

*2017 Annual Report*  
*Redevelopment Agency of Lehi City*  
*October 2017*



---

---

## *Table of Contents*

### **Chapter 1 – Background and Overview**

#### **Chapter 2 – Millpond RDA**

- Background Information
- Source of Funds Valuation
- Actual Funds Received Compared to Budget Showing Historical Receipts
- Tax Increment Use of Funds
- Development Activity
- Developed and Undeveloped Acreage
- Revised Multi-Year Budget
- Estimate of Tax Increment for 2017 and Totals for Funds
- Budget
- Area Map

#### **Chapter 3 – Alpine Highway RDA**

- Background Information
- Source of Funds Valuation
- Actual Funds Received Compared to Budget Showing Historical Receipts
- Tax Increment Use of Funds
- Development Activity
- Developed and Undeveloped Acreage
- Revised Multi-Year Budget
- Estimate of Tax Increment for 2017 and Totals for Funds
- Budget
- Area Map

#### **Chapter 4 – Thanksgiving Park EDA**

- Background Information
- Source of Funds Valuation
- Actual Funds Received Compared to Budget Showing Historical Receipts
- Tax Increment Use of Funds
- Development Activity
- Developed and Undeveloped Acreage
- Revised Multi-Year Budget
- Estimate of Tax Increment for 2017 and Totals for Funds
- Budget
- Area Map

#### **Chapter 5 – Alpine Highway West EDA**

- Background Information
- Source of Funds Valuation
- Actual Funds Received Compared to Budget Showing Historical Receipts
- Tax Increment Use of Funds

---

---

Development Activity  
Developed and Undeveloped Acreage  
Revised Multi-Year Budget  
Estimate of Tax Increment for 2017 and Totals for Funds  
Budget  
Area Map

**Chapter 6 – Traverse Mountain CDA**

Background Information  
Source of Funds Valuation  
Actual Funds Received Compared to Budget Showing Historical Receipts  
Tax Increment Use of Funds  
Development Activity  
Developed and Undeveloped Acreage  
Revised Multi-Year Budget  
Estimate of Tax Increment for 2017 and Totals for Funds  
Budget  
Area Map

**Chapter 7 – West Timpanogos CDA**

Background Information  
Source of Funds Valuation  
Actual Funds Received Compared to Budget Showing Historical Receipts  
Tax Increment Use of Funds  
Development Activity  
Developed and Undeveloped Acreage  
Revised Multi-Year Budget  
Estimate of Tax Increment for 2017 and Totals for Funds  
Budget  
Area Map

## *Chapter 1 – Background and Overview*

This report is prepared for the Redevelopment Agency of Lehi City (Agency) in accordance with the requirements of Utah Code Section 17C-1-409(9a,9b) which requires a taxing entity committee to meet at least annually during a project area funds collection period under an urban renewal, an economic development, or a community reinvestment project area budget to review the status of the project area. A taxing entity committee is not required to meet in accordance with subsection 9a if the Agency prepares and distributes a report reviewing the status of project areas on or before November 1<sup>st</sup> of each year in accordance with Utah Code Section 17C-1-603. The report must be submitted to the Alpine School District, Utah County Auditor, The Utah State Board of Education, Utah State Tax Commission and any other taxing entity who levies a tax on property from which the Agency collects tax increment. The applicable taxing entities are as follows and vary by project area and taxing districts included in each project area:

- Utah County
- Alpine School District
- Lehi City
- Central Utah Water Conservancy District
- Northern Utah Water Conservancy District
- Lehi Metropolitan Water District

There are six redevelopment areas in Lehi City, listed from oldest to newest, as follows:

- Millpond RDA
- Alpine Highway RDA
- Thanksgiving Park EDA
- Alpine Highway West EDA
- Traverse Mountain CDA
- West Timpanogos CDA

The requirements for the study are listed specifically under the Utah Code 17C-1-603 as follows and must be address separately for each of the six project areas:

- (a) An assessment of the change in marginal value including:
  - i. The base taxable value
  - ii. The prior year's assessed value
  - iii. The estimated current assessed value; and
  - iv. A narrative description of the relative growth in assessed value;
- (b) The amount of project area funds the agency received, including;
  - i. A comparison of the actual project area funds received for the previous year to the amount of project area funds forecasted when the project area was created, if available;
  - ii.
    - (a) The agency's historical receipts of project area funds, including the tax year for which the agency first received project area funds from the project area; or

- (b) If the agency has not yet received project area funds from the project area, the year in which the agency expects each project area funds collection period to begin;
- iii. A list of each taxing entity that levies or imposes a tax within the project area and a description of the benefits that each taxing entity receives from the project area; and
- iv. The amount paid to other taxing entities under Section 17C-1-410, if applicable;
- (c) A description of current and anticipated project area development, including;
  - i. A narrative of any significant project area development, including infrastructure development, site development, participation agreements, or vertical construction; and
  - ii. Other details of development within the project area, including total developed acreage and total undeveloped acreage;
- (d) The project area budget, if applicable, or other project area funds analysis, including:
  - i. Each project area funds collection period;
  - ii. The number of years remaining in each project area funds collection period;
  - iii. The total amount of project area funds the agency is authorized to receive from the project area cumulatively and from each taxing entity; and
  - iv. The remaining amount of project area funds the agency is authorized to receive from the project area cumulatively and from each taxing entity;
- (e) The estimated amount project area funds that the agency is authorized to receive from the project area for the current calendar year;
- (f) The estimated amount of project area funds to be paid to the agency for the next calendar year;
- (g) A map of the project area; and
- (h) Any other relevant information the agency elects to provide.

This report meets all legal requirements and is organized as follows:

- Chapter 1: Background and Overview
- Chapter 2: Millpond Neighborhood RDA
- Chapter 3: Alpine Highway RDA
- Chapter 4: Thanksgiving Park EDA
- Chapter 5: Alpine Highway West EDA
- Chapter 6: Traverse Mountain CDA
- Chapter 7: West Timpanogos CDA

## Chapter 2: Millpond Neighborhood RDA

### Background Information

The Millpond Neighborhood Development Plan was adopted in 1986 by the Agency. The payment of the tax increment to the Agency was triggered in 1995. Increment is to be collected for 25 years from when the increment was triggered. The Agency has not shown a desire to extend the Millpond Neighborhood RDA, which is set to expire in 2020.

The general boundaries of the Project Area plan are irregular, but it encompasses one quarter mile east of Interstate 15 to 1350 East, taking in both sides of Main Street to approximately one quarter mile west of Interstate 15 just past 850 East on both sides of Main Street, encompassing both north

<b>Table 2.1 Project Area Description</b>	
Year Established	1986
Initial Year of Tax Increment	1995
Initial Collection Period	32 years
Last Year of Tax Increment	2020

and south of 850 East from Main Street approximately one quarter to half mile both sides of 850 East. There is approximately 144.44 acres, of which 30.80 are public streets and highways, leaving 83.64 of privately owned property.

The Project Area was originally created to help re-align a frontage road to allow for the widening of Interstate 15 and completion of a full interchange at Main Street in Lehi. It was also determined that some land and buildings weren't being used to their highest and best use. Project funds were intended to help spur economic development in these areas and ensure long-term economic activity in the core area of the city. Economic development was to be accomplished by land assembly, infrastructure improvements and promotion of sites for development. The frontage road has been moved and a full interchange has been implemented off Interstate 15 and Lehi Main Street. Other infrastructure has been replaced and installed to include roads, water lines and storm drains to promote development. Lehi City is planning additional road and water line improvements in 2018. The city is also coordinating with UDOT to install a signalized light at Main Street to allow for better traffic flow. Additionally, per state code Lehi City has used some funds to improve the Lehi Outdoor Pool.

### Source of Funds – Valuation

<b>Table 2.2: Base Year and Increment Taxable Values</b>	<b>Value</b>
<b>Base Year:</b>	
Total Base Year Value	\$ 5,289,589
<b>Prior Year (2016):</b>	
Prior Year (2016) Increment Value	\$ 53,543,541
Prior Year (2016) Tax Increment Generated - Agency Share	\$ 352,648
Prior Year (2016) Adjusted Tax Increment to Agency	\$ 338,781
Prior Year (2016) Total Assessed Value	\$ 58,833,139
<b>Current Year (2017):</b>	
Current Year (2017) Projected Total Assessed Value	\$ 60,011,096

The base year taxable value as reflected by the County Assessor's Office is \$5,289,589.

## Relative Growth in Assessed Value

Total taxable value for the Project Area has grown from \$5,289,598.00 at the inception of the project to over \$58 million in 2016. That is an increase of over 1,107 percent in value.

The 2015 total assessed value of the Project Area was \$58,192,434. The 2016 taxable value increased to \$58,833,139 due to value increases and development occurring within the Project Area. The 2017 taxable value is anticipated to increase to \$60,011,096 due to property value increases and Project Area development.

## Tax Increment Uses of Funds

Since the Millpond RDA predates July 1, 1993, funds are distributed to the Agency based on the following distribution formula: years 1 through 5 – 100%; years 6 through 10 – 80%; years 11 through 15 – 75%; years 16 through 20 – 70%; and years 21 through 25 – 60%. Since the first year of tax increment was triggered in 1995, year\_25\_expires in 2020.

**Table 2.3: Tax Entity Contribution**

	<b>% of increment (or amount) to Agency for 2015</b>	<b>% of increment (or amount) to Agency 2016 through 2020</b>
Alpine School District	70.00%	60.00%
Utah County	70.00%	60.00%
Lehi City	70.00%	60.00%
Northern Utah Water Conservancy District	70.00%	60.00%
North Utah Co. Water Conservancy District	70.00%	60.00%
Lehi Metropolitan Water District	70.00%	60.00%

For 2016 the Agency received \$338,782 in tax increment revenues.

### **Benefits Received by Each Taxing Entity**

<b>Taxing Entity</b>	<b>Benefits</b>
Utah County	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Alpine School District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Lehi City	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Central Utah Water Conservancy District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.

North Utah Co. Water Conservancy District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Lehi Metropolitan Water District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.

## Development Activity

For 2016 water lines and storm drainage system were installed, as well as a road connector to increase flow of traffic through a portion of the Project Area. For 2017 there is no infrastructure improvements anticipated for the Project Area. For 2018 it is anticipated that more water lines and road improvements will be completed.

### **Total Area Funds Budgeted Compared to Actual Collected**

Taxing Entities	Budgeted Tax Increment	Total Increment Collected	Difference to be Collected
Alpine School District	\$ 4,173,664.71	\$ 2,818,021.27	\$ 1,355,643.43
Lehi City	\$ 1,007,641.91	\$ 687,638.84	\$ 320,003.06
Utah County	\$ 425,117.56	\$ 289,728.17	\$ 135,389.39
Central Utah Water Conservancy District	\$ 178,871.34	\$ 123,032.51	\$ 55,838.84
North Utah Co. Water Conservancy District	\$ 120,440.04	\$ 75,231.00	\$ 45,209.04
Lehi Metropolitan Water District	\$ 56,642.59	\$ 35,386.80	\$ 21,255.79
Total Revenue	\$ 5,962,378.15	\$ 4,029,038.59	\$ 1,933,339.56

Note: 1996 is the first year increment was received. There is not a clear breakdown of what each taxing entity had contributed to the increment, so an average was created.

## Area Maps

Exhibit 2.1 shows the RDA area for the project as it was defined in the 1986 plan. There has been no additions or subtractions from the site.

Exhibit 2.2 shows that of the approximately 114 acres, 39% of the Project Area is still undeveloped. With the new infrastructure being installed, further economic development is anticipated in the Project Area.

## Revised Multi-Year Budget

**Table 2.4: Project Area Budget, CY 2016-2017**

Calendar Year for Increment	2016	2017
<b>Assessed Valuation</b>		
Base Year Taxable Value	\$ 5,289,589.00	\$ 5,289,589.00
Increment Value	\$ 53,543,541.00	\$ 54,721,507.00
Total Taxable Value	\$ 58,833,130.00	\$ 60,011,096.00
<b>Tax Rates</b>		
Utah County	0.000834	0.000834
Alpine School District	0.007718	0.007718
Lehi City	0.002005	0.002005
Central Utah Water Conservancy District	0.000386	0.000386
North Utah Co. Water Conservancy District	0.000023	0.000023
Lehi Metropolitan Water District	0.000011	0.000011
<b>Total</b>	<b>0.010977</b>	<b>0.010977</b>
<b>Taxing Entity Contribution</b>		
Utah County	60%	60%
Alpine School District	60%	60%
Lehi City	60%	60%
Central Utah Water Conservancy District	60%	60%
North Utah Co. Water Conservancy District	60%	60%
Lehi Metropolitan Water District	60%	60%
<b>Increment Tax Revenues to Taxing Entities</b>		
Utah County	\$ 17,159.20	\$ 17,948.52
Alpine School District	\$ 158,804.81	\$ 166,109.83
Lehi City	\$ 41,250.23	\$ 43,147.74
Central Utah Water Conservancy District	\$ 7,941.78	\$ 8,307.10

North Utah Co. Water Conservancy District	\$ 473.20	\$ 494.97
Lehi Metropolitan Water District	\$ 226.25	\$ 236.66
<b>Total</b>	\$ 225,855.47	\$ 236,244.83
<b><i>Increment Tax Revenues to Agency</i></b>		
Utah County	\$ 25,738.80	\$ 30,037.18
Alpine School District	\$ 238,207.21	\$ 277,987.81
Lehi City	\$ 61,875.35	\$ 72,208.53
Central Utah Water Conservancy District	\$ 11,912.67	\$ 13,902.09
North Utah Co. Water Conservancy District	\$ 709.80	\$ 828.34
Lehi Metropolitan Water District	\$ 339.38	\$ 396.06
<b>Total</b>	\$ 338,783.21	\$ 395,360.01
<b><i>Expenditures</i></b>		
Fund Surplus/Deficit	\$ -	\$ 554,639.99
Reserves	\$ -	\$ -
Millpond RDA Engineering	\$ -	\$ 700,000.00
Millpond RDA Streets	\$ -	\$ 250,000.00
Transfer to Outdoor Pool	\$ 70,000.00	\$ -
Remaining Increment for Projects	\$ 268,783.21	\$ -

### **Estimate of Tax Increment for 2017**

The estimated amount of tax increment that will be generated in 2017 is \$658,741.80 with \$236,244.83 flowing to the taxing entities.

A revised Multi-Year Budget is included at the end of this chapter.

## Millpond Financials

Year	1995	1996	1997	2015	2016	2017	2018	2019	2020
Base Year Valuation	\$ 3,975,060.00	\$ 3,975,060.00	\$ 3,975,060.00	\$ 5,289,598.00	\$ 5,289,598.00	\$ 5,289,598.00	\$ 5,289,598.00	\$ 5,289,598.00	\$ 5,289,598.00
Assessed Value				\$ 58,192,443.00	\$ 58,833,139.00	\$ 61,242,695.51	\$ 63,750,937.26	\$ 66,361,905.98	\$ 69,079,808.94
Total Taxable Value				\$ 52,902,845.00	\$ 53,543,541.00	\$ 55,953,097.51	\$ 58,461,339.26	\$ 61,072,307.98	\$ 63,790,210.94
Tax Rate				0.011805	0.010977	0.011577	0.011577	0.011577	0.011577
Haircut Provision all taxing entities		100	100	70	60	60	60	60	60
Increment Generated		\$ 58,856.01	\$ 70,416.94	\$ 418,232.67	\$ 352,648.47	\$ 421,049.86	\$ 439,924.50	\$ 459,572.17	\$ 480,024.53
Actual Collected					\$ 338,781.55				



Exhibit 1.2



## Chapter 3 – Alpine Highway RDA (Micron)

### Background Information

The Alpine Highway RDA was created in 1995 utilizing January 1, 1994 as the base year. Tax increment was triggered in 1996, with the increment to be collected for 12 years expiring in 2008. In 2006 the Agency approached the taxing entity committee to request a 20 year extension through 2028. This request was granted. No additional acreage was added, and the participation percentage was not changed.

The general boundaries of the Project Area are rectangular in shape and abut Timpanogos Highway. There are 99.853 acres in the Project Area, all privately owned. There was no existing infrastructure located on the site in 1996.

The Project Area was originally created to attract Micron (now Micron/IM Flash) to Lehi City. The

<b>Table 3.1 Project Area Description</b>	
Year Established	1995
Initial Year of Tax Increment	1996
Initial Collection Period	12 Years
Time Frame Extension	20 Years
Last Year of Tax Increment	2028

original proposal was for 833 acres, but due to state law the project area was cut back to less than 100 acres. It was proposed that Micron would build a 2 million square foot facility to house research and development, fabrication, assembly, testing and distribution of semiconductor memory chips. Upon full buildout the real and personal property was

estimated to value \$1.7 billion. Lehi City wanted to locate Micron in city limits as it would occupy space currently void of infrastructure and create a technology brand.

### Sources of Funds – Valuation

The base year taxable value as reflected by the County Assessor’s Office is \$505,973.

<b>Table 3.2: Base Year and Increment Taxable Values</b>	<b>Value</b>
<b>Base Year:</b>	
Total Base Year Value	\$ 505,973.00
<b>Prior Year (2016):</b>	
Prior Year (2016) Increment Value	\$ 992,037,526
Prior Year (2016) Tax Increment Generated - Agency Share	\$ 10,879,090
Prior Year (2016) Adjusted Tax Increment to Agency	\$ -
Prior Year (2016) Total Assessed Value	\$ 992,543,499
<b>Current Year (2017):</b>	
Current Year (2017) Projected Total Assessed Value	\$ 1,202,500,000

### Relative Growth in Assessed Value

Total taxable value for the Project Area has grown from \$48,780 at the inception of the project to over \$992 million in 2016. That is an increase of over 20,336% in value.

The 2015 assessed value of the Project Area was \$791,859,843. The 2016 taxable value increased to \$992,543,499 due to value increases and upgrades to personal property/equipment within the facility. The 2017 taxable value is anticipated to grow to \$1,202,500,000. Micron is currently going through a buildout that will utilize the final space in the facility. The anticipated jump in property value is based on personal equipment being installed for new generation chip production.

### Tax Increment Uses of Funds

Funds are distributed to the Agency based on the following distribution formula: For 12 years, starting in 1995, 100% of tax increment revenues from Utah County, 70% of tax increment from Lehi City and Alpine School District (70% distributed to Micron and 30% returned to Lehi City for reimbursement of infrastructure improvements not to exceed \$15,853,142, with no interest paid). For 20 years, starting in 2008, 100% of tax increment revenues from Utah County, Lehi City and Alpine School District flow to the Agency, with 70% being distributed to Micron and 30% being returned to the taxing entities. Of the 30% being returned to Utah County, Lehi City and Alpine School District, the city and school district each receive 46% and the county receives 8%. This formula was based on the percentage of tax rate for each taxing entity in 1995.

**Table 3.3: Tax Entity Contribution**

	% of increment (or amount) to Agency through 2008	% of increment (or amount) to Agency through 2028
Utah County	100%	70%
Lehi City	70%	70%
Alpine School District	100%	70%
Central Utah Water Conservancy District	100%	100%
North Utah Co. Water Conservancy District	100%	100%
Lehi Metropolitan Water District	100%	100%

For 2016 the Agency received \$10,879,090.19 in tax increment revenues. Of the amount generated, \$7,615,363 went to Micron. The Agency is reimbursing Micron principle and interest on all the infrastructure improvements. Current principle balance is \$73,329,903. The payment made covers all interest, with a small amount going to principal.

### Benefits Received by Each Taxing Entity

Taxing Entity	Benefits
Utah County	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Alpine School District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Lehi City	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.

Central Utah Water Conservancy District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
North Utah Co. Water Conservancy District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Lehi Metropolitan Water District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.

## Development Activity

For 2016 there was no improvements made to the land site but significant improvement within the buildings. Tax increment received is for debt coverage only. Micron continues to be an employer of choice and employs over 1,600 workers paying a higher than county average wage.

### **Total Area Funds Budgeted Compared to Actual Collected**

Taxing Entities	Budgeted Tax Increment	Total Increment Collected	Principle Balance
Alpine School District	\$ 62,428,131.50	\$ 60,102,004.90	\$ 51,330,931.40
Lehi City	\$ 15,071,934.61	\$ 14,510,341.18	\$ 12,392,753.44
Utah County	\$ 6,358,751.11	\$ 6,121,818.50	\$ 5,228,422.01
Central Utah Water Conservancy District	\$ 2,675,491.35	\$ 2,575,800.21	\$ 2,199,897.06
North Utah Co. Water Conservancy District	\$ 1,801,497.51	\$ 1,734,372.14	\$ 1,481,264.02
Lehi Metropolitan Water District	\$ 847,238.93	\$ 815,670.07	\$ 696,634.07
Total Revenue	\$ 89,183,045.00	\$ 85,860,007.00	\$ 73,329,902.00

Note: 1999 is the first year of increment. There is not a clear breakdown of what each taxing entity has contributed to the increment so an average was created. The project area will close in 2028 or if the increment principle balance max is reached of \$73,329,902.

## Area Maps

Exhibit 2.1 shows the RDA area for the project as it was defined in the 1995 plan. There has been no additions or subtractions from the site.

Exhibit 2.2 shows that of the approximately 100 acres, 11% is still undeveloped. At this time there are no plans to develop this site, but it is being maintained for future opportunity. IM Flash is looking to expand one of its three existing locations, with Lehi being one of the three options. IM Flash owns another 733 acres surrounding the site which can be used for additional expansion.

## Revised Multi-Year Budget

**Table 3.4: Project Area Budget, CY 2016-2017**

Calendar Year for Increment	2016	2017
<b>Assessed Valuation</b>		
Base Year Taxable Value	\$ 505,973.00	\$ 505,973.00
Increment Value	\$ 992,037,526.00	\$ 1,203,005,973.00
Total Taxable Value	\$ 992,543,499.00	\$ 1,202,500,000.00
<b>Tax Rates</b>		
Utah County	0.000834	0.000834
Alpine School District	0.007718	0.007718
Lehi City	0.002005	0.002005
Central Utah Water Conservancy District	0.000386	0.000386
North Utah Co. Water Conservancy District	0.000023	0.000023
Lehi Metropolitan Water District	0.000011	0.000011
<b>Total</b>	<b>0.010977</b>	<b>0.010977</b>
<b>Taxing Entity Contribution</b>		
Utah County	100%	100%
Alpine School District	100%	100%
Lehi City	100%	100%
Central Utah Water Conservancy District	100%	100%
North Utah Co. Water Conservancy District	100%	100%
Lehi Metropolitan Water District	100%	100%
<b>Increment Tax Revenues to Taxing Entities</b>		
Utah County	\$ 261,098.16	\$ 261,098.16
Alpine School District	\$ 1,502,764.24	\$ 1,502,764.24
Lehi City	\$ 1,502,764.24	\$ 1,502,764.24
Central Utah Water Conservancy District	\$ -	\$ -
North Utah Co. Water Conservancy District	\$ -	\$ -
Lehi Metropolitan Water District	\$ -	\$ -

<b>Total</b>	\$ 3,266,626.64	\$ 3,266,626.64
<b>Increment Tax Revenues to Agency</b>		
Utah County	\$ 578,592.77	\$ 578,592.77
Alpine School District	\$ 5,354,411.29	\$ 5,354,411.29
Lehi City	\$ 1,390,981.42	\$ 1,390,981.42
Central Utah Water Conservancy District	\$ 268,048.54	\$ 268,048.54
North Utah Co. Water Conservancy District	\$ 15,956.39	\$ 15,956.39
Lehi Metropolitan Water District	\$ 7,631.32	\$ 7,631.32
<b>Total</b>	\$ 7,615,621.73	\$ 7,615,621.73
<b>Expenditures</b>		
Administration	\$ -	\$ -
Developer Allocation	\$ 7,615,621.73	\$ 7,615,621.73
Remaining Increment for Projects	\$ -	\$ -

The Agency is working with IM Flash on future opportunities for expansion. The current facility and property within the Project Area will be built out by March 2018, so the Agency is providing increment for debt service. The Agency worked with IM Flash to create an opportunity for additional tax increment funding (TIF) if the Lehi facility is selected for a major expansion.

### **Estimate of Tax Increment for 2017**

The estimated amount of tax increment that will be generated in 2017 is \$13,199,842 with \$3,959,952 flowing to the taxing entities.

A revised Multi-Year Budget is included at the end of this chapter.

## Alpine Highway RDA Financials

Year	1996	2015	2016	2017	2018	2019	2020	2021	2022
Base Year Valuation	\$ 198,462.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00	\$ 505,973.00
Assessed Value	\$ 791,859,843.00	\$ 992,543,499.00	\$ 1,007,431,651.49	\$ 1,022,543,126.26	\$ 1,037,881,273.15	\$ 1,053,449,492.25	\$ 1,069,251,234.63	\$ 1,085,290,003.15	\$ 1,085,290,003.15
Total Taxable Value	\$ 791,353,870.00	\$ 992,037,526.00	\$ 1,006,925,678.49	\$ 1,022,037,153.26	\$ 1,037,375,300.15	\$ 1,052,943,519.25	\$ 1,068,745,261.63	\$ 1,084,784,030.15	\$ 1,084,784,030.15
Tax Rate	0.011805	0.010977	0.011577	0.011577	0.011577	0.011577	0.011577	0.011577	0.011577
Haircut Provision all taxing entities	100%	100%	100%	100%	100%	100%	100%	100%	100%
Increment Generated	\$ -	\$ 9,161,503.81	\$ 10,889,595.92	\$ 11,657,178.58	\$ 11,832,124.12	\$ 12,009,693.85	\$ 12,189,927.12	\$ 12,372,863.89	\$ 12,558,544.72
<b>Budget 1997 - 2009</b>	<b>1996</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Budget 2006 - 2028</b>	<b>1996</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Base Value	168188	168188	505973	168188	168188	168188	168188	168188	168188
Real Property	\$ 9,164,588.00								
Personal Property	\$ -								
Total	\$ 9,164,588.00	\$ 956,477,614.65	\$ 992,543,499.00	\$ 850,255,228.79	\$ 736,208,837.04	\$ 736,208,837.04	\$ 736,208,837.04	\$ 736,208,837.04	\$ 736,208,837.04
Incremental Value	\$ 8,996,400.00	\$ 956,645,802.65	\$ 992,037,526.00	\$ 850,423,416.79	\$ 736,377,025.04	\$ 736,377,025.04	\$ 736,377,025.04	\$ 736,377,025.04	\$ 736,377,025.04
Tax Rate	0.010864	0.010864	0.010977	0.010864	0.010864	0.010864	0.010864	0.010864	0.010864
Tax Increment	\$ 97,736.89	\$ 10,393,000.00	\$ 10,889,595.92	\$ 9,239,000.00	\$ 8,000,000.00	\$ 8,000,000.00	\$ 8,000,000.00	\$ 8,000,000.00	\$ 8,000,000.00
Actual Vrs Budget	\$ (97,736.89)	\$ (1,231,496.19)	\$ -	\$ 2,418,178.58	\$ 3,832,124.12	\$ 4,009,693.85	\$ 4,189,927.12	\$ 4,372,863.89	\$ 4,558,544.72

Exhibit 2.1



Exhibit 2.2



## Chapter 4 – Thanksgiving Park EDA

### Background Information

The Thanksgiving Park EDA was created in 2009, and increment was triggered in 2010. Increment is to be collected for 14 years, expiring in 2024. There has been no extensions or additional land added to the Project Area since it was approved in 2009.

The general boundaries of the Project Area are Club House Drive and Ashton Blvd heading east to 11000 North and following 11000 North to the south until Executive Parkway then heading west on Executive Parkway to Ashton Blvd and then north on Ashton Blvd to Club House Drive. The total site is approximately 39 acres, all of which is privately owned and will be used for the project. No public roads, parks or government buildings will be located on the property.

The Project Area was created to spur development between Interstate 15 and Thanksgiving Point.

<b>Table 4.1 Project Area Description</b>	
Year Established	2009
Initial Year of Tax Increment	2010
Initial Collection Period	14 Years
Last Year of Tax Increment	2024

The property was relatively flat and void of any infrastructure or structures. It was the intent of the city to grow this area for high-wage job creation. The intended development facilitated the job creation. Since this project was started six, 5-story Class A office buildings have been completed and occupied.

The agreement between the Agency and developer tied the reimbursement of tax increment revenue to Class A office space of at least 126,000 square feet (average is 140,000 square feet) with an employment base of at least 528 workers at build-out.

### Sources of Funds – Valuation

The base year value as reflected by the County Assessor’s Office (2008) is \$7,098,683.

<b>Table 4.2: Base Year and Increment Taxable Values</b>	<b>Value</b>
<b>Base Year:</b>	
Total Base Year Value	\$ 7,098,683.00
<b>Prior Year (2016):</b>	
Prior Year (2016) Increment Value	\$ 151,151,856.00
Prior Year (2016) Tax Increment Generated - Agency Share	\$ 273,508.40
Prior Year (2016) Adjusted Tax Increment to Agency	\$ -
Prior Year (2016) Total Assessed Value	\$ 158,250,539.00
<b>Current Year (2017):</b>	
Current Year (2017) Projected Total Assessed Value	\$ 161,415,550

## Relative Growth in Assessed Value

Total taxable value in the Project Area has grown from \$7,098,683 to \$151,151,856 in 2016 – an increase of over 220% in value.

In 2015 the assessed value of the Project Area was \$97,682,950. The 2016 taxable value increased to \$158,250,539 – an increase of 38% in value due to property values being re-assessed. Personal property remained about the same. The 2017 taxable value is anticipated to increase to \$161,415,550.

## Tax Increment Uses of Funds

Funds are distributed to the Agency based on the following distribution formula: 15% of tax increment revenue from Alpine School District and 20% of tax increment revenue from Lehi City, Utah County, Central Utah Water Conservancy District, North Utah County Water Conservancy District and Lehi Metropolitan Water District. Of the total tax increment revenue the Agency collects, there is a 5% administrative fee taken before the remaining balance is distributed to the developer. The administrative fee does not deduct from the pledged amount of \$2.5 million to the developer.

<b>Table 4.3: Tax Entity Contribution</b>	
	<b>% of increment (or amount) to Agency through 2024</b>
Alpine School District	15%
Utah County	20%
Lehi City	20%
Northern Utah Water Conservancy District	20%
North Utah Co. Water Conservancy District	20%
Lehi Metropolitan Water District	20%

Funds were used to reimburse the developer for infrastructure improvements made to the property site that included water, sewer, electric, telecommunications, storm water and surface parking.

### **Benefits Received by Each Taxing Entity**

<b>Taxing Entity</b>	<b>Benefits</b>
Utah County	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Alpine School District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Lehi City	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Central Utah Water Conservancy District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.

North Utah Co. Water Conservancy District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Lehi Metropolitan Water District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.

## Development Activity

As a result of development in the Project Area, the surrounding area has seen development of a hotel and numerous retail outlets providing services to the office space. This includes restaurants, dry cleaners, multiple gas stations, a printing company and others.

### **Total Area Funds Budgeted Compared to Actual Collected**

Taxing Entities	Budgeted Tax Increment	Total Increment Collected	Difference to be collected
Alpine School District	\$ 1,657,200.70	\$ 614,423.00	\$ 1,042,777.70
Lehi City	\$ 584,173.00	\$ 157,020.18	\$ 427,152.82
Utah County	\$ 318,523.99	\$ 65,330.83	\$ 253,193.16
Central Utah Water Conservancy District	\$ 96,194.25	\$ 30,360.13	\$ 65,834.12
North Utah Co. Water Conservancy District	\$ 7,007.53	\$ 3,503.77	\$ 3,503.77
Lehi Metropolitan Water District	\$ 2,548.19	\$ 1,274.10	\$ 1,274.10
Total Revenue	\$ 2,665,647.66	\$ 871,912.01	\$ 1,793,735.65

Note: 2011 is the first year of increment. Budgeted tax increment is for 20 years.

## Area Maps

Exhibit 3.1 shows the RDA area for the project as it was defined in the 2009 plan. There has been no additions or subtractions from the site.

Exhibit 3.2 shows that of the approximately 39 acres, 3% is still undeveloped. At this time there are no plans to develop this site, but it is being maintained for future development opportunities. Future opportunities include possible retail pad sites or park space based on needs of the development.

## Revised Multi-Year Budget

**Table 3.4: Project Area Budget, CY 2016-2017**

Calendar Year for Increment	2016	2017
<b>Assessed Valuation</b>		
Base Year Taxable Value	\$ 7,098,683.00	\$ 7,098,683.00
Increment Value	\$ 151,151,856.00	\$ 154,316,867.00
Total Taxable Value	\$ 158,250,539.00	\$ 161,415,550.00
<b>Tax Rates</b>		
Utah County	0.000834	0.000834
Alpine School District	0.007718	0.007718
Lehi City	0.002005	0.002005
Central Utah Water Conservancy District	0.000386	0.000386
North Utah Co. Water Conservancy District	0.000023	0.000023
Lehi Metropolitan Water District	0.000011	0.000011
<b>Total</b>	<b>0.010977</b>	<b>0.010977</b>
<b>Taxing Entity Contribution</b>		
Utah County	20%	20%
Alpine School District	15%	15%
Lehi City	20%	20%
Central Utah Water Conservancy District	20%	20%
North Utah Co. Water Conservancy District	20%	20%
Lehi Metropolitan Water District	20%	20%
<b>Increment Tax Revenues to Taxing Entities</b>		
Utah County	\$ 100,848.52	\$ 110,933.37
Alpine School District	\$ 991,601.50	\$ 1,090,761.65
Lehi City	\$ 242,447.56	\$ 266,692.32
Central Utah Water Conservancy District	\$ 46,675.68	\$ 51,343.25
North Utah Co. Water Conservancy District	\$ 2,781.20	\$ 3,059.32
Lehi Metropolitan Water District	\$ 1,330.12	\$ 1,463.13
<b>Total</b>	<b>\$ 1,385,684.58</b>	<b>\$ 1,524,253.04</b>
<b>Increment Tax Revenues to Agency</b>		
Utah County	\$ 25,212.13	\$ 27,733.34

Alpine School District	\$ 174,988.50	\$ 192,487.35
Lehi City	\$ 60,611.89	\$ 66,673.08
Central Utah Water Conservancy District	\$ 11,668.92	\$ 12,835.81
North Utah Co. Water Conservancy District	\$ 695.30	\$ 764.83
Lehi Metropolitan Water District	\$ 332.53	\$ 365.78
<b>Total</b>	\$ 273,509.27	\$ 300,860.20

<b>Expenditures</b>		
Administration	\$ 13,675.46	\$ 15,043.01
Developer Allocation	\$ 259,833.81	\$ 285,817.19
Remaining Increment for Projects	\$ -	\$ -

The Redevelopment Agency is working with Thanksgiving Park to maintain current leasing companies and opportunities for future tenants. Thanksgiving Park is also building more Class A office space that is off site from the Project Area. This project has been the genesis for numerous other Class A office space developments in Lehi City.

### **Estimate of Tax Increment for 2017**

The estimated amount of tax increment that will be generated in 2017 is \$1,825,113 with \$1,524,253 flowing to the taxing entities.

A revised Multi-Year Budget is included at the end of this chapter.

## Thanksgiving Park EDA Financials

	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Project Area Budget</b>									
Alpine School District	\$ 99,750.82	\$ 157,281.06	\$ 99,660.11	\$ 133,163.22	\$ 125,268.39	\$ 132,647.41	\$ 165,793.50	\$ 166,386.53	\$ 166,894.47
Lehi City	\$ 35,162.75	\$ 55,442.50	\$ 35,130.78	\$ 46,940.82	\$ 44,157.84	\$ 46,758.99	\$ 58,443.18	\$ 58,652.16	\$ 58,831.28
Utah County	\$ 19,172.71	\$ 30,230.37	\$ 19,155.28	\$ 25,594.78	\$ 24,077.34	\$ 25,495.63	\$ 31,866.51	\$ 31,880.46	\$ 32,078.13
Central Utah Water Conservancy Dist	\$ 5,790.16	\$ 9,129.57	\$ 5,784.89	\$ 7,729.62	\$ 7,271.36	\$ 7,699.68	\$ 9,623.69	\$ 9,658.10	\$ 9,687.59
North Utah Co. Water Conservancy Dist	\$ 421.80	\$ 665.07	\$ 421.42	\$ 563.09	\$ 529.70	\$ 560.90	\$ 701.06	\$ 703.57	\$ 705.72
Lehi Metropolitan Water Dist	\$ 153.38	\$ 241.84	\$ 153.24	\$ 204.76	\$ 192.62	\$ 203.97	\$ 254.93	\$ 255.84	\$ 256.63
<b>Total Revenue</b>	\$ 160,451.62	\$ 252,990.42	\$ 160,305.72	\$ 214,196.29	\$ 201,497.25	\$ 213,366.59	\$ 266,682.88	\$ 267,636.46	\$ 268,453.81
<b>Expenditures</b>									
EDA Admin Fee 5%	\$ 8,022.58	\$ 12,649.52	\$ 8,015.29	\$ 10,709.81	\$ 10,074.86	\$ 10,668.33	\$ 13,334.14	\$ 13,381.82	\$ 13,422.69
Developer Incentive Fund	\$ 152,429.04	\$ 240,340.90	\$ 152,290.43	\$ 205,486.47	\$ 191,422.39	\$ 202,698.26	\$ 253,348.73	\$ 254,254.63	\$ 255,031.12
<b>Total Expenditures</b>	\$ 160,451.62	\$ 252,990.42	\$ 160,305.72	\$ 214,196.29	\$ 201,497.25	\$ 213,366.59	\$ 266,682.88	\$ 267,636.46	\$ 268,453.81
<b>Revenue Minus Expenditures</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Taxable Value</b>									
Real Property Value	\$ 97,136,800.00	\$ 157,776,500.00							
Personal Property Value	\$ 546,150.00	\$ 474,039.00							
Base Property Value	\$ 7,098,683.00	\$ 7,098,683.00							
<b>Total Taxable Value</b>	\$ 90,584,267.00	\$ 151,151,856.00							
Alpine School Dist Increment Value	\$ 13,587,640.05	\$ 22,672,778.40							
All Other Taxing Entities Increment Value	\$ 18,116,853.40	\$ 30,230,371.20							
Tax Rate Alpine School district	0.008177	0.007718							
Tax Rate All Other Taxing Entities	0.0034	0.003259							
Tax Increment School District	\$ 111,106.13	\$ 174,988.50							
Tax Increment All Other Taxing Entities	\$ 61,597.30	\$ 98,520.78							
Actual Collected and Paid	\$ 172,703.43	\$ 273,509.28							
<b>Actual Versus Budget</b>	\$ 12,251.81	\$ 20,518.86	\$ (160,305.72)	\$ (214,196.29)	\$ (201,497.25)	\$ (213,366.59)	\$ (266,682.88)	\$ (267,636.46)	\$ (268,453.81)

Exhibit 3.1

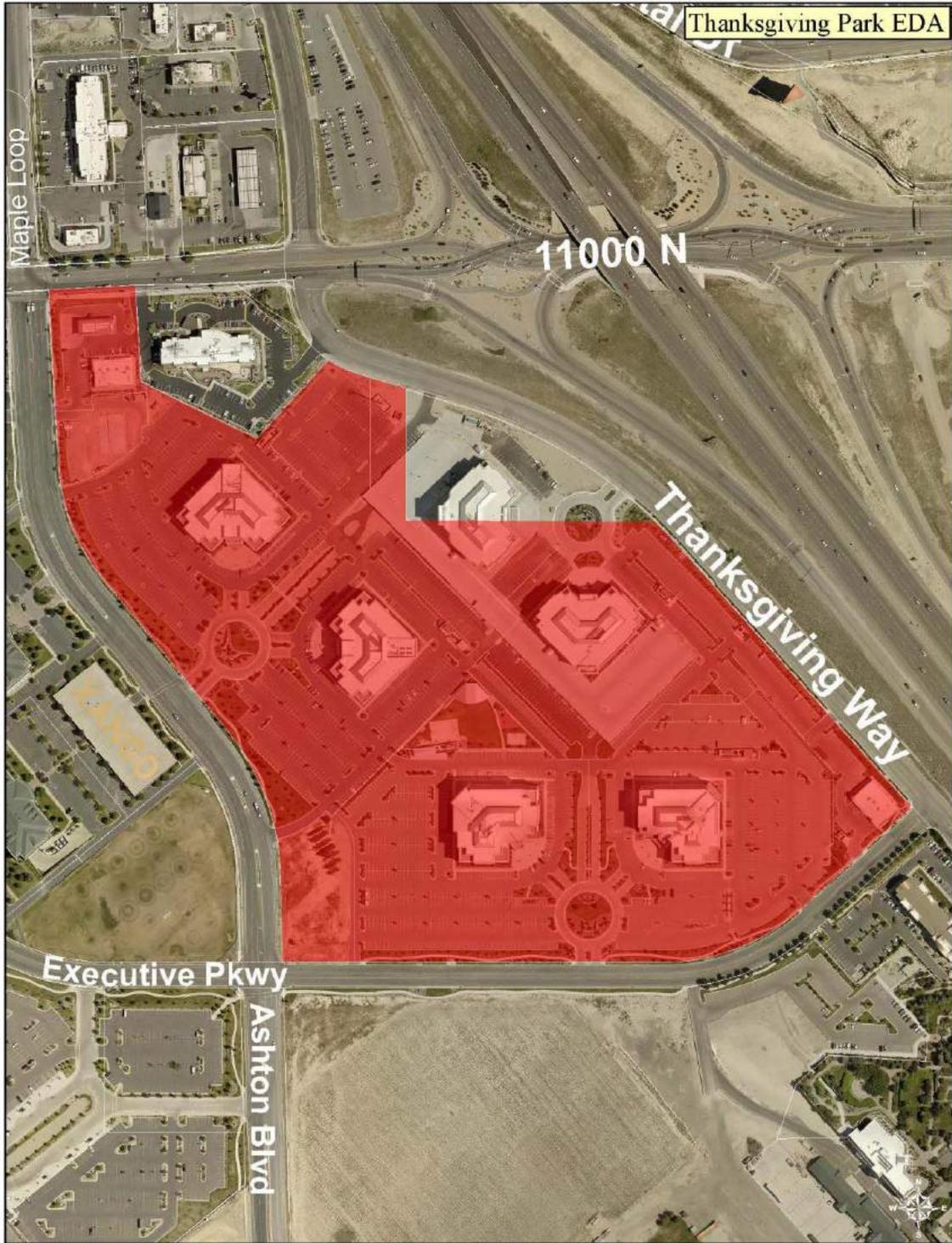
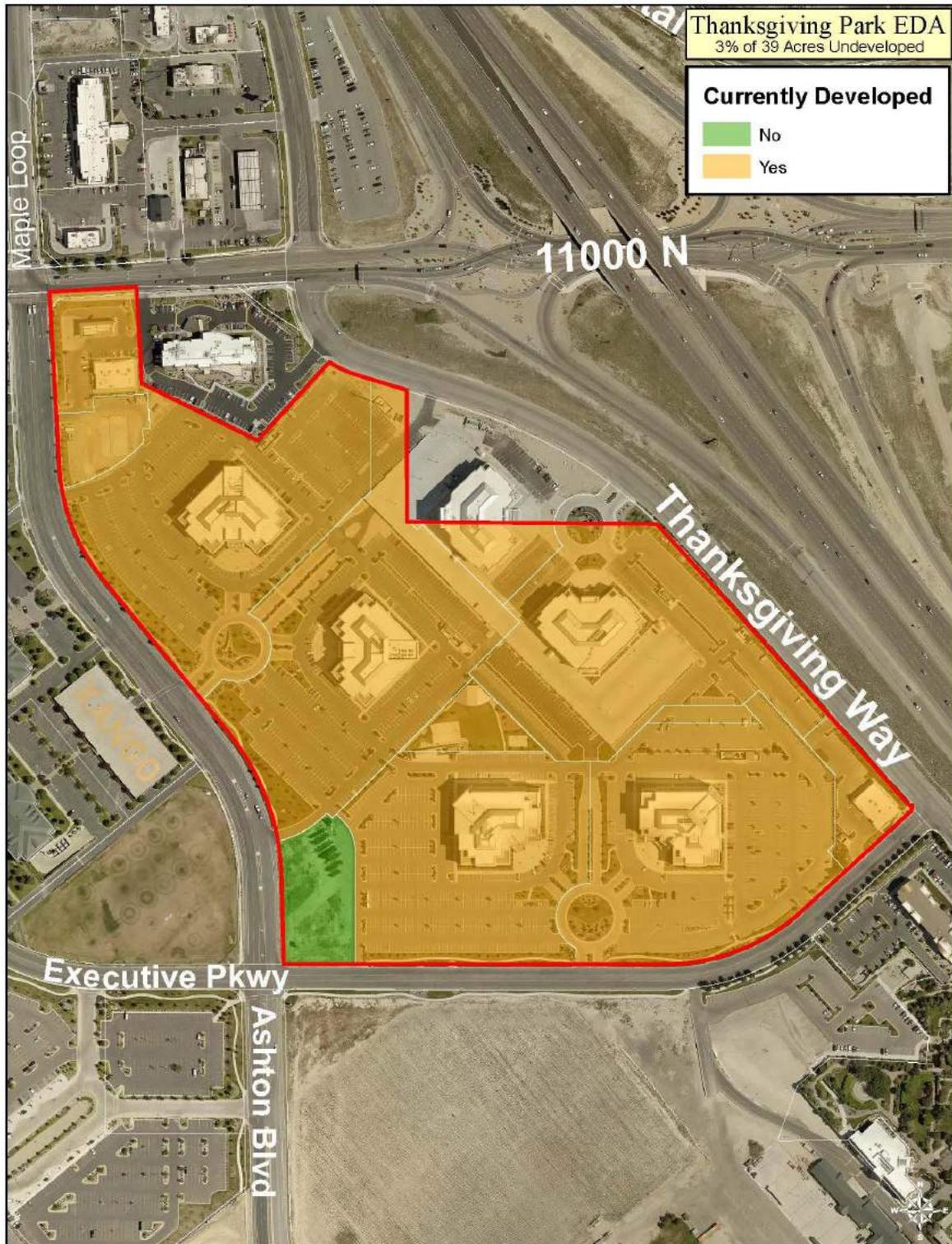


Exhibit 3.2



## Chapter 5 – Alpine Highway West EDA

### Background Information

The Alpine Highway West EDA was created in 2010, and increment was triggered in 2014. The base year is 2009, and the base value was calculated using the Utah County Assessor’s determination of the tax roll that was finalized on November 1, 2009. Increment was to be collected for a 20-year time period, expiring in 2034. There have been no extensions or additional land added to the Project Area since it was approved in 2010.

The general boundaries of the Project Area are west of Cabela’s Blvd. and east of Digital Drive and north of 11000 North for approximately a half mile. The total site is about 38.96 acres, all of which is privately owned and will be used for the development project. No public parks or government buildings will be located on the property. One connector road, Adobe Way, will be a public road.

The Project Area was created to provide an incentive to Adobe, with the expectation that Adobe would create employment and spur economic development. The property was relatively flat and void of any infrastructure or structures. The intended development facilitated the creation and retention higher than county average wage jobs. Adobe purchased Omniture in 2009, and all employees were retained and moved to the new facility, in addition to the creation of 658 new jobs. Some

<b>Table 5.1 Project Area Description</b>	
Year Established	2010
Initial Year of Tax Increment	2014
Initial Collection Period	20 Years
Last Year of Tax Increment	2034

of these positions were relocated from other states. Since the project was started, Adobe has completed phase 1 of a proposed 3-phase project. Phase 1 was the largest at 233,000 square feet with phase 2 and 3 being 150,000 square feet, respectively. Adobe announced in 2017 they are moving forward with phase 2. Construction will start in 2018 and be completed by 2020. Phases 1 and 2 employment will exceed 2,200 employees with the average wage over 125% of the county average wage.

The agreement between the Agency and developer tied the reimbursement of tax increment revenue to job creation and minimum investment amounts based on a set dollar amount and time frame.

## Sources of Funds – Valuation

<b>Table 5.2: Base Year and Increment Taxable Values</b>	<b>Value</b>
<b>Base Year:</b>	
Total Base Year Value	\$ 10,892,500.00
<b>Prior Year (2016):</b>	
Prior Year (2016) Increment Value	\$ 79,444,066.00
Prior Year (2016) Tax Increment Generated - Agency Share	\$ 653,772.41
Prior Year (2016) Adjusted Tax Increment to Agency	\$ -
Prior Year (2016) Total Assessed Value	\$ 90,336,566.00
<b>Current Year (2017):</b>	
Current Year (2017) Projected Total Assessed Value	\$ 92,143,297.30

The base year value as reflected by the County Assessor’s Office (2009) is \$10,892,500.

## Relative Growth in Assessed Value

Total taxable value in the Project Area has grown from \$10,892,500 to \$90,336,566 in 2016 – an increase of over 829% in value.

In 2015, the assessed value of the Project Area was \$85,947,050. The 2016 taxable value increased to \$90,336,566. The increase was all under real property. Property was most likely re-appraised for tax purposes and the overall value increased. 2017 taxable value is anticipated to increase to \$92,146,297.

## Tax Increment Uses of Funds

Funds are distributed to the Agency, based on the following distribution formula: 75% of tax increment revenue from Alpine School District, Lehi City, Utah County, Central Utah Water Conservancy District, North Utah County Water Conservancy District and Lehi Metropolitan Water District. Of the total tax increment revenue the Agency collects there is a 5% administrative fee taken before the remaining balance is distributed to the developer. The administrative fee does not deduct from the pledged amount of \$17,478,052 million to the developer.

<b>Table 5.3: Tax Entity Contribution</b>	<b>% of increment (or amount) to Agency through 2034</b>
Alpine School District	75%
Utah County	75%
Lehi City	75%
Northern Utah Water Conservancy District	75%
North Utah Co. Water Conservancy District	75%
Lehi Metropolitan Water District	75%

Funds were used to reimburse the developer for infrastructure improvements made to the Project Area, including water, sewer, electric, telecommunications, storm water and parking.

**Benefits Received by Each Taxing Entity**

Taxing Entity	Benefits
Utah County	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Alpine School District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Lehi City	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Central Utah Water Conservancy District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
North Utah Co. Water Conservancy District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Lehi Metropolitan Water District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.

**Development Activity**

Adobe’s presence in Lehi has caused an increase in technology companies locating to the city. Some notable companies that have located in Lehi include Podium, Xactware, Ancestry, Vivint Solar, MX, and many more. This project has helped spur numerous other Class A office space and retail developments.

**Total Area Funds Budgeted Compared to Actual Collected**

Taxing Entities	Budgeted Tax Increment	Total Increment Collected	Difference to be collected
Alpine School District	\$ 17,395,469.57	\$ 1,973,614.07	\$ 15,421,855.50
Lehi City	\$ 4,126,839.29	\$ 512,983.66	\$ 3,613,855.63
Utah County	\$ 2,447,499.43	\$ 214,214.47	\$ 2,233,284.96
Central Utah Water Conservancy District	\$ 922,714.21	\$ 99,267.93	\$ 823,446.28
North Utah Co. Water Conservancy District	\$ 55,362.85	\$ 19,992.61	\$ 35,370.24
Lehi Metropolitan Water District	\$ 20,761.07	\$ 9,170.92	\$ 11,590.15
<b>Total Revenue</b>	<b>\$ 24,968,646.42</b>	<b>\$ 2,829,243.65</b>	<b>\$ 22,139,402.77</b>

Note: 2013 is the first year of increment. Budgeted Tax Increment is for 20 years.

## Area Maps

Exhibit 4.1 shows the Project Area as it was defined in the 2010 plan. There has been no additions or subtractions from the site.

Exhibit 4.2 shows that of the approximately 39 acres, 17% is still undeveloped. In order to continue collecting TIF, Adobe must complete construction and installation of improvements, totaling \$120,000,000 for the entire site, by year 10 and \$165,000,000 for the entire site by year 15. This includes phases 2 and 3, which will be additions to the existing building and will house research and development for other product lines.

## Revised Multi-Year Budget

**Table 5.4: Project Area Budget, CY 2016-2017**

Calendar Year for Increment	2016	2017
<b>Assessed Valuation</b>		
Base Year Taxable Value	\$ 10,892,500.00	\$ 10,892,500.00
Increment Value	\$ 79,444,066.00	\$ 81,250,782.95
Total Taxable Value	\$ 90,336,566.00	\$ 92,143,282.95
<b>Tax Rates</b>		
Utah County	0.000834	0.000834
Alpine School District	0.007718	0.007718
Lehi City	0.002005	0.002005
Central Utah Water Conservancy District	0.000386	0.000386
North Utah Co. Water Conservancy District	0.000023	0.000023
Lehi Metropolitan Water District	0.000011	0.000011
<b>Total</b>	<b>0.010977</b>	<b>0.010977</b>
<b>Taxing Entity Contribution</b>		
Utah County	75%	75%
Alpine School District	75%	75%
Lehi City	75%	75%
Central Utah Water Conservancy District	75%	75%
North Utah Co. Water Conservancy District	75%	75%
Lehi Metropolitan Water District	75%	75%
<b>Increment Tax Revenues to Taxing Entities</b>		
Utah County	\$ 16,557.23	\$ 17,136.73
Alpine School District	\$ 153,223.88	\$ 158,586.71

Lehi City	\$ 39,804.86	\$ 41,198.03
Central Utah Water Conservancy District	\$ 7,663.18	\$ 7,931.39
North Utah Co. Water Conservancy District	\$ 456.61	\$ 472.59
Lehi Metropolitan Water District	\$ 218.38	\$ 226.02
<b>Total</b>	\$ 217,924.14	\$ 225,551.48
<b><i>Increment Tax Revenues to Agency</i></b>		
Utah County	\$ 49,671.69	\$ 51,410.20
Alpine School District	\$ 459,671.63	\$ 475,760.14
Lehi City	\$ 119,414.57	\$ 123,594.08
Central Utah Water Conservancy District	\$ 22,989.54	\$ 23,794.17
North Utah Co. Water Conservancy District	\$ 1,369.84	\$ 1,417.78
Lehi Metropolitan Water District	\$ 655.14	\$ 678.07
<b>Total</b>	\$ 653,772.41	\$ 676,654.44
<b><i>Expenditures</i></b>		
Administration	\$ 19,613.17	\$ 20,299.63
Developer Allocation	\$ 634,159.24	\$ 656,354.81
Remaining Increment for Projects	\$ -	\$ -

## Estimate of Tax Increment for 2017

The estimated amount of tax increment that will be generated in 2017 is \$902,205.93, with \$225,551.48 flowing to the taxing entities.

A revised Multi-Year Budget is included at the end of this chapter.

## Alpine Highway West EDA Financials

	2015		2016		2017		2018		2019		2020		2021		2022		2023	
<b>Project Area Budget</b>																		
Apilone School District	\$ 452,801.09	\$ 437,855.20	\$ 427,952.10	\$ 449,433.43	\$ 430,308.40	\$ 692,349.52	\$ 663,221.63	\$ 644,003.04	\$ 666,728.68									
Lehi City	\$ 107,420.92	\$ 103,875.21	\$ 101,525.83	\$ 106,621.99	\$ 102,084.83	\$ 164,250.54	\$ 157,340.34	\$ 152,780.99	\$ 158,172.34									
Utah County	\$ 63,707.99	\$ 61,605.14	\$ 60,211.80	\$ 63,234.17	\$ 60,543.32	\$ 97,411.86	\$ 93,313.64	\$ 90,609.63	\$ 93,807.07									
Central Utah Water Conservancy Dist	\$ 24,018.09	\$ 23,225.31	\$ 22,700.02	\$ 23,839.46	\$ 22,825.00	\$ 36,724.55	\$ 35,179.51	\$ 34,160.09	\$ 35,365.53									
North Utah Co. Water Conservancy Dist	\$ 1,441.09	\$ 1,393.52	\$ 1,362.00	\$ 1,430.37	\$ 1,369.50	\$ 2,203.47	\$ 2,110.77	\$ 2,049.61	\$ 2,121.93									
Lehi Metropolitan Water Dist	\$ 540.41	\$ 522.57	\$ 510.75	\$ 536.39	\$ 513.56	\$ 826.30	\$ 791.54	\$ 768.60	\$ 795.72									
<b>Total Revenue</b>	\$ 649,929.58	\$ 628,476.95	\$ 614,262.50	\$ 645,095.80	\$ 617,644.62	\$ 993,766.24	\$ 951,957.42	\$ 924,371.95	\$ 956,991.27									
<b>Expenditures</b>																		
EDA Admin Fee 5%	\$ 32,496.48	\$ 31,423.85	\$ 30,713.12	\$ 32,254.79	\$ 30,882.23	\$ 49,688.31	\$ 47,597.87	\$ 46,218.60	\$ 47,849.56									
Developer Incentive Fund	\$ 617,433.10	\$ 597,053.11	\$ 583,549.37	\$ 612,841.01	\$ 586,762.39	\$ 944,077.92	\$ 904,359.55	\$ 878,153.35	\$ 909,141.71									
<b>Total Expenditures</b>	\$ 649,929.58	\$ 628,476.95	\$ 614,262.50	\$ 645,095.80	\$ 617,644.62	\$ 993,766.24	\$ 951,957.42	\$ 924,371.95	\$ 956,991.27									
<b>Revenue Minus Expenditures</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -									
<b>Taxable Value</b>		2015	2016	2017	2018	2019	2020	2021	2022	2023								
Real Property Value	\$ 67,058,700.00	\$ 72,034,900.00																
Personal Property Value	\$ 18,888,350.00	\$ 18,301,666.00																
Base Property Value	\$ 10,892,500.00	\$ 10,892,500.00																
<b>Total Taxable Value</b>	\$ 75,054,550.00	\$ 79,444,066.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -								
<b>All Taxing Entities 75%</b>	\$ 56,290,912.50	\$ 59,583,049.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -								
<b>Tax Rate All Taxing Entities</b>	0.011577	0.010977																
<b>Tax Increment All Other Taxing Entities</b>	\$ 651,679.89	\$ 654,043.13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -								
<b>Actual Collected and Paid</b>	\$ 651,678.97	\$ 653,772.41	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -								
<b>Actual Versus Budget</b>	\$ 1,749.39	\$ 25,295.46	\$ (614,262.50)	\$ (645,095.80)	\$ (617,644.62)	\$ (993,766.24)	\$ (951,957.42)	\$ (924,371.95)	\$ (956,991.27)									

Exhibit 4.1



Exhibit 4.2



## Chapter 6 – Traverse Mountain CDA

### Background Information

The Traverse Mountain CDA was created in 2012 and increment was triggered in 2013. Base year value is 2011 and was calculated using the Utah County Assessor’s determination of the tax roll that was finalized on November 1, 2011. Increment was to be collected for 20 years, expiring in 2033. There has been no extensions or additional land added to the CDA since it was approved in 2012.

The general boundaries of the Project Area are north of Timpanogos Highway approximately ¾ mile between Cabela’s Blvd. and Triumph Blvd. at the base of Traverse Mountain. There is also a parcel of land on the west side of Cabela’s Blvd. and south of Adobe. This property was obtained for freeway signage. The total site is approximately 57 acres, all of which is privately owned and will be used for the development project. No parks or government buildings will be located on the property. There will be public roads built on the property to allow for traffic flow and access to the outlet mall.

<b>Table 6.1 Project Area Description</b>	
Year Established	2012
Initial Year of Tax Increment	2013
Initial Collection Period	20 Years
Last Year of Tax Increment	2033
Sales Tax Participation Established	2012
Time Frame for Collection	10 Years
Last Year of Sales Tax Participation	2022

The Project Area was created to provide an incentive to Traverse Mountain Outlet Mall, a retail outlet destination. The intent was to bring in regional monies for sales tax purposes and to enhance development in the Project Area. The property was at the base of Traverse Mountain, so there was sloping issues, and the property was void of any infrastructure or structures. Since the project was started, Traverse Mountain Outlet Mall has completed phase 1 of a proposed 2-phase project. Phase 1 was 375,000 square feet of the outlet mall, of which 70% is complete. Phase 2 will finish the buildout of the project. This project has facilitated the construction of a hotel in close proximity to the Project Area with pad sites for more retail development.

The agreement between the Agency and developer tied the reimbursement of tax increment revenue to buildout of the project and the need for parking structures. Due to Alpine School District not participating in this CDA, Lehi City proposed to utilize a portion of sales tax on a sliding scale to make up the shortfall.

### Sources of Funds – Valuation

<b>Table 6.2: Base Year and Increment Taxable Values</b>	<b>Value</b>
Base Year:	
Total Base Year Value	\$ 12,460,687.00
Prior Year (2016):	

Prior Year (2016) Increment Value	\$ 47,180,952.00
Prior Year (2016) Tax Increment Generated - Agency Share	\$ 138,971.50
Prior Year (2016) Adjusted Tax Increment to Agency	\$ -
Prior Year (2016) Total Assessed Value	\$ 59,641,639.00
<b>Current Year (2017):</b>	
Current Year (2017) Projected Total Assessed Value	\$ 62,569,605.00

The base year value as reflected by the County Assessor’s Office (2011) is \$12,460,687.

### Relative Growth in Assessed Value

Total taxable value in the Project Area has grown from \$12,460,687 to 59,641,639 in 2016 – an increase of over 478% in value.

In 2015, the assessed value of the Project Area was \$50,711,860. In 2016, the assessed value of the Project Area increased to \$59,641,639. The majority of the increase was due to an increase in real property values. The 2017 taxable value is anticipated to increase to \$62,569,605.

### Tax Increment Uses of Funds

Funds are distributed to the Agency based on the following distribution formula: 75% of tax increment revenue from Utah County, Central Utah Water Conservancy District, North Utah County Water Conservancy District and Lehi Metropolitan Water District. Lehi City contributes 100% property tax increment, as well as 75% on a sliding scale for sales tax. Of the total tax increment revenue the Agency collects there is a 5% administrative fee taken before the remaining balance is distributed to the developer. The administrative fee does not deduct from the pledged tax increment amount of \$7,895,934 million to the developer. The city has pledged a portion of the sales tax as an incentive, not to exceed \$5,715,119.

<b>Table 6.3: Tax Entity Contribution</b>	
	<b>% of increment (or amount) to Agency through 2034</b>
Alpine School District	0%
Utah County	75%
Lehi City	100%
Northern Utah Water Conservancy District	75%
North Utah Co. Water Conservancy District	75%
Lehi Metropolitan Water District	75%

Funds were used to reimburse the developer for infrastructure improvements made to the property site for parking.

**Benefits Received by Each Taxing Entity**

Taxing Entity	Benefits
Utah County	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Alpine School District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Lehi City	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Central Utah Water Conservancy District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
North Utah Co. Water Conservancy District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Lehi Metropolitan Water District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.

**Development Activity**

The Traverse Mountain Outlet Mall has become a premier shopping destination. This center brings in regional dollars from a 60-mile circumference that are spent in Utah County. There is also a symbiotic relationship with Cabela’s, with customers frequenting both retail centers. Lastly, this development has created a regional synergy in attracting customers from outside the county that has a positive impact on other retail centers.

**Total Area Funds Budgeted Compared to Actual Collected**

Taxing Entities	Budgeted Tax Increment	Total Increment Collected	Difference to be collected
Alpine School District	\$ -	\$ 431,996.57	\$ (431,996.57)
Lehi City	\$ 2,961,184.58	\$ 263,992.94	\$ 2,697,191.64
Utah County	\$ 1,060,778.78	\$ 84,642.61	\$ 976,136.17
Central Utah Water Conservancy District	\$ 394,512.25	\$ 39,209.35	\$ 355,302.90
North Utah Co. Water Conservancy District	\$ 24,364.18	\$ 4,271.96	\$ 20,092.22
Lehi Metropolitan Water District	\$ 11,245.00	\$ 1,964.32	\$ 9,280.68
<b>Total Revenue</b>	<b>\$ 4,452,084.79</b>	<b>\$ 826,077.76</b>	<b>\$ 3,626,007.03</b>

Note: 2013 is the first year of increment. Budgeted Tax Increment is for 20 years.

**Area Maps**

Exhibit 5.1 shows the Project Area as it was defined in the 2012 plan. There has been no additions or subtractions from the site.

Exhibit 5.2 shows that of the approximately 70 acres, 27% is still undeveloped. In order to continue collecting TIF, Traverse Mountain Outlet Mall must complete a multi-level parking garage. The parking garage will be developed as the mall continues to build out. The mall is currently just under 90% full. Once the facility is greater than 95% full, they will look to sign contracts and start an addition. The mall has reached full capacity, but due to a slowing in the retail markets, the Outlet Mall is struggling to sign leases.

## Revised Multi-Year Budget

**Table 6.4: Project Area Budget, CY 2016-2017**

Calendar Year for Increment	2016	2017
<b>Assessed Valuation</b>		
Base Year Taxable Value	\$ 12,460,687.00	\$ 12,460,687.00
Increment Value	\$ 47,180,952.00	\$ 50,163,033.95
Total Taxable Value	\$ 59,641,639.00	\$ 62,623,720.95
<b>Tax Rates</b>		
Utah County	0.000834	0.000834
Alpine School District	0.007718	0.007718
Lehi City	0.002005	0.002005
Central Utah Water Conservancy District	0.000386	0.000386
North Utah Co. Water Conservancy District	0.000023	0.000023
Lehi Metropolitan Water District	0.000011	0.000011
<b>Total</b>	<b>0.010977</b>	<b>0.010977</b>
<b>Taxing Entity Contribution</b>		
Utah County	75%	75%
Alpine School District	0%	0%
Lehi City	100%	100%
Central Utah Water Conservancy Dist	75%	75%
North Utah Co. Water Conservancy Dist	75%	75%
Lehi Metropolitan Water Dist	75%	75%

<b>Increment Tax Revenues to Taxing Entities</b>		
Utah County	\$ 9,837.23	\$ 10,260.23
Alpine School District	\$ 364,158.02	\$ 379,724.32
Lehi City	\$ -	\$ -
Central Utah Water Conservancy District	\$ 4,552.96	\$ 4,748.74
North Utah Co. Water Conservancy District	\$ 271.29	\$ 282.96
Lehi Metropolitan Water District	\$ 129.75	\$ 135.33
<b>Total</b>	<b>\$ 378,949.25</b>	<b>\$ 395,151.57</b>

<b>Increment Tax Revenues to Agency</b>		
Utah County	\$ 29,511.69	\$ 30,987.27
Alpine School District	\$ -	\$ -
Lehi City	\$ 94,597.81	\$ 99,327.70
Central Utah Water Conservancy District	\$ 13,658.89	\$ 14,341.83
North Utah Co. Water Conservancy District	\$ 813.87	\$ 854.56
Lehi Metropolitan Water District	\$ 389.24	\$ 408.70
<b>Total</b>	<b>\$ 138,971.50</b>	<b>\$ 145,920.08</b>

<b>Expenditures</b>		
Administration	\$ 6,948.58	\$ 7,296.00
Developer Allocation	\$ 132,022.93	\$ 138,624.07
Remaining Increment for Projects	\$ -	\$ -

The Agency is working with the developer to attract other retail interests to the Outlet Mall and surrounding area. The mall is re-inventing itself through marketing and promotions. Due to the growth Utah County and Lehi City have seen in the last few years, it creates a story and reason for tenants to be located at the outlet mall. The hope is the mall will be ready to expand in FY 2019, with stores open in 2020.

### **Estimate of Tax Increment for 2017**

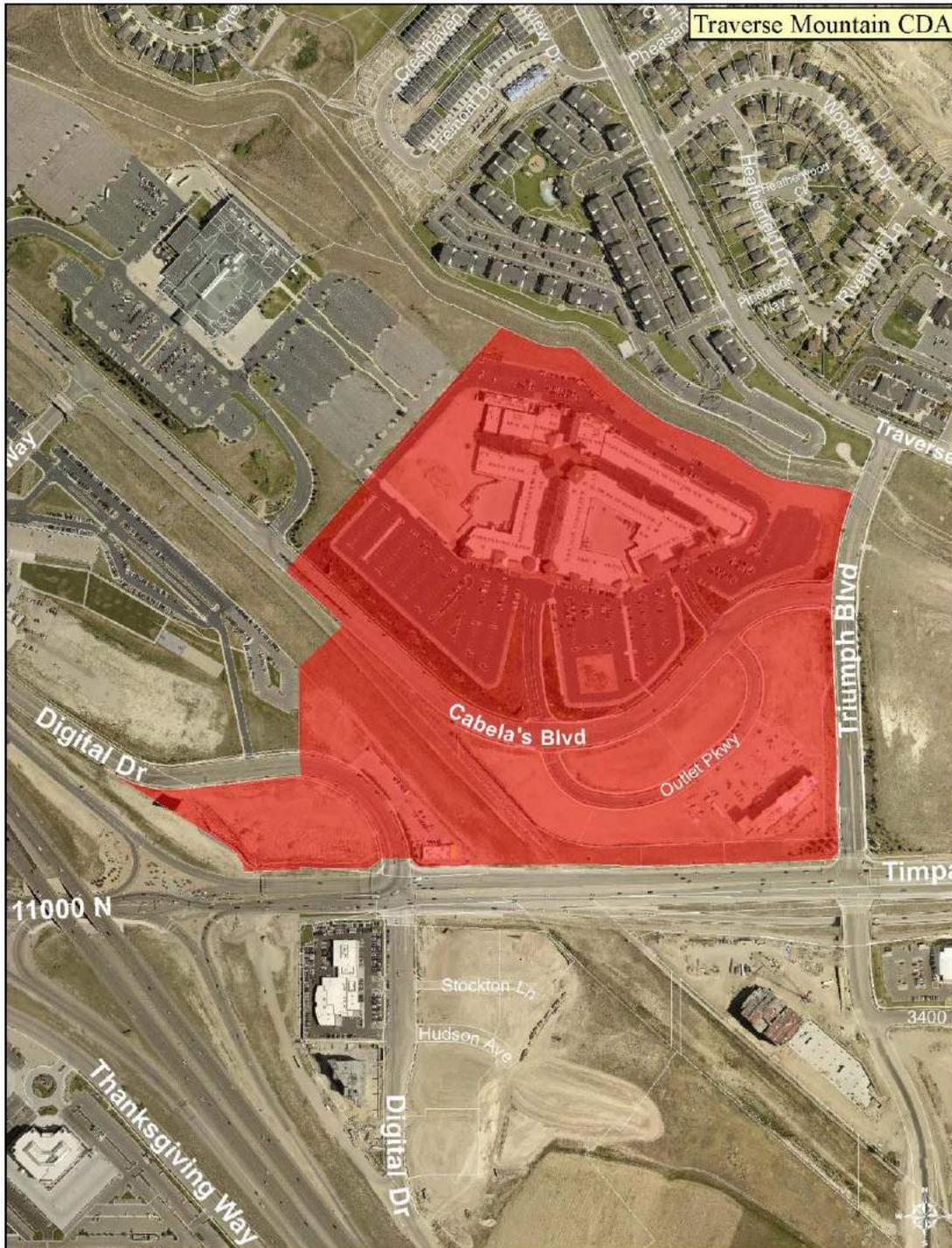
The estimated amount of tax increment that will be generated in 2017 is \$ 541,071.65 with \$395,151.57 flowing to the taxing entities.

A revised Multi-Year Budget is included at the end of this chapter.

Traverse Mountain CDA Financials

Project Area Budget	2015	2016	2017	2018	2019	2020	2021	2022	2023
Apine School District	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lehi City	\$ 235,986.16	\$ 235,556.60	\$ 235,213.07	\$ 234,770.24	\$ 234,576.13	\$ 234,273.96	\$ 234,016.69	\$ 233,717.72	\$ 233,525.04
Utah County	\$ 84,536.82	\$ 84,382.93	\$ 84,259.87	\$ 84,101.24	\$ 84,031.70	\$ 83,923.46	\$ 83,831.30	\$ 83,724.20	\$ 83,655.17
Central Utah Water Conservancy Dist	\$ 31,439.93	\$ 31,382.70	\$ 31,336.93	\$ 31,277.93	\$ 31,252.07	\$ 31,211.82	\$ 31,177.54	\$ 31,137.71	\$ 31,112.04
North Utah Co. Water Conservancy Dist	\$ 1,941.66	\$ 1,938.12	\$ 1,935.30	\$ 1,931.65	\$ 1,930.06	\$ 1,927.57	\$ 1,925.45	\$ 1,922.99	\$ 1,921.41
Lehi Metropolitan Water Dist	\$ 896.15	\$ 894.52	\$ 893.21	\$ 891.53	\$ 890.80	\$ 889.65	\$ 888.67	\$ 887.54	\$ 886.80
Total Revenue	\$ 354,800.72	\$ 354,154.88	\$ 353,638.38	\$ 352,972.59	\$ 352,680.76	\$ 352,226.45	\$ 351,839.66	\$ 351,390.15	\$ 351,100.46
Expenditures									
EDA Admin Fee 5%	\$ 17,740.04	\$ 17,707.74	\$ 17,681.92	\$ 17,648.63	\$ 17,634.04	\$ 17,611.32	\$ 17,591.98	\$ 17,569.51	\$ 17,555.02
Developer Incentive Fund	\$ 337,060.68	\$ 336,447.13	\$ 335,956.47	\$ 335,323.96	\$ 335,046.72	\$ 334,615.12	\$ 334,247.67	\$ 333,820.64	\$ 333,545.44
Total Expenditures	\$ 354,800.72	\$ 354,154.88	\$ 353,638.38	\$ 352,972.59	\$ 352,680.76	\$ 352,226.45	\$ 351,839.66	\$ 351,390.15	\$ 351,100.46
Revenue Minus Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxable Value	2015	2016	2017	2018	2019	2020	2021	2022	2023
Real Property Value	\$ 50,667,000.00	\$ 59,590,100.00							
Personal Property Value	\$ 44,860.00	\$ 51,539.00							
Base Property Value	\$ 12,460,687.00	\$ 12,460,687.00							
Total Taxable Value	\$ 38,251,173.00	\$ 47,180,952.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lehi City	\$ 38,251,173.00	\$ 47,180,952.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
All Other Taxing Entities Increment Value	\$ 28,688,379.75	\$ 35,385,714.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lehi City	0.00209	0.002005	0.008096	0.008177					
All Other Taxing Entities Increment Value	0.009487	0.001254	0.003546	0.0034					
Tax Increment Lehi City	\$ 79,944.95	\$ 94,597.81	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Increment All Other Taxing Entities	\$ 272,166.66	\$ 44,373.69	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Increment Possible	\$ 352,111.61	\$ 138,971.49	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Actual Collected and Paid	\$ 352,111.60	\$ 138,971.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Actual Versus Budget	\$ (2,689.12)	\$ (215,183.38)	\$ (353,638.38)	\$ (352,972.59)	\$ (352,680.76)	\$ (352,226.45)	\$ (351,839.66)	\$ (351,390.15)	\$ (351,100.46)

Exhibit 5.1





## Chapter 7 – West Timpanogos CDA

### Background Information

The West Timpanogos CDA was created in 2014, and increment was triggered in 2015. The base year is 2013, and the base year value was calculated using the Utah County Assessor’s determination of the tax roll that was finalized on November 1, 2013. Increment was to be collected for 20 years, expiring in 2035. There has been no extensions or additional land added to the CDA since it was approved in 2014.

The general boundaries of the Project Area start at Timpanogos Highway and go north approximately ¾ miles between Morning Glory Road or 1200 West and 1350 West. The total site is about 81 acres, all of which is privately owned and will be used for the development project. No public roads, parks or government buildings will be located on the property.

<b>Table 7.1 Project Area Description</b>	
Year Established	2012
Initial Year of Tax Increment	2015
Initial Collection Period	20 Years
Last Year of Tax Increment	2035

The Project Area was created to provide an incentive to Traverse Mountain Commercial Venture to facilitate development of Class A office space, with Xactware occupying one of the buildings. The developer has built two buildings, of which Xactware and Ancestry occupy both buildings. The intent of the development is to have six 250,000 square foot facilities on the project site which will be an employment driver for Lehi City. The developer is currently working on leasing building three before construction will start.

The agreement between the Agency and developer tied the reimbursement of tax increment revenue to buildout of the first building for Xactware. The value to the Agency is the job creation for Utah County and Lehi City.

### Sources of Funds – Valuation

<b>Table 7.2: Base Year and Increment Taxable Values</b>	<b>Value</b>
<b>Base Year:</b>	
Total Base Year Value	\$ 6,448,875.00
<b>Prior Year (2016):</b>	
Prior Year (2016) Increment Value	\$ 91,765,378.00
Prior Year (2016) Tax Increment Generated - Agency Share	\$ 326,592.98
Prior Year (2016) Adjusted Tax Increment to Agency	\$ 305,692.63
Prior Year (2016) Total Assessed Value	\$ 98,214,253.00
<b>Current Year (2017):</b>	
Current Year (2017) Projected Total Assessed Value	\$ 103,124,965.70

The base year value as reflected by the County Assessor’s Office (2013) is \$6,448,875.

## Relative Growth in Assessed Value

Total taxable value in the Project Area has grown from \$6,448,875 to \$98,214,253 in 2016 – an increase of over 1,522% in value.

In 2015, the assessed value of the Project Area was \$51,609,050. In 2016, the assessed value of the Project Area increased to \$98,214,253. The majority of the increase was due to an increase in real property values. The 2017 taxable value is anticipated to increase to \$103,124,965.70.

## Tax Increment Uses of Funds

Funds are distributed to the Agency based on the following distribution formula: 50% of tax increment revenue from Utah County, Lehi City, Central Utah Water Conservancy District, North Utah County Water Conservancy District and Lehi Metropolitan Water District. Alpine School District is providing 15% to the tax increment revenue. Of the total tax increment revenue the Agency collects, there is a 3% administrative fee taken before the remaining balance is distributed to the developer. The administrative fee does not deduct from the pledged tax increment amount of \$19,557,363 million to the developer.

	<b>% of increment (or amount) to Agency through 2035</b>
Alpine School District	15%
Utah County	50%
Lehi City	50%
Central Utah Water Conservancy District	50%
North Utah Co. Water Conservancy District	0%
Lehi Metropolitan Water District	50%

Funds were used to reimburse the developer for infrastructure improvements made to the property.

### **Benefits Received by Each Taxing Entity**

<b>Taxing Entity</b>	<b>Benefits</b>
Utah County	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Alpine School District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Lehi City	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.

Central Utah Water Conservancy District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
North Utah Co. Water Conservancy District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.
Lehi Metropolitan Water District	Increase in property value; Employment opportunities at higher wages; Incremental tax revenue to taxing entities; Increase in surrounding property value through infrastructure improvements.

## Development Activity

Traverse Mountain Commercial Development has constructed two buildings, Xactware and Ancestry. Pre-leasing has been ongoing for building three with no build date in the future. Under current market conditions, most technology-based companies want to see the physical building before leasing. This has led to more speculation building, as the Class A office space market has grown in other areas. This could be a reason for the slow leasing.

### **Total Area Funds Budgeted Compared to Actual Collected**

Taxing Entities	Budgeted Tax Increment	Total Increment Collected	Difference to be collected
Alpine School District	\$ 7,437,030.60	\$ 161,627.99	\$ 7,275,402.61
Lehi City	\$ 7,258,995.65	\$ 133,208.63	\$ 7,125,787.02
Utah County	\$ 3,246,189.16	\$ 55,423.97	\$ 3,190,765.19
Central Utah Water Conservancy District	\$ 1,277,695.56	\$ 25,704.54	\$ 1,251,991.02
North Utah Co. Water Conservancy District	\$ 81,435.54	\$ -	\$ 81,435.54
Lehi Metropolitan Water District	\$ 36,505.59	\$ 720.31	\$ 35,785.28
Total Revenue	\$ 19,337,852.10	\$ 376,685.44	\$ 18,961,166.66

Note: 2015 is the first year of increment. Budgeted Tax Increment is for 20 years.

## Area Maps

Exhibit 6.1 shows the Project Area as it was defined in the 2014 plan. There has been no additions or subtractions from the site.

Exhibit 6.2 shows that of the approximately 55 acres in the Project Area, 68% is still undeveloped. The budget was based on full build out being completed by 2018. If this does not occur the developer will see the 20 year time frame expire before the max amount is obtained. It is in the developer's best interest to build out as fast as possible, creating a high-tech center that will usually pay higher than county average wage.

## Revised Multi-Year Budget

**Table 7.4: Project Area Budget, CY 2016-2017**

Calendar Year for Increment	2016	2017
<b>Assessed Valuation</b>		
Base Year Taxable Value	\$ 6,448,875.00	\$ 6,448,875.00
Increment Value	\$ 91,765,378.00	\$ 96,676,090.65
Total Taxable Value	\$ 98,214,253.00	\$ 103,124,965.65
<b>Tax Rates</b>		
Utah County	0.000834	0.000834
Alpine School District	0.007718	0.007718
Lehi City	0.002005	0.002005
Central Utah Water Conservancy District	0.00386	0.00386
North Utah Co. Water Conservancy District	0	0
Lehi Metropolitan Water District	0.000011	0.000011
<b>Total</b>	<b>0.014428</b>	<b>0.014428</b>
<b>Taxing Entity Contribution</b>		
Utah County	50%	50%
Alpine School District	15%	15%
Lehi City	50%	50%
Central Utah Water Conservancy District	50%	50%
North Utah Co. Water Conservancy District	50%	50%
Lehi Metropolitan Water District	50%	50%
<b>Increment Tax Revenues to Taxing Entities</b>		
Utah County	\$ 35,817.31	\$ 37,608.18
Alpine School District	\$ 361,205.05	\$ 379,265.30
Lehi City	\$ 86,107.58	\$ 90,412.96
Central Utah Water Conservancy District	\$ 17,710.72	\$ 18,596.26
North Utah Co. Water Conservancy District	\$ -	\$ -
Lehi Metropolitan Water District	\$ 504.71	\$ 529.95

**Total**    \$    501,345.37        \$    526,412.63

<b>Increment Tax Revenues to Agency</b>		
Utah County	\$    35,817.31	\$    37,608.18
Alpine School District	\$    106,236.78	\$    111,548.62
Lehi City	\$    86,107.58	\$    90,412.96
Central Utah Water Conservancy District	\$    17,710.72	\$    18,596.26
North Utah Co. Water Conservancy District	\$                    -	\$                    -
Lehi Metropolitan Water District	\$            504.71	\$            529.95
<b>Total</b>	\$    246,377.10	\$    258,695.95

<b>Expenditures</b>		
Administration	\$    12,318.85	\$    12,934.80
Developer Allocation	\$    234,058.24	\$    245,761.16
Remaining Increment for Projects	\$                    -	\$                    -

The Agency is working with the developer to attract other tenants for Class A office space. The desire is to attract other technology-based companies to continue promoting “Silicon Slopes” for Utah County.

### **Estimate of Tax Increment for 2017**

The estimated amount of tax increment that will be generated in 2017 is \$758,108.59 with \$526,412.63 flowing to the taxing entities.

A revised Multi-Year Budget is included at the end of this chapter.

West Timpanogos CDA Financials

Project Area Budget	2014	2015	2016	2017	2018	2019	2020	2021	2022
Alpine School District	\$ 128,568.94	\$ 200,223.35	\$ 274,027.39	\$ 350,045.55	\$ 428,344.25	\$ 428,344.25	\$ 428,344.25	\$ 428,344.25	\$ 428,344.25
Lehi City	\$ 125,491.13	\$ 195,430.20	\$ 267,467.45	\$ 341,665.81	\$ 418,090.13	\$ 418,090.13	\$ 418,090.13	\$ 418,090.13	\$ 418,090.13
Utah County	\$ 56,119.05	\$ 87,395.48	\$ 119,610.20	\$ 152,791.37	\$ 186,967.97	\$ 186,967.97	\$ 186,967.97	\$ 186,967.97	\$ 186,967.97
Central Utah Water Conservancy Dist	\$ 22,088.38	\$ 34,398.74	\$ 47,078.41	\$ 60,138.47	\$ 73,590.33	\$ 73,590.33	\$ 73,590.33	\$ 73,590.33	\$ 73,590.33
North Utah Co. Water Conservancy Dist	\$ 1,407.83	\$ 2,192.45	\$ 3,000.60	\$ 3,833.00	\$ 4,690.37	\$ 4,690.37	\$ 4,690.37	\$ 4,690.37	\$ 4,690.37
Lehi Metropolitan Water Dist	\$ 631.10	\$ 982.82	\$ 1,345.10	\$ 1,718.24	\$ 2,102.58	\$ 2,102.58	\$ 2,102.58	\$ 2,102.58	\$ 2,102.58
Total Revenue	\$ 334,306.43	\$ 520,623.04	\$ 712,529.15	\$ 910,192.44	\$ 1,113,785.64	\$ 1,113,785.64	\$ 1,113,785.64	\$ 1,113,785.64	\$ 1,113,785.64
Expenditures									
EDA Admin Fee 5%	\$ 16,715.32	\$ 26,031.15	\$ 35,626.46	\$ 45,509.62	\$ 55,689.28	\$ 55,689.28	\$ 55,689.28	\$ 55,689.28	\$ 55,689.28
Developer Incentive Fund	\$ 317,591.11	\$ 494,591.89	\$ 676,902.69	\$ 864,682.82	\$ 1,058,096.35	\$ 1,058,096.35	\$ 1,058,096.35	\$ 1,058,096.35	\$ 1,058,096.35
Total Expenditures	\$ 334,306.43	\$ 520,623.04	\$ 712,529.15	\$ 910,192.44	\$ 1,113,785.64	\$ 1,113,785.64	\$ 1,113,785.64	\$ 1,113,785.64	\$ 1,113,785.64
Revenue Minus Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxable Value	2014	2015	2016	2017	2018	2019	2020	2021	2022
Real Property Value	\$ 51,608,400.00	\$ 68,662,400.00							
Personal Property Value	\$ 650.00	\$ 29,551,853.00							
Base Property Value	\$ 6,448,875.00	\$ 6,448,875.00							
Total Taxable Value	\$ 45,160,175.00	\$ 91,765,378.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Alpine School District Increment Value	\$ 6,774,026.25	\$ 13,764,806.70	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
All Other Taxing Entities Increment Value	\$ 22,580,087.50	\$ 45,882,689.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Alpine School District Increment Value	0.008177	0.007718							
All Other Taxing Entities Increment Value	0.003376	0.003236							
Tax Increment Alpine School District	\$ 55,391.21	\$ 106,236.78	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Increment All Other Taxing Entities	\$ 76,082.84	\$ 148,476.38	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Increment Possible	\$ 131,474.05	\$ 254,713.16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Actual Collected and Paid	\$ 168,763.73	\$ 239,739.08	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Actual Versus Budget	\$ (334,306.43)	\$ (351,859.31)	\$ (472,790.07)	\$ (910,192.44)	\$ (1,113,785.64)	\$ (1,113,785.64)	\$ (1,113,785.64)	\$ (1,113,785.64)	\$ (1,113,785.64)

Exhibit 6.1



Exhibit 6.2

