Total Haircut Received by Agency	\$	231,893	\$ 103,466	\$ 74,178	\$ 48,212	\$ 55,024	\$ 48,832	\$ 58,895	\$ 78,116	\$ 104,265	\$ 82,475	\$ 82,542	\$ 80,221	\$ 185,171	\$ 209,312	\$ 188,628	\$ 188,628	\$ 188,628	\$ 188,628	\$ 188,628	\$ 188,628	\$ 2,385,743	\$ 752,992				
TOTAL REVENUES RECEIVED																											
	\$	231,893	\$ 418,466	\$ 389,178	\$ 391,582	\$ 435,250	\$ 398,392	\$ 549,620	\$ 499,707	\$ 649,766	\$ 517,926	\$ 514,856	\$ 504,590	\$ 185,171	\$ 270,568	\$ 188,628	\$ 188,628	\$ 188,628	\$ 188,628	\$ 188,628	\$ 188,628	\$ 16,102,794	\$ 9,187,444				
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)																											
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	\$ 311,844.49	\$ 719,466	\$ 641,298	\$ 723,882	\$ 723,882	\$ 723,882	\$ 723,882	\$ 723,882	\$ 723,882	\$ 10,455,903	\$ 3,893,541				
EXPENDITURES																											
Project Area Budget and Uses of Funds																											
RDA Admin	\$	-	\$ 315,000	\$ 315,000	\$ 315,000	\$ 273,000	\$ 315,000	\$ 315,000	\$ 221,591	\$ 315,000	\$ 315,000	\$ 315,000	\$ -	\$ -	\$ 165,000	\$ -	\$ -	\$ 165,000	\$ 165,000	\$ 235,000	\$ 3,744,591	\$ 1,162,354					
Land Sales Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,854,793)	(1,666,495)					
Loan Repayments to City		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,892,660	7,256,809					
Developer Reimbursement (Fund 45 Lakeside Park)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48,909	22,406					
Debt Service (Haircut Eligible)		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	188,628	188,628	188,628	188,628	188,628	188,628	2,913,239	856,978					
Optional Reimbursement to Road Fund for Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Misc. Expenditures		-	915	-	-	-	-	-	-	-	-	-	-	5,000	-	153,698	-	-	-	107,771	382,384	125,602					
Interest Revenue		-	-	-	-	-	-	-	-	(1,636)	(2,222)	(1,955)	(4,261)	(4,598)	(2,319)	(2,319)	-	-	-	-	(19,310)	(4,883)					
Redevelopment Activities		-	(915)	-	-	-	-	-	200,000	39,905	(45,031)	93,548	362,381	(402)	(397,020)	(151,379)	-	23,628	23,628	(154,143)	(4,885)	183,689					

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

Table 3.1: Project Area Overview

OVERVIEW				
Type RDA	Acreage 99.98	Purpose Commercial Development	Taxing District 090	Tax Rate 0.011139
Creation Year FY 1985	Base Year FY 1985	Term 32 Years	Trigger Year FY 1990	Expiration Year FY 2021
Base Value \$30,552,708	TY 2015 Value \$108,715,888	Increase 256%	FY 2016 Increment \$208,325	Remaining Years 5 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 3.2: Sources of Funds

2016 SOURCES OF FUNDS	
Prior Year Late Collection	\$12
Haircut Increment	\$188,628
Current Year Uncollected	(\$645)
Prior Year Late Collections	\$20,329
Total Sources of Funds	\$208,325

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

2016 USES OF FUNDS	
Developer Incentive Payment	\$59,722
Debt Service Payments	\$285,037
Miscellaneous Expenditures	\$34,743
Contribution to (Use of Fund) Balance	(\$300,333)
Interest (Revenue)	(\$21,645)
Land Acquisition: Sakura	\$150,800
Total Uses of Funds	\$208,324

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 2016 the Agency paid the developer \$59,722.

Table 3.5: Developer Incentive Payments

2016 DEVELOPER INCENTIVE PAYMENTS	
MLP Orem, LLC Payment	\$59,722
Total Developer Incentive Payment	\$59,722



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 2016, the 85-03A Project Area's portion of the debt service was \$285,037.

Table 3.6: Debt Service Payments

2016 DEBT SERVICE PAYMENTS	
Series 2002 Sales Tax Revenue Bond Payment	\$285,037
Total Debt Service Payments	\$285,037

PROJECT AREA REPORTING AND ACCOUNTABILITY

COMPARISON OF FORECASTED AND ACTUAL TAX INCREMENT

Table 3.7: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2016	\$210,631	\$208,325	99%

RELATIVE GROWTH IN ASSESSED VALUE

Table 3.8: 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 (2015 vs. 2014)	\$108,715,888	\$101,663,871	6.94%	6.94%
Lifetime Growth in Project Area (2014 vs. Base)	\$108,715,888	\$30,552,708	256%	4.3%
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 (2014 vs. 1997 ²)	\$4,534,129,407	\$2,173,320,362	109%	2.5%

BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 3.9: Benefits to Taxing Entities

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

² LYRB used 1997 as a reference point, as it is the earliest year of reliable information available.

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 720% above what would have been realized if assessed values in the Project Area had remained at base year levels for all the taxing entities. The lifetime increment increases significantly when the Project Area expires in 2021, and all of the taxing entities receive the benefit of the 221% increase in annual tax increment.

Table 3.10: Growth in Property Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
TAX INCREMENT FROM PROJECT AREA				
Fiscal Year 2016	NA	\$208,325	\$94,408	221%
PASS THROUGH TAX INCREMENT (ABOVE BASE)				
Fiscal Year 2015	NA	\$680,168	\$94,408	720%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

- | | |
|--------------------------------|-------------------------|
| 1. Dick's Sporting Goods Store | 5. Ken Garff Volkswagen |
| 2. Lowe's | 6. Ken Garff Honda |
| 3. In & Out Burger | 7. Nordstrom Rack |
| 4. Orem Mazda | 8. Ashley Furniture |

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 3.11: Project Area Budget

PROJECT AREA BUDGET	2017-2021	
	TOTALS	NPV@5%
REVENUES		
Haircut Increment	\$1,157,597	\$1,002,358
Total Revenue	\$1,157,597	\$1,002,358
EXPENDITURES		
Developer Incentive Payments	1,506,067	\$1,428,681
RDA Administration	\$165,000	\$149,660
Debt Service Payments	\$463,039	\$430,489
Misc.	\$1,801,331	\$1,431,472
Contribution to (Use of Fund) Balance	(\$2,756,195)	(\$2,417,330)
Interest (Revenue)	(\$21,645)	(\$20,614)
Total Expenditures	\$1,157,597	\$1,002,358



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 2016, FY 2017, FY 2018 and full multi-year budgets from 2003 to 2021.



Orem 85-03A

2016 Annual Budget

	Tax Year Payment Year	Yr. 27
	2015	2016
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		105,677,155
Personal Property		1,231,132
Centrally Assessed		1,807,601
Total Assessed Value		108,715,888
Less: Base Year Value		(30,552,708)
Incremental Assessed Value		78,163,180
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.000216
Less Local Assessing & Collecting		0.000012
Total Tax Rate		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		12
Percent of Tax Increment for Haircut		100%
Total Haircut Received		208,313
TOTAL DISTRIBUTION		208,325
EXPENDITURES		
RDA Admin		-
Developer Reimbursement (University Square)		-
Land Acquisition: Sakura		150,800
Developer Reimbursement (Mazda Orem)		59,722
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		285,037
Misc. Expenditures		34,743
Interest Revenue		(21,645)
Redevelopment Activities		(300,333)
TOTAL EXPENDITURES		208,325



Orem 85-03A

2017 Annual Budget

	Tax Year Payment Year	Yr. 28
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		105,677,155
Personal Property		1,231,132
Centrally Assessed		1,807,601
Total Assessed Value		108,715,888
Less: Base Year Value		(30,552,708)
Incremental Assessed Value		78,163,180
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.000216
Less Local Assessing & Collecting		0.000012
Total Tax Rate		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		231,519
TOTAL DISTRIBUTION		
231,519		
EXPENDITURES		
RDA Admin		-
Developer Reimbursement (University Square)		-
Land Acquisition: Sakura		1,316,067
Developer Reimbursement (Mazda Orem)		65,000
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		231,519
Misc. Expenditures		-
Interest Revenue		(21,645)
Redevelopment Activities		(1,359,422)
TOTAL EXPENDITURES		231,519



Orem 85-03A

2018 Annual Budget

	Tax Year Payment Year	Yr. 29
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		105,677,155
Personal Property		1,231,132
Centrally Assessed		1,807,601
Total Assessed Value		108,715,888
Less: Base Year Value		(30,552,708)
Incremental Assessed Value		78,163,180
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.000216
Less Local Assessing & Collecting		0.000012
Total Tax Rate		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		231,519
TOTAL DISTRIBUTION		
231,519		
EXPENDITURES		
RDA Admin		165,000
Developer Reimbursement (University Square)		-
Land Acquisition: Sakura		-
Developer Reimbursement (Mazda Orem)		125,000
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		231,519
Misc. Expenditures		162,602
Interest Revenue		-
Redevelopment Activities		(452,602)
TOTAL EXPENDITURES		231,519



Orem RDA 85-03A

Ongoing Budget
Multi-Year Project Area Budget Projections



Tax Year Payment Year	14	15	16	17	18	19	20	21	22	23	24	<==== HISTORIC		PROJECTED =====>		OPTIONAL EXTENSION OF HAIRCUT INCREMENT						TOTALS	NPV @ 5%																									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021																												
REVENUES																																																
TAXABLE VALUATION:																																																
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	105,677,155	105,677,155	105,677,155	105,677,155	105,677,155	105,677,155	105,677,155																										
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	1,231,132	1,231,132	1,231,132	1,231,132	1,231,132	1,231,132	1,231,132	1,231,132	1,231,132																								
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	1,807,601	1,807,601	1,807,601	1,807,601	1,807,601	1,807,601	1,807,601	1,807,601	1,807,601																								
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	108,715,888	108,715,888	108,715,888	108,715,888	108,715,888	108,715,888	108,715,888	108,715,888	108,715,888																								
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)																								
Total Incremental Assessed Value	\$ 55,734,408	\$ 57,187,238	\$ 57,651,393	\$ 57,206,886	\$ 55,083,405	\$ 71,872,910	\$ 89,064,061	\$ 81,057,530	\$ -	\$ 66,770,209	\$ 66,852,626	\$ 67,518,499	\$ 71,111,163	\$ 78,163,180	\$ 78,163,180	\$ 78,163,180	\$ 78,163,180	\$ 78,163,180	\$ 78,163,180	\$ 78,163,180	\$ 78,163,180	\$ 78,163,180	\$ 78,163,180	\$ 78,163,180																								
Real Property/Centrally Assessed Tax Rate:																																																
Utah County	-	0.001411	0.001425	0.000139	0.001262	0.001000	0.001105	0.001203	0.001294	0.001342	0.001324	0.001259	0.000916	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870																							
Alpine School District	-	0.007884	0.008119	0.008082	0.006883	0.006937	0.007541	0.008220	0.008812	0.008937	0.008812	0.008495	0.008096	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177																						
Orem City	-	0.001698	0.001800	0.002036	0.002045	0.001670	0.001578	0.001676	0.001739	0.001879	0.001921	0.001871	0.001716	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652																						
Orem Metropolitan Water District	-	0.000041	0.000043	0.000043	0.000042	0.000035	0.000035	0.000035	0.000036	0.000039	0.000040	0.000039	0.000036	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035																						
Central Utah Water Conservancy	-	0.000358	0.000353	0.000400	0.000357	0.000302	0.000400	0.000421	0.000436	0.000455	0.000446	0.000422	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405																						
Less State Assessing & Collecting	-	(0.000181)	(0.000180)	(0.000173)	(0.000139)	(0.000121)	(0.000121)	(0.000142)	(0.000162)	(0.000172)	(0.000168)	(0.000158)	0.000013	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216																						
Less Local Assessing & Collecting	-	(0.000177)	(0.000180)	(0.000178)	(0.000044)	(0.000036)	(0.000183)	(0.000024)	(0.000027)	(0.000029)	(0.000029)	(0.000095)	0.0000220	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012																						
Total Tax Rate	-	0.011034	0.011380	0.010349	0.010406	0.009787	0.010530	0.011524	0.012309	0.012371	0.011857	0.011419	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367																						
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	0.011139	0.011139	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 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	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962																						
Percent of Tax Increment for Project																						75%	75%	70%	70%	70%	70%	60%	60%	60%	60%	60%	60%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%		
Percent of Tax Increment for Haircut																						25%	25%	30%	30%	30%	30%	40%	40%	40%	40%	40%	40%	40%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
TAX INCREMENT REVENUES																																																
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	-	12	-	-	-	-	-	-	-	-	-	-	-	-	\$ 45,071	\$ 14,264																				
Total Tax Increment Received by Agency	\$ 420,641	\$ 106,000	\$ 250,000	\$ 392,771	\$ 396,818	\$ 437,480	\$ 532,546	\$ 527,698	\$ 520,086	\$ 499,121	\$ 504,689	\$ 484,805	\$ -	\$ 12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,489,082	\$ 3,451,227																					
HAIRCUT REVENUES																																																
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	\$ 188,628	\$ 231,519	\$ 231,519	\$ 231,519	\$ 231,519	\$ 231,519	\$ 231,519	\$ 231,519	\$ 231,519	\$ 231,519	\$ 231,519	\$ 231,519	\$ 231,519	\$ 2,593,836	\$ 782,673																				
Less Current Year Uncollected	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,455)	\$ (1,248)	\$ (255)	\$ (400)	\$ (645)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (6,002)	\$ (1,872)																				
Plus Prior Years Late Collections	-	-	-	-	-	-	-	-	-	3,930	2,714	1,102	-	20,329	-	-	-	-	-	-	-	-	-	-	-	-	\$ 28,075	\$ 7,891																				
Total Haircut Received by Agency	\$ 48,877	\$ 154,748	\$ 112,931	\$ 55,169	\$ 57,446	\$ 61,130	\$ 63,934	\$ 95,342	\$ 99,360	\$ 93,874	\$ 96,210	\$ 91,645	\$ 219,333	\$ 208,313	\$ 231,519	\$ 231,519	\$ 231,519	\$ 231,519	\$ 231,519	\$ 231,519	\$ 231,519	\$ 231,519	\$ 231,519	\$ 231,519	\$ 231,519	\$ 2,615,908	\$ 788,692																					
TOTAL REVENUES RECEIVED																						\$ 469,519	\$ 260,748	\$ 362,931	\$ 447,940	\$ 454,264	\$ 498,609	\$ 596,480	\$ 623,039	\$ 619,446	\$ 592,995	\$ 600,899	\$ 576,450	\$ 219,333	\$ 208,325	\$ 231,519	\$ 10,104,990	\$ 4,239,919										
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)																																																
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	\$ 592,685	\$ 680,156	\$ 658,962	\$ 658,962	\$ 658,962	\$ 658,962	\$ 658,962	\$ 658,962	\$ 658,962	\$ 658,962	\$ 658,962	\$ 658,962	\$ 658,962	\$ 7,665,441	\$ 2,448,179																					
EXPENDITURES																																																
Project Area Budget and Uses of Funds																																																
RDA Admin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	165,000	-	-	-	-	-	-	-	-	\$ 165,000	\$ 38,177																					
Loan Repayments to City	420,642	203,767	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 3,146,550	\$ 1,863,377																					
Developer Reimbursement (University Square)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 1,429,200	\$ 894,609																					
Land Acquisition: Sakura	-	-	-	-	-	-	-	-	-	-	-	-	-	-	150,800	1,316,067	-	-	-	-	-	-	-	-	-	\$ 1,516,867	\$ 392,044																					
Developer Reimbursement (Mazda Orem)	-	-	-	-	-	-	-	-	39,877	41,053	54,847	53,947	75,000	59,722	65,000	125,000	-	-	-	-	-	-	-	-	-	\$ 514,446	\$ 137,118																					
Developer Reimbursement (Fund 45 Lakeside Park)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 47,744	\$ 24,114																					
Debt Service (Haircut Eligible)	48,877	154,748	351,248	47,940	57,446	284,368	63,934	295,342	99,360	93,874	9																																					

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

Table 4.1: Project Area Overview

OVERVIEW				
Type RDA	Acreeage 87.90	Purpose Commercial Development	Taxing District 090	Tax Rate 0.011139
Creation Year FY 1985	Base Year FY 1985	Term 32 Years	Trigger Year FY 1990	Expiration Year FY 2021
Base Value \$6,854,457	TY 2015 Value \$117,571,963	Increase 1,615%	FY 2016 Increment \$339,939	Remaining Life 5 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 4.2: Sources of Funds

2016 SOURCES OF FUNDS	
Haircut Increment	\$323,003
Current Year Uncollected	(\$4,942)
Prior Years Late Collections	\$16,936
Total Sources of Funds	\$339,939

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

2016 USES OF FUNDS	
Misc.	\$1,657
Contribution to (Use of Fund) Balance	\$384,809
Interest (Revenue)	(\$46,527)
Total Uses of Funds	\$339,939

PROJECT AREA REPORTING AND ACCOUNTABILITY

COMPARISON OF FORECASTED AND ACTUAL TAX INCREMENT

Table 4.5: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2016	\$322,419	\$339,939	105%

RELATIVE GROWTH IN ASSESSED VALUE

Table 4.6: 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 (2015 vs. 2014)	\$117,571,963	\$115,706,212	1.6%	1.6%
Lifetime Growth in Project Area (2015 vs. Base)	\$117,571,963	\$6,854,457	1,615%	9.9%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2015 vs. 2014)	\$4,534,129,407	\$4,287,504,710	5.75%	5.8%
Lifetime Growth in Orem City (2015 vs. 1997 ³)	\$4,534,129,407	\$2,173,320,362	108.63%	2.5%

BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 4.7: 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 1,198% above what would have been realized if assessed values in the Project Area had remained at base year levels for all the taxing entities. The lifetime increment will increase significantly when the Project Area expires in 2021, and all of the taxing entities receive the benefit of the 443% increase in annual tax increment.

Table 4.8: Growth in Property Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
TAX INCREMENT FROM PROJECT AREA				
Fiscal Year 2016	NA	\$339,939	\$76,674	443%
PASS THROUGH TAX INCREMENT (ABOVE BASE)				
Fiscal Year 2016	NA	\$918,587	\$76,674	1,198%

³ LYRB used 1997 as a reference point, as it is the earliest year of reliable information available.



NOTABLE DEVELOPMENT AND FUTURE PROJECTS

1. Wal-Mart
2. Hampton Inn
3. Ken Garff Nissan
4. IHOP
5. Bassett Furniture
6. La Quinto Inn & Suites
7. Hobby Lobby
8. Business Resource Center

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 4.9: Project Area Budget

FORECASTED PROJECT AREA BUDGET		2017-2021	
REVENUES	TOTALS	NPV@5%	
Haircut Increment	\$1,639,726	\$1,419,831	
Total Revenue	\$1,639,726	\$1,419,831	
EXPENDITURES	TOTALS	NPV@5%	
RDA Administration	\$165,000	\$157,143	
Debt Service Payments	\$655,891	\$609,785	
Reimbursement to General Fund	\$908,863	\$712,118	
Misc.	\$198,612	\$155,618	
Interest (Revenue)	(\$46,527)	(\$44,311)	
Contribution to (Use of Fund) Balance	(\$242,112)	(\$170,521)	
Total Expenditures	\$1,639,726	\$1,419,831	

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 2016, FY 2017, FY 2018 and projected multi-year budgets from 2003 to 2021.



Orem RDA 85-03B

2016 Annual Budget

	Tax Year Payment Year	Yr. 27
		2015
		2016
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		117,015,740
Personal Property		-
Centrally Assessed		556,223
Total Assessed Value		117,571,963
Less: Base Year Value		
Incremental Assessed Value		110,717,506
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		339,939
TOTAL DISTRIBUTION		
339,939		
EXPENDITURES		
RDA Admin		-
Developer Reimbursement (Walmart)		-
Developer Reimbursement (Lake Point)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		-
Misc. Expenditures		1,657
Interest Revenue		(46,527)
Redevelopment Activities		384,809
TOTAL EXPENDITURES		
339,939		



Orem RDA 85-03B

2017 Annual Budget

	Tax Year Payment Year	Yr. 28
		2016
		2017
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		117,015,740
Personal Property		-
Centrally Assessed		556,223
Total Assessed Value		117,571,963
Less: Base Year Value		
Incremental Assessed Value		110,717,506
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		327,945
TOTAL DISTRIBUTION		
327,945		
EXPENDITURES		
RDA Admin		165,000
Developer Reimbursement (Walmart)		-
Developer Reimbursement (Lake Point)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		327,945
Misc. Expenditures		-
Interest Revenue		(46,527)
Redevelopment Activities		(118,473)
TOTAL EXPENDITURES		
327,945		



Orem RDA 85-03B

2018 Annual Budget

	Tax Year	Yr. 29
	Payment Year	2017
		2018
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		117,015,740
Personal Property		-
Centrally Assessed		556,223
Total Assessed Value		117,571,963
Less: Base Year Value		
Incremental Assessed Value		110,717,506
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		327,945
TOTAL DISTRIBUTION		
327,945		
EXPENDITURES		
RDA Admin		-
Developer Reimbursement (Walmart)		-
Developer Reimbursement (Lake Point)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		327,945
Misc. Expenditures		-
Sales Tax Revenue from City		-
Interest Revenue		-
Redevelopment Activities		-
TOTAL EXPENDITURES		
327,945		



Orem RDA 85-03B

Ongoing Budget
Multi-Year Project Area Budget Projections



Tax Year Payment Year	14	15	16	17	18	19	20	21	22	23	24	<==== HISTORIC		PROJECTED =====>		OPTIONAL EXTENTION OF HAIRCUT INCREMENT						TOTALS	NPV @ 5%
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	25	26	27	28	29	30	31	32			
REVENUES																							
TAXABLE VALUATION:																							
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	117,015,740	117,015,740	117,015,740	117,015,740	117,015,740	117,015,740	117,015,740	117,015,740		
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	556,223	556,223	556,223	556,223	556,223	556,223	556,223	556,223		
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	117,571,963	117,571,963	117,571,963	117,571,963	117,571,963	117,571,963	117,571,963	117,571,963		
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)		
Total Incremental Assessed Value	\$ 81,652,826	\$ 79,174,938	\$ 79,469,949	\$ 80,522,280	\$ 85,100,814	\$ 95,396,069	\$ 122,164,279	\$ 113,416,658	\$ -	\$ 103,651,227	\$ 105,401,761	\$ 104,850,563	\$ 108,851,755	\$ 110,717,506	\$ 110,717,506	\$ 110,717,506	\$ 110,717,506	\$ 110,717,506	\$ 110,717,506	\$ 110,717,506	\$ 110,717,506		
Real Property/Centrally Assessed Tax Rate:																							
Utah County	-	0.001411	0.001425	0.000139	0.001262	0.001000	0.001105	0.001203	0.001294	0.001342	0.001324	0.001259	0.000916	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870		
Alpine School District	-	0.007884	0.008119	0.008082	0.006883	0.006937	0.007057	0.007541	0.008220	0.008812	0.008828	0.008495	0.008096	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177		
Orem City	-	0.001698	0.001800	0.002036	0.002045	0.001670	0.001578	0.001676	0.001739	0.001879	0.001921	0.001871	0.001716	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652		
Orem Metropolitan Water District	-	0.000041	0.000043	0.000043	0.000042	0.000035	0.000033	0.000035	0.000036	0.000039	0.000040	0.000039	0.000036	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035		
Central Utah Water Conservancy	-	0.000358	0.000353	0.000400	0.000357	0.000302	0.000286	0.000400	0.000421	0.000436	0.000455	0.000446	0.000422	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405		
Less State Assessing & Collecting	-	(0.000181)	(0.000180)	(0.000173)	(0.000139)	(0.000121)	(0.000121)	(0.000142)	(0.000162)	(0.000172)	(0.000168)	(0.000158)	0.000013	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012		
Less Local Assessing & Collecting	-	(0.000177)	(0.000180)	(0.000178)	(0.000044)	(0.000036)	(0.000175)	(0.000183)	(0.000024)	(0.000027)	(0.000029)	(0.000095)	0.000220	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216		
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	0.011419	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367		
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	0.011186	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139		
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	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962		
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%			
TAX INCREMENT REVENUES																							
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,674,068	\$ 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
Total Tax Increment Received by Agency	\$ -	\$ 463,395	\$ 375,000	\$ 556,996	\$ 674,323	\$ 524,606	\$ 859,090	\$ 685,573	\$ 764,191	\$ 780,775	\$ 777,246	\$ 734,332	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,672,631	\$ 3,740,217
HAIRCUT REVENUES																							
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	\$ 327,945	\$ 327,945	\$ 327,945	\$ 327,945	\$ 327,945	\$ 327,945	\$ 327,945	\$ 327,945	\$ 3,841,151	\$ 1,166,368
Less Current Year Uncollected										\$ (2,020)	\$ (1,065)	\$ (2,516)	\$ (16,621)	\$ (4,942)								\$ (27,165)	\$ (22,610)
Plus Prior Years Late Collections										4,923	89	327		16,936								\$ 22,274	\$ 18,984
Total Haircut Received by Agency	\$ 194,905	\$ 130,337	\$ 151,039	\$ 78,215	\$ 97,100	\$ 73,350	\$ 104,515	\$ 127,027	\$ 145,273	\$ 147,890	\$ 148,399	\$ 138,814	\$ 319,731	\$ 339,939	\$ 327,945	\$ 327,945	\$ 327,945	\$ 327,945	\$ 327,945	\$ 327,945	\$ 327,945	\$ 3,836,260	\$ 1,164,902
TOTAL REVENUES RECEIVED	\$ 194,905	\$ 593,733	\$ 526,039	\$ 635,211	\$ 771,423	\$ 597,956	\$ 963,605	\$ 812,600	\$ 909,464	\$ 928,665	\$ 925,645	\$ 873,145	\$ 319,731	\$ 339,939	\$ 327,945	\$ 327,945	\$ 327,945	\$ 327,945	\$ 327,945	\$ 327,945	\$ 327,945	\$ 12,508,891	\$ 4,905,118
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)																							
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	\$ 923,247	\$ 918,587	\$ 930,581	\$ 930,581	\$ 930,581	\$ 930,581	\$ 930,581	\$ 930,581	\$ 930,581	\$ 12,576,260	\$ 4,409,500
EXPENDITURES																							
Project Area Budget and Uses of Funds																							
RDA Admin	-	-	-	-	-	-	-	-	-	-	-	115,000	165,000	-	165,000	-	-	-	-	-	-	\$ 445,000	\$ 122,455
Developer Reimbursement (Walmart)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 680,505	\$ 480,597
Developer Reimbursement (Lake Point)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 350,000	\$ 236,894
Developer Reimbursement (Fund 45 Lakeside Park)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 54,648	\$ 28,981
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	-	327,945	327,945	-	-	-	-	-	\$ 3,281,131	\$ 1,179,244
Reimbursement to General Fund for Haircut Eligible Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 908,863	\$ 190,740
Misc. Expenditures	140,385	464,001	1,015	168,580	378,805	34,739	70	-	-	-	500,198	48,343	-	1,657	-	-	-	-	-	-	-	\$ 2,312,240	\$ 1,023,578
Sales Tax Revenue from City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ (106,600)	\$ (72,151)
Reimbursement to General Fund for Sales Tax Revenue Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -
Optional Reimbursement to General Fund for Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -
Interest Revenue	-	-	-	-	-	-	-	-	(21,846)	(45,968)	(29,395)	(32,055)	(33,218)	(46,527)	(46,527)	-	-	-	-	-	-	\$ (255,535)	\$ (74,687)
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)	384,809	(118,473)	-	327,945	327,945	327,945	327,945	327,945	\$ 4,838,640	\$ 1,789,469
Total Uses	\$ 194,905	\$ 593,733	\$ 526,039	\$ 635,211	\$ 771,423	\$ 597,956	\$ 963,605	\$ 812,600	\$ 909,464	\$ 928,665	\$ 925,645	\$ 873,145	\$ 319,731	\$ 339,939	\$ 327,945	\$ 327,945	\$ 327,945	\$ 327,945	\$ 327,945	\$ 327,945	\$ 327,945	\$ 12,508,891	\$ 4,905,118

SECTION 5: OVERVIEW OF THE 85-04 PROJECT AREA

Table 5.1: Project Area Overview

OVERVIEW				
Type RDA	Acreage 78.56	Purpose Commercial & Rec Development	Taxing District 090	Tax Rate 0.011139
Creation Year FY 1986	Base Year FY 1986	Term 32 Years	Trigger Year FY 1990	Expiration Year FY 2021
Base Value \$18,801,179	TY 2015 Value \$54,613,573	Increase 190%	FY 2016 Increment \$123,182	Remaining Life 5 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 5.2: Sources of Funds

2016 SOURCES OF FUNDS	
Prior Year Late Collection Increment	\$26,081
Haircut Increment	\$106,076
Current Year Uncollected	(\$21,260)
Prior Year Late Collection	\$12,285
Total Sources of Funds	\$123,182

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

2016 USES OF FUNDS	
RDA Administration	\$50,000
Interest (Revenue)	(\$1,632)
Redevelopment Activities	\$74,814
Total Uses of Funds	\$123,182

PROJECT AREA REPORTING AND ACCOUNTABILITY

COMPARISON OF FORECASTED AND ACTUAL TAX INCREMENT

Table 5.5: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2015	\$102,754	\$123,182	120%



RELATIVE GROWTH IN ASSESSED VALUE

Table 5.6: 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 (2015 vs. 2014)	\$54,613,573	\$53,491,855	2.1%	2.1%
Lifetime Growth in Project Area (2015 vs. Base)	\$54,613,573	\$18,801,179	190%	3.7%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2015 vs. 2014)	\$4,534,129,407	\$4,287,504,710	5.8%	5.8%
Lifetime Growth in Orem City (2015 vs. 1997 ⁴)	\$4,534,129,407	\$2,173,320,362	109%	4.29%

BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 5.7: 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 489% above what would have been realized if assessed values in the Project Area had remained at base year levels for all the taxing entities. The lifetime increment will increase significantly when the Project Area expires in 2021, and all of the taxing entities receive the benefit of the 212% increase in annual tax increment.

Table 5.8: Growth in Property Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
TAX INCREMENT FROM PROJECT AREA				
Fiscal Year 2016	NA	\$123,182	\$58,096	212%
PASS THROUGH TAX INCREMENT (ABOVE BASE)				
Fiscal Year 2016	NA	\$123,182	\$58,096	489%

⁴ LYRB used 1997 as a reference point, as it is the earliest year of reliable information available.



NOTABLE DEVELOPMENT AND FUTURE PROJECTS

1. Scera Park and Theater
2. Good Earth Natural Foods
3. Wingers
4. 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 5.9: Project Area Budget

PROJECT AREA BUDGET	FY 2017-2021	
	TOTALS	NPV@5%
REVENUES		
Haircut Increment	\$530,382	\$459,255
Total Revenue	\$530,382	\$459,255
EXPENDITURES		
RDA Administration	\$350,000	\$305,017
Misc.	\$241,911	\$215,431
Interest (Revenue)	(\$1,632)	(\$1,555)
Redevelopment Activities	(\$59,897)	(\$59,639)
Total Expenditures	\$530,382	\$459,255

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 2016, FY 2017, FY 2018 and projected multi-year budgets from 2003 to 2021.



OREM RDA 85-04

2016 Annual Budget

	Tax Year	
	Payment Year	
		Yr. 27
		2015
		2016
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		54,065,605
Personal Property		-
Centrally Assessed		547,968
Total Assessed Value		54,613,573
Less: Base Year Value		(18,801,179)
Incremental Assessed Value		35,812,394
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.000216
Less Local Assessing & Collecting		0.000012
Total Tax Rate		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		26,081
Percent of Tax Increment for Haircut		100%
Total Haircut Received		97,101
TOTAL DISTRIBUTION		123,182
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		(1,632)
Redevelopment Activities		74,814
TOTAL EXPENDITURES		123,182



OREM RDA 85-04

2017 Annual Budget

	Tax Year Payment Year	Yr. 28
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		54,065,605
Personal Property		-
Centrally Assessed		547,968
Total Assessed Value		54,613,573
Less: Base Year Value		
Incremental Assessed Value		(18,801,179)
		35,812,394
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.000216
Less Local Assessing & Collecting		0.000012
Total Tax Rate		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		106,076
TOTAL DISTRIBUTION		
		106,076
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		153,312
Interest Revenue		(1,632)
Redevelopment Activities		(95,603)
TOTAL EXPENDITURES		
		106,076



OREM RDA 85-04

2018 Annual Budget

	Tax Year Payment Year	Yr. 29
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		54,065,605
Personal Property		-
Centrally Assessed		547,968
Total Assessed Value		54,613,573
Less: Base Year Value		(18,801,179)
Incremental Assessed Value		35,812,394
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.000216
Less Local Assessing & Collecting		0.000012
Total Tax Rate		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		106,076
TOTAL DISTRIBUTION		
106,076		
EXPENDITURES		
RDA Admin		100,000
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		6,076
TOTAL EXPENDITURES		106,076



Orem RDA 85-04

Ongoing Budget
Multi-Year Project Area Budget Projections



	<==== HISTORIC											PROJECTED <====>					OPTIONAL EXTENTION OF HAIRCUT INCREMENT					TOTALS	NPV @ 5%
Tax Year	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32				
Payment Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2018	2019	2020			
REVENUES																							
TAXABLE VALUATION:																							
Locally Assessed Real	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	54,065,605	54,065,605	54,065,605	54,065,605	54,065,605	54,065,605	54,065,605			
Personal Property	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-			
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	547,968	547,968	547,968	547,968	547,968	547,968	547,968			
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	54,613,573	54,613,573	54,613,573	54,613,573	54,613,573	54,613,573	54,613,573			
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)			
Total Incremental Assessed Value	\$ 23,122,037	\$ 22,942,486	\$ 23,157,197	\$ 23,053,117	\$ 22,916,333	\$ 28,180,006	\$ 34,006,302	\$ 34,458,769	\$ -	\$ 31,911,056	\$ 31,554,029	\$ 31,161,120	\$ 34,690,676	\$ 35,812,394	\$ 35,812,394	\$ 35,812,394	\$ 35,812,394	\$ 35,812,394	\$ 35,812,394	\$ 35,812,394			
Real Property/Centrally Assessed Tax Rate:																							
Utah County	-	0.001411	0.001425	0.001391	0.001262	0.001000	0.001105	0.001203	0.001294	0.001342	0.001324	0.001259	0.000916	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870			
Alpine School District	-	0.007884	0.008119	0.008082	0.006883	0.006937	0.007057	0.007541	0.008220	0.008812	0.008828	0.008495	0.008096	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177			
Orem City	-	0.001698	0.001800	0.002036	0.002045	0.001670	0.001578	0.001676	0.001739	0.001879	0.001921	0.001871	0.001716	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652			
Orem Metropolitan Water District	-	0.000041	0.000043	0.000043	0.000042	0.000035	0.000033	0.000035	0.000036	0.000039	0.000040	0.000039	0.000036	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035			
Central Utah Water Conservancy	-	0.000358	0.000353	0.000400	0.000357	0.000302	0.000286	0.000400	0.000421	0.000436	0.000455	0.000446	0.000422	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405			
Less State Assessing & Collecting	-	-	-	(0.000173)	(0.000139)	(0.000121)	(0.000142)	(0.000162)	(0.000172)	(0.000168)	(0.000158)	0.000013	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216			
Less Local Assessing & Collecting	-	-	-	(0.000178)	(0.000044)	(0.000036)	(0.000175)	(0.000183)	(0.000024)	(0.000027)	(0.000029)	(0.000095)	0.000220	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012			
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	0.011419	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367			
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	0.011866	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139			
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	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962			
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%			
TAX INCREMENT REVENUES																							
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	-	26,081	-	-	-	-	-	-	\$ 120,708	\$ 35,903	
Total Tax Increment Received by Agency	\$ -	\$ -	\$ 100,000	\$ 138,014	\$ 194,498	\$ 197,238	\$ 205,745	\$ 219,629	\$ 258,027	\$ 205,348	\$ 197,921	\$ 243,441	\$ -	\$ 26,081	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,389,538	\$ 982,648	
HAIRCUT REVENUES																							
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	\$ 106,076	\$ 106,076	\$ 106,076	\$ 106,076	\$ 106,076	\$ 106,076	\$ 106,076	\$ 1,239,158	\$ 379,799	
Less Current Year Uncollected	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7,109)	\$ (12,188)	\$ (7,207)	\$ (14,463)	\$ (21,260)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (62,226)	\$ (17,984)	
Plus Prior Years Late Collections	-	-	-	-	-	-	-	-	-	1,148	5,208	11,413	-	12,285	-	-	-	-	-	-	\$ 30,054	\$ 8,649	
Total Haircut Received by Agency	\$ 79,956	\$ 75,274	\$ 21,508	\$ 19,436	\$ 27,860	\$ 27,662	\$ 24,848	\$ 38,770	\$ 48,931	\$ 38,676	\$ 37,739	\$ 46,111	\$ 92,731	\$ 97,101	\$ 106,076	\$ 106,076	\$ 106,076	\$ 106,076	\$ 106,076	\$ 106,076	\$ 1,206,985	\$ 370,465	
TOTAL REVENUES RECEIVED	\$ 79,956	\$ 75,274	\$ 121,508	\$ 157,449	\$ 222,358	\$ 224,901	\$ 230,593	\$ 258,399	\$ 306,959	\$ 244,024	\$ 235,660	\$ 289,553	\$ 92,731	\$ 123,182	\$ 106,076	\$ 106,076	\$ 106,076	\$ 106,076	\$ 106,076	\$ 106,076	\$ 3,596,524	\$ 1,353,113	
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)																							
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	\$ 303,402	\$ 283,898	\$ 301,003	\$ 301,003	\$ 301,003	\$ 301,003	\$ 301,003	\$ 301,003	\$ 4,186,934	\$ 1,487,448	
EXPENDITURES																							
Project Area Budget and Uses of Funds																							
RDA Admin	\$ -	\$ -	\$ -	\$ -	\$ 42,000	\$ -	\$ -	\$ 93,409	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 100,000	\$ 100,000	\$ 50,000	\$ 50,000	\$ 585,409	\$ 160,133		
Developer Reimbursement (Carter Const.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 10,166	\$ 8,113		
Developer Reimbursement (Village East Assoc.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 20,000	\$ 15,749		
Developer Reimbursement (Fund 45 Lakeside Park)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 19,234	\$ 10,200		
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 General Fund 2010 Roadway Project (Orem Blvd)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -		
Optional Reimbursement to Water Fund 2001 400 S Waterline Change Order #5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -		
Misc. Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	153,312	-	-	-	\$ 88,599	\$ 268,840		
Interest Revenue	-	-	-	-	-	-	-	-	(92)	(644)	(385)	(375)	(732)	(1,632)	(1,632)	-	-	-	-	\$ (5,492)	\$ (1,531)		
Redevelopment Activities	-	-	100,000	(44,551)	(55,449)	-	-	-	92	42,932	385	375	43,463	74,814	(95,603)	6,076	6,076	56,076	(32,523)	\$ 115,577	\$ 54,728		
Total Uses	\$ 79,956	\$ 75,274	\$ 121,508	\$ 157,449	\$ 222,358	\$ 224,901	\$ 230,593	\$ 258,399	\$ 306,959	\$ 244,024	\$ 235,660	\$ 289,553	\$ 92,731	\$ 123,182	\$ 106,076	\$ 106,076	\$ 106,076	\$ 106,076	\$ 106,076	\$ 3,596,523	\$ 1,353,113		

SECTION 6: OVERVIEW OF THE 87-10 PROJECT AREA

Table 6.1: Project Area Overview

OVERVIEW				
Type RDA	Acreage NA	Purpose Commercial Development	Taxing District 090	Tax Rate 0.0111139
Creation Year FY 1988	Base Year FY 1988	Term 32 Years	Trigger Year FY 1991	Expiration Year FY 2022
Base Value \$32,815,215	TY 2015 Value \$72,574,692	Increase 121%	FY 2016 Increment \$169,498	Remaining Life 6 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 6.2: Sources of Funds

2016 SOURCES OF FUNDS	
Prior Year Late Property Increment	\$47,539
Haircut Increment	\$117,768
Current Year Uncollected	(\$7,757)
Prior Year Late Collection	\$11,948
Total Sources of Funds	\$169,498



Table 6.3: 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 6.4: Uses of Funds

2016 USES OF FUNDS	
Debt Service Payments	\$121,959
Interest (Revenue)	(\$3,788)
Redevelopment Activities	\$51,327
Total Uses of Funds	\$169,498

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 2016, the 87-10 Project Area's portion of the debt service was \$121,959.

Table 6.5: Debt Service Payment

2016 DEBT SERVICE PAYMENTS	
Series 2002 Sales Tax Revenue Bond Payment	\$121,959
Total Debt Service Payments	\$121,959

PROJECT AREA REPORTING AND ACCOUNTABILITY

COMPARISON OF FORECASTED AND ACTUAL TAX INCREMENT

Table 6.6: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	ACTUAL	FORECASTED	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2016	\$169,498	\$105,530	161%



RELATIVE GROWTH IN ASSESSED VALUE

Table 6.7: 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 (2015 vs. 2014)	\$72,574,692	\$67,443,036	6.8%	6.8%
Lifetime Growth in Project Area (2015 vs. Base)	\$72,574,692	\$32,815,215	121%	3.0%

ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2015 vs. 2014)	\$4,534,129,407	\$4,287,504,710	5.8%	5.8%
Lifetime Growth in Orem City (2015 vs. 1997 ⁵)	\$4,534,129,407	\$2,173,320,362	108%	2.8%

BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 6.8: Benefits to Taxing Entities

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

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 77% above what would have been realized if assessed values in the Project Area had remained at base year levels for all the taxing entities. The increment value will increase significantly when the Project Area expires in 2022, and all of the taxing entities receive the benefit of the 33% increase in annual tax increment.

Table 6.9: Growth in Property Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET REVENUES	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
TAX INCREMENT FROM PROJECT AREA				
Fiscal Year 2015	NA	\$169,498	\$367,071	46%
PASS THROUGH INCREMENT (ABOVE BASE)				
Fiscal Year 2015	NA	\$282,448	\$367,071	77%

⁵ LYRB used 1997 as a reference point, as it is the earliest year of reliable information available.



NOTABLE DEVELOPMENT AND FUTURE PROJECTS

1. Smith's
2. FedEx
3. Zupa's
4. Pizzeria Seven Twelve
5. Classic Skating & Fun Center
6. 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 6.10: Project Area Budget

PROJECT AREA BUDGET		FY 2017-2022	
REVENUES	TOTALS	NPV@5%	
Haircut Increment	\$777,693	\$657,889	
Total Revenue	\$777,693	\$657,889	
EXPENDITURES	TOTALS	NPV@5%	
Debt Service Payments	\$388,847	\$352,975	
RDA Administration	\$60,000	\$49,362	
Reimbursement to General Fund	\$200,000	\$190,476	
Miscellaneous Expenditures	\$484,268	\$392,532	
Reimbursement to General Fund for Sales Tax Revenue Loan	\$63,316	\$47,247	
Interest (Revenue)	(\$3,788)	(\$3,608)	
Redevelopment Activities	(\$414,949)	(\$371,097)	
Total Expenditures	\$777,693	\$657,889	

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 2016, FY 2017, FY 2018, and the full multi-year budget from 2002 to 2022 for the 87-10 Project Area.



OREM RDA 87-10

2016 Annual Budget

	Tax Year Payment Year	Yr. 26
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		71,085,977
Personal Property		938,422
Centrally Assessed		550,293
Total Assessed Value		72,574,692
Less: Base Year Value		(32,815,215)
Incremental Assessed Value		39,759,477
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.000216
Less Local Assessing & Collecting		0.000012
Total Tax Rate		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		47,539
Percent of Tax Increment for Haircut		100%
Total Haircut Received		121,959
TOTAL DISTRIBUTION		169,498
EXPENDITURES		
RDA Admin		-
Developer Reimbursement (Boyer)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		121,959
Misc. Expenditures		-
Interest Revenue		(3,788)
Redevelopment Activities		51,327
TOTAL EXPENDITURES		



OREM RDA 87-10

2017 Annual Budget

	Tax Year	Yr. 27
	Payment Year	2016
		2017
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		75,085,977
Personal Property		938,422
Centrally Assessed		550,293
Total Assessed Value		76,574,692
Less: Base Year Value		
Incremental Assessed Value		43,759,477
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.000216
Less Local Assessing & Collecting		0.000012
Total Tax Rate		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		129,616
TOTAL DISTRIBUTION		
129,616		
EXPENDITURES		
RDA Admin		-
Developer Reimbursement (Boyer)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		129,616
Misc. Expenditures		151,160
Sales Tax Revenue from City		-
Interest Revenue		(3,788)
Redevelopment Activities		(347,372)
TOTAL EXPENDITURES		



OREM RDA 87-10

2018 Annual Budget

	Tax Year	Yr. 28
	Payment Year	2017
		2018
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		75,085,977
Personal Property		938,422
Centrally Assessed		550,293
Total Assessed Value		76,574,692
Less: Base Year Value		
Incremental Assessed Value		(32,815,215)
		43,759,477
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.000216
Less Local Assessing & Collecting		0.000012
Total Tax Rate		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		-
Percent of Tax Increment for Haircut		100%
Total Haircut Received		129,616
TOTAL DISTRIBUTION		
		129,616
EXPENDITURES		
RDA Admin		-
Developer Reimbursement (Boyer)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		129,616
Misc. Expenditures		-
Interest Revenue		-
Redevelopment Activities		-
TOTAL EXPENDITURES		



Orem RDA 87-10

Ongoing Budget
Multi-Year Project Area Budget Projections

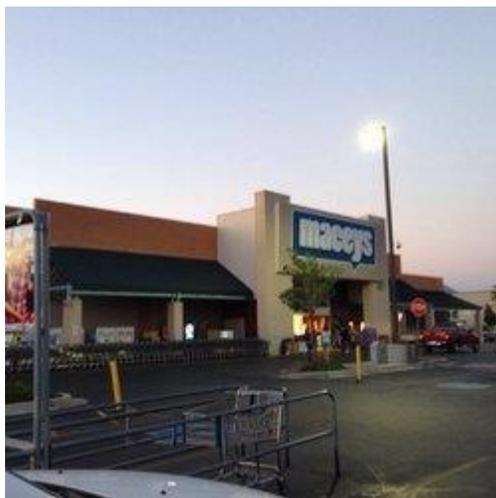


	13	14	15	16	17	18	19	20	21	22	<==== HISTORIC		PROJECTED =====>		OPTIONAL EXTENSION OF HAIRCUT INCREMENT						TOTALS		
Tax Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	23	24	25	26	27	28	29	30	31	32			
Payment Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
REVENUES																							
TAXABLE VALUATION																							
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	66,365,250	71,085,977	75,085,977	75,085,977	75,085,977	75,085,977	75,085,977	75,085,977		
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	1,074,707	938,422	938,422	938,422	938,422	938,422	938,422	938,422		
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	488,164	550,293	550,293	550,293	550,293	550,293	550,293	550,293		
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	67,928,121	72,574,692	76,574,692	76,574,692	76,574,692	76,574,692	76,574,692	76,574,692		
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)		
Total Incremental Assessed Value	\$ 30,089,134	\$ 30,158,820	\$ 33,619,911	\$ 31,844,402	\$ 31,605,382	\$ 54,104,655	\$ 60,578,056	\$ 57,477,502	\$ -	\$ 45,432,816	\$ 37,236,163	\$ 32,751,483	\$ 35,112,906	\$ 39,759,477	\$ 43,759,477	\$ 43,759,477	\$ 43,759,477	\$ 43,759,477	\$ 43,759,477	\$ 43,759,477	\$ 43,759,477		
Real Property/Centrally Assessed Tax Rate:																							
Utah County	-	0.001411	0.001425	0.000139	0.001262	0.001000	0.001105	0.001203	0.001294	0.001342	0.001324	0.001259	0.000916	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870		
Alpine School District	-	0.007884	0.008119	0.008082	0.006883	0.006937	0.007057	0.007541	0.008220	0.008812	0.008828	0.008495	0.008096	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177		
Orem City	-	0.001698	0.001800	0.002036	0.002045	0.001670	0.001578	0.001676	0.001739	0.001879	0.001921	0.001871	0.001716	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652		
Orem Metropolitan Water District	-	0.000041	0.000043	0.000043	0.000042	0.000035	0.000033	0.000035	0.000036	0.000039	0.000040	0.000039	0.000036	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035		
Central Utah Water Conservancy	-	0.000358	0.000353	0.000400	0.000357	0.000302	0.000286	0.000400	0.000421	0.000436	0.000455	0.000446	0.000422	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405		
Less State Assessing & Collecting	-	(0.000181)	(0.000180)	(0.000173)	(0.000139)	(0.000121)	(0.000121)	(0.000142)	(0.000162)	(0.000172)	(0.000168)	(0.000158)	0.000013	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216		
Less Local Assessing & Collecting	-	(0.000177)	(0.000180)	(0.000178)	(0.000044)	(0.000036)	(0.000175)	(0.000183)	(0.000024)	(0.000027)	(0.000029)	(0.000095)	0.000020	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012		
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	0.011419	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367		
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	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139	0.011139		
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	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962		
Percent of Tax Increment for Project	75%	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%	25%	30%	30%	30%	30%	30%	40%	40%	40%	40%	40%	100%	100%	100%	100%	100%	100%	100%	100%		
TAX INCREMENT REVENUES																							
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	\$ 235,664	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,157,097	\$ 2,633,856
Less Current Year Uncollected	-	-	-	-	-	-	-	-	-	(132,342)	(20,867)	(21,042)	(29,480)	-	-	-	-	-	-	-	-	\$ (203,732)	\$ (67,265)
Plus Prior Years Late Collections	-	-	-	-	-	-	-	-	-	13,349	272,458	26,564	-	47,539	-	-	-	-	-	-	-	\$ 359,911	\$ 114,875
Total Tax Increment Received by Agency	\$ 227,090	\$ 235,442	\$ 187,980	\$ 217,067	\$ 259,318	\$ 223,328	\$ 299,542	\$ 260,389	\$ 243,030	\$ 216,546	\$ 527,981	\$ 238,523	\$ 206,184	\$ 47,539	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,313,276	\$ 2,681,466
HAIRCUT REVENUES																							
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	\$ 43,400	\$ 117,768	\$ 129,616	\$ 129,616	\$ 129,616	\$ 129,616	\$ 129,616	\$ 129,616	\$ 129,616	\$ 1,380,572	\$ 404,697
Less Current Year Uncollected	-	-	-	-	-	-	-	-	-	(25,066)	(3,984)	(3,978)	(5,429)	(7,757)	-	-	-	-	-	-	-	\$ (46,214)	\$ (14,884)
Plus Prior Years Late Collections	-	-	-	-	-	-	-	-	-	2,527	44,896	4,465	-	11,948	-	-	-	-	-	-	-	\$ 63,837	\$ 20,226
Total Haircut Received by Agency	\$ 26,486	\$ 26,449	\$ 19,326	\$ 29,054	\$ 37,329	\$ 31,256	\$ 36,067	\$ 31,112	\$ 44,267	\$ 41,013	\$ 93,683	\$ 44,532	\$ 37,971	\$ 121,959	\$ 129,616	\$ 129,616	\$ 129,616	\$ 129,616	\$ 129,616	\$ 129,616	\$ 129,616	\$ 1,398,195	\$ 410,039
TOTAL REVENUES RECEIVED	\$ 253,576	\$ 261,892	\$ 207,306	\$ 246,120	\$ 296,647	\$ 254,584	\$ 335,609	\$ 291,500	\$ 287,296	\$ 257,559	\$ 621,664	\$ 283,054	\$ 244,154	\$ 169,498	\$ 129,616	\$ 129,616	\$ 129,616	\$ 129,616	\$ 129,616	\$ 129,616	\$ 129,616	\$ 6,711,471	\$ 3,091,505
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)																							
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	\$ 156,800	\$ 282,448	\$ 367,798	\$ 367,798	\$ 367,798	\$ 367,798	\$ 367,798	\$ 367,798	\$ 367,798	\$ 4,115,618	\$ 1,302,989
EXPENDITURES																							
Project Area Budget and Uses of Funds																							
RDA Admin	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000	\$ -
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	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	121,959	129,616	129,616	129,616	129,616	129,616	129,616	\$ 1,207,202	\$ 403,888	
Reimbursement to General Fund for Haircut Eligible Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	200,000	-	-	-	-	-	-	\$ 200,000	\$ 56,248
Misc. Expenditures	-	8,083	-	-	-	-	-	-	-	-	-	-	5,000	-	151,160	-	-	-	-	-	333,108	\$ 465,377	\$ 93,470
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)	(3,788)	(3,788)	-	-	-	-	-	-	\$ (15,132)	\$ (4,476)
Redevelopment Activities	-	(8,083)	-	(0)	-	-	-	23,828	383	(2,845)	310,446	21,043	(33,715)	51,327	(347,372)	-	-	69,616	129,616	(203,492)	-	\$ 50,855	\$ 55,287
Total Uses	\$ 253,576	\$ 261,892	\$ 207,306	\$ 246,120	\$ 296,647	\$ 254,584	\$ 335,609	\$ 291,500	\$ 287,296	\$ 257,559	\$ 621,664	\$ 283,054	\$ 244,154	\$ 169,498	\$ 129,616	\$ 129,616	\$ 129,616	\$ 129,616	\$ 129,616	\$ 129,616	\$ 129,616	\$ 6,711,471	\$ 3,091,505

SECTION 7: OVERVIEW OF THE 90-08 PROJECT AREA

Table 7.1: Project Area Overview

OVERVIEW				
Type RDA	Acreage NA	Purpose Commercial Development	Taxing District 090	Tax Rate 0.011139
Creation Year FY 1990	Base Year FY 1990	Term 32 Years ⁶	Trigger Year FY 1993	Expiration Year FY 2024
Base Value \$11,172,447	TY 2015 Value \$37,952,179	Increase 223%	FY 2016 Increment \$252,143	Remaining Life 8 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.

⁶ 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 7.2: Sources of Funds

2016 SOURCES OF FUNDS	
Property Tax Increment	\$236,058
Haircut Increment	\$16,085
Total Sources of Funds	\$252,143

Table 7.3: Tax Increment Levels

TAX INCREMENT LEVELS		
Years	% of Tax Increment	% of Haircut
1993-2001 ⁷	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 7.4: Uses of Funds

2016 USES OF FUNDS	
RDA Administration	\$100,000
Interest (Revenue)	(\$3,476)
Redevelopment Activity	\$155,619
Total Uses of Funds	\$252,143

PROJECT AREA REPORTING AND ACCOUNTABILITY

COMPARISON OF FORECASTED AND ACTUAL TAX INCREMENT

Table 7.6: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	ACTUAL	FORECASTED	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2016	\$252,143	\$216,408	117%

⁷ FY 1995 – 2001 had no increment, increment restarted in FY 2002 at 80%. The regular pattern continues from there. But, this means the 32nd 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.

RELATIVE GROWTH IN ASSESSED VALUE

Table 7.7: 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 (2015 vs. 2014)	\$37,925,179	\$36,073,581	5.2%	5.2%
Lifetime Growth in Project Area (2015 vs. Base)	\$37,925,179	\$11,172,447	240%	5.01%

ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2015 vs. 2014)	\$4,534,129,407	\$4,287,504,710	5.8%	5.8%
Lifetime Growth in Orem City (2015 vs. 1997 ⁸)	\$4,534,129,407	\$2,173,320,362	109%	2.9%

BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 7.8: 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 42% above what would have been realized if assessed values in the Project Area had remained at base year levels for all the taxing entities. The total increment will increase significantly when the Project Area expires in 2024, and all of the taxing entities receive the benefit of the 202% increase in annual tax increment.

Table 7.9: Growth in Property Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET REVENUES	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
TAX INCREMENT FROM PROJECT AREA				
Fiscal Year 2015	NA	\$252,143	\$124,975	202%
PASS THROUGH INCREMENT (ABOVE BASE)				
Fiscal Year 2015	NA	\$52,262	\$124,975	42%

⁸ LYRB used 1997 as a reference point, as it is the earliest year of reliable information available.



NOTABLE DEVELOPMENT AND FUTURE PROJECTS

1. Macey's
2. O'Reilly Auto Parts
3. Orem Quick Lube
4. Arby's
5. Aspen Art & Frame
6. Starbucks

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 7.10: Project Area Budget

PROJECT AREA BUDGET		2017-2024	
REVENUES	TOTALS	NPV @5%	
Property Tax Increment	\$894,898	\$774,888	
Haircut Increment	\$396,608	\$306,620	
Total Revenue	\$1,291,506	\$1,081,508	
EXPENDITURES	TOTALS	NPV @5%	
RDA Administration	\$1,445,000	\$1,105,075	
Debt Service	\$265,200	\$197,896	
Optional Reimbursement to Fund 800 N Traffic Signal	\$74,505	\$50,428	
Redevelopment Activities	(\$493,199)	(\$262,467)	
Total Expenditures	\$1,291,506	\$1,081,508	

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 2016, FY 2017, FY 2018, and the full multi-year budget from 2002 to 2022 for the 85-01 Project Area.



Orem RDA 90-08

2016 Annual Budget

	Tax Year Payment Year	Yr. 20
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		37,187,675
Personal Property		-
Centrally Assessed		764,504
Total Assessed Value		37,952,179
Less: Base Year Value		(11,172,447)
Incremental Assessed Value		26,779,732
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.000216
Less Local Assessing & Collecting		0.000012
Total Tax Rate		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		70%
Total Tax Increment Received		236,058
Percent of Tax Increment for Haircut		30%
Total Haircut Received		16,085
TOTAL DISTRIBUTION		252,143
EXPENDITURES		
RDA Admin		100,000
Developer Reimbursement (Woodbury Amsource)		-
Developer Reimbursement (Fund 45 Lakeside Park)		-
Debt Service (Haircut Eligible)		-
Misc. Expenditures		-
Interest Revenue		(3,476)
Redevelopment Activities		155,619
TOTAL EXPENDITURES		252,143



Orem RDA 90-08

2017 Annual Budget

	Tax Year Payment Year	Yr. 21
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		37,187,675
Personal Property		-
Centrally Assessed		764,504
Total Assessed Value		37,952,179
Less: Base Year Value		
Incremental Assessed Value		26,779,732
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.000216
Less Local Assessing & Collecting		0.000012
Total Tax Rate		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		60%
Total Tax Increment Received		178,980
Percent of Tax Increment for Haircut		40%
Total Haircut Received		31,729
TOTAL DISTRIBUTION		
		210,708
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		110,708
TOTAL EXPENDITURES		
		210,708



Orem RDA 90-08

2018 Annual Budget

	Tax Year Payment Year	Yr. 22
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		37,187,675
Personal Property		-
Centrally Assessed		764,504
Total Assessed Value		37,952,179
Less: Base Year Value		(11,172,447)
Incremental Assessed Value		26,779,732
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000870
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		0.000216
Less Local Assessing & Collecting		0.000012
Total Tax Rate		0.011367
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		60%
Total Tax Increment Received		178,980
Percent of Tax Increment for Haircut		40%
Total Haircut Received		31,729
TOTAL DISTRIBUTION		210,708
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		110,708
TOTAL EXPENDITURES		210,708



Orem RDA 90-08

Ongoing Budget
Multi-Year Project Area Budget Projections



Tax Year Payment Year	←===== HISTORIC										PROJECTED =====>										OPTIONAL EXTENTION OF HAIRCUT					TOTALS	NPV @ 5%	
	7 2002 2003	8 2003 2004	9 2004 2005	10 2005 2006	11 2006 2007	12 2007 2008	13 2008 2009	14 2009 2010	15 2010 2011	16 2011 2012	17 2012 2013	18 2013 2014	19 2014 2015	20 2015 2016	21 2016 2017	22 2017 2018	23 2018 2019	24 2019 2020	25 2020 2021	26 2021 2022	27 2022 2023	28 2023 2024						
REVENUES																												
TAXABLE VALUATION:																												
Locally Assessed Real	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	35,676,115	37,187,675	37,187,675	37,187,675	37,187,675	37,187,675	37,187,675	37,187,675	37,187,675	37,187,675	37,187,675	37,187,675	37,187,675			
Personal Property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Centrally Assessed	489,140	460,087	454,240	443,541	378,632	358,406	351,434	380,626		305,806	295,060	397,466	397,466	764,504	764,504	764,504	764,504	764,504	764,504	764,504	764,504	764,504	764,504	764,504	764,504	764,504	764,504	
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	36,073,581	37,952,179	37,952,179	37,952,179	37,952,179	37,952,179	37,952,179	37,952,179	37,952,179	37,952,179	37,952,179	37,952,179	37,952,179	37,952,179	37,952,179	
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)	(11,172,447)	(11,172,447)	
Total Incremental Assessed Value	\$ 16,176,097	\$ 16,147,954	\$ 17,395,325	\$ 17,630,655	\$ 17,741,479	\$ 22,365,789	\$ 27,436,527	\$ 28,859,359	\$ -	\$ 24,094,979	\$ 23,388,589	\$ 24,901,134	\$ 24,901,134	\$ 26,779,732	\$ 26,779,732	\$ 26,779,732	\$ 26,779,732	\$ 26,779,732	\$ 26,779,732	\$ 26,779,732								
Real Property/Centrally Assessed Tax Rate:																												
Utah County	-	0.001411	0.001425	0.00139	0.001262	0.001000	0.001105	0.001203	0.001294	0.001342	0.001324	0.001006	0.000916	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	0.000870	
Alpine School District	-	0.007884	0.008119	0.008082	0.006883	0.006937	0.007057	0.007541	0.008220	0.008812	0.008828	0.008495	0.008096	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	0.008177	
Orem City	-	0.001698	0.001800	0.002036	0.002045	0.001670	0.001578	0.001676	0.001739	0.001879	0.001921	0.001871	0.001716	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	0.001652	
Orem Metropolitan Water District	-	0.000041	0.000043	0.000043	0.000042	0.000035	0.000035	0.000035	0.000036	0.000039	0.000040	0.000039	0.000036	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	0.000035	
Central Utah Water Conservancy	-	0.000358	0.000353	0.000400	0.000357	0.000302	0.000286	0.000400	0.000421	0.000436	0.000455	0.000446	0.000422	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	0.000405	
Less State Assessing & Collecting	-	(0.000181)	(0.000180)	(0.000173)	(0.000139)	(0.000121)	(0.000121)	(0.000142)	(0.000162)	(0.000172)	(0.000168)	0.000158	0.000013	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	0.000216	
Less Local Assessing & Collecting	-	(0.000177)	(0.000180)	(0.000178)	(0.000044)	(0.000036)	(0.000175)	(0.000183)	(0.000024)	(0.000027)	(0.000029)	0.000095	0.000020	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	0.000012	
Total Tax Rate	-	0.011034	0.011380	0.010349	0.010406	0.009787	0.009763	0.010530	0.011524	0.012309	0.012371	0.012110	0.011419	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	0.011367	
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	0.011139	0.011139	0.011139	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 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	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	0.002962	
Percent of Tax Increment for Project																												
	80%	80%	80%	80%	75%	75%	75%	75%	75%	70%	70%	70%	70%	70%	60%	60%	60%	60%	60%	60%	0%	0%	0%					
Percent of Tax Increment for Haircut																												
	20%	20%	20%	20%	25%	25%	25%	25%	25%	30%	30%	30%	30%	30%	40%	40%	40%	40%	40%	40%	100%	100%	100%					
TAX INCREMENT REVENUES																												
Property Tax Increment	\$ -	\$ -	\$ 75,000	\$ 156,551	\$ 120,954	\$ 156,002	\$ 187,288	\$ 219,363	\$ 249,764	\$ 207,610	\$ 202,538	\$ 206,677	\$ 194,981	\$ 208,810	\$ 178,980	\$ 178,980	\$ 178,980	\$ 178,980	\$ 178,980	\$ 178,980	\$ 178,980	\$ 178,980	\$ 178,980	\$ 178,980	\$ 178,980	\$ 178,980	\$ 178,980	\$ 178,980
Less Current Year Uncollected										\$ (13,785)	\$ (19,760)	\$ (18,964)	\$ (14,252)	\$ (7,241)														
Plus Prior Years Late Collections										24	4,854	13,259	34,489															
Total Tax Increment Received by Agency	\$ -	\$ -	\$ 75,000	\$ 156,551	\$ 120,954	\$ 156,002	\$ 187,288	\$ 219,363	\$ 249,764	\$ 193,848	\$ 187,633	\$ 200,971	\$ 180,729	\$ 236,058	\$ 178,980	\$ 178,980	\$ 178,980	\$ 178,980	\$ 178,980	\$ 178,980	\$ 178,980							
HAIRCUT REVENUES																												
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	\$ 23,083	\$ 23,796	\$ 31,729	\$ 31,729	\$ 31,729	\$ 31,729	\$ 31,729	\$ 31,729	\$ 31,729	\$ 31,729	\$ 31,729	\$ 31,729	\$ 31,729	\$ 31,729	\$ 31,729	
Less Current Year Uncollected										\$ (1,678)	\$ (2,425)	\$ (2,305)	\$ (1,937)	\$ (825)														
Plus Prior Years Late Collections										2	591	1,627	(6,887)															
Total Haircut Received by Agency	\$ 55,937	\$ 52,737	\$ 26,195	\$ 12,865	\$ 13,621	\$ 16,724	\$ 17,615	\$ 20,417	\$ 23,791	\$ 23,602	\$ 23,025	\$ 24,438	\$ 21,147	\$ 16,085	\$ 31,729	\$ 31,729	\$ 31,729	\$ 31,729	\$ 31,729	\$ 31,729	\$ 31,729							
TOTAL REVENUES RECEIVED	\$ 55,937	\$ 52,737	\$ 101,195	\$ 169,416	\$ 134,575	\$ 172,726	\$ 204,902	\$ 239,780	\$ 273,555	\$ 217,450	\$ 210,658	\$ 225,409	\$ 201,876	\$ 252,143	\$ 210,708	\$ 210,708	\$ 210,708	\$ 210,708	\$ 210,708	\$ 210,708	\$ 210,708							
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)																												
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	\$ 76,144	\$ 82,470	\$ 52,262	\$ 93,697	\$ 93,697	\$ 93,697	\$ 93,697	\$ 93,697	\$ 93,697	\$ 93,697	\$ 93,697	\$ 93,697	\$ 93,697	\$ 93,697	\$ 93,697	\$ 93,697	
EXPENDITURES																												
Project Area Budget and Uses of Funds																												
RDA Admin	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Developer Reimbursement (Woodbury Amsource)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Developer Reimbursement (Fund 45 Lakeside Park)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Optional Reimbursement to Road Fund 2001 800 N State St. Traffic	-	-	-	-	-	-	-	-	-	-	-	-	5,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Misc. Expenditures	-	59,412	-	100,417	66,838	-	243,776	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Revenue	-	-																										

SECTION 8: OVERVIEW OF THE UNIVERSITY PLACE CDA PROJECT AREA

Table 8.1: Project Area Overview

OVERVIEW				
Type CDA	Acreage 129.59	Purpose Commercial Development	Taxing District 090	Tax Rate 0.011139
Creation Year FY 2013	Base Year FY 2013	Term 20 Years	Trigger Year FY 2018	Expiration Year FY 2037
Base Value \$129,187,998	TY 2015 Value \$139,387,661	Increase 7.9%	FY 2015 Increment -	Remaining Life 20 Years

The University Place CDA was approved in 2014. The Project Area is located on the northeast corner of State Street and University Parkway. Most of the Project Area will be a master planned development surrounding the University Mall with intention to revitalize the area. The planned development includes residential, office, retail, and civic uses. The Project Area is comprised of 133.6 acres total, including approximately 85 affected parcels, equaling 129.6 acres of property (4.0 acres are rights of way and other variances in acreage associated with County records of individual parcels). The Project Area is currently scheduled to trigger in 2018.