

2019

ANNUAL REPORT

OREM CITY REDEVELOPMENT AGENCY
OREM, UT

IN COMPLIANCE WITH UTAH CODE SECTION 17C-1-603





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SECTION 1: EXECUTIVE SUMMARY

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 eight 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-1-603 – Agency Report. 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 1.1: RDA Taxing Entities

RDA TAXING ENTITIES	
Jamie Davidson	Orem City
Kathi Beckett	Orem City
Burt Harvey	Utah County
Rob Smith	Alpine School District
Gene Shawcroft	Central Utah Water Conservancy District
Lisa Anderson	Central Utah Water Conservancy District
Glade Gillman	Orem Metropolitan Water District
Deborah Jacobson	Utah State Board of Education
Lorraine Austin	Utah State Board of Education
Scott Smith	Utah State Tax Commission

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.

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 the Act, each project area created by a Redevelopment Agency was classified simply as a Redevelopment Area (RDA). In 1998, the Act was expanded to allow the creation of various types of project areas to be used to achieve different outcomes, including Urban Renewal Area (URA) and Economic Development Area (EDA). In 2006, the Act was further modified to provide for an additional project area type, Community Development Area (CDA).

Changes to the Act, made in 2016, put an end to the three aforementioned classifications. Going forward all project areas envisioned and created by a Redevelopment Agency are categorized by a single designation and are known as Community Reinvestment Areas (CRA). Previously created projects will still be subject to the predecessor rules under which they were created and will still be designated as RDAs, URAs, CDAs, and EDAs but new projects will need to conform to the CRA modifications.

CRAs are created under a Redevelopment Agency. To create a CRA, an Agency must first adopt a survey resolution that designates a survey area and authorizes the Agency to prepare a project area plan and budget. The draft budget and plan are then created and then the Agency must meet the noticing requirements concerning its intent to adopt the plan and budget. Once the Agency adopts the draft plan and budget as the final plan and budget after a public hearing, it can then collaborate with the taxing entities. If the agency plans to use eminent domain in the CRA, a blight study must be performed in the designated area. The Agency then forges an agreement to receive tax increment participation and approval of the blight study from a taxing entity committee (TEC). With the potential use of eminent domain and a TEC, the CRA is required to allocate 20% of its tax increment revenue to affordable housing. If the agency does not intend to pursue eminent domain, interlocal agreements for tax increment participation can be entered into with individual taxing entities. No TEC is required. The affordable housing requirement for this approach is only 10% of the CRA’s tax increment revenue.

Each of the City’s project areas were created prior to 2016 and will remain designated as RDAs and CDA respectively.

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 1.2: Board of Trustees

GOVERNING BOARD OF TRUSTEES		
Richard F. Brunst, Jr.	Chair	Orem City Mayor
Debby 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 1.3: Administration & Staff Members

ADMINISTRATION & STAFF MEMBERS	
Jaime Davidson	Executive Director, Orem City Manager
Kathi Beckett	Economic Development Division Manager

SUMMARY OF REQUESTED FUNDS

In accordance with Utah Code 17C-1-603(3), this report is for informational purposes only, and does 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), taxing entity committee resolutions, and/or interlocal cooperation agreements.

Table 1.4: Estimate of Tax Increment

ESTIMATE OF TAX INCREMENT TO BE PAID TO THE AGENCY		
	Tax Year 2019 (Ending Dec. 31, 2019)	Tax Year 2020 (Beginning Jan. 1, 2020)
Property Tax Increment		
RDA 85-01	-	-
RDA 85-02	-	-
RDA 85-03A	-	-
RDA 85-03B	-	-
RDA 85-04	-	-
RDA 87-10	-	-
RDA 90-08	\$229,263	\$229,263
University Place CDA	\$866,520	\$866,520
Total Revenue	\$1,095,783	\$1,095,783



Table 1.5: Estimate of Haircut Increment

ESTIMATE OF HAIRCUT INCREMENT TO BE PAID TO THE AGENCY		
	Tax Year 2019 (Ending Dec. 31, 2019)	Tax Year 2020 (Beginning Jan. 1, 2020)
Haircut Increment		
RDA 85-01	\$355,146	\$355,146
RDA 85-02	\$163,361	\$167,948
RDA 85-03A	\$249,516	\$249,516
RDA 85-03B	\$336,337	\$336,337
RDA 85-04	\$117,715	\$117,715
RDA 87-10	\$215,918	\$215,918
RDA 90-08	\$39,506	\$39,506
University Place CDA	-	-
Total Revenue	\$1,477,499	\$1,482,086

GENERAL OVERVIEW OF ALL PROJECT AREAS

Table 1.6: Combined Budget

COMBINED BUDGET – ALL PROJECT AREAS		
REVENUES	FY 2019 TOTALS	REMAINING LIFE*
Property Tax Increment		
RDA 85-01	-	-
RDA 85-02	-	-
RDA 85-03A	-	-
RDA 85-03B	-	-
RDA 85-04	-	-
RDA 87-10	-	-
RDA 90-08	\$214,534	\$673,060
UP CDA	\$894,777	\$17,358,659
	\$1,109,311	\$18,031,719
Haircut Increment		
RDA 85-01	\$233,278	\$1,298,717
RDA 85-02	\$170,116	\$501,425
RDA 85-03A	\$236,136	\$735,169
RDA 85-03B	\$332,920	\$1,005,593
RDA 85-04	\$119,301	\$354,731
RDA 87-10	\$161,507	\$809,262
RDA 90-08	\$37,151	\$412,454
UP CDA	-	-
	Subtotal	\$5,117,351
Total Revenues	\$2,399,720	\$23,149,070
EXPENDITURES	FY 2019 TOTALS	REMAINING LIFE*
Project Area Administration		
RDA 85-01	\$75,000	\$75,000
RDA 85-02	\$165,000	\$465,000
RDA 85-03A	-	-
RDA 85-03B	\$25,000	\$225,000
RDA 85-04	-	-
RDA 87-10	-	\$60,000
RDA 90-08	\$50,000	\$1,065,000
UP CDA	\$44,739	\$44,739
Development Incentive Payments		
RDA 85-01	\$49,556	\$49,556
RDA 85-02	-	-
RDA 85-03A	-	-
RDA 85-03B	-	-



RDA 85-04	-	-
RDA 87-10	-	-
RDA 90-08	-	-
UP CDA	\$805,299	\$805,299
Debt Service Payments		
RDA 85-01	\$218,140	\$1,022,565
RDA 85-02	-	\$82,335
RDA 85-03A	-	-
RDA 85-03B	\$185,100	\$238,510
RDA 85-04	\$0	\$0
RDA 87-10	\$50,000	\$80,000
RDA 90-08	\$40,000	\$339,710
UP CDA	-	-
Miscellaneous Expenditures		
RDA 85-01	-	\$104,182
RDA 85-02	-	\$403,698
RDA 85-03A	\$83,445	\$1,855,441
RDA 85-03B	\$12,500	\$1,087,058
RDA 85-04	-	\$241,911
RDA 87-10	-	\$484,268
RDA 90-08	\$26,102	\$63,354
UP CDA	-	-
Contribution to (Use of Fund) Balance		
RDA 85-01	(\$109,367)	\$47,465
RDA 85-02	\$12,725	(\$441,999)
RDA 85-03A	\$274,996	(\$997,967)
RDA 85-03B	\$207,492	(\$447,802)
RDA 85-04	\$119,301	\$112,820
RDA 87-10	\$114,828	\$188,315
RDA 90-08	\$154,549	(\$363,584)
UP CDA	\$48,875	\$16,512,758
Interest (Revenue)		
RDA 85-01	(\$51)	(\$51)
RDA 85-02	(\$7,609)	(\$7,609)
RDA 85-03A	(\$14,505)	(\$14,505)
RDA 85-03B	(\$97,173)	(\$97,173)
RDA 85-04	-	-
RDA 87-10	(\$3,321)	(\$3,321)
RDA 90-08	(\$18,966)	(\$18,966)
UP CDA	(\$4,136)	(\$4,136)
Land Sales (Revenue)		
RDA 85-01	-	-
RDA 85-02	-	-
RDA 85-03A	(\$107,800)	(\$107,800)
RDA 85-03B	-	-
RDA 85-04	-	-
RDA 87-10	-	-
RDA 90-08	-	-
UP CDA	-	-
Total Expenditures	\$2,399,720	\$23,149,070

* Remaining Life includes FY 2019 totals



Table 1.7 includes the developed, undeveloped and residential units within the City's project areas.

Table 1.7: Developed Acreage and Residential

Project Area	Undeveloped Acres	Developed Acres	Developed Residential Acres	Residential Units	Residential Notes
85-01	7.68	98.06	-	-	
85-02	8.37	98.36	9.64	90	90 single family
85-03A	1.9	156.08	6.92	68	16 single family, 52 apartments
85-03B	-	122.66	18.88	512	96 condos, 416 apartments
85-04	4.95	107.38	10.75	256	2 single family, 254 apartments
87-10	-	108.45	17.86	404	88 townhomes, 316 apartments
90-08	1.48	61.77	13.82	242	6 single family, 236 apartments
University Place CDA	8.04	125.56	9.28	480	2 single family, 478 apartments

SECTION 2: RDA 85-01 PROJECT AREA

Table 2.1: Project Area Overview

OVERVIEW				
Type RDA	Acreage 106	Purpose Commercial Development	Taxing District 090	Tax Rate TIF: 0.009221 Haircut: 0.002417
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 2018 Value \$148,610,615	Increase 9,994%	FY 2019 Increment \$233,278	Remaining Years 3 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 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 2021 and paid to the Agency in 2022. Note that haircut revenues will not include participation from the School District's portion of the tax rate. RDA 85-01 is

located along 1200 South between the western City boundary and Geneva Road.

No new development occurred in the Project Area. The Project Area includes 98.06 developed acres and 7.68 undeveloped acres. There is no residential development in the Project Area.

SOURCES OF FUNDS

Table 2.2: Sources of Funds

FY 2019 SOURCES OF FUNDS	
Property Tax Prior Year Increment	-
Haircut Increment	\$355,633
Current Year Uncollected	(\$135,271)
Prior Years Late Collection	\$12,916
Total Sources of Funds	\$233,278

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

FY 2019 USES OF FUNDS	
Developer Incentive Payments	\$49,556 ¹
Debt Service (Haircut Eligible)	\$218,140
Redevelopment Activities/Fund Balance	(\$109,367)
Interest (Revenue)	(\$51)
Total Uses of Funds	\$233,278

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 2019, the 85-01 Project Areas portion of the debt service was \$218,140.

Table 2.5: Debt Service Payment

FY 2019 DEBT SERVICE PAYMENTS	
2002 Sales Tax Revenue Bond Payment	\$218,140
Total Debt Service Payments	\$218,140

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 2019	\$233,278 ²	\$306,114	76.2%

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 (2018 vs. 2017)	\$148,610,615	\$124,503,557	19.4%	19.4%
Lifetime Growth in Project Area (2018 vs. Base)	\$148,610,615	\$1,472,221	9,994%	15.0%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2018 vs. 2017)	\$5,557,370,305	\$5,286,759,645	5.1%	5.1%
Lifetime Growth in Orem City (2018 vs. 1997 ³)	\$5,557,370,305	\$2,173,320,362	155.7%	4.6%

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.⁴ Annual property tax increment (above the base amount) currently being returned to the School District is 8,470 percent 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 1,718 percent increase in annual tax increment.

¹ Payment to the original developer of the business park per the original interlocal agreement.

² Current year Haircut including current and prior year delinquent increment.

³ 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.

⁴ Calculation also assumes State and Local Assessing and Collecting rates.



GROWTH IN PROPERTY TAX INCREMENT

Table 2.9: Growth in Property Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET REVENUES	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
FY 2019 Tax Increment	N/A	\$233,278	\$13,575	1,718%
FY 2019 Pass Through	N/A	\$1,149,823	\$13,575	8,470%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

- UTA Maintenance Facility Expansion

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 2020-2022	
	TOTALS	NPV@5%
REVENUES		
Haircut Increment	\$1,065,439	\$967,151
Total Revenue	\$1,065,439	\$967,151
EXPENDITURES		
Admin	-	-
Misc. Expenditures	\$104,182	\$97,080
Redevelopment Activities	\$156,832	\$144,481
Debt Service	\$804,425	\$725,590
Total Expenditures	\$1,065,439	\$967,151

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 sheets represent the FY 2019, FY 2020, FY 2021, and the full multi-year budget from 2017 to 2022 for the 85-01 Project Area.



Orem RDA 85-01

2019 Actual

	Tax Year	Yr. 29
	Payment Year	2018
		2019
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$74,909,800
Personal Property		\$73,412,573
Centrally Assessed		\$288,242
Total Assessed Value		\$148,610,615
Less: Base Year Value		(\$1,472,221)
Incremental Assessed Value		\$147,138,394
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000732
Alpine School District		0.006804
Orem City		0.001281
Orem Metropolitan Water District		0.000030
Central Utah Water Conservancy		0.000374
Total Tax Rate		0.009221
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		\$0
Percent of Tax Increment for Haircut		100%
Total Haircut Received		\$233,278
TOTAL DISTRIBUTION		\$233,278
EXPENDITURES		
RDA Admin		\$75,000
Developer Reimbursement (Orem Tek)		\$49,556
Debt Service (Haircut Recreation Facilities)		\$218,140
Interest Revenue		(\$51)
Redevelopment Activities		(\$109,367)
TOTAL EXPENDITURES		\$233,278



Orem RDA 85-01

2020 Annual Budget

	Tax Year	Yr. 30
	Payment Year	
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$84,515,800
Personal Property		\$73,412,573
Centrally Assessed		\$341,287
Total Assessed Value		\$158,269,660
Less: Base Year Value		(\$1,472,221)
Incremental Assessed Value		\$156,797,439
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000672
Alpine School District		0.006498
Orem City		0.001188
Orem Metropolitan Water District		0.000027
Central Utah Water Conservancy		0.000378
Total Tax Rate		0.008763
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		\$0
Percent of Tax Increment for Haircut		100%
Total Haircut Received		\$355,146
TOTAL DISTRIBUTION		\$355,146
EXPENDITURES		
Debt Service (Haircut Recreation Facilities)		\$255,000
Misc. Expenditures		\$0
Redevelopment Activities		\$100,146
TOTAL EXPENDITURES		\$355,146



Orem RDA 85-01

2021 Annual Budget

	Tax Year	Yr. 31
	Payment Year	
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$84,515,800
Personal Property		\$73,412,573
Centrally Assessed		\$341,287
Total Assessed Value		\$158,269,660
Less: Base Year Value		(\$1,472,221)
Incremental Assessed Value		\$156,797,439
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000672
Alpine School District		0.006498
Orem City		0.001188
Orem Metropolitan Water District		0.000027
Central Utah Water Conservancy		0.000378
Total Tax Rate		0.008763
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		\$0
Percent of Tax Increment for Haircut		100%
Total Haircut Received		\$355,146
TOTAL DISTRIBUTION		\$355,146
EXPENDITURES		
Debt Service (Haircut Recreation Facilities)		\$295,000
Misc. Expenditures		\$56,976
Redevelopment Activities		\$3,170
TOTAL EXPENDITURES		\$355,146



Orem RDA 85-01

Ongoing Budget

Multi-Year Project Area Budget Projections

Tax Year Payment Year	OPTIONAL EXTENSION OF HAIRCUT INCREMENT					
	27	28	29	30	31	32
	2016	2017	2018	2019	2020	2021

REVENUES						
TAXABLE VALUATION:						
Locally Assessed Real	72,452,700	72,682,500	74,909,800	84,515,800	84,515,800	84,515,800
Personal Property	55,431,115	51,576,556	73,412,573	73,412,573	73,412,573	73,412,573
Centrally Assessed	224,526	244,501	288,242	341,287	341,287	341,287
Total Assessed Value	128,108,341	124,503,557	148,610,615	158,269,660	158,269,660	158,269,660
Less: Base Year Value	(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)	(1,472,221)
Total Incremental Assessed Value	\$ 126,636,120	\$ 123,031,336	\$ 147,138,394	\$ 156,797,439	\$ 156,797,439	\$ 156,797,439
Real Property/Centrally Assessed Tax Rate:						
Utah County	0.000834	0.000779	0.000732	0.000672	0.000672	0.000672
Alpine School District	0.007718	0.007087	0.006804	0.006498	0.006498	0.006498
Orem City	0.001550	0.001346	0.001281	0.001188	0.001188	0.001188
Orem Metropolitan Water District	0.000033	0.000031	0.000030	0.000027	0.000027	0.000027
Central Utah Water Conservancy	0.000386	0.000378	0.000374	0.000378	0.000378	0.000378
Less State Assessing & Collecting	0.000204	0.000180	0.000170	0.000158	0.000158	0.000158
Less Local Assessing & Collecting	0.000011	0.000010	0.000009	0.000009	0.000009	0.000009
Total Tax Rate	0.010736	0.009811	0.009400	0.008930	0.008930	0.008930
Actual Tax Rate Used by County in TIF Calculation	0.010521	0.009621	0.009221	0.008763	0.008763	0.008763
Actual Tax Rate Used by County in HAIRCUT Calculat	0.002803	0.002534	0.002417	0.002265	0.002265	0.002265

Percent of Tax Increment for Project	0%	0%	0%	0%	0%	0%
Percent of Tax Increment for Haircut	100%	100%	100%	100%	100%	100%

TAX INCREMENT REVENUES						
Property Tax Increment	\$ 2,047	\$ -	\$ -	\$ -	\$ -	\$ -
Less Current Year Uncollected	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plus Prior Years Late Collections	-	\$ 2,428	-	-	-	-
Total Tax Increment Received by Agency	\$ 2,047	\$ 2,428	\$ -	\$ -	\$ -	\$ -
HAIRCUT REVENUES						
Haircut Increment	\$ 354,961	\$ 311,761	\$ 355,633	\$ 355,146	\$ 355,146	\$ 355,146
Less Current Year Uncollected	\$ (24,463)	\$ (17,720)	\$ (135,271)	\$ -	\$ -	\$ -
Plus Prior Years Late Collections	45,148	26,984	12,916	-	-	-
Total Haircut Received by Agency	\$ 375,645	\$ 321,026	\$ 233,278	\$ 355,146	\$ 355,146	\$ 355,146
TOTAL REVENUES RECEIVED	\$ 377,693	\$ 323,454	\$ 233,278	\$ 355,146	\$ 355,146	\$ 355,146
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)						
Estimated Total Pass Through Increment	\$ 981,873	\$ 883,607	\$ 1,149,823	\$ 1,045,055	\$ 1,045,055	\$ 1,045,055

EXPENDITURES						
Project Area Budget and Uses of Funds						
RDA Admin	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -
Developer Reimbursement (Orem Tek)	1,945	2,307	49,556	-	-	-
Developer Reimbursement (US Synthetics)	-	-	-	-	-	-
Developer Reimbursement (Fund 45 Lakeside Park)	-	-	-	-	-	-
Debt Service (Haircut Recreation Facilities)	330,645	321,000	218,140	255,000	295,000	254,425
Optional Reimbursement Road Fund for 2003 Overlay P	-	-	-	-	-	-
Misc. Expenditures	-	-	-	-	56,976	47,206
Interest Revenue	(992)	(1,002)	(51)	-	-	-
Redevelopment Activities	46,094	1,149	(109,367)	100,146	3,170	53,515
Total Uses	\$ 377,693	\$ 323,454	\$ 233,278	\$ 355,146	\$ 355,146	\$ 355,146

SECTION 3: 85-02 PROJECT AREA

Table 3.1: Project Area Overview

OVERVIEW				
Type RDA	Acreage 107	Purpose Research & Technology Park	Taxing District 090	Tax Rate TIF: 0.009701 Haircut: 0.002534
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 2018 Value \$77,930,623	Increase 9,623%	FY 2019 Increment \$170,116	Remaining Years 2 Years



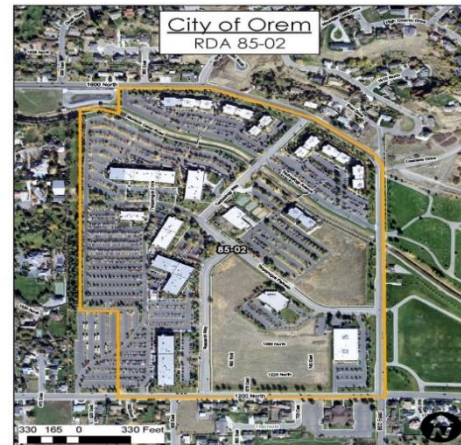
FIGURE 3.1: CANYON PARK TECHNOLOGY CENTER

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.

The Project Area includes 8.37 undeveloped acres and 98.36 developed acres. The remaining 8.37 undevelopment acres have been approved for 45 single family homes which are under construction.

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



SOURCES OF FUNDS

Table 3.2: Sources of Funds

FY 2019 SOURCES OF FUNDS	
Haircut Increment	\$170,632
Current Year Uncollected	(\$789)
Prior Years Late Collection	\$272
Total Sources of Funds	\$170,116

Table 3.3: Tax Increment Levels

TAX INCREMENT LEVELS		
Years	% of Tax Increment	% of Haircut
1991-1995	100%	0%
1996-2000	80%	20%



Table 3.3: Tax Increment Levels

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

USES OF FUNDS

Table 3.4: Uses of Funds

FY 2019 USES OF FUNDS	
Debt Service Payments	-
RDA Administration	\$165,000
Redevelopment Activities	\$12,725
Interest (Revenue)	(\$7,609)
Total Uses of Funds	\$170,116

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 2019, the 85-02 Project Area did not have any debt service.

Table 3.5: Debt Service Payments

FY 2019 DEBT SERVICE PAYMENTS	
Series 2002 Sales Tax Revenue Bond Payment	-
Total Debt Service Payments	-

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

Table 3.6: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2019	\$167,371	\$170,116 ⁵	101.6%

RELATIVE GROWTH IN ASSESSED VALUE

Table 3.7: 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 (2018 vs. 2017)	\$77,930,623	\$74,464,364	4.7%	4.7%
Lifetime Growth in Project Area (2018 vs. Base)	\$77,930,623	\$7,333,972	962.6%	7.4%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2018 vs. 2017)	\$5,557,370,305	\$5,286,759,645	5.1%	5.1%
Lifetime Growth in Orem City (2018 vs. 1997 ⁶)	\$5,557,370,305	\$2,173,320,362	155.7%	4.6%

BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 3.8: Benefits to Taxing Entities

BENEFITS TO TAXING ENTITIES
*Job Creation

⁵ Current year Haircut including current and prior year delinquent increment.

⁶ 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 3.8: Benefits to Taxing Entities

BENEFITS TO TAXING ENTITIES
*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.⁷ Annual property tax increment (above the base amount) currently being returned to the School District is 730 percent 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 252 percent increase in annual tax increment.

GROWTH IN PROPERTY TAX INCREMENT

Table 3.9: Growth in Property Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
FY 2019 Tax Increment	NA	\$170,116	\$67,627	252%
FY 2019 Pass Through	NA	\$493,493	\$67,627	730%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

The Muller Group purchased the Canyon Park Technology Center and is investing \$8.6 million in capital improvements. Current improvements include:

- Indoor tenant amenity center and gym including a full gym, yoga studio, lounge, game hall, and bike storage;
- Outdoor tenant amenity area including a multi-purpose sport court (basketball / pickle ball / etc.), a volleyball green, outdoor ping pong, corn hole court, hammock garden, lounge seating, bistro shade lounge, and BBQ area;
- New outdoor street lighting has been completed throughout the Park, along 1600 N, 800 E, and 1200 N.;
- New Park signage has been installed at all the entrances to the Park;
- New wayfinding signs have been installed throughout the Park;
- Main Lobby Refresh in all buildings throughout the Park: Currently eighty-three percent (83%) have been completed. The balance of the lobbies will be completed by mid-November 2019;
- Spec Suites: To date, 37,262 SF of spec office suite space has been completed. Another 21,034 SF will be completed by December 31, 2019.
- The Nest: Almost 15,000 SF of the Canyon Park version of executive space will be completed in January 2020.
- The current occupancy rate at the entire Canyon Park Technology Center is 56% currently. The Muller Co. is projecting a 70% occupancy rate by the end of 2020.

The remaining 8.37 undeveloped acres have been approved for 45 single family homes which are under construction.

FORECASTED PROJECT AREA BUDGET UPDATE

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

Table 3.10: Project Area Budget

PROJECT AREA BUDGET	FY 2020-2021	
	TOTALS	NPV@5%
REVENUES		
Haircut Increment	\$331,309	\$307,916
Total Revenue	\$331,309	\$307,916
EXPENDITURES		
RDA Administration	\$300,000	\$275,057
Misc. Expenditures	\$403,698	\$377,504
Interest Revenue	-	-
Redevelopment Activities/Fund Balance	(\$454,724)	(\$423,059)
Debt Service	\$82,335	\$78,414
Total Expenditures	\$331,309	\$307,916

⁷ Calculation also assumes State and Local Assessing and Collecting rates.



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 sheets represent the FY 2019, FY 2020, FY 2021 and multi-year budget from 2017 to 2021.



OREM RDA 85-02

2019 Actual

	Yr. 30
Tax Year	2018
Payment Year	2019
ASSESSED VALUATION	
TAXABLE VALUATION	
Real Property	\$75,451,995
Personal Property	\$2,086,270
Centrally Assessed	\$392,358
Total Assessed Value	\$77,930,623
Less: Base Year Value	(\$7,333,972)
Incremental Assessed Value	\$70,596,651
TAX INCREMENT ANALYSIS	
Tax Rate	
Utah County	0.000732
Alpine School District	0.006804
Orem City	0.001281
Orem Metropolitan Water District	0.000030
Central Utah Water Conservancy	0.000374
Total Tax Rate	0.009221
PROJECT AREA BUDGET	
TAX INCREMENT REVENUES	
Percent of Tax Increment for Project	0%
Total Tax Increment Received	\$0
Percent of Tax Increment for Haircut	100%
Total Haircut Received	\$170,116
TOTAL DISTRIBUTION	\$170,116
EXPENDITURES	
RDA Admin	\$165,000
Interest Revenue	(\$7,609)
Redevelopment Activities	\$12,725
TOTAL EXPENDITURES	\$170,116



OREM RDA 85-02

2020 Annual Budget

	Yr. 31
Tax Year	2019
Payment Year	2020
ASSESSED VALUATION	
TAXABLE VALUATION	
Real Property	\$76,913,375
Personal Property	\$2,086,270
Centrally Assessed	\$458,575
Total Assessed Value	\$79,458,220
Less: Base Year Value	(\$7,333,972)
Incremental Assessed Value	\$72,124,248
TAX INCREMENT ANALYSIS	
Tax Rate	
Utah County	0.000672
Alpine School District	0.006498
Orem City	0.001188
Orem Metropolitan Water District	0.000027
Central Utah Water Conservancy	0.000378
Total Tax Rate	0.008763
PROJECT AREA BUDGET	
TAX INCREMENT REVENUES	
Percent of Tax Increment for Project	0%
Total Tax Increment Received	\$0
Percent of Tax Increment for Haircut	100%
Total Haircut Received	\$163,361
TOTAL DISTRIBUTION	\$163,361
EXPENDITURES	
RDA Admin	\$65,000
Debt Service (Haircut Eligible)	\$82,335
Misc. Expenditures	\$250,000
Redevelopment Activities	(\$233,974)
TOTAL EXPENDITURES	\$163,361



OREM RDA 85-02

2021 Annual Budget

	Yr. 32
Tax Year	2020
Payment Year	2021
ASSESSED VALUATION	
TAXABLE VALUATION	
Real Property	\$78,938,375
Personal Property	\$2,086,270
Centrally Assessed	\$458,575
Total Assessed Value	\$81,483,220
Less: Base Year Value	(\$7,333,972)
Incremental Assessed Value	\$74,149,248
TAX INCREMENT ANALYSIS	
Tax Rate	
Utah County	0.000672
Alpine School District	0.006498
Orem City	0.001188
Orem Metropolitan Water District	0.000027
Central Utah Water Conservancy	0.000378
Total Tax Rate	0.008763
PROJECT AREA BUDGET	
TAX INCREMENT REVENUES	
Percent of Tax Increment for Project	0%
Total Tax Increment Received	\$0
Percent of Tax Increment for Haircut	100%
Total Haircut Received	\$167,948
TOTAL DISTRIBUTION	\$167,948
EXPENDITURES	
RDA Admin	\$235,000
Misc. Expenditures	\$153,698
Redevelopment Activities	(\$220,750)
TOTAL EXPENDITURES	\$167,948



Orem RDA 85-02

Ongoing Budget
Multi-Year Project Area Budget Projections

	OPTIONAL EXTENSION OF HAIRCUT INCREMENT				
	28	29	30	31	32
	Tax Year 2016	2017	2018	2019	2020
Payment Year	2017	2018	2019	2020	2021
REVENUES					
TAXABLE VALUATION:					
Locally Assessed Real	70,060,905	74,154,150	75,451,995	76,913,375	78,938,375
Personal Property	-	-	2,086,270	2,086,270	2,086,270
Centrally Assessed	287,158	310,214	392,358	458,575	458,575
Total Assessed Value	70,348,063	74,464,364	77,930,623	79,458,220	81,483,220
Less: Base Year Value	(7,333,972)	(7,333,972)	(7,333,972)	(7,333,972)	(7,333,972)
Total Incremental Assessed Value	\$ 63,014,091	\$ 67,130,392	\$ 70,596,651	\$ 72,124,248	\$ 74,149,248
Real Property/Centrally Assessed Tax Rate:					
Utah County	0.000834	0.000779	0.000732	0.000672	0.000672
Alpine School District	0.007718	0.007087	0.006804	0.006498	0.006498
Orem City	0.001550	0.001346	0.001281	0.001188	0.001188
Orem Metropolitan Water District	0.000033	0.000031	0.000030	0.000027	0.000027
Central Utah Water Conservancy	0.000386	0.000378	0.000374	0.000378	0.000378
Less State Assessing & Collecting	0.000204	0.000180	0.000170	0.000158	0.000158
Less Local Assessing & Collecting	0.000011	0.000010	0.000009	0.000009	0.000009
Total Tax Rate	0.010736	0.009811	0.009400	0.008930	0.008930
Actual Tax Rate Used by County in TIF Calculation	0.010521	0.009621	0.009221	0.008763	0.008763
Actual Tax Rate Used by County in HAIRCUT Calculation	0.002803	0.002534	0.002417	0.002265	0.002265
Percent of Tax Increment for Project					
	0%	0%	0%	0%	0%
Percent of Tax Increment for Haircut					
	100%	100%	100%	100%	100%
TAX INCREMENT REVENUES					
Property Tax Increment	\$ -	\$ -	\$ -	\$ -	\$ -
Less Current Year Uncollected	-	-	-	-	-
Plus Prior Years Late Collections	-	-	-	-	-
Total Tax Increment Received by Agency	\$ -	\$ -	\$ -	\$ -	\$ -
HAIRCUT REVENUES					
Haircut Increment	\$ 176,628	\$ 170,108	\$ 170,632	\$ 163,361	\$ 167,948
Less Current Year Uncollected	(49)	(6)	(789)	-	-
Plus Prior Years Late Collections	632	-	272	-	-
Total Haircut Received by Agency	\$ 177,211	\$ 170,103	\$ 170,116	\$ 163,361	\$ 167,948
TOTAL REVENUES RECEIVED	\$ 177,211	\$ 170,103	\$ 170,116	\$ 163,361	\$ 167,948
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)					
Estimated Total Pass Through Increment	\$ 499,309	\$ 488,514	\$ 493,493	\$ 480,708	\$ 494,205
EXPENDITURES					
Project Area Budget and Uses of Funds					
RDA Admin	\$ -	\$ -	\$ 165,000	\$ 65,000	\$ 235,000
Land Sales Revenue	-	-	-	-	-
Loan Repayments to City	-	-	-	-	-
Developer Reimbursement (Fund 45 Lakeside Park)	-	-	-	-	-
Debt Service (Haircut Eligible)	142,211	170,000	-	82,335	-
Optional Reimbursement to Road Fund for Infrastructure	-	-	-	-	-
Misc. Expenditures	6,500	-	-	250,000	153,698
Interest Revenue	(2,604)	(2,629)	(7,609)	-	-
Redevelopment Activities	31,104	2,732	12,725	(233,974)	(220,750)
Total Uses	\$ 177,211	\$ 170,103	\$ 170,116	\$ 163,361	\$ 167,948

SECTION 4: 85-03A PROJECT AREA

Table 4.1: Project Area Overview

OVERVIEW				
Type RDA	Acreage 158	Purpose Commercial Development	Taxing District 090	Tax Rate TIF: 0.009221 Haircut: 0.002417
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 2018 Value \$130,582,491	Increase 327%	FY 2019 Increment \$236,136	Remaining Years 2 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.

The Project Area includes 1.90 undeveloped acres and 156.08 developed acres. A total of 6.92 residential acres are within the Project Area including 16 single family homes and 52 apartments.

SOURCES OF FUNDS

Table 4.2: Sources of Funds

FY 2019 SOURCES OF FUNDS	
Haircut Increment	\$241,772
Current Year Uncollected	(\$8,783)
Prior Year Late Collections	\$3,147
Total Sources of Funds	\$236,136

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



FY 2019 USES OF FUNDS	
Developer Incentive Payment	-
Debt Service Payments	-
Miscellaneous Expenditures	\$83,445
Land Sales	(\$107,800)
Redevelopment Activities/Fund Balance	\$274,996
Interest (Revenue)	(\$14,505)
Total Uses of Funds	\$236,136

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 2019, the 85-03A Project Area's portion of the debt service was \$0.

Table 4.5: Debt Service Payments

FY 2019 DEBT SERVICE PAYMENTS	
Series 2002 Sales Tax Revenue Bond Payment	-
Total Debt Service Payments	-

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

Table 4.6: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2019	\$222,810	\$236,136 ⁸	106.0%

RELATIVE GROWTH IN ASSESSED VALUE

Table 4.7: 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 (2018 vs. 2017)	\$130,582,491	\$118,538,275	10.2%	10.2%
Lifetime Growth in Project Area (2018 vs. Base)	\$130,582,491	\$30,552,708	327.4%	4.5%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2018 vs. 2017)	\$5,557,370,305	\$5,286,759,645	5.1%	5.1%
Lifetime Growth in Orem City (2018 vs. 1997 ⁹)	\$5,557,370,305	\$2,173,320,362	155.7%	4.6%

BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 4.8: 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.¹⁰ Annual property tax increment (above the base amount) currently being returned to the School District is 250 percent 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 84 percent increase in annual tax increment.

⁸ Current year Haircut including current and prior year delinquent increment.

⁹ 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.

¹⁰ Calculation also assumes State and Local Assessing and Collecting rates.



Table 4.9: Growth in Property Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
FY 2019 Tax Increment	NA	\$236,136	\$281,727	84%
FY 2019 Pass Through	NA	\$704,144	\$281,727	250%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

The Utah Valley Express (BRT) has been completed. The UVX is operating on a regular schedule Monday through Saturday every 6 minutes during peak times and every 15 minutes during off peak times. Further, the following businesses opened in the Project Area:

- Golden Thai (1069 S 750 E) opened in April 2019
- Cupbop (718 E University Parkway) opened in August 2019
- Chat Chat Poke Bowl (1077 S 760 E) opened in 2019
- Coming Home (305 E University Parkway) opened in September 2019
- Halloween City (323 University Parkway) opened in September 2019
- The Warehouse Furniture (86 E University Parkway) opened in 2019

Several businesses are also currently undergoing renovations and expansions as follows:

- Peterson Medical is being rebuilt for two commercial / retail spaces
- Lumber Liquidators (176 E University Parkway) is building a 12,540 SF building which is an addition to the strip mall east of Joann's Fabric
- Tamashi Raman 206 E University Parkway is undergoing a 1,750 SF remodel
- Mazda Dealership (55 E University Parkway) is undergoing a 7,618 SF remodel

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 4.10: Project Area Budget

PROJECT AREA BUDGET	2020-2021	
	TOTALS	NPV@5%
REVENUES		
Haircut Increment	\$499,033	\$463,953
Total Revenue	\$499,033	\$463,953
EXPENDITURES		
Misc. Expenditures	\$1,771,996	\$1,620,671
Redevelopment Activities	(\$1,272,963)	(\$1,156,717)
Total	\$499,033	\$463,953

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 sheets represent the FY 2019, FY 2020, FY 2021 and full multi-year budgets from 2017 to 2021.



Orem 85-03A

2019 Actual

	Yr. 30
Tax Year	2018
Payment Year	2019
ASSESSED VALUATION	
TAXABLE VALUATION	
Real Property	\$118,789,885
Personal Property	\$10,873,148
Centrally Assessed	\$919,458
Total Assessed Value	\$130,582,491
Less: Base Year Value	(\$30,552,708)
Incremental Assessed Value	\$100,029,783
TAX INCREMENT ANALYSIS	
Tax Rate	
Utah County	0.000732
Alpine School District	0.006804
Orem City	0.001281
Orem Metropolitan Water District	0.000030
Central Utah Water Conservancy	0.000374
Total Tax Rate	0.009221
PROJECT AREA BUDGET	
TAX INCREMENT REVENUES	
Percent of Tax Increment for Project	0%
Total Tax Increment Received	\$0
Percent of Tax Increment for Haircut	100%
Total Haircut Received	\$236,136
TOTAL DISTRIBUTION	\$236,136
EXPENDITURES	
Misc. Expenditures	\$83,445
Land Sales Revenues	(\$107,800)
Interest Revenue	(\$14,505)
Redevelopment Activities	\$274,996
TOTAL EXPENDITURES	\$236,136



Orem 85-03A

2020 Annual Budget

	Yr. 31
Tax Year	2019
Payment Year	2020
ASSESSED VALUATION	
TAXABLE VALUATION	
Real Property	\$128,781,980
Personal Property	\$10,873,148
Centrally Assessed	\$1,059,284
Total Assessed Value	\$140,714,412
Less: Base Year Value	(\$30,552,708)
Incremental Assessed Value	\$110,161,704
TAX INCREMENT ANALYSIS	
Tax Rate	
Utah County	0.000672
Alpine School District	0.006498
Orem City	0.001188
Orem Metropolitan Water District	0.000027
Central Utah Water Conservancy	0.000378
Total Tax Rate	0.008763
PROJECT AREA BUDGET	
TAX INCREMENT REVENUES	
Percent of Tax Increment for Project	0%
Total Tax Increment Received	\$0
Percent of Tax Increment for Haircut	100%
Total Haircut Received	\$249,516
TOTAL DISTRIBUTION	\$249,516
EXPENDITURES	
Misc. Expenditures	\$295,869
Redevelopment Activities	(\$46,353)
TOTAL EXPENDITURES	\$249,516



Orem 85-03A

2021 Annual Budget

	Yr. 32
Tax Year	2020
Payment Year	2021
ASSESSED VALUATION	
TAXABLE VALUATION	
Real Property	\$128,781,980
Personal Property	\$10,873,148
Centrally Assessed	\$1,059,284
Total Assessed Value	\$140,714,412
Less: Base Year Value	(\$30,552,708)
Incremental Assessed Value	\$110,161,704
TAX INCREMENT ANALYSIS	
Tax Rate	
Utah County	0.000672
Alpine School District	0.006498
Orem City	0.001188
Orem Metropolitan Water District	0.000027
Central Utah Water Conservancy	0.000378
Total Tax Rate	0.008763
PROJECT AREA BUDGET	
TAX INCREMENT REVENUES	
Percent of Tax Increment for Project	0%
Total Tax Increment Received	\$0
Percent of Tax Increment for Haircut	100%
Total Haircut Received	\$249,516
TOTAL DISTRIBUTION	\$249,516
EXPENDITURES	
Misc. Expenditures	\$1,476,127
Redevelopment Activities	(\$1,226,611)
TOTAL EXPENDITURES	\$249,516



Orem RDA 85-03A

Ongoing Budget

Multi-Year Project Area Budget Projections

	OPTIONAL EXTENSION OF HAIRCUT INCREMENT				
	28	29	30	31	32
	Tax Year 2016	2017	2018	2019	2020
Payment Year	2017	2018	2019	2020	2021
REVENUES					
TAXABLE VALUATION:					
Locally Assessed Real	84,163,775	115,973,887	118,789,885	128,781,980	128,781,980
Personal Property	2,739,012	1,700,673	10,873,148	10,873,148	10,873,148
Centrally Assessed	1,739,593	863,715	919,458	1,059,284	1,059,284
Total Assessed Value	88,642,380	118,538,275	130,582,491	140,714,412	140,714,412
Less: Base Year Value	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)	(30,552,708)
Total Incremental Assessed Value	\$ 58,089,672	\$ 87,985,567	\$ 100,029,783	\$ 110,161,704	\$ 110,161,704
Real Property/Centrally Assessed Tax Rate:					
Utah County	0.000834	0.000779	0.000732	0.000672	0.000672
Alpine School District	0.007718	0.007087	0.006804	0.006498	0.006498
Orem City	0.001550	0.001346	0.001281	0.001188	0.001188
Orem Metropolitan Water District	0.000033	0.000031	0.000030	0.000027	0.000027
Central Utah Water Conservancy	0.000386	0.000378	0.000374	0.000378	0.000378
Less State Assessing & Collecting	0.000204	0.000180	0.000170	0.000158	0.000158
Less Local Assessing & Collecting	0.000011	0.000010	0.000009	0.000009	0.000009
Total Tax Rate	0.010736	0.009811	0.009400	0.008930	0.008930
Actual Tax Rate Used by County in TIF Calculation	0.010521	0.009621	0.009221	0.008763	0.008763
Actual Tax Rate Used by County in HAIRCUT Calculation	0.002803	0.002534	0.002417	0.002265	0.002265
Percent of Tax Increment for Project					
	0%	0%	0%	0%	0%
Percent of Tax Increment for Haircut					
	100%	100%	100%	100%	100%
TAX INCREMENT REVENUES					
Property Tax Increment	\$ -	\$ -	\$ -	\$ -	\$ -
Less Current Year Uncollected	\$ -	\$ -	\$ -	\$ -	\$ -
Plus Prior Years Late Collections	-	-	-	-	-
Total Tax Increment Received by Agency	\$ -	\$ -	\$ -	\$ -	\$ -
HAIRCUT REVENUES					
Haircut Increment	\$ 162,825	\$ 222,955	\$ 241,772	\$ 249,516	\$ 249,516
Less Current Year Uncollected	\$ 47,332	\$ (18,000)	\$ (8,783)	\$ -	\$ -
Plus Prior Years Late Collections	8,645	3,302	3,147	-	-
Total Haircut Received by Agency	\$ 218,802	\$ 208,257	\$ 236,136	\$ 249,516	\$ 249,516
TOTAL REVENUES RECEIVED	\$ 218,802	\$ 208,257	\$ 236,136	\$ 249,516	\$ 249,516
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)					
Estimated Total Pass Through Increment	\$ 404,848.49	\$ 654,970	\$ 704,144	\$ 734,228	\$ 734,228
EXPENDITURES					
Project Area Budget and Uses of Funds					
RDA Admin	-	-	-	-	-
Loan Repayments to City	-	-	-	-	-
Developer Reimbursement (University Square)	-	-	-	-	-
Land Acquisition: Sakura	1,316,103	-	-	-	-
Developer Reimbursement (Mazda Orem, Ken Garff Honda, WW)	1,072,154	61,833	-	-	-
Developer Reimbursement (Fund 45 Lakeside Park)	-	-	-	-	-
Debt Service (Haircut Eligible)	-	-	-	-	-
Misc. Expenditures	240,675	1,111	83,445	295,869	1,476,127
Land Sales Revenues	(94,760)	-	(107,800)	-	-
Sales Tax Revenues from City	-	-	-	-	-
Reimbursement to General Fund for Sales Tax Revenue Loan	-	-	-	-	-
Interest Revenue	(457)	(1,342)	(14,505)	-	-
Redevelopment Activities	(2,314,912)	146,655	274,996	(46,353)	(1,226,611)
Total Uses	\$ 218,802	\$ 208,257	\$ 236,136	\$ 249,516	\$ 249,516

SECTION 5: 85-03B PROJECT AREA

Table 5.1: Project Area Overview

OVERVIEW				
Type RDA	Acreage 123	Purpose Commercial Development	Taxing District 090	Tax Rate TIF: 0.009221 Haircut: 0.002417
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 2018 Value \$139,965,682	Increase 1,942%	FY 2019 Increment \$332,920	Remaining Life 2 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.



The Project Area includes 122.66 developed acres and no undeveloped acres. The Project Area has 18.88 acres of residential property including 96 condos and 416 apartments.

SOURCES OF FUNDS

Table 5.2: Sources of Funds

FY 2019 SOURCES OF FUNDS	
Haircut Increment	\$321,730
Current Year Uncollected	(\$5,887)
Prior Years Late Collections	\$17,077
Total Sources of Funds	\$332,920

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

FY 2019 USES OF FUNDS	
Project Area Administration	\$25,000
Developer Incentive Payments	-
Debt Service	\$185,100
Miscellaneous	\$12,500
Redevelopment Activities/Fund Balance	\$207,492
Interest (Revenue)	(\$97,173)
Total Uses of Funds	\$332,920

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 2019, the 85-03B Project Area's portion of the debt service was \$185,100.

Table 5.5: Debt Service Payment

FY 2019 DEBT SERVICE PAYMENTS	
Series 2002 Sales Tax Revenue Bond Payment	\$185,100
Total Debt Service Payments	\$185,100

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

Table 5.6: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2019	\$312,853	\$332,920 ¹¹	106.4%

RELATIVE GROWTH IN ASSESSED VALUE

Table 5.7: 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 (2018 vs. 2017)	\$139,965,682	\$125,966,217	11.1%	11.1%
Lifetime Growth in Project Area (2018 vs. Base)	\$139,965,682	\$6,854,457	1,942%	9.6%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2018 vs. 2017)	\$5,557,370,305	\$5,286,759,645	5.1%	5.1%
Lifetime Growth in Orem City (2018 vs. 1997 ¹²)	\$5,557,370,305	\$2,173,320,362	155.7%	4.6%

BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 5.8: Benefits to Taxing Entities

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

GROWTH IN PROPERTY TAX INCREMENT

Currently the only taxing entity receiving increment is the School District¹³. Annual property tax increment (above the base amount) currently being returned to the School District is 1,453 percent above what would have been realized if assessed values in the Project Area had remained

¹¹ Current year Haircut including current and prior year delinquent increment.

¹² 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.

¹³ Calculation also assumes State and Local Assessing and Collecting rates.



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 527 percent increase in annual tax increment.

Table 5.9: Growth in Property Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
Fiscal Year 2019 Tax Increment	NA	\$332,920	\$63,205	527%
Fiscal Year 2019 Pass Through	NA	\$918,326	\$63,205	1,453%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

- The Sakura restaurant was demolished
- A new Golden Corral is currently under construction
- The Garff Nissan Car Dealership will expand in 2020
- The Central Utah Water Conservancy District (CUWCD) property is under contract for a possible redevelopment project

FORECASTED PROJECT AREA BUDGET UPDATE

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

Table 5.10: Project Area Budget

FORECASTED PROJECT AREA BUDGET	2020-2021	
	TOTALS	NPV@5%
REVENUES		
Haircut Increment	\$672,673	\$625,388
Total Revenue	\$672,673	\$625,388
EXPENDITURES		
Administration Expense	\$200,000	\$188,209
City Project Reimbursement	\$958,863	\$898,288
Misc. Expenditures	\$115,695	\$104,939
Redevelopment Activities/Fund Balance	(\$655,295)	(\$614,493)
Debt Service	\$53,410	\$48,444
Total	\$672,673	\$625,388

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 sheets represent the FY 2019, FY 2020, FY 2021 and projected multi-year budgets from 2017 to 2021.



Orem RDA 85-03B

2019 Actual

	Tax Year	
	Payment Year	
		Yr. 30
		2018
		2019
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$133,865,685
Personal Property		\$5,050,341
Centrally Assessed		\$1,049,656
Total Assessed Value		\$139,965,682
Less: Base Year Value		(\$6,854,457)
Incremental Assessed Value		\$133,111,225
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000732
Alpine School District		0.006804
Orem City		0.001281
Orem Metropolitan Water District		0.000030
Central Utah Water Conservancy		0.000374
Total Tax Rate		0.009221
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		\$0
Percent of Tax Increment for Haircut		100%
Total Haircut Received		\$332,920
TOTAL DISTRIBUTION		\$332,920
EXPENDITURES		
RDA Admin		\$25,000
Debt Service (Haircut Eligible)		\$185,100
Misc. Expenditures		\$12,500
Interest Revenue		(\$97,173)
Redevelopment Activities		\$207,492
TOTAL EXPENDITURES		\$332,920



Orem RDA 85-03B

2020 Annual Budget

	Tax Year	Yr. 31
	Payment Year	
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$149,269,270
Personal Property		\$5,050,341
Centrally Assessed		\$1,027,808
Total Assessed Value		\$155,347,419
Less: Base Year Value		(\$6,854,457)
Incremental Assessed Value		\$148,492,962
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000672
Alpine School District		0.006498
Orem City		0.001188
Orem Metropolitan Water District		0.000027
Central Utah Water Conservancy		0.000378
Total Tax Rate		0.008763
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		\$0
Percent of Tax Increment for Haircut		100%
Total Haircut Received		\$336,337
TOTAL DISTRIBUTION		\$336,337
EXPENDITURES		
RDA Admin		\$150,000
Eligible City Projects Reimbursement		\$630,000
Redevelopment Activities		(\$443,663)
TOTAL EXPENDITURES		\$336,337



Orem RDA 85-03B

2021 Annual Budget

	Tax Year	Payment Year
	Yr. 32	
	2020	
	2021	
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property	\$149,269,270	
Personal Property	\$5,050,341	
Centrally Assessed	\$1,027,808	
Total Assessed Value	\$155,347,419	
Less: Base Year Value	(\$6,854,457)	
Incremental Assessed Value	\$148,492,962	
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County	0.000672	
Alpine School District	0.006498	
Orem City	0.001188	
Orem Metropolitan Water District	0.000027	
Central Utah Water Conservancy	0.000378	
Total Tax Rate	0.008763	
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project	0%	
Total Tax Increment Received	\$0	
Percent of Tax Increment for Haircut	100%	
Total Haircut Received	\$336,337	
TOTAL DISTRIBUTION	\$336,337	
EXPENDITURES		
RDA Admin	\$50,000	
Eligible City Projects Reimbursement	\$328,863	
Debt Service (Haircut Eligible)	\$53,410	
Misc. Expenditures	\$115,695	
Redevelopment Activities	(\$211,631)	
TOTAL EXPENDITURES	\$336,337	



Orem RDA 85-03B

Ongoing Budget
Multi-Year Project Area Budget Projections

	OPTIONAL EXTENSION OF HAIRCUT INCREMENT				
	28	29	30	31	32
	Tax Year 2016	2017	2018	2019	2020
Payment Year	2017	2018	2019	2020	2021

REVENUES					
TAXABLE VALUATION:					
Locally Assessed Real	118,916,965	125,122,730	133,865,685	149,269,270	149,269,270
Personal Property	-	-	5,050,341	5,050,341	5,050,341
Centrally Assessed	826,904	843,487	1,049,656	1,027,808	1,027,808
Total Assessed Value	119,743,869	125,966,217	139,965,682	155,347,419	155,347,419
Less: Base Year Value	(6,854,457)	(6,854,457)	(6,854,457)	(6,854,457)	(6,854,457)
Total Incremental Assessed Value	\$ 112,889,412	\$ 119,111,760	\$ 133,111,225	\$ 148,492,962	\$ 148,492,962
Real Property/Centrally Assessed Tax Rate:					
Utah County	0.000834	0.000779	0.000732	0.000672	0.000672
Alpine School District	0.007718	0.007087	0.006804	0.006498	0.006498
Orem City	0.001550	0.001346	0.001281	0.001188	0.001188
Orem Metropolitan Water District	0.000033	0.000031	0.000030	0.000027	0.000027
Central Utah Water Conservancy	0.000386	0.000378	0.000374	0.000378	0.000378
Less State Assessing & Collecting	0.000204	0.000180	0.000170	0.000158	0.000158
Less Local Assessing & Collecting	0.000011	0.000010	0.000009	0.000009	0.000009
Total Tax Rate	0.010736	0.009811	0.009400	0.008930	0.008930
Actual Tax Rate Used by County in TIF Calculation	0.010521	0.009621	0.009221	0.008763	0.008763
Actual Tax Rate Used by County in HAIRCUT Calculation	0.002803	0.002534	0.002417	0.002265	0.002265

Percent of Tax Increment for Project	0%	0%	0%	0%	0%
Percent of Tax Increment for Haircut	100%	100%	100%	100%	100%

TAX INCREMENT REVENUES					
Property Tax Increment	\$ -	\$ -	\$ -	\$ -	\$ -
Less Current Year Uncollected					
Plus Prior Years Late Collections					
Total Tax Increment Received by Agency	\$ -	\$ -	\$ -	\$ -	\$ -
HAIRCUT REVENUES					
Haircut Increment	\$ 316,429	\$ 301,829	\$ 321,730	\$ 336,337	\$ 336,337
Less Current Year Uncollected	\$ 3,611	\$ (17,351)	\$ (5,887)		
Plus Prior Years Late Collections	4,942	651	17,077		
Total Haircut Received by Agency	\$ 324,982	\$ 285,129	\$ 332,920	\$ 336,337	\$ 336,337
TOTAL REVENUES RECEIVED	\$ 324,982	\$ 285,129	\$ 332,920	\$ 336,337	\$ 336,337
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)					
Estimated Total Pass Through Increment	\$ 886,999	\$ 883,476	\$ 918,326	\$ 989,706	\$ 989,706

EXPENDITURES					
Project Area Budget and Uses of Funds					
RDA Admin	165,000	265,000	25,000	150,000	50,000
Developer Reimbursement (Walmart)	-	-	-	-	-
Developer Reimbursement (Lake Point)	-	-	-	-	-
Eligible City Projects Reimbursement	-	-	-	630,000	328,863
Developer Reimbursement (Brent Brown)	-	659,500	-	-	-
Developer Reimbursement (Fund 45 Lakeside Park)	-	-	-	-	-
Debt Service (Haircut Eligible)	369,237	646,242	185,100	-	53,410
Reimbursement to General Fund for Haircut Eligible Expenses	-	-	-	-	-
Misc. Expenditures	36,400	12,500	12,500	-	115,695
Sales Tax Revenue from City	-	-	-	-	-
Reimbursement to General Fund for Sales Tax Revenue Loan	-	-	-	-	-
Optional Reimbursement to General Fund for Infrastructure	-	-	-	-	-
Interest Revenue	(44,687)	(33,109)	(97,173)	-	-
Redevelopment Activities	(200,968)	(1,265,004)	207,492	(443,663)	(211,631)
Total Uses	\$ 324,982	\$ 285,129	\$ 332,920	\$ 336,337	\$ 336,337

SECTION 6: 85-04 PROJECT AREA

Table 6.1: Project Area Overview

OVERVIEW				
Type RDA	Acreage 112	Purpose Commercial & Rec Development	Taxing District 090	Tax Rate TIF: 0.009221 Haircut: 0.002417
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 2018 Value \$64,587,171	Increase 244%	FY 2019 Increment \$119,301	Remaining Life 2 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.

The Project Area contains 4.95 undeveloped acres and 107.38 developed. The Project Area also includes 10.75 acres of residential development including two single family homes and 254 apartments.

SOURCES OF FUNDS

Table 6.2: Sources of Funds

FY 2019 SOURCES OF FUNDS	
Haircut Increment	\$110,665
Current Year Uncollected	(\$19,873)
Prior Year Late Collection	\$28,510
Total Sources of Funds	\$119,301

Table 6.3: Tax Increment Levels

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



USES OF FUNDS

Table 6.4: Uses of Funds

FY 2019 USES OF FUNDS	
Misc.	-
Redevelopment Activities/Fund Balance	\$119,301
Total Uses of Funds	\$119,301

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 2019, the 85-04 Project Area did not have any debt service.

Table 6.5: Debt Service Payment

FY 2019 DEBT SERVICE PAYMENTS	
Series 2002 Sales Tax Revenue Bond Payment	-
Total Debt Service Payments	-

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

Table 6.6: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2019	\$103,437	\$119,301 ¹⁴	115.3%

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 (2018 vs. 2017)	\$64,587,171	\$56,265,113	0.8%	0.8%
Lifetime Growth in Project Area (2018 vs. Base)	\$64,587,171	\$18,801,179	199%	3.6%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2018 vs. 2017)	\$5,557,370,305	\$5,286,759,645	8.5%	8.5%
Lifetime Growth in Orem City (2018 vs. 1997 ¹⁵)	\$5,557,370,305	\$2,173,320,362	143%	4.5%

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

GROWTH IN PROPERTY TAX INCREMENT

Currently the only taxing entity receiving increment is the School District.¹⁶ Annual property tax increment (above the base amount) currently being returned to the School District is 179 percent 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 67 percent increase in annual tax increment.

¹⁴ Current year Haircut including current and prior year delinquent increment.

¹⁵ 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.

¹⁶ Calculation also assumes State and Local Assessing and Collecting rates.



Table 6.9: Growth in Property Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
FY 2019 Tax Increment	NA	\$119,301	\$173,366	67%
FY 2019 Pass Through	NA	\$311,087	\$173,366	179%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

- A 10,083 SF Davita Dialysis (490 S. State St.) is under construction
- Plans have been submitted for a VA Clinic which will result from the remodel of Rite Aid located at 774 S State Street

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 2020-2021	
	TOTALS	NPV@5%
REVENUES		
Haircut Increment	\$235,430	\$218,880
Total Revenue	\$235,430	\$218,880
EXPENDITURES		
Misc.	\$241,911	\$226,373
Redevelopment Activities	(\$6,481)	(\$7,493)
Total Expenditures	\$235,430	\$218,880

OTHER ISSUES

LYRB has not identified any major areas of concern with the 85-04 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 sheets represent the FY 2019, FY 2020, FY 2021 and projected multi-year budgets from 2017 to 2021.



OREM RDA 85-04

2019 Actual

	Yr. 30
Tax Year	2018
Payment Year	2019
ASSESSED VALUATION	
TAXABLE VALUATION	
Real Property	\$60,606,385
Personal Property	\$3,467,961
Centrally Assessed	\$512,825
Total Assessed Value	\$64,587,171
Less: Base Year Value	(\$18,801,179)
Incremental Assessed Value	\$45,785,992
TAX INCREMENT ANALYSIS	
Tax Rate	
Utah County	0.000732
Alpine School District	0.006804
Orem City	0.001281
Orem Metropolitan Water District	0.000030
Central Utah Water Conservancy	0.000374
Total Tax Rate	0.009221
PROJECT AREA BUDGET	
TAX INCREMENT REVENUES	
Percent of Tax Increment for Project	0%
Total Tax Increment Received	\$0
Percent of Tax Increment for Haircut	100%
Total Haircut Received	\$119,301
TOTAL DISTRIBUTION	\$119,301
EXPENDITURES	
Misc. Expenditures	\$0
Redevelopment Activities	\$119,301
TOTAL EXPENDITURES	\$119,301



OREM RDA 85-04

2020 Annual Budget

	Tax Year Payment Year	Yr. 31
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$66,553,920
Personal Property		\$3,467,961
Centrally Assessed		\$750,512
Total Assessed Value		\$70,772,393
Less: Base Year Value		(\$18,801,179)
Incremental Assessed Value		\$51,971,214
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000672
Alpine School District		0.006498
Orem City		0.001188
Orem Metropolitan Water District		0.000027
Central Utah Water Conservancy		0.000378
Total Tax Rate		0.008763
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		\$0
Percent of Tax Increment for Haircut		100%
Total Haircut Received		\$117,715
TOTAL DISTRIBUTION		\$117,715
EXPENDITURES		
Misc. Expenditures		\$153,312
Redevelopment Activities		(\$35,597)
TOTAL EXPENDITURES		\$117,715



OREM RDA 85-04

2021 Annual Budget

	Tax Year	Payment Year
	2020	2021
	Yr. 32	
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property	\$66,553,920	
Personal Property	\$3,467,961	
Centrally Assessed	\$750,512	
Total Assessed Value	\$70,772,393	
Less: Base Year Value	(\$18,801,179)	
Incremental Assessed Value	\$51,971,214	
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County	0.000672	
Alpine School District	0.006498	
Orem City	0.001188	
Orem Metropolitan Water District	0.000027	
Central Utah Water Conservancy	0.000378	
Total Tax Rate	0.008763	
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project	0%	
Total Tax Increment Received	\$0	
Percent of Tax Increment for Haircut	100%	
Total Haircut Received	\$117,715	
TOTAL DISTRIBUTION	\$117,715	
EXPENDITURES		
Misc. Expenditures	\$88,599	
Redevelopment Activities	\$29,116	
TOTAL EXPENDITURES	\$117,715	



Orem RDA 85-04

Ongoing Budget
Multi-Year Project Area Budget Projections

11

	OPTIONAL EXTENSION OF HAIRCUT INCREMENT					TOTALS	NPV @ 5%	
	Tax Year	28	29	30	31			32
	Payment Year	2016	2017	2018	2019			2020
		2017	2018	2019	2020	2021		
REVENUES								
TAXABLE VALUATION:								
Locally Assessed Real	54,249,844	55,840,530	60,606,385	66,553,920	66,553,920			
Personal Property	-	-	3,467,961	3,467,961	3,467,961			
Centrally Assessed	1,563,007	424,583	512,825	750,512	750,512			
Total Assessed Value	55,812,851	56,265,113	64,587,171	70,772,393	70,772,393			
Less: Base Year Value	(18,801,179)	(18,801,179)	(18,801,179)	(18,801,179)	(18,801,179)			
Total Incremental Assessed Value	\$ 37,011,672	\$ 37,463,934	\$ 45,785,992	\$ 51,971,214	\$ 51,971,214			
Real Property/Centrally Assessed Tax Rate:								
Utah County	0.000834	0.000779	0.000732	0.000672	0.000672			
Alpine School District	0.007718	0.007087	0.006804	0.006498	0.006498			
Orem City	0.001550	0.001346	0.001281	0.001188	0.001188			
Orem Metropolitan Water District	0.000033	0.000031	0.000030	0.000027	0.000027			
Central Utah Water Conservancy	0.000386	0.000378	0.000374	0.000378	0.000378			
Less State Assessing & Collecting	0.000204	0.000180	0.000170	0.000158	0.000158			
Less Local Assessing & Collecting	0.000011	0.000010	0.000009	0.000009	0.000009			
Total Tax Rate	0.010736	0.009811	0.009400	0.008930	0.008930			
Actual Tax Rate Used by County in TIF Calculation	0.010521	0.009621	0.009221	0.008763	0.008763			
Actual Tax Rate Used by County in HAIRCUT Calculation	0.002803	0.002534	0.002417	0.002265	0.002265			
Percent of Tax Increment for Project								
		0%	0%	0%	0%	0%		
Percent of Tax Increment for Haircut								
		100%	100%	100%	100%	100%		
TAX INCREMENT REVENUES								
Property Tax Increment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,408,323	\$ 990,365	
Less Current Year Uncollected	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (139,493)	\$ (43,271)	
Plus Prior Years Late Collections	8,155	-	-	-	-	128,864	38,088	
Total Tax Increment Received by Agency	\$ 8,155	\$ -	\$ -	\$ -	\$ -	\$ 2,397,694	\$ 984,728	
HAIRCUT REVENUES								
Haircut Increment	\$ 103,744	\$ 94,934	\$ 110,665	\$ 117,715	\$ 117,715	\$ 1,253,548	\$ 382,566	
Less Current Year Uncollected	\$ (7,444)	\$ (18,231)	\$ (19,873)	\$ -	\$ -	\$ (107,775)	\$ (28,910)	
Plus Prior Years Late Collections	21,910	7,232	28,510	-	-	87,705	22,592	
Total Haircut Received by Agency	\$ 118,209	\$ 83,934	\$ 119,301	\$ 117,715	\$ 117,715	\$ 1,233,478	\$ 376,248	
TOTAL REVENUES RECEIVED	\$ 126,365	\$ 83,934	\$ 119,301	\$ 117,715	\$ 117,715	\$ 3,631,172	\$ 1,360,976	
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)								
Estimated Total Pass Through Increment	\$ 270,993	\$ 283,625	\$ 311,087	\$ 346,388	\$ 346,388	\$ 4,240,398	\$ 1,497,429	
EXPENDITURES								
Project Area Budget and Uses of Funds								
RDA Admin	\$ 50,000	-	-	-	-	\$ 285,409	\$ 91,189	
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)	127,613	-	-	-	-	\$ 2,396,549	\$ 869,433	
Optional Reimbursement to General Fund 2010 Roadway Project (Orem Blvd)	-	-	-	-	-	\$ -	\$ -	
Optional Reimbursement to Water Fund 2001 400 S Waterline Change Order #5	-	-	-	-	-	\$ -	\$ -	
Misc. Expenditures	177,941	197,581	-	153,312	88,599	\$ 958,216	\$ 356,908	
Interest Revenue	-	-	-	-	-	\$ (3,860)	\$ (1,114)	
Redevelopment Activities	(229,189)	(113,647)	119,301	(35,597)	29,116	\$ (54,542)	\$ 10,497	
Total Uses	\$ 126,365	\$ 83,934	\$ 119,301	\$ 117,715	\$ 117,715	\$ 3,631,172	\$ 1,360,976	

SECTION 7: 87-10 PROJECT AREA

Table 7.1: Project Area Overview

OVERVIEW				
Type RDA	Acreage 108	Purpose Commercial Development	Taxing District 090	Tax Rate TIF: 0.009221 Haircut: 0.002417
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 2018 Value \$104,631,674	Increase 219%	FY 2019 Increment \$161,507	Remaining Life 3 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.



The project area includes 108.45 developed acres. Within the Project Area, there are 17.86 residential acres including 88 townhomes and 316 apartments.

SOURCES OF FUNDS

Table 7.2: Sources of Funds

FY 2019 SOURCES OF FUNDS	
Haircut Increment	\$173,580
Current Year Uncollected	(\$18,751)
Prior Year Late Collection	\$6,677
Total Sources of Funds	\$161,507

Table 7.3: Tax Increment Levels

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



USES OF FUNDS

Table 7.4: Uses of Funds

FY 2019 USES OF FUNDS	
Developer Incentive Payments	-
Debt Service	\$50,000
Miscellaneous	-
Redevelopment Activities	\$114,828
Interest (Revenue)	(\$3,321)
Total Uses of Funds	\$161,507

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 2019, the 87-10 Project Area's portion of the debt service was \$50,000.

Table 7.5: Debt Service Payment

FY 2019 DEBT SERVICE PAYMENTS	
Series 2002 Sales Tax Revenue Bond Payment	\$50,000
Total Debt Service Payments	\$50,000

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

Table 7.6: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2019	\$167,003	\$161,507 ¹⁷	96.7%

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 (2018 vs. 2017)	\$104,631,674	\$96,313,028	8.6%	8.6%
Lifetime Growth in Project Area (2018 vs. Base)	\$104,631,674	\$32,815,215	218.9%	3.9%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2018 vs. 2017)	\$5,557,370,305	\$5,286,759,645	5.1%	5.1%
Lifetime Growth in Orem City (2018 vs. 1997 ¹⁸)	\$5,557,370,305	\$2,173,320,362	155.7%	4.6%

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 170 percent above what would have been realized if assessed values in the Project Area had remained at base year levels for all the taxing entities.

¹⁷ Current year Haircut including current and prior year delinquent increment.

¹⁸ 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 7.9: Growth in Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET REVENUES	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
FY 2019 Tax Increment	NA	\$161,507	\$302,589	53.4%
FY 2019 Pass Through	NA	\$513,568	\$302,589	169.7%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

- 104 new apartment units in Midtown 360 were occupied summer of 2019
- Sunrise Square, a 5,300 SF retail 3-unit building was constructed
- Asado Argentinian Grill expanded and doubled the restaurant site
- Café 360 is anticipated to open late 2019 in Midtown 360

FORECASTED PROJECT AREA BUDGET UPDATE

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

Table 7.10: Project Area Budget

PROJECT AREA BUDGET		FY 2020-2022	
REVENUES	TOTALS		NPV@5%
Haircut Increment		\$647,755	\$587,999
Total Revenue		\$647,755	\$587,999
EXPENDITURES	TOTALS		NPV@5%
Admin		\$60,000	\$57,143
Misc. Expenditures		\$484,268	\$461,208
Redevelopment Activities/Fund Balance		\$73,487	\$64,400
Debt Service		\$30,000	\$27,211
Total		\$647,755	\$587,999

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 sheets represent the FY 2019, FY 2020, FY 2021, and the full multi-year budget from 2017 to 2021 for the 87-10 Project Area.



OREM RDA 87-10

2019 Actual

	Yr. 29
	2018
	2019
ASSESSED VALUATION	
TAXABLE VALUATION	
Real Property	\$97,805,510
Personal Property	\$6,269,055
Centrally Assessed	\$557,109
Total Assessed Value	\$104,631,674
Less: Base Year Value	(\$32,815,215)
Incremental Assessed Value	\$71,816,459
TAX INCREMENT ANALYSIS	
Tax Rate	
Utah County	0.000732
Alpine School District	0.006804
Orem City	0.001281
Orem Metropolitan Water District	0.000030
Central Utah Water Conservancy	0.000374
Total Tax Rate	0.009221
PROJECT AREA BUDGET	
TAX INCREMENT REVENUES	
Percent of Tax Increment for Project	0%
Total Tax Increment Received	\$0
Percent of Tax Increment for Haircut	100%
Total Haircut Received	\$161,507
TOTAL DISTRIBUTION	\$161,507
EXPENDITURES	
Debt Service (Haircut Eligible)	\$50,000
Interest Revenue	(\$3,321)
Redevelopment Activities	\$114,828
TOTAL EXPENDITURES	\$161,507

Tax Year
Payment Year



OREM RDA 87-10

2020 Annual Budget

	Tax Year	Payment Year
	Yr. 30	
	2019	
	2020	
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property	\$121,078,378	
Personal Property	\$6,269,055	
Centrally Assessed	\$795,968	
Total Assessed Value	\$128,143,401	
Less: Base Year Value	(\$32,815,215)	
Incremental Assessed Value	\$95,328,186	
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County	0.000672	
Alpine School District	0.006498	
Orem City	0.001188	
Orem Metropolitan Water District	0.000027	
Central Utah Water Conservancy	0.000378	
Total Tax Rate	0.008763	
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project	0%	
Total Tax Increment Received	\$0	
Percent of Tax Increment for Haircut	100%	
Total Haircut Received	\$215,918	
TOTAL DISTRIBUTION	\$215,918	
EXPENDITURES		
RDA Admin	\$60,000	
Redevelopment Activities	\$155,918	
TOTAL EXPENDITURES	\$215,918	



OREM RDA 87-10

2021 Annual Budget

	Tax Year	Yr. 31
	Payment Year	2020
		2021
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$121,078,378
Personal Property		\$6,269,055
Centrally Assessed		\$795,968
Total Assessed Value		\$128,143,401
Less: Base Year Value		(\$32,815,215)
Incremental Assessed Value		\$95,328,186
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000672
Alpine School District		0.006498
Orem City		0.001188
Orem Metropolitan Water District		0.000027
Central Utah Water Conservancy		0.000378
Total Tax Rate		0.008763
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		0%
Total Tax Increment Received		\$0
Percent of Tax Increment for Haircut		100%
Total Haircut Received		\$215,918
TOTAL DISTRIBUTION		\$215,918
EXPENDITURES		
Debt Service (Haircut Eligible)		\$30,000
Misc. Expenditures		\$484,268
Redevelopment Activities		(\$298,350)
TOTAL EXPENDITURES		\$215,918



Orem RDA 87-10

Ongoing Budget
Multi-Year Project Area Budget Projections

	OPTIONAL EXTENSION OF HAIRCUT INCREMENT					
	27	28	29	30	31	32
	Tax Year 2016	2017	2018	2019	2020	2021
Payment Year	2017	2018	2019	2020	2021	2022
REVENUES						
TAXABLE VALUATION						
Locally Assessed Real	84,539,295	93,277,355	97,805,510	121,078,378	121,078,378	121,078,378
Personal Property	2,641,834	2,514,574	6,269,055	6,269,055	6,269,055	6,269,055
Centrally Assessed	1,053,296	521,099	557,109	795,968	795,968	795,968
Total Assessed Value	88,234,425	96,313,028	104,631,674	128,143,401	128,143,401	128,143,401
Less: Base Year Value	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)	(32,815,215)
Total Incremental Assessed Value	\$ 55,419,210	\$ 63,497,813	\$ 71,816,459	\$ 95,328,186	\$ 95,328,186	\$ 95,328,186
Real Property/Centrally Assessed Tax Rate:						
Utah County	0.000834	0.000779	0.000732	0.000672	0.000672	0.000672
Alpine School District	0.007718	0.007087	0.006804	0.006498	0.006498	0.006498
Orem City	0.001550	0.001346	0.001281	0.001188	0.001188	0.001188
Orem Metropolitan Water District	0.000033	0.000031	0.000030	0.000027	0.000027	0.000027
Central Utah Water Conservancy	0.000386	0.000378	0.000374	0.000378	0.000378	0.000378
Less State Assessing & Collecting	0.000204	0.000180	0.000170	0.000158	0.000158	0.000158
Less Local Assessing & Collecting	0.000011	0.000010	0.000009	0.000009	0.000009	0.000009
Total Tax Rate	0.010736	0.009811	0.009400	0.008930	0.008930	0.008930
Actual Tax Rate Used by County in TIF Calculation	0.010521	0.009621	0.009221	0.008763	0.008763	0.008763
Actual Tax Rate Used by County in HAIRCUT Calculation	0.002803	0.002534	0.002417	0.002265	0.002265	0.002265
Percent of Tax Increment for Project						
	0%	0%	0%	0%	0%	0%
Percent of Tax Increment for Haircut						
	100%	100%	100%	100%	100%	100%
TAX INCREMENT REVENUES						
Property Tax Increment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less Current Year Uncollected	-	-	-	-	-	-
Plus Prior Years Late Collections	-	-	-	-	-	-
Total Tax Increment Received by Agency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
HAIRCUT REVENUES						
Haircut Increment	\$ 155,340	\$ 160,903	\$ 173,580	\$ 215,918	\$ 215,918	\$ 215,918
Less Current Year Uncollected	(1,224)	(12,996)	(18,751)	-	-	-
Plus Prior Years Late Collections	7,515	6,878	6,677	-	-	-
Total Haircut Received by Agency	\$ 161,631	\$ 154,785	\$ 161,507	\$ 215,918	\$ 215,918	\$ 215,918
TOTAL REVENUES RECEIVED	\$ 161,631	\$ 154,785	\$ 161,507	\$ 215,918	\$ 215,918	\$ 215,918
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)						
Estimated Total Pass Through Increment	\$ 433,349	\$ 468,192	\$ 513,568	\$ 635,362	\$ 635,362	\$ 635,362
EXPENDITURES						
Project Area Budget and Uses of Funds						
RDA Admin	\$ -	\$ -	\$ -	\$ 60,000	\$ -	\$ -
Developer Reimbursement (Boyer)	-	-	-	-	-	-
Eligible City Projects Reimbursement	-	200,000	-	-	-	-
Developer Reimbursement (Fund 45 Lakeside Park)	-	-	-	-	-	-
Debt Service (Haircut Eligible)	211,631	160,000	50,000	-	30,000	-
Reimbursement to General Fund for Haircut Eligible Expenses	-	-	-	-	-	-
Misc. Expenditures	52,423	92,742	-	-	484,268	-
Sales Tax Revenue from City	-	-	-	-	-	-
Reimbursement to General Fund for Sales Tax Revenue Loan	-	-	-	-	-	-
Interest Revenue	(2,877)	(151)	(3,321)	-	-	-
Redevelopment Activities	(99,546)	(297,806)	114,828	155,918	(298,350)	215,918
Total Uses	\$ 161,631	\$ 154,785	\$ 161,507	\$ 215,918	\$ 215,918	\$ 215,918

SECTION 8: 90-08 PROJECT AREA

Table 8.1: Project Area Overview

OVERVIEW				
Type RDA	Acreage 63	Purpose Commercial Development	Taxing District 090	Tax Rate TIF: 0.009290 Haircut: 0.002417
Creation Year FY 1990	Base Year FY 1990	Term 32 Years ¹⁹	Trigger Year FY 1993	Expiration Year FY 2024
Base Value \$11,172,447	TY 2018 Value \$48,776,200	Increase 337%	FY 2019 Increment \$251,685	Remaining Life 5 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.



The Project Area includes 1.48 undeveloped acres and 61.77 developed acres. The Project Area includes 13.82 acres of residential development including six single family homes and 236 apartments.

SOURCES OF FUNDS

Table 8.2: Sources of Funds

2019 SOURCES OF FUNDS	
Property Tax Increment	\$209,603
Current Year Uncollected Increment	(\$4,988)
Prior Year Late Collections	\$9,919
Haircut Increment	\$36,355
Current Year Uncollected Haircut	(\$865)
Prior Year Late Collections	\$1,661
Total Sources of Funds	\$251,685

¹⁹ The actual term of tax increment financing will be 28 years, as no increment was taken for a period.



Table 8.3: Tax Increment Levels

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

USES OF FUNDS

Table 8.4: Uses of Funds

2019 USES OF FUNDS	
RDA Administration	\$50,000
Debt Service	\$40,000
Misc.	\$26,102
Interest (Revenue)	(\$18,966)
Redevelopment Activity	\$154,549
Total Uses of Funds	\$251,685

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 2019, the 90-08 Project Area's portion of the debt service was \$40,000.

Table 8.5: Debt Service Payment

FY 2017 DEBT SERVICE PAYMENTS	
Series 2002 Sales Tax Revenue Bond Payment	\$40,000
Total Debt Service Payments	\$40,000

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

Table 8.6: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	ACTUAL	FORECASTED	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2019	\$251,093 ²¹	\$213,093	118.1%

RELATIVE GROWTH IN ASSESSED VALUE

Table 8.7: Growth in Assessed Value

GROWTH IN ASSESSED VALUE	CURRENT YEAR	COMPARISON YEAR	GROWTH RATE	AAGR
ASSESSED VALUES IN PROJECT AREA				
Annual Growth in Project Area (2018 vs. 2017)	\$48,776,200	\$42,018,283	16.1%	16.1%
Lifetime Growth in Project Area (2018 vs. Base)	\$48,776,200	\$11,172,447	336.6%	5.4%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2018 vs. 2017)	\$5,557,370,305	\$5,286,759,645	5.1%	5.1%
Lifetime Growth in Orem City (2018 vs. 1997 ²²)	\$5,557,370,305	\$2,173,320,362	155.7%	4.6%

²⁰ 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.

²¹ Current year increment and haircut excluding current and prior year delinquent increment.

²² 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.



BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 8.8: Benefits to Taxing Entities

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

GROWTH IN PROPERTY TAX INCREMENT

Currently the only taxing entity receiving increment is the School District. Annual property tax increment (above the base amount) currently being returned to the School District is 101 percent 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 243 percent increase in annual tax increment.

Table 8.9: Growth in Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET REVENUES	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
FY 2019 Tax Increment	NA	\$251,685	\$103,792	242.5%
FY2019 Pass Through	NA	\$104,385	\$103,792	100.6%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

- The Superior Indoor Climate Controlled storage building was completed in 2019

FORECASTED PROJECT AREA BUDGET UPDATE

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

Table 8.10: Project Area Budget

PROJECT AREA BUDGET		2020-2024	
REVENUES	TOTALS	NPV @5%	
Property Tax Increment	\$458,526	\$426,294	
Haircut Increment	\$375,303	\$317,410	
Total Revenue	\$833,829	\$743,704	
EXPENDITURES	TOTALS	NPV @5%	
Admin	\$1,015,000	\$843,377	
Misc., Expenditures	\$37,252	\$35,478	
Redevelopment Activities/Fund Balance	(\$562,658)	(\$393,969)	
Debt Service	(\$518,133)	(\$385,220)	
Total	\$833,829	\$743,704	

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 sheets represent the FY 2019, FY 2020, FY 2021, and the full multi-year budget from 2017 to 2024 for the 90-08 Project Area.



Orem RDA 90-08

2019 Actual

	Tax Year Payment Year	Yr. 23
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$41,896,895
Personal Property		\$5,753,205
Centrally Assessed		\$1,126,100
Total Assessed Value		\$48,776,200
Less: Base Year Value		(\$11,172,447)
Incremental Assessed Value		\$37,603,753
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000732
Alpine School District		0.006804
Orem City		0.001281
Orem Metropolitan Water District		0.000030
Central Utah Water Conservancy		0.000374
Total Tax Rate		0.009290
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		60%
Total Tax Increment Received		\$214,534
Percent of Tax Increment for Haircut		40%
Total Haircut Received		\$37,151
TOTAL DISTRIBUTION		\$251,685
EXPENDITURES		
RDA Admin		\$50,000
Debt Service (Haircut Eligible)		\$40,000
Misc. Expenditures		\$26,102
Interest Revenue		(\$18,966)
Redevelopment Activities		\$154,549
TOTAL EXPENDITURES		\$251,685



Orem RDA 90-08

2020 Annual Budget

	Tax Year Payment Year	Yr. 24
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$47,840,980
Personal Property		\$5,753,205
Centrally Assessed		\$1,182,629
Total Assessed Value		\$54,776,814
Less: Base Year Value		(\$11,172,447)
Incremental Assessed Value		\$43,604,367
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000672
Alpine School District		0.006434
Orem City		0.001188
Orem Metropolitan Water District		0.000027
Central Utah Water Conservancy		0.000378
Total Tax Rate		0.008763
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		60%
Total Tax Increment Received		\$229,263
Percent of Tax Increment for Haircut		40%
Total Haircut Received		\$39,506
TOTAL DISTRIBUTION		\$268,769
EXPENDITURES		
RDA Admin		\$40,000
Debt Service (Haircut Eligible)		\$40,000
Misc. Expenditures		\$0
Interest Revenue		\$0
Redevelopment Activities		\$188,769
TOTAL EXPENDITURES		\$268,769



Orem RDA 90-08

2021 Annual Budget

	Tax Year Payment Year	Yr. 25
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$47,840,980
Personal Property		\$5,753,205
Centrally Assessed		\$1,182,629
Total Assessed Value		\$54,776,814
Less: Base Year Value		(\$11,172,447)
Incremental Assessed Value		\$43,604,367
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000672
Alpine School District		0.006434
Orem City		0.001188
Orem Metropolitan Water District		0.000027
Central Utah Water Conservancy		0.000378
Total Tax Rate		0.008763
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project		60%
Total Tax Increment Received		\$229,263
Percent of Tax Increment for Haircut		40%
Total Haircut Received		\$39,506
TOTAL DISTRIBUTION		\$268,769
EXPENDITURES		
RDA Admin		\$30,000
Debt Service (Haircut Eligible)		\$0
Misc. Expenditures		\$37,252
Interest Revenue		\$0
Redevelopment Activities		\$201,517
TOTAL EXPENDITURES		\$268,769



Orem RDA 90-08

Ongoing Budget
Multi-Year Project Area Budget Projections

	OPTIONAL EXTENSION OF HAIRCUT								
	21	22	23	24	25	26	27	28	
	Tax Year Payment Year 2016 2017	2017 2018	2018 2019	2019 2020	2020 2021	2021 2022	2022 2023	2023 2024	
REVENUES									
TAXABLE VALUATION:									
Locally Assessed Real	38,936,955	40,924,765	41,896,895	47,840,980	47,840,980	47,840,980	47,840,980	47,840,980	47,840,980
Personal Property	-	-	5,753,205	5,753,205	5,753,205	5,753,205	5,753,205	5,753,205	5,753,205
Centrally Assessed	937,161	1,093,518	1,126,100	1,182,629	1,182,629	1,182,629	1,182,629	1,182,629	1,182,629
Total Assessed Value	39,874,116	42,018,283	48,776,200	54,776,814	54,776,814	54,776,814	54,776,814	54,776,814	54,776,814
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)
Total Incremental Assessed Value	\$ 28,701,669	\$ 30,845,836	\$ 37,603,753	\$ 43,604,367	\$ 43,604,367	\$ 43,604,367	\$ 43,604,367	\$ 43,604,367	\$ 43,604,367
Real Property/Centrally Assessed Tax Rate:									
Utah County	0.000834	0.000779	0.000732	0.000672	0.000672	0.000672	0.000672	0.000672	0.000672
Alpine School District	0.007718	0.007087	0.006804	0.006434	0.006434	0.006434	0.006434	0.006434	0.006434
State Charter School - Alpine	-	0.000080	0.000069	0.000064	0.000064	0.000064	0.000064	0.000064	0.000064
Orem City	0.001550	0.001346	0.001281	0.001188	0.001188	0.001188	0.001188	0.001188	0.001188
Orem Metropolitan Water District	0.000033	0.000031	0.000030	0.000027	0.000027	0.000027	0.000027	0.000027	0.000027
Central Utah Water Conservancy	0.000386	0.000378	0.000374	0.000378	0.000378	0.000378	0.000378	0.000378	0.000378
Less State Assessing & Collecting	0.000204	0.000180	0.000170	0.000158	0.000158	0.000158	0.000158	0.000158	0.000158
Less Local Assessing & Collecting	0.000011	0.000010	0.000009	0.000009	0.000009	0.000009	0.000009	0.000009	0.000009
Total Tax Rate	0.010736	0.009891	0.009469	0.008930	0.008930	0.008930	0.008930	0.008930	0.008930
Actual Tax Rate Used by County in TIF Calculation	0.010521	0.009701	0.009290	0.008763	0.008763	0.008763	0.008763	0.008763	0.008763
Actual Tax Rate Used by County in HAIRCUT Calculation	0.002803	0.002534	0.002417	0.002265	0.002265	0.002265	0.002265	0.002265	0.002265
Percent of Tax Increment for Project									
	60%	60%	60%	60%	60%	0%	0%	0%	0%
Percent of Tax Increment for Haircut									
	40%	40%	40%	40%	40%	100%	100%	100%	100%
TAX INCREMENT REVENUES									
Property Tax Increment	\$ 181,182	\$ 179,541	\$ 209,603	\$ 229,263	\$ 229,263	\$ -	\$ -	\$ -	\$ -
Less Current Year Uncollected	\$ (1,174)	\$ (1,149)	\$ (4,988)						
Plus Prior Years Late Collections	3,641	6,506	9,919						
Total Tax Increment Received by Agency	\$ 183,650	\$ 184,898	\$ 214,534	\$ 229,263	\$ 229,263	\$ -	\$ -	\$ -	\$ -
HAIRCUT REVENUES									
Haircut Increment	\$ 32,180	\$ 31,265	\$ 36,355	\$ 39,506	\$ 39,506	\$ 98,764	\$ 98,764	\$ 98,764	\$ 98,764
Less Current Year Uncollected	\$ (208)	\$ (200)	\$ (865)						
Plus Prior Years Late Collections	415	929	1,661						
Total Haircut Received by Agency	\$ 32,387	\$ 31,994	\$ 37,151	\$ 39,506	\$ 39,506	\$ 98,764	\$ 98,764	\$ 98,764	\$ 98,764
TOTAL REVENUES RECEIVED	\$ 216,037	\$ 216,892	\$ 251,685	\$ 268,769	\$ 268,769	\$ 98,764	\$ 98,764	\$ 98,764	\$ 98,764
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)									
Estimated Total Pass Through Increment	\$ 92,104	\$ 88,204	\$ 104,385	\$ 120,618	\$ 120,618	\$ 290,623	\$ 290,623	\$ 290,623	\$ 290,623
EXPENDITURES									
Project Area Budget and Uses of Funds									
RDA Admin	\$ 100,000	\$ 50,000	\$ 50,000	\$ 40,000	\$ 30,000	\$ 315,000	\$ 315,000	\$ 315,000	\$ 315,000
Developer Reimbursement (Woodbury Amsource)	-	-	-	-	-	-	-	-	-
Developer Reimbursement (Fund 45 Lakeside Park)	-	-	-	-	-	-	-	-	-
Debt Service (Haircut Eligible)	52,387	-	40,000	40,000	-	-	259,710	-	-
Optional Reimbursement to Road Fund 2001 800 N State St. Traffic	-	-	-	-	-	-	-	-	-
Misc. Expenditures	-	23,900	26,102	-	37,252	-	-	-	-
Interest Revenue	(4,096)	(5,455)	(18,966)	-	-	-	-	-	-
Redevelopment Activities	67,746	148,447	154,549	188,769	201,517	(216,236)	(475,946)	(216,236)	(216,236)
Total Uses	\$ 216,037	\$ 216,892	\$ 251,685	\$ 268,769	\$ 268,769	\$ 98,764	\$ 98,764	\$ 98,764	\$ 98,764



SECTION 9: UNIVERSITY PLACE CDA PROJECT AREA

Table 9.1: Project Area Overview

OVERVIEW				
Type CDA	Acreage 134	Purpose Commercial Development	Taxing District 090	Tax Rate 0.009701
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 2018 Value \$275,499,081	Increase 113%	FY 2019 Increment \$894,777	Remaining Life 19 Years

The University Place CDA was approved in 2014. The Project Area is located on the northeast corner of State Street and University Parkway. The majority of the Project Area will be a master planned development surrounding the University Mall with the intention of revitalizing the area. The planned development includes residential, office, retail, and civic uses. The Project Area is comprised of 8.04 undeveloped acres and 125.56 developed acres. The Project Area includes 9.28 residential acres including two single family units and 478 apartments.

SOURCES OF FUNDS

Table 9.2: Sources of Funds

FY 2019 SOURCES OF FUNDS	
Increment	\$918,863
Current Year Uncollected	(\$24,086)
Prior Year Late Collection	-
Total Sources of Funds	\$894,777

Table 9.3: Participation Rate

Taxing Entity	Years	% of Tax Increment
Utah County	TY 2018-2037	75%
Alpine School District		65%
Orem City		75%
Orem Metropolitan Water District		75%
Central Utah Water Conservancy District		75%

USES OF FUNDS

Table 9.4: Uses of Funds

FY 2019 USES OF FUNDS	
Developer Incentive Payments	\$805,299
RDA Admin	\$44,739
Redevelopment Activities/Fund Balance	\$48,875
Interest (Revenue)	(\$4,136)
Total Uses of Funds	\$894,777

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

Table 9.5: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2019	\$930,434	\$894,777 ²³	96.2%

²³ Current year Tax Increment including current and prior year delinquent increment.



RELATIVE GROWTH IN ASSESSED VALUE

Table 9.6: 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 (2018 vs. 2017)	\$275,499,081	\$202,199,080	36.3%	36.3%
Lifetime Growth in Project Area (2018 vs. Base)	\$275,499,081	\$129,187,998	113.3%	16.4%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2018 vs. 2017)	\$5,557,370,305	\$5,286,759,645	5.1%	5.1%
Lifetime Growth in Orem City (2018 vs. 1997 ²⁴)	\$5,557,370,305	\$2,173,320,362	155.7%	4.6%

BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 9.7: 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

The pass-through revenue in the Project Area is 36.7 percent of the base year value. As value is added in the Project Area, the pass-through to taxing entities will increase.

Table 9.8: Growth in Tax Increment

GROWTH IN TAX INCREMENT	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
FY2019 Tax Increment	\$894,777	\$1,200,157	74.6%
FY 2019 Pass Through	\$440,367	\$1,200,157	36.7%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

- The Devon Apartments, comprised of 129 units, will be completed and open for occupancy November 2019
- The Exton Apartments, comprised of 70 units (wrapping around the parking structure), will be completed and open for occupancy March 2020
- Los Hermanos opened 2019
- Carraba's Grill (683 E University Parkway) is undergoing a 1,625 SF remodel
- Kickin Cajun Seafood opened 2019
- Cotton On is undergoing an interior remodel
- Footlocker is undergoing an interior remodel
- Macey's closed

In the next phase of development, an 8-story commercial building (including 5 stories of parking and 3 stories of office) will be constructed and a new anchor tenant will be found to replace Macy's.

²⁴ 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.



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 9.9: Project Area Budget

PROJECT AREA BUDGET		FY 2020-2038	
REVENUES		TOTALS	NPV@5%
Tax Increment		\$16,463,883	\$10,472,174
Total Revenue		\$16,463,883	\$10,472,174
EXPENDITURES		TOTALS	NPV@5%
Redevelopment Activities/Fund Balance		\$16,463,883	\$10,472,174
Total		\$16,463,883	\$10,472,174

OTHER ISSUES

LYRB has not identified any other major areas of concern with the University Place 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 sheets represent the FY 2019, FY 2020, FY 2021, and the full multi-year budget from 2017 to 2021 for the 87-10 Project Area.



Orem University Place CDA

2019 Actual

	Tax Year	Yr. Year 1
	Payment Year	
		2018
		2019
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$259,175,895
Personal Property		\$15,553,442
Centrally Assessed		\$769,744
Total Assessed Value		\$275,499,081
Less: Base Year Value		(\$129,187,998)
Incremental Assessed Value		\$146,311,083
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000732
Alpine School District		0.006804
State Charter School - Alpine		0.000069
Orem City		0.001281
Orem Metropolitan Water District		0.000030
Central Utah Water Conservancy District		0.000374
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Utah County		75%
Alpine School District		65%
State Charter School - Alpine		65%
Orem City		75%
Orem Metropolitan Water District		75%
Central Utah Water Conservancy District		75%
TOTAL DISTRIBUTION		\$894,777
EXPENDITURES		
RDA Admin		\$44,739
Developer Reimbursement		\$805,299
Debt Service		\$0
Misc. Expenditures		\$0
Interest Revenue		(\$4,136)
Redevelopment Activities		\$48,875
TOTAL EXPENDITURES		\$894,777



Orem University Place CDA

2020 Annual Budget

	Tax Year	Yr. Year 2
	Payment Year	
		2019
		2020
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$259,175,895
Personal Property		\$15,553,442
Centrally Assessed		\$769,744
Total Assessed Value		\$275,499,081
Less: Base Year Value		(\$129,187,997)
Incremental Assessed Value		\$146,311,084
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000672
Alpine School District		0.006434
State Charter School - Alpine		0.000064
Orem City		0.001188
Orem Metropolitan Water District		0.000027
Central Utah Water Conservancy District		0.000378
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Utah County		75%
Alpine School District		65%
State Charter School - Alpine		65%
Orem City		75%
Orem Metropolitan Water District		75%
Central Utah Water Conservancy District		75%
TOTAL DISTRIBUTION		\$866,520
EXPENDITURES		
RDA Admin		\$0
Developer Reimbursement		\$0
Debt Service		\$0
Misc. Expenditures		\$0
Interest Revenue		\$0
Redevelopment Activities		\$866,520
TOTAL EXPENDITURES		\$866,520



Orem University Place CDA

2021 Annual Budget

	Tax Year	Yr. Year 3
	Payment Year	
	2020	2021
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$259,175,895
Personal Property		\$15,553,442
Centrally Assessed		\$769,744
Total Assessed Value		\$275,499,081
Less: Base Year Value		(\$129,187,996)
Incremental Assessed Value		\$146,311,085
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000672
Alpine School District		0.006434
State Charter School - Alpine		0.000064
Orem City		0.001188
Orem Metropolitan Water District		0.000027
Central Utah Water Conservancy District		0.000378
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Utah County		75%
Alpine School District		65%
State Charter School - Alpine		65%
Orem City		75%
Orem Metropolitan Water District		75%
Central Utah Water Conservancy District		75%
TOTAL DISTRIBUTION		\$866,520
EXPENDITURES		
RDA Admin		\$0
Developer Reimbursement		\$0
Debt Service		\$0
Misc. Expenditures		\$0
Interest Revenue		\$0
Redevelopment Activities		\$866,520
TOTAL EXPENDITURES		\$866,520



University Place CDA

Ongoing Budget

Multi-Year Project Area Budget Projections



Tax Year	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Payment Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
TAXABLE VALUATION																				
Real	259,175,895	259,175,895	259,175,895	259,175,895	259,175,895	259,175,895	259,175,895	259,175,895	259,175,895	259,175,895	259,175,895	259,175,895	259,175,895	259,175,895	259,175,895	259,175,895	259,175,895	259,175,895	259,175,895	259,175,895
Personal	15,553,442	15,553,442	15,553,442	15,553,442	15,553,442	15,553,442	15,553,442	15,553,442	15,553,442	15,553,442	15,553,442	15,553,442	15,553,442	15,553,442	15,553,442	15,553,442	15,553,442	15,553,442	15,553,442	15,553,442
Centrally Assessed	769,744	769,744	769,744	769,744	769,744	769,744	769,744	769,744	769,744	769,744	769,744	769,744	769,744	769,744	769,744	769,744	769,744	769,744	769,744	769,744
Total Assessed Value	275,499,081	275,499,081	275,499,081	275,499,081	275,499,081	275,499,081	275,499,081	275,499,081	275,499,081	275,499,081	275,499,081	275,499,081	275,499,081	275,499,081	275,499,081	275,499,081	275,499,081	275,499,081	275,499,081	275,499,081
Base Year Value	(129,187,998)	(129,187,997)	(129,187,996)	(129,187,995)	(129,187,994)	(129,187,993)	(129,187,992)	(129,187,991)	(129,187,990)	(129,187,989)	(129,187,988)	(129,187,987)	(129,187,986)	(129,187,985)	(129,187,984)	(129,187,983)	(129,187,982)	(129,187,981)	(129,187,980)	(129,187,979)
Total Incremental Value	146,311,083	146,311,084	146,311,085	146,311,086	146,311,087	146,311,088	146,311,089	146,311,090	146,311,091	146,311,092	146,311,093	146,311,094	146,311,095	146,311,096	146,311,097	146,311,098	146,311,099	146,311,100	146,311,101	146,311,102
Tax Rate																				
Utah County	0.000732	0.000672	0.000672	0.000672	0.000672	0.000672	0.000672	0.000672	0.000672	0.000672	0.000672	0.000672	0.000672	0.000672	0.000672	0.000672	0.000672	0.000672	0.000672	0.000672
Alpine School District	0.006804	0.006434	0.006434	0.006434	0.006434	0.006434	0.006434	0.006434	0.006434	0.006434	0.006434	0.006434	0.006434	0.006434	0.006434	0.006434	0.006434	0.006434	0.006434	0.006434
State Charter School - Alpine	0.000069	0.000064	0.000064	0.000064	0.000064	0.000064	0.000064	0.000064	0.000064	0.000064	0.000064	0.000064	0.000064	0.000064	0.000064	0.000064	0.000064	0.000064	0.000064	0.000064
Orem City	0.001281	0.001188	0.001188	0.001188	0.001188	0.001188	0.001188	0.001188	0.001188	0.001188	0.001188	0.001188	0.001188	0.001188	0.001188	0.001188	0.001188	0.001188	0.001188	0.001188
Orem Metropolitan Water District	0.000030	0.000027	0.000027	0.000027	0.000027	0.000027	0.000027	0.000027	0.000027	0.000027	0.000027	0.000027	0.000027	0.000027	0.000027	0.000027	0.000027	0.000027	0.000027	0.000027
Central Utah Water Conservancy District	0.000374	0.000378	0.000378	0.000378	0.000378	0.000378	0.000378	0.000378	0.000378	0.000378	0.000378	0.000378	0.000378	0.000378	0.000378	0.000378	0.000378	0.000378	0.000378	0.000378
Total	0.009290	0.008763	0.008763	0.008763	0.008763	0.008763	0.008763	0.008763	0.008763	0.008763	0.008763	0.008763	0.008763	0.008763	0.008763	0.008763	0.008763	0.008763	0.008763	0.008763
Property Tax Participation Rate																				
Utah County	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Alpine School District	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%
State Charter School - Alpine	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%
Orem City	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Orem Metropolitan Water District	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Central Utah Water Conservancy District	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Property Tax Increment for Budget																				
Utah County	80,325	73,741	73,741	73,741	73,741	73,741	73,741	73,741	73,741	73,741	73,741	73,741	73,741	73,741	73,741	73,741	73,741	73,741	73,741	73,741
Alpine School District	647,075	611,888	611,888	611,888	611,888	611,888	611,888	611,888	611,888	611,888	611,888	611,888	611,888	611,888	611,888	611,888	611,888	611,888	611,888	611,888
State Charter School - Alpine	6,562	6,087	6,087	6,087	6,087	6,087	6,087	6,087	6,087	6,087	6,087	6,087	6,087	6,087	6,087	6,087	6,087	6,087	6,087	6,087
Orem City	140,568	130,363	130,363	130,363	130,363	130,363	130,363	130,363	130,363	130,363	130,363	130,363	130,363	130,363	130,363	130,363	130,363	130,363	130,363	130,363
Orem Metropolitan Water District	3,292	2,963	2,963	2,963	2,963	2,963	2,963	2,963	2,963	2,963	2,963	2,963	2,963	2,963	2,963	2,963	2,963	2,963	2,963	2,963
Central Utah Water Conservancy District	41,040	41,479	41,479	41,479	41,479	41,479	41,479	41,479	41,479	41,479	41,479	41,479	41,479	41,479	41,479	41,479	41,479	41,479	41,479	41,479
Total Increment	918,863	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520
Less Current Year Uncollected	(24,086)																			
Plus Prior Year Late Collections																				
Total Revenues Received	894,777	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520
Estimated Pass Through Increment	440,367	415,604	415,604	415,604	415,604	415,604	415,604	415,604	415,604	415,604	415,604	415,604	415,604	415,604	415,604	415,604	415,604	415,604	415,604	415,604
EXPENDITURES																				
Project Area Budget and Uses of Funds																				
RDA Admin	\$ 44,739																			
Developer Reimbursement	805,299																			
Debt Service																				
Misc. Expenditures																				
Interest Revenue	(4,136)																			
Redevelopment Activities	48,875	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520
Total Uses	894,777	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520	866,520